



# FASHION MARKETING

THIRD EDITION

EDITED BY  
MIKE EASEY



# **Fashion Marketing**



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Third Edition

*Edited by*  
**Mike Easey**

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# Preface

If you are interested or involved in fashion you will already be aware that it is an exciting area of constant change, creativity and global commercial activity. However, skills in fashion are not enough to guarantee success, as even when those skills are exceptional there is still the constant risk of failure and bankruptcy. A knowledge of marketing is essential to help ensure success and lessen the possibility of failure. To paraphrase Armani, 'Clothing that is not purchased or worn is not fashion.' A good knowledge of fashion marketing can make the difference between a prototype that lingers in a dark storeroom and a garment that people really want to buy and wear.

Over the last two decades fashion has become a truly global business. Designers no longer work necessarily within manufacturing facilities and, as part of the knowledge industry, they need to be mobile and have the ability to communicate across cultures and business disciplines. Many brands like Gap, Zara and H&M which were just national brands a few years ago are now internationally recognized. Another major force influencing the fashion business is the growth of the Internet. The Internet has influenced the flow of creative ideas, the search for product information, the transparency of pricing and the management of supply chains amongst as well as how and where customers buy garments.

For the designer keen to start his or her own business, this book will offer a guide to most of the major decisions that will enable you to fulfil your creative potential and be a financial success. For the marketer who is interested in fashion, this book will help you understand the special way that marketing needs to be applied to the

world of fashion. Established fashion businesses also need to remain competitive by asking questions such as:

- ◆ What are the major trends we should be monitoring?
- ◆ How should we set our prices?
- ◆ What is the most effective way to get our message across about the new product range?
- ◆ Which colour wash will be the most popular with buyers?

Fashion marketing finds answers to these and many other questions.

This book has a number of special qualities that make it essential reading for anyone involved in fashion.

- ◆ It deals with contemporary issues in fashion marketing.
- ◆ It has up-to-date examples of good practice. Over the past 35 years, all other major texts on fashion marketing have been centred on US practice. Fashion is now a global business and that theme is evident in all chapters in this revised edition.
- ◆ This book is exclusively about fashion marketing. It is not a marketing book with a few fashion examples among the anecdotes about motorcycles, industrial services and banking. It is all about fashion.
- ◆ There is a unique contribution on range planning which is a practical blend of sound design sense and commercial realism.
- ◆ There is a constant balance of theory and practice, with examples to illustrate key concepts. Where numerical concepts are included, there are clear worked examples to ensure that the ideas are easily understood and retained.
- ◆ Each chapter contains an introduction to set the scene and a summary of key points. There are over 50 diagrams to help to explain ideas and a glossary of the main fashion marketing terms is included.
- ◆ Included within each chapter is a guide to further reading. Keen fashion marketers will therefore be able to use this book as a foundation and springboard to becoming experts in specialist areas such as fashion marketing research or fashion public relations.
- ◆ A coherent approach to fashion marketing is developed, based on the research, consultancy, working and teaching experiences of a team from a major centre of excellence in fashion marketing in the UK. What you will get is a systematic approach to fashion marketing, not hyperbole or speculation.

## How this book is organized

Part A looks at the nature and scope of fashion marketing. In Chapter One the special ingredients that make for good fashion design, care for customers and commercial success are explored. All fashion enthusiasts know of some of the links between fashion and broader social change and Chapter Two identifies those links, showing how fashion marketers are able to anticipate and participate in the process.

Part B is concerned with understanding and researching the consumer. In Chapter Three there is a detailed look at the consumer and what he or she wants from fashion, how ideas and brands are learned and how to paint a comprehensive and sound picture of the 'muse' for the fashion designer. Chapter Four deals with marketing research and shows how to investigate the preferences and behaviour of customers, distribution channels and competitors.

Part C looks at target marketing and the fashion marketing mix. Chapter Five deals with choosing profitable markets to aim at and then gives an overview of possible action to meet customer requirements – the marketing mix. In Chapters Six to Nine, precise coverage is given to the design of marketing programmes to ensure that the right garments (Chapter Six) are correctly priced (Chapter Seven), available at the right time and place (Chapter Eight) and are properly communicated (Chapter Nine). The final chapter deals with planning and co-ordinating the whole fashion marketing process, and setting up a system that works for the consumer, offering good fashion design and delivering profits.

If, like us, you believe that consumers deserve good fashion design and that profits should flow to those who act systematically to make that happen, then join us for the challenge that is fashion marketing.

## The book's website

On the book's website, [www.blackwellpublishing.com/easey](http://www.blackwellpublishing.com/easey), you will find invaluable on-line resources to support both teaching and learning – all downloadable free of charge. The website has the following features:

- ◆ For fashion marketing tutors, a full set of PowerPoint slides to accompany each chapter.
- ◆ Ideas and exercises for seminars.
- ◆ Access to sample assessment materials.
- ◆ Useful hyperlinks to relevant websites.

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# Acknowledgements

Fashion is a fascinating subject which stimulates a great many questions, an essential requirement for any academic endeavour. As mainstream marketing educators, the authors of this book brought a range of different expectations and experiences to the area of fashion. All of us have working, teaching, training or consultancy experience in the field of fashion marketing and wanted to write a book that would address real issues and would contribute, in a small way, to make the fashion industry and fashion students more aware of how marketing can enable them to be more effective in their work.

For several years the University of Northumbria has run an undergraduate course in fashion marketing. Our experiences of teaching on this course coupled with the paucity of UK texts on the subject convinced us of the need to write the book. Our research and experiences have led us to challenge the way we think about marketing and recognize the special role of design in the process. In many sectors with creative output, it has long been noted that designers need to know about marketing and marketers need to know about design. It is hoped that this book meets the needs of both groups, though in truth designers may learn more about marketing than vice versa.

Many people have helped me with the second edition of this book via comments on the first and second editions and stimulating conversations and inspirations.

The following people are sincerely thanked for their knowledge, help and friendship: Sheila Atkinson, Christine Sorensen, Patricia Gray, John Willans and Gaynor Lea-Greenwood. My co-authors have been very supportive over the years and have been good colleagues,

critics and sources of ideas. Richard Jones, Prof. Christopher Moore, Dr. Sandra Connor, Ruth Marciniak, Prof. Neville Harris, Alan Fyall, Fiona Raeside, Helen Carter and Julie O'Sullivan have all contributed their ideas and friendship over the years. Madeleine Metcalfe at Wiley-Blackwell is due special thanks for her encouragement, patience and tenacity in helping me finish this third edition. Special thanks are also due to my wife Janice for great support.

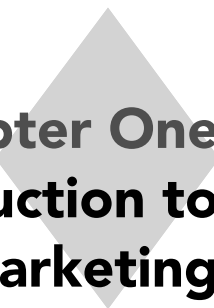
As usual there is a disclaimer: many people have helped me, but I accept total responsibility for all errors in the book.

Mike Easey  
*March 2008*



**Part A**  
**Understanding**  
**Fashion Marketing**

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# Chapter One

## An Introduction to Fashion Marketing

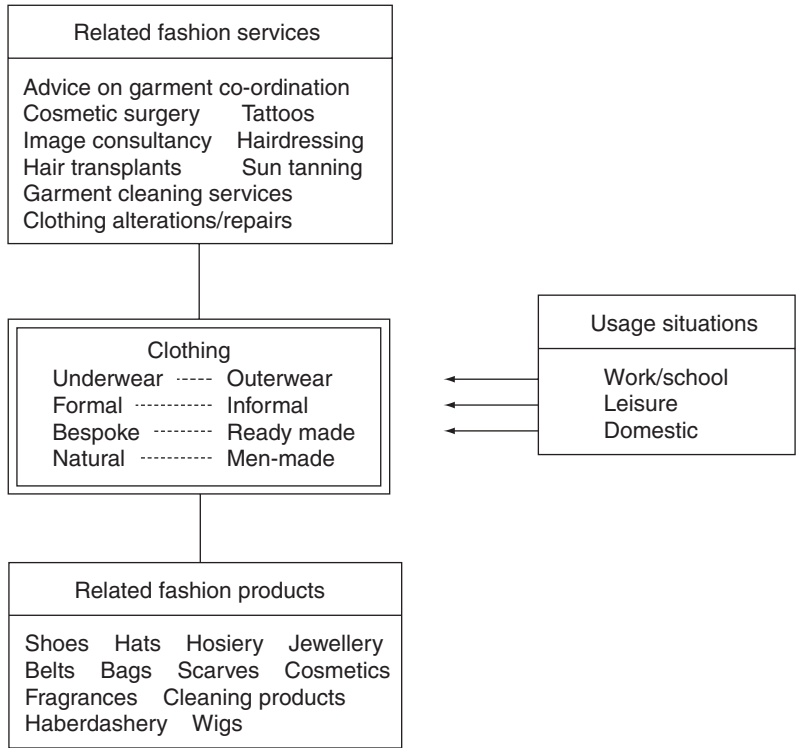
The global market for apparel, accessories and luxury goods was estimated to be worth US\$1217 billion in 2006 and is expected to grow to approximately US\$1800 billion by 2011. The company with the largest market share of this vast market is Christian Dior and, despite this great success, the company has approximately 1% of the global market. Global fashion remains one of the largest sectors of world trade that is truly competitive: 1.14 million people were employed in apparel manufacture in the European Union (EU) in 2004 and nearly one-third of all imported clothing bought in the EU in 2007 was manufactured in China. The UK fashion industry is estimated to be worth approximately £22 billion in retail sales value in 2008. Apparel manufacturing industry in the UK employed around 83 000 people in 2006, down from over 200 000 a decade earlier. The above statistics reveal that fashion is a large global business sector going through a period of great change. It is the application of marketing that plays a crucial role in managing this growth and change. This book shows how marketing can be applied to fashion products and services.

This introduction looks at both fashion and marketing and how design and marketing work together in practice. An overview of the fashion marketing process covers the role of marketing in the fashion industry and the ethical issues raised by marketing in this context, with some practical examples of the work of fashion marketers.

### 1.1 What is fashion?

#### 1.1.1 Fashion is to do with change

Fashion essentially involves change, defined as a succession of short-term trends or fads. From this standpoint there can be fashions in



**Figure 1.1** Fashion products and services.

almost any human activity from medical treatments to popular music. For the purpose of this book though, the concept of fashion will be taken to deal with the garments and related products and services as shown in Figure 1.1.

Figure 1.1 identifies some major categories of clothing along with their main usage situations, but this list is by no means exhaustive. Fashion marketers should take a broad view of their domain – fashion is not only about clothes.

The competitive ethos of the fashion industry revolves around seasonality. The industry has a vested interest in developing new products for the customer at the expense of existing items: this process is known as planned obsolescence. Planned obsolescence is not confined to the fashion industry, it occurs in several other manufacturing sectors such as the electronics or automobile industries. While the concept of planned obsolescence can be criticized from several perspectives, many customers appreciate the continual change in fashion products and services. Unfortunately, the rate and direction

of change are usually slower and less predictable than the fashion industry would like.

### 1.1.2 Fashion is about creating

In order for the change which is intrinsic to fashion to take place, the industry must continually create new products. Used in another sense, the term fashion means to construct, mould or make. Fashion, therefore, also involves a strong creative and design component. Design skill is essential and can be seen in all products from the made-to-measure suit to the elaborate embroidery on a cardigan. The level of design can vary considerably from a basic item such as a T-shirt to the artistic creations of Coco Chanel, Christian Dior, Yves St Laurent or, in more recent times, Stella McCartney. To some the design of fashion garments can be viewed as an art in its own right, though this is a notion supported more in countries such as France and Italy than in Britain. The majority of garments sold do not come into this category, but the inspiration for the design of many of those garments may have come from works of art.

### 1.1.3 Fashion and marketing

The continual change, i.e. fashion, involves the exercise of creative design skills which result in products that range from the basic to the rare and elaborate. The creative design personnel provide part of the mechanism by which the industry responds to the need for change. At the same time the ability to identify products that the customer needs and will buy is also essential to the industry. Marketing can help to provide this additional knowledge and the skills needed to ensure that the creative component is used to best advantage, allowing businesses to succeed and grow.

## 1.2 What is marketing?

Marketing is a business philosophy or way of thinking about the firm from the perspective of the customer or the potential customer. Such a view has much merit as it focuses on the acid test for all business – if we do not meet the needs of our customers we will not survive, let alone thrive. Fashion firms depend upon customers making repeat purchases and the key to such loyalty is the satisfaction of customers' needs with garments which are stylish, durable, easy to care for, comfortable, perceived value for money and all the other criteria deemed

relevant by the buyer. For this reason, fashion design personnel should readily appreciate the need to understand the customer's perspective. Most designers have a mental picture of a typical customer. Fashion marketers ask, how typical is that mental picture and does the 'customer' belong to a group of buyers that form a profitable prospect for the company? Notice that the notion of seeing the business from the perspective of the customer does not preclude concern for profit. Indeed, if profit is not actively sought then the firm's ability to meet customers' needs in the long term will be greatly diminished.

Marketing comprises a range of techniques and activities, some of which are highly familiar to the general public. Most people have encountered market researchers and all have seen advertisements. Other less public aspects include product development and branding, pricing, publicity, sales promotion, selling, forecasting and distribution. An overview of the range of fashion marketing activities is given later in this chapter.

Marketing is a management process concerned with anticipating, identifying and satisfying customer needs in order to meet the long-term goals of the organization. Whilst concerned with the organization's relationship with customers it is also concerned with internal organizational factors that affect the achievement of marketing goals.

### 1.2.1 Is marketing a solution to all business problems?

There are many views of what marketing is and what it does. To the zealots, marketing is the panacea for all business problems and can provide remedies for product failures or falling profits. Clearly, this is naive and does not recognize the interdependence of the many business and creative functions within organizations. Nor does this view fully appreciate the wider marketing environment that confronts all firms when they embark upon marketing activities.

The best marketing plans and activities can be easily and quickly undermined by changes in the economy or in competitors' actions. Such changes cannot always be anticipated, although a framework for monitoring and anticipating change is discussed in Chapter Two. In the fashion industry, which is highly competitive and is characterized by change, the role of good fortune cannot be easily discounted. The fashion industry is well known for the high failure rate of new businesses and the regular price reductions on product lines that have not sold. Such failures are in part a reflection of the enormous risk of fashion, but some are also due to the inadequate or inappropriate application of the marketing process. It is the contention of the authors that, when properly applied, marketing will help to reduce



some uncertainty in the fashion industry and cut down the number of business failures.

### 1.3 What is fashion marketing?

Fashion marketing is the application of a range of techniques and a business philosophy that centres upon the customer and potential customer of clothing and related products and services in order to meet the long-term goals of the organization. It is a major argument of this book that fashion marketing is different from many other areas of marketing. The very nature of fashion, where change is intrinsic, gives different emphasis to marketing activities. Furthermore, the role of design in both leading and reflecting consumer demand results in a variety of approaches to fashion marketing which are explored below.

### 1.4 Fashion marketing in practice

Within the fashion industry there is enormous variation in the size and structure of businesses serving the needs of customers. From a small business comprising a self-employed knitwear designer to major multinational corporations such as Liz Claiborne or Zara, diversity remains a key feature. With legislative changes and expansion of the EU, the gradual removal of trade barriers on a global scale and the growth of the Internet, the fashion industry is increasingly a global business. This implies considerable variation in the cultural, social and economic perspective of the participants. The consequence of these variations in size, experience and perspective is that the practice of fashion marketing is not uniform at a national level, let alone at an international one.

At the centre of the debate over the role of fashion marketing within firms resides a tension between design and marketing imperatives. Relatively few fashion designers have had formal training in business or marketing, although fortunately this situation is changing in the EU. Similarly, the formal training of marketing personnel can often lack an appreciation of the role of design in business. Training has tended to be separate and this, when coupled with the differing approaches of the two areas, causes divergent views. Design students were traditionally taught to approach problems as though there were no constraints on time or cost so that creativity might flourish. The assumption of much of this training was that creativity flourishes when there is freedom from structural factors.

Spontaneity, eclecticism and the willingness to take risks in challenging the *status quo* are some values central to traditional design training.

Marketing training, by contrast, embraces different values. Marketers are taught to be systematic and analytical in approaching problems. The foundation of a lot of marketing involves the setting of objectives and quantifying inputs and outputs, such as advertising expenditure and market share. Success, marketing students are taught, comes from careful research and planning, not spontaneity or ignoring market realities such as competitor price levels. Owing to a lack of training, marketing personnel often fail to understand the aesthetic dimension of a design or many qualitative aspects of product development.

The above outlines concentrate on differences in perspective between marketing and design personnel but naturally there are areas where they share common values. Good designers and marketing personnel both recognize the need for thorough preparation and the exercise of professional skill, both understand the importance of communication, although with differing emphasis on the visual and process components, and both tend to be in agreement about the functional aspects of clothing, such as whether a garment is waterproof or machine washable.

Starkly put, the designer may see the marketing person as one who constrains freedom and imagination, while the marketer may see the designer as undisciplined and oblivious to costs and profitability. Such views are stereotypes fostered by differing experiences and training, and which are often held by those who do not understand the perspective of both the marketer and the designer. This difference in perspective engenders a range of views about what fashion marketing ought to be. Two views of fashion marketing are shown in Figure 1.2. These views can be labelled design centred and marketing centred, and are detailed below.

Sample statements	Fashion marketing is the same as promotion	Design should be based solely on marketing research
Assumption	Sell what we can make	Make what we can sell
Orientation	Design centred	Marketing centred
Alleged drawbacks	High failure rates Relies on intuition	Bland designs Stifles creativity

**Figure 1.2** Two views of fashion marketing.

### 1.4.1 Design centred: fashion marketing as promotion

According to this view marketing is seen as synonymous with promotion. Adherents of the view state that designers are the real force, and marketers should merely help to sell ideas to the public. Translated into practice this view tends to have all marketing activity carried out by either public relations or advertising departments or agencies. Customers and potential customers are seen as people to be led or inspired by creative styling that is favourably promoted. At the extreme, it is rationalized that the only people who can appreciate creative styling, in a financial sense, are the more wealthy sections of society.

Research within such a perspective is limited to monitoring the activities of others who are thought to be at the forefront of creative change, i.e. film directors, musicians, artists, etc. Many great fashion designers subscribe to this view and have run successful businesses based upon the above assumptions. The principal weakness of this approach is that it depends ultimately on the skill and intuition of the designer in consistently meeting genuine customer needs and consequently earning profit.

### 1.4.2 Marketing centred: design as a research prescription

Here marketing is dominant and it regards the designer as someone who must respond to the specifications of customer requirements as established by marketing research. Detailed cost constraints may be imposed and sample garments pretested by, for example, retail selectors who may subsequently demand changes to meet their precise needs. Several major retail stores still operate systems not too far removed from this, with merchandisers and selectors exerting considerable control over the designer. The result, according to many, is a certain blandness in the design content of garments available from such retail outlets.

It is argued that marketing constraints have strangled the creative aspects of design. Taking profitability as a measure of popularity, this restrictive prescription for design seems to work for many firms. Whether popular acceptance of fashion designs equates with good design is another matter.

### 1.4.3 The fashion marketing concept

There is another way to view the relationship between marketing and design, and this is termed the fashion marketing concept. That good fashion design only requires sufficient promotion to succeed is a view

Concern for fashion design	High	Design centred	Fashion marketing concept
	Low	Failure	Marketing centred
		Low	High
		Concern for customers and profit	

**Figure 1.3** The fashion marketing concept.

applicable to a very limited number of businesses – usually those producing expensive garments for an elite market. The alternative view of fashion design as a function of marketing research fails to recognize either that many people do not know what they will like until presented with choices, or that their preferences change over time. For example, many who profess to hate a design seen on the catwalk may later come to like it when they try the garment themselves or realize that others have signalled acceptance. Good fashion design can challenge conventional views. It should be recognized that consumers vary in the conservatism they have towards fashion styles and also the speed and readiness with which they change their opinions.

A simple model of the interrelationship of fashion design and marketing can be seen above.

In the matrix in Figure 1.3 it can be seen that low concern for customers, profit and design leads to failure. This occurs as a consequence of overestimating design ability while disregarding customers' preferences and the need for profit.

The fashion marketing concept attempts to embrace the positive aspects of high concern for design, customers and profit by recognizing the interdependence of marketing and design. If designers understand how marketing can enhance the creative process and marketing personnel appreciate that within the fashion industry design can lead as well as respond to customer requirements, progress can be made. Market researchers can establish the sizing information customers want on garments and can also analyse reactions to several provisional illustrations, but they cannot produce detailed styling specifications. Marketing as applied to the fashion industry must appreciate the role of design. Some major retailers such as Zara have developed information systems bringing designers, manufacturing teams and retail sales staff much closer together enabling customers to be

offered fast fashion at affordable prices and achieving good levels of profit for the company.

This section has discussed a number of approaches to fashion marketing. Many companies have embraced the fashion marketing concept and have demonstrated equal concern for design, customers and profits. In recent years an increasing number of winners of major fashion awards have also achieved success not only in terms of design but also in terms of sales and profit. Thus the fashion marketing concept is not just a theoretical model, it does work in practice and this book sets out to develop it further.

## 1.5 How fashion marketing can help the fashion industry

The vast output and profits from the fashion industry come not from the designer collections seen on the catwalk but from items sold in high street stores. To put the impact of designers in perspective, one only has to note that the British Fashion Awards' Designer of the Year will often have annual earnings that amount to less than a day's sales for one large retailer in the Arcadia group. Even so, the designer collections are given extensive coverage in the fashion press where each season more than 250 collections are reviewed within a matter of weeks. Reporting and promotion of these collections are suffused within hyperbole, excitement and genuine enthusiasm by many who attend, the catwalk exhibitions being viewed with a range of perceptions from incredulity to sheer entertainment. However, few people see the direct link that some less experienced commentators assert exists between the garments on the catwalk and 'what we will all be wearing next season'. The influence of the designer collections on everyday apparel purchases is complex and will be considered in later chapters on the fashion consumer, product design and fashion promotion.

The main concern of fashion marketers is therefore the design and sale of garments to the majority of the public, for that reason, the techniques described in this book will concentrate on high street fashion rather than haute couture.

Many people in the fashion industry have aspirations to run their own business. Indeed, the industry is characterized by many small firms and regrettably many failures. This book embraces the fashion marketing needs of people starting their own business; it does not, however, extend to all the needs of small businesses, particularly the financial and legal aspects of new ventures. For the new entrepreneur the chapter on marketing research will provide a sound basis on

which to start building a business plan. The marketing component of the business plan is covered in the last chapter of this book.

Medium and large businesses are also catered for. The need for co-operation and communication between the various levels of distribution in this sector is so important that manufacturer, wholesaler, importer and exporter will all benefit from understanding the structural aspects of the marketing of clothing and related products and services. Many of the principles and techniques described in detail as applicable to the UK are transferable to other markets. For example, UK mass media data are given in the chapter on fashion promotion, but criteria for designing campaigns and selecting media are also given; these criteria are readily transferable.

## 1.6 What fashion marketers do: five examples

To give an overview of the sort of activities that fashion marketing personnel engage in, five examples will be given. A key point to note is that job titles do not always accurately reflect what people do. In fact, few people are called fashion marketing managers, but many carry out functions that are fashion marketing, e.g. those with job titles such as selector, merchandiser, sales executive or public relations consultant.

### 1.6.1 Fashion marketing research

A fashion marketing researcher may investigate the market shares of competitors and trends in those shares. Through a group discussion with potential consumers they may discover that a possible brand name has negative connotations and needs rethinking.

### 1.6.2 Fashion product management

A design manager may be concerned with producing a range of shirts for a major retailer. The shirts must co-ordinate with other garments such as jackets, trousers and ties, all of which may be provided by other manufacturers. The design manager must collect and pass on information to ensure that designers are adequately briefed. Later the manager will be required to sell the designs at a presentation to the retailer, usually in the face of fierce competition. The design manager's knowledge of the retailer's customers and an awareness of his or her own company costs will enable an effective marketing function.

### 1.6.3 Fashion promotion

A manufacturer of corporate workwear may have produced a range of clothes suitable for staff working in small independent restaurants. After careful research and planning the manufacturer may decide that a brochure is needed as part of the promotional effort. The brief to be given to the person preparing visual and textual material for the brochure will include an estimate of the number of brochures needed and a list of addresses – essential fashion marketing tasks.

### 1.6.4 Fashion distribution

An owner of a retail outlet selling her own specially designed millinery wishes to expand. She needs to research a few options including franchising her business, obtaining concessions in selected department stores and linking with a leading womenswear designer to produce new complementary ranges each season. Marketing research and analysis of the status of the business along with the preparation of a future marketing strategy are the major fashion marketing activities needed here.

### 1.6.5 Fashion product positioning and pricing

A major retailer discovers that a competitor is selling imported silk lingerie similar in design and quality to its own, but at prices that are 20% lower. A fashion marketing decision must be made about the positioning and pricing of the product, taking into consideration the strategic goals of the company as well as the price sensitivity of its customers.

