

**Renewed GU brand**  
**-Energizing the World through Fashion –**

**GU Spring / Summer 2013  
Business Strategies**

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# Looking Back on GU So Far

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## **Fashion with more freedom**

- Seasonal fashion
- Amazingly low prices
- Reliable quality

“Brand that aims to delight customers with seasonal fashion items at amazingly low prices”

# Review: Fall/Winter 2012

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## ■ Product strategy

Focused on generating greater interest among adult women

Continued appeal to younger generation while also developing a trend-based, Cool Mode fashion range for more sophisticated women to strengthen g.u.'s appeal for adult women

Strengthened men's and kids clothing lines

Men's: Launched promotions from October in time for seasonal demand

Kids: Expanded the product assortment by 1.5 times year on year.

## ■ Store opening strategy

Introduced new store formats, including large-scale stores, urban stores, roadside (stand-alone) stores, and stores in new regions. Increase of 22 stores year-on-year, including the Cross Garden Tama, Shinjuku Sanhome, and Printemps stores in Tokyo

## ■ New promotion strategy

Introduced Kyary Pamyu Pamyu as new campaign character. Collaboration included tie-up between her new song and g.u. ad campaign

Promotions included a series of online promotions to realize O2O (Online to Off line) results

# GU's Vision for the Future

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## **Energize the World through Fashion**

- Fashion makes you smile. Fashion makes you happy. Most of all, fashion energizes you. The GU brand believes in the “power of fashion.”
- The GU brand wants to deliver the “power of fashion” to people of all walks of life, all over the world. (Including people who are starting to discover fashion and even those who have given up on fashion, exceeding borders)
- To achieve that goal, GU will aim to become the “brand that offers the world’s greatest freedom in fashion”
- Expand the brand’s presence globally (including Japan, greater China, the rest of Asia, Europe and the U.S.)

# GU - Looking Back

## “Domestic Market” & “Family Casual” Brand

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g.u.

The image features the lowercase letters 'g' and 'u' in a bold, green, sans-serif font. The 'g' is on the left and the 'u' is on the right. A solid red dot is positioned between the two letters, and another solid red dot is positioned to the right of the 'u'. The letters and dots are centered horizontally on the page.

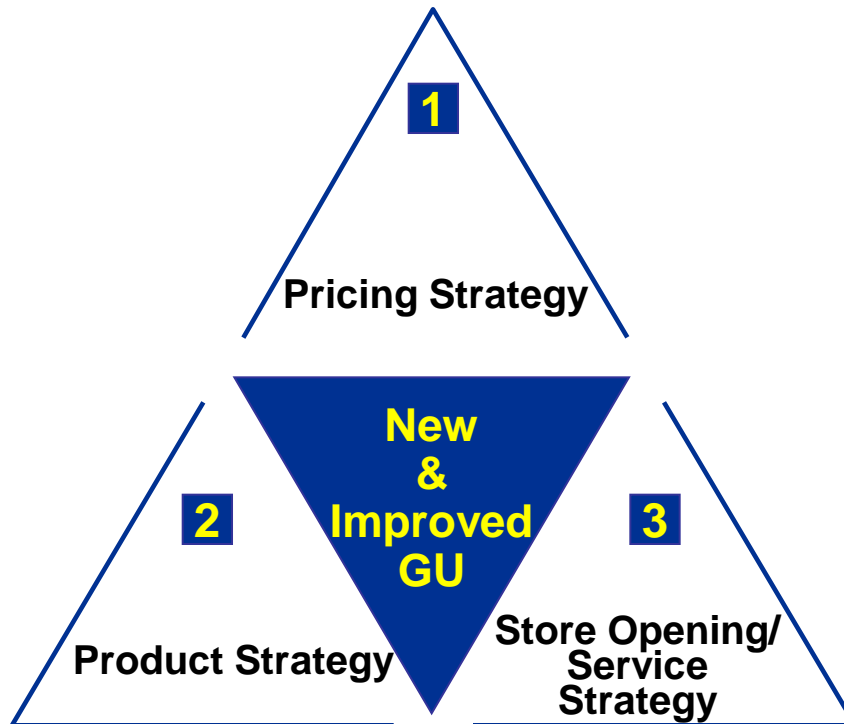
# GU – Going Forward “Global” & “Fashion” Brand

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# Spring/Summer 2013 Business Strategy

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**1 Pricing Strategy**  
990 yen (*kyu-kyu*) = GU

**2 Product Strategy**

- Women
- Men
- Kids

**3 Store Opening/Service Strategy**

- New large-scale store format
- Development of next-generation stores
- Expansion of *Osharista* (fashion adviser) services



# Pricing Strategy

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**Make “990 yen (*kyu-kyu*)” synonymous with GU!  
“GU = 990 yen” or “990 yen = GU”**

The introduction of the 990-yen denim in the spring of 2009  
took Japan by storm

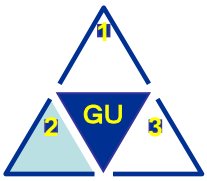


GU will again be setting a strategic price point of 990 yen.  
The 990 yen product lineup has approximately doubled this  
Spring / Summer.

Customers will have freedom to enjoy fashion, unfettered by price.



