



Student Name: Shivangi Chovatiya

Student ID: 2434752

Subject Name: Strategic Management

Student Code: LCMB7003

Lecturer's Name: Amare Desta

Assignment Title: “Individual Report on The North Face”

Term: 2

Word Count: 5000

Table of Contents

1. Introduction	3
2. Selection of Organisation and Target Market	3
2.1 Overview of the Organisation	3
2.2 Rationale for Selecting New Zealand as the Target Market	5
3. Comprehensive Strategic Analysis	7
3.1 PESTEL Analysis	7
3.2 Porter's Five Forces Analysis	11
3.3 Porter's Diamond Model	13
3.4 VRIO Analysis	14
4. Strategic Development and Formulation	15
4.1. Strategic Direction: Market development	15
4.2. Entry Strategy	17
4.3. Sustainable Competitive Advantage	18
4.4. CSR and Ethical Strategy	19
5. Performance Evaluation Framework	20
5.1. Balanced Scorecard	20
5.2. Triple Bottom Line (TBL)	23
6. Conclusion	25
Reference	27

1. Introduction

The worldwide business environment is marked by rapid changes that are mainly influenced by technological innovation, changing consumer expectations, sustainability becoming more of a pressing issue, and the competition getting fiercer. For companies in the global outdoor apparel and equipment sector, strategic agility is essential not only to maintain a competitive position but also to being able to seize new international growth opportunities. This report, first of all, through a critical lens, assesses and then develops a detailed roll-out plan for The North Face (TNF) - a global leader in outdoor performance branding to New Zealand, a market that is very much in tune with outdoor recreation, environmental conservation, and the consumption of luxury adventure wear. This report aims to utilise advanced strategic management frameworks to determine market attractiveness, understand the competitive landscape, and develop a strong strategy for global expansion.

Using PESTLE analysis, Porter's Five Forces, Porter's Diamond Model, VRIO analysis, Ansoff Matrix, and generic competitive strategies, the report combines theory with the actual ground situation to come up with a feasible and data-driven plan for market entry. The study is based on the secondary data, which are the industry reports, academic journals, annual reports, and news articles from all over the world. Moreover, the document outlines a performance assessment system employing the Balanced Scorecard (BSC) technique, delineating the major performance indicators (KPIs) that would facilitate The North Face in keeping track of the financial, customer, internal process, and learning-and-growth results after the market entry. The report, through the use of a structured and analytical method, serves as a vehicle for a clear and logical strategy, which TNF can use not only to efficiently make a breakthrough in the NZ outdoor retail market but also to secure a lasting competitive advantage.

2. Selection of Organisation and Target Market

2.1 Overview of the Organisation

From a small mountain gear supplier founded in 1966, The North Face has gradually transformed into one of the most influential outdoor performance brands in the world (The North Face, 2024). The North Face is a sub-brand of VF Corporation. TNF's brand presence can be felt on several continents, such as America, Europe, and the Asia Pacific. It is a brand that stands out owing to its uncompromising commitment to product innovation, technical performance, and sustainability. By heavy investment in research and development, the company creates technologically advanced

products of the brand through proprietary innovations such as the use of ThermoBall insulation, FUTURELIGHT breathable waterproofing, and FlashDry moisture management (VFC, D. & 2023). TNF's strategic vision is centred around the idea of enabling exploration and outdoor experiences while being environmentally friendly. The company's sustainability initiatives, such as the "Clothes the Loop" recycling program, the implementation of responsible down standards and increased use of recycled materials, which strongly align with modern consumer expectations and global ESG trends, are a good fit for the customers. The company is VF Corporation's strongest performing brand in terms of revenue. At the quarter's end of March 2024, it generated \$814.3 million, which is a slight decline from 2023. Although its full-year revenue has reached the market of \$3.673 billion, which is 1% annual increase and 2% growth (VF Corporation, 2024).

Summary Revenue Information (Unaudited)								
(Dollars in millions)	Three Months Ended March				Twelve Months Ended March			
	2024	2023	% Change	% Change (constant currency)	2024	2023	% Change	% Change (constant currency)
Brand:								
The North								
Face®	\$ 814.3	\$ 859.5	(5)%	(5)%	\$ 3,673.3	\$ 3,612.7	2%	1%
Vans®	631.2	857.0	(26)%	(27)%	2,785.7	3,682.9	(24)%	(25)%
Timberland®	341.5	395.6	(14)%	(14)%	1,556.9	1,784.7	(13)%	(14)%
Dickies®	162.4	191.5	(15)%	(15)%	618.4	725.2	(15)%	(15)%
Other Brands	424.4	436.0	(3)%	(2)%	1,820.3	1,807.0	1%	0%
VF Revenue	\$ 2,373.8	\$ 2,739.6	(13)%	(13)%	\$ 10,454.7	\$ 11,612.5	(10)%	(11)%
Region:								
Americas	\$ 1,126.2	\$ 1,449.6	(22)%	(23)%	\$ 5,464.9	\$ 6,682.7	(18)%	(19)%
EMEA	869.9	901.3	(3)%	(5)%	3,428.6	3,411.7	0%	(4)%
APAC	377.7	388.7	(3)%	2%	1,561.2	1,518.1	3%	7%
VF Revenue	\$ 2,373.8	\$ 2,739.6	(13)%	(13)%	\$ 10,454.7	\$ 11,612.5	(10)%	(11)%
International	1,382.0	1,436.4	(4)%	(4)%	5,611.6	5,569.1	1%	(1)%
Channel:								
DTC	\$ 1,093.8	\$ 1,148.8	(5)%	(4)%	\$ 4,965.1	\$ 5,231.4	(5)%	(6)%
Wholesale ^(a)	1,280.1	1,590.8	(20)%	(20)%	5,489.5	6,381.1	(14)%	(15)%
VF Revenue	\$ 2,373.8	\$ 2,739.6	(13)%	(13)%	\$ 10,454.7	\$ 11,612.5	(10)%	(11)%
All references to periods ended March 2024 relate to the 13-week and 52-week fiscal periods ended March 30, 2024 and all references to periods ended March 2023 relate to the 13-week and 52-week fiscal periods ended April 1, 2023.								
Note: Amounts may not sum due to rounding								
^(a) Royalty revenues are included in the wholesale channel for all periods.								

Figure 1: The North Face's summary revenue information

Source: (VF Corporation, 2024)

The North Face (TNF) is a good candidate to go abroad due to a number of its core strengths. For one, the brand has a strong global equity, being a performance-durable, technically excellent product, and thus it has, by and large, existing loyalty that can be leveraged in the new regions. Secondly, its parent company, VF Corporation, is like a solid rock financially behind the brand.

The corporation's strong profitability and diversified brand portfolio are the main reasons for the strategic investments to be made in the new international markets. Thirdly, TNF's business model is highly innovative and driven by one primary source, the product department of the company. Fourthly, the brand has a regional footprint to begin with.

The expansion to New Zealand from Australia, where the company have an established retail operation, and supply to New Zealand is a next step, both logistically and strategically quite natural. And lastly, the brand's identity is very much in line with the outdoor culture (Nautiyal et al., 2023). Essentially, the brand was built on four pillars, such as exploration, adventure, the outdoors, and challenge, and its ethos strongly resonates with the lifestyle of an outdoor-oriented economy like New Zealand. These factors combined position The North Face strategically and favourably to carry out a successful international market expansion.

2.2 Rationale for Selecting New Zealand as the Target Market

Being heavily dependent on the outdoor culture and having a very high adventure tourism volume, New Zealand is an ideal market for an outdoor brand. The country's rugged terrain and national parks, for instance, Fiordland and Aoraki/Mount Cook, are the major factors behind the constant demand for outdoor gear, which is additionally propelled by the provision of a stable economic and political environment that is business-friendly, has a mature retail sector and advanced logistics infrastructure. On top of that, New Zealand consumers are green-minded, which is in line with the brands that are committed to giving back to the environment and engaging in ethical and sustainable practices (Rombach and Dean, 2025). However, the market also has established local competitors.

New Zealand is a country that witnesses a staggering number of more than 3 million international tourists each year, and as a result of which the major attraction activities, most notably the adventurous ones, take the lead (stats.govt.nz, 2025). Adventure tourism is the main reason for the ever-increasing demand for outdoor apparel, especially that of high-end brands that are preferred by international travellers. TNF has an opportunity to create a breakthrough in this location-specific and tourism-driven consumption trend. New Zealand is a secure place economically and politically to live and do business, and it is ranked as one of the world's best countries for start-ups and business operations. Foreign investors can expect a stable business environment due to factors like a high GDP per capita, low corruption levels, and transparent regulatory frameworks (Kurniasih et al., 2023).

