

BALMAIN



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FASH 119 ONC

HUMBER COLLEGE

1) PRODUCT

Good

Balmain Paris signature style was always empowering and luxurious. When Oliver Rousteing took over in 2011, Balmain turned out to be famous for its grungy and sexy collections. Balmain surrounds itself with goods to inspire others in buying their product. The brand sells a variety of different goods such as: fragrance, clothing, footwear, hair products, belts, accessories to have that “perfect look”. They market their brand with young celebrities to inspire generation Y (people born between 1972 and 1992). You can also purchase their goods online and if you do, with a value of \$74.00 or more, Balmain Hair ships for free along with 24 hours shipping service delivered to your door.

2) PRICE

Balmain Paris is a high fashion brand, which means that their pricing is higher. For instance, bags are roughly \$200.00 to \$5,000.00, shoes can be \$750.00 to \$1,500.00 and clothing for women and men can range around \$850.00 to \$9000.00. Products that are less expensive would be their *hair couture* product starting at \$7.99 and can mark up to \$277.00.

3) PLACE

All of these products can be found in boutiques in Paris, London, different cities in China, Seoul, Tokyo, and Dubai. A more convenient way Balmain sells their products is online at Balmain.com and Balmainhair.com.

4) PROMOTION

Balmain Paris uses Ad campaigns for promotion. Recently, Kendall Jenner and her sister Kylie were starred in an ad campaign, along with Gigi Hadid and her sister Bella Hadid. Oliver did this to promote the line as youthful, his words were: “They represent the fresh, diverse and open spirit of a new generation of fashion”. Balmain also uses newsletters, seasonal sales, and of course, their spectacular fashion shows to promote their brand.

1) PRODUCT

H&M has a huge influence on marketing and it is important for the brand to portray a positive image. H&M provides more varieties of ready to wear fashion rather than high-end couture fashion. H&M also sells a variety of products like, women’s clothing including lingerie, maternity wear and sportswear, Men’s clothing, children’s wear, home décor such as towels, curtains, bed linens, candles, blankets etc. they also sell women and men footwear.

2) PLACE

Buying these products is more accessible; customers can purchase these products online at hm.com or in more than 3,700 stores all over the world.

3) PRICE

Pricing is very important and H&M uses several pricing strategies to accommodate their consumers. For instance, they use the approach of penetrating prices. Therefore, they set the price of their products affordable for shoppers, giving them a chance to have a feel of their product and appreciation. Prices range from \$10.00 to \$200.00 depending on what kind of product you are buying; rather it’s a shirt or their fabulous quilted bomber jacket.

4) PROMOTION

H&M promotes with their very own H&M fashion news which gives customers and idea of the latest H&M news, exclusive offers and sneak peeks of their new collections before they enter the stores. H&M also offers sustainable clothes that are better for the environment overall, the brand is ranked number one user of organic cotton in the world. H&M also uses other organic materials such as hemp and recycled wool. H&M not only uses sustainable clothing to help the environment but to also have a good reputation on the market; if consumers know they are eco-friendly, they will purchase their products more often. Another promotion that the brand uses is ad campaigns, H&M designs these to give a clear image to the customer of what is new at H&M. Their media strategies are structured for specific local areas and conditions. They promote their business to be “fashion and quality at the best price”.

PART B –TOTAL PRODUCT CONCEPT – H&M



H&M offers durable goods such as clothing and accessories. Their target market consists of students, women and men that would like to be fashion forward while also paying an affordable price. H&M clothes are inspired by what's on the runways each season. H&M is known for their fast fashion, casual and semi-formal attire.

Total product concept H&M:

- **Core Product** is the fundamental benefit of the product. The dress gives you warmth, the bag is used to store items and the boots protect your feet while also providing warmth. Also, the style of the dress is on trend (70's style).
- **Actual Product** is the physical good shown above. This product is a long sleeve turtleneck patterned dress and it ties along the waist. The dress is also 100% polyester. Accessories shown are also the suede bucket bag and suede fall boots.
- **Augmented Product** is an additional features or benefits. H&M provides a thirty-day return and exchange policy on its items. H&M allows you to bring any used clothing to recycle, and if the clothes are from H&M, they will give you a discount card.

