ASSIGNMENT : ADVANCED BRAND MANAGEMENT 4 (ABM401)

DUE DATE : 3:00 p.m. ON 19 AUGUST 2014 FOR UPLOAD

TOTAL MARKS : 100

MATERIAL SUPPLIED : MUJI

INSTRUCTIONS TO CANDIDATES FOR COMPLETING AND SUBMITTING ASSIGNMENTS

The complete ‘Instructions to Students for Completing and Submitting Assignments’ must be collected from any IMM GSM office, the relevant IMM GSM recognised additional tuition centre or can be downloaded from the IMM GSM website. It is essential that the complete instructions be studied prior to commencing your assignment. The following points highlight only a few important notes.

1. You are required to submit ONE assignment per module.

2. The assignment will contribute 20% towards the final examination mark, and the other 80% will be contributed by the examination, however, the examination papers will count out of 100%.

3. Although your assignment will contribute towards your final examination mark, you do not have to earn credits for admission to the examinations; you are automatically accepted on registering for the exam.

4. Number all the pages of your assignment (e.g. page 1 of 4) and write your name and surname, student number and module at the top of each page.

5. The IMM GSM requires assignments to be presented in a typed format, on plain A4 paper. Unless otherwise specified, this assignment must be completed within a limit of 3500 words, excluding the bibliography. Students who exceed the word limit may find that only part of the submitted assignment will be marked.

6. A separate assignment cover, which is provided by the IMM GSM, must be attached to the front of each assignment.

7. Retain a copy of each assignment before submitting, in case the original does not reach the IMM GSM.

8. The assignment due date refers to the day up to which assignments will be accepted for marking purposes. The deadline is 3:00 p.m. on 19 August 2014 for upload to eLearn. Late assignments will be accepted, but 25 marks will be deducted from the maximum mark, if received after 3:00 p.m. on 19 August 2014 and up to 5:00 p.m. the following day, after which no assignments will be accepted.

9. If you fail to follow these instructions carefully, the IMM Graduate School of Marketing cannot accept responsibility for the return of the assignment. It may even result in your assignment not being marked.

Results will be available on the IMM GSM website, www.immgsmafrica.ac.za, on Friday, 3 October 2014.
Answer ALL the questions


In this assignment work from the premise that Muji has decided to launch in southern Africa. Answer the questions below, in your capacity as their newly appointed brand executive.

**QUESTION 1 - Brand perspective** [15]

Muji is an organisation that is ‘not about branding’. Apply the key goals of branding (as business imperatives) for the building of the Muji business in southern Africa.

(Reference: Klopper & North, 2011, Chapter 1)

**QUESTION 2 - Brand equity** [30]

2.1 The Muji philosophy is ‘no brand’, yet arguably the brand clearly enjoys the benefits of strong brand equity. Demonstrate the benefits of strong brand equity for Muji. (10)

2.2 Apply Aaker’s model of brand equity to facilitate the introduction of Muji to southern Africa. (20)

(Reference: Klopper & North, 2011, Chapter 2)

**QUESTION 3 - Brand identity system** [15]

The Muji brand identity is powerful. Critically evaluate the five (5) properties of Muji’s brand identity system.

(Reference: Klopper & North, 2011, Chapter 3)

**QUESTION 4 - Positioning** [15]

4.1 How would you set about developing a positioning for the Muji brand in southern Africa? Use Jack Trout’s steps in Chapter 4 of your prescribed textbook as a guideline. (8)

4.2 Create a brand mantra for Muji. Show how you evaluated your mantra against the criteria for ‘good mantras’. (7)

(Reference: Klopper & North, 2011, Chapter 4)
QUESTION 5 - IMC

The Muji philosophy and values are key for the organisation. Design an internal brand engagement plan, by strategically selecting five (5) mechanisms or initiatives that you believe will successfully embed the brand values amongst the new employees in southern Africa (motivate your choice and provide practical solutions).

(Reference: Klopper & North, 2011, Chapter 7)

PRESENTATION

ASSIGNMENT TOTAL: 100
Case Study:

Behold: Los Angeles Has A MUJI

By Kyle Fitzpatrick
Posted December 13, 2013

I’m going to warn you right now: don’t go to the Hollywood MUJI. Stay at home. Don’t think about it. In fact, forget you even heard that a MUJI has opened in Los Angeles. It’s the holiday season! You have a lot of gifting to do and have saved up to buy great gifts—so don’t go to MUJI. Why? Because you will want everything for yourself...at least that is what we did when we previewed the store today and unintentionally spent an embarrassing amount of money there.

