



LEVEL 7 ASSESSMENT SPECIFICATION

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A review on the strategic approaches of Giordano

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1. Introduction

In this section, a brief overview of the history of Giordano International Limited (“Giordano”) is introduced to understand the development of the company, meanwhile the project aim and objective of this review are further identified to find areas of improvement of the existing strategic decision and management.

1.1 Company background

Giordano is an apparel retailer and the brand was founded in Hong Kong in 1981. The company opened its first local retail shop in 1983, later expanded to overseas markets through forming joint ventures in Taiwan and setting up its first retail outlet in Singapore in 1985 (Giordano, 2021(a)). The consistence business development in the 1980s allowed Giordano to be listed on Hong Kong Stock Exchange in 1991 (Stock code: 00709.HK). The company has now established its business footsteps in Greater China, the Asia Pacific, the Middle East and South Korea through direct retail sales and wholesales to overseas franchisees (Giordano, 2020). Besides the original brand Giordano, the company has further developed other brands like Giordano Junior, Giordano Ladies, BSX and Beau Monde (Giordano, 2021(a)) to segmentize its apparel products to different targeted customer groups. Giordano operation has been heavily depending on physical retail stores with over 2,100 shops in more than 30 countries (Giordano, 2021(a)), yet the Covid-19 outbreak restructured the company’s sales channels and accelerated the importance of its e-commerce, with sales from online platforms attributed to 10.5% of the company's total sales in the fiscal year 2020, recording a 22% increase on a year-to-year basis (‘yoy’) (Giordano, 2020).

1.2 Project aim

This report aims to evaluate the existing strategic decision and management, identify limitations in both corporate and business level strategies for Giordano and make recommendations to assist the company for further development.

1.3 Project objective

The objective is to achieve a 10% increase in Hong Kong market shares in the next 5 years after the implementation of the strategic recommendations in this report.

2. The strategic direction of Giordano

An effective vision and mission could guide an organization to a long-term goal and direct the management to achieve such a goal based on the core corporate value (Bowen, 2018). Through reviewing the vision, mission and value of Giordano in this section can analysis and evaluate the formation of the company's existing strategic decision.

2.1 The vision of Giordano

Giordano has targeted an ambitious vision to become 'the Best and the Biggest World Brand in Apparel Retailing' (Giordano, 2021(a)). The vision pinpoints its business engagement and provides direction in the brand's approaches in positioning its market and product. To achieve 'Best', 'Biggest' and becoming a 'World Brand', the company needs to adopt comprehensive market and product development strategies at the corporate level, to enhance its markets shares and provide outstanding apparel among worldwide competitors to create enough capacity for the company to align with the vision.

Yet, it could be very subjective to identify the 'Best' and different types of customers may have various interpretations in classifying the 'Best' products they would consume. By targeting different consumer decision-making styles of customers could influence the strategic decision making in determining the 'Best' product. Even though it can hardly identify the target customers through its vision, the company has further introduced in its websites, to supply relevant, essential and timeless fashion for everyone, indicated that the business is aiming at the mass market. Therefore, the brand needs to produce the best value for money apparel to differentiate itself from competitors among the mass market illustrating that the company must choose to be the best-cost provider at the business level.

In contrast to the 'Best', it is simpler to locate Giordano's strategic direction in becoming the 'Biggest' and 'World Brand' by measuring the worldwide market share of the company. Therefore, such a vision would guide the management of the company to actively expand the brand's retail footprint globally through market development. For the apparel industry, due to the daily necessity for the use of clothing by everyone around every region, it is a direct way to achieve market development by enlarging geographic, demographic and functional segments, in which the company is currently adopted. By reference to Section 1.1, the company's expansion in geographical retail points in several regions and creating different fashion brands for various consumer groups have provided support to such strategic decision marking.

2.2 The mission statement of the brand

Giordano's mission, to make people 'Feel Good' and 'Look Great' (Giordano, 2021(a)), is a direct mission focusing on product development and is setting a broad boundary for the brand to accomplish since this can be achieved by different types and styles of apparel. Such a mission gives the management room to develop various brand products, including differentiating products by gender, age, and function, but at the same time align with the company mission.

