

SW3 - Marketing, Sales & Promotions

1.



2. <http://www.levistrauss.com/>

3. HERITAGE TIMELINE

Levi Strauss & Co. has been innovating since the birth of the first pair of jeans in 1873. Throughout our long history, we've inspired change in the marketplace, the workplace and the world. We invite you to take a look at our proud heritage in this timeline.

Levi Strauss, the inventor of the quintessential American garment, was born in Buttenheim, Bavaria on February 26, 1829 to Hirsch Strauss and his second wife, Rebecca Haas Strauss; Levi had three older brothers and three older sisters. Two years after his father succumbed to tuberculosis in 1846, Levi and his sisters emigrated to New York, where they were met by his two older brothers who owned a NYC-based wholesale dry goods business called "J. Strauss Brother & Co." Levi soon began to learn the trade himself.

When news of the California Gold Rush made its way east, Levi journeyed to San Francisco in 1853 to make his fortune, though he wouldn't make it panning gold. He established a wholesale dry goods business under his own name and served as the West Coast representative of the family's New York firm. Levi eventually renamed his company "Levi Strauss & Co."

Around 1872, Levi received a letter from one of his customers, Jacob Davis, a Reno, Nevada tailor. In his letter, Davis disclosed the unique way he made pants for his customers, through the use of rivets at points of strain to make them last longer. Davis wanted to patent this new idea, but needed a business partner to get the idea off the ground. Levi was enthusiastic about the idea. The patent was granted to Jacob Davis and Levi Strauss & Company on May 20, 1873; and blue jeans were born.



Andrea B. Saavedra
1/5/2018

Levi carried on other business pursuits during his career, as well. He became a charter member and treasurer of the San Francisco Board of Trade in 1877. He was a director of the Nevada Bank, the Liverpool, London and Globe Insurance Company and the San Francisco Gas and Electric Company. In

1875, Levi and two associates purchased the Mission and Pacific Woolen Mills.

He was also one of the city's greatest philanthropists. Levi was a contributor to the Pacific Hebrew Orphan Asylum and Home, the Eureka Benevolent Society and the Hebrew Board of Relief. In 1897 Levi provided the funds for twenty-eight scholarships at the University of California, Berkeley, all of which are still in place today.

At the end of the 19th century, Levi was still involved in the day-to-day workings of the company. In 1890 — the year that the XX waist overall was given the lot number “501®” — Levi and his nephews officially incorporated the company.

Levi Strauss passed away on Friday, September 26th 1902. His estate amounted to nearly \$6 million, the bulk of which was left to his four nephews and other family members, while donations were made to local funds and associations.

We're proud to honor Levi Strauss's legacy by celebrating his commitment to community, philanthropy and an unswerving devotion to quality. To this day, Levi Strauss & Co. strives to align itself with the same principles that guided Levi's life.

- a. Levi Strauss 1853
- b. denim jeans
- c. Private company
- d. Brick and mortar

4. Financials

2016 Annual Report - Lev X

Person 1

www.levistrauss.com/investors/annual-reports/2016-annual-report/

Apps For quick access, place your bookmarks here on the bookmarks bar. Import bookmarks now...

LEVI STRAUSS & CO.

LS&CO. BY THE NUMBERS

NET REVENUE

Levi's 85% | THE NEW BRANDS 10% | DENIZEN 5%

EMPLOYEES 13,200 | TRADEMARKS 5,000 | RETAIL DOORS 50,000

COUNTRIES 110 | BRAND DEDICATED STORES 2,900

FY16 REVENUE \$4.6B

AMERICAS 59% | EUROPE 24% | ASIA, MIDDLE EAST & AFRICA 17%

WHOLESALE VS. DIRECT-TO-CONSUMER

WHOLESALE 72% | DIRECT-TO-CONSUMER 28%

2016 ANNUAL REPORT

Windows Taskbar: SAAVEDRA, 5:40 PM, 1/5/2018

2016 Annual Report - Lev X | levis revenue 2017 - Goo X | All Financial News & Eve X

Person 1

www.levistrauss.com/investors/annual-reports/2016-annual-report/

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LEVI STRAUSS & CO.