For those unfamiliar, MUJI is basically the Japanese version of Ikea minus the unpredictability of product quality and maze-like presentation. MUJI is clean and everything is compact, tied down by smart aesthetic pins. This new store is the first in Los Angeles and comes after San Jose and San Francisco stores and tons of New York outposts before them. It’s right in the heart of Hollywood at the “Hollywood Galaxy Shopping Center”, which is across the street from the Roosevelt. Its neighbors are Fresh & Easy—which was one of the starting points for this Tesco concept, another big brand from out of the country—and a CVS. Why here?
It will attract every single type of tourist in the world and is accessible to locals despite its being so close to the dreaded Hollywood and Highland intersection. Like H&M did in the late early aughts in New York City, it’s positioning itself in a high traffic zone as such and will expose the brand to shit tons of people.

The store is gigantic. It’s in the old Knitting Factory space and is a surprising 8600 square feet. 8600 square feet. Their normal homewares and clothing and more are present in addition to a few new lines that are debuting in LA: MUJI Labo (A nice, upscale clothing line.), Found MUJI (Hand picked, wabi sabi friendly items.), and MUJI foods (Little, adorable, pre-packaged food items.). Everything is arranged in little rectangular quadrants either by sub-brand or department—and it all flows together. MUJI Labo feeds into their normal clothing which feeds into accessories which feeds into things that house your accessories which leads to accessories for your accessories, etc.: it’s never ending.

Since the store is so gigantic, there are some other things to note that you may not have noticed before. For one, giant homewares like beds and tables and bookshelves are available here. We didn’t even know they made that stuff! We’re never going to Ikea again. There is also an adorable station where you can customize your own paper bags, stationary, folders, etc. with stamps, which include the adorable “Happy Birth Day” ink pad. The food area is particularly exceptional and makes you wish that this little wall of food would push open, revealing a MUJI food market. We can dream. There are also original Hollywood MUJI bags, little toes representative of their presence here. These bags are $3.50 each and are a nice offering in the LA anti-plastic bag canon. For the first one thousand customers who make it into the store opening day, this bag will be your gift.

Nature is quite present here, too. There is a specific zen nature in MUJI’s design that brings lots of woody walls and earthy compliments to the space. Funny enough, the space and the goods have a surprising parallel to Los Angeles’. You look at a few wooden chairs and can’t help but think of design movements past, ones where inventive woodworking revolutionized how we designed seating. These Asian designs are new, yes, but they feel like distant cousins to that of the Eameses or Sam Maloof. As they say, perhaps these designers are all “brothers from other mothers.”
If you’ve never been to MUJI or if you’ve been craving a visit to MUJI, the time has come. But don’t go! You will be consumed by it and you won’t want to leave. The registers are even located at the center of the store, making it so you buy your stuff, try to leave, end up buying more, and have to return to the register. We did that!! You know what, just move in to the MUJI store. Why wouldn’t you want to live there? It’s a Japanese dream world where everything is clean, everyone is happy, and you are that minimalist, wonderful, lovely fantasy version of yourself who only eats miso soup and dried squid and does yoga every day. The Hollywood MUJI is a late 2013 treat. 

*The Hollywood MUJI is located at 7021 Hollywood Blvd and is open Monday through Saturday from 10AM to 9PM and Sundays from 11AM to 7PM. The store *officially* opens December 14 and the first one thousand customers through the door will get a free MUJI Hollywood tote. If you Instagram a photo there with the tag #mujihollywood, you will be entered to win a special prize: entries are due by December 15. The MUJI pop-up shop outside of the store will be open through December 31.*

Muji Hollywood: Japanese design store comes to L.A.

November 18, 2013 | By Craig Nakano

Los Angeles, it's time to meet your Muji. The Tokyo-based retailer with 380 locations in Japan, 200 stores in other countries and a devoted following among design aficionados here in the U.S. is scheduled to open its first store in Southern California on Dec. 14.

An 8,600 square feet, Muji Hollywood will be larger than seven other Mujis in this country and will serve as the flagship for Muji U.S.A., business coordination and development representative Kyoko Hirota said during a tour of the construction site Saturday.