However, like many other corporates, Giordano neglects important theoretical framework in the statement such as components like corporate performance, employee, stakeholders, etc., in which the existing mission can hardly act as an efficient communication tool to deliver a clear idea of its functioning throughout the whole organization (Inés et al., 2018). Furthermore, the company did not highlight its comparative advantages which fail to respond to customers' anticipation, as such it has limited the effectiveness of the purpose of setting a mission statement and is unable to directly distinguish itself from the global competitors.

2.3 Corporate value of Giordano

Sound corporate values not only could act as the fundamental principal to execute the mission of the organization but also enhance non-financial performances such as brand reputation, employees' productivity and loyalty level, relationship with stakeholders, etc. when such values can consistently implement in each individual's actions (Dermol & Širca, 2018).

The existing corporate values of Giordano focus on customer-oriented areas with emphasizing 'Quality' and 'Simplicity' which correlated to the brand products, whereas 'Innovation', 'Knowledge' and 'Service' are values that shape employees' mentality and attitude toward daily operation and future development. Such values explain that the company is putting high

priority as an apparel designer, supplier, and retailer, yet Giordano has less illustration on other corporate responsibilities such as an employer, a listed company, business sustainability, etc., that deviates from other international fast-fashion brands' practices like H&M and Esprit which has incorporated these as part of their core values (H&M, 2021; Esprit, 2021).

To conclude, the mission and values of Giordano have directed the management to put most of the resources and efforts into product and market development through best-value apparel to align with the brand's goal. However, Giordano shows less determination in non-financial performances and corporate responsibilities, as a result have delivered a message to the public that the brand is largely concentrating on profit-generating activities.

3. The macro-environment affecting apparel retailing in Hong Kong

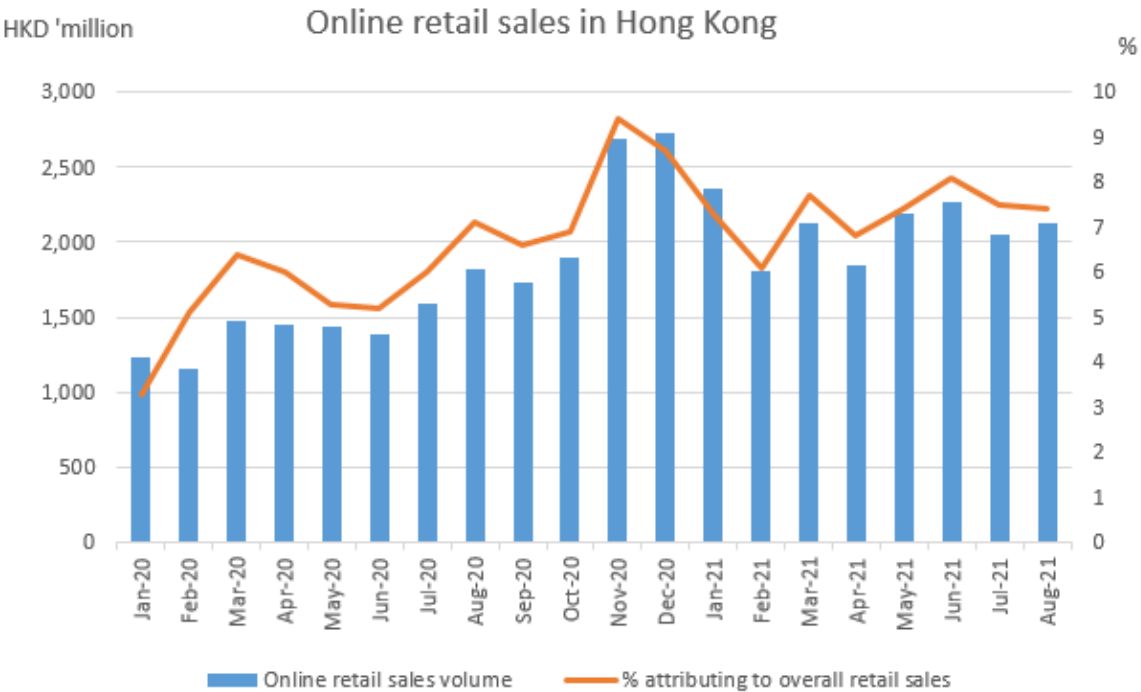
The apparel retail performance in Hong Kong is highly affected by macro-environment elements which could influence the business of Giordano. The three most impactful external factors in recent years are prioritized in this section by using PESTEL analysis (Aguilar, 1967) to identify and evaluate the threats and opportunities that arise to the company.

