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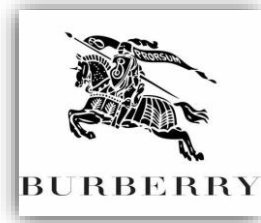


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1. Introduction

This report demonstrates and compares the Macro environment, Hofstede cultural dimensions, Porter's five forces, SWOT analysis, STP analysis, Marketing mix elements, Ansoff matrix and TWOS analysis of Burberry company in United Kingdom and India.

1.1. Background of Company

Burberry is a globally recognised brand with deep British roots. Thomas Burberry established the business in 1856, and his high moral standards continue to form the cornerstone of the enterprise today. Continue to broaden the scope of potential discovery while combining a passion for the great outdoors.

Thomas Burberry, a 21-year-old former draper's apprentice, realised that wearing bulky, unpleasant outerwear hindered those who walked out into the British weather. (Burberry (2023)).



Source : [burberry logo - Bing images](#)

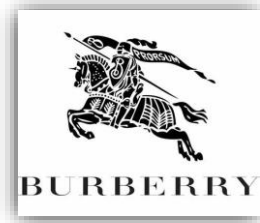


Thomas Burberry's Tielocken coat receives a patent in 1912. The Tielocken, which is regarded as the forerunner of the trench coat, has just one button at the collar and fastens with a single strap and clasp. By 1913 Burberry, which has been in London since 1891, relocates to a bigger location in Haymarket, which was created by renowned architect Walter Cave. Burberry was the first company to webcast a fashion presentation live in 2010. The first high-end company to sign up for the Ethical Trading Initiatives is Burberry. By the end of 2014 over 500 Burberry outlets are directly operated by the company worldwide. In the “Textiles, Apparel, and Luxury Goods” segment of the Dow Jones Sustainability Index, Burberry is acknowledged as the industry leader in 2016. (Burberry (2022)).

In 15 March 2022 Jonathan Akeroyd appointed as a CEO of Burberry. ([Leadership Team - Burberryplc](#)). Burberry is a British tradition, offering clothing and accessories for kids, women, and adults, as well as purses, shoes, gifts, makeup, fragrances, and home goods. (Yan, Y. (2023)).

Across 34 nations and territories, Burberry teams consist of 120 different ethnicities. Head offices, production facilities, and retail stores are all part of Burberry's extensive worldwide network. The heart of our whole company is located in Horseferry House, the home of Burberry's worldwide headquarters. Burberry's history is proudly connected to this historic site in the centre of London, since the brand's first London store debuted at 30 Haymarket in 1891. (Burberry (n.d.)).

As of April 1, 2023, Burberry had 413 locations operating worldwide. Among the most valuable luxury personal goods companies globally, Burberry is one of the most recognisable British fashion brands. Burberry sells luxury handbags, shoes, clothing, and perfumes. Burberry items are distinctive in their own right, with many of them featuring the brand's iconic Burberry check. (Tugba Sabanoglu. (2023)).



1.2. Burberry's Purpose

“Creativity Opens Spaces”

1.3. Burberry's Values

“Being creatively driven, forward thinking, open and caring, and proud of our heritage are hallmarks of our organisation at its best and have remained core to our brand since the Company was founded in 1856.”

(Available at :- [Our Purpose and Values - Burberrypkc](#))



2. Macro Environment Analysis of Burberry

“ The term ‘macro-environment’ refers to all of the external activities or influences which may have an impact upon the operations of a business or organization”. (Sutherland, J., Canwell, D. (2004)).



Source : [macro environmental factors - Bing images](#)

The macroenvironment's primary drivers are thought to be the political, economic, social, technological, legal, ecological.

1. Political Factor :-

UK

Political factors are favourable and unfavourable for Burberry in UK.

Burberry's business can be greatly impacted by changes in trade legislation because to its global presence. For example, Burberry's supply chain, price, and profitability may be impacted by higher taxes or tougher trade laws for goods imported or exported from the UK as a result of Brexit. Burberry's activities may be affected by political unrest in nations where it has a sizable presence. This



covers the nations in which Burberry produces its goods, receives its raw materials, or maintains a sizable retail presence. Events such as political upheavals, hostilities, or abrupt regime changes may hinder the brand's capacity to function effectively in such areas. Burberry's profitability may be impacted by changes in sales tax laws or corporation tax rates. For instance, in the UK, greater corporation taxes may result in lower earnings, but adjustments to sales or VAT rates may have an impact on the purchasing power of consumers. Relationships between nations have a big influence on companies. A diplomatic crisis involving the UK and another nation may lead to boycotts or lower sales for British companies such as Burberry in that nation. (admin (2023)).

India

Political factors are favourable for Burberry in India.

Foreign Direct Investment (FDI): 100% FDI via automatic mechanism in the textile and apparel sector is India's most lenient investment regulation. Over the next five years, \$140 billion in foreign investment is expected to be attracted by the automated approach.

Foreign institutional investors (FII) have consistently ranked India as their top choice. Benefits from FII have gone to several businesses. It is anticipated that both local and international markets would grow, boosting sales volume to boost profitability as stated by a fiber2fashion website report.

(Dr.Rashi Baliyan1 , Ms.Priya Diwan2 (2021)

2. Economical Factor :-

UK

Economical factors are favourable and unfavourable for Burberry in UK.

Manufacturing garments is expensive in the UK. Consequently, several retail giants get their apparel from Bangladesh, China, India, Sri Lanka, and Turkey. When retailers produce items overseas, they may reduce manufacturing costs and provide products at competitive pricing. It does not, however, mean that every retailer offers a discount on their goods. Their pricing policies are typically



modified to take into account the target audience's socioeconomic standing. More expensive than Sports Direct and Primark are Burberry, Armani, Next, Gap, Gucci, and Zara. This implies that UK consumers have a range of alternatives when it comes to satisfying their requirements and aspirations for fashion, depending on their financial conditions. The fast-fashion retail behemoth Primark is really succeeding greatly because it caters to the needs of those on a limited budget. The status of the economy may have a direct bearing on consumer spending, which can significantly affect the profitability of fashion retailers. The amount of money customers spend may be significantly impacted by the rate of inflation, interest rates, and unemployment. (Rahman, M. (2023)).

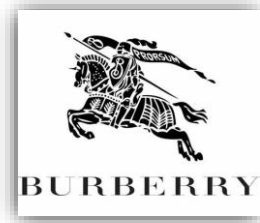
Burberry was the most recent fashion firm to raise the alarm about its projections for profits this year and to warn of a global decline in the market for luxury goods on Thursday. Due to a decline in the market for luxury products, the British firm issued a warning that its annual adjusted operating profit may fall to the "lower end" of the current consensus range of £552 million to £668 million. Amidst rising borrowing prices and inflation, luxury consumers have started to reduce their high-end spending following a spike in sales during the epidemic. (Mancini, D.P. and Onita, L. (2023)).

While almost everyone in the UK has been impacted by the cost of living issue, not everyone has been equally affected. Inflation for the Office for National Statistics (ONS) statistics as of November 2022, which supported the Resolution Foundation's prediction that 9.6% of the wealthiest families were also the lowest. That amounted to 12.5% of that.. (Morris, S. Phoenix, A and Stevenson, O. (2023)).

India

Economical factors are favourable for Burberry in India.

In terms of the size and value of the global apparel market, India is growing at the fastest rate among all major textile and garment consumption regions, including the US, EU, and Japan. The Wazir report projects that India will have a compound annual growth rate of 12% until 2025. Furthermore, given China's sluggish economy, India is anticipated to gain market share. 17% of the world's population lives in India. The industry will keep growing as a result of growing development, a youthful population, and rising average earnings.



The National Investment Promotion & Facilitation Agency claims that India has an abundance of raw resources, including cotton, wool, silk, and jute. India is in a better position than its neighbours because of its talented workforce, well-integrated infrastructure, and an abundance of raw resources, particularly cotton, which is very inexpensive. All of this is probably going to contribute to the nation's textile and apparel market share increasing. India's current cotton-dominated fibre base will need to be diversified, as evidenced by global consumption patterns. By doing this, it will be able to protect its market share from other developing nations like Bangladesh and Vietnam and grow its market share in the global textile and clothing trade.

(Dr. Rashi Baliyan¹ , Ms. Priya Diwan² (2021)

India's economic growth is expected to be sustained over the next ten years, but with uncertainty because to the COVID-19 pandemic. The projection is between 7.5-8.5%. According to Euromonitor International's forecast, the market is anticipated to reach a valuation of \$8.5 billion by 2022. (ISTITUTOMARANGONI).

3. Social factor :-

UK

Social factors are favourable for Burberry in UK

Fashion events such as Manchester Fashion Week, London Fashion Week, Curve Fashion Festival, and Glamour Beauty Festival London attract thousands of attendees from across the globe. They attend celebrity lectures, fashion shows, shopping, and a host of other events.

A great deal of people buy a lot of fashion goods in the UK. Their shopping habits are definitely influenced by fast fashion.

(Rahman, M. (2023))



India

Social factors are favourable for Burberry in India

India's standing is further reinforced by shifting customer preferences, a rise in the proportion of designer apparel, and increased retail penetration due to improved offline and online reach.

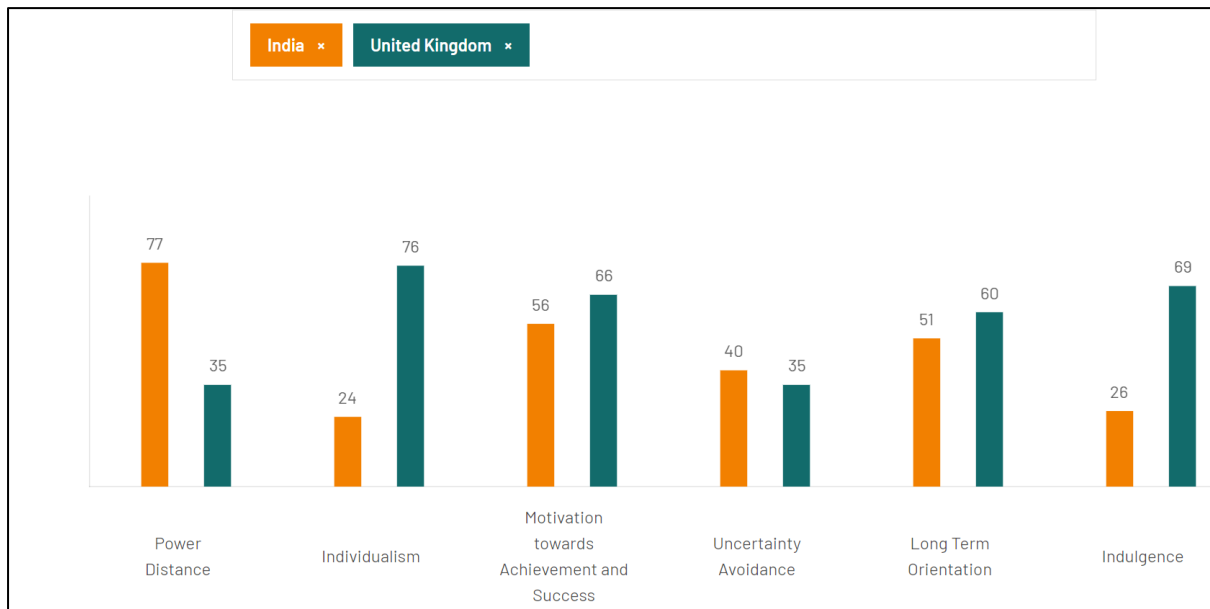
India, one of the world's luxury marketplaces with the quickest rate of growth, is predicted to reach USD 200 billion by 2030.