## 1.7 Ethical issues in fashion marketing

The practice of fashion marketing is often criticized. These criticisms can be classified into two types, the micro-issues and the macro-issues.

Micro-issues concern particular products and services where consumers may feel that they have not been fairly treated or that they have been misled. Most customers have bought clothing that has fallen below expectations by, for example, coming apart at the seams or shrinking in the wash. These problems may occur due to poor quality control or at worst a callous attitude towards customers. Sadly, the view of customers as mere punters to be exploited does exist in some parts of the fashion industry but it is a short-sighted attitude as lack of repeat business, legal redress and negative word of mouth

are all possible consequences. Given the number of items of clothing bought each year, however, some errors are inevitable and the issue really revolves around how the seller deals with the complaint. According to the fashion marketing concept we should be concerned about long-term consumer welfare as this is the key to building and retaining profitable custom.

The quick and fair correction of genuine errors reinforces the message to the customer that the retailer cares about long-term customer welfare. Unfortunately, some staff are placed in positions where their own interests may not coincide with those of the firm or the customer – those who work on a commission only basis, for example. Such practices should be condemned as they lead to an undermining of public confidence in the fashion industry.

Macro-issues are broader and emerge not from the conscious conspiracy of individuals or groups of individuals but as unintended or unanticipated consequences of certain activities.

The most obvious example is the criticism that the bulk of the fashion industry is lacking in sensitivity to environmental issues in that it encourages a throw-away society, conspicuous consumption and unnecessary use of packaging. Marks and Spencer plc can lay claim to a serious attempt to address some environmental concerns with their 'Plan A'. The Marks and Spencer 'Plan A because there is no Plan B' involves a £200 million eco-plan to become carbon neutral by 2012, to extend their sustainable fabric sourcing and to set new standards in ethical trading. Other attempts to address such concerns, although on a relatively small scale, include the so-called 'environmentally friendly' or 'green' fibres and recycled wool.

However, the charge of encouraging a throw-away society is a problem that is likely to recur with sharper and more vehement focus in the future. The public response to the various anti-fur campaigns run by PETA, Lynx and others since the 1980s has reduced the market for fur products in many countries and has transformed a status symbol of the rich to an item of derision. 'Green' issues in fashion marketing are examined further in Chapter Two.

Another example of a macro-issue is the use of particular models to show garments in advertising material or on the catwalk. Critics allege that this can cause damage ranging from supporting an image of women as mere sex objects to acting as a contributory factor in dietary problems of adolescent females. The over-representation of young, tall and slim female models raises many issues, not least of which is the sensitivity of some promoters to the responses of the audience. The Madrid Fashion Week has banned models with a body mass index (BMI) of below 18.5; this is a BMI that is regarded as unhealthy by the World Health Organization. The use of wider ranges



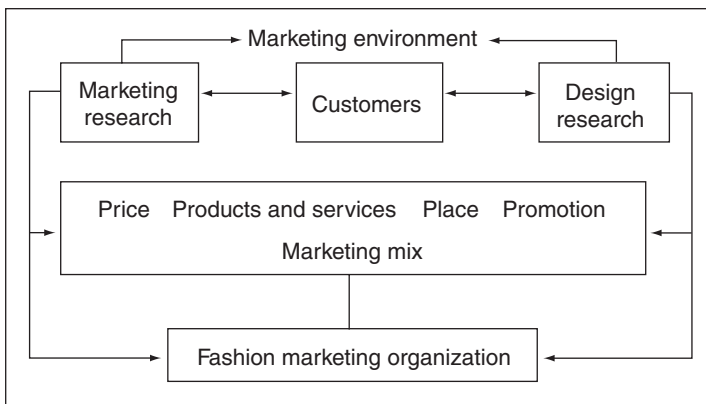
of body shapes and sizes has been effectively used by Dove in their campaign for real beauty. The non-response or excuse of 'We have to do it, because everyone else does it' from some fashion companies may reveal an unwillingness to research other less potentially harmful ways of promotion. In an industry with an abundance of creative talent, it is surprising to find such pockets of conservatism.

## 1.8 An overview of the fashion marketing process

Fashion marketing can be viewed as a process and Figure 1.4 illustrates that process. It also gives an indication of the structure of this book and how various parts link together.

All firms operate within a wider commercial environment that influences their activities. Changes in value added tax may inhibit demand for certain garments whereas a fall in unemployment may stimulate demand for workwear. These two simple examples illustrate how changes in the marketing environment can have significant effects on the operation of fashion firms. The marketing environment and how to analyse it are covered in Chapter Two.

Central to the concept of fashion marketing is the role of the customer and Chapters Three and Four deal with understanding and researching the fashion purchaser. In Chapter Three the behaviour of consumers will be discussed. In particular, there will be an examination of the reasons why people buy particular garments: what influences them and what criteria they use. Clothing may be an expression of how people wish others to see them, it may denote membership



**Figure 1.4** The fashion marketing process.

of a certain group or represent a particular lifestyle. To understand customers' aspirations and expectations about clothing fully, relevant psychological and sociological factors are examined in Chapter Three.

Chapter Four takes the understanding of customers' behaviour one step further by looking at how data concerning this behaviour are obtained, namely marketing research. This research can also involve the study of competitors and analysis of the company's own marketing efforts.

In Figure 1.4 the term marketing mix is used to describe the combination of variables used by the fashion marketer to meet the needs of specific groups of customers known as target markets. The selection of target markets and the management of the marketing mix are discussed in Chapters Five to Ten of this book.

Here is an example of how a variable may be adjusted using an example concerning price. A firm may decide to charge low prices and sell large quantities making a small profit on each item, but a large profit in total. A consequence of charging low prices may be that certain outlets are selected because their image is compatible with low prices. The concept of the marketing mix and target marketing are dealt with in Chapter Five. The actual components of the marketing mix are known for the sake of simplicity as the four Ps, i.e. Price, Product, Place and Promotion, and these are covered in Chapters Six to Nine. The role of design research, integral to product design and development, is covered in Chapter Six.

Putting all aspects of the marketing mix together to achieve the goals of the organization is the most important marketing task. Activities must be planned, co-ordinated and implemented effectively, and the results monitored. The final chapter deals with fashion marketing planning.

## 1.9 Summary

This chapter has introduced and defined fashion and marketing, and how fashion marketing:

- ◆ emphasizes the importance of design;
- ◆ aims to meet customers' needs;
- ◆ helps to achieve corporate goals.

There followed an examination of the practical side of fashion marketing:

- ◆ how fashion marketers work;
- ◆ the ethical issues.

The chapter concluded by:

- ◆ examining the business environment, and the place of fashion marketing within it;
- ◆ introducing the ideas of marketing research and consumer behaviour;
- ◆ outlining the concepts of target marketing and the fashion marketing mix.

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# Chapter Two

## The Fashion Market and the Marketing Environment

### 2.1 Introduction

A market is a place for buying and selling, for exchanging goods and services, usually for money. The fashion market is unusual because until early in the twentieth century it was almost solely the domain of kings, queens, aristocrats and other important people. As will be seen, great changes, mainly due to technology and increasing globalization, mean that we now have a fashion marketplace open to everyone.

Fashion can be a reflection of the time, from the utilitarian clothing of the war years to the yuppie look of the buoyant 1980s. Fashion also can be a reflection of individuals. Clothes are often chosen to reflect among other factors our age, gender, lifestyle and personality.

Because fashion is both a reflective and yet creative discipline, it is necessary for fashion marketers to be aware of the factors surrounding the market and develop a broad understanding of the issues that can affect the garments that are seen in any high street store.

### 2.2 The development of the fashion market

#### 2.2.1 Origins of the modern fashion market

Until relatively recently, fashion had always been élitist and was used by its adopters to show that they were above the common people. Even the inventions of the eighteenth and nineteenth centuries; the spinning jenny, the water frame and the sewing machine have not had as great an effect on the market as have cultural changes and the explosion of the media during the twentieth century.

The end of World War I, in 1918, really marked the start of mass fashion. Style began to be influenced by the fashion designers of Paris, Milan, New York and London. In the 1930s film personalities and later pop stars all played their part in spreading or even starting fashion trends.

Some fashion styles are more easily explained than others. World War II forced hemlines up because of a shortage of material. In the 1950s newer freer styles made corsets less and less necessary. However, other fashions are less easily explained and are regarded by some as merely a whim or the market just looking for a change.

Technology played its part in advancing mass production methods, so that from the 1930s onwards ordinary people could buy copies of designer fashions from high street stores within weeks of the big fashion shows.

The media started to become an important influence in the late 1970s. People became more selective in what suited them, and magazines and books advised them on creating their own style. Designers could no longer dictate the styles as they had up to the 1960s. 'Street fashion' styles, developed by young people themselves in towns and cities, also affected designer clothes.

London was at the forefront of the fashion scene in the 1960s and early 1970s. Mary Quant was in her heyday and her clothing was famous the world over. It was the time of Carnaby Street, and Biba made famous by Barbara Hulanicki.

The influence of royalty on fashion made a comeback with the Princess of Wales in the 1980s as many women copied the lace and ruffles which she wore.

While not the first to introduce lifestyle segmentation to the market, George Davies, then chief executive of the Next chain, is undoubtedly the best known. His retailing phenomenon, targeting a particular age and lifestyle group, exploded onto the marketplace and had many other high street retailers following suit.

Changes towards a healthier lifestyle advocated by the medical profession and the increase in leisure time have encouraged people to take up more sport, particularly jogging and aerobics. Membership of health clubs and gyms has increased in recent years. So the clothing from this and other activities has moved into everyday wear.

The future for the fashion industry is mapped out, perhaps more than at any time in its history. Influences from the demographic structure, concern for the environment and further adoption of new technologies are all inevitable. These factors could stifle designers if they are not careful or could offer them greater challenges than any they have had to face so far.

### 2.2.2 Recent developments in the fashion market

Consumer demand for clothing is now more fragmented and discerning. Retailers are wary of carrying high levels of stock, major demographic changes are occurring, and many different styles and fabrics are available. These have all resulted in the mass market for clothing being fragmented and are eroding the advantages of long-run manufacture.

Previously the UK textile industry had a reputation for being dictatorial and short on choice. This was blamed on the nature of the relationship between retailers and manufacturers. Clothing retailing was dominated by a few large groups who exercised enormous power in the wholesale market for garments and fabrics. Retailers emphasized basic garments with very little fashion content, and Marks and Spencer in particular set very detailed specifications for fabrics, making-up and quality. Manufacturers such as Courtaulds and Carrington Viyella geared their production to large volumes of basic fabrics for a few major customers. It became uneconomic to deal with orders that either were small or required much design detail. Competition among retail chains was over the price and quality of garments.

Since then the market share of the multiple retailers (such as Bhs, Debenhams and Marks and Spencer) has been affected firstly by the emergence of smaller specialist chains (Benetton, Next) then grocery supermarkets ('George' at Asda and Tesco). Mintel 2005 estimates that 'George' sales in 2004 (excluding VAT) were £1.07 billion and that non-specialist retailers of this type enjoyed an increase in sales of 13% from 2003 to 2004, with this rising trend continuing. Further European retailers (Zara, H&M) have also gained market share in the UK by importing low-cost garments. To avoid competing with the abundance of low-cost imports, the big retailers have responded by increasing the speed with which they introduce fashion and style changes. This, in turn, has forced suppliers to manufacture shorter runs of garments with higher design and fashion content. In some parts of the market there has been a distinct shift in retail competition away from an emphasis on garment price to non-price factors, such as design, quality and fashion. However, this non-price competition has had only a limited success with even Marks and Spencer and its strong 'British Made' slogan, turning to importing more cheaply from overseas. Value retailers such as Matalan, Primark and TK Maxx, who have attracted the more price conscious shopper, have enjoyed considerable success in other sectors of the market (Table 2.1).

**Table 2.1** UK trade in clothing (£ million), 2001–2005

	2001	2002	2003	2004	2005
Imports	9160	9806	10341	10884	11543
Exports	2592	2506	2713	2729	2679
Balance of trade	-6568	-7300	-7628	-8155	-8864
% change year on year		11.1	4.5	6.9	8.9

Source: HM Customs and Excise. © Crown copyright material is reproduced with the permission of the Controller of HMSO (and the Queen’s Printer for Scotland).

## 2.3 The fashion market: size and structure

### 2.3.1 Structure of the fashion market

Apart from technology, another reason why fashion is now available to the masses is that there are several levels at which fashion clothing functions, as shown in Figure 2.1:



**Figure 2.1** Levels of fashion.

- ◆ Haute couture houses are the major fashion houses of the world, run by recognized, internationally famous designers. They show their collections at least twice a year and sell individual garments for thousands of pounds. For many designers the catwalk shows are essentially a publicity exercise for the many goods that are sold under their name such as perfume and accessories.

- ◆ Designer wear is shown at pret à porter. The move into ready-to-wear clothing by designers meant that they could offer their stylish designs and high quality to a wider audience. The garments are still highly priced, although in hundreds of pounds sterling rather than thousands. They are to be found in the designers' shops, independent stores and some of the more exclusive department stores. Designs are not unique, but are still produced in limited numbers and, although some garments are produced abroad, there is very strict quality control.
- ◆ Mass market or street fashion is the market area in which most people buy their clothes. New fashions can be in the high street stores extremely quickly and what the customers lose in exclusivity they can make up for in value for money. This is one area of the market that is undergoing many changes and this chapter will look at how it is being affected.

This three-tier view of the market is perhaps oversimplistic as there are many strata and price levels between the ones mentioned. Many customers do not stick to any one level when buying their clothes.

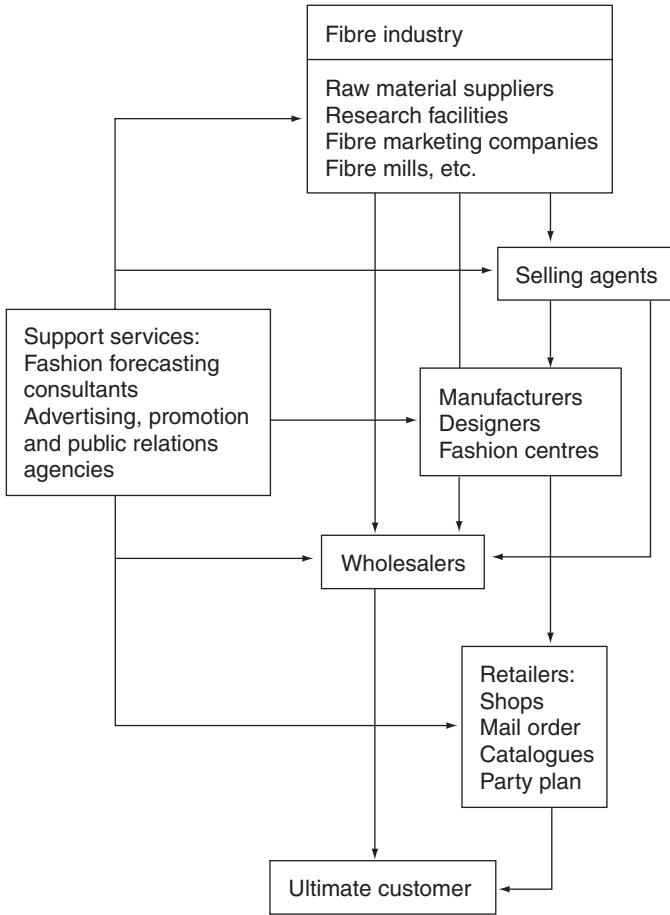
The more affluent will buy several haute couture outfits but turn to designer wear for every day. Women who mostly buy designer ready-to-wear may occasionally splash out on a couture dress for a very special occasion. Those who generally only buy mass market clothing may still buy designer wear occasionally, if only from the discounted rail. In the early twenty-first century celebrity fashion icons have moved to mixing their outfits with some designer pieces and some from high street stores. At times it is difficult to identify the origin of our clothing and to decide who has the power in the marketplace. Is it the fibre and fabric industry that, after all, make the cloth for the garments? Is it the designers? Or perhaps the retailers are the power base in the market? Ultimately it should be the customer, but traditionally the fashion market has been one where the customer was dictated to and so merely followed along almost blindly.

The fashion flow chart in Figure 2.2 illustrates the flow of goods between the various participants in the marketplace. Later it will be seen that there is even more choice in deciding where the goods will be manufactured (see Section 2.5.2).

### 2.3.2 Size of the fashion market

All three levels of the market have shown some growth in domestic clothing demand in recent years. Growth of the total UK market for





**Figure 2.2** Fashion flow chart.

clothing has grown by over 16% from 1994 to 2004 and retail sales for 2006 are predicted to be nearly 50 billion (Table 2.2).

UK imports now greatly exceed exports, having increased from £9.1 billion to £11.5 billion from 2001 to 2005 with the main traders being Hong Kong, China and Turkey (see Table 2.1). UK exports have remained steady at about £2.5 billion per annum over the same period with about 73% of this output going to other European countries. As less UK manufactured clothes are sold in the home market the proportion of goods being exported is actually increasing. The figures become more complex as UK manufacturers are developing their own production facilities overseas to take advantage of lower wages and production costs (Table 2.3).

**Table 2.2** Some major developments in fashion

Pre-nineteenth century	Fashions only for the rich and powerful
1918 onwards	Start of mass fashion
1930s	Film personalities influencing popular clothing
1939–1945	World War II – raised hemlines
1950s and 1960s	Freer styles, fewer control garments
1970s to 1990s	Growth of multi-nationals and mass media influence
1990s	Increase in branded and designer label goods
2000 onwards	Growth of electronic shopping
2002 onwards	Increasing influx of cheap foreign manufactured clothing

**Table 2.3** Consumer spending on clothes

	Consumer Expenditure at Current Prices in £ Million					
	2000	2001	2002	2003	2004	2005
Clothing	31 048	32 103	33 927	35 689	37 112	38 067
Footwear	4 431	4 719	5 165	5 466	5 680	5 661
Total	35 479	36 822	39 092	41 155	42 792	43 728
% change on year	+6.3	+3.8	+6.2	+5.3	+4.0	+2.2

Source: Consumption, The Blue Book 2006.

### 2.3.3 Employment in the fashion sector

Employment in the manufacturing of clothing textiles and leather production in the UK has now fallen to rank 24th out of the 25 categories of manufacturing industry recorded by the Government. Two main factors have reduced the numbers employed in the sector in recent years to only 132 000 in 2006 (Table 2.4). New technologies have reduced the need for many workers, particularly in the more skilled areas of pattern cutting as much of this can be computerized. The computer systems still need to be manned by a skilled workforce, but retraining has to be done and still there will be redundancies.

The far more important factor has been the stiff level of cheap competition from abroad. With an inability to raise prices in the face of a depressed domestic market and crippled by large debts, many firms have had to make savage cuts in their labour force and investment plans as the alternative to going out of business. In the late 1990s many major UK clothing manufacturers suffered as their customers

**Table 2.4** Recent decline in employment figures in textile clothing and footwear industries (in '000s, in June each year)

1998	1999	2000	2001	2002	2003	2004	2005	2006
331	304	273	230	205	169	149	136	132

Source: ONS.

**Table 2.5** Production output indices of total manufacturing industries and textiles, leather and clothing industries in the UK (index 2002 = 100, 2001, 2005)

	2001	2002	2003	2004	2005
Total manufacturing industries	103.2	100.0	100.1	101.9	101.3
Textiles, leather and clothing	108.1	100.0	98.1	87.0	83.2

Source: Monthly Digest of Statistics.

**Table 2.6** Production of textile and textile products in UK, 2000–2006 (index 2003 = 100)

2000	2001	2002	2003	2004	2005	2006
122.4	107.2	99.7	100	98.1	90	89

Source: ONS.

chose to source garments from cheaper overseas suppliers. The UK clothing industry is made up of small, medium and large manufacturers. The smaller manufacturers feed off the larger companies by offering specialist finishing services. As the larger retailers turn to overseas manufacturing or supplying, so the vulnerable smaller companies suffer. Table 2.5 shows the fortunes of the fashion industry in the context of the decline in manufacturing (Table 2.6).

### 2.3.4 The current role of London in the fashion business

Fashion centres of the world have always included London, even before the era of Carnaby Street and Mary Quant, but recently designers have been choosing not to show in London. Now that London Fashion Week no longer has the financial backing of the French *Chambre Syndicale* (the French organization that decides which fashion houses may join the ranks of the *haute couturiers*), the number of exhibitions has declined. With it no longer being a requirement

to show in London, designers have taken the opportunity to save the expense of showing at yet another fashion week, instead concentrating on the ones which they feel will be most prestigious and best covered by the media.

This shift away from London is of concern to the industry, particularly for the knock-on effect that it will have on everything from employment to tourism. Cities which are taking a more prominent role in the fashion year are New York, Tokyo and, new to the list, Shanghai.

### 2.3.5 The British High Street

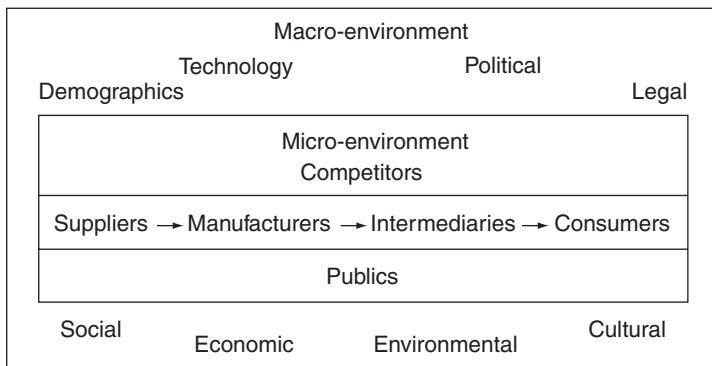
In contrast to Italy and most of the rest of Europe, UK has a much more consolidated market sector with only a few players as the big earners. Mintel (2005) stated that the top five UK retailers account for almost 45% of sales. The leading players by turnover being Marks and Spencer, Next, Arcadia Group (comprising Top Shop, Etam, Wallis, Dorothy Perkins, Burton, Miss Selfridge, Outfit and Evans), Matalan and Bhs. This dominance of the big players makes it hard for independent stores to get a foothold into the marketplace. It is hard to compete on price when dealing with high rents and cheap imported clothes.

## 2.4 Marketing environment

Fashion is ultimately about change. Every season there are new fashions that lead to obsolescence of last year's clothes. Many of these changes are brought about by designers trying to create something new to satisfy customers, but others are because of influences beyond the control of designers or manufacturers. These are all gathered together in what is called the marketing environment, as shown in Figure 2.3. Some changes occur very slowly while others can affect the market much more quickly; some are within a company's control and others are way beyond it.

## 2.5 Micro-marketing environment

Factors which ideally are within companies' control are to a greater or lesser extent their suppliers, marketing intermediaries (which help to get the goods from the factory to the consumer) and the consumers themselves. For customers the providers of fashion may seem to have a variety of sources, for instance the designer who has the idea for



Adapted from Kotler, P. (1994), *Marketing Management*, 8th edn., Prentice Hall International, New Jersey.

**Figure 2.3** The marketing environment. Adapted from Kotler, P. (1994), *Marketing Management*, 8th Edition, Prentice Hall International, NJ.

the style, the manufacturer who makes up the garment or the retailer to whom the consumer goes to buy the garment.

### 2.5.1 Designers

While Paris is often thought of as the fashion capital of the world in fact there are five main cities supplying designs and new ideas to the international market.

Paris is historically seen as the fashion capital and has the edge on many other cities as its fashion industry is taken very seriously by government and citizens alike. The haute couture designers are protected by the French Chambre Syndicale, which has strict codes of practice for any designer wishing to style him- or herself as an haute couture house. The main French designers are Yves St Laurent, Chanel (now run by Karl Lagerfeld), Christian Dior, Pierre Cardin, Jean Paul Gaultier, Sonia Rykiel and Christian Lacroix. The British are also making an impact in France, with Julian MacDonald and John Galiano securing senior designing roles in French fashion houses.

Milan is the other fashion capital of Europe, and Italians have always taken fashion very seriously. There are probably fewer well-known designers, such as Giorgio Armani, Franco Moschino, Muicca Prada, Emanuel Ungaro and Versace, now headed by Donatella, sister to the founder Gianni who was tragically murdered in 1997, but Italy is a country whose people and retail set-up, with many more independent stores, is a successful environment for young designers.

London is no longer the focal point of fashion that it once was, though it still produces many internationally influential designers. Many are quite small fish by international standards but others have their designs bought by the rich and famous from all over the world. Although London is no longer a major centre, the UK clothing industry is still significant and exports are actually growing in contrast to internal sales. The city also retains many successful designers such as Bruce Oldfield, Jasper Conran, Matthew Williamson, Alexander McQueen, Dame Vivienne Westwood, Paul Smith, Katharine Hamnett, Joseph Ettedgui, Rifat Ozbek, Amanda Wakely, Betty Jackson and Caroline Charles.

In America the major centre is New York. To a considerable extent American fashions are confined to the home market, although all the big names are known and bought internationally. American designers include Ralph Lauren, Calvin Klein, Oscar de la Renta, Marc Jacobs, Vera Wang and Donna Karan.