LS&CO. FISCAL YEAR 2016*

NET REVENUE**

Year	2013	2014	2015	2016
Change	+1.6%	+2.6%	+1.7%	+2.1%

GROSS MARGIN

Year	2013	2014	2015	2016
Value	50.2%	49.4%	50.5%	51.2%

ADJUSTED EBIT

Year	2013	2014	2015	2016
Value	\$467M	\$504M	\$479M	\$460M

FREE CASH FLOW

Year	2013	2014	2015	2016
Value	\$292M	\$123M	\$61M	\$161M

* Fiscal Year 2016 ended on December 31, 2016. ** Fiscal Year 2016 revenue includes the acquisition of Denizen.

“WHILE SKINNY JEANS CONTINUE TO BE IMMENSELY POPULAR, THE MOST-SEARCHED JEANS BY U.S. SHOPPERS IN 2016 WERE STRAIGHT-LEG STYLES, WITH LEVI’S® ICONIC 501 BECOMING THE MOST-VIEWED PRODUCT ON LVS.COM.” — ELLEKA

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5. What are its main products and services? DENIM jeans and apparel

PRODUCT

Levi's jeans are classified as a shopping product, meaning that the pricing, quantity, and style characteristics must be acknowledged of our various competitors as these can have a huge impact on consumer behavior in our market. Levi's jeans are made to ensure that they last for a long time. Unlike our competitor's product, Levi's jeans are made with durable materials that are less likely to tear. Although our jeans are higher quality, the pricing will be lower when compared to competitors such as Calvin Klein. We offer numerous styles and shades that cater to the preference of each individual. Since a brand's name and reputation are crucial in marketing, as a shopping product we heavily depend on the fact that Levi's is known as a reputable, classic American company.

Through increasing promotions, decreasing price, and entering upscale department stores the Levi's branding will gain recognition in a younger, upper class target market. Also, although new consumers are the aim, old and new consumers will be exposed to Levi's new style and image. The look the company is marketing and reinforcing the product as the trusted Classic American brand. Additionally, we will also be introducing the "skinny" jeans fit to the Levi's jeans brand for female consumers. We are implementing an exclusive distribution method. Rather than selling to lower end retailers like Kohl's and JC Penney's, we plan to sell to upscale distributors such as Nordstrom's and Macy's.

We seek to change our product positioning by reintroducing the attributes of style and versatility our product offers. Brand equity will help reach this goal since Levi's is a very well-known brand due to its long standing in the market. To add to existing customers, we hope to increase the appeal to people who have not ever bought the product. Our denim is in the maturity stage of the product life cycle so we are constantly seeking ways to differentiate and promote our product from our competitors by increasing our demand. We seek to spur and attract new demand from young, trendier individuals for our line in an attempt to further differentiate ourselves in our competitive environment. While Levi's product mix is extensive, our line focuses on developing younger males and female market while still maintaining close ties with Levi's other products.

THE EVOLUTION OF THE JEAN
LEVI'S 501 FROM 1901 TO 1983

1901	1933	1944	1947
1954	1966	1978	1983

Recommended

- Office 2016 for Educators
Online Course - LinkedIn Learning
- Educational Technology for Student Success
Online Course - LinkedIn Learning
- Betsy Corcoran on Choosing the Right Technology for Your School
Online Course - LinkedIn Learning
- Levi's Brand and Product Strategy
Anyarat Priyawat
- Levi's Strauss Jeans
Aadil Ahmed
- Levi's market analysis
Md. Akram
- Candyland
Ata Ul Hassanain Awan

6. What is its target market and who are its customers

TARGET MARKET

Levi's jeans demographic segment are 20-24 year old, white male and female, college students, with income in the range of \$8,000-\$4,000. Our psychographic segmentation includes young men and women that are outgoing, active, that are apart of the upper class, Generation Y. Our target customer spends a great deal of time at live music events. The genre of music that these people listen to is rock, hip-hop, and trap music. They read GQ, Men's Fitness magazines, and US weekly. Watch ESPN and shows such as Breaking Bad, Mad Men, The Voice, Broke Girls, and Modern Family. A large amount of their time is spent engaging with friends and family via social media. The geographic areas that we will target are urban settings like River North, and West Loop. These people shop at stores such as Macy's, Nordstrom, and Bloomingdale's.