By 2023, the luxury market in India is expected to grow to a value of over \$200 billion. Statista projects that the market will expand by 8.03% yearly (CAGR 2021-25).

(ISTITUTOMARANGONI).

Cultural Factor :-

2.1 Hofstede Cultural Dimensions



Source :- [Country comparison tool \(hofstede-insights.com\)](https://www.hofstede-insights.com/country-comparison-tool/)



1. Power Distance :-

The idea that cultures are not created equal is covered in this part, along with the cultural perspective on these distinctions. The idea of "power distance" describes how those in a country's institutions and organisations who are not as powerful acknowledge and anticipate that power is not allocated fairly.

United Kingdom :- Given that the United Kingdom is ranked 35th on the PDI, socioeconomic disparity is not accepted in British community. It's noteworthy to note that the British rich and famous had a lower PD index than those in the middle class.

India :- India scored well in this area (77), indicating that hierarchies and top-down systems are valued by both society and organisations. The following expressions and idioms best describe Indian thought patterns: authoritarian boss; reliant on superiors for direction; acknowledgment of unequal rights between the privileged and those lower in the hierarchy; immediate superiors approachable but less so one rung up; management offers direction; gives work meaning and purpose; and rewards loyalty in exchange for rewards. In spite of appearances, managers depend on teammates to obey their directions, and true authority is concentrated. Employees want to be given precise instructions on their duties.

2. Individualism :-

This dimension addresses the basic question of how connected a society's members are to one another. The key question is whether "I" or "We" define an individual's idea of self. Individualist societies require people to look out for themselves and their close family members only. Individuals who reside in communal societies are part of "in groups" that provide protection for them in exchange for loyalty.

United Kingdom :- On the individualist society scale, British society scored 76 out of 100. The British are highly self-reliant and private individuals. Teenagers are taught to make decisions for themselves, find their own purpose in life, and think about how they may make a special contribution to society. Happiness is only attainable via fulfilment on a personal level. Over the past ten years, with the riches of Britain also "spreading North," there has been much talk about the emergence of "ME" culture and what some see to be unchecked consumerism.

India :- India has a comparatively low score of 24 and is an individualist and collectivistic nation. According to the collectivist worldview, people aspire to be



a part of a broader social structure where they are expected to operate in the best interests of their acknowledged in-group or groups. In situations like these, a person's actions are influenced by a range of opinions, such as those of their coworkers, neighbours, family members, and other members of their wider social networks. When a collectivist is mistreated by their immediate and extended in-groups or rejected by their peers, they feel incredibly empty and directionless. One of these relationships is that of an employer and employee.

Hinduism, the major religion and ideology of India, is credited for instilling the individualist inclinations in Indian culture. According to Hindu belief, there is a cycle of death and rebirth, and each rebirth takes on a unique shape based on the individual's prior life experiences. Therefore, every individual bears personal accountability for their life decisions and the impact those decisions will have on their rebirth. Indian society has an intermediate score on this category as a result of interactions between its individualistic emphasis and its underlying collectivist tendencies.

3. Motivation towards Achievement and Success :-

The driving factors in society will be achievement, competitiveness, and success if this dimension gets a high score (Decisive). This is an example of the sort of value system that is ingrained in schools and penetrates organisational life: success will be decided by who wins or is the best in their job. The values that are prevalent in society when a person has a low score (Consensus-oriented) on the dimension are quality of life and caring for others. Living a high-quality life is considered successful in a consensus-oriented society, and deviating from the norm is seen negatively. What motivates people to achieve success (Decisive) or enjoy their work (Consensus-oriented) is the key question here.

United Kingdom :- At 66, UK is an Important society, which means that its citizens are very focused on their goals and very determined. One of the primary things that takes foreign tourists by surprise when they visit Britain is the seeming contradiction between the country's success-driven value system and the British culture of modesty and minimalism. Understanding the British requires being able to "read between the lines". Not everything spoken is meant to be said. People in the UK have a strong performance objective and live for work, in contrast to Consensus cultures like the Scandinavian countries.

India :- India's score of 56 on the Motivation towards Achievement and Success scale makes it a Decisive society. In terms of outward displays of power and



wealth, India is remarkably decisive. Designer brand labels, with all the glitz and extravagance that go along with flaunting one's status, are widely employed. Still, India is a spiritual country with millions of gods and many religious beliefs. Its culture, which is among the oldest and best preserved, imparts many lessons on the values of humility and abstinence. This frequently prevents people from engaging in Decisive displays as much as they would have a natural tendency to. The emphasis in more decisive nations is on accomplishments and success, which are backed up by financial rewards. Since one's job is their life, it is crucial that success in the workplace be obvious.

4. Uncertainty Avoidance :-

The handling of future uncertainty by a society—should we attempt to control it or just let it happen— is what the uncertainty avoidance component is about. Different cultures have developed a range of coping mechanisms in response to the unpredictability that causes uneasiness. The Uncertainty Avoidance score measures how far a culture's members have gone to establish structures and ideas in an attempt to steer clear of unpredictable or unclear circumstances.

United Kingdom :- With a score of just 35 on the uncertainty avoidance , the UK is content to "make it up as they go along," altering their plans in response to new facts and waking up in the dark about the day ahead. Possessing a low UAI country, the British are accustomed to unclear circumstances; "muddling through" is a traditional British way of putting it. Though few in number, the regulations that do exist in British culture are strictly adhered to (the most famous being the country's love of lines, which is also linked to the concepts of fair play). The final goal will be clear because to the high MAS, but the details of how we get there will be few, and the actual process will be flexible enough to change as the work environment does. This leads to a lack of detail in the planning process. Additionally, planning horizons will be reduced. Most significantly, a high degree of creativity and a strong thirst for innovation are the results of a country that is both extremely individualist and curious. What is unique is appealing! This is seen across society.

India :- India scored 40 on this dimension, indicating a relatively low willingness to avoid ambiguity. In India, flaws are embraced; nothing needs to be perfect or happen as planned. India is known for being a patient country that enjoys novelty and sees it as a refreshing change of pace. People usually don't feel driven or obliged to take the initiative or challenge positions or routines that they are comfortable with. People usually create regulations just to break them, so they



find inventive methods to "get around the system." The word "adjust" is widely used and may describe a wide range of behaviours, such as disregarding rules that are broken or devising a novel and inventive solution to a problem that appears unsolvable. This mentality is the primary cause of misery and the biggest source of empowerment for the country. According to an adage, "nothing is impossible" in India as long as one knows how to "adjust."

5. Long Term Orientation :-

This section demonstrates how these two existential objectives are prioritised by different civilizations and How every community needs to continue to have some ties to its past while addressing concerns from the present and the future. Low score normative cultures aim to preserve deeply ingrained traditions and practices while being resistive to societal change. High-scoring societies, on the other hand, take a more pragmatic approach, promoting modern education and economical living as a way to get ready for impending challenges.

United Kingdom :- The UK scored 60 in this area, putting out a pragmatic mindset. People from pragmatic cultures typically believe that time, context, and circumstances are all crucial in figuring out what is accurate. They have a strong propensity to invest and save, and they have little trouble modifying their habits to meet shifting demands. economical and unwavering in getting things done.

India :- With a middling score of 51 on this dimension, In Indian culture, it can be challenging to identify a prevalent preference. In India, "karma" is a fundamental concept in both philosophy and religion. Time is not as important to western civilizations, which frequently score poorly in this domain since time is not linear. Countries like India are remarkably tolerant of a wide range of religious views. It is accepted in India that there are several truths and that the one being sought frequently depends on the seeker.

6. Indulgence :-

he degree to which young children are socialised is one of the problems that face humanity now and in the past. Socialisation is essential for our development as "human" creatures. The degree to which people attempt to restrain their impulses and wants due to their upbringing is referred to as this dimension. "indulgence" denotes relatively weak control, whereas "restraint" denotes relatively strong control. Cultures can therefore be categorised as lavish or restricted.



United Kingdom :- With a phenomenal score of 69, British culture is classified as Indite. People who are prepared to give in to their wants and desires in order to enjoy life and have fun are more likely to live in societies with high Indulgence ratings. They have a positive attitude and are often upbeat. Additionally, they spend money as they like, conduct as they please, and place a higher importance on leisure time.

India :- With an average score of 26, India is considered to have a conservative culture. Societies that are cynical and pessimistic are more inclined to get poor scores in this area. In addition to limiting the satisfaction of their goals, restrained societies place less value on leisure time than indulgent civilizations. Those who share this perspective think that society expectations constrain their actions and that it is therefore wrong to enjoy themselves.

(Hofstede Insights (2023)

2.2. Advantages of Hofstede Cultural Dimensions

- People benefited from Hofstede's paradigm in their daily lives. educating kids about various cultures.
- Organisations were able to grow internationally without encountering any cultural barriers because to Hofstede's methodology. Examines, for instance, the disparities in attitudes and behaviours employed in international brand strategy and advertising.
- Although Hofstede's model is rigorous and still useful for some, at the time it was developed, there was limited cultural awareness and very little foreign commercial experience. People began to globalise as a result of Hofstede's paradigm.