Tokyo, the centre of the Japanese clothing market, has a reputation for a distinct style and for almost a lack of colour. There has been considerable growth in recent years at the top end of the Japanese clothing market by designers, especially since 1981 when Comme des Garçons and Yamamoto took Paris by storm. This is a fashion city that is destined to continue to grow with such designers as Yohji Yamamoto, Comme des Garçons (Miss Rei Kawakubo), Issey Miyake, Junya Wantanabe and Kenzo.

The Middle East is now considered the sixth fashion terminus of the world, not because any designs come from here but because it is where the submerged 11% of the fashion industry goes. Much clothing is bought by women either within or while on holiday from such places as Dubai, the United Arab Emirates, Kuwait, Bahrain and Saudi Arabia.

The overall market pattern now is that designers either make for themselves or subcontract to British or overseas manufacturers. Likewise retailers have their own designers and make them up in their own factories, subcontract their own designs to home or overseas manufacturers, or buy garments designed and made up by other companies.

### 2.5.2 International sourcing

The UK clothing industry is being squeezed further between the highly price-sensitive volume market which gets its supplies from low-wage economies and the quality end of the market which is increasingly supplied from Europe. The level of imports to the UK from the relatively high-cost producers on the continent has finally succumbed to pressure from other parts of the world and is decreasing.

Supplies come from three main sources:

1. UK, Europe and just beyond (Germany, France, Italy, Portugal, Eire, Turkey and more recently Romania) making up about 20% of UK clothing imports. Italy has traditionally been the major player here with Germany and France in close second place.
2. The Far East (Hong Kong, China, South Korea, Thailand, Taiwan, Malaysia, Indonesia and Mauritius). The two major players here are Hong Kong and China. They contribute, almost equally, to the 30% of clothing entering the UK from the Far East.
3. Asia (India, Bangladesh and Sri Lanka). These main three players contribute to more than 12% of UK clothing and accessory imports. Predictions that the reduction of quotas for Chinese goods would have a negative impact on these countries do not seem to have held true so far.

The greatest increase in supply has come from China and this is only expected to increase further now that quotas have been all but dropped to the UK and most of the rest of the world. However this does not seem to have affected UK exports suggesting there are different ranges of products being trade such as knitwear, rainwear and high-quality tailored items.

Imports from eastern European countries such as Romania have been seen to rise, as they have benefited from preferential access by the European Union (EU) in order to aid their economic restructuring prior to the abandonment of Multi-Fibre Agreement (MFA) quotas.

The days when Marks and Spencer used to boast that its garments were almost all produced in the UK, have long gone and they have suffered from criticism by some of the groups discussed later in Section 2.5.9.

### 2.5.3 Manufacturers

In the late 1990s and early 2000s a gloomy picture was painted as a result of the move towards global sourcing. Several larger clothing companies such as J. Baird Ltd closed factories and others such as Dewhurst in the north-east of England who relied on a few major customers such as Marks and Spencer have suffered from this loss of business.

There has been a reduction in the clothing manufacturing industry in the UK and many foreign companies have changed from both designing and manufacturing to one of merely cut, make and trim (CMT) for other people's designs. Other parts of this chapter look at the way forward for the UK manufacturing industry. There is undoubtedly a role that it can play in the international sourcing market if it exploits the strengths of flexibility and quality and moves away from

competing on price alone. It is in these areas that the UK is still exporting its fashions, although Table 2.5 illustrates the changing fortunes in the import and export of clothing. Clothing manufacturers have had to improve their manufacturing methods. There has been severe cost cutting in some areas coupled with an increased emphasis on good design in other areas.

#### 2.5.4 Marketing intermediaries

These are the main channels that help to get the goods from the manufacturer to the consumer. A detailed consideration of marketing intermediaries is given in Chapter Eight. Their roles can be many and varied. The main ones are:

- ◆ retailers,
- ◆ agents,
- ◆ distributors,
- ◆ wholesalers,
- ◆ advertising agencies,
- ◆ market research agencies.

The intermediary having the greatest influence on the clothing market is the retailer group. British clothes retailing is unique in that 70% of garment sales come from only 17 retail chains. The larger chains have taken an increasing share of the growing clothing market at the expense of the smaller firms. In 2004 the Arcadia group (formerly Burton), which included Dorothy Perkins, Top Shop, Top Man, Miss Selfridge, Wallis, Evans, Burtons and Outfit, had sales, estimated by Mintel, of £1527 million from their clothing outlets numbering more than 2000. Supermarkets have had an increase in the share of the clothing market; however, the largest market share still goes to Marks and Spencer despite the company's recent difficulties from which 2006 seemed to be a turning point. In Italy, by comparison, 95% of clothes are sold by single shops.

On the whole, competition, particularly on price, has intensified since the 1990s. Customers are increasingly looking for value for money; but are not totally driven by price; they also want good design, comfort and quality.

Companies have had to rationalize and restructure to combat increasing competition, cheaper imports and changing customer expectations. In consequence, many womenswear multiples have been forced to segment markets more effectively, making their customers much more aware of the markets that are being catered for. This has led and will increasingly lead to a narrowing of product ranges.

Retailers always need to be aware of how demographic factors can affect their core 15- to 29-year-old customer and adjust their offering



accordingly. Demographic changes often force retailers to reposition themselves in the marketplace as was seen a few years ago when Top Shop, suffering from a reduction in the number of 15–20 year olds, decided to increase the age of their target customer upward. Targeting certain groups in terms of age and, often as important, lifestyle will become ever more crucial. Research into market trends and close co-operation with chosen target groups can help retailers. As the 'middle youth' market of women in their forties continue their youthful interest in fashion, there are opportunities for some retailers to try to keep customers loyal for longer. Others, such as H&M, have professed concern that the presence of too wide a target market in their stores could alienate their core younger customers.

### 2.5.5 Fashion predictors

For the consumer it must be quite baffling to understand how each year designers, manufacturers and retailers all seem to know what styles and colours will be in fashion. The reality is that since the 1970s there have been companies who specialize in fashion prediction and act as consultants to interested parties in the fashion world.

Companies such as the Paris-based organizations Peclers and Promostyl, France, and London-based Worth Global Style Network (WGSN) sell their predictions on styles, colour and the market for the coming season or even further in advance for up to 18 months. There are at least 10 main organizations of this type in the world, although some specialize in specific markets such as childrenswear. Their predictions are not all identical, although there are usually many similarities between them.

These predictions help manufacturers and retail buyers alike to make and stock the fashions; styles and colours that will be 'the fashion' for a coming season. However, at the end of the day the final decision rests with the customer in deciding whether to buy or not.

### 2.5.6 Consumers

Once fashion was dictated to consumers and there was little choice but to accept what was on offer. The tables are beginning to turn and the consumer has more power to accept or reject fashions. Recognizing this, clothing producers are researching the market more to see what will be acceptable before filling the stores with goods that just end up being discounted at sale time.

Consumers of all descriptions are more fashion educated and consequently more fashion conscious. They are demanding products that are designed to perform in special ways. Most want to express their

personalities through their appearance and therefore their choice of clothing. The increasing numbers of working women want garments designed for their particular needs. They understand fashion cycles and they know when a style has become tired. Manufacturers must constantly research and develop new fibres, fabrics and uses for these to keep up with the consumer's higher level of ability to select from the vast choices on offer.

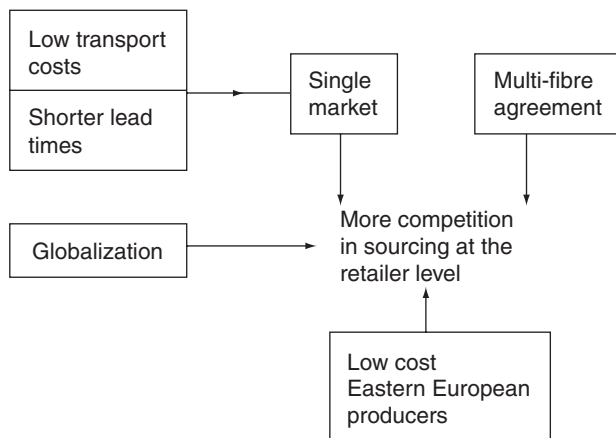
However, there are other changes in the marketplace affecting consumers' attitudes, values and priorities. They are suffering some degree of fashion fatigue. For some the desire to acquire is more muted and rather than spending their income on fashion clothing they prefer to choose from a much wider range of products, services and leisure pursuits.

In the past, fashion styles, types of garments and advertising were all deeply influenced and directed by the interests and needs of the young consumer. Now that the increasing numbers of older consumers are becoming a market to be reckoned with, things must change or opportunities will be lost. The trend is towards people dressing more to please themselves. They won't be dictated to. People are more self-reliant and cautious and careful for their individuality. They are putting more emphasis on self. Recognition of the new fashion consumer may mean that the fashion models of today will have the opportunity of a longer career than they first imagined. Elle McPherson's modelling career saw no sign of ending as she entered her forties and Twiggy who started her modelling career in the 1960s is still popular, with the turn around of Marks and Spencer being largely attributed to using her in their advertising. To a small degree the shape of the fashion model is showing signs of change with more magazines producing features using size 16+ models. This trend probably started with the then somewhat voluptuous Sophie Dahl being heavily featured in fashion magazines and on posters, although now at a size 10 she has ditched the trend herself.

### 2.5.7 Competition within the fashion market

Consumers today are presented with a bewildering array of choice, yet it is probably in the clothing market more than any other that the consumer complains that he or she cannot find what they want. The clothing producers and retailers are working hard to correct this, but increasing competition and very small margins have made many firms wary of too much investment and experimentation. The high street stores have had to work much harder at tempting consumers and at times it seemed as if price cuts were their only weapon.

However, much of the major competition happens at the sourcing of goods rather than in the stores, as summarized in Figure 2.4. It



**Figure 2.4** Competitive forces in fashion sourcing.

has been mentioned that globalization and sourcing from wherever cheapest is increasingly becoming the trend, particularly among European competitors. This is enabling them to keep overall costs down, while offering merchandise of good design and quality.

Since the opening of the single European market, competition from continental clothing producers has increased further, partly because of lower transport costs and shorter lead times. With a single MFA quota for the EU, the highly concentrated and accessible British clothing market has become even more of a target than it was previously.

There are also concerns about increased low-cost competition from some eastern European countries whose pleas for special treatment of their exports to the EU are showing signs of success. Now that Poland, Hungary and the Czech Republic have joined the EU, they too have gained free access to this vital market as will Turkey which is a candidate country. The clothing industries in these countries, in conjunction with EU companies, have undergone major restructuring and re-equipping. This has enabled them to present some formidable competition.

### 2.5.8 Direct and indirect competition for fashion products

Marketers have to realize that with increased choice consumers have many different ways to spend their money. In the western world people rarely need to buy clothes out of pure necessity. A woman does not merely choose between one dress and another; she also may choose between a new dress or hiring one, or making one or even to spend her money on something completely different like a handbag

or entertainment. A man may choose between one jacket and another, or he may choose between a jacket and some new golf clubs.

When consumers have to choose between similar goods such as one shirt or another, the garments, stores or manufacturers can be described as being in direct competition. However, when the goods are different, but perhaps fulfil similar needs, like the woman choosing between buying and hiring a dress, then the stores and manufacturers are deemed to be in indirect competition.

### 2.5.9 Publics

There are many groups of publics that can affect a company's success, notably the financial institutions, unions and pressure groups to name but a few. The concept of fashion marketing publics is developed further in Chapter Eight within the context of fashion promotion.

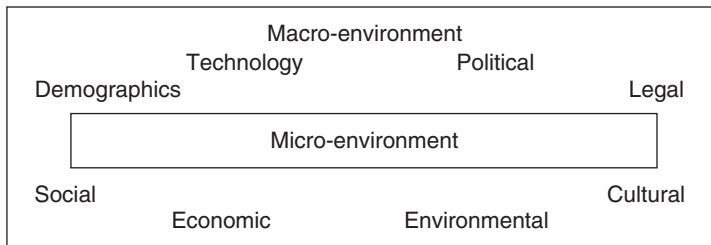
Perhaps one of the most powerful groups to affect the fashion market is the media. A report in the fashion press after a designer shows a collection can have disastrous results. It is for this reason that some fashion editors have been criticized for having too much power and influence on the market. Whether true or not, much time and effort is spent between fashion editor and designer to try to maintain good relations between the two. It is hoped that this courting may result in a favourable article at a critical time.

While many national newspapers have strong fashion pages, the two most recognized fashion magazines in the UK are *Vogue* and *Elle*. Both are seen as essential reading for the woman or man who wants to know the important people and events in the fashion world. Powerful as these magazines are, neither has the overwhelming importance of the 92-year-old publication and premier daily newspaper for the women's fashion and retail industry in the USA as *Women's Wear Daily*, whose editor John Fairchild has long been regarded as a fashion guru.

Another force which seems to be having an impact is the pressure groups, concerned with the use of cheap labour and unethical practices. Anti-sweatshop campaign groups, in particular Labour Behind the Label, No Sweat and Tearfund have criticized manufactures whose production practices are deemed unethical. Their concerns have been taken up by the media and many retailers are now taking a much closer interest into the conditions under which their garments are being made.

## 2.6 Macro-marketing environment

Factors considered within the macro-environment affect not only the company, but all the other members of its micro-environment, namely



**Figure 2.5** The macro-environment.

its suppliers, consumers, etc. These generally have a much wider influence and their effects become apparent more slowly than factors within the company. Factors within the macro-environment are cultural and social, political and legal, demographic, technological and environmental (Figure 2.5).

The inter-relationship of macro-environmental factors is most easily discerned in matters of world tension. Political, legal, social and economic matters become entwined to exert a great impact upon general levels of consumption. Consumer confidence was thought to have been dented by the Gulf War in 1991, which, although now over, has influenced consumer thinking. The war and terrorist activities in London have also affected the market as tourists stayed away for fear of terrorist action, which has particularly influenced more upmarket brands and retailers such as Jaeger and Austin Reed.

### 2.6.1 Political and legal

Politics and law might seem a world away from fashion but both can have extensive consequences for manufacturers. With such globalized sourcing of suppliers, world political events can aid or hamper the acquisition of supplies. A new legal requirement, be it in the product or the methods of manufacture, can have a make or break effect for some companies.

#### *The General Agreement on Tariffs and Trade and the Multi-Fibre Agreement*

The Arrangement Regarding International Trade in Textile, popularly known as the MFA, is an international agreement that regulated imports of textile and clothing products into western industrialized countries from low cost, mainly developing countries. Operating under the auspices of the General Agreement on Tariffs and Trade (GATT), the MFA currently has 43 signatories, the EU counting as

one. Until January 2005, under the system most imports of textiles and clothing into developed countries were subject to detailed quantitative ceilings, implemented through a combination of import and export licences. The MFA was therefore unique in international regulation of trade in industrial products in that it was a formal departure from the free trade principles of GATT. Especially as there is no regulation on exports from industrialized countries to low-cost producers and there are no regulations between the EU and USA.

Originally signed in 1973, the MFA has been renewed on several occasions, most recently in 1994 in Uruguay where an agreement was made to phase out the quotas over a 10-year period which ended on 1 January 2005. This regulated, gradual dismantling of three decades of protection for western textile and clothing industries has had a huge impact on the UK clothing market, probably even more so than for some of its other EU partner's countries for whom imports from developing countries as well as exports to them would grow. However during 2005 imports from China quickly grew by more than 100% for many items and so the EU set up its own quotas to control the influx of Chinese clothing and footwear. In a hurry to beat the deadline for new quotas, Chinese manufacturers speeded up imports and quickly exceeded their full years' quota. Consequently 75 million items of Chinese manufactured clothing were held in European ports until a resolution for their release was reached in August 2005. Whilst, many of the items were school uniform required by retailers for sales prior to the autumn school term, there was also a large amount of underwear leading to the dispute being called the 'Bra Wars'. These new agreed quotas will last until 2007.

#### *Legal aspects: children's nightwear and other safety considerations*

All children's nightdresses and dressing gowns, including threads and trimmings, have to comply with British Standard BS 5722. Those which do not must be labelled 'keep away from fire'. While manufacturers had two years to comply completely with this standard, some were still taken unawares.

Hoods on children's coats and jackets can no longer be drawn by a cord for fear of strangulation or being caught in something such as a fairground roundabout, which could result in the child being dragged along by the cord.

#### *Minimum wage*

The introduction of the minimum wage in 1995 undoubtedly affected UK clothing manufacturers. Labour costs in North Africa and the Far

East showed a widening gap from UK labour costs and many British clothing manufacturers set up their own units abroad, initially favouring Morocco, Tunisia and Sri Lanka, and more recently moving further afield mainly to China. British and European manufacturers also have to conform to a more stringent set of legal obligations and working standards than many other countries.

### Copyright

Any design is the creative work of the designer – it is an original and priced as such. Imitation can be said to be the highest form of flattery, but it is unlikely that any designers who have had their creations copied would agree.

There are essentially two types of copying, either of a logo or of a design, as shown in Figure 2.6. Both are very frustrating and often it is too late to do anything about it when, or if, the copying is discovered.

Logo copying might be imitations of the Lacoste crocodile, Mickey Mouse T-shirts or the copy of a registered design feature such as the Levi's stitching marks. Copies of this type are an infringement of trademark and the perpetrator can be sued.

Design copying can happen in one of two ways: first, before the garment is on general release, the thief can sketch designs at a fashion show, or steal the design sketches, computer tapes or discs from the designer's place of work, or even steal the actual garments. This can mean that the copies get into the shops at the same time as or even before the original. Secondly, designs can be copied once they are already in the stores.

Copies are usually cheaper and of inferior quality to the original and can give the original designer many problems. First, they will lose sales to the cheaper versions. At first sight the copies may not seem

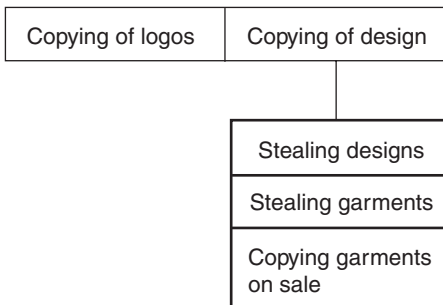


Figure 2.6 Copying of fashion.

any different to the unsuspecting buyer who usually would go for the cheaper version. Frequently it is only after wearing the garment or more particularly washing it that the quality differences become apparent. Fabrics do not wash or clean as well and seams will not hold as well. These quality differences can lead the original designer to get an unjustly poor reputation among the consumers who think that they are buying original labels.

Retailers could be criticized for encouraging this practice. Now that goods can be produced very quickly, high street stores pride themselves on having high fashion 'copies' available within their stores only days after they have been seen on the catwalks. Fashion magazines often have features, such as the *Sunday Times'* Style magazine's 'skinted and minted', showing their readers how to get a designer look at a fraction of the price by buying from high street stores. It is very difficult to decide at what point these items are blatant copies or merely following a fashion trend.

Copying of designs is not new. In 1975 the Fashion Design Protection Association was set up by Achilleas Constantinou of Ariella Fashion after he saw many of his designs in stores that he knew his company had not supplied. This was subsequently taken up by the British Clothing Industry Association (BCIA) who lobbied to get the Department of Trade and Industry to bring out the Copyright Designs and Patents Act in 1988. The aim of this Act is 'to protect creativity without restricting competition'. Designers are encouraged to claim copyright of their designs by signing and dating their original drawings. However, designs are often copied and sold in other countries without the designer ever knowing, although the effect might be felt in decreased sales and reputation. So these laudable efforts have not really solved the problem. Aside from the practical difficulties of time and cost in pursuing legal actions against the suppliers, there is still the problem of deciding when a fashion house is merely following a trend and when it is breaking the law.

One solution, used by Levi's, is to monitor the market outlets constantly, to make life harder for the counterfeiters. This may not be possible for a smaller company, especially when any monitoring has to be done internationally. Most of the copies are made abroad, to enable cheaper manufacture and avoid copyright laws. Another tactic used by Levi's is to tightly control the distribution of their red label tag stitched into all their jeans. They count out an exact number for their manufacturers and require exactly that number of pairs of jeans back from them, so preventing the manufacturer from producing overruns and selling them as originals.

Such is the problem that in November 1999 the Consumer Affairs Minister, Dr Kim Howells, attended the Sports Industries Federation



'War on Counterfeiting' conference in London. He pledged to 'Crack down on the "Mafia Gangsters" who peddle counterfeit sportswear costing the economy billions of pounds. Consumers need to know that fake goods are dangerous and damaging and rarely last as long as the genuine article'. Many companies are trying to do this crack-down themselves. Mulberry, the Bond Street producer of original leather handbag designs, took out 17 legal actions against retailers for copying their designs; only one reached court as the other 16 were all settled out of court. In all cases Mulberry won, either compensation or at least the withdrawal and destruction of stock.

## 2.6.2 Technological

As in all areas of industry new technology is making great inroads to improve quality of life and increase speed and quality of manufacture. In the area of fashion and clothing there have been many inventions. Some have had only minor effects on the market, whereas others have or are about to revolutionize them.

Other innovations in fabric technology are in the introduction of a variety of different properties in fabrics. Available in stores is heat-sensitive hosiery to keep the wearer warm or cold; moisturizing hosiery and underwear with a built-in fragrance capable of surviving up to 40 washes.

### *Fibres and fabrics*

Lycra is not a fabric. The trademark Lycra is the property of the US-based chemical company Du Pont and is an Elastane fibre that lends itself to whichever fabric it is mixed with. Lycra is therefore an additive that gives knitted and woven textiles the quality of lasting stretch and recovery. It was first developed in 1959 and its first real use in garments was in the 1960s in ski wear and men's cord trousers. It was really not until the 1980s that it took off in knitted garments.

Lycra has become a household name associated with dancewear, swimwear, hosiery, cling-to-fit fashion separates such as leggings and vest dresses, in fact anything knitted. Lycra overcomes problems of fit and movement for body-hugging designs. Manufacturers obviously benefit from associations with a consumer recognizable brand in premium, superior quality garments and fabrics.

Such is the swimwear market's reliance on Lycra that swimwear designers do not design their collections until they have received Du Pont's own fashion forecasts.

Lycra is now being mixed with woven fabrics for outerwear and tailoring to take advantage of such benefits as improved appearance,

better drape and less wrinkling. There is more development into adding Lycra to other cloth to create a wide diversity of fabrics. This has resulted in all kinds of finishes for fabrics using Lycra such as bubble, cire, shiny, matt, satin finish or printed.

The development of Lycra into other clothing, notably sportswear, has led to the increase of interest and sales in sportswear for professional, hobby and leisure purposes.

The clothing industry is extremely labour intensive, but installation of modern machinery fitted with the latest electronic controls is helping to improve productivity.

In the sportswear clothing field there have been huge developments in energy transfer fabrics which transfer heat away from the body so allowing sportsmen and -women to remain cool during their activity.

### Computers

The dramatic increase in the use of computers has not passed by the fashion world, as shown in Figure 2.7. One of the main uses of computer systems is that of computer-aided design (CAD). The implication that this can have on the speed of transition of goods from design to the shop floor is quite phenomenal. It also has great implications for the employment sector in this industry. It may be the saviour of the UK clothing industry if it is accepted quickly enough.

A CAD system can perform a wide variety of tasks:

- ◆ The programmer designs a motif.
- ◆ The motif can be enlarged to any size, and duplicated to cover a piece of cloth. This can then be viewed on the computer screen to see how the design will look on the draped fabric.

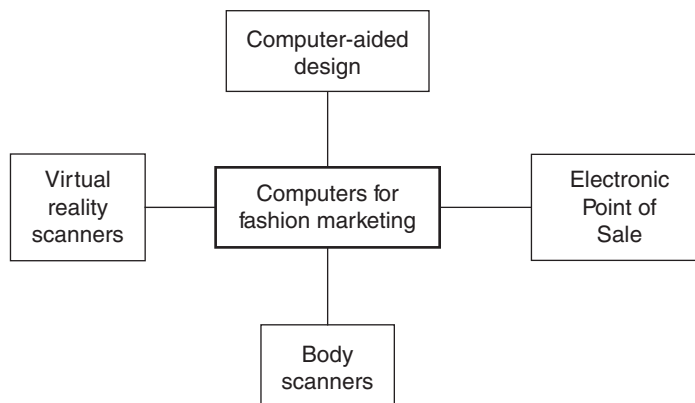


Figure 2.7 Computers in fashion marketing.

- ◆ The fabric can be tried in different colourways.
- ◆ The fabric can then be printed either directly onto the fabric using a bubble jet printer, or for larger lengths of fabric a printing layout can be produced.
- ◆ The operator can then design a garment, perhaps a blouse, by selecting different sleeves, collar, yoke, length, etc.
- ◆ The software will then print out a paper pattern to any basic measurements given.
- ◆ It can also plan a layout for the pattern pieces to achieve the optimum use of the fabric.