INTEGRATED MARKETING MIX

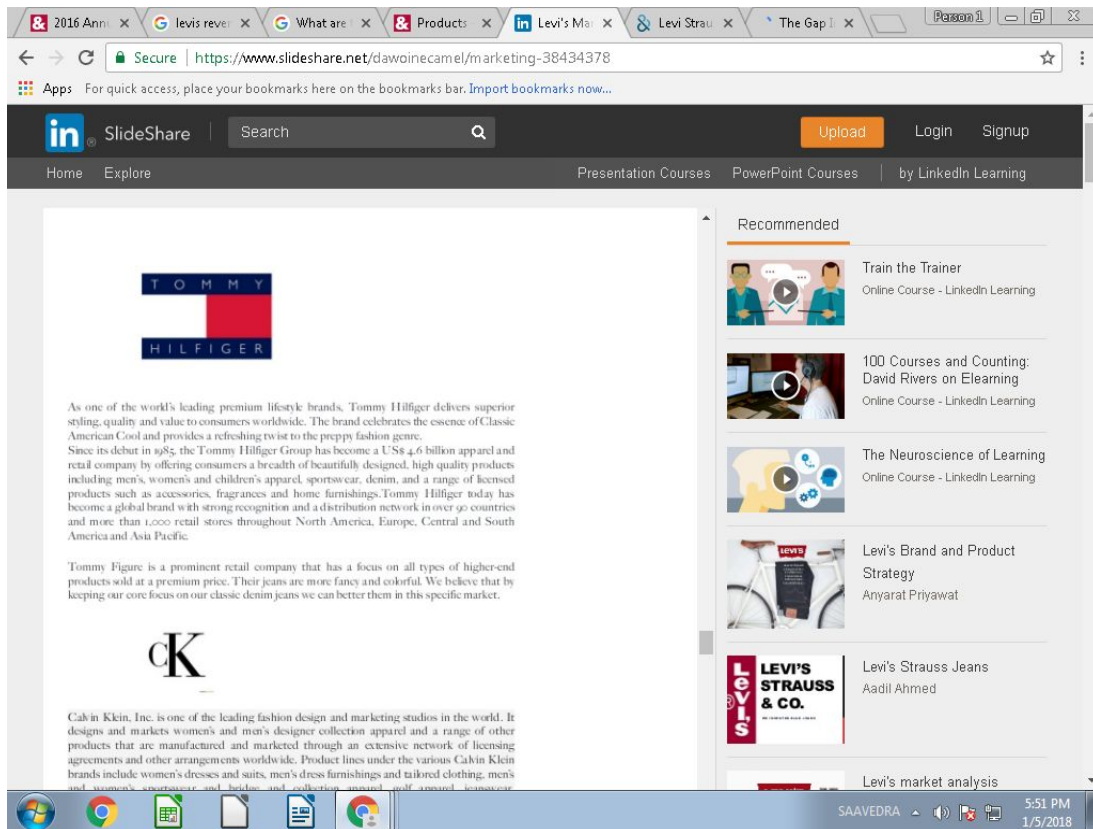
The slogan that embodies our theme for the marketing mix is, "Levi's... Bringing back the all American look." We believe that through aggressive advertising and promotions, we'll be able to position Levi's 501 jeans in a way that will draw on the emotional appeal of Americans and also grab the attention of those in our overseas markets; that are looking for ways to capture the classic American look. Secondly, because Americans have become a lot more conscious of their spending, we have implemented a competitive pricing strategy. By using this pricing strategy we'll be able to gain a larger market share by cutting the price of the product, while still giving our target customers the same quality. In order to stress the value of our products, the jeans will be sold in upscale stores around the