2.3. Disadvantages of Hofstede Cultural Dimensions

- The majority claim that Hofstede's paradigm ignored community. Every home nation has a homogeneous society, according to Hofstede. However, certain nations consist of ethnic groupings.
- Conversely, McSweeney (2000) asserts that "analysing across nations is improper because it is not always bounded by borders."
- Many argue that it is out of date, while others argue that there was not enough information provided by the four dimensions.

(Available at :- [HOFSTEDE - PROS AND CONS OF USING HOFSTEDES MODELS : PROS: Hofstede's model helped people in day to day life. Making them understand about different | Course Hero](#))

4. Technological Factor :-

UK

Technological Factor is favourable for Burberry in UK

The United Kingdom's economy is regarded as one of the most developed. At the moment, over 98% of individuals can access the Internet. People utilise the Internet for a variety of purposes these days, which has an influence on the United Kingdom.

The Internet is being used by people to make money. The British economy will benefit from this. Furthermore, Britons are becoming more conscious as a result of their extensive Internet access.

Furthermore, the use of artificial intelligence is growing everywhere, including in the United Kingdom. It is making the workforce more productive, but it is also increasing unemployment.



In addition, morphing sounds and pictures with artificial intelligence is another improper application of the technology. It is the duty of the United Kingdom's law enforcement agencies to prosecute those who misuse artificial intelligence technology.

Burberry has numerous options to grow their company in UK with help of technological advancement.

(Momin, A. (2023)

India

Technological Factor is favourable for Burberry in India

Technology greatly influences the development of new products and introduces new methods for decreasing costs. The availability of 3G and 4G networks in India has facilitated several technical endeavours. Furthermore, the country is home to one of the largest IT sectors in the world, which promotes constant software upgrades, IT development, and other technological advancements. (PESTLE Analysis Contributor (2014)

E-Commerce Platforms: As a result of customers' changing behaviour and the physical stores being unusable due to a rising staff, e-commerce has grown more popular. More individuals than ever are using virtual shops and marketplaces to purchase clothing. These people's earnings are increasingly essential to the success of the firms they support by enabling their expansion. Based on statistical data, e-commerce does not fully complement the fashion industry.

Burberry has complete IT and technological support to expand their business digitally in India at lower cost than UK.

(Dr. Rashi Baliyan¹ , Ms. Priya Diwan² (2021)



5. Legal Factor :-

UK

Legal Factor is both favourable and unfavourable for Burberry in UK

Legal factors are those that have to do with the nation's legal system. This section demonstrates the effects of legislation and the Constitution on the United Kingdom.

Labour legislation has a big influence on the country of England. Labour laws in the United Kingdom protect employees from being exploited. Enforcing strict labour laws will ensure that employees are treated fairly inside a business. They will ensure that employees are not subjected to discrimination at any level.

However, severe labour laws may discourage companies from hiring people. This might result in unemployment. In addition, tax laws have a significant impact on the UK. The government will be able to impose high taxes through strict tax laws, and those taxes will subsequently be distributed across the economy.

On the other hand, higher tax rates can encourage tax evasion and wealth concealing. These acts would hurt the United Kingdom.

Moreover, practically every inhabitant of the UK has access to the Internet. In the UK, data protection regulations are therefore essential. Laws pertaining to data protection should be quite rigorous. Companies should respond to data breaches promptly, or else they could choose to relocate outside of the United Kingdom.

(Momin, A. (2023).

India

Legal Factor is favourable for Burberry in India

India has recently enacted a variety of laws that have an immediate impact on businesses, including those pertaining to recycling, raising the minimum wage, and disability discrimination. (PESTLE Analysis Contributor (2014).



The Indian government has enacted laws to support the expansion of the garment and textile industries. To promote increased private investment and worker training, the government invested a significant amount of funds in the Technology Upgrade Fund Scheme and the Scheme for Integrated Textile Parks (SITP) (TUFS). The goal of the NTE, or new textile policy, is to create 35 million employment and boost textile and apparel exports by \$300 billion by 2024–2025. The textile and clothing business is driven by consumer demand, hence the GDP and growing state of India directly affect the sector's growth. In the longer term, robust domestic consumption and export demand are projected to support the sector's expansion.

(Dr. Rashi Baliyan¹ , Ms. Priya Diwan² (2021)

6. Environmental Factor :-

UK

Environmental Factor is unfavourable for Burberry in UK

Environmental factors are those that have an influence on different countries and are related to nature and the environment. We shall examine the effects of several environmental conditions on the United Kingdom in this section.

The nation of Britain is facing the fury of climate change. One of the hottest summers ever recorded recently ended. Foreign tourists were discouraged from visiting the country, and the lives of British citizens were upset. Global warming caused Britain to lose billions of pounds as a result.

(Momin, A. (2023)



India

Environmental Factor is unfavourable for Burberry in India

A increasing amount of people are embracing eco-friendly lives as they become more conscious of the harm that human activity does to the environment. The worsening climate in many places due to global warming has caused a change in fashion trends. The composition of clothing has drastically changed from synthetic to natural. Both fashion influencers and environmental organisations have outlawed the use of artificial fibres that aren't biodegradable.

(Dr. Rashi Baliyan¹ , Ms. Priya Diwan² (2021)

2.4. Macro Environment Similarities Between UK and India

For both countries UK and India social factors are favourable. In the UK It has also helped a wide range of vocations, such as fashion designers, fashion magazine publishers, journalists, fashion marketers, academics researching fashion, and consultants in the industry. This illustrates the industry's extensive influence across all facets of society. India's standing is further reinforced by shifting customer preferences, a rise in the proportion of designer apparel, and increased retail penetration due to improved offline and online reach. India, one of the world's luxury marketplaces with the quickest rate of growth, is predicted to reach USD 200 billion by 2030.

For both countries UK and India technological factors are favourable. Both countries are highly impacted by IT sector and availability of high speed internet both countries grow well in technological aspect. Various E-commerce platforms are also available in both countries.



2.5. Macro Environment Differences Between UK and India

Political factors for UK are both favourable and unfavourable while Indian political factors are favourable for Burberry. Because in UK at present unstable government and BREXIT creates unfavourable environment for Burberry while Indian government open their market for new investments which eventually become easy for Burberry to establish their business.

Economical factors for UK are both favourable and unfavourable while Indian Economical factors are favourable for Burberry. In UK making a cloth is expensive but when it comes to satisfaction for customer they prefer quality over the price. Also UK facing high inflation rate which makes UK market both favourable and unfavourable in terms of Economical factor. India is fastest growing nation now a days. India is a rich in terms of raw material which are essential for apparel and non apparel market and also India has cheap work force.

Legal factors for UK are both favourable and unfavourable while Indian Legal factors are favourable for Burberry. The United Kingdom is significantly impacted by tax regulations. Tight tax laws will allow the government to collect high taxes, which will subsequently be distributed across the economy also UK's law are more deviated towards labour. In India to increase the investment Indian government relax some regulations and also provide the training to the workers and also the government invested a significant amount of funds in the Technology Upgrade Fund Scheme and the Scheme for Integrated Textile Parks (SITP) (TUFS).



3. Porter's 5 Forces Model for Burberry

In order to build competitive tactics, Professor Michael E. Porter has devised a methodical approach for analysing the industry's organisational structure (Porter, 2008). Porter's model states that industry competition is ingrained in the sector's basic economic structure and extends long beyond the actions of current market competitors. (Azhar, 2008)

(Asmita Basu Chatterjee Assistant Professor (Finance), (2020))



Source :- Five competitive forces that shape strategy by Michael E Porter, Harvard business review, January 2008



1. Threat of new entries:-

United Kingdom

The threat of new entrants is low for Burberry in United Kingdom.

First off, it's difficult to launch a new luxury brand because of the high barriers to entry in this market. Luxury businesses require significant startup capital and a strong cultural base. Second, economies of scale benefit the established brands compared to new brands, their pricing may be lower. Thirdly, economies of scale work in favour of established brands compared to new brands, their pricing may be lower. It is difficult to convince the customer to purchase products from newly enter organisation compared to established one such as Burberry.

(Xinhao Chen^{1, †} , Siyi Cheng^{2, *} , Ruijie Shu^{3, †} , Yang Yang^{4, †} (2021)

India

The threat of new entrants is high for Burberry in India.

The market for luxury products in the Asia-Pacific region has grown at a rapid pace in recent years. The Asian Pacific region is still dominated by retailers from the developed, high-value sectors of Japan, Australia, South Korea, and Taiwan, but Chinese and Indian merchants are gaining ground quickly, making the market more appealing to new players. A single, independent clothing store may be opened by anybody, and entering the market does not require a significant financial investment. But, there is a chance that current competitors would retaliate, perhaps starting a price war, particularly if a new player enters a more crowded market. (Totallyan (2011).

2. Threat of substitute product:-

United Kingdom

Threat of substitutes is low for Burberry in United Kingdom.

Since this is a premium sector, the danger of replacements is minimal. Luxury goods may be purchased from a variety of brands, including GUCCI, Prada, and others. They are not limited to concentrating on a single brand. fierce rivalry amongst other participants in Global players like Gucci, Louis Vuitton, and Prada pose a significant danger to Burberry's survival. Though each company has a



unique and well-known style and line of goods, consumer tastes are also fairly set in stone.

(Xinhao Chen^{1, †}, Siyi Cheng^{2, *}, Ruijie Shu^{3, †}, Yang Yang^{4, †} (2021))

India

Threat of substitutes is moderate for Burberry in India.

Quick fashion and antique clothing are popular alternatives to new fashion goods, but they aren't always the best choices. Customers who pick eco-friendly and sustainable products and who are increasingly aware of the detrimental environmental impacts of fast fashion pose a challenge to traditional fashion retail. Additionally, "Vocal for Local" items are promoted by Indian policies and the government. (Bhatia, T. (2023)).

3. Supplier's bargaining power:-

United Kingdom

The bargaining power of suppliers is high in United Kingdom.

Raw resources and labour are the two fundamental sources of luxury. Professional designers and producers, along with premium materials, are the foundation of any good product. Thus, strong raw materials combined with skilled designers are effective. Burberry makes use of premium raw materials. Currently, BCI is where 75% of cotton is purchased. The group is a nonprofit dedicated to enhancing cotton farming practises around the globe. Their goal is to lessen the environmental impact of cotton cultivation. Burberry also employs cutting-edge materials in a variety of its goods. The ECONYL line of sustainable nylon textiles is produced from waste fabric, recovered fishing nets and industrial plastics.