There is no reason why all these tasks cannot be performed by one skilled computer operator; however, the question today must be whether we need to train designers or computer operators. Although in 1992 only 150 out of 9000 fashion companies in the UK were using these systems to design garments, this number has increased dramatically, particularly as the systems become more flexible and prices are reduced.

These programmes can dramatically speed up the time it takes for a garment to get into the stores. They are also very cost effective both in terms of time saved and in minimizing fabric wastage. Perhaps the biggest saving that these systems can offer is in the area of pattern making and grading.

Some high street retailers like to deal with designers using this system as they can easily ask for adjustments to be made without delaying delivery time. So decisions are made more quickly and the buyer has more choice and influence.

Made-to-measure has been used as a means of producing garments since the inception of clothing. Since the industrial revolution, standardized sizing has gained prominence as it brings affordable garments to many markets. With growing populations comes diversity, the need for flexibility and the desire for better fitting clothes for all, not just those who can afford it. CAD can take a customer's measurements and reproduce designs or patterns for many different garments, quickly and accurately. It also can grade patterns for different sizes.

A further development in technology for the clothing market is for use in the made-to-measure market, where a system like a body scanner can be used to measure body size and shape within seconds to provide electronic tailoring.

In the future, virtual reality could transform the fashion business. There would be no need for supermodels or scrambles to get the front row at the fashion show. Designers could have the model they wanted parading around their salons, while clients could view whole couture collections in the comfort of their own homes.

Another major computerized invention for the retailer is EPoS (Electronic Point of Sale). This is very familiar in our supermarkets where bar codes are scanned to give the price. The bar codes can also tell the clothing retailer such information as size of garment, colour and how long it has been in stock. This information can then go into a central system that controls stock, and can, if necessary, rapidly reorder.

Computerized links with suppliers are growing in importance, speeding up order processing and improving the accuracy of transactions. The use of computers and EPoS has become very important in retail success in data capture at the point of sale, management of the merchandise and links with suppliers. Those retailers who have invested in these systems will fare best in the future.

### *Internet*

With 86% of all homes in the UK having Internet access in 2006, clothes shopping via the web is predicted to continue to increase from the estimated 4.1 billion or 1.8% of retail sales estimated by Mintel (2005). While most fashion retailers now have established websites, but there are mixed fortunes in terms of online purchases. The tactile dimension of clothing purchases, the salience of colour matching with skin tones and the variability in sizing are all factors that continue to inhibit the use of the Internet by some customers. In addition, many consumers still express concerns about the security of passing credit card details over the Internet. The body scanner mentioned above could be used to see whether the clothes available via a website will fit the consumer before a purchase is made. Companies that have been most successful such as Next use a multi-channel format of store, catalogue and website. Other successes have been amongst those who specialize in selling online such as Asos with their celebrity inspired fashions or Figleaves with lingerie.

### *Television shopping*

Still in its infancy, shopping via interactive television direct from the armchair has a similar potential to change how we buy clothing. However, growth of this area is limited by the same inhibitors as those connected with Internet shopping. Figures from Mintel (2003) estimate sales to be worth £395 million and only take a 2.7% share of the total home-shopping market.

### *Body scanners*

Body scanners are a way of collecting 3D data about a consumer's body shape and size. By standing, fully clothed, in a booth or pod, up

to 3000 body measurements can be taken in a matter of seconds by cameras and lasers. Minutes later an accurate true to scale 3D body model can be produced. This technology is already being put to a variety of uses. Whilst mass production companies can now ensure that their garments more closely fit the average consumer, the greater benefits will be made by the made-to-measure market for which measurement is both quick and accurate. Retailers are also finding uses for this technology. Selfridges, on Oxford Street, London, offer body scanning in order to produce custom-fit jeans. The customer can choose the fabric, rise and leg style and be assured of a perfect fitting pair of jeans. In some Gap stores consumers can use the body scanner to help them find which brands and sizes will offer the best fit. There are even predictions that body scanners could eliminate the need for changing rooms. The one market where they could reap most benefits are in clothing purchased online. Internet sales still suffer from consumer dissatisfaction due to poor fit and consumers frequently do not bother to return goods that don't fit, they just don't bother shopping with that company again. In time consumers could have their own body scan on their computer they could 'try on' clothes from participating online retailers. Early efforts in this area have been made by some organization such as Landsend to offer 'My Virtual Model™'. An attractive mannequin can be programmed to assume a customer's shape, skin tone, hairstyle and facial features, and customers can try clothes on their model to check fit and co-ordination of different outfits. Clearly this is more fun than accurate but as a tool for getting the customer involved with the merchandise it is very effective.

### 2.6.3 Demographics

This is the study of changes in the size and make-up of the population. While these changes occur slowly and can be predicted well in advance, only the foolish manufacturer ignores the effect they might have on business. The UK has begun to undergo a quite radical change in the make-up of its population and many of these changes will have strong repercussions on the fashion clothing market.

#### *Customer size*

As a nation we are changing shape and businesses are being forced to cope with the larger customer. Adult obesity rates have almost quadrupled in the past 25 years and now 22% of Britons are obese, classed as having a body mass index of over 30, and three-quarters are overweight. The implications for the fashion industry are obvious

in terms of sizes, stock levels and styling. Not only are people heavier but the average height for both men and women has increased by 10mm. This has implications for all sorts of goods and services such as transport, furniture and clothing.

Many clothing manufacturers are offering goods in a wider range of sizes or a more generous cut, although some have pandered to their customers' vanity and disguised the increase in size, Marks and Spencer have admitted that a size 12 made in the 1980s is not exactly the same as the equivalent size now. Even high fashion retailers targeting the younger consumer are realizing the need to cater for a broader range of sizes. Top Shop now offers a selection of their clothing up to size 16 and Next up to size 22, although availability is greater online or in the directory.

Apart from offering a wider range of sizes, some stores have a special own range in store, e.g. Bhs's range 'Extra', and H&M's range BiB. Many stores, including Marks and Spencer, also have petite ranges and New Look has a range for women over 5'7". There are also more retailers catering solely for the larger customer. High and Mighty, as the name suggests, is a growing chain for men. Dawn French has an upmarket store in South Molton Street in London for women sized 16 and upwards. If the trend continues the time may come when it is the size 10s who are complaining that they cannot find anything to wear.

An ironic contrast, however, is the concern for people, particularly women, who try to stay extremely thin or have eating disorders. For them, stores are stocking jeans in sizes 6, 4 and sometimes even smaller.

### *Changes in the family*

The much quoted statistic of the family with 2.4 children has changed. In recent years it has fluctuated around the 1.8 mark. Couples are tending to marry later and start a family later. This gives them the opportunity to become more financially stable, to get further on in their careers and to have more disposable income to spend on their children, some of it on clothing. More exclusive children's clothing shops have, like many others, suffered during the recession of the early 1990s. However, there is still a substantial designer market for childrenswear whether the garments are bought as gifts from generous grandparents or as regular clothing by more financially indulgent parents.

With more people remarrying and starting a second family in their late thirties and early forties, there is a need for maternity wear for the more mature expectant mother, who may also be working at the time. Whilst the high street caters quite well for the younger mother

within high street stores such as New Look and H&M, there are several successful companies who sell mainly via catalogue or online. JoJo, Maman, Bebe and Isabella Oliver offer more upmarket ranges with a high design element to cater for the more mature and more affluent mother to be. These mothers will also want to keep a youthful appearance consistent with their young children so there are other market opportunities for post-natal ranges. Further details about the role of the family in purchasing behaviour are given in Chapter Three.

### *Age changes in the population*

The British population is forecast to rise by less than 2% between 2005 and 2010, but the significant impact on the clothing sector is the large changes to the structure of the population. Notwithstanding minor fluctuations, the long-term decline in the number of 15–24 year olds, high spenders on clothing, continues, albeit slowly. Table 2.7 illustrates how different age ranges will be affected.

### *Children*

Over the past 15 years there have been fluctuations in the size of the population in different children's age bands. However, it is estimated that, despite the increasing trend for women to be older when they

**Table 2.7** Population trends (male and female), Great Britain (in '000s)

Age range	% Change		
	2000–2005	2005–2010	2010–2015
0–4	–3.48	+2.15	+0.64
5–9	–6.39	–3.27	+2.15
10–14	–0.72	–6.36	–3.34
15–19	+9.14	–1.94	–6.25
20–24	+11.39	+7.75	–1.60
25–29	–7.88	+10.77	+6.88
30–34	–9.36	–7.52	+9.79
35–39	+0.84	–9.34	–7.70
40–44	+12.98	+0.65	–9.33
45–59	+5.57	+4.29	+6.91
60–64	+7.37	+20.58	–8.33
65–74	+2.19	+7.56	+15.68
75–84	+5.41	+1.86	+8.10
85+	+5.08	+16.87	+12.15
Total	+2.25	+2.34	+2.27

Source: Adapted from Government Actuary.

have their first child or even the move towards having a 'second family' with a new partner, there will be little growth in the children's market.

However, changes in the children's market can still present many opportunities for clothing and footwear demand for infants. Many retailers have recognized this and the market is very competitive. Retailers can best compete by offering good styles and designs with good value for money. The premium end of the market shows room for some expansion with many children's only label such as Miniman and Oilily, plus many adult designer labels offering diffusion children's ranges such as Baby Dior, Moschino, Armani, Ted Baker and DKNY.

The 10–14 years of age children's market remains underdeveloped in retail terms at present. Marks and Spencer have all but withdrawn their attempt to appeal to teenagers. Next fare better but sell most of the teen boys range online or via the Next Directory. The one apparent success with stand-alone stores was Tammy Girl a younger extension of the Etam range. Now under the control of Philip Green, owner of the Arcadia group and Bhs, Tammy would appear to have been demoted and is now only offered within the Bhs stores, reinforcing the opinion that this is a very difficult sector at which to win. The increasing interest in sportswear and sportswear labels would suggest that it is the sports outfitters that are best satisfying this group.

#### *Traditional core market aged 15–34*

The traditional core market for clothing suppliers, that of men and women between the ages of 15 and 34, declined rapidly between 1990 and 2000 when stores for whom the lower end of this market was key, such as Miss Selfridge, suffered as they saw their customer base drop by about a twelfth. This age group has remained fairly steady since then. Whilst the high spending 15–34 year olds will continue to remain steady in numbers as a group until 2010, there will be a drop in the 30 year olds at the top end of this market. There may be some consolation in the fact that the 20-year-old group will grow slightly, although they also have most demands on their finances with mortgages and many are starting to have families.

#### *The mature market*

In 2005 almost 56% of all inhabitants in Britain were aged 35 years or older. By 2010 the number of 45–54 year olds is expected to rise more rapidly than any other age group. Previously people of this age would have been grouped together with older consumers who traditionally spend less on clothing, particularly men, than consumers in



their late teens, twenties and thirties. They bought fewer garments and often spent less per garment than younger people. But emerging from this group is the new 'middle youth' market as they are sometimes referred to, who have a greater interest in health, fashion and shopping, and whose members, particularly the women, are a potentially lucrative market for the retailer who can offer the right formula.

Going against this tradition of being the lowest spenders on clothing, in recent years, the spending of the 55–64 year olds has risen dramatically, particularly that of women. This increase is expected to continue as they benefit from inheritance money from older relatives.

Most older groups, particularly towards the higher end of the age bracket, are not as interested in fashion as in comfort and quality of clothes. They buy fewer and lower priced items than younger people. However, price is now becoming less significant and service levels are of increasing importance. There are now more magazines aimed at them and a somewhat improved choice of merchandise in the shops. Such people are influenced in their fashion attitudes by their growing affluence and are more aware of different styles. This is mainly due to having been brought up in the post-war boom years. Retailers aiming to serve this older market are responding with updated classic ranges, particularly for women. There is, however, still an opportunity to stimulate more menswear sales to older consumers by updating ranges and retail presentation.

## 2.6.4 The social and cultural environments

These can cover a wide range of issues, but are basically the society-wide influences, values and changes that can affect the market.

### *Leisure activities*

Changes in the amount and types of leisure activity have resulted in a move away from formal codes of dress to much more casual styling. The increased amount of leisure time that many people have, due to shorter working hours, more electronic help in the home and convenience foods, has led to a need for more clothing to wear in these leisure hours.

Leisure wear, particularly in the guise of sportswear, has become a style to wear during the whole day for most ages and socio-economic groups. Nearly everyone wears some form of sportswear, be it T-shirts, sweatshirts, jogger bottoms or polo shirts. Tracksuits and trainers are almost a social uniform, in some parts of the market, for many daily activities such as shopping, housework, looking after children, dog walking and of course sports activities themselves.

### *The role of work*

The market for menswear and womenswear is very different in terms of the occupational status of consumers. As far as the 'working wardrobe' is concerned a wearer's occupation influences both his or her garment needs and how much they can actually spend. Changes over time in the occupations that comprise the labour market can therefore have a major effect on the overall size and composition of the domestic clothing market. The relationship between the structure of the labour market, socio-economic groups and purchasing is developed further in Chapter Three.

The past 20 years has seen a gradual increase of working women to now make up just over 70% of the workforce. Less free time, more disposable income and a need for clothing for work all have implications for the clothing market. Although many of these women work part time, it is still be the case that working women have less free time in which to shop, but more disposable income. The desire to dress smartly, along with the desire for financial status, results in more spending on clothes for different occasions.

Women in supervisory jobs tend to spend well above the national average on their wardrobe. While there are still very few women in professional and higher managerial jobs, they do tend to spend more on their outerwear than the national average for women and are a small and highly lucrative market.

Economically inactive women spend well below average on clothing but cover a broad spectrum of ages, purchasing power and reasons for not working, for instance they may be students, pensioners, unemployed or women whose husbands have well-paid jobs.

For working men there has been a long-term shift from blue-collar to white-collar work, which one might think would stimulate consumption. Now that the UK is enjoying high levels of employment and the steep rise in unemployment during the recession is over, sales of formal workwear have not returned to their previous levels. This is partly due to fashion changes, but pressure on the finances of many of its core customers can also be a strong contributory factor.

### *Seasonal factors*

Clothing producers and retailers have always found that demand for their goods is subject to the vagaries of the weather and the seasons. New ranges are introduced at certain times of the year in the expectation that the weather will be as normal. In the past few years the weather has been quite 'unseasonal' on many occasions. Summers have either arrived early and lasted longer than expected or even appear not to have arrived at all. Winters have been milder and suppliers have

often found themselves with the wrong stock for the weather. This has led to a loss of profits either through lost sales due to shortages of clothing or through heavy discounting to get rid of leftover end-of-season stock. When viewing figures seasonally, it is necessary to look at several years together to avoid the bias of the extreme vagaries of the weather although as a trend we are buying less heavy overcoats and more summer wear.

Clothing sales are generally very low in January and February with only around 6% of the total annual consumer sales. Childrenswear is particularly weak here, whereas in September sales of school clothing make this month the second most important sales period for childrenswear. June is far more important than September for menswear and womenswear. This is the beginning of summer and the holiday season when around 10% of womenswear is bought, with menswear sales just slightly lower.

The largest amount of clothing is bought in December with 17% of total annual spending taking place. A large part of these sales is for gifts. This month is especially important for menswear as men very often receive clothing as gifts. Even the high volume of sales in the January sales in no way matches the bumper sales period before Christmas.

### 2.6.5 'Green' and ethical issues

As many consumers are accepting the concept of conserving and recycling in other areas such as washing powders and paper, so they may soon be questioning the need for constant renewal and replacement of clothing to follow fashion. To the environmentalist an industry that advocates continual change and ensures inbuilt obsolescence in its products is far from attractive.

To satisfy the environmentally conscious consumer the pace of fashion changes must slow down. The emphasis needs to shift from short-term fads to durable styles, comfort, quality and real innovations in fabrics and style that add to garments. There is already pressure to develop 'green fabrics' with demand for more organic cotton and an increased use of hemp but 'green clothing' is also likely to become an increasingly important issue. There will be a need for the recycling of fibres and fabrics, and production of biodegradable clothing.

Since successful companies need to recognize and anticipate consumer needs and desires, research and development into these environmental issues should be happening now.

Aligned to the concern of fabrics themselves is a concern over manufacturing conditions now that so many garments come from countries where wages are low and working conditions can be bad.

### *Green issues: the response of retailers*

There have been several attempts to launch environmental clothing ranges by labels such as Esprit and Claus Steilmann, but the high-profile attempts by some parts of the fashion industry to become greener have yet to have any significant impact. At the retail end of the business, the major chain stores are examining how they can run their stores in a more environmentally friendly way. Most of their efforts may appear minor, but in total they could be quite significant.

Environmental efforts include:

- ◆ the use of recycled paper for till rolls;
- ◆ using recycled plastic and actually recycling garment overbags;
- ◆ recycling hangers and not offering them to the customer, but returning them to the clothing manufacturer to use again;
- ◆ using less packaging: Marks and Spencer now use virtually no extra packaging for most of its garments, a far cry from when jumpers were all packed in cardboard and cellophane;
- ◆ using fewer hardwoods for fittings in store design;
- ◆ using more energy efficient transport, etc.

Hoechst, a European polyester and fibre manufacturer, was the first fibre company to gain a certificate under EMAS, the European Eco-Management and Audit Scheme. The review of its environmental practices led to a comprehensive report on energy and water consumption, production emissions and recycling.

Marks and Spencer, in particular, are taking environmental concerns into account. They are aiming to keep abreast of such issues and take them into consideration in their buying decisions and operational areas.

### *Second-hand clothing*

In some high street shopping centres charity shops seem to be almost as common as new clothing shops. The huge increase in the number of these and second-hand clothing outlets can be explained in many ways. As people buy more new clothing the second-hand clothing shops are an obvious place for them to dispose of their unwanted fashions from last season. Economic reasons could lead us to assume that lack of money means that the only clothing some people can afford is from the second-hand market. Or it could be that more environmentally conscious people are preferring to buy second hand and so recycling clothing rather than always buying new. The retro look of the late 1990s meant that second-hand clothes shops were a good source of desirable genuinely fashionable items.

One 'new' trend for the 2000s, partly fuelled by its popularity at red carpet events such as the Oscars, is vintage clothing. Be it a 1950s Dior dress or a 1970s Vivienne Westwood T-shirt, period pieces by well-known designers are becoming much sought after. Top Shop on Oxford Street, London, has a whole floor devoted to vintage clothing and several of London's famous markets such as Portobello Road are good hunting grounds for second-hand/recycled/vintage clothes. Many new websites have been launched devoted to the buying and selling of garments from another era. Ebay, whilst not exclusively selling clothing and accessories, plays a big part in this desire for recycled fashion.

### *Environmentally friendly fabrics*

During the late 1980s, when there was a sudden focus on environmental issues, the textile industry was forced to improve its processes as a result of increased legislation. It had become evident that environmental damage was being caused by gaseous and liquid emissions from the industrial processes of many producers, including textiles.

New legislation covers, among other things, the wet processing activities such as dyeing and finishing. Already, many firms are spending large sums to reduce gaseous emissions from their processes and are investing in systems for recycling dyestuffs and other chemicals and even water.

There is much misinformation in the media that natural fibre fabrics are best, leading many people to think that natural fibres are good for the environment and synthetics are automatically bad. Most of this thinking is based on negative perceptions of the chemical industry. Although natural fibres biodegrade more easily, some give off toxic gases as they do so. Some processes for making synthetic fibres are actually friendlier to the environment than those for making natural fibres, especially when energy and water usage are taken into consideration.

It is not only the manufacture of the fabrics that is of concern, but how they biodegrade after disposal. Germany's leading clothing producers have been working on a range of biodegradable garments.

While the textile industry is usually blamed for the unfriendly emissions and wastage, it is arguable that the clothing manufacturers and fashion designers should really be blamed. They are the ones who dictate that strong dyed fabrics are required or non-crease products that need to be made from the thermoplastic properties of synthetics. The clothing and textile industries need to integrate their efforts for the future.

Whilst the consumer does not often consider the manufacturing processes, the desire for organic products, popular among food

stuffs, has also moved into clothing. The use of organically grown natural fibres fulfils the needs of those with sensitive skin who react to chemicals and those with a greater environmental conscience.

### *Fair trade*

With such a large proportion of clothing imported from overseas, concerns are growing regarding the working conditions within factories in some Asian countries. Large organizations such as Marks and Spencer and Nike have been accused of outsourcing to factories using the so-called 'sweatshop' labour. Often employing children, long working days in potentially unsafe and uncomfortable conditions are demanded in return for very low pay. Companies need to be able to reassure their customers that goods are manufactured ethically and fairly by closely monitoring the factories that supply them.

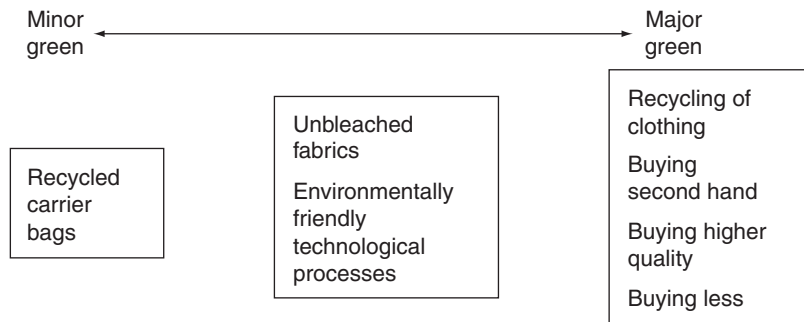
Some smaller organizations use overseas labour not for their low wages and ability to mass produce, but for the special skills that people can offer in hand-made garments.

### *'Green' fashions*

Green fashion can be viewed in several different ways. On a simple level there is a growing movement against labels and conspicuous consumption. Some people are shying away from dressiness and are returning to basic clothing. Basics are usually part of traditional workwear – they have a high degree of functionality, and are simply cut and built to last. Doctor Marten boots and denim jeans are items of clothing that could be considered to be following the green ethos of less consumption as they are classic items that will not date and will only need replacing when they have worn out. Some of these views are shown in Figure 2.8.

In the late 1980s we also had the 'ecology look'. Fabrics were natural in both feel and colour. T-shirts available from the designer shop to the local chain store were adorned with environmental messages. Coming at a time when consumers had had enough of overt consumerism and the Yuppie look, the ecology look fitted in nicely as a contrast to the structured silhouettes and wide shoulders of the previous fashion.

The controversy over who is to blame for the less environmentally friendly fabrics, designer or textile manufacturer has not gone unnoticed by some designers. Most denim producers have replaced traditional chemical finishing by using pumice stone to achieve a stonewashed fabric finish. These new fabrics and processes will cost the consumer more. As with many environmentally friendly products there is a conflict of interest. Consumers and retailers seem to want



**Figure 2.8** How 'green' can you be in fashion?

new, environmentally sustaining products but are reluctant to pay for the additional cost involved.

Friends of the Earth have produced ranges of 'green' fashions using unbleached, undyed cotton. This satisfied the ecology issue but not the fashion issue, and sales have been rather limited. They were avoiding the issue by not using any processes rather than finding 'green' solutions to enable fabrics to be used for fashion items.

The next logical stage is for designers to now take these issues on board. Many, such as Katharine Hamnett, are concerned about the fabrics they use and are developing more environmentally friendly fabrics. It has taken time for these to 'trickle down' to appear in the garments stocked in high street shops and they still do not constitute a large part of what we buy. One company, Edun, set up by Bono and Alison Hewson aims to offer a clothing line for people with a social conscience. They use organic fabrics, made up in environmentally friendly factories with ethical working conditions.

Paris held the first 'Ethical Fashion Show' in 2004 offering a platform for ethical and environmental designers around the world to showcase their clothing and accessories. Now an annual event, up to 50 designers show to the increasing number of distributors who want to sell designs that are ethically produced and environmentally friendly.

Another environmental concern for consumers is the risk of skin cancer that depletion of the ozone layer and excessive exposure to the sun may bring about. New ranges of beach and swimwear offering UV protection of up to 97% are being seen at holiday resorts, offering even more opportunity for Lycra.

### 2.6.6 Economy

General economic factors such as income, employment and home ownership have just as great an effect on the clothing industry as

on other product groups. Consumer expenditure on new clothing is very dependent on the general state of the economy measured by the gross national product (GNP), their employment status and their disposable income. There are many other factors that influence the shape of the market for clothing and footwear. Consumer spending is influenced by some economic factors mentioned above while lifestyle changes that occur, such as getting married, having children, children leaving home and retirement, all alter people's requirements and aspirations for clothing and footwear. Clothing is one area where in recent years there has been price deflation, sales growth in volume is exceeding sales growth by value, people aren't buying less clothes but the clothes are becoming cheaper. In the 1960, households spent on average 10.3% of their income on clothing. This fell to less than 6% in the late 1990s and have more or less stayed at that figure ever since. This relatively low figure can be accounted for by the ability of manufacturers and retailers to source from around the world and constantly respond to competitive pressure on prices.

#### *Recession versus 'feel good factor'*

In the late 1980s and continuing into the early 1990s the UK was in a recession that was mirrored throughout the world. Increasing unemployment and high interest rates led consumers to be wary of spending more than was necessary. This in turn led to more frugal spending on clothing and a partial rejection of fashions that require a total new look, causing a move towards more classic styles that will last beyond the next season.

