

Urban Outfitters – An Exclusive Concept

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Explain why Sears or Wal-Mart cannot effectively create a trendy counterculture image.

Sears and Wal-Mart are what is known as a traditional box retailers or big box stores who sell a vast array of products and operate on high volume sales. Both stores direct their marketing efforts to reach the masses, which in turn make it difficult for them to branch out and offer a counterculture image. Both Wal-Mart and Sears offer clothing to men, women, and children as well as household items and bedding, while Urban Outfitters, who has “approximately 140 stores worldwide” (ChaCha.com, 2011), caters to men and women who look for trendy apparel and home furnishings.

According to the Sears website, they have two women’s apparel lines (Kardashian Collection and UK Style French Connection) which appear to be marketed to the professional woman who likes to have fun with her wardrobe. Wal-Mart on the other hand has several clothing lines for women, one of which is Faded Glory, a brand that seems to be exclusive to Wal-Mart yet can be found at approximately “7,471 locations worldwide”. (ChaCha.Com, 2010) Wal-Mart’s sense of marketing strategy appears to be a proclamation that “regardless of what you want, we have it at a low price”.

Could the big box stores sell merchandise identical to Urban Outfitters?**Explain your answer.**

Urban Outfitters has created a unique shopping experience for their customers by offering a variety of edgy and trendy products in their retail outlets. These product lines cater to consumers who view themselves to be on the cutting edge of fashion and home decorating.

Sears and Wal-Mart are not in the strategic position of selling merchandise identical to Urban Outfitters because they market to the masses with many diverse product lines. Their marketing efforts and current sales strategies are not intended for the consumers who seek out

“differentiation” and “hip” (Senk, 2011) style selections that the customers of Urban Outfitters look for.

Unlike Sears and Wal-Mart, Urban Outfitters is very tuned-in to their customer’s wants and preferred fashion sense. As stated in the quarterly report published by The Ultimate Guide to the Buying and Spending Habits of Luxury Consumers., 2011, “Luxury marketers that want to win must stay vigilant in tracking the shifts, turns and changing preferences in their affluent consumer market”. Urban Outfitters has done just that by “understanding the psychology of a very specific group of customers and then doing something a big retailer literally could not do: be small and exclusive” and by doing it “on a not-so-small scale and without much traditional marketing”. (Senk, 2011)

Identify at least three reasons why exclusivity is valuable.

Exclusivity/rarity of products gives company brand distinction. Urban Outfitters has an extrinsic style, per se, that sets them apart from mass retailers or big box stores who sell similar items. Exclusivity of products gives consumers who seek out and purchase limited items a sense of a higher quality product which in turn helps to justify the concept that the product carries a superior value and therefore they will pay the higher prices.

Product exclusivity allows the retailer to set their price while creating a loyal customer base: some who may be affluent and others who are trendy and will pay the higher prices. This freedom in pricing, if done properly, sets the foundation for higher profits. There are some consumers who purchase high-end, limited, or expensive merchandise just because it is an exclusive product, and there are others who like the products which cannot be found elsewhere.

By offering limited quantities and hard to find products, a retailer is also limiting their competition. Urban Outfitters has not only offered exclusivity with the limited production of the

products they sell, they have also created a niche within their business by having store designs that are highly influenced by the location of said store. By incorporating a unique store concept, no two stores are alike, just as no two towns are the same. The uniqueness of their products and stores combined, offers their customers a “distinctive and entertaining shopping experience”.

(Senk, 2011)

Do you agree with Senk stating that shopping is largely entertainment?

Based on Urban Outfitters store design concept and the limited availability of products, absolutely! I believe the concept that each store design is different and purposefully executed to fit the local flavor of the city/town is a brilliant business decision. Shopping at Urban Outfitters would definitely add a bit of entertainment to a shopping day; as well as looking through the apparel racks for a rare gem. It would be an adventure of sorts on several stimulating and exciting levels that would keep this author coming back, just to see what could be found next.

Lastly, it would be interesting if they had a product such as a t-shirt or sweatshirt that is store location exclusive, much like Hard Rock Café, which has their name and the city of the store on their shirts. It would be a fun challenge for Urban Outfitters customers to visit each store location and purchase that store’s exclusive article in order to start or add to their “exclusive Urban Outfitters shirt collection”. (This author is one who has made it a point to visit each Hard Rock Café in each city visited, just to purchase the shirt.) Not only would this concept reiterate the company’s business strategy of “exclusivity”, it would also generate additional revenues worldwide.

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