(Xinhao Chen^{1, †}, Siyi Cheng^{2, *}, Ruijie Shu^{3, †}, Yang Yang^{4, †} (2021),

Burberry buy the cotton from Better Cotton Initiative (BCI) for their textile. By 2022, tanneries certified for environmental, traceability, and social compliance will supply them with leather. (KnowTheChain Apparel & Footwear Benchmark - Additional Disclosure 2020/2021, (2021))



Keighley Mill provides the bulk of the materials used by Burberry. Thomas Burberry established the Burberry clothing brand by using exclusive GABARDINE textiles. GABARDINE was comparable to the Gore-Tex in 1879. Egyptian cotton is used to create distinctive GABARDINE textiles. Tightly knit, water-resistant, and durable, is GABARDINE cloth. Thomas Burberry came up with the concept for GABARDINE cloth that is weather resistant. (Ethan (2023))

India

The bargaining power of suppliers is moderate in India.

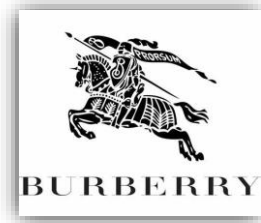
Since they often have a large number of suppliers, fashion boutiques may be able to negotiate for cheaper prices. However, a small number of key suppliers are heavily relied upon by the luxury brand Burberry and other products in the fashion retail industry, providing these suppliers with considerable negotiation power. Furthermore, the fast fashion trend puts pressure on suppliers to produce goods more quickly and for less money, which makes them less bargaining leverage. (Bhatia, T. (2023))

4. Rivalry among competitors:-

United Kingdom

The Rivalry among competitors is moderate in United Kingdom.

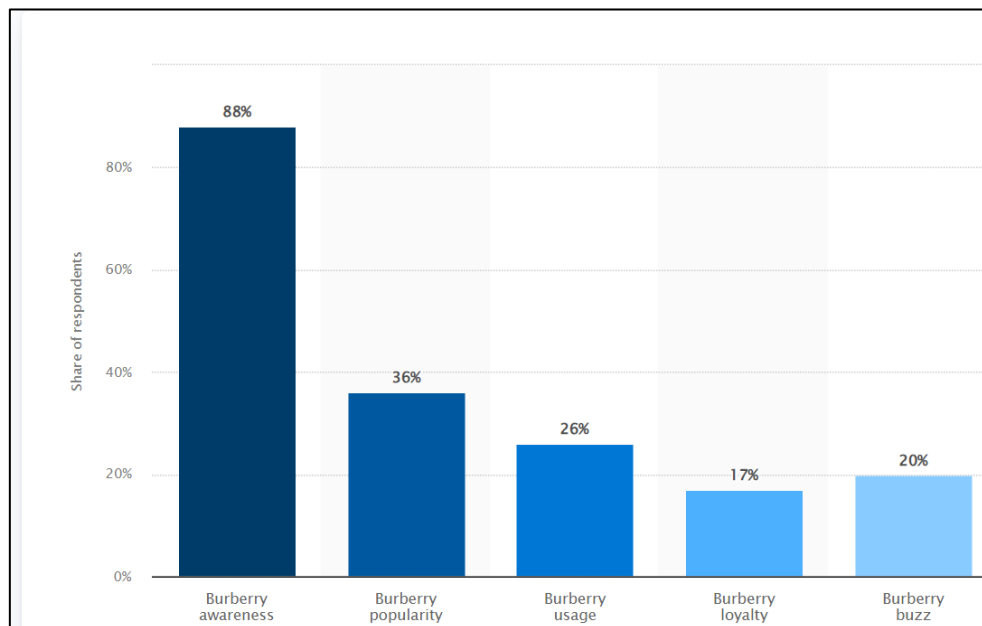
The tactics of rivals in this business are relatively similar in terms of diversity. They all sell clothing, accessories, cosmetics, fragrances, and bags. But in addition, Burberry has been granted two Royal warrants: one by Prince Charles once, as well as Queen Elizabeth II. As the business can make it known that they are the source of items for the royal family. These ancient Achieving goals has greatly increased the brand's worth. Moreover, Burberry features a unique emblem of their own: a distinctly cross-checked design. Burberry's unique style the check pattern is an often imitated pattern trademarks worldwide. Also well-



known is the brand for designing the trench coat with the first world in mind. conflict, which afterward gained popularity.

(Xinhao Chen^{1, †} , Siyi Cheng^{2, *} , Ruijie Shu^{3, †} , Yang Yang^{4, †} (2021)

The below mention bar diagram shows the Burberry brand awareness, usage, popularity, loyalty, and buzz among luxury fashion owners in the UK in 2022.



Source :- [Burberry brand profile UK 2022 | Statista](#)

India

The Rivalry among competitors is high in India.

The industry is determined by the fight for market share among several firms, both big and small. E-commerce has boosted competition since it allows firms to reach a larger global consumer base and provide a greater selection of items at competitive pricing. The fashion business is fast-paced, with new styles and trends appearing often. Developing countries such as India are particularly displaying this intense competitiveness. (Bhatia, T. (2023)



5. Bargaining power of buyers:-

United Kingdom

The bargaining power of customers is low in United Kingdom

Compared to the typical bag or clothing industries, the audiences are smaller. The majority of consumers do not require luxury products. Furthermore, luxury has a low switching cost. Customers are not charged if they decide to switch from GUCCI to Burberry items. Furthermore, even if a product's high price range indicates its quality and appeal, only a small percentage of buyers can afford it. Young people who want to follow this lifestyle are unable to purchase expensive goods.

(Xinhao Chen^{1, †}, Siyi Cheng^{2, *}, Ruijie Shu^{3, †}, Yang Yang^{4, †} (2021))

India

The bargaining power of customers is high in India

When it comes to buying trendy items, customers have many alternatives, both online and off. Customers may utilise this to shop around for the greatest offers, evaluate costs, and come to better educated purchasing decisions. Furthermore, the extensive use of social media has increased consumers' ability to exchange information about items and prices, which gives them more negotiating power, especially in developing countries like India, where many luxury fashion companies are eager to grow. (Bhatia, T. (2023))



3.1. Porter's 5 Forces Similarities and Differences Between UK and India

The threat of new entrants is low for Burberry in United Kingdom. economies of scale benefit the established brands. Compared to new brands, their pricing may be lower. Lastly, economies of scale work in favour of established brands. Compared to new brands, their pricing may be lower. The threat of new entrants is high for Burberry in India. The market for luxury products in the Asia-Pacific region has grown at a rapid pace in recent years that makes easy to enter new companies in Indian market.

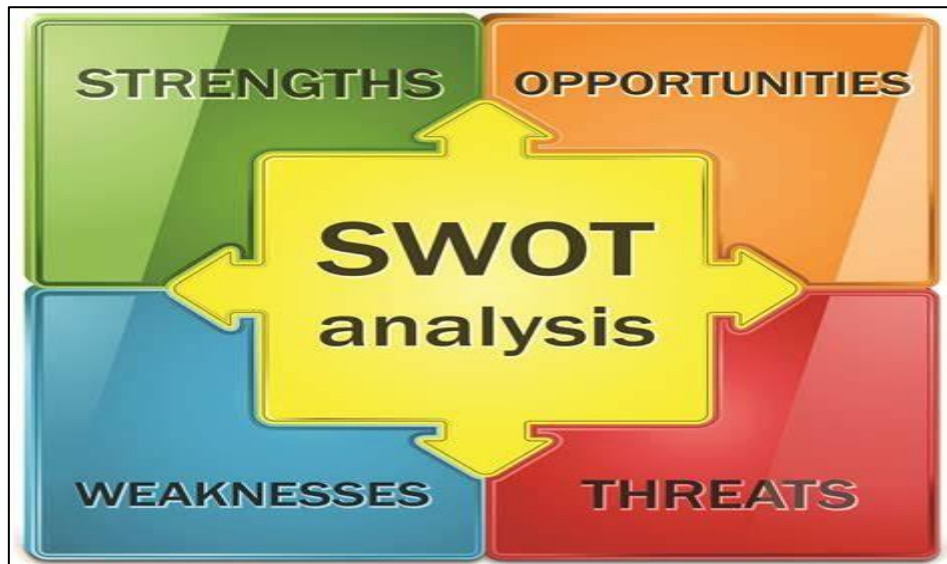
Threat of substitute is low in UK because this is a premium sector, the danger of replacements is minimal. However, threat of substitute is moderate in India because of Indian government and policies are promoting “Vocal for Local” products.

The bargaining power of suppliers is high in United Kingdom because due to luxurious brand Burberry has limited resources to purchase raw material which put Burberry's supplier in forward position to bargaining power. However, Bargaining power is moderate in India due to developing industry in country such as India.

The Rivalry among competitors is moderate in United Kingdom because Burberry makes it's brand unique from other and Also well-known is the brand for designing the trench coat with the first world in mind. conflict, which afterward gained popularity. However, In Indian market rivalry is intense because Indian market is growing and it provides similar opportunities to all brand to grow in country which makes intense rivalry.



4. SWOT Analysis for Burberry



Source : [SWOT analysis template | Miro](#)

Strength

United Kingdom :-

Financial Performance :- A corporation that performs well financially is able to draw in more capital and provide its shareholders larger returns. Within Net One had revenue of GBP 2,826 million for FY2022, up 20.5% from GBP 2,343 million for FY2021. The retail sector had a 20% rise in sales, the wholesale category saw a 35% increase, and licencing saw an 11% gain in income. Additional elements that Complementary products and enhanced performance of the core systems portfolio have both contributed to growth. As of FY2022 Operating income for the corporation was recorded at GBP543 million, down from GBP521 million in FY2021. In FY2022 the net income was GBP396. million vs GBP375 million in FY2021.

Multi-channel Selling :- The company's direct-to-consumer business grows as goods are sold through several channels. Burberry uses both physical storefronts and internet retail platforms to sell their goods. Diverse retail and marketing channels contribute to higher brand recognition, foot traffic, and revenue. In addition to its operational facilities in the UK, it



obtains and produces a variety of luxury goods items through an extensive network of suppliers headquartered in Italy.

(GlobalData (2022).)

Broad Product Portfolio :- Burberry has a large selection of goods for kids, adults, and women. The firm sells a wide variety of accessories, such as belts, sunglasses, jewellery, watches, purses, and bags. The women's division has a large variety of clothing, including skirts, scarves, coats and jackets, and trench coats. In the men's division, the business provides clothing, dresses tailored, coats, trench coats, blazers, knit shirts, polo shirts, t-shirts, pants, swimsuits and bonds. Clothing for boys and girls between the ages of four and fourteen is included in its children's section, along with items for newborns and infants. There is a large selection of fragrances and makeup items for both men and women in the beauty goods area.