By the late 1990s there was discussion in the media of a 'feel good factor' in the economy, but this did not necessarily reach the clothing stores, many of which had somewhat lost their direction and positioning in terms of consumer needs. In the new millennium people may feel the benefit of low inflation rates, easily available credit and a consumer confidence that their standard of living will stay the same or get better. This can lead to more spending but with clothing, and the price deflation experienced in the market, more items purchased do not necessarily relate to more spending overall.

#### *Unemployment*

Local spending power can be greatly influenced by unemployment, which varies considerably from region to region within the UK. The retail sector of whole towns can be devastated by the closure of a large local employer.



**Table 2.8** House price increases, 1997–2006  
(index 1997 = 100)

Year	Standard Price	Index
1997	68 042	100.0
1998	71 704	105.4
1999	81 595	119.9
2000	84 293	123.9
2001	90 590	133.1
2002	106 195	156.1
2003	129 450	190.3
2004	157 091	230.9
2005	162 783	239.2
2006	177 962	261.5

Source: Adapted from Halifax UK House Price Index.

### *Home ownership*

Home ownership has been increasing steadily since the end of World War II. However, as interest rates rose, the cost of mortgages greatly increased for a time, putting pressure on owner-occupied households. Even as rates began to fall again, consumer caution and the switch to saving spare cash may not result in the anticipated increase in spending. With average house prices having risen more than two and a half times over the past 10 years, homeowners have gained in confidence as they have seen the price of their house rise (Table 2.8). Coupled with relatively low interest rates homeowners have been able to spend more on themselves. They are more willing to access the equity in their homes by remortgaging. Conversely high house prices mean that it is hard to get a foothold onto the property ladder for first time buyers. They are having to save hard for a deposit and then take out large mortgages to buy even the most modest property.

### *Credit cards*

There is concern that consumers and their willingness to take out personal loans and credit will follow the pattern of the 1980s. At that time consumers were more willing to borrow when their homes rose in value and were confident to extend their personal loans in the knowledge that their assets were appreciating in value faster than the rate of inflation. However, as the rise in interest rates caused depression of the housing market, and the value of some properties fell, the banks, so willing to lend in the 1980s, restricted credit. Spending on plastic cards has increased over four times the amount spent 10 years

ago, although this does include debit as well as credit cards. Usage of store cards as consumers have realized the high interest rates being charged or as they are converted into store credit cards, likes Marks and Spencer, where purchases can be made in other stores using a Marks and Spencer credit/store card.

The rest of Europe does not have the same love of credit cards and willingness to go into debt as the British, having a much greater reluctance to take on the high levels of debt as seen in the UK.

### *European Monetary Union*

In January 1999, 11 of the 15 EU members at that time joined the European Monetary Union (EMU) and now have a single currency – the Euro. Currently, the UK Government does not feel that the economy fulfils the five economic tests set out by the Maastricht Treaty, and so UK membership is still on hold. The likely addition of the UK to the EMU in the next few years will mean that stores will trade in the Euro. UK retailers will gain the chance to trade more easily in a wider European market although this will also mean more competition. It will be possible for EU consumers to easily buy throughout Europe and the world via the Internet.

### *Exchange rates*

Both exports and imports are greatly affected by the strength of the pound. Since the late 1990s sterling was particularly strong, making imported clothing cheaper and hampering clothing exports by increasing their costs in foreign markets.

## 2.7 Trends in the marketing environment

Trends are relatively slow-moving changes in the marketplace that can occur for a variety of reasons, and businesses ignore them at their peril. Sometimes trends are business led and sometimes consumers lead the way. General fashions can change very quickly and go from one extreme to another whereas trends in clothing fashion tend to be slower and build upon themselves rather than ignore what went before.

### 2.7.1 Styles and consumer preferences

While there probably will always be people who are interested in high fashion there has been a noticeable move away from status and image

dressing. Consumers still demand fashion, but they are requiring more understated styles that combine realism, comfort and practicality.

Changing work and lifestyles, with more time for leisure pursuits, are speeding the change from formal wear to a more casual look and sportswear. There is an increasing blur of divisions between active wear and fashion. Sometimes the sports store and boutique seem to be carrying almost the same merchandise.

The explosion in sportswear sales has been accompanied by a sharp rise in demand for other casual garments. Sales of conventional jumpers and cardigans have suffered a severe contraction as casual knitwear such as T-shirts and sweatshirts have grown in popularity.

Demand for womenswear is as crucial as ever to the health of the domestic clothing market. Demographic changes have already been mentioned and these will quickly affect the relevant markets. First, the upper end of the children's market should be considered. Secondly, customers in their late forties and fifties represent a great opportunity.

These changes and the long-term weather pattern are encouraging lighter weight clothing and trans-seasonal clothes, where many people no longer have a winter and summer wardrobe, but use the same clothes year-round. There are two distinct shifts in clothes labelling. Many manufacturers are continuing to manufacture or source under their own brand, such as Dorothy Perkins, Next or Karen Millen. Other stores are using and promoting the clothing designers themselves or bringing in strong brand names, particularly in the area of sports clothing. Some of these issues concerning taste preferences and seasonal aspects are developed further in Chapter Six in the context of product development.

### 2.7.2 Manufacturing

Retailers are increasingly under pressure to carry less stock in the interests of greater efficiency, and to offer the customer more choice, more often. This means that suppliers are required to deliver shorter runs of merchandise more frequently than in the past.

Too many manufacturers have also been taking a back seat and relying on retailers to keep them in touch with customers' demands. In the future the most successful manufacturers will be those who invest in market research, design and technology.

### 2.7.3 Trends in fibres and fabrics

Performance and versatility are becoming increasingly important. Customers are beginning to seek out specially engineered high-tech,

high-performance fibres and fabrics such as Lycra and the tactile fabrics and ask for them by name. They are looking for fabrics to fulfil not only a fashion or style function, but also a clearly defined performance need.

Polyester and cotton are still the most widely used fibres, either on their own or as the dominant (50% or more) fibre in a blend; however, natural fibres are still more popular, and it is expected that their use, often for reasons of cost and handling properties, will rise further. Polyester is gradually losing ground and more cotton-rich blends are being used. Wool is still popular but for cost reasons it is again bought more as a blend than a pure fabric.

The main area of development in fabrics is still in blending stretch Elastane yarns. They are being applied to a much wider range of fabrics either for fashion effect in body-hugging styling or for comfort and recovery in outerwear and tailoring.

Microfibres such as superfine polyesters and polyamides in new forms and applications, especially in blends with other fibres and knitwear, are likely to remain the main area of interest for some time to come.

### *Changes in the pattern of shopping*

Despite current government policy to limit the increase in out-of-town developments, the trend is towards large drive to shopping malls and complexes. This shopping trend is supplemented by the growth in catalogues and may be joined by a move towards electronic shopping.

## 2.8 Summary

- ◆ This is a time of change for the clothing market. The companies who survive will be the ones who initiate change and adapt. There is not much scope for those who are slow and lag behind. In the medium term there seems little prospect of a return to the high rates of growth in clothing sales seen during much of the 1980s.
- ◆ Unless they can offer the discounted prices and high value that customers are looking for, many companies will find that they can only survive by moving away from these price-sensitive parts of the market into segments where quality, design, variety and quick response to changes in fashion and consumer tastes matter more than price. Although now with an expectation of low prices, it will be hard for customers to accept much in the way of price increases as spare income has already been allocated to other things. If anything they are

moving the other way, demanding more quality and styling from retailers whilst still keeping prices low.

- ◆ In terms of clothing people are growing older later and there will be opportunities for producers and retailers who can meet the demand from older and more discerning customers who are looking for the current fashion styling in their clothing but adapted more closely to their needs such as better quality, more comfortable styling and well-informed friendly service.
- ◆ The market is not changing very much in overall size but there will be major demographic growth in certain areas. Age bands offering significant scope for sales are among the young adults (20–24) and 45–54 year olds.
- ◆ There is an increasing interest in designer labels resulting in more diffused lines and more mixing of labels and clothing at very different price points.
- ◆ Garments manufactured overseas are dominating the UK High Street. To compete the UK has to offer a quick response, meaning low stock levels for the retailer, especially as the seasons become less distinct and retailers want to offer more frequent seasonal ranges.
- ◆ Customers are choosing to buy their clothes from wherever suits them best, be it high street stores, out of town shopping malls, supermarkets, catalogues or via the Internet.
- ◆ Fashion is moving into an era where marketing techniques will be more influential than ever before. Clothing producers need to be far more aware of consumer needs. To a large extent fashion still leads, but consumers are beginning to exert more leverage in the issue. No longer will they merely wear what is dictated to them. The customer is becoming king.

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**Part B**  
**Understanding and**  
**Researching the Fashion**  
**Purchaser**

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# Chapter Three

## The Fashion Consumer and Organizational Buyer

### 3.1 Introduction

This chapter is concerned with the behaviour of fashion consumers and organizations that purchase fashion products and services. The relevance of fashion buyer behaviour is examined and links with marketing research, market segmentation and the marketing mix are established.

An outline of consumers' decision-making is given. The types of decision made by consumers are described and the stages in the decision process are discussed. From the perspective of the buyer as a problem solver the chapter then focuses on the consumer as an individual. The main psychological variables relevant to fashion consumption are identified and outlined. For example, an understanding of the perceptual process allows us to comprehend more easily why some fashion promotional messages are more effective than others.

Fashion goods enable people to show identification with, or separation from, certain social groups. Clothing can be a symbol of belonging or alienation. To understand the fashion consumer, the broader social forces that help to shape individual buying behaviour are assessed. These social dimensions include the family, social stratification, opinion leadership and cultural factors. Some people are more ready to adopt new fashions than others, and the study of diffusion and opinion leadership helps us to understand why this occurs and what may be done to facilitate the process.

Fashion firms not only sell to fashion consumers, they also sell to other firms in the industry. An obvious form of organizational buying is sales within the fashion distribution channel and this is described in Chapter Eight. Another area of organizational buying of relevance is that of the corporate consumer, for instance the purchase of uniforms

and distinctive clothing as part of a company's image. The nature of organizational buying will be outlined, and differences and similarities with consumers will be highlighted.

### 3.2 Why study the fashion buyer?

A central component of the definition of fashion marketing is satisfying customers' needs profitably. To achieve that it is necessary to understand consumers, their needs and wants, and how they will respond to various marketing efforts.

Everyone interested in fashion marketing brings a particular quality to their studies, i.e. their experiences as a fashion consumer. That experience is a mixed blessing. The benefits are that concepts from consumer behaviour can be understood and readily applied to one's own clothing purchases. The main drawback is the temptation to generalize and assume that all other fashion consumers behave as we do. The unfortunate fact is that the study of fashion marketing will probably change buying behaviour and make the expert fashion marketer atypical. Greater knowledge of products and promotional processes coupled with enthusiasm for fashion mean that there is a dislocation from typical consumers. Interestingly, many serious market research companies exclude marketing personnel as survey respondents because of their tendency to be atypical.

As will be seen when looking at social processes in consumer behaviour, people tend to live within fairly narrow social networks. They interact with others of similar social status and sets of interests. For fashion marketers, the danger is that these narrow social networks reinforce 'world views' of what is good about fashion and this becomes the explanation of what all consumers want. The key point is that opinions should never be accepted without question and that fashion marketing decisions should be based on evidence about the market, and not just on introspection.

Each consumer is unique and that is a good reason to trust sound marketing research rather than hunches based on the extrapolation of personal motives. As a starting point for marketing research hunches are useful when they are regarded as ideas to be tested. Therefore we can ask:

'Do many people share this view?'

'How many?'

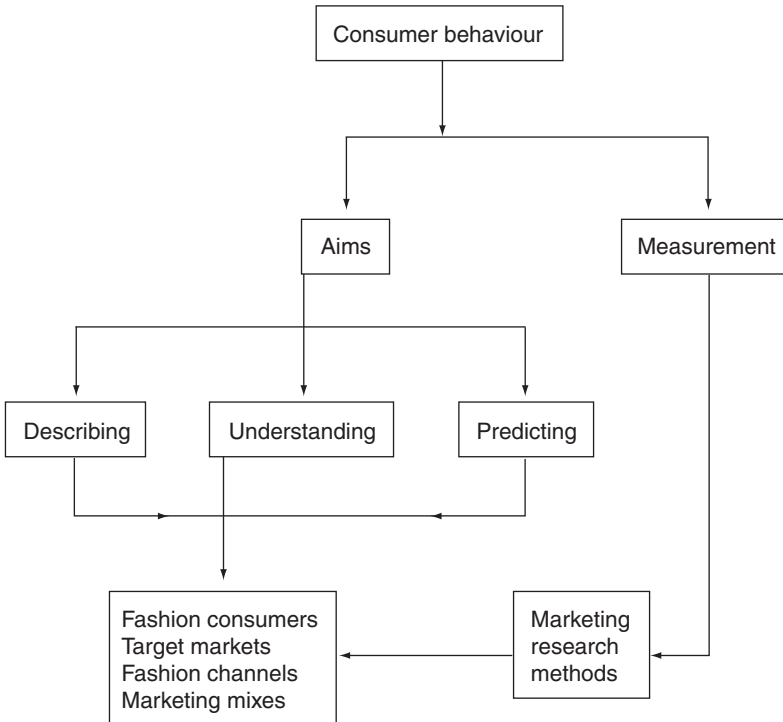
'Do they have any other views that are more strongly held?'

For example, a fashion designer may be inspired by the reflection that business travel for the female executive would be enhanced by a

small range of light flexible garments that do not crease. This inspiration may come from the designer or from his or her friends. The next stage is to determine via marketing research, how many women engage in business travel and of those, how many feel that the current clothing market does not meet their precise requirements. Chapter Four provides detailed coverage of marketing research techniques used to measure the behaviour of the fashion consumer.

### 3.2.1 The role of consumer behaviour in marketing

Consumer behaviour provides a range of concepts to help fashion marketers think about their customers, and marketing research provides the techniques to measure those concepts. Consumer behaviour is also closely integrated with all other aspects of fashion marketing, but most notably with the selection of target markets and the development of marketing mixes. An overview is given in Figure 3.1.



**Figure 3.1** The role of consumer behaviour in fashion marketing.

### 3.2.2 Consumer behaviour and target marketing

As mentioned earlier each consumer is unique. Besides bespoke tailoring and couture items, most fashion marketing is concerned with the provision of standardized garments aimed at particular groups of consumers. All consumers are different from other consumers, but, and this is not contradictory, they are similar to some other consumers. The marketing of volume clothing demands that groups of consumers with similar needs be identified and then supplied with similar products. Chapter Five considers the nature of target marketing further, but for the moment the links with buyer behaviour will be noted.

If the total market for clothing is considered it can easily be seen that it really comprises many smaller segments, each with specialized needs. Obvious bases for the segments include age, gender and income. Less obvious, but as important, may be segments based on psychological or social characteristics that are common to significant numbers of consumers. For example, consumers differ in their levels of aspiration and also in the relationship they see between clothing and the achievement of social mobility. Throughout the twentieth century there were times when conspicuous consumption became a widely used mechanism for emphasizing new distinctions that emerged from changes in wealth and occupational structure. For example, the power dressing phase of the 1980s was followed by the 'dress-down Friday' phase of the 1990s and was succeeded by some companies reintroducing smart dress codes for work in the early 2000s. Socially aspirant groups will often seek clothing to support and reinforce their changing status. The fashion designer of the twenty-first century must meet these needs in a way that engages these social aspirations, yet is sensitive to the prevailing values concerning overt displays of wealth and social distinction. It is the understanding of these types of consumer needs that is the essence of consumer behaviour and the subsequent identification of suitable target markets for fashion firms.

Changes in social structure, or demographics, as identified in Chapter Two, cause new market threats and opportunities and therefore different targeting imperatives. For example, the increasing interest in environmental issues has been accompanied by a whole range of views from ardent advocates to strident opponents. Numerous research studies undertaken between the late 1980s and 2007 have demonstrated that the majority of consumers are concerned about environmental issues. However, there are also large differences among social groups in terms of how much extra they are prepared to pay for products in support of those beliefs. Within the fashion market, consumers can be categorized according to attitudes held on

environmental matters. Clearly, if significant numbers with purchasing power are active supporters of environmental issues, then they probably would be most interested in recycled or recyclable fabrics and fibres and in long-lasting clothing that is manufactured and can be cared for in an environmentally friendly manner.

Investigation of consumer behaviour is sometimes designed specifically to identify particular groups of consumer with fashion interests and buying behaviour in common. The later section on lifestyles will outline one such approach to market segmentation.

### 3.2.3 Consumer behaviour and the marketing mix

The study of consumer behaviour not only provides a framework for identifying consumer needs and target markets, but it also enables the anticipation of consumer responses to marketing action. When studying the consumer the interest lies not only in describing what is the case, but also in predicting future behaviour.

The marketing mix is the combination of elements that a fashion marketer offers to a target market. It comprises decisions made about products, prices, promotion, services and distribution that are assembled in a coherent manner to represent the firm's offering to the consumer. A detailed discussion of the marketing mix is given in Chapter Five. For the present a consideration of links between consumer behaviour and some elements of the marketing mix will be given.

#### *Consumer behaviour and products*

Products are bought because they meet needs. These needs may be mainly physiological such as the requirement for warmth or may include social needs such as the desire to be thought sexually attractive. A psychological need, for example, may relate to vanity and self-image and be manifest in a desire to perceive oneself as smaller or larger than reality. Styling skill can create garments that emphasize or reduce the aspect size as wished, but a limited amount of 'psychological sizing' also can play a part. For example, a well-known bra manufacturer produces its leading brand with labels that are one size larger. The assumption is that some consumers derive satisfaction and confidence from a size label that flatters aspirations or a particular self-image. A similar situation exists with the sizing of boxer shorts where it is well known that very few men want the label small when buying or receiving underwear. Another example relates to perceptions and garment sizing where some women desire to see themselves as a smaller size and manufacturers respond accordingly by classifying what is really a size 18 dress as a 16.

It is not the contention of this book that such examples are to be advocated. Indeed, we would argue that much time and effort is wasted at the retail level and that the net effect upon the consumer is probably counterproductive. When market researchers claim that the majority of British women do not accurately know their own bra size, one wonders whether this ignorance is not perpetuated by the absence of an industry standard on sizing.

#### *Consumer behaviour and promotion*

The promotion of fashion items requires an understanding of consumers' media habits so that the correct media can be chosen. Understanding consumer behaviour enables the selection of appropriate promotional messages. For example, fashion photography often seeks to reflect a particular lifestyle that the consumer can identify with and then perceive the product as a vehicle to the attainment of that lifestyle. The use of celebrities in advertisements also enables fashion firms to reach certain target audiences and influence consumers via the process of identification. Further consideration of the use of celebrities in fashion promotion is given in Chapter Nine.

#### *Consumer behaviour and price*

Price for many people is a major indicator of quality. Style and design are sometimes difficult to judge, especially for the untrained. Therefore some consumers take surrogate indicators of quality and in particular price. An understanding of the perceptual process and how consumers learn about prices and value is helpful in constructing a pricing policy.

#### *Consumer behaviour and distribution*

The choice of an appropriate distribution channel and designing elements within that channel should be based on an understanding of the fashion consumer. Knowing when, where and how consumers wish to buy are fairly obvious applications. Understanding and matching self-images and store images and creating particular store atmospheres to encourage certain moods need research and ideas from consumer behaviour.

### 3.3 Fashion consumer decision-making

One main way of examining consumer behaviour is to take the view of the consumer as a problem solver. The requirement for clothing,

however it is driven, is seen as a problem for the consumer to solve, usually by exchanging money with a seller. The problem-solving perspective raises many questions that will be addressed; they concern the types of decision fashion consumers must make, the various stages of the decision process consumers progress through and major factors that influence those decisions.

### 3.3.1 Types of consumer decision

It is tempting to see the purchase of a garment as just one decision, to buy or not to buy. However, it can be useful to break the larger decision down into several separate decisions that collectively comprise the buy or no buy decision. For instance, consumers must decide the following matters:

- ◆ How to find out about new styles?
- ◆ What style, colour and size to buy?
- ◆ Where to buy from?
- ◆ How to pay?
- ◆ Which bills to pay promptly?
- ◆ When to buy?
- ◆ How many items to buy?
- ◆ Will any accessories need to be purchased?
- ◆ Whether to shop alone or accompanied?
- ◆ Whether to try the garment on?
- ◆ Whether to order an out of stock size or colour option?
- ◆ Which sales assistant to approach for help?
- ◆ What to do if the product is unsatisfactory?
- ◆ What will be the reaction of significant others to the purchase?
- ◆ Whether or not to purchase online or mail order?
- ◆ If buying online or mail order, how to arrange delivery?

If fashion marketers see consumer decisions as a series of smaller related problems to be solved, then the benefit comes in terms of planning activities to ensure that the consumer is helped when help is needed. For example, a consumer may not be bothered about trying a blouse on if she knows she can easily exchange it later for another size if needed.

Alternatively, another customer may dislike the whole process of shopping for clothes and appreciate speedy service with advice and nearby displays of matching accessories. Marketing research is necessary to determine which decisions are important to the particular target market of the fashion firm.

### 3.3.2 Consumer involvement

Another way to look at consumer decisions is the level of involvement the consumer has in the decision. Consumers differ considerably in terms of their interest in fashion. Even those people who are very interested in fashion may be more interested in some types of garment than in others. A common way consumer theorists have classified consumer decisions is into high- and low-involvement purchases. This classification, in part, reflects different theoretical paradigms, although some significant attempts at synthesis have emerged over recent years.

The level of involvement depends on the person, the purchase object and the time and place of purchase. For one consumer, the purchase of a pair of socks may involve considerable deliberation and visiting several stores to make comparisons in order to obtain a product that meets fairly precise specifications in terms of colour, size and construction. For another consumer, the purchase of socks may be relegated to a simple commodity purchase undertaken with little conscious thinking through and they may be selected along with other low-involvement purchases in a supermarket.

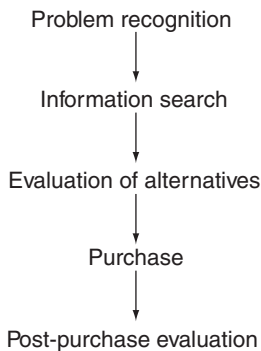
The implication for fashion marketers is to find out the level of involvement of the target market or markets and design the marketing mix accordingly. A central issue is the provision of marketing information to consumers who may or may not want or use it. A connection between low-level involvement and impulse buying can be shown and this has a bearing on the relative proportion of the promotional budget that goes on in-store promotions rather than on advertising. If consumers do not really pay much attention to information about some fashion products, but simply make decisions in the store, it would be more productive to concentrate promotional efforts in-store.

### 3.3.3 The decision process

As shown earlier, the consumer decision to buy may be seen as a series of smaller decisions. It also can be shown as consumer progression through a number of discrete stages. Most models of consumer behaviour use the stages or near equivalents as shown in Figure 3.2.

The various phases will be briefly outlined. First, problem recognition occurs when a consumer becomes aware that a need for clothing arises. This may be triggered by garments wearing out, comments from others about how unfashionable existing garments are, a change of social status prompting or facilitating purchase or a change in





**Figure 3.2** The consumer decision process.

aspirations or taste. The extent to which fashion marketers are able to influence problem recognition is fiercely debated.

Whether marketers create needs is the question often asked. Blackwell *et al.* (2006) argue that marketers do not create needs, they show consumers better ways of satisfying pre-existing needs. For example, high-status needs can be satisfied by any number of different purchases or activities. The fact that a fashion advertiser captures the imagination of some consumers and secures purchases probably has more to do with the understanding of those needs and careful design of a message than the creation of the needs in the first place. Many powerful social forces operate in society of which advertising is only one and one not often held in very high regard. Advertising both reflects and influences societal values towards consumption. If it were truly able to create needs and exert such a powerful influence then it has been an outstanding failure in the world of fashion.

Having become aware of a need, the consumer reflects on the situation and can decide to proceed with the purchase process and collect information, defer the purchase or conclude that the problem is insignificant or cannot be solved. In deciding to proceed, the consumer reviews information already held in memory. This includes knowledge of brands and stores where solutions may be found. Inexperience or unsatisfactory prior purchases may cause external information sources to be consulted. External sources include personal sources such as friends, neutral sources such as a television programme on eveningwear, or fashion marketing sources such as a window display or a poster advertisement. These three main external types of information sources are usually regarded with different degrees of credibility by the consumer.

When sufficient information is held by the consumer about possible solutions then evaluations take place and a choice is made. The nature of the evaluations varies from individual to individual. Some consumers have extensive repertoires of buying criteria, whereas others have limited and often vague mechanisms for making decisions. The process of making an evaluation may involve the mental ranking or rating of alternatives or simply eliminating items that fail to meet a certain threshold. At times consumers can suffer what is described as information overload where there are too many possibilities or too much information has been presented. An awareness of consumer information needs and the provision of information in an appropriate manner via facts and advice from sales staff or brochures can help the consumer to make a choice. The decisions made by a consumer at the time of purchase have been mentioned earlier and the sales effort to influence purchase is covered in Chapter Nine.