3.1 Increase in technology dependence amidst the Covid-19 pandemic

The development of e-commerce in Hong Kong is relatively slow as compared to Mainland China due to the well-established retailing spots located close to residential and business areas, which enhance the convenience of physically getting access to the retail stores for goods. The people in Hong Kong had shown great resistance in adopting digital payment in the past due to security concerns and satisfaction in the regular payment methods (Sendingan, 2018) also set obstacles to online retail sales. Yet, the health crisis arises from the Covid-19 outbreak has changed people's consumption practices to online purchases result from the avoidance of

face-to-face contact, as such the social distancing measures accelerated the dependence on the use of technology. The change in the consumer behavior can be illustrated in the following:

Graph 1: Online retail sales in Hong Kong



Source: C&SD 2021

By reference to Graph 1, the online retail sales only attributed to around 3% of the overall retail sales before the pandemic. After the first Covid-19 case was identified in Hong Kong at the end of January 2020, the increase in hygiene awareness avoided people from going out, which encouraged stay-home economy by using technology to complete their daily purchases through the internet. The proportion for online retail sales in Hong Kong sustained an obvious increase during the pandemic period and still maintain at about 7% of the total sales in the latest measured month, which more than doubled the sales as compared to the beginning of tracked recorded period. It is believed that online shopping will become a permanent habit even in the post-pandemic period which forms a new consumer behavior in the future retailing

environment (Swiss Re Institution, 2020). The forecast for the development of e-commerce in Hong Kong would stay strong with a 11% growth in 2021 and is expected to go further with a compound annual growth rate of 8.3% at a value of HKD 226 billion in 2024 (GlobalData, 2021).

Such transformation also reflected in the sales of Giordano, in which the online sales of the company recorded a 22.1% increase in the fiscal year 2020 that attributing 10.5% of its total sales, in particular, the digital sales outside Mainland China boosted by 123.5% (Giordano, 2020). Giordano's distribution channels have been largely relying on retail stores which the company currently has established over 60 shops for four different brands in Hong Kong (Giordano, 2021(b)), and is a business model that require high sales volume to support the expensive operating cost like rent and salary. Since it is expected that there is a change in consumer behavior, the management should consider adjusting its business strategy by reallocating more resources to e-commerce instead of physical stores to capture the future trend.

3.2 Increase in awareness of corporate social responsibilities and business sustainability

The growing discussion of corporates to take social responsibilities and maintain business sustainability instead of solely concentrating on financial performances have been brought into the public in recent years. In Hong Kong, to encourage corporates to put more effort on the mentioned areas, the listed companies are required to disclose environmental, social and governance ("ESG") information since 2016. The increasing importance in social responsibilities and sustainability performance has further drawn into the attention of public investors, in which new investment benchmark ESG indexes have been established since 2019

for investors to form investment portfolios focusing on socially responsible organizations (Esgn Asia, 2019).

Apart from the investment market, other non-governmental organizations (“NGOs”) are also closely monitoring the corporate performances in the non-profit driven areas. Review reports are conducted by NGOs from time to time to appraise the corporate achievements in social and environmental factors such as labor, human rights, equality, pollution, etc., and are putting pressure on regulators to enhance the coverage and transparency in the ESG disclosure (Oxfam, 2019). The idea of corporate social responsibility has gone even further to establish a shared value business model, in which to bear the obligation to resolve social problems during the operation process instead of paying back the society by the earned operating profit (Choi, 2021). These regulations, review and monitoring from different participants could enforce the companies in Hong Kong to allocate more resources to these non-financial elements, or even incorporating such concept into the corporate value.

As being a listed company, Giordano has demonstrated its effort on the environmental and social aspects on their websites and ESG reports. However, as mentioned in Section 2, the company has yet to show its determination in environmental and social elements as its core value, and these factors are also neglected in the mission statement. Since the public has developed a broader expectation on corporates’ function in the society, focusing on profit-generating activities may weaken the brand reputation of Giordano constantly since the company is still behind the market competitors like H&M and Esprit in these aspects.

