

MG5596 EXAM Case Study- Academic year 2019/2020

ASOS Resources and Capabilities

ASOS was born in the UK – one of the most competitive, dynamic fashion markets in the world. This has made ASOS sharp, focused and forward-looking. ASOS may get inspiration from their competitors, but they are not driven by what they're doing. Their business model captures their strategy for growing and evolving with their market. Some elements are cultural: having the right people, values and behaviour in ASOS. Some are logistical: making sure our infrastructure and technology allow us to continuously scale and improve. And some are about their proposition: the unique blend of fashion products and inspirational experiences they create for their customers.

ASOS in-house design team are some of the world's best at discovering trends, finding the perfect fabric or print, and styling it in the most creative ways. ASOS is inspired by everything from magazines and music videos to street markets in Tokyo and Seoul to clubs in London and New York. Their on-site pattern-cutting facility means they can create samples in days and take new products from ideas to shipping within weeks. This positions ASOS ahead of the competition and results in much better stock sales at full price. Inspirational fashion made from sustainable materials, such as cotton, is important to their customers – and finding new ways to provide this really matters to ASOS. For example, 85% of ASOS menswear range uses recycled polyester. And in womenswear, ASOS soon be using offcuts of previous dresses to make new ones.

ASOS believes fashion should be for everyone. So they broke the mould by offering true size options for their entire range of styles – from normal everyday items to hot trends. ASOS womenswear specialist ranges include Curve, Tall, Petite and Maternity. And we have the entire spectrum of men's sizes covered, from small to big to tall. ASOS also has a pioneering unisex range. Their customers have shown their appreciation with their wallets – and where they've led, high street stores are starting to follow. ASOS in-house label sits alongside a highly curated and diverse selection of third-party brands. ASOS finds and creates products that are as unique and inspiring as the 20-somethings who wear them. ASOS stock c.850 brands of all shapes and sizes: from big global names to virtually unknown local designers. ASOS turn over roughly 20% of their partners each season to keep things fresh, and pride themselves in finding and growing true fashion talent.

As they're not restricted by store space, ASOS can stock 85,000 products at any one time. This gives ASOS the freedom to be creatively brave and to offer the biggest product ranges in the business. And this makes ASOS one of a kind in our market: trend-setting and inclusive. ASOS put around 5,000 new items on their site each week – the equivalent of an entire Oxford Street shop. This year alone ASOS will deliver over 1,300 technology releases – each an improvement to our customer experience. ASOS customers are mobile-native and eager for the next new thing. This means constant innovation when it comes to technology. It also means an increasing focus on mobile, which brings over 70% of ASOS traffic globally. ASOS app is their mobile powerhouse. Built from scratch by ASOS to create the very best ASOS experience, it has a rare 5-star rating in global app stores. With features like Apple Pay and visual search – and video content and voice search coming soon – it keeps ASOS in the palm of our customers' hands. ASOS is looking for the right balance between longer-term investments, such as technology and logistics, and ones with more immediate benefit. ASOS also knew that moving to free delivery and returns was the right thing to do, so they did it.

ASOS also published quarterly magazine that goes out to customers in the UK, France, Germany and the USA. Customers praise ASOS magazine for pushing boundaries and being inclusive across its content, by featuring people from diverse ethnic backgrounds or with body shapes you don't typically see in mainstream media. The magazine team have a shared belief that ASOS is not just here to sell clothes, but to help our audience negotiate a time in their life that isn't always easy. ASOS 2017 issues have featured Hunter Schafer, a teenage transgender rights activist; Mama Cax, an amputee and body positivity advocate; and Anne-Marie Imafidon, the founder of a social enterprise encouraging girls to get involved in science, technology, engineering and maths careers.