

Module: FMAN3000

Fashion Management

Tutor: Claire Marsh

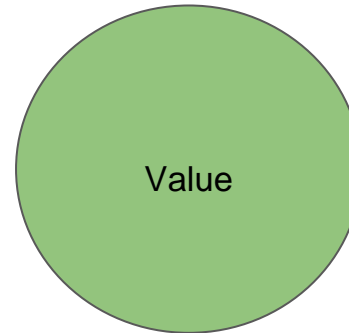
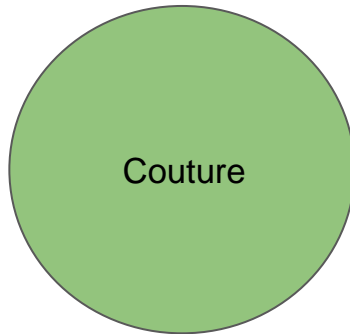
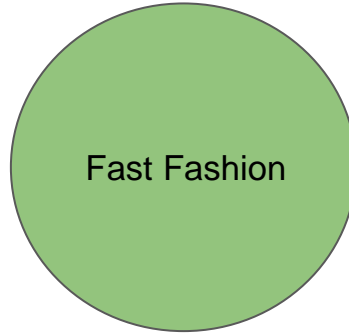
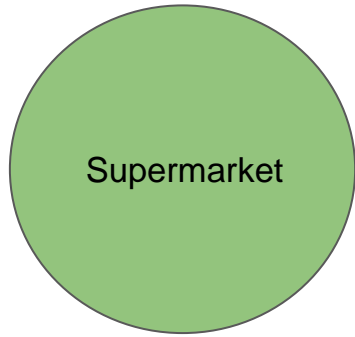
Week 2

Buying Cycle & The Global Fashion Industry

Homework Discussion

- Get in to groups of 4-6
- Discuss the which retailers you have looked at for your homework
- Choose 1 retailer to focus on for this lesson and then discuss:
 - What was the name?
 - What type of clothing did they sell?
 - Who was shopping in there?
 - Describe the store environment
 - Where the garments cheap, expensive or in the middle?
 - Describe the customer

- Which group would do you think your retailer belongs to and why?



- You will then feedback to the class on your findings
- It is ok for you to use translation tools

Customer Is King

A successful buyer understands their customer. **This is vital.**

Everyone wears clothes, therefore most people buy clothes

What are the reasons people will buy clothes?

keep warm

keep cool

make a statement

feel part of a group

attracted to the design

attracted to the brand

hide themselves

What are the deciding factors when a consumer buys clothing?