The retail sector is full of life, technologically up-to-date, and has a support system in place through which imports and logistics are carried out. The consumers of New Zealand are equally concerned about the environment and are often too willing to pay for ethically sourced products that have low-impact production and are made of recycled materials. Furthermore, The North Face's sustainability commitments, including circularity initiatives as well as carbon-reduction strategies for go hand in hand with above mentioned aspects (Yang, 2024). Although the outdoor apparel industry in New Zealand is becoming more competitive as the country attracts huge tourists, outdoor activities and others. In this segment, Kathmandu, Icebreaker and Macpac are the major players (Shaw, 2025). The market is still relatively less penetrated by global premium brands from countries other than Oceania.

Consumer preferences for quality and performance provide TNF with the opportunity to capture different segments of the market that have been differentiated. New Zealand lies in close proximity to Australia, which is a good idea as it will give the company the benefits of regional synergy in areas such as logistics, marketing as well and supply chain.

2.3 Strategic Fit Between The North Face and New Zealand

The outdoor apparel brand The North Face (TNF) is well-positioned to strategically fit in with the New Zealand market, given that it has a large base of enthusiastic outdoor-loving customers and a natural environment that matches the brand's core identity. This is supported by the recent move to a direct sales model to deepen customer engagement and a focus on sustainable products that are locally relevant (Gong *et al.*, 2023). The company is also energising customers by participating in the community through events and experiences in the stores that are in line with the values of New Zealanders. Moreover, New Zealand's emphasis on sustainability is a good match in terms of strategy with TNF's environmental goals. The brand's efforts for circularity, its commitments to climate, and its lines made from recycled materials are attractive to New Zealand's eco-friendly consumers, resulting in acceptance of the brand in the market.

Therefore, from a strategic point of view, New Zealand is a natural next step in The North Face's (TNF) Asia-Pacific growth plan, thus the company would be able to make use of the existing regional infrastructure. It also allows the brand to go deeper in the Oceania market and get more brand equity in the region, which is a good complement to their Australian operations.

3. Comprehensive Strategic Analysis

An in-depth strategic analysis is necessary to evaluate how appealing the New Zealand market is and to figure out what competitive position The North Face can use for its expansion. This part uses various tools of analysis like PESTEL, Porter's Five Forces, Porter's Diamond Model and VRIO to reveal both the local environment for the market and the internal capabilities. The study combines the models with the real-world situation to give a comprehensive picture of TNF's strategic environment

3.1 PESTEL Analysis

Political

New Zealand operates as a parliamentary democracy. New Zealand is known worldwide for its politically stable, transparent and well-governed environment (Li *et al.*, 2023). The country is consistently ranked as one of the least corrupt, and this adds to investor confidence. The government regulation, which supports global trade, ethical labour practices and business as usual in a sustainable way, is very close to The North Face's corporate values. Moreover, New Zealand is keeping good trade relations with the major economies, and it has nice trading arrangements with the countries in the Asia-Pacific region (Hilpert, 2025). The policies that encourage environmental protection, tourism development and outdoor recreational activities are, therefore, providing further support for TNF's market entrance. However, these policies are also consistent with TNF's sustainability-driven market positioning, which is a source of strength or legitimacy to the New Zealand consumers. Overall, NZ's political environment is ***favourable*** for TNF's growth.

Economy

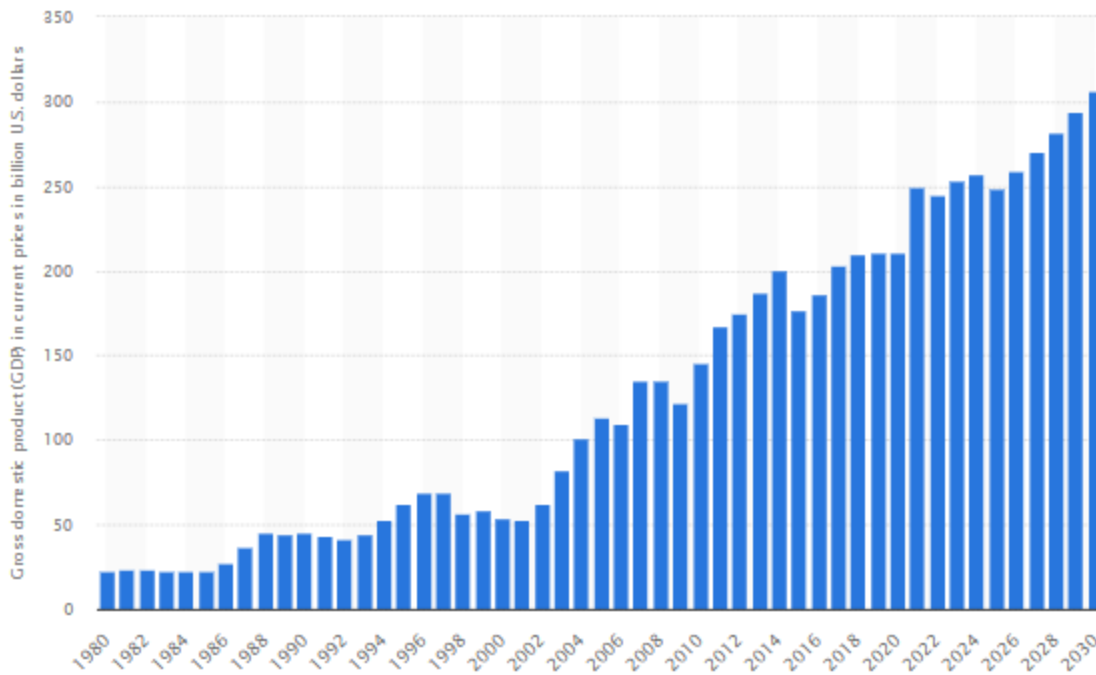


Figure 2: Gross domestic product (GDP) in current prices in New Zealand 1980-2030

Source: (O'Neill, 2025)

GDP of NZ is estimated at 257.73 billion U.S. dollars in 2024. NZ has gone through steady growth since the late 2000s with a continuous upward trend (O'Neill, 2025). New Zealand is a developed country with a partially free economic structure. NZ's GDP per capita is still among the top in Asia-Pacific, and local demand for luxury brand apparel keeps growing. However, premium outdoor clothing is still seen as an investment because of its durability and long-term functional use (Brändström *et al.*, 2024). Therefore, TNF's product becomes less responsive to price changes. Anyway, a well-developed retail logistics infrastructure, minimal restrictions on foreign direct investment, and high digital readiness are *advantageous* for the expansion of the physical and online retail channels.