After a purchase consumers may engage in a process of evaluation of the product and to an extent their own efficiency as a consumer. Systematic evaluation is most unlikely except where items are bought primarily for their functional characteristics, such as hiking boots where protection and durability may be closely scrutinized. The extent of evaluation seems related to how socially conspicuous the item is, how central the product is to the self-image of the consumer, the particular consumer orientation and also to the purchase price. For most consumers, the evaluation can involve seeking comments from others perceived to be significant.

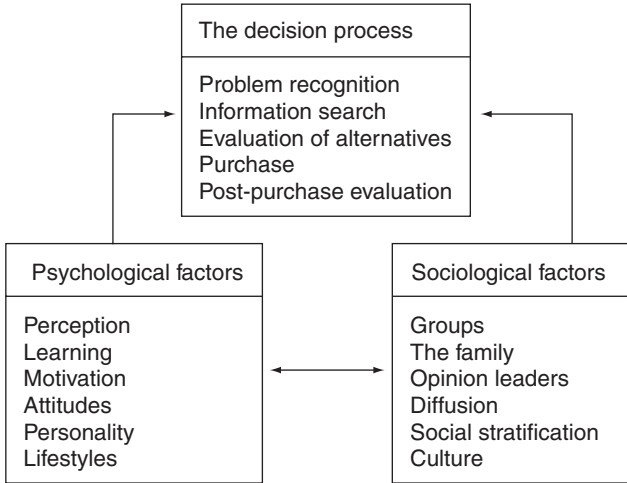
Fashion marketers should be interested in this post-purchase behaviour as it can relate directly to repeat purchases, the level of customer complaints and word-of-mouth communications about the firm. The law of effect in psychology states simply that behaviour that is rewarded is likely to be repeated. Satisfied customers are likely to become regular customers. The goal of fashion marketing is to move customers along the continuum from the promiscuous to the insistent, as shown in Figure 3.3.

Careful monitoring of customer complaints can lead to the early correction of faults and avoidance of some future complaints. Sensitive handling of genuine complaints can also help retain goodwill and avoid negative word-of-mouth communication. As research indicates that consumers are more likely to pass on negative rather than positive information about products, one dissatisfied customer may lead to many more with negative attitudes towards the store or brand.

The above discussion of the decision process has shown the need to consider factors beyond the immediate concerns of the consumer when trying to understand and predict the behaviour of the fashion consumer. The factors to be considered may be

- ↑ Promiscuous – will shop around for the best deal
- Occasional – will sometimes buy from us
- Loyal – will usually buy from us
- ↓ Insistent – will only buy from us

**Figure 3.3** Types of customer.



**Figure 3.4** A model of consumer behaviour.

grouped under the broad headings of psychological and sociological factors. Psychological factors are taken from the study of individual behaviour while sociological factors are based on the understanding that much consumer behaviour takes place as part of a group process and involves social interaction and patterns of influence. Figure 3.4 illustrates the main explanatory variables related to the decision process.

### 3.4 Psychological processes

#### 3.4.1 The buyer's perceptual process

Perception is the process whereby buyers select, organize and interpret simple stimuli into a meaningful and coherent picture of the world. To explain this process further, a distinction between sensation and perception must be made. Sensation refers to the responses of

our sense organs to simple stimuli, whereas perception is the psychological consequence of sensation. An analogy would be to compare a photograph with a painting: the photograph is the 'reality', whereas the painting is a very personal view of 'reality'.

For the fashion consumer, the stimuli presented in a busy fashion store are a bewildering array of sensations that must be made sense of. The consumer goes through a number of stages in the perceptual process that can be seen as steps in filtering and distilling marketing stimuli into a unique marketing experience. The stages in this perceptual filtering and distilling process are:

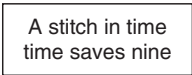
- ◆ selective exposure;
- ◆ selective attention;
- ◆ selective distortion;
- ◆ selective retention.

### *Selective exposure*

Age or income can impose some constraints on the exposure to certain stores or media, as can the more deliberate choice by the consumer. This process, where there is a narrowing of the opportunities for experience of the total range of marketing stimuli, is known as selective exposure. Examples of marketing stimuli subject to selective exposure are the fashion page in a daily newspaper, advertisements, brochures and store window displays. The task for fashion marketers is to ensure that the correct media and location for retail outlets are selected to maximize the opportunities for selective exposure.

### *Selective attention*

Selective attention is the next stage, and the range of possibilities is further narrowed when the consumer pays attention only to some marketing stimuli and not to others. Consumer factors that determine consumer attention to marketing stimuli are existing attitudes, attention span, emotional states, motives and expectancy. The last point is illustrated by the following well-known saying (Figure 3.5):



A stitch in time  
time saves nine

Figure 3.5

Many people will have 'read' the above statement and not have noticed the double use of the word 'time'; they will have perceived what they expected to see rather than the reality. Existing attitudes and prejudice similarly influence how we perceive marketing messages. Items which are promoted as designer label or sale items may attract attention or may even be screened out by the consumer depending on prior attitudes. Thus the importance of determining consumer predispositions, via marketing research, before designing marketing messages is underlined.

Some factors under the control of the fashion marketer can influence whether the marketing message gains the attention of the consumer. The size and intensity of a message (i.e. very loud) plus novelty, contrast, repetition and movement can all enhance the chances of gaining attention. Thus advertisements in the first 10% of a magazine such as *Company* or *GQ* have a higher potential readership than the latter part of the same magazine. Similarly, a black and white advertisement in a glossy magazine, which is surrounded by colour advertisements, stands a good chance of gaining attention because of the contrast.

### *Selective distortion*

Having gained the consumer's attention the next perceptual filter for the marketer to penetrate is selective distortion. Consumers interpret stimuli in a manner that is consistent with existing attitudes. The perceptual process operates in such a way as to enable and maintain a coherent view of the world; too many contradictions to existing views make the management of everyday life irksome. That is not to say that changing consumers' perceptions is impossible, just that before embarking upon change marketers need to discover the starting points and the strength with which existing views are held. An example of the distorting effect of the perceptual process is easily noted when considering the stereotypes that are brought to bear in judging garments by country of origin. To most British consumers the labels 'Made in France' or 'Designed in Italy' have connotations of higher design content and quality than an item made in a developing country. These connotations can have such an influence that they may, and often do, override the judgements that would emerge in a blind test.

### *Selective retention*

The final perceptual filter is selective retention. This refers to the phenomenon of consumers remembering information about fashion marketers and their products in a highly subjective way. An important

aspect of perception is that the consumer interprets information in terms of current priorities and concerns to such an extent that the individual in effect rewrites their personal history. The main driving force behind this selective retention is a need for consistent and, sometimes, easy explanations for our feelings and past behaviour. In this process good and bad aspects of some items may become exaggerated with, for example, nostalgia for some so-called golden age of fashion when there was 'real pride and skill in tailoring, unlike today'. The close associations that many people have between blue jeans and youth have been recognized by the jeans manufacturers in the targeting of middle-aged consumers with the use of suitable music in advertisements to evoke the nostalgia.

### 3.4.2 Learning

The fashion consumer is not born with a knowledge of fashion brands, of criteria for judging garments, a knowledge of stores or prices, preferences for certain styles or fabrics or even how to care for garments. All this information has to be learned. Consumer learning is any relatively permanent change in buying behaviour that is a result of practice or experience. Two main sources for consumer learning are the family and peer groups. However, much learning occurs through consumer experience with fashion marketers, their products and promotional methods.

Many explanations of consumer learning are given in the marketing literature, most of which can be classified as association learning or cognitive learning. Although the two main types of theory compete to explain behaviour, neither category is sufficient to explain all learning that occurs. The following discussion presents aspects of both approaches.

#### *Association learning*

Association learning occurs when a marketing stimulus and the consumer response are repeatedly paired. Much low-level learning such as brand names occurs at this level. A key explanatory theory for this type of learning is known as the law of effect. When behaviour is rewarded, it will tend to be repeated and when it is punished or not rewarded, it will tend to diminish in frequency. Therefore we have a simple explanation for repeat buying and brand loyalty. The consumer who buys a particular brand of shirt and finds that it meets his criteria in terms of being stylish, comfortable, durable and value for money will tend to buy the same brand again. The main lesson

for fashion marketers is to identify the relevant buying criteria of the consumer and produce products to meet those criteria. Another consumer who finds that the skirt she purchased three weeks ago is starting to come apart at the seams will probably avoid buying another skirt from that supplier. Yet, another customer may learn to avoid certain shoe shops as the sales assistants, paid primarily by commission, all compete to serve the customer and do not allow adequate time for browsing.

An interesting aspect of association learning is the notion of shaping behaviour. This notion allows marketers the opportunity to influence consumers and help them learn more complex forms of behaviour. By selectively rewarding closer and closer approximations to the final goal sought by the marketer, consumer learning is modified. In the section in Chapter Seven on pricing the link between sales discounts and consumer behaviour is described. Some consumers learn, because of regular retailer action, to defer purchase until sale time, as they are rewarded by lower prices.

Shaping behaviour, when effectively planned, permits the fashion retailer to alter behaviour in other ways. Suppose the retailer introduces a new range of cotton underwear with Lycra, the goal is to encourage the consumer to buy several pairs. To launch the range and encourage a trial with minimum risk and maximum reward a coupon offering a discount may be offered. The consumer who buys the product receives another coupon as well, this time of lower value than the initial coupon. The second coupon should induce another purchase at reduced cost, but without coupon support. If the product performance meets expectations, then the beginning of brand loyalty has been shaped. It should be stressed that the main reward should come from the product and not the coupon, otherwise the consumer learns something else, only to buy from the retailer when an incentive is offered.

### *Cognitive learning*

Cognitive learning theories approach the problem of consumer learning by assuming consumers reason and reflect upon the relationship between marketing stimuli and consumer response. Clearly all consumers do think about some purchases in detail and may engage in mental processes to try to reach a reasoned conclusion before purchasing. Inexperience, previous dissatisfaction, expense and high-involvement clothing items are most usually linked with cognitive learning. The cognitive approach concentrates on the thinking through of different courses and the identification of the decision criteria and rules used by consumers. Knowing how consumers make

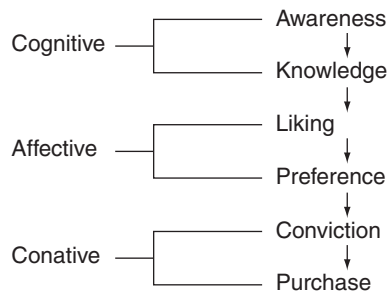
connections between product features and their buying criteria is obviously helpful for marketing staff in order to provide the right information at the right time. The concentration on the information processing aspect of learning will be developed further in Section 3.4.3.

### 3.4.3 Consumer attitudes

Attitudes are a learned orientation or predisposition to a given situation, person, object or idea resulting in a tendency to respond favourably or unfavourably. There are three main components to an attitude: the cognitive, affective and conative. The cognitive dimension refers to knowledge or information possessed about the fashion product, service, image, store or prices; the knowledge possessed by the consumer may not be accurate or complete, but it is what is believed to be the truth by the consumer. The affective dimension is concerned with consumer feelings about fashion marketing offerings and is measured in terms such as like and dislike or good and bad. The conative aspect provides the behavioural aspect of attitudes and is usually expressed in terms of an intention, or not, to buy within a specified time. Thus a consumer may know of a new range from Missonia and of the colours, prices and sizes available; the consumer may like the new range and moreover intends to purchase a new sweater within the next seven days.

Fashion marketers are interested in consumer attitudes as they are seen to be closely linked to behaviour. A simple model of the link between attitudes and buying behaviour is shown in Figure 3.6.

The model below oversimplifies matters somewhat as it is argued that sometimes attitudes emerge or become manifest after purchase. Other writers contend that liking may precede knowledge in certain



**Figure 3.6** Attitude components and buying behaviour.



circumstances. Several attitude theories offer competing explanations for the same phenomenon. It is clear that predicting behaviour from simple measurements of attitudinal components is a problematic and contentious area. Numerous studies have shown that positive attitudes towards fashion products do not always result in higher sales. The work of Ajzen and Fishbein (1980) suggests that the crucial factors to consider are the measurement of the attitude towards the act of purchase and the identification of normative beliefs. For example, a consumer may like the designs of Jean Paul Gaultier and have very positive attitudes towards the designs and cut of the garments. However, the same consumer may not buy because of negative attitudes towards the price or a belief that his or her close friends may not like the styling. Techniques for measuring attitudes are described in Chapter Four.

When considering the point that attitudes emerge and/or change after purchase, it should be noted that post-purchase experience with garments can lead to attitude change, both positive and negative. Festinger (1957) proposed that there is a tendency to seek consonance or harmony of thoughts, feelings and behaviour. Post-purchase doubt over a new garment or dissonance then becomes a motivating state of affairs and the consumer acts to reduce dissonance. Dissonance can be reduced in a number of ways, including:

- ◆ changing behaviour (e.g. exchanging the garment for another colour);
- ◆ changing attitudes (e.g. deciding that the brand is perhaps not as good as previously thought);
- ◆ revoking the decision (e.g. asking for a refund);
- ◆ seeking extra consonant information (e.g. asking a friend for reassurance of the wisdom of the choice made);
- ◆ avoiding dissonant information (e.g. not visiting other shops in case a lower price is seen for the same item).

A considerable amount of the early research on attitudes was conducted in the USA at the Universities of Yale and Columbia. Much of this research still provides a useful framework for the practising fashion marketer, and its findings are useful in the design of advertising efforts. Some of this work has been incorporated in Chapter Nine.

#### 3.4.4 Consumer motivation

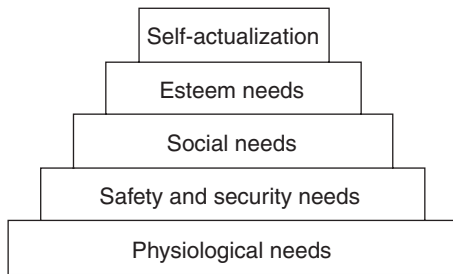
Motivation is the inner force that drives and energizes consumers towards goals. Motivation incorporates need arousal, causing the drive that leads instrumental behaviour to reduce the drive.

Consumer motivation is a complex matter to understand for many reasons. First, motives are inferred, a consumer motive cannot be seen or observed; what is noted is behaviour and then an assumption about the underlying behaviour is made. An important distinction should be made between merely describing behaviour and explaining behaviour. Saying, for example, that a customer buys low-cut tops, because she is the sort of person who likes to reveal her cleavage is mere description, whereas, for example, a particular purchaser of a Prada jacket may be said to be satisfying status needs, especially if the brand name is prominently shown on the garment.

Motivation is a complex concept as similar motives may find expression in different behaviour. Just as in the example above, a status-seeking consumer bought a Prada jacket, other people will seek different brands or may find non-fashion products or activities to satisfy status needs. Furthermore, people may buy the same product, but for different motives. Another purchaser of a Prada jacket may do so primarily for warmth and protection (a physiological motive) or for social motives, e.g. to be accepted by a particular group of friends.

Motives may change over time with, for example, a change in social status. The arrival of a child is often accompanied by a change in motivation towards clothing purchases for most women. Another consideration is that many motives may simultaneously affect purchasing behaviour. Sometimes the motives operate to make the consumer positive towards the clothing item, whereas at other times there can be motive conflict. An example of motive conflict could be a person attracted to the purchase of a coat that will satisfy status needs, but at the same time repelled as the coat may not be warm enough to satisfy a physiological need.

There are several ways of classifying motives and these are described below. Motives can be placed along a continuum from rational to emotional. Buying a waterproof hat clearly has a strong rational element; an evening dress costing several thousand pounds that will be worn only once is obviously near the other end of the continuum. Another question to consider is whether the consumer is conscious of all the motives impelling choice. Freudian theory likens the personality to an iceberg where people are only partly aware of their motives. Many consumers may be unaware of or unwilling to admit to some of the motives that cause them to buy or avoid certain garments. It is easier for many people to assert that an item was bought because it looks nice than to admit that it was bought to impress others. The measurement of consumer motivation is problematic and some qualitative techniques for measuring motives are outlined in Chapter Four.



**Figure 3.7** Maslow's hierarchy of needs.

A widely cited classification system for motivation was developed by Abraham Maslow. Maslow, a psychologist, stated that motives were organized in a hierarchy and that only when lower-level needs were satisfied did higher-level needs become important (Figure 3.7).

Thus the consumer on a limited income will be concerned with perhaps the functional aspects, such as warmth, of low-cost clothing before matters of social acceptance assume importance. Social needs include the need to belong and be accepted by others. Esteem needs are the need for the consumer to think well of themselves and have others hold a high opinion of them. Self-actualization, for Maslow, was the desire to grow psychologically and it embraces creativity and achievement. For one person knitting needles and some wool may enable self-actualization, whereas for another the participation in the design process by suggesting colours or styling aspects of a garment enables self-actualization. Some clothing purchases may satisfy needs at more than one level, e.g. a Barbour waxed jacket may satisfy the need for warmth and protection from the elements as well as enabling acceptance by a group who are similarly dressed. The translation of product features into specific benefits related to motives is a key selling task and this is described in more detail in Chapter Nine.

### 3.4.5 Consumer personality

Personality is the particular configuration of qualities that make a person unique. Two main approaches to personality will be considered, psychographics and the self-concept.

Earlier approaches to consumer behaviour concentrated on consumer personality traits and tried to discover consumer types. The hope was that having identified certain types of consumer, buyer behaviour could be predicted and fashion products could be produced and promoted accordingly. Unfortunately, the correlation between

personality type and buying behaviour was very small and this approach was succeeded by one which based consumers not on traits, but on activities, interests and opinions (AIOs). This is known as psychographics or lifestyles. Typically consumers are asked a large number of questions, usually based on a Likert scale, as described in Chapter Four, of general and specific questions relating to AIOs. Examples of such questions are 'I believe regular exercise is essential for good health' (general) and 'I go swimming at least once a week' (specific). The answers to these questions are then analysed together with demographic, purchasing and media data about consumers to derive distinct groupings, or types who have AIOs in common. Some interesting analyses have been undertaken linking clothing lifestyle groups with geodemographics and this work will be discussed later in this chapter.

These lifestyle groups are given names and can be the basis of target marketing efforts or used as a platform for advertising copy design or store design. The major drawback to lifestyle analysis is the lack of theoretical underpinning or measures of reliability or validity of much of the work undertaken. Evidence suggests that general lifestyle analysis is less useful and that research is best conducted into specific products and related areas such as health, beauty and fashion. Some labels given to the groups are plainly insulting to consumers, such as apathetics or dowdies, and at worst are little more than promotional aids for advertising agencies trying to sell their services to retailers and manufacturers. Recent work by Mintel and TGI on fashion lifestyles in Europe examined the incidence of eight lifestyle categories (Big Spenders, Label Admirers, Well Dressed, Stylish, Fashion Conscious, Shopaholics, Individualists and Practical) across four EU countries (UK, Germany, France and Spain). Marked differences were found between Germany and France, for instance where Germans were over-represented as Big Spenders and Label Admirers, whereas French consumers were over-represented as stylish and fashion conscious. The clear implication of this research for retailers is that the influence of culture means lifestyle marketing is perhaps not easily transferred across national boundaries. When done systematically, lifestyle analysis can offer real insights into buying behaviour, but there is no consensus on methodologies and the technique is expensive and needs to be undertaken continuously.

Analysis of the self-concept is another major strand of research from the area of consumer personality studies. The dimensions of the self-concept include:

- ◆ the self-image, which is how the person sees him- or herself;
- ◆ the ideal self-image, which is how the person would like to see him or herself;

- ◆ the social self-image, which is how the person thinks others see him or her;
- ◆ the ideal social self-image, which is how the person would like others to see him or her.

In addition, the self-concept is influenced by situational factors such as who the 'others' are and the context of buying. Thus there seem many 'selves', although there is an enduring sense of continuity and sameness that provides coherence for the consumer and this is known as identity. It should be noted that consumers do not always accurately perceive themselves or the reactions of others towards them. The main tool for measuring the self-concept is the semantic differential scale and that is described in Chapter Four.

For the fashion marketer, the self-concept represents a promising area as clothing is an obvious way in which a consumer may express him- or herself and show how they would like others to judge them. Consumers buy clothes both to maintain and to enhance the self, depending on the ascendancy or salience of the self versus ideal self-image. Self-images are affected by many factors, but most notably by age and social class. Perceived opportunities and/or the lack of opportunities can influence not only images of the self, but also the value placed upon the self, namely self-esteem.

### 3.5 Sociological aspects of consumer behaviour

Consumers are social creatures, who form groups and interact in relation to goals. Consumer behaviour when viewed from a sociological perspective is more than a simple aggregation of individual acts, for the patterns and processes of both individual acts and wider social changes are profound in their impact on fashion marketing. Several social dimensions of consumer behaviour will be examined and these relate particularly to the process of influence over choice and to the basis for segmenting markets.

#### 3.5.1 Social groups

A group may be defined as two or more people who bear a psychological relationship to one another and who interact in relation to a common purpose. People do not just form groups, they form groups for reasons such as to satisfy social needs, for mutual protection and enhancement or to check attitudes and perceptions. The price of group membership is conformity to norms, a norm being a shared expectation of behaviour. Norms are essential to groups as they



Figure 3.8 Escada store.

enable stability and provide a framework within which identities may be expressed and common goals can be pursued.

For many aspects of life there is uncertainty and groups provide a mechanism to check that uncertainty. This checking function is apparent in clothing purchases where the advice and support of friends is sought to check, among other things, the appropriateness of styling of garments and whether the items represent good value for money. Group members do not usually dress identically, but for specific occasions there are norms or unwritten rules about the range of garments and stores that would be considered acceptable. For example, a group of friends may all visit an Escada store (Figure 3.8), but not necessarily buy the same items within that store. The young man whose friends usually wear blue denim clothes doesn't turn up to meet his friends wearing a suit without the anticipation of a little teasing.

The mechanisms of maintaining conformity are rewards for compliance and punishments for deviance. Much of the control is exercised by non-verbal means or joking and teasing. These methods allow group members to retain dignity and comply without the great risk that would follow from blunt verbal demands. Norms for dress are most explicit for formal occasions where the expectations may be printed on invitations. Many workplaces have dress codes, although

these vary in specificity from the rigidly prescriptive uniform through the broad list of exclusions to the vague hints about dress related to status within the organization.

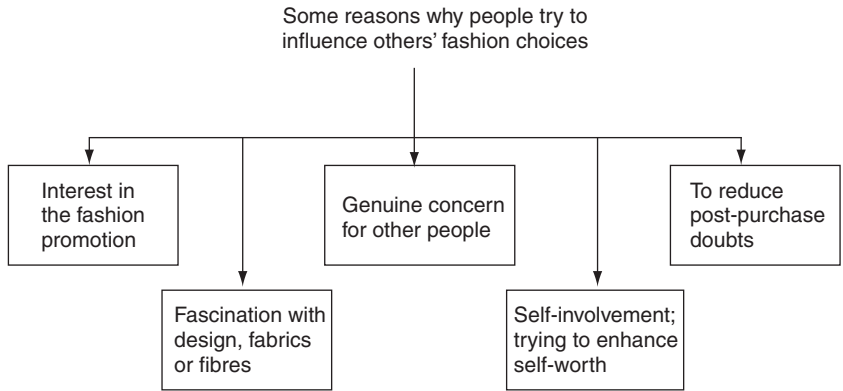
The anticipation of the reactions of others can be a key factor in the choice of clothing. Consumers may not accurately anticipate those reactions or may lack confidence and rely upon friends to advise and accompany them on shopping trips. Everybody differs in their social needs and those with the highest needs will tend to conform the most. The discussion so far has concentrated on face-to-face groups where conformity is often greater.

Consumers also belong to many groups that are not face to face; they also may aspire to belong to certain groups and still further wish to distance themselves from others. Everyone belongs to automatic groups by virtue of age, gender, race, religion, etc. and with membership come sets of expectations of how one ought to dress. Two women may both have legs that are flattered by short skirts, but if one woman is in her fifties and the other in her early twenties, the social influences and pressures to conform may be markedly different.

Groups that individuals identify with are known as reference groups and as noted they can be positive, negative or aspirational. An example of negative reference group influence may be a young man not buying a well-known brand of boot because he thinks they are worn by skinheads and racists. Aspirational reference group influence is most apparent when people apply to join new organizations – for instance most people take care over their job interview outfit. Similarly, parents sending children to school for the first time will make an effort to dress their child in a way that will enable him or her to be accepted quickly. Reference group influence is important not only for styles of fashion products, but also for endorsements and rejections of particular brands. Teenage purchases of trainers are influenced by what brands are regarded as 'in' and what is considered 'out' by the reference group.