price

past experience

uniqueness

fit

dressing for an occasion

fashionability

style

peer engagement

availability

brand

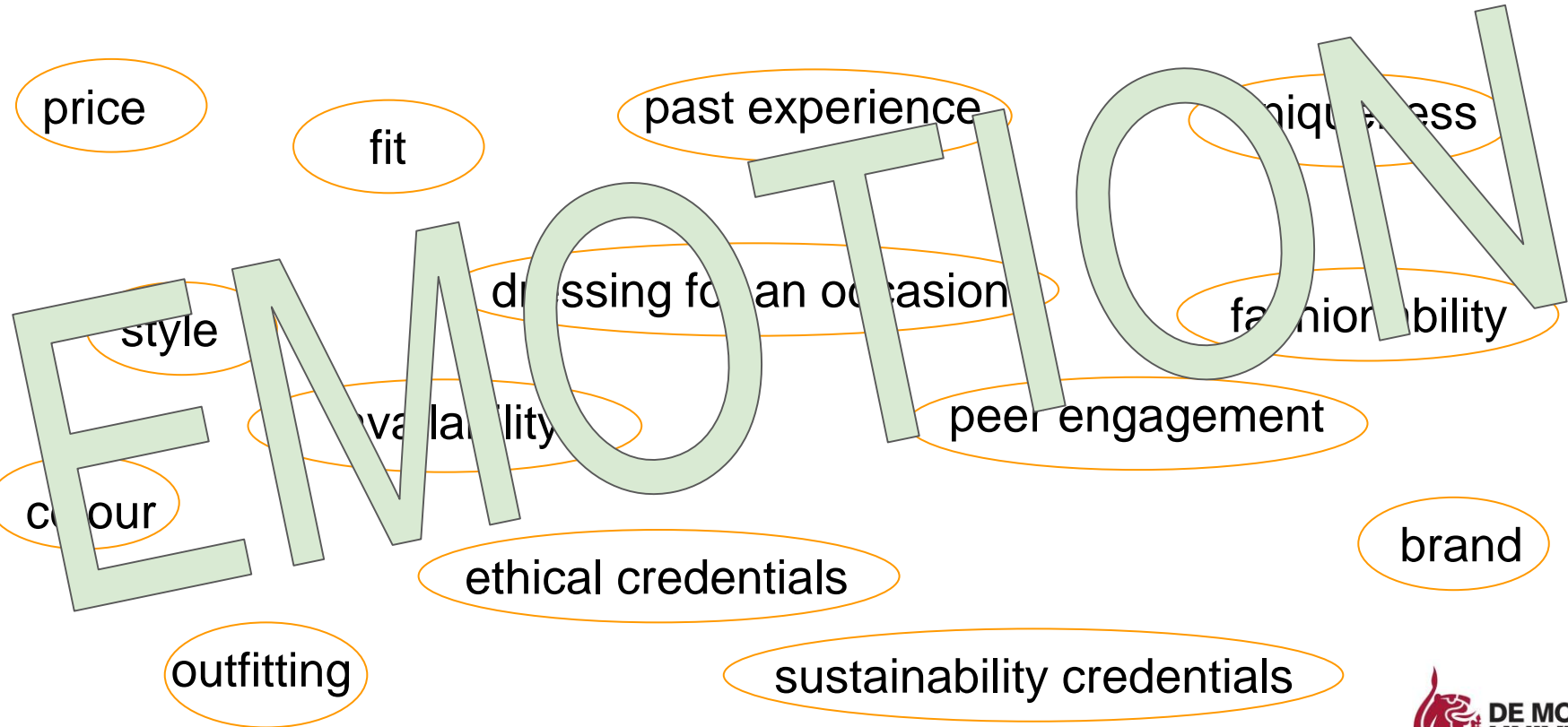