PART B –TOTAL PRODUCT CONCEPT – BALMAIN



Balmain has a Parisian couture style with each piece. All the pieces have old traditional Balmain infused with current youthfulness. The target market for Balmain is strong, powerful, independent women and men.

Product Layer

- **Core Product** is the dress and shoes giving you protection and warmth. As well as being on trend and making you feel confident and sophisticated. It's unique, something different, trendy, fancy, high-fashion.
- **Actual Product** is the black and sequined midi dress, which makes it have a rough texture. It has long sleeves and the black midi boots with a heel.
- **Augmented Product** found within Balmain is their return policy (14 days), having online shopping with a 24-hour shipping service when you purchase a value of \$74.00 or more. You can also be part of their fashion world.

PART B –TOTAL PRODUCT CONCEPT – H&M X BALMAIN



Both companies have come together to make a collection that stays true to Balmain and its uniqueness and couture. In addition, H&M will stay true to its affordable prices. The target market for the collection are people who love Balmain but cannot afford mainline Balmain.

Product Layer

- **Core Product** is making you feel/look good while also wearing a trendy style.
- **Actual Product** is the long sleeved dress with gold and silver detailing. On the chest area it has a stitching of a bird.
- **Augmented Product** is being a part of the Balmain nation which you can interact with using social media platforms. As well as having return and exchanges policy, certain products will have limited quantity due to being manufactured in small runs. When purchasing the items, you will also receive a special bag.

Contrast & Compare

H&M and Balmain are two very different and unique companies. They both cater to different demographics and target markets. H&M is targeted to middle class women and men. They are also known for following the trends on the runway while Balmain is a trendsetter. The H&M and Balmain collection are targeted to those that cannot afford an original Balmain piece. The collection has pieces very similar to what Balmain has put on the runway in the past. The difference between the runway collection of Balmain and the H&M collaboration is the fabrics and the detailing. In the Balmain collection the fabrics are much more expensive and the detailing is extensive. There are no similarities between all three product lines because of how different their consumers are.

PART C – MARKET SUGMENTATION

Marketing segmentation is the aggregation of prospective buyers into groups that have common needs. In order for a business to be successful, it needs to identify a specific market segment to target. When a brand focuses on its target consumers, it promotes creativity and builds a unique vision that caters to that market segment. This as a result leads to success within the business, and ultimately provides them with the viable resources to achieve their goal of profit and brand awareness.

In the fashion industry, knowing the targeted consumer is vital. It is important to understand what the consumer needs, produce a product that satisfies, and exceed their expectations. There are many prominent fashion brands around the world and each one of them has carefully chosen a specific segment to target and market to. As a fashion brand, H&M would need to apply marketing segmentation in order to understand their ideal target market. H&M has been a prominent organization within the fashion industry since 1947. The brand has grown to be successful with a marketing plan that provides fashionable clothing at an affordable price to its consumers. Originally founded in Sweden, the retailer has prospered to become the second largest retailer in the world (Petro, 2012). With that success, one can catch a glimmer of the marketing strategy executed by the retailer. The company chooses to use a broad scope when targeting its market segment. Its targets men and women of different age groups that are looking for fashion forward clothing at affordable prices. The age groups include teenagers, young adults, students and adults. H&M has also demonstrated environmental sustainability which is important to the image of the brand by showing their willingness to go above and beyond (Janssens, 2011). This aspect of going green could be important to customers who shop at the retailer as well.

Balmain has been prominent in the fashion industry since 1945. It is a part of the haute couture fashion house founded by Pierre Balmain. Balmain is a super luxury brand that focuses its scope on limited customers. They don't have many stores, and their vision is predominantly quality over quantity. Like H&M, Balmain target both men and woman, but in contrast target those who are willing to spend substantially more for their clothing. Balmain's marketing segmentation is niche marketing because focuses its high quality products on a specific luxury enjoying market segment that can afford their expensive products.