### 3.5.2 Opinion leadership

Opinion leadership refers to the degree of influence exerted where a consumer is faced with a choice. Many people discuss clothing and fashion advertising as a normal part of social interaction. The influence of others is accepted under certain circumstances. When little information about garments or stores is possessed or when the information is out of date, consumers seek information from others. Opinions are also sought where products are highly visible such as outerwear or where the garment involves risk because it may be expensive, go quickly out of fashion or simply prove unpopular with significant others. Opinion



**Figure 3.9** Opinion leadership.

leaders exist in all groups and indeed the role may change according to the issue facing the group; one person may exert much influence over the choice of where to dine, whereas another group member may have sway over which are the best clothing stores to visit.

Celebrity influence is a particular type of opinion leadership. Evidence on celebrity influence shows that it is most powerful when the celebrity selected has credibility, is attractive, is trustworthy and is likeable. The enduring involvement of many leading fashion houses with clothing celebrities at the Oscar Awards is testimony to their belief in the power of such influence. Further examples of celebrity influence and their use in fashion promotion are discussed further in Chapter Nine.

There are many reasons why people try to influence others about fashion products and services, as shown in Figure 3.9. There may be genuine concern for the well-being of a friend and advice is given on obtaining value for money by visiting particular stores. The influencer or opinion leader may talk about fashion products because he or she is fascinated by the design or fabrics used. Sometimes a fashion message via advertising or public relations may prompt discussion and generate much media coverage. Dolce & Gabbana, Sisley, Puma, Benetton and Wonderbra have all used advertisements at times that have provoked strong public reactions. At other times opinion leaders may talk about clothing as a way of establishing self-worth by claims to superior knowledge or taste. In addition, the opinion leader may discuss an item of clothing as a way of reducing his or her dissonance (see earlier).

Fashion marketers often hope to use opinion leadership as a way of encouraging the diffusion of a product range. If opinion leaders can be identified and targeted with promotional efforts, then the hope



is that the message will be distributed via word-of-mouth communications. Fashion media personnel perform an important role in the word-of-mouth process and the marketing efforts directed at them will be discussed in Chapter Nine, particularly with regard to public relations, trade fairs and exhibitions.

### 3.5.3 The family

The family is the basic social group and the main mechanism by which social values and aspirations are transmitted. The family is important to the fashion marketer because families share finite financial resources and media exposure, and they make some purchases either collectively or in anticipation of the reaction of other family members. Paying attention to the role of the family is important when it is realized that the person buying the item of clothing may not be the wearer. For example, about half of all male underwear in the UK and a significant proportion of knitwear for men are purchased by women.

Families, as defined by government statisticians, are persons related by blood, marriage or adoption who reside together. It is tempting to view the family as in decline when newspaper headlines about divorce rates are considered. However, the family remains a strong institution in British society, most people get married and the majority of those do not get divorced. Over the long term, divorce is a factor that has had a major influence upon the lives of many people and is often accompanied by a reduced purchasing capacity for either or both former marriage partners.

The family life cycle is an attempt to classify people according to the age of the head of household, marital status, and the age and number of children. Early models of the family life cycle, by Wells and Gubar, omitted the occurrence of divorce and made the assumption that everyone followed the same route from birth to old age, namely single, married without children, married with children, etc. Later models of the family life cycle have recognized the role of divorce, but there is still a need to account for the extent of cohabitation, the number of people who remain single all their lives and alternative lifestyles.

Modelling the progress of people through time via the family life cycle is useful for two major reasons. People at the same stage of the life cycle may, because of similar demands upon income, constitute target markets for companies. The fashion retailer Next grew dramatically during the early 1980s by recognizing and responding to a demographic change connected with the family life cycle. Further, knowledge of how many people are at a certain stage in the life cycle enables predictions for future demand. For instance, knowing the

marriage rate and the fertility rate, some fairly accurate estimates can be made about the number of births over the next few years. This information is vital for manufacturers of baby clothes and stores such as babyGAP and Gapkids.

Family decision-making is important for fashion marketers, for it is important to know how decisions are made and who exerts influence over the clothing decisions made by families. Three stages of the purchasing process are relevant: initiation, information search and purchase decision. It may be within a family that the female notices that an item of clothing needs replacing, and she also may collect information via reading magazines or clothing catalogues to narrow the choice. In the same family the male may be the sole wage earner and he may be the person sanctioning the purchase. If such a pattern of decision-making were typical for the target market, then there would be clear implications about which media should be used for advertising.

Family decisions can be classified according to the degree of influence that husbands and wives exert for given product choices. Four types can be considered: husband-dominated, wife-dominated, joint and autonomic. Joint refers to equal influence and a shared decision and purchase. For example a couple may shop together to purchase a new suit for the husband. Autonomic refers to an equal number of decisions made, but those decisions are made separately. Autonomic decisions are perhaps best illustrated by gift purchases, where a female may buy some jewellery herself, but also receives other items purchased by her husband. The factors related to joint decision-making are higher-priced items and where the couple is younger. Whether young couples are more egalitarian or simply less knowledgeable about one another's needs is a matter to be determined by longitudinal research.

Family decision-making requires more research, in particular into the role of children in influencing clothing purchases. Changes in the level of participation in the labour market by married women and relative earnings of males and females mean continuous research is necessary in this area. Discovering the actual level of influence within families is problematic as influence is not always accurately discerned by the participants or even revealed to market researchers. The gender of the interviewer, the presence of the other party, and vanity and modesty from both partners can conspire to make this important research task very difficult to undertake.

### 3.5.4 Social stratification

All known human societies are stratified. Stratification refers to divisions of people according to their economic position in society, whether

**Table 3.1** Socio-economic groups

Class	%	Description
A	4.0	Upper middle class Higher managerial, administrative and professional
B	21.9	Middle class Intermediate managerial, administrative and professional
C1	29.0	Lower middle class Supervisory, clerical or junior managerial, administrative or professional
C2	20.7	Skilled working class Skilled manual workers
D	16.2	Working class Semi-skilled and unskilled manual workers
E	8.1	Those at the lowest level of subsistence Includes most pensioners and the unemployed

Source: National Readership Survey (NRS Ltd), January to December 2006.

they are aware of that position or not. In the UK the main method of determining social stratification or social class is based on occupation. The most widely used system in the fashion market is the National Readership Survey using A, B, C1, C2, D and E. Table 3.1 gives a brief outline of this system.

This system is not the only system nor is the basis of classification uncontradicted, but it is the most widely used system and can be useful in explaining some of the vagaries found in fashion purchasing. A thorough exposition and critique of theories of social class is beyond the scope of this book; however, its impact is undeniably pervasive. A simple model of the influence of social class is that a person's position in the social structure, as determined by occupation, is associated with purchasing power, sets of aspirations and constraints and membership of social groups, all of which lead to patterns of consumption. The process is not only one way, as how somebody's income is spent can be relevant to some of the causal factors. Savings can be one factor in social mobility, though how particular clothing purchases, in themselves, influence social class is both less clear and less powerful.

The links between clothing purchases and social class are less clear than in the past. Photographs from the 1920s and 1930s reveal that clothing was an easy way to depict class. Hats, in particular, were markers of social status. Nowadays, because of the fragmentation of styles, the range of choice available and the change in classes themselves, clothing is no longer an unambiguous guide to class.

Socio-economic groups have all changed, partly on account of the changing occupational structure of the country – while far fewer workers are employed in large-scale manufacturing operations, the service sector has grown dramatically. To give one stark example, in 1907 over 7 million people worked in production industries in the UK and in 2007 the figure was around 3 million. The provision of better health care, education and higher standards of living through the twentieth century have changed all social classes. Class differences at the beginning of the twenty-first century are not the same as the class differences that prevailed a hundred years ago, but that is not to argue that a convergence of class values, attitudes and behaviour has occurred.

Class remains a significant discriminator of consumer behaviour. Although it is not a linear relationship, there is a link between class and income, and the prospects of increases in income. People do not wear rank overtly via their clothing as in the armed forces, but ways are found by many to indicate status. Within social classes, distinctions can be made between creative professional people such as advertising copywriters and accountants in how they dress. The former may tend to favour less formal attire at work whereas the latter tend to dress more conservatively.

Many working-class people may reach their earnings peak early in their career, whereas many middle-class occupations have incremental salary scales. Such experiences, coupled with different entitlements to, and discretion over, holidays, pensions schemes and other 'perks', are associated with different 'world views'. The daily experience of work impacts on these views where, for example, a manager may exercise discretion and make decisions, and a manual employee may work to a rigid work schedule almost like a robot. Workplace tasks, rules or norms may place restrictions upon clothing that can be worn depending upon a person's position. Where uniforms have to be worn it is usually the lower levels that wear them – even the Japanese companies excuse their senior managers from the need to wear overalls. In consequence, clothing worn during the person's leisure time may be chosen to express a distance from, or affinity to, work identity. Class differences are evident in media use, store selection, ownership and use of credit cards and bank accounts, and annual expenditure on clothing and footwear per person.

### 3.5.5 Geodemographics

Related to social class is a newer system of classifying consumers based upon where they live. A small number of proprietary systems exist based upon the census and categories of neighbourhoods.

One such system is ACORN, which stands for A Classification Of Residential Neighbourhoods and is owned by CACI; Pinpoint is another. These systems are derived from statistical analysis of census variables to discover residential areas, usually census enumeration districts comprising about 150 households and approximately 450 people, that are distinct in composition.

The census data can be linked to survey data on purchasing behaviour and information on media usage. Knowing the postcode of a respondent, the market researcher can determine the geodemographic category. ACORN has 5 categories and 17 related groups. The categories are Wealthy Achievers, Urban Prosperity, Comfortably Off, Moderate Means and Hard Pressed. Among the categories in Urban Prosperity category there are groups known as Prosperous Professionals, Educated Urbanites and Aspiring Singles. The owner of the ACORN system is CACI and the hyperlink is: <http://www.caci.co.uk>.

Geodemographic data have been used by marketers for target marketing, media planning, setting sales targets by area, forecasting, market testing and selecting new locations for outlets. Among fashion firms, the heavy users are the mail order firms, although retailers such as House of Fraser are involved. Geodemographics presents a promising future for marketing, especially when demographic data are interlaced with psychographic data. However, a number of major criticisms can be made of geodemographics. First, it relies on census material that, at best, will be at least one-year-old when it is first used and up to 11 years old before the next census material is readily available. The owners of these systems claim they are able to update their databases to take account of changes in the housing mix and local economies. The systems are in competition and currently are much more expensive than data from secondary sources. Geodemographics is not equally predictive of buying behaviour across all product categories. A geodemographic category is a composite of a number of variables such as class, age, ethnic origin and housing amenities, and critics assert that it is either social class subdivision by another name or a statistical artefact looking for a theory.

An interesting recent development is the combination of geodemographics with lifestyles, particularly those focused on fashion segments. One commercial system developed by Experian and TNS has categorized every adult in the UK into 1 of 20 female and 15 male categories called the Mosaic Fashion Segments. The categories are based on attitudes and shopping behaviour in relation to fashion and these are linked to the census and location data. An example of a female is 'Annabel' a type 12 female described as 'best-dressed fashionistas', aged 18–25, often living with parents, interested in designer labels, quality and style and shopping at River Island and Independent

Stores. A male example is 'Stephen' a type 6 described as 'a mainstream father' aged 35–46 who shops at Next and Debenhams, he doesn't rate brands and quality is not a high priority for him, but he does like to spend money on clothing for his children. The actual profiles available give much more detail than that above and readers can access the full dataset via the hyperlink: <http://www.business-strategies.co.uk/>.

Fashion marketers obviously need better tools for analysis and planning, and geodemographics combined with fashion lifestyles represents a significant advance, but it is not a panacea or even a clear successor to alternative methods of analysis. To ask some obvious questions, why should the type of dwelling have any bearing on the purchase of clothing? Does the buyer of a leather coat live in an inner city flat, an affluent suburb or a rural setting?

### 3.5.6 Diffusion of innovation

An innovation can be defined in a number of ways. Innovation can be anything that is new to the company, so it could include 'copying' a method of merchandising or a new style of garment. An innovation also can be taken to mean anything that has been taken up by only a small proportion of the market, usually 10% or less, or an item that has only been on the market for a short time. For the purposes of this discussion an innovation will be taken as anything the consumer perceives to be new, thus it could include an 'old' product introduced into a new market.

Obviously different individuals will adopt new fashion products with differing degrees of enthusiasm and at different times. The process by which the acceptance of an innovation is spread by communication to members of a social system is known as diffusion. Diffusion refers to how an innovation is spread among consumers (groups) over time, whereas adoption refers to individual acceptance of new products. Rogers (1983), after an extensive literature review, proposed a scheme whereby consumers are classified on the basis of the time when they adopt any innovation. Rogers' scheme is obviously arbitrary with regard to percentages, and therefore ideal types are presented in Table 3.2. The scheme is based on the common-sense notion that most users do not adopt the innovation simultaneously. Another way of looking at the issue is to conceive the process as being segmentation over time.

Instead of trying to find characteristics of the above five groups, modern research efforts have focused on the differences between innovators and non-innovators. In practice this means researchers have combined innovators and early adopters and compared them with

**Table 3.2** A classification of adopters of innovations

Innovators	2.5%
Early adopters	13.5%
Early majority	34%
Late majority	34%
Laggards	16%

**Table 3.3** Comparison of opinion leaders and innovators

	Acceptor	Rejector
Active	Opinion leader	Opinion leader
Passive	Innovator	Innovator

the rest. Innovators tend to be more open-minded, inner- rather than other-directed, and younger rather than older. They also tend to be higher than non-innovators in terms of income, education, social mobility, and reading magazines and newspapers. Non-innovators tend to watch more television and perceive more risk in the purchase of new products than do innovators.

There is only limited, and contested, evidence of the super-innovator, i.e. a person who is an innovator across several unrelated product areas. As with opinion leadership, the evidence suggests there is moderate overlap depending on product interests. Therefore we may find an innovator for fashion products to be an innovator for other aspects of appearance, but not necessarily for food or electronic items.

There is often a tendency to equate the innovator and the opinion leader. They may indeed be the same, but there are differences, as shown in Table 3.3. Opinion leaders are active since they tend to communicate with others, positively and negatively, about their purchases.

Fashion marketers are interested in the factors that influence the rate of diffusion, so that appropriate marketing action may be taken to overcome obstacles of speed during the process.

The main factors that influence the rate of diffusion are:

- ◆ *Relative advantage*: The more immediate and important the benefits, the faster the rate of diffusion in terms of lower cost or long product life.
- ◆ *Compatibility*: The innovation must match cultural values, beliefs and expectations. An example of a compatibility issue, when first introduced, was the *Next Directory*, one of the first major paid-for catalogues. More recent examples compatibility

- concerns are ethical use of labour and the use of sustainable raw materials in garment manufacture.
- ◆ *Possibility of trials*: The ability to try on garments or easily exchange those that cannot be tried on, i.e. mail order items, is a key factor.
  - ◆ *Observability or communicability*: Ease with which information about an innovation is transmitted.
  - ◆ *The complexity of the innovation*: The more complex, in terms of understanding and use, the slower the diffusion. Newer synthetic fabrics or garments that have complicated care or cleaning requirements are examples.
  - ◆ *Perceived risk*: The greater the risk the slower the diffusion. Risk can be financial, physical or social. In addition, a perception may exist that a delay in purchasing will lead to lower prices.
  - ◆ *Type of target market*: Some groups are more willing to accept change than others, e.g. the young, the affluent or the highly educated.
  - ◆ *Type of decision*: Depends on whether the purchase of the innovation is an individual or a collective decision.
  - ◆ *Marketing effort*: The rate of diffusion is not completely beyond the control of the firm selling it. Greater promotional spending can speed the diffusion process.

Knowledge of diffusion of innovation may aid planning, particularly concerning setting targets over time and forecasting. The diffusion process is directly related to the product life cycle concept discussed in Chapter Six. The key roles of the innovator and early adopter are examined from the perspective of product planning in Chapter Six and in relation to promotion in Chapter Nine.

### 3.6 The organizational buyer

The discussion so far has concentrated upon the retail consumer of fashion. It should be remembered that a significant amount of fashion marketing effort is directed at organizations, be they manufacturers or retailers, who buy to sell on, or companies who purchase garments for consumption by their staff. All of the concepts discussed so far have a bearing upon organizational buying, for organizational buyers are still humans with needs and attitudes, who also conform to social norms like consumers. However, there are some differences that do influence behaviour and these points will be addressed.

It is argued that because organizational buyers buy in bulk, are better trained and better informed, are accountable for their decisions



and are often part of a buying team they are more rational than consumers. Organizational buying usually involves more formality with regard to explicit buying criteria or vendor rating systems and unlike most consumer buying, there is often negotiation over products and prices. Given the greater concentration in fashion retailing that has occurred in recent years (see Chapter Eight), organizational buyers are subject to personal forms of promotion, more so than consumers who receive mass communications and have impersonal relations with suppliers.

The preceding arguments support the view that organizational buyers are more rational. However, there is another perspective that argues otherwise. Because organizational buyers are spending someone else's money they may be less careful than the consumer would be with his or her own money. Fashion is concerned with personal taste and the consumer needs only to be certain about his or her purchases, whereas the organizational buyer faces greater uncertainty in the anticipation of the needs of an assortment of others. This multiple responsibility for buying can, under some circumstances, lead to careless action, as personal accountability may be diffused via committees or teams. The extent of supplier loyalty displayed by retailers and manufacturers could be taken as being counterindicative of a more rational approach to buying than that of the consumer who shows no loyalty to any brand or retailer.

Clearly the arguments about relative rationality cannot be easily resolved, but the point to note is that both types of buyer are influenced by psychological and sociological processes which are expressed in buying decisions. Key structural factors that enable fashion marketers to determine specific approaches to organizational buyers are developed further in Chapters Six to Nine, where the relationships between the organizations are explored in relation to the marketing mix.


### 3.7 Summary

This chapter has introduced the concept of buyer behaviour in the fashion market. It has dealt with:

- ◆ the importance of understanding buyers;
- ◆ how individual customers make decisions;
- ◆ what types of decision they must make;
- ◆ psychological influences on customer decision-making;
- ◆ how fashion marketers classify customers and sociological influences;
- ◆ a comparison of organizational and consumer buying.

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# Chapter Four

# Fashion Marketing

# Research

## 4.1 Introduction

The purpose of this chapter is to provide an introduction to some of the main concepts and decisions involved in the research process, as well as the main techniques used in survey research.

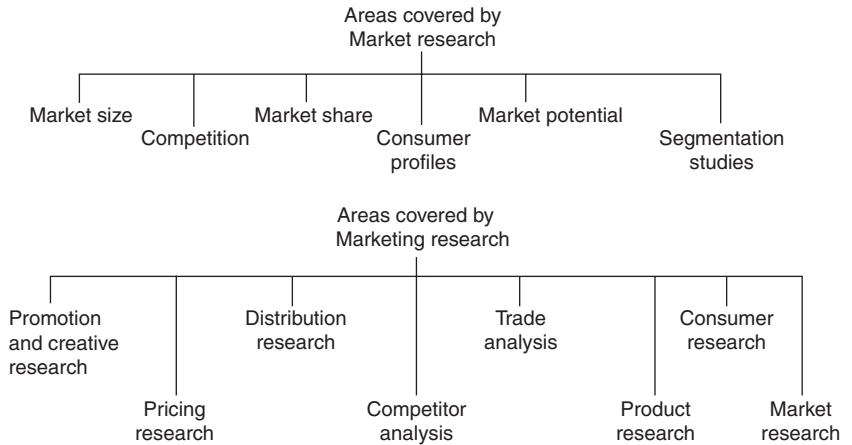
Most adults in the UK have had some experience of marketing research, usually through contact with the 'lady with the clipboard' in street surveys. As such, the main emphasis of this chapter will be on the decisions that must be made as part of survey design; from the definition of the research problem to the design of the questionnaire and data collection. The application of marketing research to product development and fashion forecasting international marketing research issues and the impact of the Internet will also be considered.

## 4.2 The purpose of marketing research

### 4.2.1 What is marketing research?

Kotler (2000) defines marketing research as 'the systematic design, analysis and reporting of data and findings relevant to a specific marketing situation facing the company'.

It is often asked whether there is a difference between market research and marketing research. The difference is in the scope of an investigation, as shown in Figure 4.1. Market research is used to refer to research into a specific market, investigating such aspects as market size, market trends, competitor analysis, and so on. Marketing research is a much broader concept, covering investigation into all aspects of the marketing of goods or services, such as product research and development, pricing research, advertising research,



**Figure 4.1** Comparison of market research and marketing research.

distribution research, as well as all the aspects of market analysis covered by market research.

#### 4.2.2 Why is information necessary?

In today's fierce market economy the risks faced by businesses are great. Aggressive competitors pose serious threats for both large and small businesses in the constant fight to maintain and increase their market share. To maximize opportunities the successful business person must make the right decisions at the right time. The consequence of making the wrong decision can be financial ruin.

Without the gift of clairvoyance, such decisions are problematic. An understanding of the market and the needs and wants of your consumers now and in the future are rarely based on intuition alone. Sound market information provides the basis for marketing decisions. Marketing research, properly designed and implemented, will provide this information.

#### 4.2.3 Marketing research as part of a marketing information system

The wealth of information flowing into a company has to be organized so that it reaches the right people. Successful companies operate marketing information systems (MIS) to gather accurate, up-to-date information, analyse it and disseminate the results to appropriate

decision-makers in time to allow the company to maximize its opportunities and to avoid potential threats. Along with other information producing departments within the company (sales, accounts, etc.), marketing research can assist management in the decision-making process across the full range of marketing activities, from description of a market segment to prediction of future trends.

#### 4.2.4 The scope of marketing research

There is no area of marketing activity to which the techniques of marketing research cannot be applied. Marketing research can provide information on the size and structure of a specific market as well as information about current trends, consumer preferences, a competitor's activities, advertising effectiveness, distribution methods and pricing research. Marketing research also plays a vital role in the development of new products and new advertising and promotion strategies. It can also monitor performance following implementation of those strategies.

The techniques used in the collection of marketing information depend largely on the nature of the research problem, but will vary from the well-known street interview carried out by the 'ladies with clipboards' to more sophisticated techniques such as projective techniques used in such areas as motivation research.

#### 4.2.5 Types of research

Although marketing research techniques can be applied to all areas of marketing, not all techniques are appropriate to every situation. Broadly speaking, there are two types of research: qualitative and quantitative.

Qualitative research uses techniques such as group discussions, individual depth interviews, projective techniques and observation. The information obtained attempts to find out the 'how' and 'why' of a situation, rather than 'how many'. Analysis may be difficult owing to the depth and complexity of the data collected and so it should be carried out by experienced and trained researchers. Qualitative research is invaluable for basic exploratory studies, new product development and creative development studies.

Quantitative research provides information to which numbers can be applied. Quantitative research is the best-known face of marketing research and its main survey method is what most people recognize as marketing research.

## 4.3 An overview of the marketing research process

The collection of information is a process that must be planned. There are many different areas in which planning decisions need to be made, so good organization is vital.

### 4.3.1 Stages in the research process

Research procedures will vary depending on the nature of the research problem, but in general, the process of marketing research can be seen to be made up of a number of stages. They are:

1. Define the research problem and set the research objectives.
2. Design the research. This includes:
  - (a) data sources;
  - (b) select the sampling method;
  - (c) select the data collection method;
  - (d) design the data collection form (questionnaire).
3. Test the research design (pilot).
4. Collect the data.
5. Analyse the data and interpret the results.
6. Present the findings.

## 4.4 Problem definition and setting research objectives

Defining the research problem is the most critical step in the research process. Unless the problem is accurately defined, the information collected will be of limited or no use. Careful thought and discussion about the problem, the information needed to address the problem and the relative value of the information collected should take place before anything else. A structured, systematic approach to decision-making will also enable management (or the commissioner of the research) to set the objectives of the research. In other words, what is the problem and what do we want to find out to try to solve it? This preliminary planning is important as it has implications for the design of the research and the quality of the information collected.

## 4.5 Research design

There are three types of research design: exploratory, descriptive and causal. The choice of research design will depend on the problem previously defined.

### 4.5.1 Exploratory research

This is most useful in the early stages of research, particularly if the researcher is not familiar with the subject area. There is no formal structure to exploratory research as the researcher needs to look at a wide range of information sources without being restricted. The aim of exploratory research is to uncover any variables that may be relevant to the research project as well as an investigation of the environment in which the research will take place.

### 4.5.2 Descriptive research

The purpose of descriptive research is to provide an accurate description of the variables uncovered by the exploratory stage. This could be used to investigate the market share of a company's products or the demographic characteristics of the target market (age, gender, income, etc.). Data are usually obtained from secondary data sources or from surveys.

### 4.5.3 Causal research

Causal research is used to determine the relationship between variables, e.g. the relationship between advertising and repeat purchases.