colour

ethical credentials

outfitting

sustainability credentials

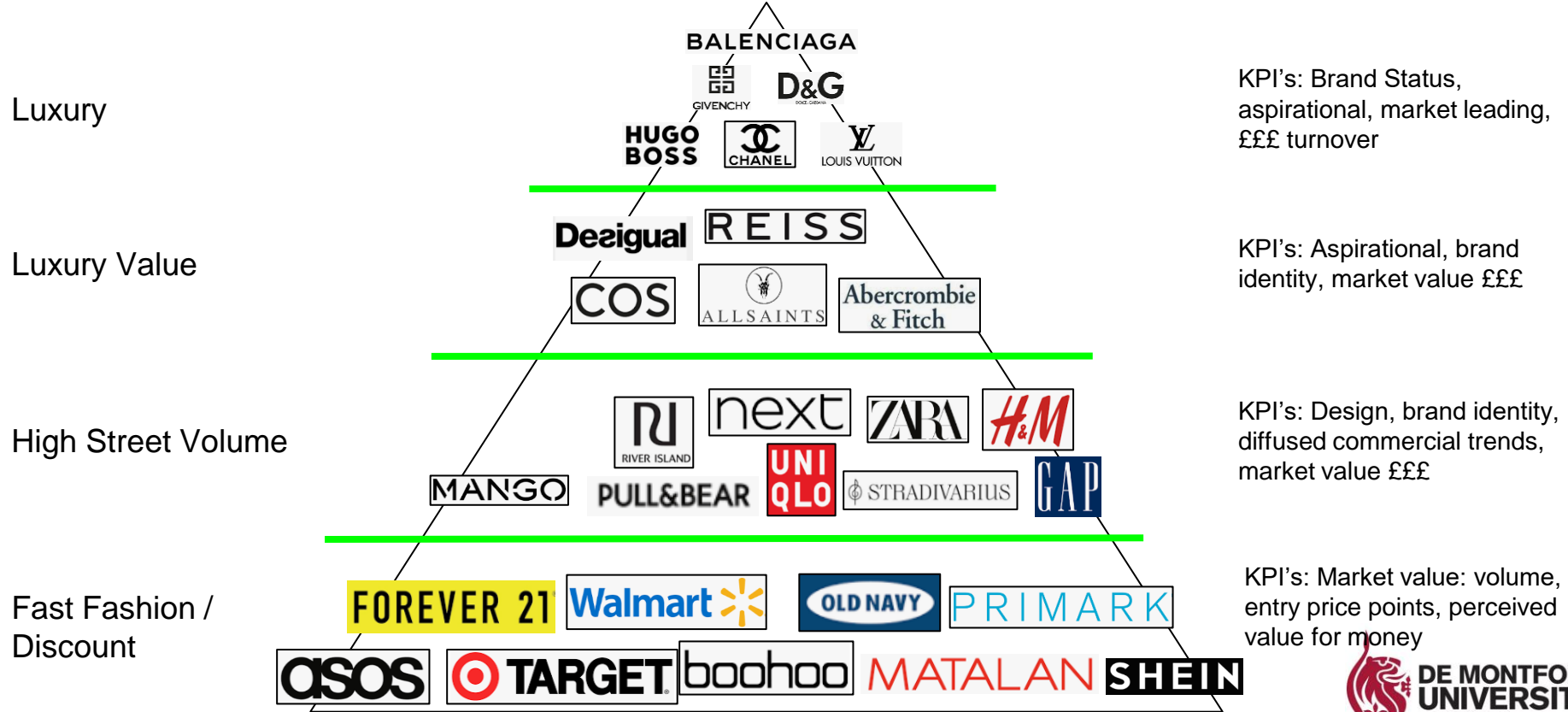
What are the deciding factors when a consumer buys clothing?