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Ata Ul Hassanain Awan

7. main competitors

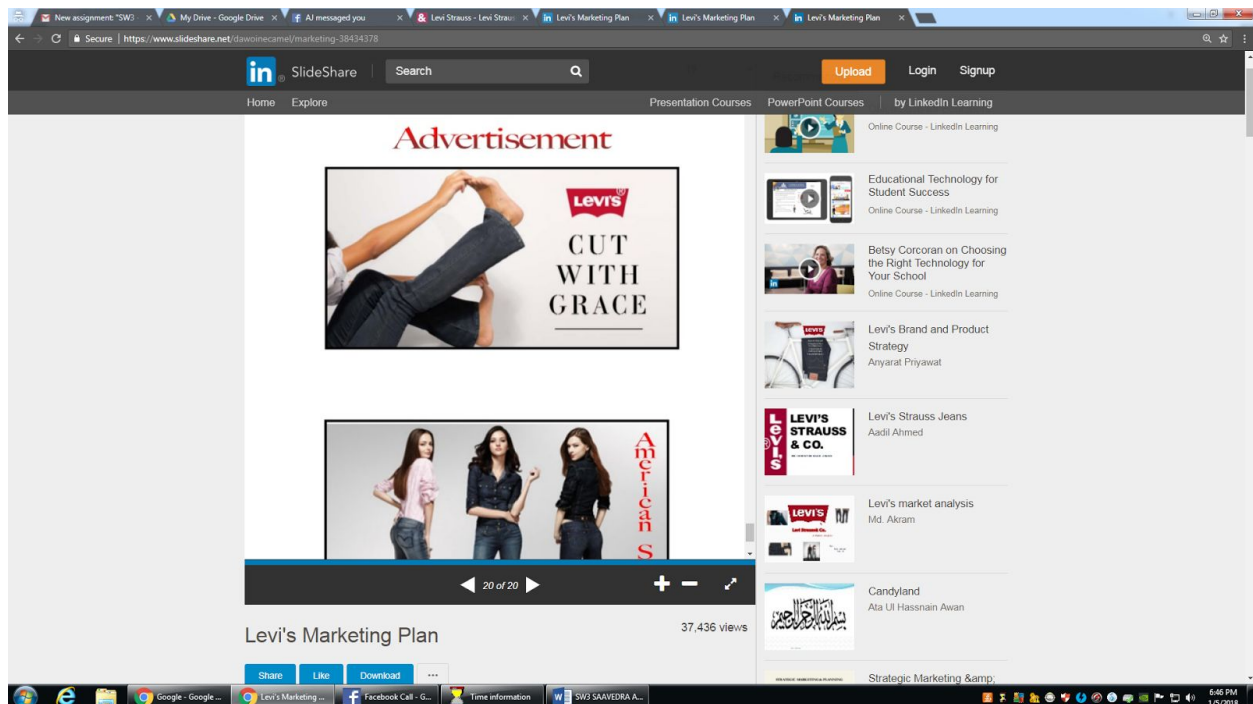
8.



8. Promotion in the Marketing mix of Levi's

Levi's has adopted a cool and trendy promotional strategy for marketing their products. In order to increase the visibility of its products the company has taken the help of active advertisement. It has gone with the concept of off- beat commercials that are shown in various television channels, in newspapers, billboards and fashion magazines. The company has been introducing new products at regular intervals like the reversible jeans that have helped them in gaining continuous limelight.

Levi's has a comprehensive and effective strategy that includes the participation of major celebrities. In India, it has roped in Priyanka Chopra, Deepika Padukone and Akshay Kumar as its brand ambassadors. In Philippines, they have appointed six brand ambassadors of the product including Maxine Magolona, Laulen Young, Shamcey Supsup and Venus Raj. Levi's has been using the method of competitive advertising to promote its products.

The image is a screenshot of a SlideShare presentation titled "Levi's Marketing Plan". The presentation is displayed in a browser window with the URL "https://www.slideshare.net/dawomecamel/marketing-38434378". The slide content includes a title "Advertisement" and two images. The first image shows a person's legs in Levi's jeans being held up, with the text "Levi's CUT WITH GRACE". The second image shows three women in Levi's jeans, with the text "American". The presentation has 37,436 views and is titled "Levi's Marketing Plan". The SlideShare interface includes a search bar, navigation buttons (Home, Explore), and a list of related presentations on the right side, such as "Educational Technology for Student Success" and "Levi's Brand and Product Strategy". The Windows taskbar at the bottom shows the time as 6:46 PM on 1/5/2018.

Bibliography

LEVI STRAUSS & CO. (n.d.). Retrieved from heritage-timeline:

<http://www.levistrauss.com/our-story/#heritage-timeline>

LinkedIn. (2014, August 14). Retrieved from Levi's Marketing Plan: LinkedIn