In addition to their success as two stand-alone businesses, H&M and Balmain have chosen to collaborate with one another in order to produce chic and high end clothing at affordable prices. This has been seen as an important step for both retailers in terms of building brand awareness and increasing profits. With both organizations working together, they fuse their market segmentation variables. Consumers would notice that they could finally afford clothing that has an essence of Balmain, but also infused with elements of H&M as well. H&M, a brand that focuses on selling in high volumes, joining forces with Balmain, a brand that retails in lower volumes, provides an excellent example of co-branding to raise business (Regan, 2015). Balmain's target market will notice the branding of H&M within Balmain locations and will leave with an imprint of the company as a result. The organization will still continue its niche marketing, but slightly opening its scope to new segments.

PART D – TARGET MARKET PROFILES - H&M

TARGET MARKET PROFILES

Categories	Variables	Typical Breakdowns
Geographies (Where does the target market live and work?)	Region	Africa, Europe, Middle East, Asian Pacific, North and South America. About 2500 stores in 40 countries.
	City or census metropolitan area (CMA) size	Metropolitan City and Suburban
	Density	Urban
Demographics (What is the basic factual census-type information on the target market as a whole?)	Age and family composition	<ul style="list-style-type: none"> • Women and Men around the age of 15-40 years. • Most popular segments are females from 20-27 years.
	Gender	Male and Female - Teenagers and children
	Marital status	Single or equivalent; engaged; married or equivalent; pre-family.
	Income	\$20,000 – \$45,000 (Middle income consumers)
	Occupation	Student; retail; customer service; secretariat
	Education	Students in high school; high school graduate; completed college/university; completed post-graduate studies
	Ethic background	To all ethnic backgrounds – Multicultural
	Home ownership	Children still living at home; renting; own home; residence; lives with parents
Psychographics (What are the prevailing attitudes, values, interest, habits, opinions, and approaches to life that this target market shares?)	Personality traits	Very up to date; relaxed; creative; inverted; extroverted
	Lifestyle values and approaches	Look for affordable fashion; energetic; consumers who see shopping as a social activity; open-minded; simple; dependent; typically shop at different stores; young-minded
	Leisure activities, hobbies, and interests	Reading; sports; do it yourself; video games; cooking; dancing; going to the movie; social functions
	Media habits	Internet; TV; radio; music; newspaper; YouTube
	Technology usage	Smartphone, laptop; tablet; TV; mobile
Behavioristics (How does this target market use and interact with the product?)	Main occasion for the product use	At work (semi-formal); meeting up with friends or family members; school outfit; casual setting
	Main product benefit sought	Fashion; personal status; low price
	Primary and secondary product usage	Primary usage: To have something to wear Secondary usage: Keep you warm.
	Frequency of use	Weekly; monthly; every few months – Depends on the amount of clothes you own from H&M.
	Frequency of purchase	Every few months.
	Product usage rate	Medium user
	Product usage status	
	Product loyalty status	Very good