Social

Participation in active recreation among young people in New Zealand

By selected top 40 sports and activities, 2023, % of young people aged 5-17

Provider: Sport New Zealand

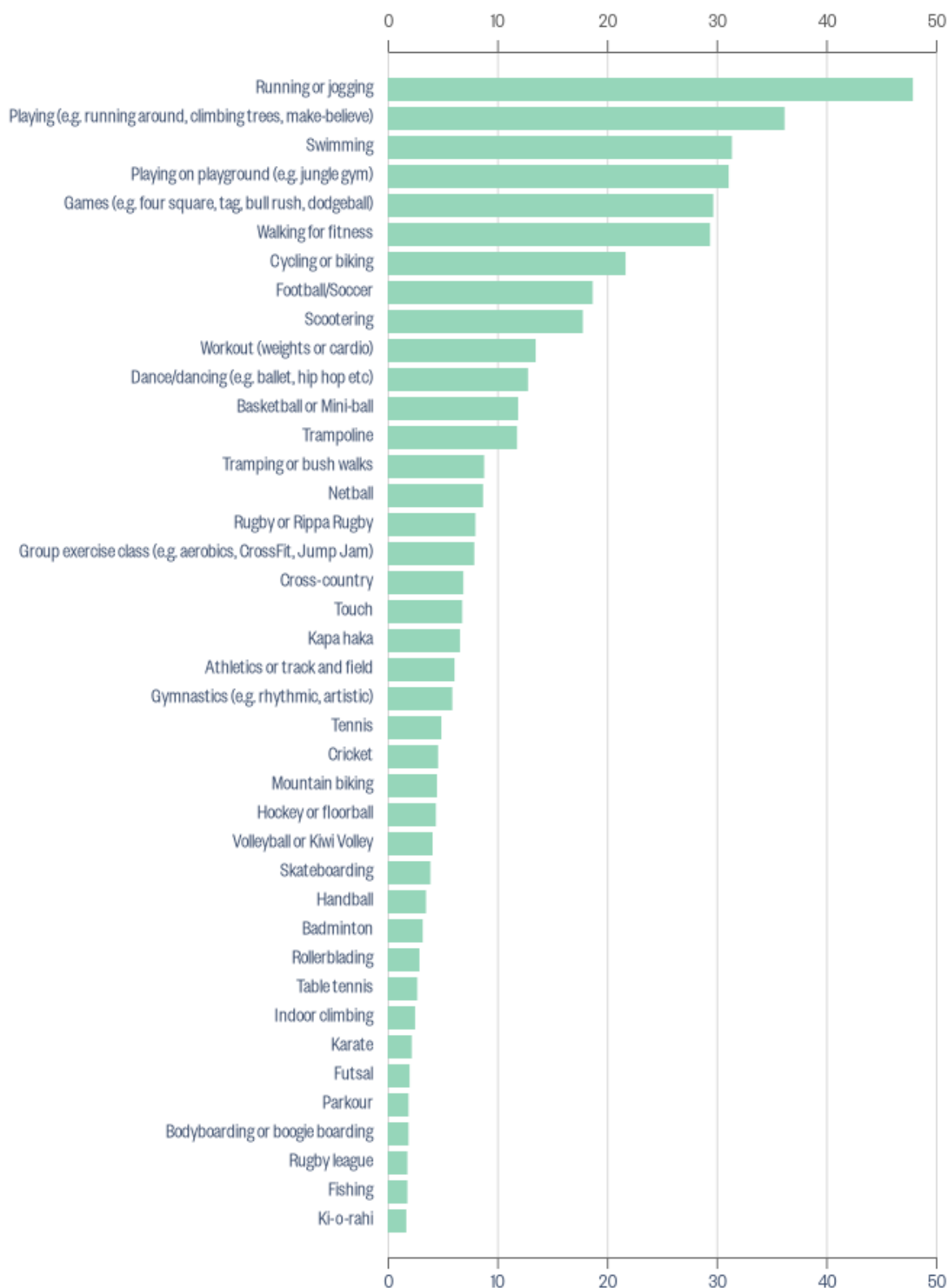


Figure 3: Participation in active recreation among young people in New Zealand

Source: (Figure NZ, 2023)

New Zealand's society is a perfect match for an outdoor lifestyle brand. The country's character is very much linked to the earth, adventure, and sports. Hiking, mountain climbing, cycling, skiing, and water sports are not just some of the most popular but also the most common recreational activities. The rates of participation in tramping and outdoor tourism are among the highest per capita in the world (Espiner *et al.*, 2023). This habit of constant outdoor activity is consistent throughout the year. Consumers in New Zealand choose products that are sustainable, ethically made and long-lasting. Younger age groups also prefer premium brands that are in line with their identity, lifestyle, and environmental values. Hence, the NZ's society is *opportunistic* for TNF.

Technology

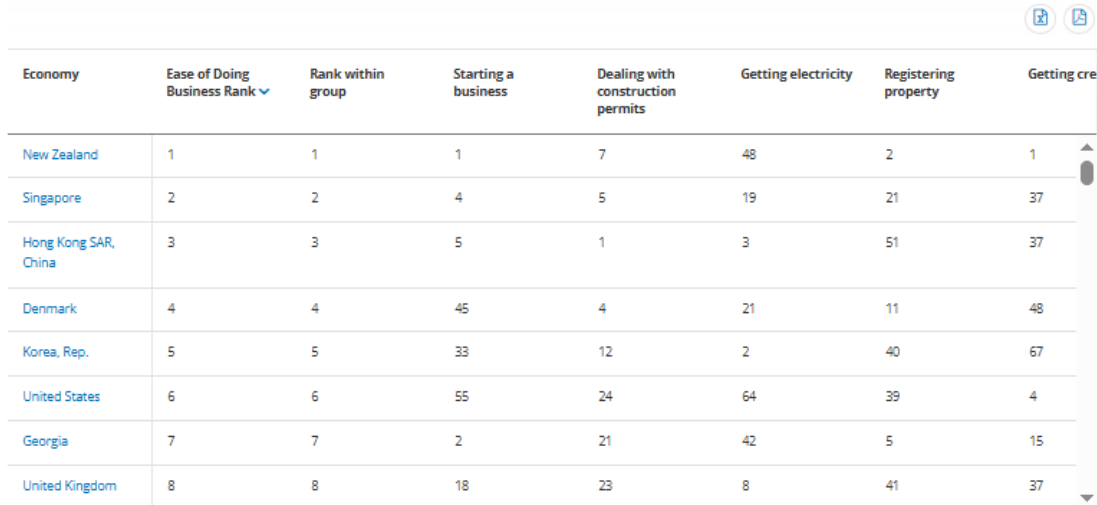
New Zealand is very modern regarding *technology acceptance* and has a robust digital infrastructure, e-commerce usage is widespread, and there is a high penetration of smartphones. The retail sector has quickly gone to omnichannel strategies. It is offering a flawless integration of online and physical shopping experiences. TNF can use this to its advantage by the early deployment of its global e-commerce platform, which will enable access to the whole country even before multiple store openings (Priya, Berry and Agrawal, 2024). The technological changes in logistics, digital payments, as well as supply chain tracking are in favour of efficient operations. But New Zealand's separation from the rest of the world can cause a situation where shipping takes longer and the cost of transportation is higher (Dhawan *et al.*, 2023). TNF may have to be very efficient in planning the distribution by using the Asia-Pacific hubs of VF Corporation and looking into third-party logistics partnerships. On the other hand, New Zealand consumers of the product are ready and willing to pay for technical performance textiles, which is a good opening for TNF's innovations like FUTURELIGHT, ThermoBall, and Ultra-technology footwear.

Enviromental

New Zealand's environment is framed by different climates and weather patterns, and it has mountains, dense forests, and beaches (Fuller *et al.*, 2023). Such an environment certainly sustains a demand for rugged, waterproof, warm, and high-performance outerwear, which happens to be TNF's strength in terms of the product. Being eco-conscious is largely built into the culture. Brands need to be visibly engaged in a circular, ethically sourced, and low-impact material production process. The government too is very strict in implementing regulations concerning environmental

protection, making customers even more demanding and retailers complying accordingly. Hence, it implies that environmental factors carry a certain degree of moderate *threats*.

Legal



Economy	Ease of Doing Business Rank	Rank within group	Starting a business	Dealing with construction permits	Getting electricity	Registering property	Getting credit
New Zealand	1	1	1	7	48	2	1
Singapore	2	2	4	5	19	21	37
Hong Kong SAR, China	3	3	5	1	3	51	37
Denmark	4	4	45	4	21	11	48
Korea, Rep.	5	5	33	12	2	40	67
United States	6	6	55	24	64	39	4
Georgia	7	7	2	21	42	5	15
United Kingdom	8	8	18	23	8	41	37

Figure 4: Ease of Doing Business rankings

Source: (World Bank, 2024)

New Zealand has been consecutively ranked as number one in terms of ease of doing business (World Bank, 2024). Even though specific materials will need to comply with biosecurity standards, product safety laws drive accurate labelling and high material quality, consistent with The North Face's global production processes. Regarding store operations, employment laws concerning fair wages, workers' rights, and diversity have to be observed. Also, adherence to environmental laws, especially in aspects such as waste minimisation, recycling commitments, and carbon reporting, is becoming progressively significant for retailers. TNF's current sustainability frameworks position it quite comfortably to meet these requirements. Overall, it is an *opportunistic* factor for TNF.

3.2 Porter's Five Forces Analysis

Using Porter's five forces, it will analyse the market situation across different parameters.

Competitive Rivalry - High

The outdoor apparel market in New Zealand is a competitive one, and it has been shaped by the presence of strong local and global brands. The locals, such as Kahmandu, Icebreaker, MacPac, and Swannndri, not only have brand loyalty but also pride themselves on their regional identity. On the other hand, global brands like Patagonia, Columbia, and Arc'teryx are also there but to different

extents (Hong, 2025). The level of Kathmandu's dominance is very high due to its wide retail networks. It has been found that differentiation is the main factor by which it is possible to avoid direct price-based rivalry. Hence, Competitive rivalry is high in this case.

Threat of New Entrants - Moderate

Generally, those who want to sell clothes face few restrictions when entering the market, but to be able to penetrate the premium outdoor market in New Zealand successfully, one needs to have some specific conditions. First of all, new businesses should have a recognisable brand, a large amount of capital, excellent technical knowledge of the product, strong capabilities in the supply chain, and well-established credibility in terms of sustainability (Tu *et al.*, 2025). Companies without strong brands or technical innovations may find it very difficult to gain the trust of consumers. Therefore, TNF's already established global brand acts as a barrier to new entrants, thus reducing the threats to its competitive position.

Threat of substitutes - Medium to High

A few alternatives that consumers can use in place of high-quality outdoor gear are: lower-cost brands, fast-fashion clothing, second-hand items, and wool-based clothing made locally. Although the consumers in New Zealand who are mindful of sustainability might incline towards buying durable items rather than cheap substitutes, these alternatives still carry a risk of substitution, as some consumers might select them to cut down on expenses or for other reasons (Schnack, 2024).

Bargaining Power of Suppliers - Moderate

A few alternatives that consumers can use in place of high-quality outdoor gear are: lower-cost brands, fast-fashion clothing, second-hand items, and wool-based clothing made locally. Although the consumers in New Zealand who are mindful of sustainability might incline towards buying durable items rather than cheap substitutes, these alternatives still carry a risk of substitution, as some consumers might select them to cut down on expenses or for other reasons (Schnack, 2024).