(Canadean (2016))

India :-

Brand Value :- Burberry has been around for more than 156 years. British fashion is linked to the Burberry brand. It is a manufacturer of apparel, accessories, and perfumes. Burberry is dedicated to providing its consumers with durable and high-quality clothes. Which makes Burberry easy to establish them in developing nation such as India.

Broad Product Portfolio :- Burberry has a large selection of goods for kids, adults, and women. The firm sells a wide variety of accessories, such as belts, sunglasses, jewellery, watches, purses, and bags. The women's division has a large variety of clothing, including skirts, scarves, coats and jackets, and trench coats. In the men's division, the business provides clothing, dresses tailored, coats, trench coats, blazers, knit shirts, polo shirts, t-shirts, pants, swimsuits and bonds. Clothing for boys and girls between the ages of four and fourteen is included in its children's section, along with items for newborns and infants. There is a large selection of fragrances and makeup items for both men and women in the beauty goods area. ((Canadean (2016))



Weaknesses

United Kingdom :-

Huge Debt :- Massive debt is still a big source of worry for the business. As of the close of FY2022, the corporation owed GBP 1,401 million. Its current liabilities climbed from GBP1,945 million in FY2021 to GBP2084 million in FY2022, while its debt increased by GBP38.9 million from the previous year. Due to this rise in debt, Burberry Group will have to pay more in interest. which might have an impact on its profitability later on. If it can't make enough money to cover its expenses, it can have an impact on how its firm operates. paying off such a large debt. It could also hinder the company's expansion because it is harder to get financing from the market at attractive words. (GlobalData (2022).)

India :-

High Price Range :- Even if price is a reliable measure of quality and appeal, its high price range means that only a tiny portion of buyers can afford it. The younger generation, who aspires to trendy and luxurious lifestyles, cannot afford expensive items. Especially growing country like India where only limited categories of person can afford the products from luxurious brand such as Burberry.

Asian Market :- Asian buyers account for a sizable share of the group's global sales. As a result, any modifications to consumer preferences or the political, social, or economic landscape in Asia may have a negative effect on the lives of Asian consumers.

(Shastri, A. (2022)



Opportunities

United Kingdom :-

Strategic Initiatives :- By interacting with customers through websites, social media platforms, and mobile applications, luxury goods firms are increasing brand awareness and increasing sales. Retail e-commerce is expanding more quickly due to the rise of interactive techniques and endless material. The e-retail industry is expanding due to factors such as increased internet penetration, user-friendly web portal interfaces, improved discounts and offers, shifting customer trends, and increased purchasing power. ((GlobalData (2022).)

India :-

Collaborations :- By working with other companies, Burberry can attempt to lower the cost of their clothing. If the firm uses e-commerce well, it may reach out to a wider audience. Especially in developing nation such as India.

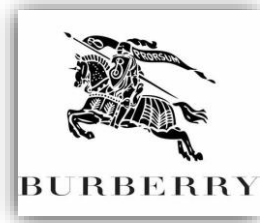
Developing Emerging Markets :- Expanding into other markets in the future, including those in India, Egypt, Thailand, Turkey, Mongolia, and many other potential countries, might lead to success. This is due to the fierce rivalry that developed economies already face. In 2014, the growth rates of Europe, the Middle East, India, and Africa (EMEIA) and the Asia Pacific area were just 17–18%. If the brand reaches new markets, its revenue might increase.

(Shastri, A. (2022)

Threats

United Kingdom :-

Labor Costs in UK :- The company could have to pay more for operations due to growing wage expenses. The minimum hourly salary rates for workers 25 years of age and older will increase from GBP8.91 in April 2021 to GBP9.5 in April 2022, according to the UK government. Employees in the 18 to 20 age range had an increase in their hourly pay



from GBP6.56 to GBP6.83 during the same time. The hourly salary of workers under the age of eighteen increased from GBP4.3 in April 2021 to GBP4.81 in April 2022, while the hourly wage of workers between the ages of twenty-one and twenty-two increased from GBP6.83 in April 2022 to GBP8.36 in April 2021.

Market Competition :- The competition to expand its distribution network is fiercer in the globalised luxury goods market, which puts significant pressure on the company's potential for future revenue growth and profitability. The market for luxury products, which include watches, jewellery, and other accessories, has seen a notable upward tendency in recent years. The business faces competition from Kering SA (Kering), Selfridges Retail Ltd (Selfridges), John Lewis plc (John Lewis), and Kering Nichols Group Ltd (Kering). While the market was seeing consolidation through mergers and acquisitions, the big rivals were taking steps to develop their businesses in tandem with the expansion. Capri Holdings Ltd. and Ellesse will collaborate in April 2022 to commemorate the sporty fashions of the 1970s. March 2022 will see Kering SA's subsidiary.

((GlobalData (2022).)

India :-

Change In Customer Lifestyle :- The brand needs to create and design a new line of stylish items, therefore constant shifts in fashion and lifestyle are concerning to the corporation. Regarding this sector of the economy. in particular in emerging countries like India

Extreme Competition :- Burberry faces severe threats from international companies that have a worldwide presence, including Gucci, Louis Vuitton, and Prada. But since competition exists in every market, the company needs to constantly add new items to its portfolio.

(Shastri, A. (2022)



4.1. SWOT Analysis Similarities Between UK and India

Burberry have almost similar and wide range of product portfolio for both countries UK and India. Brand value of Burberry is very high in both countries which becomes it's strength.

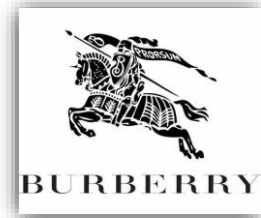
Market competition is high for both countries for Burberry. In UK there are various competitors such as Kering SA (Kering), Selfridges Retail Ltd (Selfridges), John Lewis plc (John Lewis), and Kering Nichols Group Ltd (Kering). While in India competitors are as Gucci, Louis Vuitton, and Prada.

4.2. SWOT Analysis Differences Between UK and India

India is developing country where price is prime factor for consumer over quality factor. Where as developed nations such as UK quality comes first over price for consumers.

In UK labour cost is very high while India provides the cheapest labour experience to the organisation.

In emerging country such as India customer change their life style quickly as per new trends. While in UK customer life style change issue is almost negligible.



5. Segmentation, Targeting and Positioning (STP) of Burberry:-



Source :- STP Model (advancewithava.com)

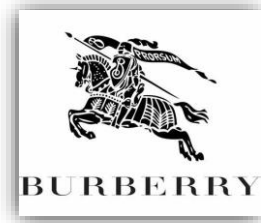
5.1. Segmentation

Segmentation can be divided into various parts such as Demographic segmentation, Geographic segmentation, Psychographics segmentation etc.

1. Demographic Segmentation :-

Demographic segment based on factors including age, gender, race, marital status, income, education, and occupation, according to demographic segmentation.

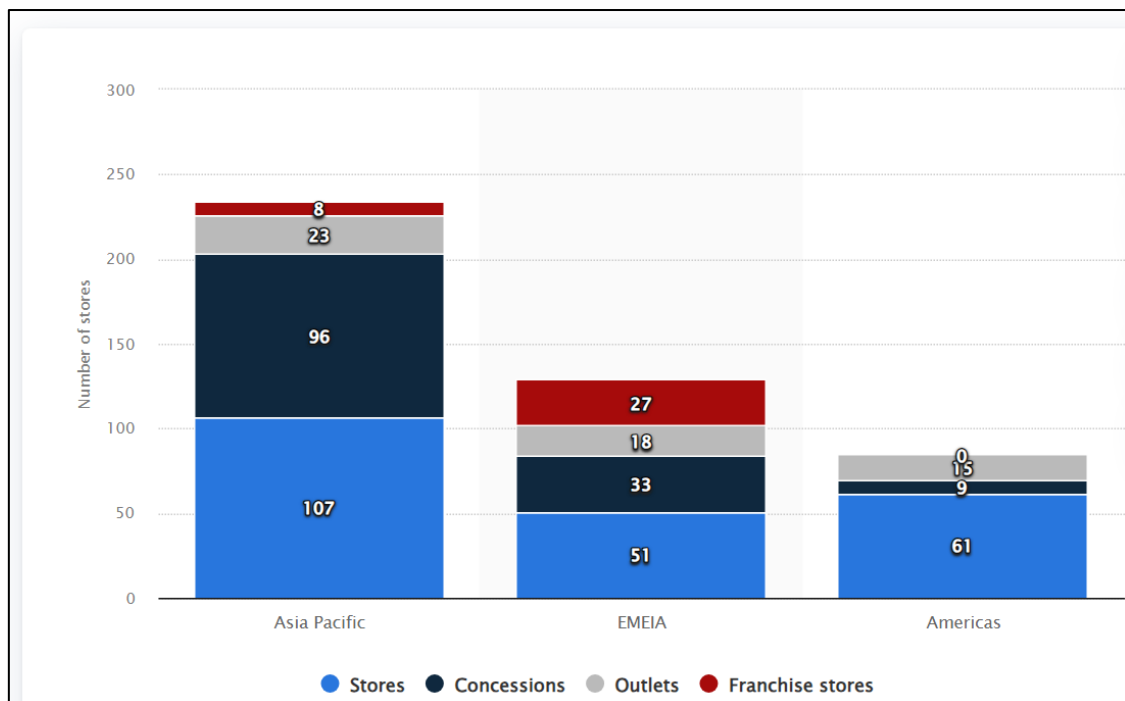
Burberry produces goods for a wide range of age groups, including kids, teenagers, adults, and individuals of both genders. Since Burberry items are seen as opulent, many with lesser incomes are unable to purchase them due to their high cost. The Burberry brand shows little consideration for middle-class and lower-class consumers, which leads to a lacklustre use of the customer base in both the United Kingdom and India.



2. Geographic Segmentation :-

The majority of Burberry's customers are from rich countries. They are wealthy and have high expectations as a result. However, because the brand's geographical segmentation disregarded developing countries, it was ill-planned.

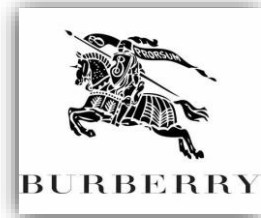
The below charts shows the presence of Burberry in various countries.



