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Assessment 1

Blogging to communicate H&M

Student Number: 2022689

Module Title: Marketing Fundamentals

Module Code: LCBB4004

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Introduction

H&M is a Swedish multinational clothing retailer based in Stockholm. It is known for its fast fashion clothes for men, women, teenagers and children. As of November 2019, H&M operates in 74 countries with over 5,000 stores under the company's various brands, with 126,000 full-time employees. It is the second largest global clothing retailer, founded by Erling Persson and managed by his son Stefan Persson and Helena Helmersson. The company makes its online shopping available in 33 countries and is one of the leaders in innovation in the fashion industry. (H&M, 2021, About H&M Group, [Online])

Exploring H&M website give you an insight into multiple awards H&M received for its activities. Some of the awards are: PETA Vegan Fashion Award, Corporate Responsibility Reporting Awards. The company has been included among the top five in Fashion Revolution Transparency Index - it shows how much information a company share about suppliers, supply chain policies and practices as well as social and environmental impact. H&M was qualified in the top ten per cent of the world's most sustainable companies on the Dow Jones Sustainability Index 2019 ((H&M, 2021, Awards and Recognitions [Online])



Mission and objectives

Vision

- The company offers a wide variety of styles and trends in fashion and accessories, sports and casual wear, interior and home goods.
- The main vision of the company is to make sustainable living accessible to more people by using more and more recycled or other similar materials in their production.

Mission

- H&M Group aims to create a value chain that is positive for the climate by 2040. Their ambition is to make the production process completely circular.
- Continuous optimization of the store's portfolio to ensure a suitable presence in each market and the best experience for our customers.
- Creating innovations that change the world of textiles and fashion for sustainable growth and environmental protection.
- Respect, responsibility and work in a safe and healthy environment for the company's 177,000 employees, but also for the 1.6 million textile workers hired by suppliers.



H&M brief history

Some of the major developments made from 1947 to 2021

(1947-1968)

- Erling Persson opens his first store in Vasteras, Sweden, called **Hennes** (Swedish for "hers"), which sells women's clothing only.
- In 1964, a store was opened in Norway.
- Persson acquires the retailer of hunting clothing Mauritz, which leads to the inclusion of men's clothing in the product range and change the name of **Hennes & Mauritz**.

(1974-2000)

- The company is listed on the Stockholm Stock Exchange in 1974.
- H&M opened its first store in London in 1976.
- H&M continued to grow in Europe and began retail online in 1998.
- The opening of its first store in New York, 2000 year, marking the beginning of expansion outside Europe.

(2007-2021)

- The company started selling home furnishings in 2008.
- Expansion in Asia and the Middle East.
- Branding consulting company Interbrand ranks H&M as the twenty-first most valuable brand in the world.
- H&M launched a design collaboration with pop star Madonna in 2007.
- Since 2013, H&M has been offering its customers a voucher in exchange for their used clothes.
- The company has 5,018 stores in 2020
- H&M announced that it planned to close 5% of its stores worldwide in 2021 as a result of the COVID-19 pandemic (Wikipedia, 2021,[Online])

In a series of 6 blogs we will publish announcements about H&M's global initiative to collect old clothes in 2013, which continues to this day. This campaign goes through various stages and is related to many other events and specific fashion lines that evolve over time.

Blog 1

How to get a £5 or a discount from H&M? If you are thinking of updating your wardrobe, see if you have some old clothes that you could recycle to get a cash voucher. H&M has a clothing recycling scheme that will reward you with a £5 and 20 loyalty point if you are a member of H&M for donating a bag of old or unwanted clothing. Registration is free and comes with many benefits.

Be a fashion recycler.



Blog 2

Close the Loop is a key commitment of H&M Conscious Actions for Sustainability. By recycling just one T-shirt, 2,100 liters of water can be saved - imagine the impact of 1,000 tons of clothing collected during World Recycling Week. All textiles are welcome - weird socks, old towels, the dress with the hole - and nothing is too torn, worn or used for a second life.

Our clothing collection program is from 2013 and we have recycling bins in our stores around the world.

Things like how often you wash your clothes or throw them in the trash instead of recycling have an effect. So how you take care of them really matters!

Save the planet.

Bring us your old clothes and get 25% discount of your next purchase.



Blog 3

H&M launches a new denim collection made from recycled cotton from textiles collected in H&M's clothing collection initiative. We intend to create a closed cycle for fashion, which means that unwanted clothing fabrics can be recycled and made new. The aim of the new collection is to reduce the environmental impact of the fashion industry by limiting waste that goes to landfills and saving natural resources used in the production of fabric. Come and bring to our stores your unwanted clothes and get up to 15% discount for your next purchase.

The new denim pieces, made from recycled cotton and organic cotton, include three styles of jeans for women, plus a denim jacket and casual jumpsuits. For men, there is a denim jacket with a zipper, as well as two styles of jeans. We also have children's items, including a hooded zipper and cute animal ears, along with stretch jeans with sequins, a shirt with a hood in a street style and short children's jeans.

Give a second live to your old clothes. Bring them to us.



Blog 4

Can a fast fashion brand be sustainable and conscious? The Global Change Awards is an innovation challenge initiated by the H&M Foundation, aiming to lead the change towards a planet positive fashion industry. We make textile innovations that change the world of fashion - from fabrics made of durable wood to natural fibres formed from food waste. Our work wear is made from Agraloop Hemp BioFibre - natural fibre made from oilseeds. Our elegant accessories are made from VEGEA - vegan leather made from by-products of winemaking. Did you see our last premium collection CONSCIOUS?

