

**CASE 11.1**  
**PLANET RALPH:**  
**THE GLOBAL MARKETING STRATEGY OF POLO RALPH LAUREN**  
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**Points to Consider**

As Lauren ponders the corporation's future, the following questions will need to be addressed:

**Instructor Notes**

**1. Can an American brand built on the quintessential "American dream" succeed globally?**

Students need to develop an understanding of the idea of "aspiration" and the desire to aspire to a particular life style.

Merriam-Webster dictionary definition of *aspire*: to seek to attain or accomplish a particular goal <*aspire* to a Hollywood lifestyle>. Synonyms: *ascend, soar*.

Students should be encouraged to explore what the "American dream" means both in the United States and to people elsewhere. Does this concept exist for people from other cultures? Thus, students can explore the likelihood that both Americans and people from other cultures have aspirational dreams, and that those dreams include wanting to live as wealthy people live, even if it means merely owning a small item that is deemed to belong to the luxury category of products.

Consumers in different countries, having different values, will hold different attitudes toward luxury products, and towards the United States. It is worth asking the students to consider which countries might aspire to the Ralph Lauren lifestyle/dream.

This could be broken down into developed and newly industrialized nations and developing nations. Amongst those countries which are more likely to be targets for Polo Ralph Lauren would be developed and newly industrialized nations in the following areas:

Europe: Countries in Western, Central and Eastern Europe, and Russia.

Australasia: New Zealand, Australia, Hong Kong, Japan, Taiwan, S. Korea, Singapore

South America: Brazil, Argentina, Chile

North America: Canada, Caribbean nations such as Bahamas where tourism is strong

Africa: South Africa

Students should be asked to investigate where Polo Ralph Lauren stores already exist, and then to consider other countries where they think that consumers might aspire to the PRL lifestyle. They must be pushed to support their opinions on the basis of those countries' current level of development and the attitude that people in those countries have towards American products and lifestyle generally.

## **2. Will the PRL form of lifestyle marketing succeed globally?**

Based on the discussion that developed in the first question, students can now be pushed to decide whether a "global" strategy, with the same marketing mix will work globally. Will the PRL strategy have to be adapted to account for different tastes, for different lifestyles, for different living conditions?

## **3. Which brands would represent the best global opportunities for PRL?**

Here the students should bring to the discussion materials that they have discovered on the Polo Website, and in a survey of magazines and newspapers, where they have looked for different products and brands bearing the Polo Ralph Lauren labels. Should PRL management stress the "luxury" appeal of labels such as "Black Label," "Purple Label," "Collection," and the various "Home" products, or should they develop the sportier image of the Polo stores and brands. Where should products such as Ralph Lauren vision wear and Ralph Lauren paints fit into the global strategy?

## **4. Which countries would represent the best opportunities for additional retail expansion? Would India be a viable option?**

The BRIC (Brazil, Russia, India, and China) countries are emerging markets that have a great deal of market potential. India has a population of 1.1 billion people as of July 2007. While its population is second only to that of China, it is expected that India will surpass China in the foreseeable future. The Indian population is also young, with a median age of 24.8 years. More than half of the citizens are under 25 years old.

Doing business in India requires patience, and businesspeople have to endure such problems as poverty, lack of infrastructure, bureaucratic rules, and other trade barriers. While India is experiencing growing pains, things have been improving. Although only a tiny minority can afford cars and luxury products, the economy has been growing rapidly and strongly. With rising incomes in many places, Suzuki Motor Corp. has managed to sell more cars in India than in Japan. Certainly, as far as luxury goods are concerned, India is a large and untapped market.

For opportunities and problems in India, see "The Great Indian Beer Rush," *Business Week*, 23 April 2007, 50.