For those who aren't familiar with Muji style, Hirota explained that the parent company’s name translates from Japanese as “no-brand quality goods.” Though Muji often gets compared to Ikea and Crate & Barrel, neither comparison is quite right; Hirota says the mix of modern, minimalist products express “simplicity and modesty but with a complexity in design and thought.”

The store will carry Muji’s office accessories, health and beauty products, clothing, dishes and cutlery, household cleaning implements, bedding and furniture -- chairs, dining tables and clever Muji space-savers, such as mattresses with screw-on legs that eliminate the need for bulky bed frames.

Launching as an exclusive in L.A.: Found Muji, collections of objects from around the world. Hirota described the line as vintage items “reprocessed through the Muji filter to fit a current lifestyle.” The L.A. Muji also will be the first in the U.S. to carry food, including Japanese rice crackers, cookies, chocolate and tea. The stationery department will have a stamping station, so customers can imprint minimalist Muji paper goods with customized designs.

The location -- in a small shopping plaza with a CVS drugstore and Fresh & Easy grocery market -- may strike some design shoppers as an odd choice. But during the
Saturday sneak peek arranged by the Hollywood Entertainment District, Hirota noted the store’s proximity to TLC Chinese Theatre (formerly Grauman’s) and the Hollywood & Highland shopping center.

“We chose this location for the cultural diversity,” she said, adding that the store should attract not only tourists but also residents, who could arrive via the nearby Metro Red Line station.

As a teaser to the store opening, Muji will operate a pop-up shop in front of the store starting Dec. 3 and running through year’s end. The pop-up will emphasize the company’s travel items -- neck cushions, organizers and other merchandise sold in the Muji to Go JFK store in the New York airport. [Updated: On Dec. 3 the company announced that it was postponing the opening of the pop-up until Dec. 7. Read our follow-up post.]

The L.A. opening is part of what is intended to be a rapid expansion in the U.S. Plans call for 20 to 25 new Muji stores in the U.S. in the next three years, Hirota said, including sites in Southern California, although she declined to specify locations. One lure to attract the curious to the opening day in L.A.: The first 1,000 customers at the Dec. 14 opening will receive a free small tote bag. 7021 Hollywood Blvd., Los Angeles; www.muji.us.

Updated: This post was revised around 1 p.m. Nov. 12 to include new information from Muji about the tote bag giveaway. The bags will go to the first 1,000 visitors to the store, not just to customers who make a purchase, as was previously announced.

BEHIND THE LABEL: MUJI

by Jessica Marati on July 25, 2012 in NEWS & CULTURE SHELTER

*Sustainability through simplicity.*

For minimalist shoppers, **MUJI** is the Holy Grail – an emporium of Japanese-inspired simplicity offering everything from hangers to notebooks to striped cotton tees.

MUJI’s mission is similarly minimalist: “to offer the opportunity of a Pleasant Life to people around the world.” Its products are simple, well-designed, and built to last using streamlined manufacturing processes. Though MUJI doesn’t specifically brand itself as a sustainable company, the sustainable principles of simplicity and self-restraint are a key element of its operations, along with a “no-brand” philosophy that discourages excessive consumerism.

MUJI got its start in 1980 as an in-house brand for the Japanese supermarket chain Seiyu. Initially called Mujirushi Ryōhin, which translated means “no-brand quality goods,” the company specialized in consumer products that were well-made but affordable. Using the tagline “lower priced for a reason,” the company was able to offer cheaper prices to consumers through careful material selection, streamlined manufacturing processes, and simplified packaging, according to the company website.
At that time, Japan enjoyed a prosperous economy, and expensive international brands were all the rage, while at the other end of the spectrum, cheap inferior products hit the market. The MUJI concept was born as a criticism of this state of affairs – a fresh look at quality and price of truly useful quality goods with a no-label philosophy.

Now owned by Ryohin Keikaku Ltd., MUJI produces more than 7,000 products and operates more than 400 retail outlets worldwide. The company has four U.S. stores, all based in New York City, and also sells products through the MoMA Design Store.

The Good

In MUJI’s messaging, social responsibility seems less a marketing stunt than a simple approach to doing business.