3.3 Economic recovery progress in Hong Kong

The business environment for apparel retail industry in Hong Kong is not favorable in recent years due to the social unrest starting from the mid-2019, followed by the Covid-19 outbreak in the beginning of 2020. Such impact to the industry performance can be explained in the following:

Graph 2: Sales of apparel wearing in Hong Kong



Source: C&SD 2021

The sales value for apparel achieved an average of over HKD 4 billion before mid-2019, and the yoy sales value and volume percentage change started to face a continuous decline due to the social instability and even reached the lowest point, i.e. around -70%, at the start of the pandemic. Although there are signs of economic recovery in 2021 with the positive curve in yoy changes due to the slight relaxation in social distancing measures and local spending is further encouraged by the HKD 5,000 consumption voucher scheme imposed by the government (Yau, 2021), the average sales value only maintained at HKD 2.7 billion, which

is approximately half of the value before the economic downturn, largely due to the continuous enforcement of travel restrictions that limit tourists' consumption.

Giordano's sales in Hong Kong also suffered from such economic condition. In 2018, the sales attributed 17.4% of the total sales and ranked 3rd among all business region (Giordano, 2019), yet the sales in Hong Kong became the last as compared to other markets in 2020 with a percentage dropped to 11.6% (Giordano, 2020) and its ranking cannot improve in the first half of 2021 (Giordano, 2021(c)) even there is economy recovery in Hong Kong. This indicates that Hong Kong market can hardly depend on local consumption to outperform in the internal competition, but the time to relax boarder restriction is still uncertain due to the government's attitude in adopting stringent measures towards the virus, in which the business performance is expected to stay weak for a period of time.

To conclude, although the existing business environment has given Giordano an opportunity to further develop its online sales channel, it is also important to be aware that the company's current business philosophy of product and market focused strategy may bring adverse impact to its brand image alongside its weakening competitiveness in the Hong Kong market. Thus, the management needs to adopt appropriate adjustments to tackle these opportunities and threats.

4. The effectiveness of Giordano's value chain in the post-pandemic environment

The value chain of Giordano, including primary and support activities, is discussed in this section to identify whether the existing structure could help the company to sustain its business growth in the post-pandemic environment.

4.1 Comprehensive supply chain management

The company has developed a rather comprehensive supply chain management by incorporating ethical values, including labor and environmental standards, into the selection of suppliers apart from production cost and quality (Giordano, 2020). Such approach echoes with the increase in expectation of entities' social responsibilities bearing as mentioned in Section 3.2 which Giordano has brought these values to its suppliers and extended labor and environmental protection outside the company's own business region, covering additional locations where the company's upstream supply chains are situated.

However, since ethical matters are now sometimes weaponized as political issues, there is a rise in difficulty for the management to decide on what extent the company could align with ethical values and at the same time be able to sustain business development. The recent incident on Xinjiang cotton has brought an adverse impact on H&M's China market result from its responses on the subject matter (Ng & Bermingham, 2021), as such has set an example for the management to think ahead on the most appropriate action and procedures that could minimize the influence on the operation when Giordano needs to face similar issues.

4.2 Simplicity in operations

The corporate value 'Simplicity' has not only brought into apparel development but also the formulation of operation structure, where the company aims to streamline the operation procedures to keep a business model with simple and efficient processes (Giordano, 2021 (d)). As being an apparel retailer facing the mass market, the company needs a higher degree of flexibility to enhance fast response to any change in customers' preference from time to time, and a streamlined operation is a favorable model for the staff to perform speedy reaction to the market.

Flexibility shows particularly important amidst the Covid-19 pandemic, where corporates need prompt reaction to handle a sudden turnaround in every aspect of living. The contactless shopping preference due to hygiene concerns and demand in casual wear result from a work-from-home pattern required the company to make prompt adjustments on stock management for its global market in a short period of time (RLI, 2020). Sustainability in flexibility would still be one of the essential elements in operation in the post-pandemic era in which keeping the simplest business model could induce such a performance.