Bargaining power of buyers - High

Consumers in New Zealand are smart buyers who care for the environment and put quality products as their main priority. Though they value quality, they do a lot of product comparisons, and their price sensitivity may change depending on the category. There is tough competition among local players in the market, which is great for consumers as they have a wide range of options (Sudirjo, 2023). TNF-like firms need to be on the ball and find ways to lessen the effects

of a high buyer power situation by, for instance, keeping strong product differentiation, going green, and creating interesting stories around their brand.

3.3 Porter's Diamond Model

Factor Conditions

New Zealand provides skilled retail labour, efficient logistics services, and advanced digital infrastructure. On the other hand, it does not have domestic textile manufacturing, which has resulted in a growing dependence on imports. This has no adverse effect on TNF, as its worldwide manufacturing network can make up for it. This environment for business is characterised by a dominant service sector and a lack of local production capacity, which major international brands with their diversified supply chains are able to overcome (Gadalla, 2022).

Demand Conditions

New Zealand has a very complex local demand for goods, showing its strong outdoor culture, sustainability values, and different climates. Consequently, consumers there are more attracted to rugged, high-performance apparel, which implies that technology-driven products from TNF are a great fit in the market. The commitment of The North Face to the use of innovative, eco-friendly materials such as FUTURELIGHT™™ for waterproofing and DryVent™™ for breathability is a perfect match not only with the local weather conditions but also with the people's values. Besides that, tourism is a major seasonal contributor to the demand for good-quality outerwear and technical gear, which is the most attractive to the large number of tourists who come to New Zealand to enjoy its diverse nature.

Related and Supporting Industries

New Zealand, with its strong tourism, retail, and logistics sectors, is an ideal market for outdoor product brands. A brand like The North Face (TNF) can use the platform of the official site of Tourism New Zealand and the numerous adventure tourism operators, along with national parks and sports companies, for strategic local partnerships to thoroughly become part of the country's outdoor ecosystem. Thereby, the brand creates a genuine connection with the local outdoor culture and the active consumer base.

Firm Strategy, Structure, and Rivalry

One of the most important factors that can lead to continuous innovation and improvement in organisational performance is a strong competitive landscape that is strong. As a result of the competition, companies have to continuously upgrade their products and services as well as their

operational efficiency if they want to be different from others. This makes an effective differentiation strategy especially appropriate for success in such a market (Charles and Ochieng, 2023). TNF may use this strategy to attract customers by giving them the unique value they want. More and more, the market is rewarding those businesses which commit themselves to the most important aspects like super quality, leading-edge innovation, and strong commitments to sustainability. Thus, providing an unequivocal way for a differentiation-focused firm to prosper and get a substantial lead over its competitors.

3.4 VRIO Analysis

VRIO analysis will be used here for internal analysis of TNF.

VRIO	Valuable	Rare	Inimitability	Organisation	Advantage
Global Brand Reputation	Yes	Yes	Yes	Yes	Sustainable business advnatge
Product Innovation	Yes	Yes	Yes	Yes	Sustainable business advnatge
Supply Chain & Global Distribution	Yes	No	No	Yes	Temporary Advantage
Sustainability Programmes	Yes	Somewhat	Moderate	Yes	Valuable Differentiator
Marketing and Retail Expertise	Yes	No	No	Yes	Competitive Parity

It is found that TNF's major advantages are its brand equity and material innovation and both of which are difficult for competitors to replicate.

4. Strategic Development and Formulation

4.1. Strategic Direction: Market development

Being an outdoor clothing and gear company, The North Face focuses on a consumer-centric strategy that focuses on digital channels, most importantly, Direct-to-consumer (DTC) digital channels. An STP analysis of the company assesses that it primarily focuses on heavy gear and

clothes for cold weather in countries such as Canada and the USA. With an extensive range of clothes and accessories for men, women, and children, the company targets outdoor enthusiasts and adventure lovers.

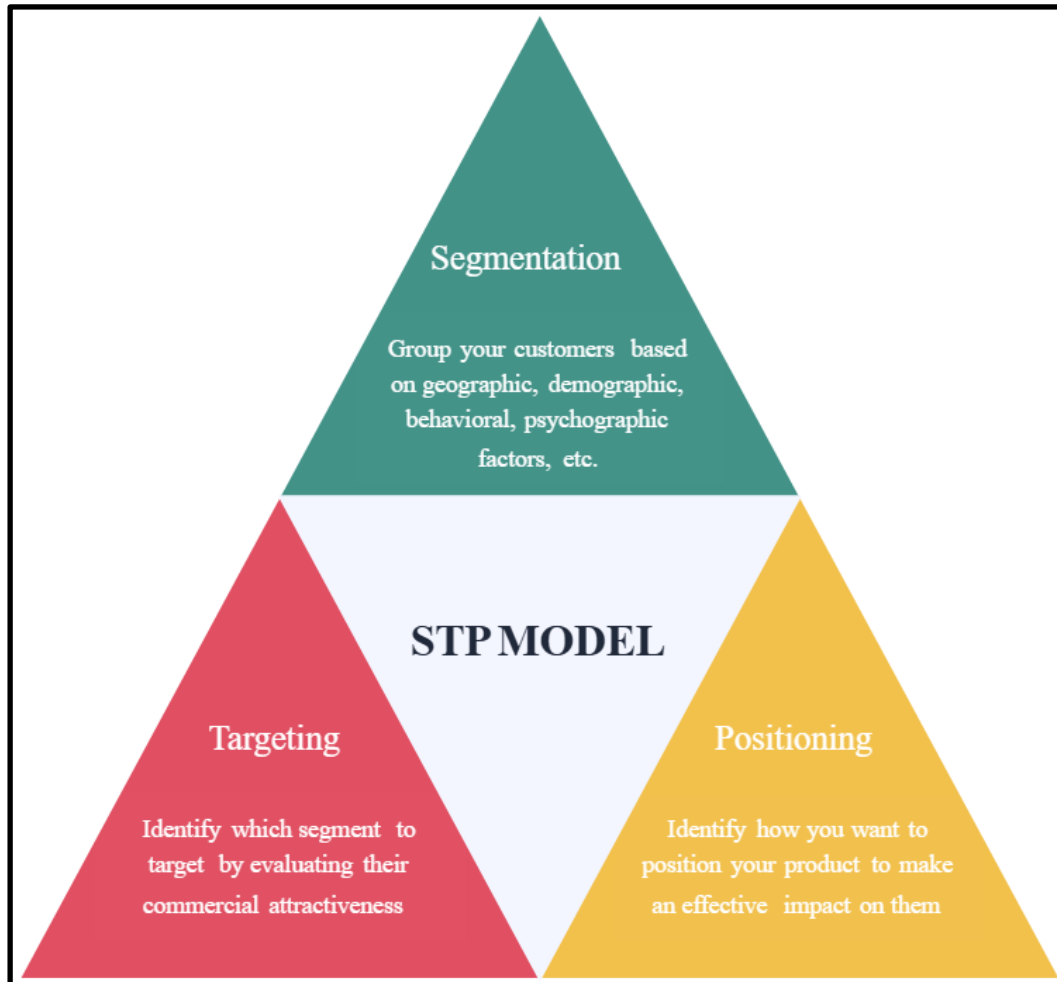


Figure: STP Analysis

(Source: Creately, 2025)

Segmentation: The segmentation of the company focuses on the entire world, most importantly, the colder regions. It also offers significant outdoor recreation, but also targets specific urban centers where a fashion-forward clientele resides. Insights Team (2022) explains that the company has a focus on the age of 18-24, but it also focuses on college students and professionals between the ages of 24 to 45. However, it only targets the outdoor enthusiasts and the lifestyle consumers, who are drawn to the brand image and the style of the company.