The basic principle of MUJI merchandise development is to create products that are fundamental, practical and really necessary in daily life, and to ensure efficient and minimal manufacturing processes. In true minimalist form, the company outlines just three viewpoints for product development – “problem solving through design, examination of materials and processes, and simplification of packaging” – and three criteria for manufacturing – quality standards, a code of conduct for business partners, and a list of major materials to be eliminated or controlled.
Much of MUJI’s innovation springs from its focus on the traditional Japanese values of simplicity and self-restraint. In a published conversation, MUJI President Masaaki Kanai said that MUJI operates under the principle of “this will suffice” – a concept that he says is vital for consumers to adapt in this rapidly changing world.

Now, the world’s population has risen to a little more than 6.8 billion people, and it is said that the number of people who enjoy the same level of life as we do has increased to approximately 2 billion people. It’s also reported that a further 2 billion are waiting in the wings. If the number of consumers hits 4 billion, the earth’s thin skin will be blown off. When we had this discussion, we thought again about the ‘simplicity’ that had been prized by the late creator Ikko Tanaka, who built the MUJI concept. That is, the way of thinking that says ‘this will suffice.’ Simple is good. Resources should be used as little as possible. It’s not a matter of being resigned to something, but rather of wanting to make things that ‘will suffice’ while being full of self-confidence. Since ancient times, Japanese people have specialized in holding back personally for the sake of their surroundings. This is the ‘this will suffice’ concept.

Putting the concept in practice, MUJI says that it aims to exercise self-restraint at every point in the design and manufacturing process, constantly asking itself: “Is this necessary?” or “Is this going too far?”

Some of the results of this questioning process were recently displayed as part of MUJI’s recent Product Fitness 80 exhibition, which debuted in Tokyo in March and is currently traveling through Asia. The exhibition takes a look at select products and examines the long-term implications of rethinking products to minimize waste. Cotton buds, for instance, “don’t have to be that long,” nor does tape have to be that wide or toilet paper rolls that thick. And credit cards? Simply halving them could have profound impacts on plastic usage if the practice was adopted worldwide.

**The Bad**

While MUJI incorporates many sustainable principles into its operations,

there’s still a long way to go before it can be labeled a truly environment-friendly brand. Its products are composed primarily of unsustainable materials like plastic and
polyester, and most of its product manufacturing is done in China, Indonesia and Vietnam, countries with controversial labor practices.

On its website, parent company Ryohin Keikaku outlines a 41-point outline of the corporate social responsibility initiatives it has in place to “create a Pleasant Life,” but many of them strike me as soft.

For instance, to ensure that outsourced manufacturing partners understand Ryohin Keikaku’s standards, the company says that it includes the “Ryohin Keikaku Environment, Labor and Safety Management” document in contract paperwork and checks on implementation twice a year through questionnaires. Judging from these statements, compliance with ethical standards is enforced through little more than a pamphlet and a questionnaire.

As for the standards themselves, the company says that it has established its own Ryohin Standards that are stricter than current laws, but it fails to mention what those standards are.

To be fair, Ryohin Keikaku also has three separate website sections dedicated to corporate social responsibility that are available exclusively in Japanese: a Laboratory for Discerning Living, which discusses environmental themes and initiatives; an Articles section, with posts from an Environmental Team staff member; and an Environment Atelier, with reports from different partners from around the world, compiled between 2005 and 2010.

The Questionable

It’s often said that in order for true change to occur in the consumer goods sphere, the approach to sustainability needs to be holistic and integrated into every aspect of business. MUJI seems to be a great example of this. By embracing the Japanese value of self-restraint, MUJI exhibits many of the trademarks of a sustainable brand, even though its cotton is unorganic and its plastic unrecycled. Its focus on simplicity naturally leads to less waste. Its focus on quality means that products don’t have to be replaced as much. Its “no-brand” approach to marketing means that less is expended on packaging and advertising – which incidentally leads to greater
customer loyalty from people who dislike being marketed to. It’s social responsibility, without all the fuss.

Looking at MUJI also raises the question: if a company designs responsibly and focuses on quality, does that also make it somewhat sustainable? As it stands, customers are often forced to choose between a recycled fair trade wallet with cheap zippers and too many pockets, and a more functional, long-lasting wallet made from high-quality materials that may not be sustainable. When considering the cradle-to-cradle impact of a purchase, it’s unclear which is the better option. Similarly, one has to wonder if MUJI’s pared-down approach to product development and marketing is more impactful than that of brands like Levi’s and Puma, with their highly-publicized, large-scale social responsibility campaigns. In this case, less might be more.