Every single one of these retailers exist to fulfil the purposes we have just discussed

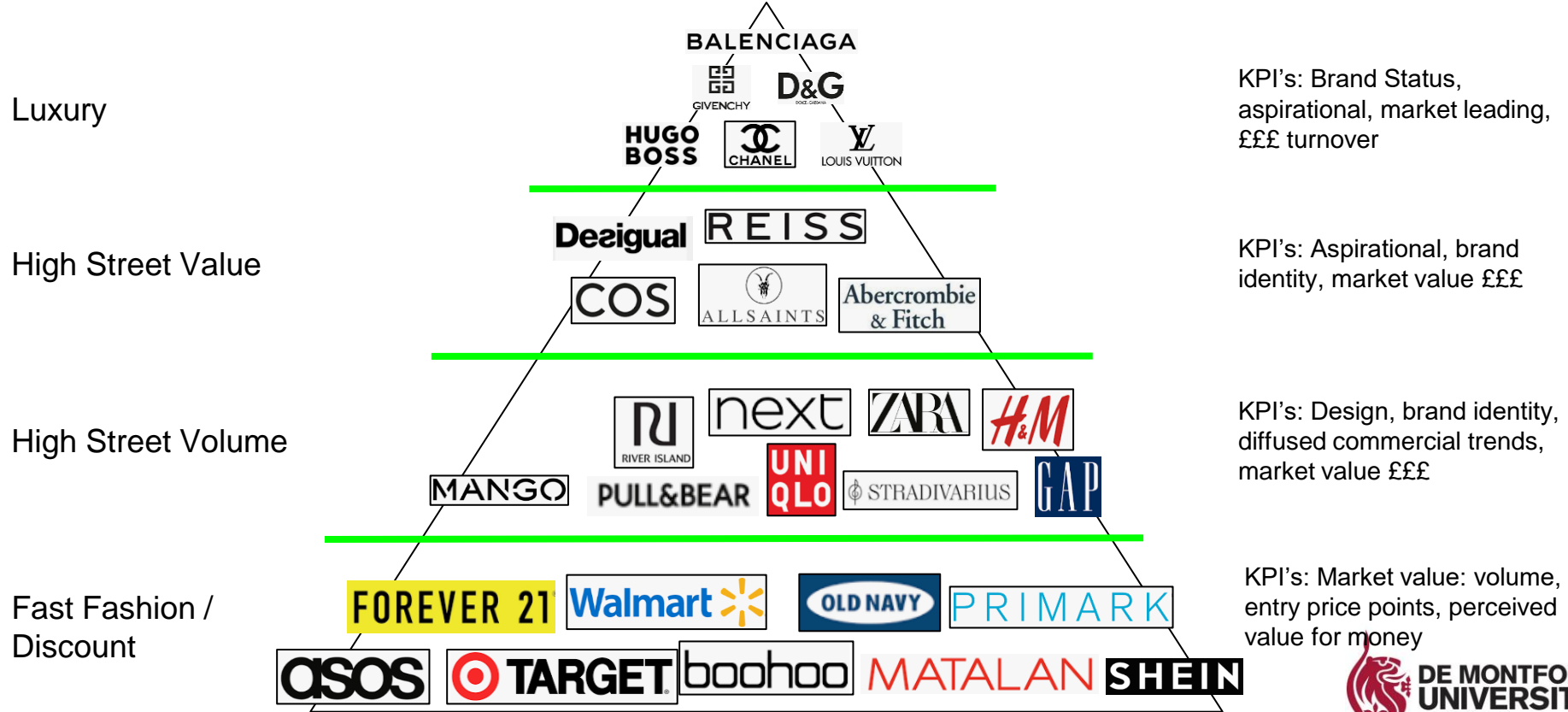


However, they don't sit on an equal playing field. Each retailer has a position in what is known as the "retail pyramid"



Work in your groups and discuss where you think your chosen retailer sits on the Retail Pyramid & why do you think this?

However, they don't sit on an equal playing field. Each retailer has a position in what is known as the "retail pyramid"



Retailer Objectives

Every retailer's objective is to get the customer to buy their product.

Do do this, they must provide what the customer is looking for.

Not all customers have the same values, wants or needs...

... so not all retailers think the same

Let's explore the differences...

Retailers will have their own set of KPI's

KEY PERFORMANCE INDICATORS

Examples of

KEY PERFORMANCE INDICATORS

Aspirational

Trend
Leaders

Design

Quality

Trend
Followers

Exclusivity

Ethical
Policies

Price

Explore KPI's (Key Performance Indicators)

BALENCIAGA

Estimated nett worth of
\$51 million

KPI's: Brand Status, aspirational, market leading, £££ turnover

What would a buyer do to achieve the KPI's?

KPI's: **Brand Status, aspirational**, market leading, £££ turnover

Advertising

Luxury brands offer exclusivity & status



FASHION
Kim Kardashian's Met
Gala Look Was
Designed By Kanye
West

BY JANELLE OKWODU
14 September 2021



WWD GET UNPARALLELED
Kim Kardashian Stars in Balenciaga's Fall Campaign

Simulated weather — from balmy to icy — serves as a backdrop for the images.

By MILES SOCHA | SEPTEMBER 1, 2022, 100AM



KPI's: Brand Status, aspirational, **market leading**, £££ turnover

BALENCIAGA became the most popular fashion brand in the first quarter of 2022



- Collaborated with leading global brand Adidas
- Introduces Balenciaga to a new customer with high male engagement
- Engaged with a new demographic

KPI's: Brand Status, aspirational, **market leading**, £££ turnover



BALENCIAGA SKIPPED THE COLLAB AND JUST MADE A CROC

3 MONTHS AGO IN SNEAKERS
WORDS BY ALEXANDRA PAULY

Brand: Balenciaga

Season: Fall/Winter 2022

Model: HD Sneaker

Release: TBD

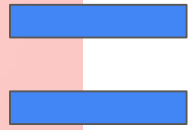
Editor's Notes: Balenciaga is a loud and proud Crocs fan, as evidenced by its many collaborations with the clog giant. Still, the French maison seems to have snubbed the king of casual shoes with its latest sneaker, the HD.

Initially unveiled at Balenciaga's FW22 runway show, the HD isn't officially co-signed by Crocs — but it looks pretty darn similar to the company's hole-y footwear.

Why would they do this?



“I want to buy a pair of Crocs”



crocstm

Balenciaga X Crocs previous collabs have already provided engagement with the “rubber shoe” customer

crocstm X BALENCIAGA



crocstm

BALENCIAGA



KPI's: Brand Status, aspirational, **market leading**, £££ turnover



Why would they do this?