Source : [Number Burberry stores worldwide by outlet type and region 2023 | Statista](#)

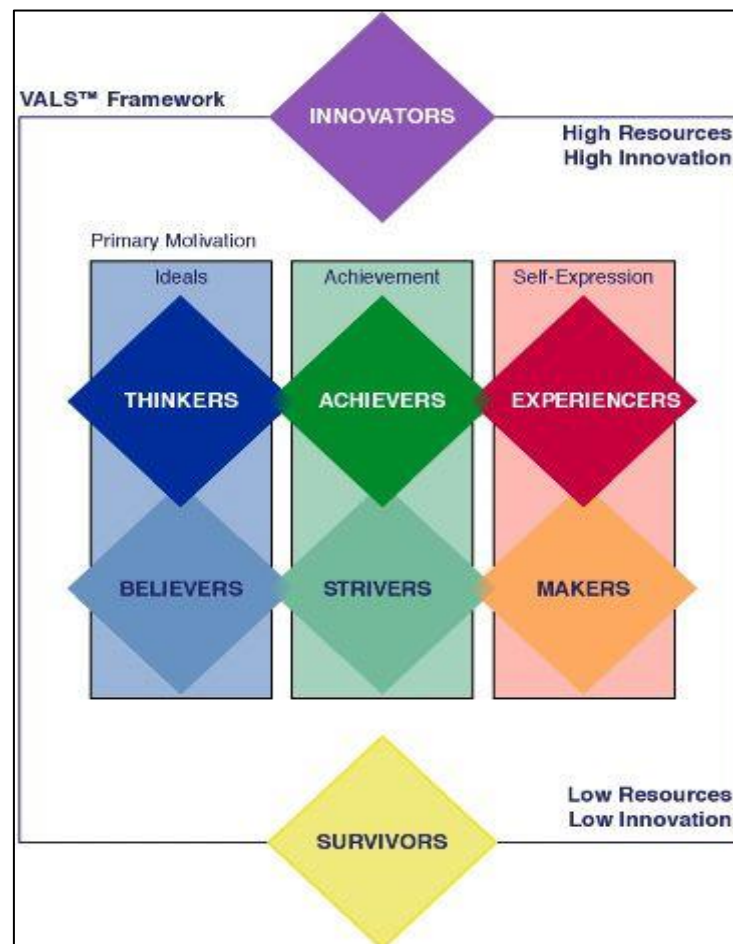
Teams at Burberry represent 120 different ethnicities from 34 different nations and territories. (Burberry (n.d.)).

In UK Burberry opened their stores at rich locations such as Bond street, Regent Street, Westfield (White city) in London. In India Burberry also opened their stores in wealthy cities such as Mumbai, New Delhi, Kolkata. (Kingdom, B.U. (n.d.)).



3. VALS Segmentation :-

“ VALS stands for Values, Attitudes and Lifestyles and it is a psychographic consumer segmentation system owned by Strategic Business Insights and based on the following eight consumer segments: innovators, thinkers, achievers, experiencers, believers, strivers, makers and survivors.” (www.igi-global.com. (n.d.)).



Source : [Vals framework - Values attitude lifestyle - Vals model | Achievement, Marketing concept, Innovation \(pinterest.co.uk\)](#)

Burberry Group may use VALS segmentation to divide potential consumers into groups based on a range of criteria, including as interests, purchasing behaviours, attitudes on social issues, personality attributes, and patterns of consumption. VALS segmentations are helpful since individuals within the same demographic may exhibit different psychographic qualities based on their individual experiences and upbringing. (Pro, E. (n.d.).)

Burberry categorised their consumers in achievers and innovators.



5.2. Targeting :-

Targeting strategies can be divide in to three parts such as 1) Undifferentiated marketing, 2) Differentiated marketing, 3) Concentrated marketing.

Below mention targeting strategies utilised by Burberry for both countries as Burberry having almost similar products and similar target audience in both countries UK and India.

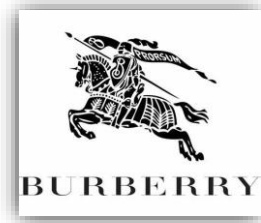
1. **Differentiated marketing** :- By providing a range of opulent fashion brands for different age groups and genders—for example, clothing, shoes, and belts for men, women, and children—Burberry employs diversified marketing methods.
2. **Concentrated marketing** :- Burberry used a targeted marketing approach, concentrating on a niche market that perfectly complemented their brand. They target influencers, celebrities, and high net worth individuals, for example.

5.3. Positioning :-

Brand positioning and value proposition positioning are crucial for success in today's cutthroat industry.

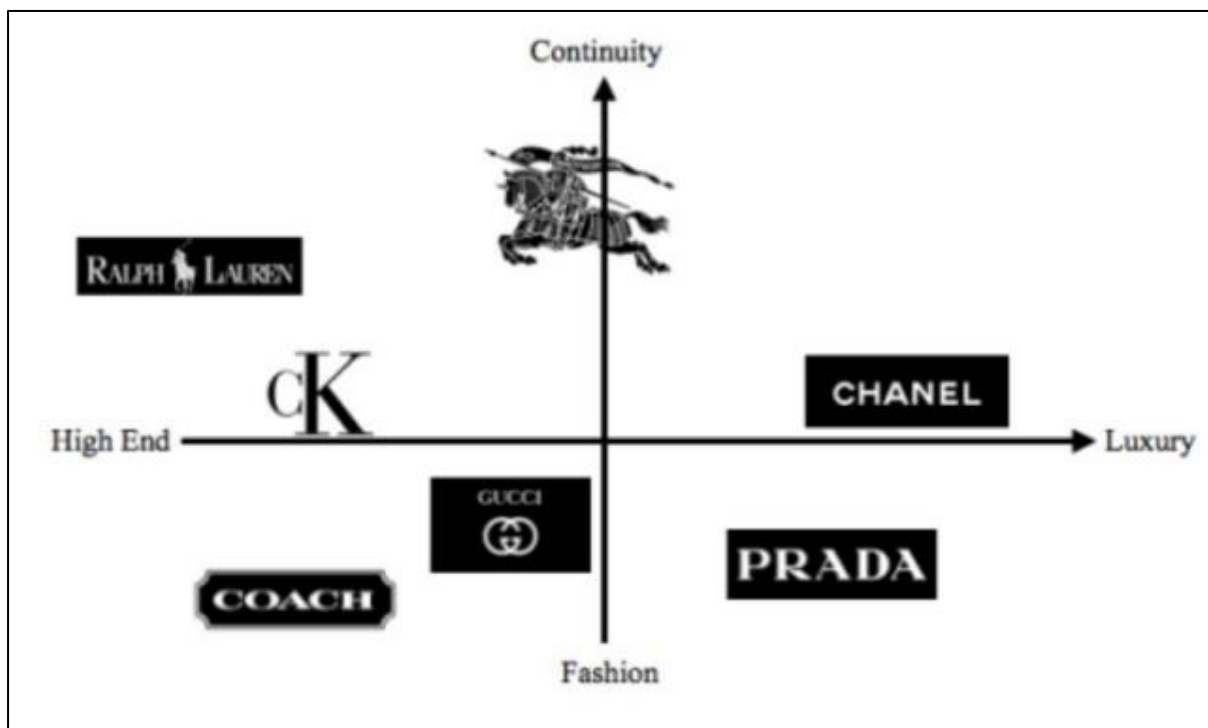
Corporate image of Burberry Group – New product positioning need to align with the Burberry Group's key competencies and brand image. Burberry Group positions its products slightly above market pricing since it is a best value for money player in the apparel and accessory sectors. (Pro, E. (n.d.).)

The real stars of every successful brand are its brand ambassadors. Contact is immediate and highly customised. Brand ambassadors serve as a liaison between a business and its clientele. Additionally, they support the development of trust, buzz, and traffic in their specialised communities. Burberry has enlisted young artists and sports figures at the national level as part of its brand ambassadors strategy. It has worked well for these influencers to market their items to a large audience. Burberry is able to provide its customers the best products because of



its unique features and excellent customer support. Even though Burberry is expensive, most rich people like shopping there. Burberry is a well-known brand among high society people and celebrities. (Xaif (2023).)

5.4. Perceptual Map for Luxurious fashion brands :-



Source : Zhang, Y. (2022). *Burberry's Marketing Activities in the UK and China: An Analysis Based on Cultural and Psychological Differences*. Shanghai Publishing and Printing College, Shanghai, China

A perceptual map can be useful in explaining customer perception of a brand, prospective strengths and weaknesses in the market, and marketing segmentation. BAM Burberry ranks its products from high end to luxury and from continuity to fashion in Figure, offering a perceptual map of the brand. Burberry is viewed as a high continuity brand that falls somewhere between luxury and high end, as Figure illustrates. It demonstrates that rather than being perceived as a fashion brand, its practical design and usage when it was formed made a strong impression. The CEO of Burberry feels that what matters most to consumers in the premium sector is newness and fashion. The reason for this is because customers' needs for cutting-edge and fashionable items are growing, particularly in light of the fact that younger consumers are fueling the expansion of the luxury

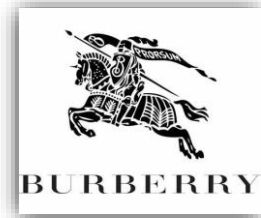


industry. Burberry must thus shift towards becoming increasingly luxurious and trendy on the perceptual map. (Zhang, Y. (2022))

5.5. STP Similarities and Differences Between UK and India

Burberry uses similar demographic segmentation in both countries UK and India. Burberry makes the products for all age groups and for both gender. Burberry's products are not affordable for middle and lower middle class people. For geographic segmentation Burberry open their stores in premium locations only in both countries.

Burberry applies differentiated and concentrated marketing strategies for both countries. Burberry provides various luxurious fashion products for limited target consumers.



6. Marketing Mix for Burberry :-

“Marketing mix is the most fundamental concept of marketing. Riaz & Tanveer (n.d) referring Kotler, Armstrong, Wong, & Saunders (2008) defined the marketing mix as: a set of controllable marketing tools used by a company for creating a desired response in the targeted market.” (Dr. Muhammad Tariq Khan (2014))



Source : [7Ps Marketing Mix - Bloomsbury Business \(weebly.com\)](http://7Ps Marketing Mix - Bloomsbury Business (weebly.com))

The 7Ps framework, which is used in Burberry's marketing mix plan to examine the brand, stands for "Product, Price, Place, Promotion, People, Process and Physical Evidence.

