

RALPH LAUREN

SWOT ANALYSIS

STRENGTHS

1. Brand Reputation and Identity

- Ralph Lauren is a well established luxury brand that was founded 58 years ago, most notably recognized by its logo featuring a polo player on a horseback. This American luxury brand is known to emulate a classic American style that is preppy and timeless with an emphasis on high quality products. The brand's positioning as a symbol of Americana has created a reputable identity and this draws in customers who associate with luxury and classic American design.

2. Global Recognition

- The brand is a globally recognized luxury brand with stores in over 80 countries and in major cities that are known to be fashion capitals like Paris and Tokyo. Ralph Lauren has its own stand alone stores but is also featured in established department stores like Neiman Marcus, Harrods, Saks Fifth Avenue and others.

3. Extensive Product Line & Subsidiary Brands

- The Ralph Lauren brand has a diverse range of products including but not limited to clothes, fragrances, home decor, accessories and more. This extensive product line helps maximize the brand's reach to different customers. Ralph Lauren also features different collections under its name that vary in price range, capturing a wide customer base with different price points.

4. Notable Endorsements

- Ralph Lauren has an extensive list of celebrity and notable figure endorsements including people like David Beckham, Kate Moss, Jill Biden, Hillary Clinton and it is the official outfitter for the U.S. olympic team. Alongside these types of notable partnerships the

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brand also has featured sponsorships in tennis, polo and equestrian events, further upholding the brand's prestige status.

WEAKNESSES

1. High Price Point

- Ralph Lauren is a luxury brand with high price points which may make the brand inaccessible to customers who cannot afford luxury items.

2. Brand Perception/Limited Aesthetic Appeal

- Although there are people who appreciate the classic American style that the brand provides, this style may be outdated for many customers that are looking for more modern and trendy luxury fashion. The brand may be seen as not keeping up with the times or styles.

3. Low Margins

- The brand's overall operational costs are too high in comparison to the brand's revenue and the expansion of their more affordable lines can also contribute to these lower margins.

OPPORTUNITIES

1. Expansion Into Emerging Markets

- The brand has the opportunity to expand into markets where the demand for luxury goods is growing as wealth increases for certain areas. Ralph Lauren can also focus on further strengthening its presence in international locations where they already have brick-and-mortar locations to acquire a bigger customer base outside of North America

2. E-Commerce Growth

- Ralph Lauren has the opportunity to increase its online presence through creative marketing strategies, exposing the brand to more people and boosting the overall brand

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image. With the rise of online shopping, the brand can also try to target audiences that prefer shopping online versus in person.

3. Sustainable and Ethical Fashion

- Sustainable fashion and production practices are on the rise and are something that many consumers value and are becoming aware of. Ralph Lauren is currently making notable strides in becoming a more sustainable luxury brand, and these efforts can help differentiate the brand from competitors and attract those customers that do value sustainability.

4. Expand Product Line

- While Ralph Lauren does offer a variety of products, they have the opportunity to branch into new categories or styles to attract a wider consumer base, this can help drive sales and revenue.

THREATS

1. Counterfeit Culture

- Counterfeit products of luxury and higher-priced brands like Ralph Lauren are not uncommon, and this is a threat to the brand as it can negatively impact not only their revenue but the brand reputation as well.

2. Economic Downturns

- While the Ralph Lauren brand is globally recognized, the majority of its revenue comes from the North American market, putting the brand more at risk when the economy slows down or is being negatively impacted in that area.

3. Luxury Competition

- The fashion industry is competitive, and with the rise and popularization of many luxury brands or trendy styles, consumers may prefer competitors over Ralph Lauren. Whether it

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is for the styles being offered, the price point, brand perception, or quality of products,

Ralph Lauren must compete to be different from all the other brands offered.