- Full creative control on product & marketing
- Work to their own launch dates
- 100% profits
- Establishing the brand within growth sector of footwear

KPI's: Brand Status, aspirational, market leading, £££ turnover

Retailers usually measure their performance within the market by either VALUE or VOLUME

Because the luxury sector has a high price tag, they are measured by VALUE



This is one of Balenciagas highest priced products.
Luxury brands often produce campaigns around each to maintain it's elevated status

£5,100



Celebrity Endorsements are invaluable



FASHION

Carrie Bradshaw's New It-Bag Has Serious Fashion History

BY ALICE NEWBOLD
12 January 2022

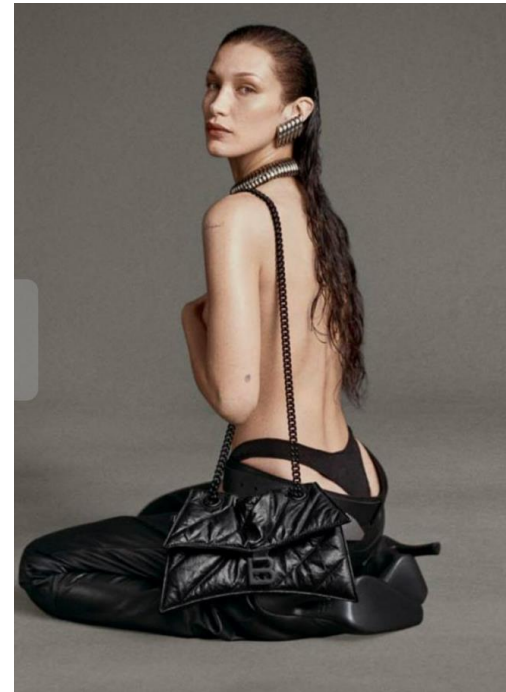


BELLA HADID AND THE CRUSH BAG ARE THE STARS OF BALENCIAGA'S LATEST CAMPAIGN

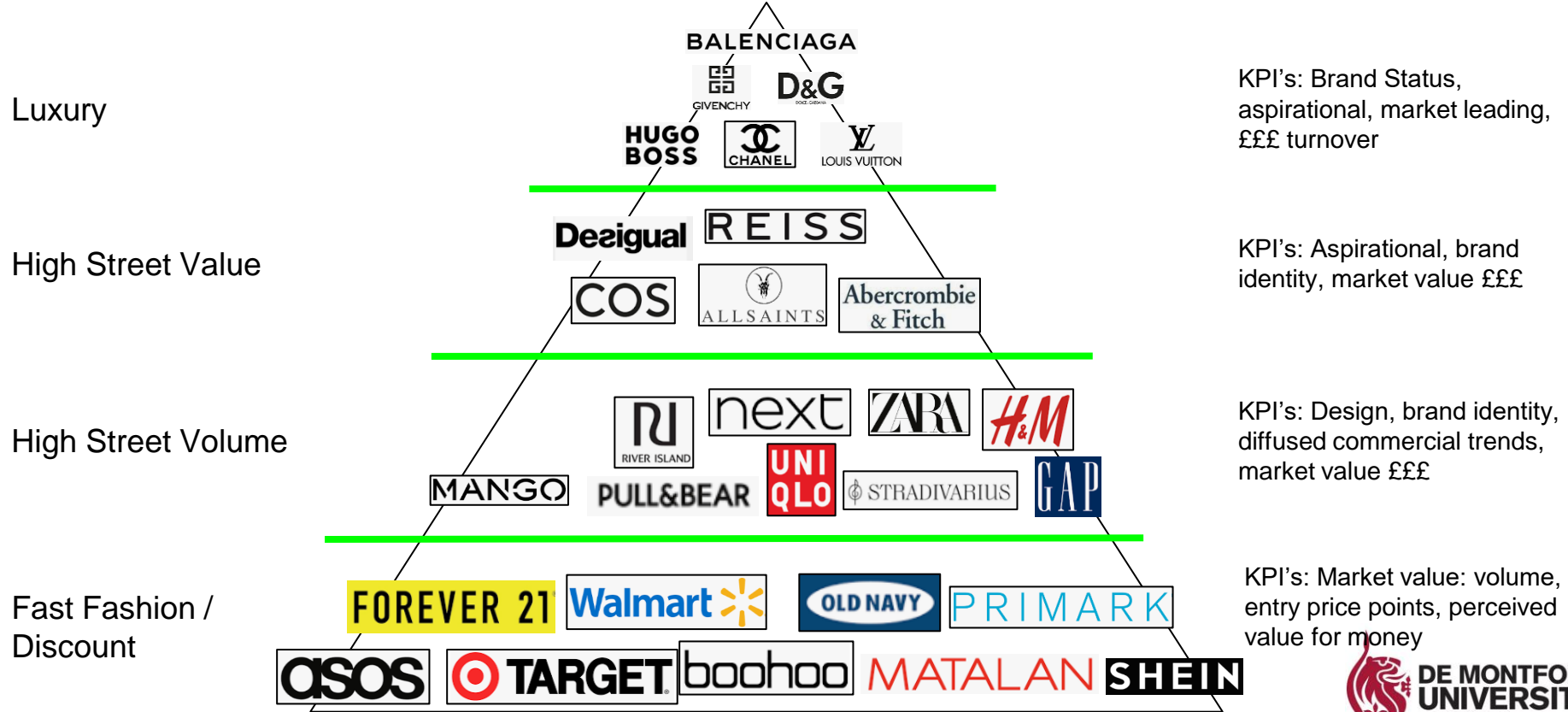
PALOMA MOLINOS | 27 JULY, 2022

READ IN: [ESPAÑOL](#)

Last June, we discovered the first images of Balenciaga's Fall 2022 campaign, starring Bella Hadid



However, they don't sit on an equal playing field. Each retailer has a position in what is known as the "retail pyramid"



Any Questions or Comments?

Think about your chosen retailer, which of the below are their top 3 most important KPI's? Or are there any others?

Aspirational

Trend Leaders

Design

Quality

Trend Followers

Exclusivity

Ethical Polocies

Price

Structure of the Buying Office

The Buying Office Org Chart

The buying office usually consists of the following teams:

- Buyers
- Merchandisers
- Designers
- Garment Techs
- Sourcing
- Marketing

The Buying Office Org Chart

Each team is responsible for different parts of the buying cycle:

- Buyers - product, retail price, sales budgets, profit (margin) & supplier relationships
- Merchandisers - deliveries, cash flow, stock management, markdown
- Designers - trend research, design packs, colour palette
- Garment & Fabric Techs - size spec, grading, garment performance, product safety
- Sourcing - sourcing factories, compliance & ethical policies
- Marketing - customer communication

What is a Critical Path and why is it needed?

The Critical Path - Group Task

When would you expect to see the items below selling in a UK store?