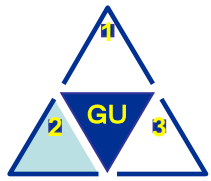




# Product Strategy (Women)



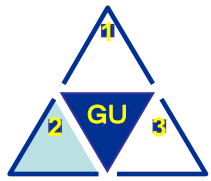
Product designs will focus on appealing to a wide range of female customers, primarily women in their 20s, by capturing the biggest trends of the season. These major trend items will include leggings pants, Tee-one piece and short pants.



# Product Strategy (Men)



Designs will focus on sophisticated colors and styles for out-on-the-town fashion, featuring themes including “urban nautical”, “natural ethnic”, and “street & mode”

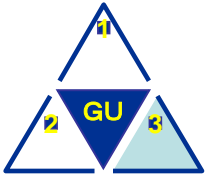


# Product Strategy (Kids)



Fun, Spring and Summery lineup for kids  
Leggings Pants and Cropped Pants also available





# Store Opening and Service Strategy

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## ■ Store development strategy

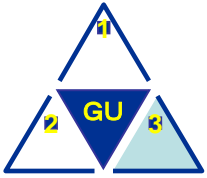
Introduction of a range of new store formats, including large-scale stores, urban stores, stores in shopping center, roadside (stand-alone) stores, and stores in new regions.

March 22: Power Mall Maebashi Store  
(largest roadside (stand-alone) store with approximately 1,500 square meters of floor space)

March 29: Yodobashi Kichijoji Store  
(urban store)

Mid-April: Kobe Harborland Store  
(urban, next generation trial store)

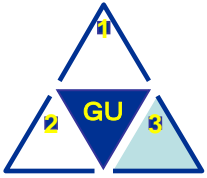
Mid April: First store in Iwate and Aomori Prefectures in northern Japan



# Store Opening and Service Strategy

- Introduction of new store concept: Cross Garden Tama Store, the next-generation large store format
  - The success of Cross Garden Tama Store, the next-generation large format store, will be applied to other large store formats going forward  
(The initial trial will be made at Power Mall Maebashi Store)





# Store Opening and Service Strategy

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- Pilot test for new store concept: experimentation of next-generation fixtures at Kobe Harborland Store
  
  
  
  
  
  
  
  
  
  
- Expansion of the *Osharista* fashion advisor service  
(The Ikebukuro flagship store will start offering this service in April)
  - => By expanding the *Osharista* service, expect to increase customer satisfaction and generate a higher average number of items per purchase.
  - ⇒ Develop “fashion eye” among all staff members and directly reflect feedback from stores into product development
  - ⇒ Aim to implement *Osharista* services at all stores, including those overseas, in the future

# Reference: Speed of GU's Growth

	UNIQLO	GU
First Store Opening	1984, Hiroshima	2006, Chiba
Sales surpass 50 bil yen	1996 (12years after 1 <sup>st</sup> store)	2012 (6 years after 1 <sup>st</sup> store)
Sales surpass 100 bil yen	1999 (15 years after 1 <sup>st</sup> store)	2014 (planned) (8 years after 1 <sup>st</sup> store)
1 <sup>st</sup> store opening outside Japan	2001 (17 years after 1 <sup>st</sup> store)	2013-2014 (planned) (7-8 years after 1 <sup>st</sup> store)

- GU is expanding at roughly double the pace of UNIQLO. Aiming to expand to overseas market sometime this year
- GU will continue to further accelerate its growth to become one of the growth drivers within the Fast Retailing Group

# New Campaign for 2013 Spring / Summer

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## “*Oshare* (Style) Invader”



“*Oshare* (Style) Invader” Kyary Pamyu Pamyu plots to take over the world through 990-yen fashion under the theme “energizing the world through fashion.”



# New Campaign for 2013 Spring / Summer

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## “Oshare (Style) Invader”



The new cast will include the comedy duo Peace, in order to strengthen the promotion of the men's line.

# New Logo Application Game “GU Dice”

GU

当たれば  
100円OFF!

ジューアプリ特別企画  
新しいロゴで  
あそぼう!  
ジュー  
サイコロ

アプリのカメラを  
ロゴにかざそう

GU

GU

GU

ジューアプリを  
ダウンロード

アプリを立ち上げ  
新しいロゴに  
カメラを合わせる

サイコロを  
タッチ!

AppStore、GooglePlayで「ジュー」を検索!  
アプリは最新のバージョンに更新してください。ネットワーク環境が良いところでチャレンジしてください。

Objective:

To generate awareness for the new logo

How to play:

Start up application and take a picture with the new logo. The lottery will start, and lucky winners will receive a “100 yen off” coupon

Campaign Period:

March 5 – March 17

Coupon expires:

March 17

# New Application Game “Shout Kyu-Kyu!! (990 yen)”



## Objective:

To generate awareness for the new 990 yen pricing strategy

## How to play:

Start up application and shout “Kyu-Kyu!” while clicking on the UFO (fashion invader) to receive original Kyari Pamyu Pamyu desktop wallpaper. Shout “GU!” and “Kyari!” and maybe you’ll discover fun, original contents!

## Campaign period:

March 18 – April 7