Muji: The No-Brand Brand

By David Aaker

David Aaker is Vice Chairman at Prophet. He is based in the San Francisco office.

Posted January 27, 2010. This publication originally appeared in Marketing News (December 2009)

One of the strongest retail brands in the world is Muji. BrandJapan has measured brand strength for 1,100 brands in Japan for eight years. Muji always has ranked in the top 30—and usually in the top 20—a consistency shared by only three other retail brands. After opening its first store in 1983 as a subsidiary of supermarket retailer Seiyu, it has since been sold and now has more than 330 stores, nearly a third of which are outside Japan, including several locations in New York. Few brands deliver more emotional and self-expressive benefits than does Muji. Yet, the Muji brand vision is not to be a brand. It is the no-brand brand.

Muji, short for Mujirushi Ryohin, is represented by four characters that mean “no-brand quality goods.” The values are all about simplicity, moderation, humility and self-restraint. The Muji philosophy is to deliver functional products that strive not to be the best, but “enough.” Enough does not mean compromise and resignation but a feeling of satisfaction knowing that the product will deliver what is needed but no more. Superfluous features and attributes unrelated to function are omitted. The aspiration is to achieve the extraordinary by modesty and plainness in the pursuit of the pure and ordinary.

A visit to a Muji store in Japan is an eye-opener. One of the first things you notice is that the clothes are all bland, mostly white or beige and never bright. Beige works. There is no logo on shirtfronts; in fact, there are no labels at all, even on the inside. Why would you want a label? The furniture, cookware and office equipment are plain but functional. The designs are simple, but not for some minimalist statement (see photos). They just provide what is needed to deliver function. Periodically, there is a Muji design competition that regularly gets 2,000 entrants and results in products for the store that support the Muji philosophy and lifestyle. The prices are low not by using cheap materials or design, but by cutting frills and using design with the right objectives.
The store setting supports the products and the philosophy. The background music is soothing. The ambiance is relaxing and delivers emotional benefits that are very Japanese, but also travel well. In essence, Muji is a lifestyle brand without the usual associated energy. It is very different from the loud visuals and sounds that come with a visit to Abercrombie & Fitch, for example.

Not surprisingly, Muji is sensitive to the environment. It aspires to live in compatibility and sensitivity with the earth. Toward that end, it operates three large campgrounds in Japan that allow people to enjoy nature undisturbed. The campsites host Muji summer camp jamborees that bond Muji and the participants with nature.

Muji can be described as a reaction to the glitz of Tokyo’s Ginza shopping district and other shopping centers that are filled with brand after brand, each trying to be more upscale than the last. In Japan, Muji is anti-glitzy. The badge of Louis Vuitton is the polar opposite of Muji. Ironically, this desire to eliminate self-expressive benefits actually provides self-expressive benefits. Shopping at Muji and using Muji products make a forceful statement about who you are. You are above looking for badge brands. You are, rather, a rational person interested in the right values, and you choose to connect with a firm that is interested in promoting social good and satisfaction from life.

The fact that there has been little real competition shows the strength of the barriers Muji has created. Its values are both unique and compelling. They are not simply due to any one part of the line; there is no flagship product. Rather, it is a combination of everything that it does that emanates from its core values and culture. It would be impossible for Macy’s to carve out a section with a sub-brand and deliver the Muji spirit and products. It just could not happen.

It is interesting to contrast Muji with IKEA, now the largest furniture store in the world, which also focuses on using design to deliver functionality and low price. However, its brand and stores are oriented more toward functionality at a low price with its room design concepts, signature products, customer-assembly policy, programmed store layout and Swedish overlay, and therefore deliver a lesser emotional or self-expressive connection. IKEA is not a statement against ego-enhancing brands.
Muji is a most unusual brand story— a non-brand that delivers emotional and self-expressive benefits. Today’s trends make the story become even more interesting. Consumers have seen the downside of the debt-driven commercialism excesses of today’s society. There is almost a craving for the simple, away from the prideful and self-absorbed brand benefits and toward more satisfying values. A desire for fewer additives in food, for entertainment systems that are easy to operate, for less product confusion, for sustainable consumption and on and on, is becoming visible. It may be that the simple and unassuming may become more of a mainstream formula rather than a niche strategy. If so, Muji may become a brand role model that others look toward.