1. Product :-

Among the top luxury fashion labels worldwide is Burberry. Burberry's Clothing, cosmetics, perfumes, eyeglasses, and accessories for men, women, and kids are among the primary products offered. These products are all included in the marketing mix of the high-end fashion brand. The best items for first-time purchasers are accessories, which also last longer than apparel, which has to be sold out of style in four months. The popularity of scarves and other soft accessories is rising. Trench coats are the brand-name products with the largest market share. Additionally, Burberry sells accessories that are simple to market, like as purses that do



not require trying on. Burberry has licenced its watch business to Fossil Group, a company experiencing a decline in market share. (MBA Skool Team (2021))

Burberry's UK Products.



Crossbody Bag

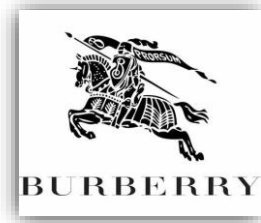


Trench coat



Fragrances

Source : [Burberry | Official Website & Store](https://www.burberry.com)



Burberry's Indian Products.



Shirt

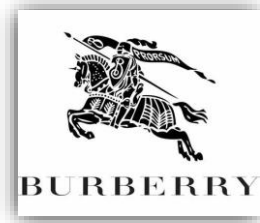


Bag



Sun glass

Source : [Burberry India | Shop Handbags, Accessories, Clothing and more \(luxepolis.com\)](http://Burberry India | Shop Handbags, Accessories, Clothing and more (luxepolis.com))



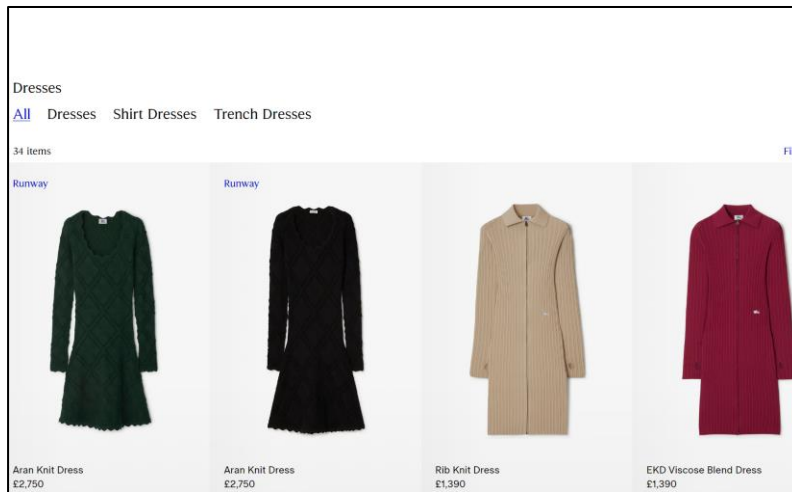
2. **Price** :-

Burberry uses premium pricing to sell their products. Burberry aims to create the perfect harmony between their luxurious, high-end products and their reasonably priced selection. Being a premium brand, Burberry does not directly compete with its competitors on price in its marketing mix. The key differentiators are perception, durability, and product design. Burberry's pricing strategy has remained largely unaltered since altering it may alienate customers. Pricing is decided upon following a more in-depth examination of competitor prices and consumer demand. The demand and desire to buy of its customers determines the pricing of its products. Prior to setting a product's price, Burberry carefully weighs the benefits of its pricing strategy over those of its rivals. Burberry uses similar pricing strategies in both countries UK and India. (MBA Skool Team (2021))

3. **Place** :-

Burberry has hundreds of stores worldwide. The majority of the companies are located in highly populated locations, which guarantees a consistent flow of revenue for the firm. Many of the locals in these areas are part of Burberry's target clientele. It is realistic to expect rising revenues from these cities as a result. Additionally, the Burberry stores of the future are more inventive in their approach to client service and heavily impacted by internet platforms. At burberry.com, a comparable number of people purchase online at the same time, making up a sizable part of traffic. Due to its direct ownership of the majority of its locations, Burberry consistently achieves comparable levels of client satisfaction. (MBA Skool Team (2021))

Burberry uses both direct and indirect channel of distribution in both countries UK and India.



Source : Burberry.com



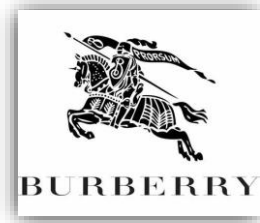
Source : [Photo of the day: Burberry's UK flagship store | Boy Meets Fashion – the style blog for men and women](#)

Market Entry Methods of Burberry

One of the most important initial steps in expanding into a new market for a business is choosing the best entrance strategy. As may be shown below, there are several ways to enter an emerging market.

1. Licencing, 2. Franchising, 3. Joint venture, 4. Strategic alliance

Burberry sells its goods online, through wholesale partners, and through its own chain of stores and franchises. Burberry collaborates with licencing partners to



use their product and distribution expertise for certain products, such cosmetics and eyewear. (Available at : [Business Model - Burberrypkc](#))

Advantages of Franchising Market Entry Method

- **Brand Recognition :-** A highly potent tool in business is branding. Establishing a franchise provides access to a well-known and established brand.
- **Reduced Failure Risks :-** When it comes to joining a market, the most important aspect for entrepreneurs is the lower probability of failure. There is a substantial difference in the failure rates of new and established market entries.
- **Ready Customer Portfolio :-** The main benefit of franchising is that it gives clients peace of mind by ensuring that they will receive identical goods and services in terms of both quality and service. Most franchise business customers are thought of as loyal customers.

Disadvantages of Franchising Market Entry Method

- **High Cost :-** Costs associated with purchasing a franchise include startup costs, rent, utilities, staff, franchising fees, and taxes. These expenses are separated into one-time and ongoing charges.
- **Dependency :-** Dependency is another issue, as franchisees operate independently of the franchisor but the franchisor maintains their own business.
- **Strict Rules :-** Rigid rules are still another problem. They let franchisees to function autonomously while still being supervised by the franchisor. The comprehensive set of rules that the franchisor gives to its franchisees must be followed. Franchisees must use the same equipment and supplies and offer the same calibre of customer service.
- **Initial Cost :-** The term "initial cost" refers to the non-refundable franchise charge. After entering the system, franchisees pay the franchisor a one-time fee. They also pay royalties, which are a portion of their total sales.

(Menekse Salar a *, Orkide Salar b (2014)).



4. Promotion :-

Burberry gives its marketing campaigns a lot of attention. Promotion is the most important factor in the clothing industry. To target a certain age group, the ads are chosen to run in high-end periodicals. Burberry uses a range of promotions in their marketing mix, including as television commercials, billboards, print ads, and online adverts. After understanding the importance of social media, Burberry has continued to be active on these platforms ever since. Burberry's initiatives in digital marketing allowed them to communicate their brand message to customers more successfully. Their primary source of funding is celebrity endorsements. Less TV advertisements are used to promote the Burberry brand; instead, viral marketing is the main method. Among the famous are Agyness Deyn, Kate Moss, and others. Digital technology use is essential for success. (MBA Skool Team (2021))

Burberry's promotional efforts in India are focused on both local and international initiatives. The premium brand sponsored an exhibition called Art of the Trench in Gurgaon, which included street style photos of Indians sporting Burberry trench coats.



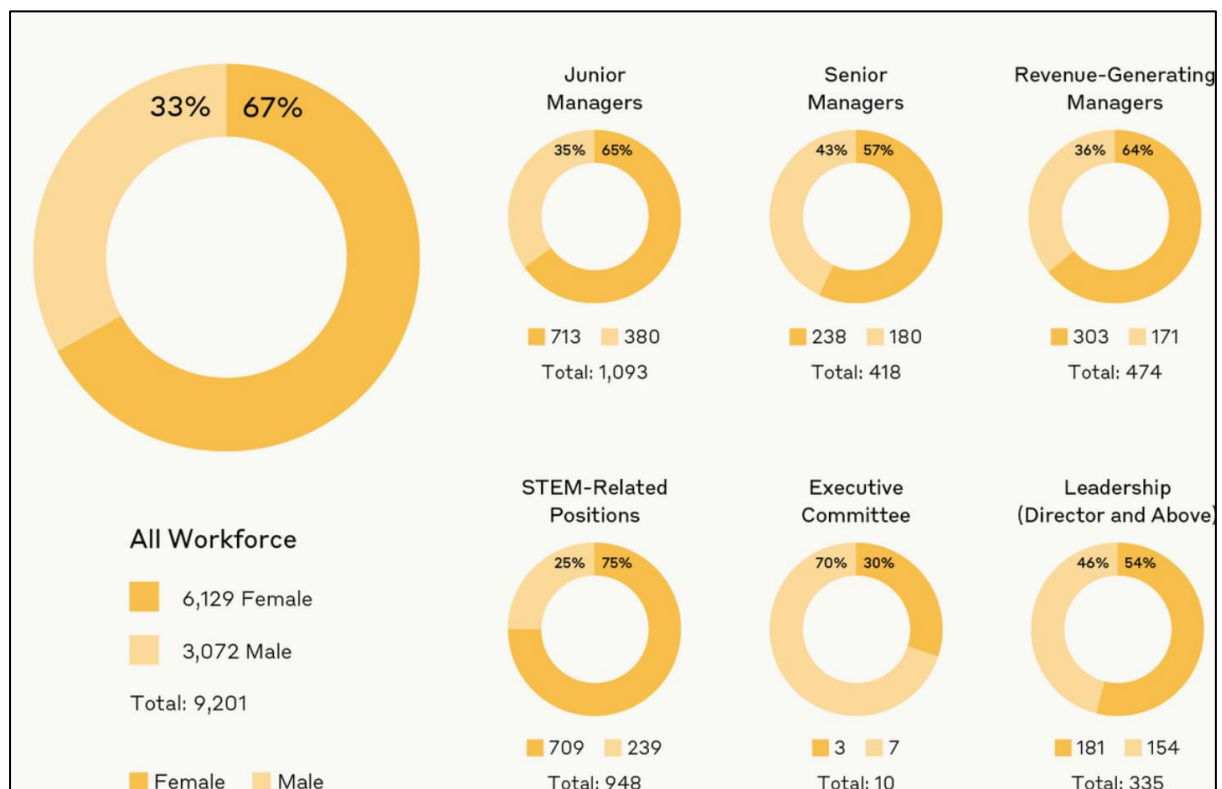
Source : [burberry in magazine - Search Images \(bing.com\)](#)



5. People :-

Together, Burberry prioritises people's well-being and fosters an inclusive, compassionate, and open work environment to foster innovation. Burberry ensures that reflects the rich variety of consumers and communities and cultivates a culture of real inclusion and belonging by listening to, appreciating, and elevating the views of colleagues. Burberry wants to foster an atmosphere where imaginative people from many backgrounds may flourish, create, and contribute a variety of abilities and experiences to everything. (Available at :- [People - Burberryplc](#))

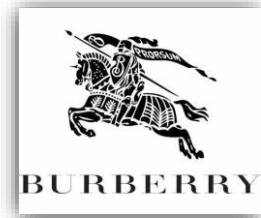
The below mention image shows the Burberry's workforce at various designations.



