

# Aritzia

Global Marketing

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## Company Overview

1. Aritzia is a Canadian women's fashion retailer originally established in 1984 by Brian Hill. The famous brand is known for its superiority in quality, fashionable clothing, and accessories aimed at young women. Aritzia operates several in-house brands including Wilfred, Babaton, TNA, and Sunday Best, among others.

## Key Facts

### 1. History:

The first store was opened in Vancouver, British Columbia in 1984. Under the leadership of the Hill family, they opened 97 retail boutiques in Canada and the US. Aritzia describes itself as an “everyday luxury” brand at an attainable price.

### 2. Product and Services:

It offers a wide range of women’s apparel that includes dresses, outerwear, knitwear, and accessories.

### 3. Executives and Key Staff:

Brian Hill is considered as Founder and Executive Chair. Jennifer Wong as Chief Executive Officer takes care of the strategic initiatives of the company.

### 4. Staff Levels:

The Company has more than 3800 people working including the corporate offices.

### 5. Retail Locations:

Aritzia is spread all over Canada and the United States with stores majorly in big cities such as Toronto, New York, and Los Angeles.

### 6. Financial Performance:

Net revenue for Aritzia increased by 7.0% to \$682.0 million in Q4 2023. According to Fiscal 2024, net revenue is expected to grow from \$2.32 to \$2.34 billion.

### 7. Stock History:

The ATZ has seen a significant decline in its stock. A 2.16% overall decline was spotted as per reports on May 28, 2024.

## What Makes Aritzia Unique?



The quality of the brand and the timeless style make it unique. Aritzia hand-picks fabrics by partnering with premier mills in Japan, Italy, and France. They focus mainly on proportion, fit, and the right silhouette to create products that people love.

## Market Evaluation and Assessment

### Size of Apparel and Accessories Marketplace

#### 1. Global Market:

It owns 114 stores, with 68 stores located in Canada, and the remainder being in the United States. It is valued at USD 1.5 trillion in 2023.

#### 2. North America Market:

USA has been spotted as the largest contributor amongst both countries with a worth of USD 400 billion

#### 3. Canadian Market:

The market in Canada has not been contributing much compared to the USA. It is valued at about CAD 30 billion.

### Size of Women's Apparel and Accessories Market

#### 1. Global Market:

The Canadian-based brand is valued at approximately USD 800 billion.

#### 2. North American Market:

It is valued at approximately USD 200 billion.

### 3. Canadian Market:

This segment accounts for approximately CAD 15 billion.

## Market Segment Served

Aritzia basically focuses on demographic segments like Age, Income, and Lifestyle. Here is the elaboration:

- Age:

It primarily focuses on women aged 18-40. It has more of office wear stuff which makes it easy for people to shop day-to-day.

- Income Levels:

Being a high-end brand, it does not only target people with high incomes but also middle-class people.

- Lifestyle:

Modern, Trending clothing for people who call themselves "Gen-Z" (Murray, May 23, 2019)

## Trends and Changes in Young Women's Apparel and Accessory Retail Marketplace.

### 1. Technological Advancement:

The increase in technology has caused a major rise in the clothing market. The use of E-commerce platforms has increased and a rise in the market of clothing has been seen lately.

### 2. Product Preference:

People nowadays are looking for something that is long-lasting and sustainable. Rather than buying something cheap that is no longer in use after 2 washes, people prefer buying expensive items that last.

### 3. Online and Offline Services:

The after-sale services provided nowadays are one of the major benefits to the companies. The 30-day return and exchange policy, customer service, and expert advice are some of the factors that help in the growth of a company.

### 4. Smart Branding Ideas:

Collaborating with influencers on social media platforms like TikTok, Instagram, and Facebook helps the brand to get recognition among its target audience.

## Other Trends and Changes in the Retail Industry

### 1. Sustainability:

It mainly emphasizes sustainable materials and ethical production practices.

### 2. Omnichannel Retailing:

Integration of online and offline shopping experiences.

### 3. Customer Experience:

It focuses on creating unique in-store experiences to drive foot traffic.

## Competitive Assessment

Brands that are the largest competitors of Aritzia:

### 1. Anthropologie

It is a bohemian-inspired clothing brand that has over 200 stores. It targets women age group of 25-40 who have an interest in such kinds of fashion wear clothes.

### 2. Bench.

It mainly focuses on high-quality basics and innovative fabric technology. The target customer demographic is the one seeking quality basics and functional clothing.

### 3. Roots

Affordable pricing range with casual and formal apparel for men and women. It has a diverse style amongst young adults and budget-conscious shoppers.

### 4. Zara:

The retail brand has similar fashion taste as Aritzia which sometimes makes it difficult for the customers to choose one option. Zara is cheaper than Aritzia and provides clothing and accessories to people. (Gibilline, Feb 14,2020)

## Aritzia Capability Assessment

## SWOT Analysis:

STRENGTHS	OPPORTUNITIES
<ol style="list-style-type: none"><li>1. Keeping up with the trends</li><li>2. Strategic store locations</li><li>3. Right use of digital marketing</li><li>4. Fabric quality and designing</li><li>5. Consistent Revenue Growth</li></ol>	<ol style="list-style-type: none"><li>1. Expanding its digital presence.</li><li>2. Introducing product lines such as sportswear and casual wear.</li><li>3. Establishing a strong consumer base</li><li>4. Trying out pop-up store ideas</li><li>5. Collaborating with influencers</li></ol>
WEAKNESSES	THREATS
<ol style="list-style-type: none"><li>1. Premium Prices limit customer base.</li><li>2. High reliance on Physical Stores</li><li>3. High expenditure on brand positioning activities</li><li>4. In demographic terms, it only focuses on women's apparel.</li><li>5. No Global reach.</li></ol>	<ol style="list-style-type: none"><li>1. Cyber-attacks and data breaches</li><li>2. Increase in labor and material costs resulting in low profit margins.</li><li>3. Adapting the latest trends to keep up with customer demands</li><li>4. Economic Instability</li><li>5. Price Sensitivity</li><li>6.</li></ol>

## Strategy

Based on the report of SWOT Analysis, Aritzia should focus on Brand Partnerships which means collaborating with influencers to get a stable reach on Instagram and other social media platforms. It should enhance the e-commerce experiences for customers which will create a strong customer base. Apart from that introduction of more than 1 line of clothing is also beneficial to brand in several ways. (Anonymous, May 2, 2024)

## Brand Marketing Programs

Aritzia uses digital as well as traditional methods to showcase its products to the audience. They provide stylish, versatile pieces of clothing that are high in quality and trending at the same time. They collaborate with influencers which helps them reach their goal.

Brand Positioning Map



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