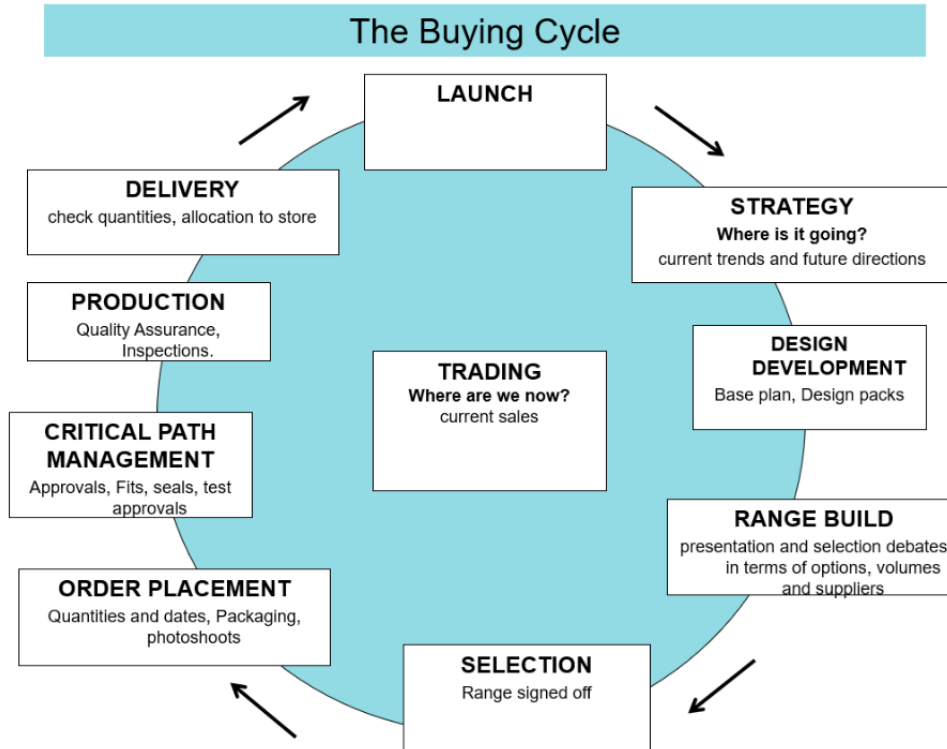
The Critical Path - Group Task

What would happen if they were delivered 2 months late?

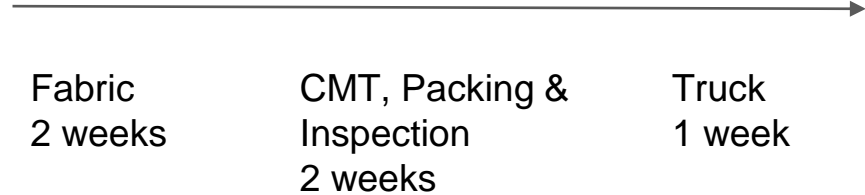
The Critical Path

The Critical Path is a timeline of when each path of the buying cycle should occur to ensure the product is delivered on time.

The Buying Cycle



Turkey



5 weeks

China



15 weeks

Critical Path

	Who is Responsible	Wk1	Wk2	Wk3	Wk4	Wk5	Wk6	Wk7	Wk8	Wk9	Wk10	Wk11	Wk12	Wk13	Wk14	Wk15	Wk16	Wk17	Wk18	Wk19	Wk20	Wk21	Wk22	Wk23	Wk24	Wk25	Wk26	
Strategy	Comp Shop	Buyer & Designer																										
	Trend reports	Designer	█																									
	Best & Worst Sellers	Merchandiser																										
	Colour Palette	Designer																										
	Budgets	Merchandiser		█																								
	Option Count	Merchandiser		█																								
	Size Spec Review	Garment Tech, Buyer & Designer		█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
	Fabric sourcing	Designer		█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
Factory Sourcing	Sourcing Team		█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	
Design Development	Base Plan	Buyer & Designer			█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	
	Design packs	Designer			█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	
	Sample development	Designer			█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	
	Size Spec Creation	Garment tech			█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	
Range Build	Sample presentation	Buyer																										
	Supplier review	Buyer, Merch, Designer																										
	Range debate	Buyer, Merch, Designer																										
	Garment Technical Assessment	Buyer, Fabric & Garment tech																										
Selection	Sample presentation																											
	Sign off pack																											
	Size range																											
Order Placement	Raise PO to factory	Buyers & Merchandisers																										
Production	Supplier Critical Path Manemen	Buyer																										
	Fabric production	Supplier																										
	Dying/Printing/Embellishment	Supplier																										
	Cut & Sew	Supplier																										
	QA Check & Testing	Supplier																										
	Packing	Supplier																										
	Transport	Supplier																										
	Shipment	Supplier																										
Delivery to warehouse	Supplier																											
Delivery	Packing lists	Supplier																										
	Shipping documents	Supplier																										
	Booking in to warehouse	Merchandiser																										
	Distribution to Store	Merchandiser																										

Homework

Choose a retailer & a product

Research the product & retailer

Choose a competitor and find 3 differences in the products

Homework Example

PRIMARK®



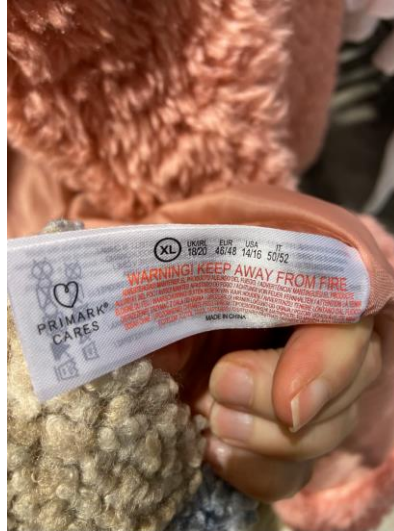
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Take photos