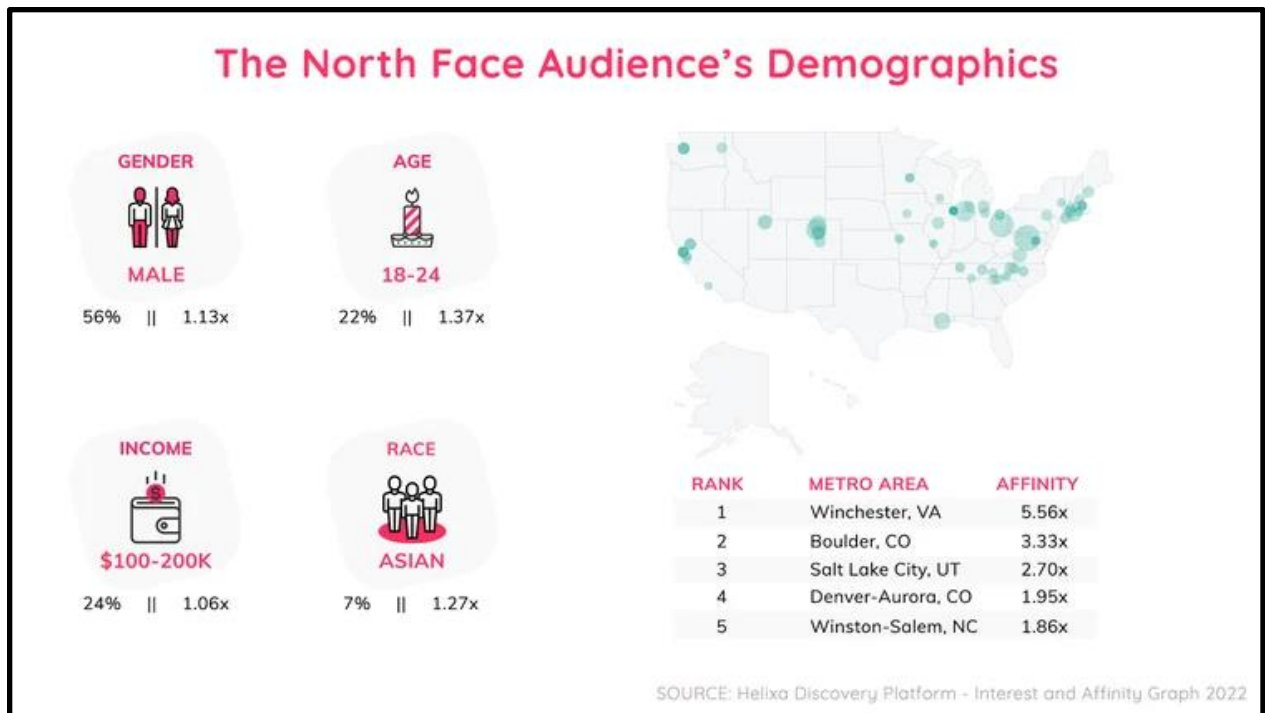


Figure: Audience Demographics of The North Face

(Source: Insights Team, 2022)

Targeting: The company targets adventurous individuals and athletes who need high-performance gear and value durability and innovation. They often have disposable income to spend on premium and high-quality products (badertbw, 2020). Due to the sustainable practices of the company, many customers are drawn to it, and it is because of the environmental responsibility it has towards sustainable materials.

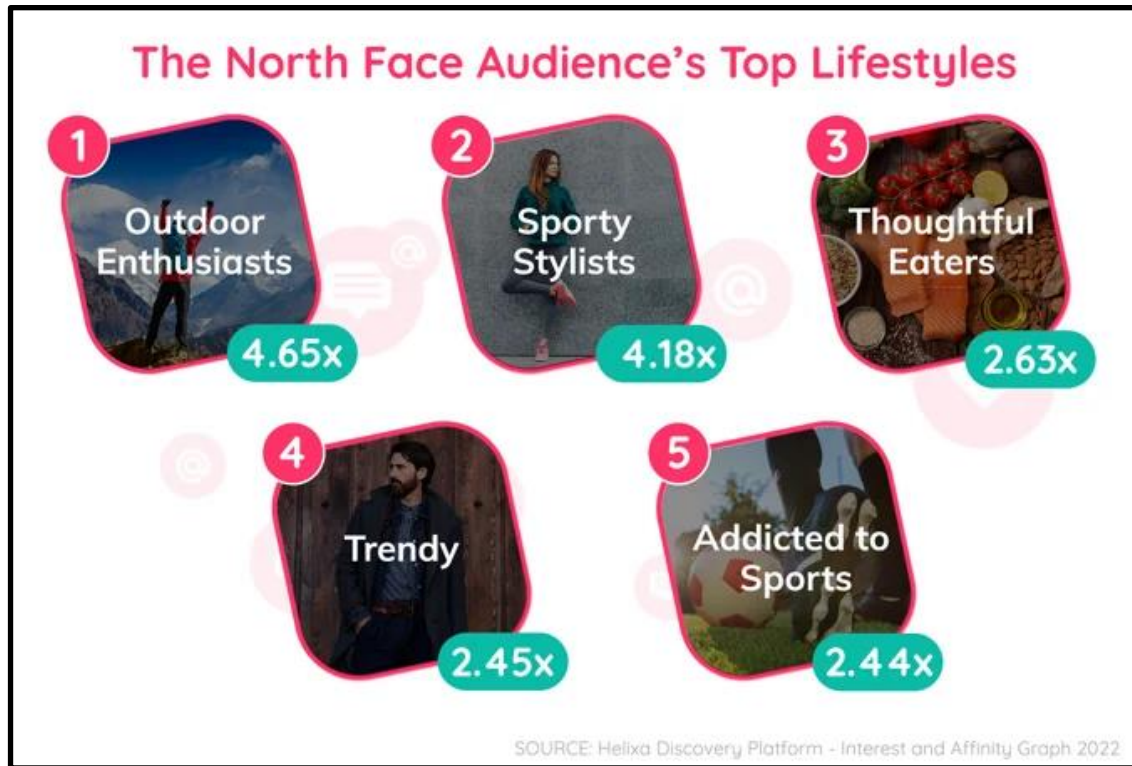


Figure: The Targets of The North Face

(Source: Insights Team, 2022)

Positioning: The positioning strategy for the company is based on the segmenting and targeting factors of the company. It positions itself as a technical and reliable brand for serious outdoor enthusiasts, with products designed to withstand the harshest conditions (Studocu, 2022). The use of storytelling and imagery in their advertisements is deemed successful, and it connects with the consumers on an emotional level.

4.2. Entry Strategy

The company uses a mix of entry strategies and modes worldwide, most importantly by establishing joint ventures and foreign direct investments (FDI). The International Trade Administration (2023) explains that New Zealand requires a thorough understanding of the market and the entry strategies that can be successful. Thus, it requires a partnership with other companies to get access to the market of the country. In the USA, however, the company focuses on improving its domestic strategies by establishing retail stores and e-commerce platforms. It can also expand in the country by implementing corporate-owned stores and developing partnerships with other

companies (Kuraś, 2023). The company was acquired by VF Corporation in 2000, indicating the use of acquisition as a significant entry mode for consolidating ownership and expanding its brand portfolio.

Choosing the correct entry mode for a company to enter a country is significant as it can assess if the company will succeed or fail in the country. The choice of entry mode depends on factors such as the desired degree of control, the level of risk, the capital investment required, and the availability of local market knowledge. The North Face uses a mix of joint ventures and FDIs to become a leading player in the New Zealand market. Joint ventures create a partnership between two or more companies to create a new business, and allow for shared investment costs and local market knowledge, but with shared control (VMSD Staff, 2022). Meanwhile, the FDI acquires direct control to gain a significant presence in the country. This likely emphasises the local relationship of its customers with the global company and prioritises trust and rapport to cater to the local needs. However, even with joint ventures and FDIs being dominant modes, it also uses wholly owned subsidiaries from time to time.

4.3. Sustainable Competitive Advantage

The most important factor for achieving sustainable competitive advantage for The North Face is to establish a strong brand reputation and create high-quality products. The North Face is known for producing high-quality gear that is built to last beyond seasonal trends, which builds customer trust and loyalty. This allows for robust customer loyalty and premium pricing (The North Face, 2023a). The company commits to giving “New life to old gear”, so the environmentally concerned customers can use its products to dispose of them more carefully. The company also has a long-term reputation for quality and performance management, with the outdoor and adventure market in mind. With its global reach, the company establishes its retail presence not in the USA but in New Zealand as well.

The North Face implements various circular economy programs, such as the "Renewed" program and the "Clothes the Loop" program. The company is well-known for its use of sustainable materials, including recycled plastics for insulation in its Thermoball Eco series. Sustainability is a major factor, as the current economic models for the fashion industry lead to an exacerbation of the divide in many countries. Ethical and sustainable is a category, codified by aesthesism, and convinces the buyer (Rachini, 2021). The North Face focuses on responsible manufacturing

processes and has goals to use renewable energy in its facilities, aligning with growing consumer and regulatory demands for ethical practices. The company can integrate the sustainability strategies into its business to appeal to the growing market, with eco-conscious choices. Sustainability heavily influences the supply chain of the company and reinforces its position in the market.

4.4. CSR and Ethical Strategy

The CSR report of The North Face explains that the company primarily focuses on recycled and responsibly sourced materials across its supply chain and eliminates plastic usage. The company has an aim to use 100% recycled materials for production, and integrate regeneratively grown top materials by 2025 (2030 for footwear). The company works together with its suppliers to reduce the emission of greenhouse gases by 50% by 2030 (The North Face, 2022). The company also has an overall aim to reduce its Scope 3 emissions by 30% by 2027, which can be a significant decrease from 2019. This includes the use of recycled materials, such as recycled polyester and organic cotton, that can replace the PFAS-based water repellency chemicals with non-perfluorinated options. The company makes commitments that it can implement the use of reusing packaging, while eliminating single-use plastic packaging by the end of 2025, and make the packaging materials more durable and recyclable. The company uses synthetic materials to reduce dependence on fossil fuels.