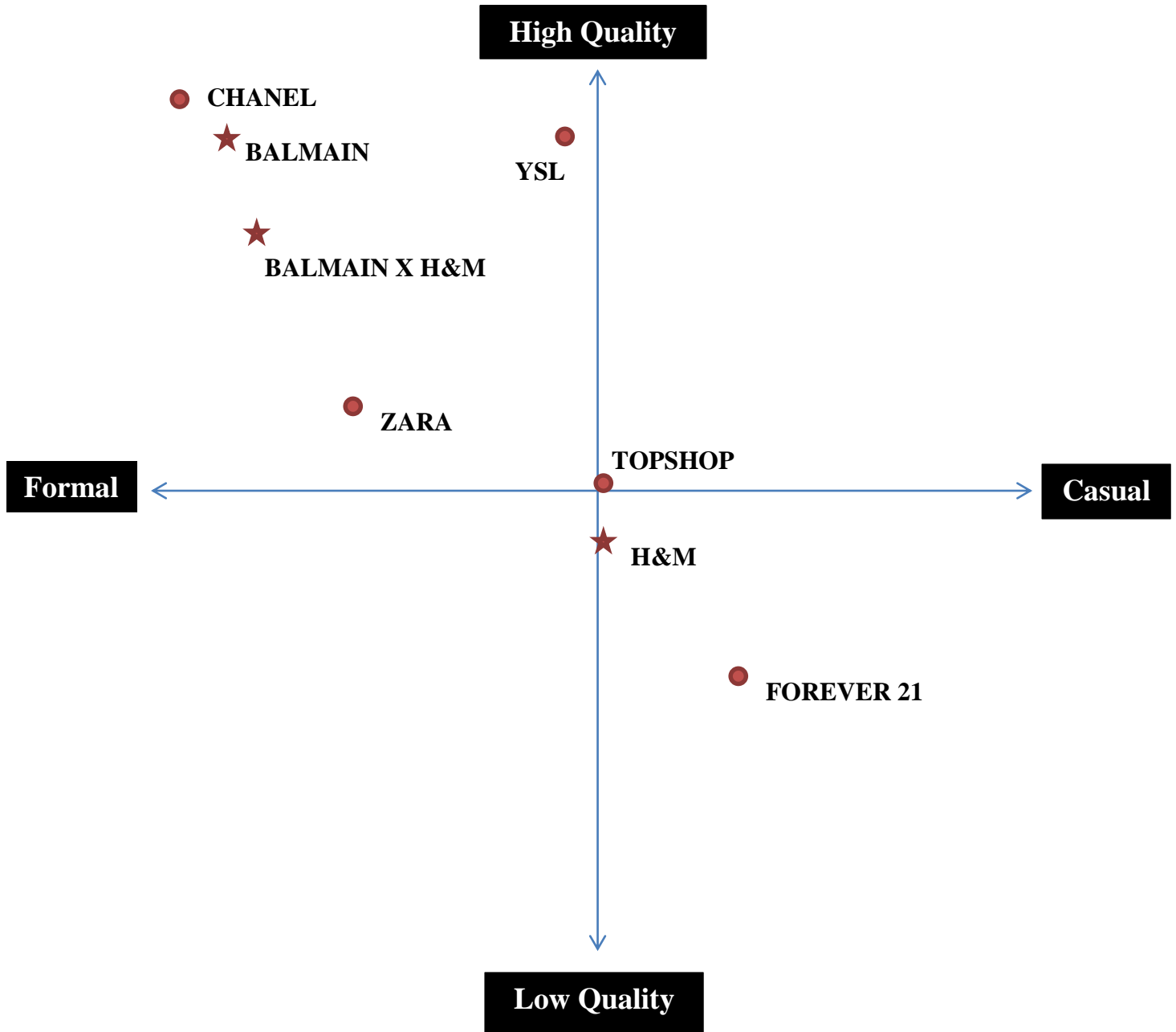
PART D – TARGET MARKET PROFILES – BALMAIN

TARGET MARKET PROFILES		
Categories	Variables	Typical Breakdowns
Geographies (Where does the target market live and work?)	Region	London; Paris; China; Tokyo; South Korea; Dubai
	City or census metropolitan area (CMA) size	Metropolitan City
	Density	Urban, because, it originally started as a couture house and the price point is higher than the average consumer consumption.
Demographics (What is the basic factual census-type information on the target market as a whole?)	Age and family composition	Women and Men around the age of 35-40 year.
	Gender	Male and Female
	Marital status	Single or equivalent; married or equivalent; pre-family
	Income	\$150,000 +
	Occupation	Fashion designer; doctor; manager; business owner; CEO – Upper class.
	Education	Completed college/university; completed post-graduate studies;
	Ethic background	European background
Psychographics (What are the prevailing attitudes, values, interest, habits, opinions, and approaches to life that this target market shares?)	Home ownership	Own home(s)
	Personality traits	Creative; resourceful; caring; strong characteristic; emotional; wild; flirtatious; bold; imaginative; energetic; unique; daring; independent
	Lifestyle values and approaches	A great sense of style; good eye; high end; confident; glamorous; dreamer; influence; open-mind; chic; active; couture; freedom
	Leisure activities, hobbies, and interests	Blogging; music; fashion; searching the web; health and fitness; travel; the arts; live concerts; plays; personal shopping; socializing with designers; networking
	Media habits	Internet; TV; music; magazine
Behavioristics (How does this target market use and interact with the product?)	Technology usage	Smartphone, laptop; tablet; TV; mobile; apps
	Main occasion for the product use	Runway; special occasion;
	Main product benefit sought	Entertainment; couture fashion
	Primary and secondary product usage	
	Frequency of use	Annually – Wealthy individuals who wear outfits once.
	Frequency of purchase	"I buy what I love" attitude; not mass produced
	Product usage rate	Light user
	Product usage status	First time users; regular user
Product loyalty status		

