
GROWTH FOR TIFFANY & CO.

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CASE DESCRIPTION

This case focuses on the strategy needs of an upscale retailer. The subject matter is appropriate for courses in retailing, marketing strategy, marketing management, and merchandising. The case is suitable for junior and senior undergraduate students and has a difficulty level of 4/5. It can be used for a 75-minute class discussion session, a take-home exam, or as the basis for team oral presentations.

CASE SYNOPSIS

Tiffany & Co. has stores in more than 20 countries. Its retail activities focus on upscale customers, high quality-products, extensive services, premium prices, fashionable locations, sophisticated promotions, and prestige image. Management wants the company to become the preeminent jewelry retailer in the world. Consequently, adjustments are needed in strategy. Students are asked which changes should be made in Tiffany's publics, products, places, prices, promotions, performances, processes, and providers.

Students working with this case will gain increased knowledge, skills, and practical experience. Specific knowledge topics include: image positioning, market segmentation, product branding, service opportunities, pricing strategy, merchandising, store site selection, promotion media selection and message appeals, distribution channel integration, and performance measures. Skill building opportunities include: logical problem solving, oral communication, and written communication. Important experiential learning opportunities are: informative and persuasive speaking, business report writing, strategy integration, and teamwork.

BACKGROUND

Charles Tiffany and John Young founded "Tiffany & Young" in New York City during 1837. The retail store provided stationery and "fancy" things at fixed prices on a cash only basis – no haggling, no credit, and no products taken in trade. Although the retailing strategy was unusual and risky, the store became a success. In 1853, Mr. Tiffany bought full ownership of the growing business and changed its name to "Tiffany & Co" (Hoover's, 2004).

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PROBLEMS

Suppose that the company wants your suggestions on how to improve its retailing. What would you recommend? Be sure to include what retail management should do to cope effectively with the following strategic issues: 1) Appeal more to target market segments; 2) Pick additional products and services to offer; 3) Select locations for new stores; 4) Evaluate which price levels to discontinue; 5) Choose which promotional media to use; 6) Decide which outside suppliers to use; and 7) Protect on-line information provided by customers, suppliers, credit card companies, Tiffany stores, and the company's other operating units.

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