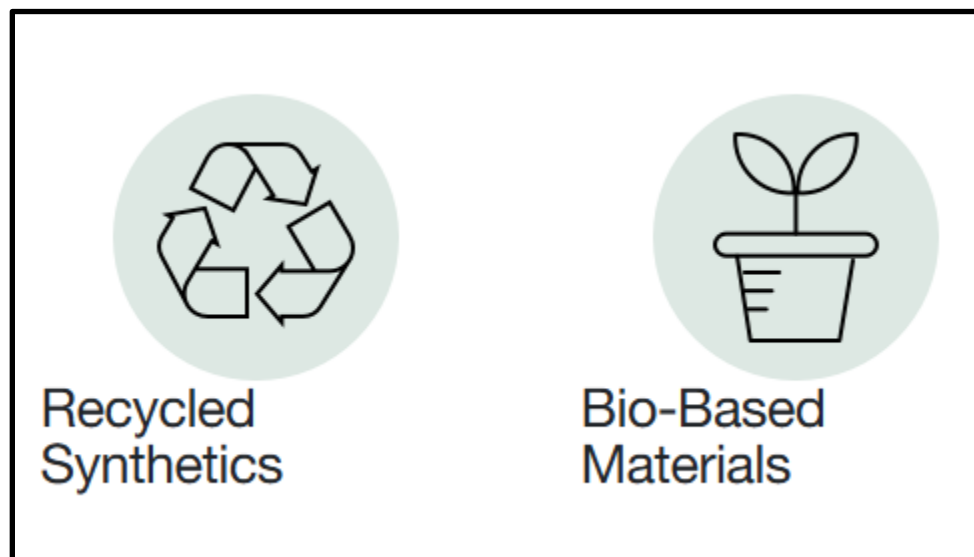


Figure: Sustainability Strategies of The North Face (1)

(Source: The North Face, 2025)

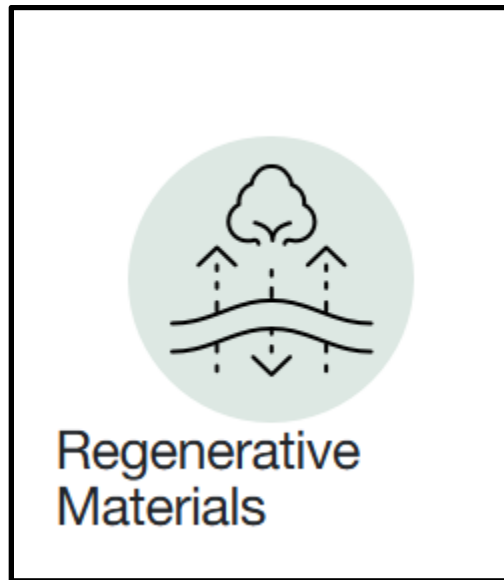


Figure: Sustainability Strategy of The North Face (2)

(Source: The North Face, 2025)

5. Performance Evaluation Framework

5.1. Balanced Scorecard

The Balanced Scorecard (BSC) is a management framework that evaluates performance with its four key perspectives, and these are financial, customer, internal processes, and lastly learning and growth. This framework was coined by Robert S. Kaplan and David P. Norton in 1992 (Madsen, 2025). The key functions of this framework may involve sustainable revenue growth, enhanced customer loyalty, enhanced supply chain and innovation, and developing employee skills.

Perspectives	Strategic Objectives	Key Performance Indicators (KPIs)
Financial	The company needs to achieve revenue growth and profitability to drive sustainability and	The KPIs of this perspective include a year-over-year revenue growth, understanding profit

	financial stability.	margins, mainly gross and operating profit, Return on investment, and cash flow management. It focuses on traditional financial measures to ensure long-term financial health and value for the company and its shareholders.
Customer	The company needs to enhance its customer loyalty and expand its market share for superior quality and experience management.	The KPIs of this perspective focus on the satisfaction scores of the customers, market share in the outdoor segments, customer retention rates, and brand perception to understand the engagement metrics. It is centered on delivering value to its customers by managing quality, service, and performance to achieve financial success (Balanced Scorecard Institute, 2024).
Internal Processes	The company can optimise its supply chain and enhance its product innovation and quality to enable sustainable practices.	The KPIs for this perspective include time-to-market for new products, supply chain efficiency, quality control metrics, and percentage of sustainable materials used in products. It helps the

		company to identify the key operations so it can excel in satisfying its customers and achieve its financial objectives. The company also operates to attain innovation and operational excellence.
Learning and Growth	The North Face needs to develop human capital to leverage its technologies and foster a culture of innovation in the company for continuous improvement.	The KPIs of this perspective are employee retention, training and development program, investment in R&D, and the number of new patents and innovative materials. The focus on intangible assets and performance helps with the people, system, and culture of the company to support the internal processes for long-term value.

Table: Balanced Scorecard

(Source: Self-created)

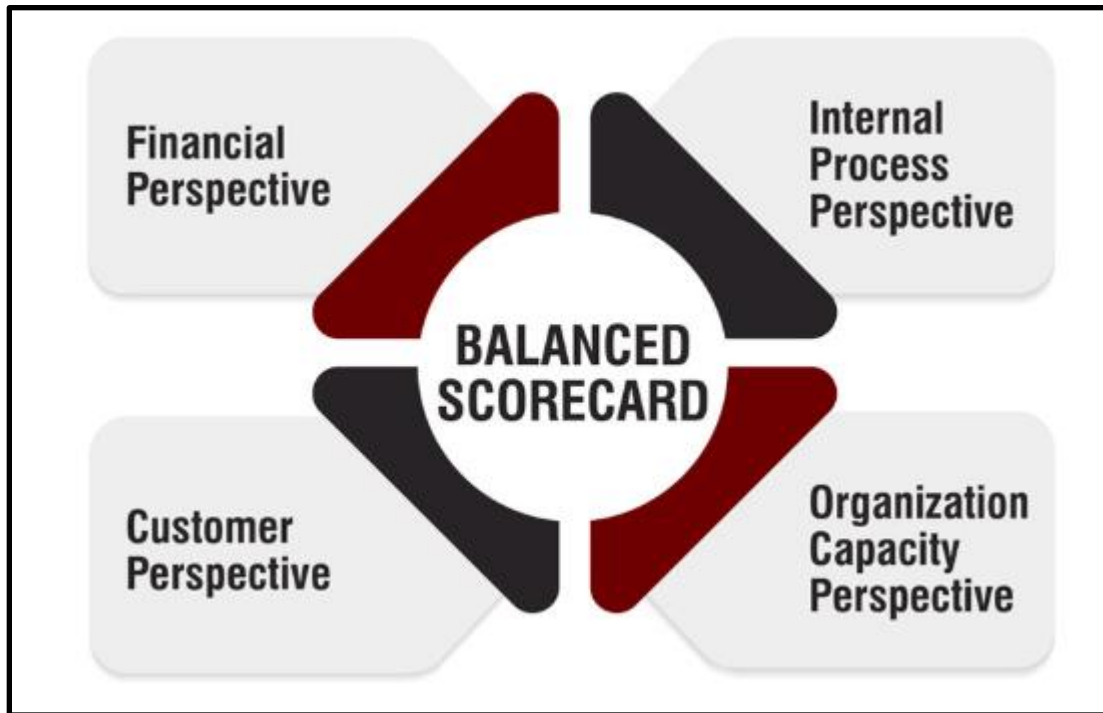


Figure: Balanced Scorecard

(Source: The Strategy Institute, 2024)

5.2. Triple Bottom Line (TBL)

The Triple Bottom Line Framework is an accounting and business framework that posits that companies need to measure success on social and environmental performance. The three factors of the framework are: People, Planet, and Profit. The North Face's Triple Bottom Line describes its commitment to implement social well-being and sustainability to attain environmental and financial success. The 3Ps of this model emphasise the financial value, economic standing, and revenues of the company (Miller, 2020). The company can use these categories to conceptualise the environmental responsibilities and determine any negative impacts.

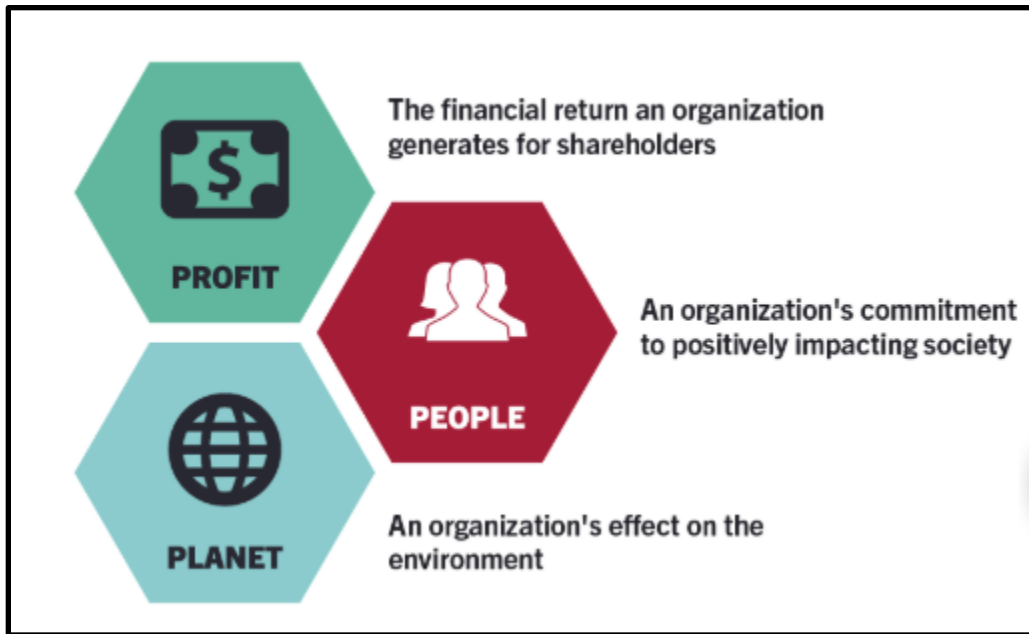


Figure: Triple Bottom Line Framework

(Source: Miller, 2020)

People: This factor focuses on how the company supports explorers and provides them with gear and athletic wear to increase confidence and exploration. People are the social outcomes of this framework, and it is important to have a clear distinction between the shareholders and the stakeholders. With an increased demand for implementing sustainability into the operations of the company, it becomes a necessity to make an impact on people to ensure fair practices are used in the company (Miller, 2020). The North Face can offer a lifetime warranty on many products, which leads to more repairs and less waste.