PART D – TARGET MARKET PROFILES – BALMAIN X H&M

TARGET MARKET PROFILES		
Categories	Variables	Typical Breakdowns
Geographies (Where does the target market live and work?)	Region	
	City or census metropolitan area (CMA) size	Metropolitan City, 250 selected stores
	Density	Urban
Demographics (What is the basic factual census-type information on the target market as a whole?)	Age and family composition	18-30
	Gender	Male and female
	Marital status	Single; dating; in a relationship
	Income	\$75,000+
	Occupation	
	Education	Post and secondary education
	Ethnic background	European background – Inspired by the French
	Home ownership	Living with parents; renting
Psychographics (What are the prevailing attitudes, values, interest, habits, opinions, and approaches to life that this target market shares?)	Personality traits	Sensual; powerful; energetic; creative; outgoing
	Lifestyle values and approaches	Mix of couture spirit and streetwear attitude; fashion; confident; caring
	Leisure activities, hobbies, and interests	Music; sports; art; fashion; movies
	Media habits	Internet; magazine; radio; news
	Technology usage	Tablet; smartphone; TV; laptop
Behavioristics (How does this target market use and interact with the product?)	Main occasion for the product use	High Profile Events
	Main product benefit sought	Entertainment; fashion; amusing;
	Primary and secondary product usage	Primary usage: High street brand Secondary usage:
	Frequency of use	Every few months; biannually
	Frequency of purchase	Biannually – Product is considered costly.
	Product usage rate	
	Product usage status	
	Product loyalty status	

PART E – POSITIONING MAP



“Every brand has its own story.”

Purchasing a product is very personal to each and every single one of us. You always need to ask yourself which brand is most trustworthy, most presence as well as most engaging. As per the positioning map, we decided to compare the companies through low and high quality vs casual or formal. The reason being, was to understand the brands visual aesthetic and not as its price point.

Some of H&M's competitors would be: Zara, Topshop, and Forever 21. As per the positioning map (page 10), Zara is located as formal and mid-high quality because they offer easygoing clothing with a formal touch. H&M however, is a little more business casual and low quality. They bring a laid back style but still dressy enough to wear to work on a casual day. Topshop is located right in the middle of the chart. It has that perfect definition of casual, formal, high-low quality approach. Their clothing can easily be put together as casual or formal depending on how you match the items up. They sell casual quality fashion such as t-shirts, jeans, and sweaters. But, they also sell dress pants, dresses, dress shirts and blazers. Forever 21 is placed under mid-low quality and casual. Forever 21 follows trends with an affordable price that focuses on an everyday fashion. You typically would wear these pieces for casual outings, i.e.: the movies, out for dinner with friends or just to wear every day.

Two of Balmain's competitors are YSL and Chanel. As per the positioning map, YSL is located slightly on the formal side with high quality goods. They bring in high-end goods with excellent production. Balmain on the other hand, is very formal and also focuses on high quality fashion. Balmain is known for its sexy, couture, Paris look with lots of embellishments to spice things up. You would mainly wear Balmain at high-end events. Chanel is positioned as high quality and formal because Chanel is classy and has an elegant style. Last but not least, the collaboration of Balmain and H&M is found to be fairly formal with high quality approach. They have decided to collaborate with one another in order to produce stylish and glamorous high end clothing to cater to both market segments.

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