4.3 Challenges in distribution

Since Giordano has established a globalized market, the company has located different organizational functions and retails footprint in many regions, to develop massive distribution channels plays an important role to link up various functional points before the brand products could reach the customers. The increase in online shopping practices as mentioned in Section 3.1 has even accelerated the importance of the speed of product distribution and testing the ability of the company to minimize the required time from placing an order to product delivery.

Giordano's source of revenue has spread relatively equal in its five major business regions which its largest Asia Pacific market attribute 30.6% of the group's sales in the fiscal year 2020, yet the company's source of supply weight heavily in China representing 83.8% of its suppliers are situated (Giordano, 2020). The unbalanced distribution of suppliers required an effective cross-boundary distribution network to connect the company's suppliers to different retail points. Yet, the China-US trade war and Covid-19 pandemic have shown the vulnerable side of a global supply chain, as such may indicate the management to reconsider a more diversify supply base to increase the ability to support the retail market by regional suppliers, for establishing a more stabilized and controllable regional distribution network (Shih, 2020).

4.4 Adjustment in advertising and marketing strategy

The fashion brand has considered its over 2,100 worldwide retail stores as the strongest marketing tool with well-designed interior, attractive window displays and comfortable store ambience to enhance customers' shopping experience (Giordano, 2021(d)). However, the function of physical stores may start to decline due to the new consumption pattern formed in the health crisis. Instead of using flagship shops, the company should reallocate part of the resources to commence a more effective digital-based promotion strategy and engage with the technology dependence trend.

Giordano has a certain degree of digitalized advertising approaches such as the use of corporate websites for promotion schemes and sending emails to customers for news update (Giordano, 2021(d)), yet these methods are more effective to regular customers and not proactive enough to capture and enlarge the customer base. The company may adopt a more initiative approach by using big data (Gupta et al., 2021) to place accurate advertisements on price conscious consumers who are more focusing on best value for money apparel (Rezaei, 2015) to enhance the effectiveness of the marketing plan.

4.5 Emphasis on services

Giordano has been emphasizing the quality of the service which incorporated it as one of its corporate values and was able to prove its achievement by winning 2019 services award (Giordano, 2020). Since Giordano's customers obtained a high bargaining power due to the variety of similar apparel available in the market alongside no shifting cost in changing of brand products, providing an outstanding retail service can uplift the customers' well-being which strengthen customer loyalty (Troebbs, Wagner & Heidemann, 2018) to sustain a higher repurchase rate. To differentiate from the market competitors like H&M and Bossini,

Giordano should therefore continuously focus on its service quality and even provide services that could exceed customers expectations to add extra value to its apparel.

4.6 Importance of technology

Technology has been placing its important role in every aspect of a business cycle, the consistent development in technology not only can enhance the effectiveness of the primary activities but also pushing the industry forward to form a new retail business model with a mixture of physical and virtual shopping experience (Hagel III et al., 2015). Such transformation could reshape the retail ecosystem in which putting pressure on retailers to uplift their technological infrastructure to merge with the change in the business environment.

Giordano has been moving forward by integrating the use of technology into the production process, inventory management, retail operation and customer relationships, which has demonstrated critical functions under the pandemic situation by capturing online sales, relocating inventory around global markets, and supporting staff to work from home to sustain the retail business under the new normal (Giordano, 2020; 2021(d)). Even with a relatively high level of technology integration in business, Giordano's business model is still positioning in the traditional retail model with great dependence on physical stores as distributing and marketing channels. It is believed that digital engagement will change the function of shops from retail points to places for customized consumer experiences in the foreseeable future and the brand could further apply technology to transform its business model.

4.7 Globalized human resources management

The brand business has established a globalized retail market which requires the company to hire talents in the various region for business development, but this would increase the challenges in human resources management to align its global staff with different cultural diversity and social acceptance to achieve a common business objective.

Giordano has adopted training and learning incentive schemes to encourage continuous personal development, yet these policies seem to be implemented separately in each region without a planned training platform to connect the talents from different countries together and a centralized channel to deliver business objectives to regional staff. This increases the probability of performance inconsistency in various operation regions due to a different understanding of business targets and value. Therefore, to ensure every business area is working at a common goal, it is critical for the company to develop global strategic human resource management, in which the upcoming Global Talent Development & Retention Initiative (Giordano, 2020) proposed by the company could be the initial approach.