Planet: Planet refers to the environmental outcomes of this framework, and it provides a growing concern for the planet. The industrial revolution has contributed to pollution in the environment, and it has turned into a key driving force for climate change and environmental concerns. It aims to use 100% responsibly-sourced fabrics, including a goal of 100% recycled polyester in its clothing line, with some products already using recycled materials like plastic bottles. The development of recycling systems can use previously owned clothes and raw materials. The committee of the company commits to eliminating single-use plastic by 2025.

Profit: In a capitalist economy, a firm's success is based on its financial performance, or even the profit it generates for shareholders. Strategic planning initiatives and key business decisions are generally carefully designed to maximise profits while reducing costs and mitigating risk. It continues to grow its market share through strategic marketing and product lines designed for a wider customer base, as it cultivates a strong brand reputation to evaluate the social and environmental consciousness.

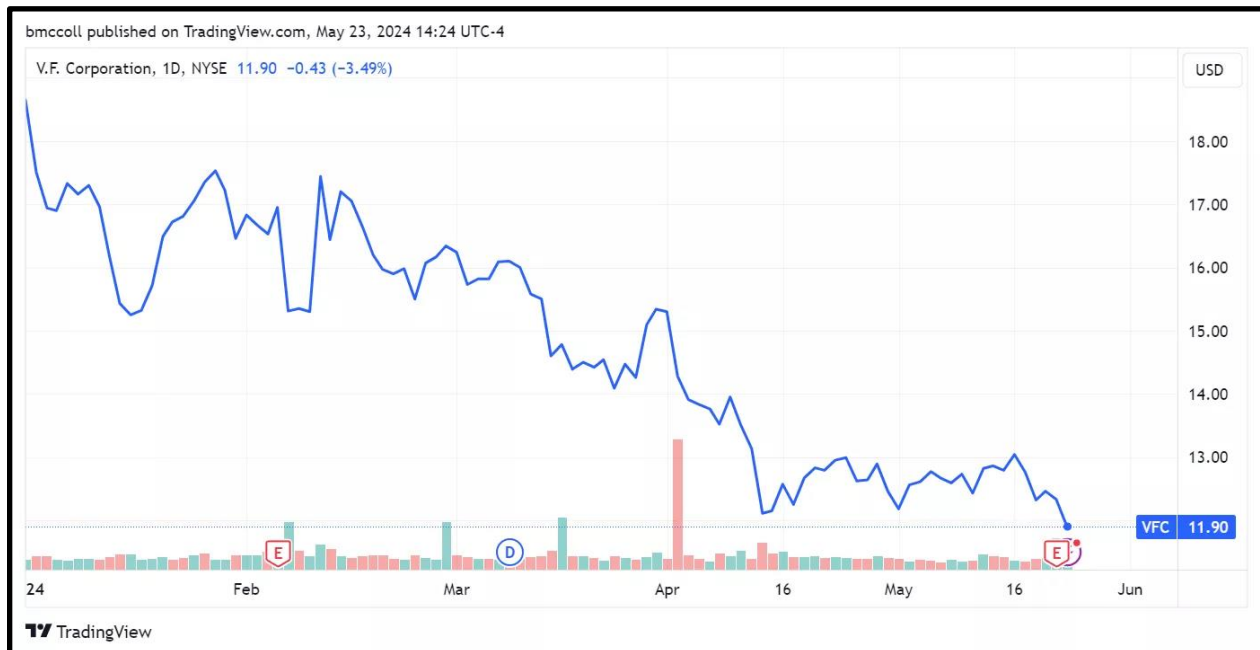


Figure: Revenue of The North Face

(Source: McColl, 2025)

6. Conclusion

This report critically evaluated The North Face's potential expansion into New Zealand using advanced strategic management frameworks. The analysis demonstrated a strong alignment between the brand's innovation-driven, sustainability-focused identity and New Zealand's outdoor lifestyle, environmental values, and tourism-driven demand. PESTLE and Porter's Five Forces indicated a stable, attractive macro-environment with high competitive intensity but favourable conditions for differentiated premium brands. The Diamond Model highlighted strong demand conditions and supportive related industries, while VRIO confirmed The North Face's sustained competitive advantages in brand equity and product innovation. Based on these insights, an

omnichannel entry strategy-centred on a flagship Auckland store and integrated e-commerce was proposed to build market presence and leverage regional synergies. The Balanced Scorecard framework identified relevant KPIs to monitor financial performance, customer experience, operational efficiency and learning growth. Overall, New Zealand represents a strategically sound and high-potential market for The North Face's long-term international growth.

Reference

badertbw (2019). *The North Face Market Segmentation*. [online] Slideshare. Available at: <https://www.slideshare.net/slideshow/north-face-for-interviews/1012689> [Accessed 19 Nov. 2025].

Balanced Scorecard Institute (2024). *Balanced scorecard basics*. [online] Balanced Scorecard Institute. Available at: <https://balancedscorecard.org/bsc-basics-overview/> [Accessed 19 Nov. 2025].

Brändström, J., Jazairy, A. and Roos Lindgreen, E., 2024. Barriers to adopting circular business models: A cross-sectoral analysis. *Business Strategy and the Environment*, 33(5), pp.4331-4350. <https://onlinelibrary.wiley.com/doi/abs/10.1002/bse.3653>

Charles, M. and Ochieng, S.B., 2023. Strategic outsourcing and firm performance: a review of literature. *International Journal of Social Science and Humanities Research (IJSSHR) ISSN*, 1(1), pp.20-29. https://www.researchgate.net/profile/Muo-Charles/publication/372748300_Strategic_Outourcing_and_Firm_Performance_A_Review_of_Literature/links/65e5a8d0c3b52a1170139c4f/Strategic-Outourcing-and-Firm-Performance-A-Review-of-Literature.pdf

Creately. (2025). *STP Model*. [online] Available at: <https://creately.com/diagram/example/m3O1O8AgSKY/stp-model> [Accessed 19 Nov. 2025].

Dhawan, K., Tookey, J.E., GhaffarianHoseini, A. and Poshdar, M., 2023. Using transport to quantify the impact of vertical integration on the construction supply chain: A New Zealand assessment. *Sustainability*, 15(2), p.1298. <https://www.mdpi.com/2071-1050/15/2/1298>

Espiner, N., Degarege, G., Stewart, E.J. and Espiner, S., 2023. From backyards to the backcountry: Exploring outdoor recreation coping strategies and experiences during the 2020 COVID-19 pandemic in New Zealand. *Journal of Outdoor Recreation and Tourism*, 41, p.100497. <https://www.sciencedirect.com/science/article/pii/S2213078022000123>

Fuller, I.C., Brierley, G.J., Tunnicliffe, J., Marden, M., McCord, J., Rosser, B., Hikuroa, D., Harvey, K., Stevens, E. and Thomas, M., 2023. Managing at source and at scale: The use of

geomorphic river stories to support rehabilitation of Anthropocene riverscapes in the East Coast region of Aotearoa New Zealand. *Frontiers in Environmental Science*, 11, p.1162099.<https://www.frontiersin.org/articles/10.3389/fenvs.2023.1162099/full>

Gadalla, A. (2022). *The North Face Case Study*. [online] ResearchGate. Available at: https://www.researchgate.net/publication/370472596_The_North_Face_Case_Study [Accessed 19 Nov. 2025].