Take photos

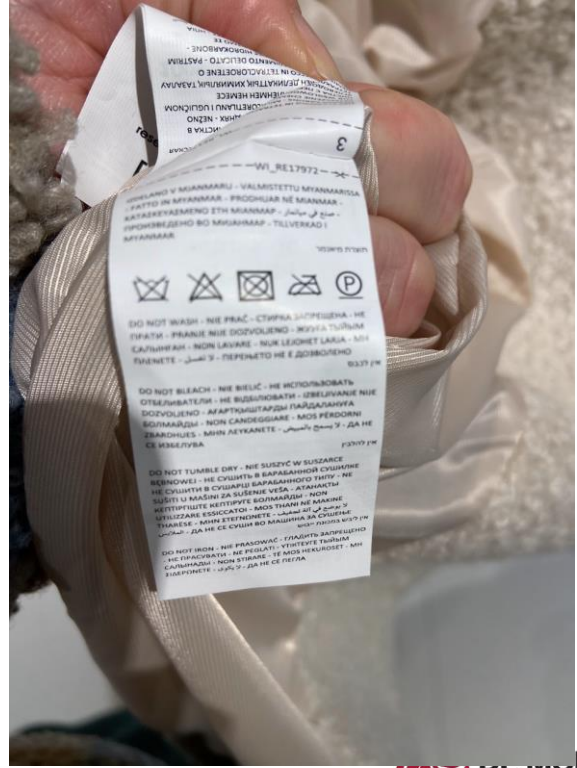


Take photos

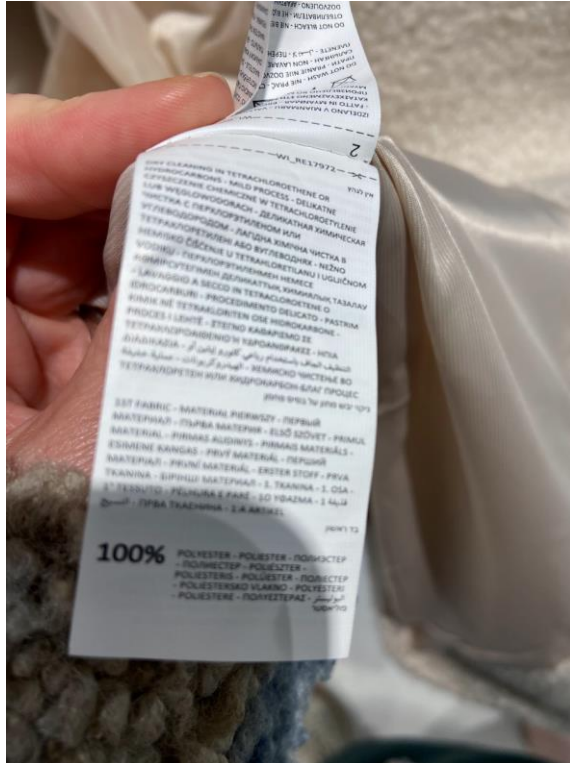
RESERVED



Take photos



Take photos



Differences

- Price Point £45 V £65.99
- Country of Origin China V Myanmar
- Care Instructions Machine Wash V Dry Clean

Any Questions or Comments?

Thank you & see you next week!

Lifestyle / Fashion & Beauty

Five Chinese high street fashion brands to watch as they go global, and displace the likes of Zara, H&M in China

- Bosideng, Urban Revivo, Peacebird, Ochirly, Me & City – soon they could be familiar sights on high streets in the West as China's fashion industry looks abroad
- Labels that largely cut their teeth in price-conscious lower-tier cities, they could gain strength from Gen Z interest in Chinese brands as they grow in West

URBAN REVIVO

波司登
BOSIDENG



PEACEBIRD

ME & CITY

ochirly

欧时力