To summarize, Giordano has implemented ethical supply chain management, simplified operations and services focused strategies that match the condition under a post-pandemic environment, yet the pandemic also prominent the vulnerable side of the company's supply chain and business model which required the company to make strategic changes. Thus, Giordano should further strengthen digital technology to support its marketing and engage with a new retail model, meanwhile reallocate resources to build a more reliable distribution network and globalized training program.

5. Giordano's existing corporate and business strategies and its performances

The corporate and business strategies are evaluated in this section and the effectiveness of the strategies adopted will be assessed by the company's performance.

5.1 Corporate and business strategies

The strategies adopted by Giordano can be summarized as follow:

Table 1: Strategies adopted by Giordano

Level	Strategies	Giordano's approaches
Corporate	Market Development	- Established around 2,100 stores in over 30 countries - Developed retail markets in 5 different regions - Expand to other overseas market through franchise
	Product Development	- Established 5 different brands - Provide essential and timeless fashions for different gender, age group, nation and cultural population - Developed different functional apparel - Other apparel related accessories available
Business	Best-Cost Provider	- Aim at high-quality and value-for-money products - Emphasis on services quality - Provide customized designed apparel

Source: constructed by writer

At the corporate level, the company has decided to embrace a combination of market and product development which is directly reflected in its vision and mission as mentioned in Section 2. Giordano has achieved its geographical expansion by developing multi-countries stores mainly located in the Asia-Pacific and Middle East regions, as well as established joint ventures and franchise arrangements to explore other overseas markets. At the same time, the company set up several brand lines providing different apparel products from time to time for the majority has demonstrated its implementation of product development strategies.

At the business level, the company has chosen to be a best-cost provider which emphasized its product and service quality with pricing set at a majority affordable level. Even though the brand's quality cannot reach the highest rank among similar available products, its price was at a lower level as compared with the same quality range (Topick, 2020). The brand also

provides customized orders for organizational and activities uniforms, customized garment printing, old clothes collection point, etc. which are additional services on top of being an apparel retailer.

5.2 Strategic performances of Giordano

The effectiveness of Giordano's corporate and business strategies is analyzed by balanced scorecard (Morisawa, 2002) using the latest available information from the company's websites and annual report.

Graph 3 Balanced scorecard on Giordano's strategic performance

Finance	Objectives	Achievements	yoy % change
	Increase in revenue	HKD 3.1B	-35.7
	Reduce in operating cost	HKD 1.9B	-21.7
	Maximising operating profit	HKD -0.1B	-126.4

Learning and growth	yoy change	Achievements	Objectives
	-190 stores	2,185 stores	Market expansion
	-14.32%	19,822 hours	In-house training
	N/A	Study Allowance Scheme Management Academic Assistance Scheme Career Development Program	Encourage self-learning

Customers	Objectives	Achievements
	Lower price	Provide discount from time to time
	Customized products	Unique customized apparel pre-order available
	Enhance loyalty	- Giordano Eshop Membership - WWS Membership

Internal process	yoy % change	Achievements	Objectives
	-23.3	Electricity consumption	Conserving Resources
	-35.5	Packaging material consumption	
	-55.6	Shopping bag consumption	
	N/A	Online sales platform Real time retail system Inventory management system Communication with customers	Use of technology

Source: Giordano, 2020; 2021(a)(d)(e)

Giordano has been trying to keep customers' satisfaction by various attempts such as launching discount promotions and providing customized apparel to match with its corporate mission and business strategy, the company's membership schemes even provide further benefits for members aiming to increase the repurchase rate and loyalty level. However, such approaches were not effective enough to encourage its customers to keep on spending amidst the Covid-19 pandemic resulting in the brand recorded a 35.7% decreased in sales in the fiscal year 2020.