Source : [Attracting Talent - Burberryplc](#)

6. Process :-

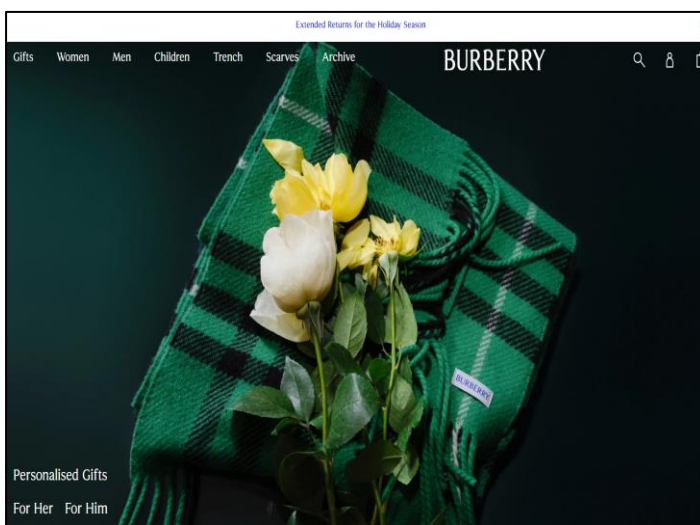
The "tasks, schedules, activities, and routines" that make up the process enable users to effectively utilise the service. Businesses plans how their customers can use the service with minimised efforts and complications.



Burberry provides 24 x 7 customer service to their customers. Burberry also provides to locate nearest Burberry stores. Burberry provide Email and connect to Whatsapp services to solve the customer issues which puts Burberry in stronger position among their competitors. (Kingdom, B.U. (n.d.)

7. Physical evidence :-

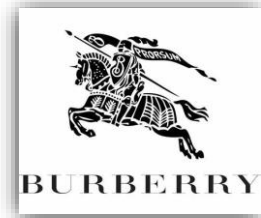
Physical evidence includes everything customers can see as verification of the company's existence. Official website of Burberry is shows the physical evidence of the company. Burberry's stores in both countries UK and India also shows the physical evidence.



Source : [Burberry | Official Website & Store](https://www.burberry.com/)



Source : [London, England, UK. Burberry Store, 21-23 New Bond St Stock Photo - Alamy](https://www.alamy.com/stock-photo-london-england-uk-burberry-store-21-23-new-bond-st-Stock-Photo-1300000000.html)

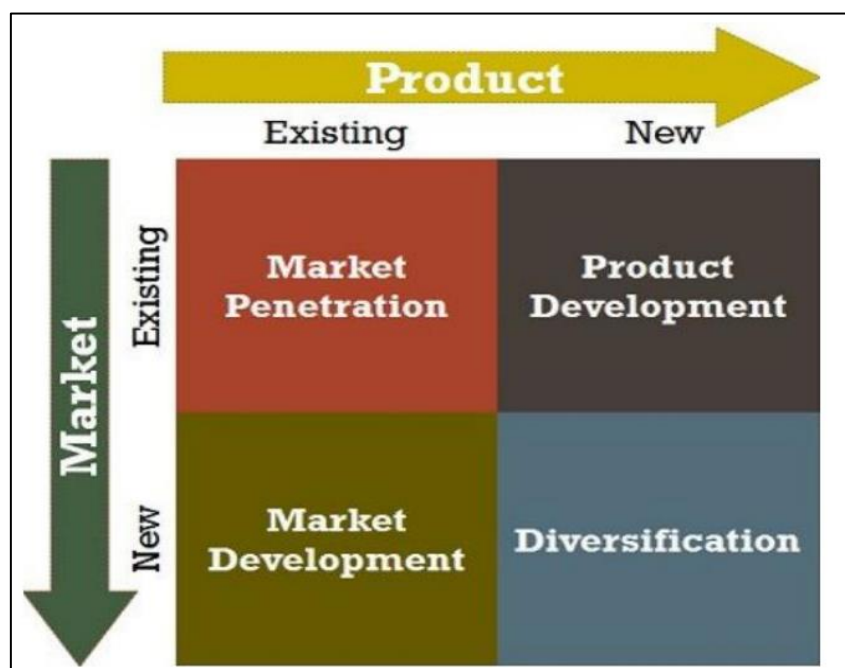


7. Directional Development Strategy

A company's decision to develop its business, boost earnings, and achieve its aims and objectives is known as its directional strategy. It may also be referred to as its mission statement or game plan. The cornerstone of any company aiming for expansion and financial success is a well-defined directional plan. (Welp Magazine. (2020)).

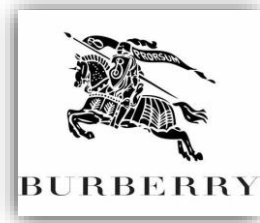
7.1. Ansoff Matrix

“ Ansoff Matrix It is a strategic management and planning tool that helps the marketing management team to plan strategies for expanding this future business.”
(Dr. S. Maris Shinia Clarissia (2020)).



Source :- What is Ansoff Matrix? definition and meaning - Business Jargons

Product Development :- Product development refers to supplying new or altered items to existing markets. Burberry intends to release new collections globally with distinct lines for men and women, and will display them online. (GlobalData (2022)).

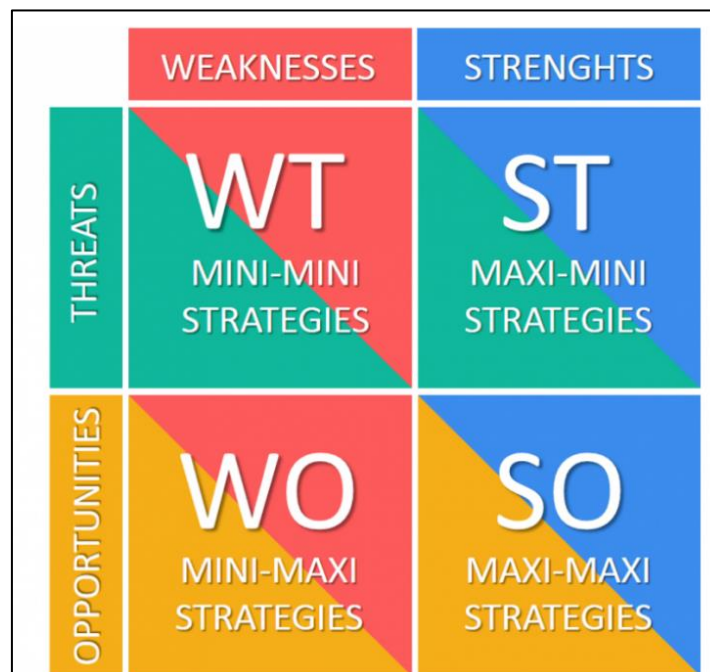


Market Development :- The company's main goal is to improve digital and in-store experiences. By opening new locations and expanding its client base through omnichannel solutions, Burberry is establishing a significant global footprint. This includes facilitating in-store appointments. The goal is to accelerate full-price performance by extending markdowns in both Burberry.com and mainline shops. (GlobalData (2022).



8. Recommendation (TOWS Framework)

The SWOT Analysis framework is expanded upon in a TOWS Analysis, which finds your Strengths, Weaknesses, Opportunities, and Threats. Additionally, it looks for ways to match your Threats with your Weaknesses and your Strengths with your Opportunities. After finishing SWOT analysis, it's a terrific next step that enables organisation to act on the findings. (Lucidity (2020)).

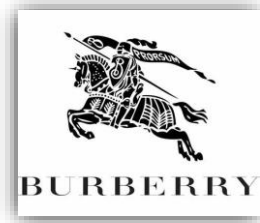


Source : [What is the TOWS Matrix? Strategies, Advantages & More \(tradebrains.in\)](https://www.tradebrains.in/what-is-the-tows-matrix-strategies-advantages-more/)

Weaknesses to Threats :- The Weaknesses to Threats also known as “ Mini-Mini Strategies”. Minimise dangers and vulnerabilities is the Mini-Mini strategy's goal.

Weaknesses to Opportunities :- The Weaknesses to Opportunities also known as “ Mini-Maxi Strategies”. The Mini-Maxi approach aims to maximise possibilities while minimising weaknesses.

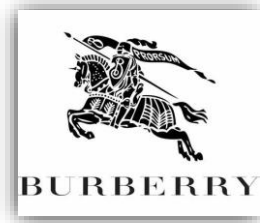
Strengths to Threats :- The Strengths to Threats also known as “ Maxi-Mini Strategies”. A Maxi-Mini strategy seeks to minimise risks while using a company's assets to their fullest potential.



Strengths to Opportunities :- The Strengths to opportunities also known as “ Maxi-Maxi Strategies”. A Maxi-Maxi Strategy seeks to maximise the company's exploitation of external possibilities while leveraging its internal capabilities.

Burberry should use “ Maxi-Maxi Strategies” in India. Burberry should utilise their brand name in India to increase their footprints in new various locations within India. India is fastest developing country so Burberry can generate high revenue from Indian market. Indian government has also opened the market for foreign investment and also provides the various opportunities to new investors and investors who develop their business in India.

Burberry should use “ Maxi-Mini Strategies” in UK. For Burberry in UK market there are number of competitors such as Gucci, Prada, LVMH, Christian Dior. So, to beat the competitors Burberry should take competitive advantages. Burberry should standardize their products, Increase the quality of their products, they should also improve the customer service, Burberry should also strengthen their brand name.



Conclusion

By analysing various frame works of Burberry such macro environment, hofstede cultural dimensions, SWOT analysis, marketing mix and STP model in United Kingdom and India it shows the strength, weakness of Burberry and also demonstrate the current market position of Burberry. TOWS frame provides the information that which strategies should Burberry should adopt to make their market position stronger in both countries.



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