Look great, feel good, save more, be conscious.



Blog 5

H&M has launched the latest global initiative at World Recycle Week. During this period, we aim to collect 1,000 tons of unwanted or worn clothing from customers around the world in our 3,600 stores. The initiative is part of our goal to close the fashion cycle by recycling unwanted clothes to create recycled textile fibers for new products. Collecting clothes in our stores is simple and can have a profound effect on the environment. Since 2013, all customers are invited to bring all kinds of unwanted and worn clothes and textiles, of any brand and in any condition, in any of our stores. In this way we guarantee that less clothes go to landfills and in return you will receive vouchers for use at H&M. Since we first launched Garment Collecting in 2013, our company has collected over 25,000 tons of clothing, and two years ago H&M introduced its first new garments that use recycled textile fibers.

Join in a global fashion trend for the planet.



Blog 6

We are launching Fashion Recycling Week together with the Center for Sustainable Fashion (CSF) of the London College of Fashion (LFC). We have invited design students to create installations made from old clothes donated by you, which we will put on various windows in London. We have placed a giant box in Covent Garden Square and invite you to bring us your old clothes. You will receive two £5 vouchers that can be used for in-store purchases worth £ 25 or more. When Fashion Recycling Week is over you can return your unwanted clothes to each of our stores and get many more discounts.

Be active, bring more, get more.



Segmentation

H&M is fast fashion retailer uses geographic segmentation, which means that offers wide range of price options for consumers who have a limited budget. The company also uses psychographic and demographic segmentation to reach more customers. H&M focuses on many religions, cultures, lifestyles and covers many continents as a market. Their marketing is done differently depending on the country and local culture. There is a segmentation by age, marital status, profession and gender. A large part of the company's customers makes impulse purchases, attracted by the continuous seasonal discounts and the limited time they have.

A big consumer group of fast fashion that H&M makes are the modern city customers who shop for pleasure, not out of necessity. They change their wardrobe every season because they follow the trends and want to be up to date. However, the goal of H&M is to give maximum experience and diversity to its customers, so that they commit long-term with the values and vision of the company.

Targeting

Targeting is related to the choice of a certain group of customers to whom H&M wants to satisfy a certain need. H&M's target customers are urban modern customers who follow fashion trends, shop more for pleasure, but without spending large sums for it. This type of clients is driven by their feelings and emotions and, unfortunately, they cannot be committed to a cause, even an environmental one.

The main target group of the trader is young people, mostly women, as they shop more than men. With its low prices, the company targets to the group of working, teenagers and middle class women. Also this model consumer is not loyal to the brand and shops from 5-6 other similar chains, looking for interesting items to satisfy their passion for shopping.

Positioning

H&M is a retailer that strives to provide consumers with modern, diverse and quality clothing at the best possible price. In order to keep its customers long-term, the company has introduced membership cards and many other bonuses for its members. H&M strives to show a personal attitude towards you (I received an email on my birthday that I could buy a product with a 25% discount on this day only). They offer many other awards and discounts, especially if you return your old unwanted clothes. The company develops a policy for economically, socially and environmentally sustainable business, as well as responsibility for environmental protection. Through this, it aims to attract a growing number of people who have similar values and culture. Part of H&M's strategy to increase sales is to offer customers higher-end clothing that has been marketed as a design collaboration with well-known names such as Versace and Alexander Wang. (Yotka, 2016) By offering these products in H&M stores, the company enhances its own reputation by partnering with famous figures in the fashion world and offering its customers additional purchasing lines that differ in type and style from the company's main designs.



Marketing mix

Product

H&M is a retail company for clothes, accessories, home furnishings and cosmetics. It does not own any factories, but orders its goods from around 700 independent suppliers, primarily in Asia and Africa. Offers fast fashion clothing for men, women and children. The range includes everything from collaboration with designers to casual wear, business attire and sportswear. Creating innovations for recycling old clothes and creating new ones from these materials is the company's policy for sustainable development and saving resources (Samaha, 2018).

Price

H&M offers high quality clothes at a first class price. Compared to other brands, H&M products have relatively lower prices as part of a marketing mix pricing strategy. This is due to lower production and transport costs, because the main focus is to minimize costs. On average, H&M products are priced at \$ 25. High quality, variety, seasonal discounts and lower prices attract young people and thus lead to increased sales for the company (H&M, 2021).



Place and distribution

H&M sells its products through its stores located in major cities around the world. In some countries, due to regulatory norms, it offers its products through franchise partners. The company also sells through online stores, from which the customer can choose from a list of available products and buy them through online payment. The products are delivered to the address specified by the customer. All goods are produced in countries where there is cheap labor in order to reduce costs. The clothes are designed by H&M according to the segment they are targeting.

Promotion

As the H&M group has a wide range of product portfolios serving different segments, it uses a multi-channel promotional strategy in its marketing mix. H&M creates creative ads that focus on the latest design. The ads are broadcast at regular intervals on Facebook, Instagram, You Tube, watched mainly by young people to increase their interest and curiosity. The company offers big sales after the end of each season, as well as special bonuses only for customers with membership cards.



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