To become the best and the biggest apparel retailer, Giordano needs to achieve by expanding its global market shares with the support of a sufficient amount of talent. The company has actively opened up flagship stores in different regions to accomplish the market expansion and considered its accessible and spacious physical stores as a brand icon, yet the number of stores in 2020 reached the lowest within the past 10 fiscal years. Giordano has also launched in-house training and self-learning incentive schemes to ensure talent sustainability but the employees training hours in the latest year reached the lowest among the past 5 years. This might result from the reduction in the number of employees in the same year, yet the decline in the degree of training could impact individual cultivation that affects the company's future development. Instead of market development, Giordano performance has shown the other way round under the global economic downturn amidst the pandemic, resulting in a reduction of 21.7% in operating cost in the latest fiscal year.

Due to the underperforming in sales and operations of Giordano under the Covid-19 attack, the company suffered from an operating loss of HKD 105 million indicated that the company's existing business model and operation process are not effective enough to confront adverse economic conditions. Therefore, it is critical for the company to reform its retail channels and enhance operation efficiency by implementing more technology to support its business development in the post-pandemic era. Since the retail industry is foreseeing holding fewer brick-and-mortar assets and shifting to online retail result from the greater acceptance in technology, the company could even further improve the consumption of electricity and shopping bags with less depends on retail transactions conducted in physical stores. However, the development of e-commerce could increase the pressure on packaging consumption due to the increase in direct delivery of products to end customers.

To summarize, Giordano has been adopting market and product development as the corporate strategies and has chosen to be the best-cost provider at the business level. However, under the economic downturn brought by the pandemic, the company's existing operating approaches can hardly achieve business objectives. Giordano needs to quickly adjust strategic decisions by reforming the business model using advanced technologies to keep up with the transformation of retail in the foreseeable future.

6. Recommendation

The transformation of retail industry will shift the retailers' business from physical stores to online platforms and the function of shops will change from retail focused to a place for customer experience. For Giordano, the existing business model still highly emphasis on stores retailing and it is necessary to reallocate its resources to keep up with the upcoming industry development.

Instead of positioning Giordano's retails shops as a marketing tool and retailing point, the function of the stores should alter to a place for experiences, i.e. organizing textile and printing workshops, redesigning old clothes studios, conducting apparel related family activities, etc., to provide a location for customers to connect to apparel products with different dimensions, rather than solely establish a buyer and seller relationship. Giordano stores could change from a place for selling apparel to provide a spacious area for education and promoting environmental sustainability. Meanwhile, the values transmitted from these activities can be incorporated into the corporate values to prominent the company's sense of social responsibility. These could not only shift the existing business model but also uplift the brand image through providing services and responsibilities that exceed customers' expectations. These organized activities can also be linked to brand products by making use of Giordano

launched products as part of the teaching materials or partition a small proportion of the shops for product display and providing the participants to consume with discount after the functions, to form a new way of marketing at the site.

At the same time, Giordano should largely increase the e-commerce portion, i.e., at least 50:50, to form a new way of retail model. The brand has been emphasizing essential and timeless fashion and customers can still make purchase decisions without trying on due to the simple design of apparel, which is an advantage to develop online sales channels since the price and design of the brand products is easier to induce customers' impulsive purchases. Therefore, the company should further develop more comprehensive e-commerce platforms, not only upgrading the design of websites and apps to draw customers' attention but also establish more prompt and convenient distribution channels to enhance customers' online shopping experience. To strengthen the effectiveness of online retailing, it is particularly important for the company to sustain stable web displays, real-time customer enquiry services, smooth payment process and fast product delivery, in which the company needs to embrace advanced technologies for the stability of online platforms, supportive customer services, effective stock management and efficient logistic arrangement. Different from looking for new physical locations for market expansion as done in the past, the company can extend its market shares by continuously collaborating with existing online channel partners like HKTV mall and Zalora, and explore additional middle-size apparel online stores to maximize online customer base.

Thus, the change in the function of physical stores to a place for delivering corporate values and the higher depends on e-commerce could allow Giordano better aligning with the upcoming customers consuming practices and expectations.

7. Conclusion

The corporate and business strategies employed by Giordano has faced great challenges under the Covid-19 pandemic as the adverse economic conditions and the acceleration of going online retail model have increased the company's difficulty in meeting its business objectives to stay aligned with its corporate vision and mission. To sustain the business development in the post-pandemic era, the management of Giordano should make essential strategic adjustments by transforming into a less stores dependence business model to embrace the transformation in retail industry.

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