



LACOSTE

Case Study

History

Lacoste started off as a bet. In 1923 Rene Lacoste made a bet with the captain of the France Davis Cup team, Allan H. Muhr, who promised him a crocodile-skin suitcase if he won a big match for the team. The event was then reported in an article in which the journalist nicknamed him Rene Lacoste "The Crocodile". This then became his nickname by the American public and was further demonstrated on the tennis court by never letting go of his prey.

His friend, an illustrator, designed the crocodile which he embroidered on the blazer he wore on the court.

By the end of the 1920's Rene Lacoste had designed a batch of loose-knit cotton shirts made for his personal use. They proved themselves on the tennis courts, by withstanding the American heat and being sweat absorbent. It also became a first since tennis players had previously been wearing long-sleeved city shirts with warp and weft fabric.

By 1933 Rene Lacoste had teamed up with the great hosier, Andre Gillier and had launched the industrial production of his polo shirt marked with a crocodile, thus giving birth to Lacoste. It became the first time a brand was visible from the outside of a piece of clothing.

History

After more than 75 years of its creation, Lacoste has become a 'Lifestyle' Brand combining elegance and casualness. Lacoste now has a large collection of products involving, clothing for men, women and children, shoes, perfume, leather goods, eyeglasses, belts, watches, home textiles and costume jewellery.

The brand is present in over 114 countries.

2 Lacoste products are sold every second around the world through the Lacoste stores, Lacoste retailers in department stores and a selective distribution network.

The turnover is more than 4 billion euros, 90% of which is outside of France.

They've recently launched a new range called Lacoste Live which they've aimed at a younger audience.

Brand Values

- Tennis clothes
- Golf clothes
- Sports accessories
- Continental European style

Product lifestyle



Target audience

The target audience for Lacoste would be mainly aimed at tennis and golf players, due to their large range of polo shirts and sports accessories.

They target around the ages of 19-30 because this is the main age range that plays tennis which is how the brand started to begin with. A lot of their casual wear is designed with this age range and style in mind.

Although it targets a slightly lower age range, it aims for the people that are higher up the socio-economic who have that little bit more money to spend.

They have however recently release their Lacoste Live range, which they have aimed at a slightly younger audience. They've decided to lower their target audience down to about 16-25.

Pricing Strategy

Lacoste's pricing style has had some problems over the years. There was in a stage of Lacoste's life where they lowered their prices which almost destroyed their brand name.

Since then Robert Siegel has recovered the brand name by raising the prices. He brought back the exclusivity of the brand.

Their main product and most popular, the polo, is priced at around £55 - £200 for men depending on the type and style you want and a bit higher for women at around £65-£200 . The fitted ones are generally more expensive than the classic ones.

Some of their more exclusive items such as the jackets and outerwear range from around £135 - £450.

For the majority of all their products they range from around £50 to as high as around £400 - £500. This is for their middle range products and their Exclusive range with the highest prices..

Their lower range products range from around £10 - £30

Marketing and PR Strategy

Lacoste generally market their products via tennis and golf pro's, as it's the main focus of their entire brand.

By the end of the 90's the brand had to change its marketing strategy to avoid becoming old fashion. It had to modernize itself. To this is it tried to merge fashion, sport and street wear. It did this by its advertising campaign.

One of its advertising campaigns showed a love story between a French tennis player, Arnaud Clement and a Danish singer, Natasha Thomas. This moved the brand from being tennis orientated and incorporated a more fashion edge to its products.

They also got Christophe Lemaire, a dressmaker, to renew their product ranges and create a range of products that were closer fitting to the body. He also incorporated a larger colour choice for all the ranges. The logo was also adapted by making it thinner to give it a more dynamic look.

To keep up with the ever changing fashion, Lacoste extended their products into accessories such as glasses and hats.

Marketing and PR Strategy

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Another event that Lacoste included into their marketing was having a sale of t-shirts in a limited series of the Roland Garros tennis tournament, Lacoste's associated sport.

They also emphasized product placement in popular movies and TV shows in the US. This worked well as they were able to become a 'Hollywood favorite'. By doing this Lacoste managed to keep the brand 'Hip and relevant' in the market as a lot of popular stars were wearing their clothes.

Lacoste would also gift some celebrities with their products so they would wear them in magazines. Celebrity endorsement is a huge marketing point in the fashion industry.

Place/ Distribution

Lacoste market their products in a lot of different places. Mainly their exclusive range is only sold on their websites or in their own stores.

Their middle range products such as their polo's and shoes are sold in a wide range of department stores, but they retain the same high prices.

Successes/Failures

One of the main failures of Lacoste almost destroyed the brand name. this was because they had lowered the prices of their products, which forced them to use lower quality materials to create them. This almost destroyed the brand name as their product were no longer the same quality that people used to pay for.

SWOT

Strength:

- Known for quality
- Well known for tennis and golf clothes
- Well known within the sporting world

Weakness:

- Main focus is to provide for tennis and golf players
- Not as popular with mainstream fashion
- A lot of their products are geared around sports and summer weather.

Opportunity:

- To possibly expand to other sports
- Extend their range to products suited for other seasons

Threat:

- Other sporting companies in terms of general sport wear. E.g Nike, Adidas
- Seasons other than summer