Gong, Y., Xiao, J., Tang, X. and Li, J., 2023. How sustainable marketing influences the customer engagement and sustainable purchase intention? The moderating role of corporate social responsibility. *Frontiers in Psychology*, 14, p.1128686. <https://www.frontiersin.org/articles/10.3389/fpsyg.2023.1128686/full>

Hilpert, H.G., 2025. The Regional Comprehensive Economic Partnership Agreement and Europe: Impact and Implications. In *Political Economy of East Asian Economic Integration* (pp. 164-195). Routledge.<https://library.oapen.org/bitstream/handle/20.500.12657/98674/9781040304563.pdf?sequence=1#page=177>

Hong, T.K., 2025. Strategic International Marketing Plan: Patagonia's Entry into India.https://www.researchgate.net/profile/Kwan-Hong-Tan/publication/391661964_Strategic_International_Marketing_Plan_Patagonia's_Entry_into_India/links/68219de7d1054b0207ee4bdf/Strategic-International-Marketing-Plan-Patagonias-Entry-into-India.pdf

Insights Team (2022). *The North Face: High Fashion's Next Frontier*. [online] Telmarhelixa.com. Available at: <https://telmarhelixa.com/resources/the-north-face-audience-analysis> [Accessed 19 Nov. 2025].

International Trade Administration (2023). *New Zealand - Market Entry Strategy*. [online] www.trade.gov. Available at: <https://www.trade.gov/country-commercial-guides/new-zealand-market-entry-strategy> [Accessed 19 Nov. 2025].

Kuraś, P. (2023). Entry modes used in the internationalization process of automotive enterprises. *Zeszyty Naukowe*, 2023(180). doi:<https://doi.org/10.29119/1641-3466.2023.180.16>.

Kurniasih, E.P., Islahiyah, D., Kurniawati, S. and Iqbal, I., 2023. Does Corruption Affect Foreign Direct Investment? Empirical Evidence from ASEAN Plus Three Countries. *Journal of Economics, Business, & Accountancy Ventura*, 26(2), pp.167-179.<https://scholar.archive.org/work/5xz5s772dje2zjk2eatcgvdym/access/wayback/https://journal.perbanas.ac.id/index.php/jebav/article/download/3256/pdf>

Li, W., Yigitcanlar, T., Browne, W. and Nili, A., 2023. The making of responsible innovation and technology: An overview and framework. *Smart Cities*, 6(4), pp.1996-2034.<https://www.mdpi.com/2624-6511/6/4/93>

Madsen, D.O. (2025). Balanced Scorecard: History, Implementation, and Impact. *Encyclopedia*, [online] 5(1), p.39. doi:<https://doi.org/10.3390/encyclopedia5010039>.

Mccoll, B. (2025). *North Face Parent VF Reports Loss as Sales Miss Estimates on Weak Demand*. [online] Investopedia. Available at: <https://www.investopedia.com/vf-reports-loss-sales-miss-weak-demand-inventory-issues-8653189> [Accessed 19 Nov. 2025].

Miller, K. (2020). *The Triple Bottom Line: What It Is & Why It's Important*. [online] Harvard Business School. Available at: <https://online.hbs.edu/blog/post/what-is-the-triple-bottom-line> [Accessed 19 Nov. 2025].

Mindtools. (2024). *The Triple Bottom Line*. [online] Available at: <https://www.mindtools.com/awbh8iv/the-triple-bottom-line/> [Accessed 19 Nov. 2025].

Nautiyal, M., Hunting, A., Joseph, F. and Cleveland, D., 2023. Examining Practices of Apparel Use and End of Life in New Zealand. *Sustainability*, 15(6), p.5141.<https://www.mdpi.com/2071-1050/15/6/5141>

O'Neill, A. (2025). Gross domestic product (GDP) in current prices New Zealand 2030| Statista. [online] Statista. Available at: <https://www.statista.com/statistics/375263/gross-domestic-product-gdp-in-new-zealand/?srsltid=AfmBOopojLYlhApAwODbT4xNOKoHBCIUETeuEplfJKHIUd6YQ5Zp9MXF> [Accessed 19 Nov. 2025].

Priya, Berry, S. and Agrawal, P.R., 2024. Sustainable textile production in the developing countries: Major challenges or concerns and their possible solutions. In *Dye pollution from textile industry: challenges and opportunities for sustainable development* (pp. 263-278). Singapore: Springer Nature Singapore. https://link.springer.com/chapter/10.1007/978-981-97-5341-3_13

Rachini, E. (2021). *Sustainability in the fashion world: A competitive advantage not a limitation*. [online] Available at: https://tesi.luiss.it/32293/1/726591_RACHINI_EDOARDO.pdf [Accessed 19 Nov. 2025].

Rombach, M. and Dean, D.L. (2025). A Rising Tide of Green: Unpacking Predictors of New Zealand Consumers' Willingness to Drink, Pay a Price Premium, and Promote Micro-Algae-Based Beverages. *Beverages*, [online] 11(4), pp.120–120. doi:<https://doi.org/10.3390/beverages11040120>.

Schnack, A., 2024. Facilitators and inhibitors of different forms of sustainable consumption: Consumer surveys in Australia and New Zealand. *Cleaner and Responsible Consumption*, 14, p.100207. <https://www.sciencedirect.com/science/article/pii/S2666784324000408>

Shastri, A. (2022). *In-Depth Marketing Strategy of The North Face - 2022 | IIDE*. [online] iide.co. Available at: <https://iide.co/case-studies/marketing-strategy-of-the-north-face/> [Accessed 19 Nov. 2025].

Shaw, A. (2025). *The Post*. [online] Thepost.co.nz. Available at: <https://www.thepost.co.nz/business/360814184/kathmandu-owner-kmd-brands-share-price-plunges-company-vows-turnaround> [Accessed 19 Nov. 2025].

stats.govt.nz (2025). *International travel: January 2025 | Stats NZ*. [online] Govt.nz. Available at: <https://www.stats.govt.nz/information-releases/international-travel-january-2025/> [Accessed 19 Nov. 2025].

Studocu. (2022). *Positioning of The North Face*. [online] Available at: <https://www.studocu.com/en-ie/document/technological-university-dublin/digital-marketing/positioning-of-the-north-face/82268889> [Accessed 19 Nov. 2025].

Sudirjo, F., 2023. Marketing strategy in improving product competitiveness in the global market. *Journal of Contemporary Administration and Management (ADMAN)*, 1(2), pp.63-69.<https://journal.literasisainsnusantara.com/Index.Php/Adman/Article/View/24>

The North Face (2022). *Sustainability and Responsibility Report Fiscal Year 2022*. [online] cloudfront.net. Available at: https://d1io3yog0oux5.cloudfront.net/vfc/files/documents/Sustainability/Resources/VF_FY2022_Made_for_Change_Report_FINAL.pdf [Accessed 19 Nov. 2025].

The North Face (2023). *Sustainable commitments*. [online] The North Face. Available at: <https://www.thenorthface.com/en-us/sustainability> [Accessed 19 Nov. 2025].

The North Face (2024). *The North Face Story*. [online] The North Face. Available at: <https://www.thenorthface.com/en-us/about-us/our-story> [Accessed 19 Nov. 2025].

The North Face (2025). *Our Commitment*. [online] thenorthface.co.nz. Available at: https://thenorthface.co.nz/sustainability.html?srsId=AfmBOqcFYvLkQqp_-OwARgjsGT3JOPe8i_AjnD3XxdcswCd_-w6eew1 [Accessed 19 Nov. 2025].

The Strategy Institute (2024). *A Comprehensive Guide to Implementing the Balanced Scorecard Framework*. [online] www.thestrategyinstitute.org. Available at: <https://www.thestrategyinstitute.org/insights/a-comprehensive-guide-to-implementing-the-balanced-scorecard-framework> [Accessed 19 Nov. 2025].

Tu, Y., Hu, L., Hua, X. and Li, H., 2025. Supply chain stability and corporate green technology innovation. *International Review of Economics & Finance*, 97, p.103769.<https://www.sciencedirect.com/science/article/pii/S1059056024007615>

VFC, D. & (2023). *The North Face Fabric Technology and Innovation*. [online] The North Face. Available at: <https://www.thenorthface.com/en-us/about-us/technology-innovation/technology> [Accessed 19 Nov. 2025].

VF Corporation (2024). VF Corporation Reports Fourth Quarter Revenue and Earnings and Exceeds FY24 Cash Flow Expectations. [online] VF Corporation. Available at:

<https://www.vfc.com/investors/news-events-presentations/press-releases/detail/1834/vf-corporation-reports-fourth-quarter-revenue-and-earnings> [Accessed 19 Nov. 2025].

VMSD Staff (2022). *The North Face's Global Growth Plan Calls For 300 New Stores*. [online] Visual Merchandising and Store Design. Available at: <https://vmsd.com/the-north-faces-global-growth-plan-calls-for-300-new-stores/> [Accessed 19 Nov. 2025].

World Bank (2024b). Ease of Doing Business Rankings. [online] The World Bank. Available at: <https://archive.doingbusiness.org/en/rankings> [Accessed 19 Nov. 2025].

Yang, A., 2024. A Corporate Role Model in Climate Action: A Case Study of O'right's Net-Zero Emission Practices in Supply Chain Management. *Supply Chain and Sustainability Research: SCSR*, pp.42-55. <https://so08.tci-thaijo.org/index.php/SCSR/article/view/4172>