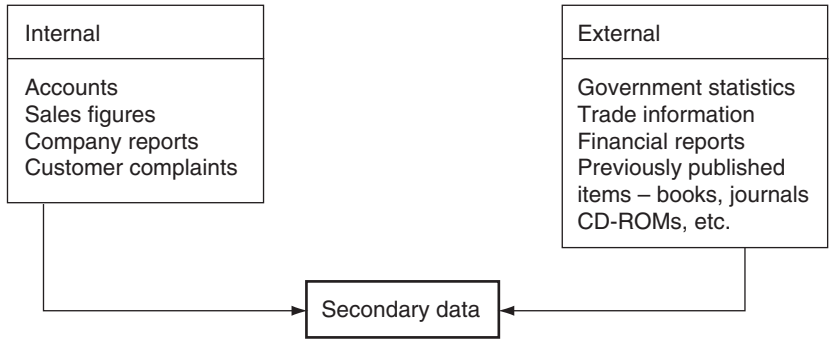
## 4.6 Data sources

Data come from two sources, primary and secondary. Secondary data sources consist of information that has already been collected for other purposes and primary sources of information are those used for the purpose of collecting information specifically for the current research project.

### 4.6.1 Secondary sources

These provide the researcher with a starting point for data collection. It may be possible to solve the research problem either wholly or in part by using secondary data. This reduces the cost of a research project as secondary data are cheaper than collecting primary data. Secondary sources of information, are in the main, fairly accessible, although some sources may remain confidential and others may be too expensive to acquire.

Secondary sources can be separated into the two types as shown in Figure 4.2. Internal sources are those that generate information within



**Figure 4.2** Sources of secondary data.

a company or an organization, e.g. sales figures and accounts information. External sources are those that generate information outside a company or an organization. These are by far the more numerous, and some examples of external sources are listed below:

- ◆ *Government statistics:* Census data, family expenditure surveys, trade and manufacturing trends.
- ◆ *Trade information:* Trade press, e.g. Fashion Weekly, Drapers Record; trade associations, e.g. CBI, trade surveys, company reports and competitors' accounts.
- ◆ *Financial institutions:* Many major banks publish reports on regional and national industries.
- ◆ *Commercial research:* Many market research companies undertake continuous research and omnibus surveys covering an extremely broad range of topics, including consumer, media and retail (e.g. Taylor Nelson Sofres, NOP, Ipsos-RSL). Various market reports are available, from, Mintel, Keynote and Retail Intelligence, for example.

The use of secondary data sources, also called desk research, can be very time consuming because there is such a lot of information available, including CD-ROM and 'online' data. Keeping the objectives of the research in mind will help to ensure that time is spent efficiently.

#### 4.6.2 Primary sources

Most marketing research projects will involve the collection of more up-to-date information than is available from secondary sources. Primary sources of information may include consumers, designers, buyers, manufacturers, retailers, and so on, depending upon the research problem.



## 4.7 Practical sampling methods

In designing research a major decision that the researcher must make concerns the selection of a sampling method. Sampling is a very important tool in marketing research. It involves selecting a small number of people from the larger survey population whose characteristics, attitudes and behaviour are representative of the larger group.

Before selecting the sample, however, the researcher must first define the research population from which to draw the sample. Exploratory research can help to define the population to include all the players and variables that are relevant to the survey.

For some surveys, particularly if the survey population is small or concentrated in one geographical area, it may be possible to take a census, which is a useful method in some business surveys. More commonly a representative sample is interviewed as this reduces both the time and the cost of the research.

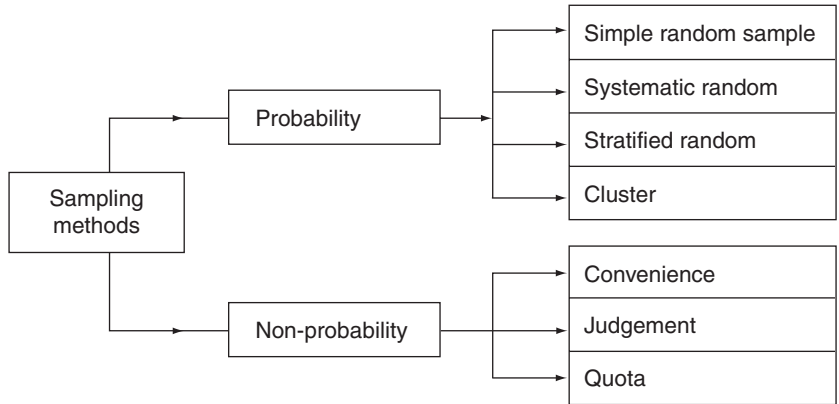
### 4.7.1 Deciding sample size

Deciding how many people to include in your sample is as important a decision as how they should be selected. Factors such as cost, time and staff availability, level of accuracy required, data collection method and location of the population all play a part in deciding sample size. In reality, cost-effectiveness is the most important factor in deciding how many should be contacted in the research, followed by time and staff availability. If it is decided to select a large number for the sample, there may be insufficient staff available to contact the respondents within the time constraints of the survey, so a smaller sample size may be accepted as a compromise.

When selecting a sample it is important that there is a high level of confidence that the sample is representative of the research population as a whole. The sample must be large enough to provide accurate results, without being so large as to increase research costs unnecessarily. It is possible to calculate confidence levels for different sample sizes and there are several texts that cover this adequately (see Further reading at the end of this chapter).

### 4.7.2 Choice of a sampling method

The two main types of sampling method – probability methods and non-probability methods – are shown in Figure 4.3.



**Figure 4.3** Types of sampling method.

### *Probability methods*

Statistically speaking, these are the best types of sampling method as each respondent has a known chance of being selected, so bias is minimized. They also allow the accuracy of the results to be estimated statistically. Sometimes probability sampling methods are referred to generically as 'random sampling' methods. In fact, this refers to a specific type of very precise probability sample. There is often some confusion over the use of the term 'random'. Selecting people in the street at random is not technically random sampling, but more often refers to selection of respondents by interviewers for quota sampling.

The main types of probability sample are simple random sampling, systematic random sampling, stratified random sampling and cluster sampling.

*Simple random sampling* Items can be selected from the sampling frame by using the lottery method, e.g. taking numbers out of a hat. In the UK, ERNIE the computer selects Premium Bond winners, and does so by using simple random sampling. Random number tables are generated by computer and often used in marketing research.

*Systematic random sampling* With larger samples it is more convenient to divide the population by the sample size to calculate the sampling interval ( $n$ ). A random starting point is selected using random number tables and every  $n$ th time after that is selected.

**Example** If the sample size is 50, and the population size is 3000, then the sampling interval is calculated as:

$$n = \frac{3000}{50} = 60$$

If the random number picked from the tables was 35, for example, then the first item selected from the sampling frame would be 35. Every 60th number after that would be selected until a sample size of 50 was achieved.

As the first number was selected randomly, this method is sometimes called a 'quasi-random' method.

The advantage of these methods is that they are relatively simple to carry out and sampling error and confidence levels can be calculated statistically. The main disadvantage is that samples may be produced that do not reflect the characteristics of the survey population. For example, if a sample of students were drawn from a list of all students at a university, it is possible that all the students in the sample might be design students. This is clearly not representative of the student population as a whole.

*Stratified random sampling* One way to try to overcome this type of sampling error is to use stratified random sampling. This is used when it is felt that different groups within the population have characteristics that are likely to lead to different types of answers. The population is divided into distinguishable groups (strata) who have similar characteristics. Stratification factors should be as relevant as possible to the survey (e.g. consumer surveys are often stratified by age, gender, socio-economic group, and so on). A random sample is then taken from each stratum.

There are two main methods used to stratify samples. First, with a uniform sampling fraction (proportionate sampling), or secondly, with a variable sampling fraction (disproportionate sampling).

*Proportionate and disproportionate sampling* If all the strata are equally important to the survey, a proportionate sample would be taken, i.e. the same number selected from each stratum. Frequently, some strata are more important to the research than others. For example, if you were conducting a survey into the purchase of outsize garments (size 18+), it would be reasonable to assume that most of these items would be purchased by those who were larger than size 16 rather than those who were not. It is logical that more of these people should be included in the sample. In other words, a disproportionate sample would be taken. If a proportionate sample were taken, too few of the people who took larger sized clothes would be included in the survey and it would be difficult to extrapolate the results to the general population with any degree of accuracy.

*Cluster sampling* Cluster sampling is a variation of stratified random sampling and may be used when the survey population is concentrated

in a relatively small number of groups (clusters) that are considered typical of the market in question. A random sample of these clusters is then taken. A random sample of units from within these clusters is then taken. If the number of units within a cluster is small, a census may be carried out. In a national survey of specialist bridal wear retailers, for example, sales areas could be identified by geographical region and a random sample of these taken. Within each selected sales area, all or a sample of the store managers would be interviewed.

There is a problem with cluster sampling that occurs if the clusters are not sufficiently representative of the survey population. For example, in a small geographical area, it is likely that it will consist of people with similar housing, incomes and lifestyle. Although cluster sampling can be more cost-effective than some other methods of probability sampling, there is a danger that sampling error will increase if the clusters are not carefully defined before the first stage of sampling.

*Sampling frames* When using probability sampling methods it is necessary to use a sampling frame. This is a list of every element in the survey population. The sample is drawn from this list. A sampling frame is essential for probability-based techniques, as each element must have a known chance of selection, and so must be included in the sampling frame. According to Webb (1999), a sampling frame must have the following characteristics:

- ◆ Each element should be included only once.
- ◆ No element should be excluded.
- ◆ The frame should cover the whole of the population.
- ◆ The information used to construct the frame should be up-to-date and accurate.
- ◆ The frame should be convenient to use.

Examples of sampling frames include electoral rolls, the telephone book, the Royal Mail's lists of postcodes and other similar databases.

In practice, most sampling frames are not perfect. Not everyone with a telephone is in the phone book, for example. Finding a sampling frame that is suitable for your research can occasionally prove difficult.

### *Non-probability methods*

With non-probability sampling methods, some element of judgement enters the selection process. The extent to which judgement is used, and therefore the element of bias introduced, varies in these methods. Non-probability methods do not require a sampling frame and the

chance of each unit being selected is unknown. Statistical estimates of the size of the sampling error cannot therefore be made.

The methods are convenience sampling, judgement sampling and quota sampling.

*Convenience sampling* Items are selected that are close or easily available. This is useful in the exploratory stage of research, giving the researcher a 'feel' for the subject. Despite being very cheap and quick to carry out, the level of error and bias with this method is likely to be very high and so it should be used with caution.

*Judgement sampling* Items are selected by the researcher that are felt to be representative of the survey population. This method attempts to be more representative than convenience sampling. Experts also may be consulted for advice on which items are likely to be more appropriate for the survey. For example, in a survey of textile manufacturers, a staff specialist such as a product developer may provide useful advice on which manufacturers would be suitable for selection.

*Quota sampling* This is the most likely non-probability method to produce a representative sample as items selected are based on known characteristics of the population.

*Example* Assume that your survey population has the following characteristics:

Age: 16–29 = 26%; 30–64 = 58%; 65+ = 16%  
 Gender: Male = 48%; Female = 52%

If we wanted to interview 150 people who were representative of the above population in terms of the two quota controls (age and gender), we would calculate the quotas as shown in Table 4.1.

This is more conveniently represented as shown in Table 4.2.

A survey's accuracy of representation can be increased by narrowing the bands and including more characteristics, e.g. social class. Interviewers are then allocated a number of interviews (quotas) with specific types of respondent.

The advantages of quota sampling are that it is relatively quick to carry out and easy to administer from a fieldwork point of view. It is also cheaper to use than probability sampling methods. The disadvantages of quota sampling involve problems of bias and sampling errors. The responsibility for selection of respondents lies with the interviewer, which may introduce bias. There is the added problem that there is no probability mechanism with quota sampling, so the sampling error cannot easily be calculated.

**Table 4.1** Quota sampling frame (A)

	16–29	30–64	65+	Total
<b>M</b>	16–29 = 26%	30–64 = 58%	65+ = 16%	
<b>A</b>	Male = 48%	Male = 47%	Male = 48%	
<b>L</b>				
<b>E</b>	26% of 48% of 150 = 19 Quota = 19	58% of 48% of 150 = 42 Quota = 42	16% of 48% of 150 = 12 Quota = 12	73
<b>F</b>	16–29 = 26%	30–64 = 58%	65+ = 16%	
<b>E</b>	Female = 52%	Female = 52%	Female = 52%	
<b>M</b>				
<b>A</b>	26% of 53% of 150 = 20	58% of 52% of 150 = 45	16% of 52% of 150 = 12	
<b>L</b>				
<b>E</b>	Quota = 20	Quota = 45	Quota = 12	77
<b>TOTAL</b>	39	87	24	150

**Table 4.2** Quota sampling frame (B)

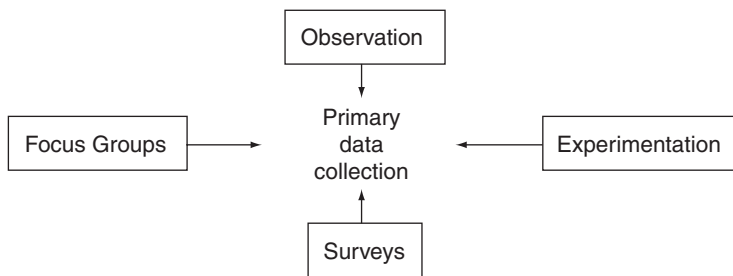
Age	Male	Female	Total
16–29	19	20	39
30–64	42	45	87
65+	12	12	24
Total	73	77	150

Quota samples are often used in surveys where fine degrees of accuracy are not required, for instance in product testing for preference between products.

Although many companies who provide continuous research services use probability sampling, the majority of *ad hoc* marketing research is conducted using quota samples. If this method gave consistently biased or misleading conclusions, it would not be used.

## 4.8 Primary data collection methods

The researcher should not rely on the use of secondary data alone to answer the research problems. Not all secondary data are available to the researcher as some may be unavailable, for example in confidential reports, and other data may simply be too costly to acquire. The information that is available may be out-of-date or not sufficiently



**Figure 4.4** Approaches to primary data collection.

detailed to solve the research problem. Usually, primary data need to be collected.

The four main approaches to primary data collection – observation, focus groups, experimentation and surveys – are shown in Figure 4.4.

### 4.8.1 Observation

There are occasions when it is more useful to observe behaviour than to interview the respondent about it. Observation is usually used to complement other research methods in marketing research, rather than being used alone, as this method can identify patterns of behaviour, but cannot provide information on the reasons behind that behaviour. There are a number of methods available for the observation of behaviour, as follows.

#### *Personal observation*

The researcher observes behaviour and records it as it occurs. The skill and the objectivity of the researcher play a key role in the collection of unbiased data. The audit data are collected by taking an inventory of certain products or brands at the premises (at home or office) of the respondent.

This type of ethnographic research (observing respondents in natural settings, e.g. observing fashion buyers at trade fairs) is particularly useful in fashion marketing research. Methods such as accompanied shopping can provide insight into the processes by which decisions are made. Using this method the researcher would accompany the respondent on a shopping trip, often following a prior discussion of the process in the respondent's home, observe the respondent and often use direct questioning to gain insight into underlying reasons for certain behaviour, e.g. why certain products attracted the

respondent's attention. This is a useful tool for store layout research and evaluation of point-of-sale displays. Wardrobe analysis is another observational method employed by many image consultants. Here existing garments and accessories that constitute a respondent's wardrobe are examined. This is combined with information on work and lifestyle needs to provide advice on how best to build on existing outfits and to expand the wardrobe to obtain a desired image. Some companies also offer this service online.

### *Mechanical observation*

Recording devices may be used either in laboratory settings or in natural settings. In the laboratory, devices such as the psychogalvanometer are used to measure the respondent's level of perspiration (and so the level of arousal) following exposure to an advertisement or other stimuli. Other devices include the eye-movement camera that detects the movement of the eye over an advertisement, identifying the visual aspects of the advertisement that gain attention. In natural settings, in-store video cameras may be used to record behaviour, with the film being used later for analysis such as researching store layout.

## 4.8.2 Focus groups

The focus group (also known as the group discussion) is a form of qualitative research. The group usually consists of between 6 and 12 respondents who discuss products, services, attitudes or other aspects of the marketing process. The discussion is led by a skilled researcher called a group moderator, who guides the discussion, following a checklist of topics. The group usually meets in an informal setting, often someone's home, and the group members are paid a small sum for attending. These discussions can take several hours to complete and are often used as a preliminary to survey research. It is also possible to conduct online focus groups via the Internet (see Section 4.14).

## 4.8.3 Experimentation

According to Kotler (1994), this is the most scientifically valid type of research. Here, matched groups of respondents are subjected to different treatments and the difference in the responses is observed. All variables outside the scope of the research are controlled and as such, the observed responses are taken to be as a result of the difference in treatment of the group. Experimental research seeks to identify cause-and-effect relationships that are central to marketing work.



#### 4.8.4 Surveys

Survey research is the most well known of the research approaches and is widely used for descriptive research. Surveys collect information from a representative sample of the survey population on such topics as consumer behaviour, attitudes and beliefs, as well as buying intentions. The strengths of these beliefs, attitudes and intentions are measured and the results extrapolated to the population as a whole.

### 4.9 Data collection methods

If a survey is to be conducted, there are a number of methods available for the collection of data and each has its relative advantages and disadvantages. The three main traditional methods are by personal interview, telephone interview and mail questionnaire. Online data collection methods will be discussed later in the chapter.

#### 4.9.1 Personal interview

Face-to-face interviewing is still the most widely used method of primary data collection in the UK, although telephone interviewing is becoming increasingly popular. This method is labour-intensive and costly, but is more likely to result in a satisfactorily completed questionnaire than any of the other methods. This is particularly true if the questionnaire is long or complicated or covers sensitive subjects. Respondents have the opportunity to build a rapport with the interviewer, who can elicit full and accurate answers to questions without biasing the responses.

In a personal interview there is the opportunity to show supporting material, such as examples of a product or still photographs from advertisements. Open-ended questions can also be included in the questionnaire design as the interviewer is present to record the answers verbatim.

The interviewer or fieldworker also plays a vital role in the selection of respondents for interview when using quota sampling. This, however, may introduce bias into the survey.

There is another type of personal interview, the depth interview, which belongs to the realm of qualitative research. Typically, these interviews can last for over an hour. The interviewer does not have a questionnaire as such, but uses a less structured interview schedule. This may consist of either a series of open questions that must be asked as they are written or a checklist of topics for discussion, as with the focus group. The interviewer must be very highly trained in the art of asking

unbiased questions, and usually, the interviews are recorded for transcription and analysis later. This method is particularly useful and is a rich source of information if the subject of the survey is of a personal or embarrassing nature.

Increasingly technology has made data capture easier for fieldworkers. CAPI (Computer Assisted Personal Interviewing) using laptops has meant that the large amounts of paper questionnaires no longer have to be carried by interviewers. Progress in wireless technology has allowed some market research companies to equip their fieldworkers with XDAs (small hand-held devices, similar to palmtops) for the administration of short face-to-face questionnaires. The questionnaires are sent directly to the XDA and allow for fast data capture and subsequently, fast turnaround of data to the client.

#### 4.9.2 Telephone interviewing

The development of CATI (Computer Aided Telephone Interviewing) has greatly increased the extent to which telephone interviewing is undertaken. Interviewing is done from a central location, cutting the costs of fieldwork considerably, providing the sample size is large. It is not a cost-effective method for small samples. With the increased demand for immediate information, particularly for commercial omnibus surveys, CATI is ideally suited for the provision of a very fast turnaround of data as the results are recorded and processed as the questions are answered. The sample also can be drawn from a wide geographical spread, as the fieldworkers do not have to travel.

There are disadvantages to this method of data collection. It is difficult to establish a rapport with the respondent by telephone, which is partly why this method is not successful for the researching of personal or embarrassing topics. Many respondents are fearful of 'sugging', selling under the guise of marketing research, and expect the interviewer to try to sell them double glazing and the like. With a disembodied voice it is also easier for a respondent to refuse or end an interview prematurely. The telephone interview demands the use of very structured, precoded questionnaires that may be completed quickly without having to rely on examples of supporting material. An ideal telephone interview will last no longer than 15 minutes, on average.

#### 4.9.3 Mail (postal) questionnaire

If the survey population is widely dispersed, it may be more useful to send the questionnaire by mail than to have an interviewer call on the respondent. Mail surveys also have the advantage of a reduction in field

staff, and if there is a high response rate, the cost per questionnaire is low. A high response rate is more likely if the survey population consists of members of a special interest group (e.g. keep-fit enthusiasts) and the questionnaire relates to their area of interest. Otherwise, a response rate of 30–40% is not uncommon. The advantage over the telephone interview with this method is that the questionnaire can be lengthy and ask for detailed information.

The disadvantages (apart from the low response rate) are several. A mail questionnaire has to compete with the increasing amounts of junk mail that pour through our letterboxes. If there is a high non-response rate then the cost per questionnaire is high, particularly if a reply-paid envelope is included. There is no guarantee that the selected respondent will actually complete the questionnaire, and in spite of careful design, the control of the question sequence is removed. If the respondent does not understand any of the questions, there is no interviewer present to clarify the problem. There also may be a long time lag between sending out the questionnaires and receiving completed forms.

## 4.10 Questionnaire design

Questionnaire design is an aspect of research in which many people automatically assume expertise, even those without prior research experience. The questionnaire is a vital part of most surveys and great care must be taken with its design. To the novice, the problems inherent in designing a questionnaire tend not to become apparent until the pilot stage of the survey.

Many factors will affect the design of the questionnaire, such as the nature of the data required (qualitative or quantitative) and how the questionnaire is to be administered (by personal interview, telephone, mail or other self-completion, or whether electronic instruments will be used). However, most questionnaires tend to lie between two extremes: first, the highly structured questionnaire used, for example, in telephone interviewing, where the question wording is fixed and responses are limited; and secondly, an unstructured interview schedule used in qualitative research, which consists of a list of topics to be covered, with the actual wording of the questions left to the trained interviewer.

A well-designed questionnaire will provide the researcher with complete, accurate and unbiased information using the minimum number of questions and allowing the maximum number of successfully completed interviews.

### 4.10.1 The decision areas

Questionnaires are notoriously difficult to construct, but Tull and Hawkins (1997) suggest that a convenient way of tackling the design is by breaking up the task into a number of decision areas, namely:

- ◆ preliminary decisions;
- ◆ question content;
- ◆ question wording;
- ◆ response format;
- ◆ question sequence;
- ◆ questionnaire layout;
- ◆ pretest and revise.

#### *Preliminary decisions*

These include decisions on what information is required, who will be included in the survey and how they will be contacted.

#### *Question content*

This section is concerned with the content of individual questions: what to include, rather than how to phrase the question. Points to consider include the following:

*Is the question necessary?* The first decision to be made here is whether or not the question is actually necessary. If the question is not necessary for the purposes of meeting the survey objectives, then leave it out.

*How many questions are needed?* If the question is necessary, one must take care that the information you elicit will answer the question without ambiguity. For example, if you asked a respondent: 'Do you think woollen trousers are comfortable and warm to wear?' and the response was 'No', would that mean woollen trousers were uncomfortable or did not keep the respondent warm? Rather than ask double-barrelled questions, it is better to use one question for each point of information required, so you would ask: 'Do you think that woollen trousers are comfortable to wear?' and 'Do you think that woollen trousers are warm to wear?'

*Has the respondent the information to answer the question?* Sometimes respondents are asked questions on subjects about which they are not informed. A husband may not have the necessary information if asked how much his wife spends a month on clothing, for

example. Some respondents will attempt to answer questions without being adequately informed, which will affect the validity of the results.

*Is the respondent able to articulate the response?* Even if the respondent has the necessary information to answer a question, they may not always be able to articulate their responses successfully. If asked to describe the type of person who might wear a particular fragrance, many respondents would find difficulty in phrasing their answers. It is easier for the respondent if they are presented with a set of alternatives from which they can choose the response that they feel to be the most appropriate. Using aids such as descriptions and pictures makes it easier for the respondent to answer the questions, and so complete the interview.

*Asking questions beyond the memory span of the respondent* Asking questions about behaviour over a long time span may not produce accurate information. For example, asking the respondent how much they spent on tights in the last year would result in an answer that was pure guesswork. Asking how much they spent on tights in the last fortnight would be more likely to provide accurate information.

### *Question wording*

Great care must be taken with the wording of questions. This is of particular importance when conducting cross-cultural or international marketing research. Decisions about question wording include:

- ◆ Does the word mean the same to all respondents?
- ◆ Some words such as 'dinner' and 'tea' mean different things in different parts of the country. Words should be chosen to mean the same to all respondents.
- ◆ The use of vague or ambiguous words also should be avoided. For example, 'Are you a regular purchaser of nylon tights?' is not specific enough. How often is 'regular'? This may mean different things to different respondents.

*Are the questions loaded?* Some words or phrases should not be used in questionnaire design as they are likely to result in bias. Emotive words or phrases invite particular responses; for example, 'Are you in favour of sending money to help the poor, starving people in Africa?'

### *Response format*

There are a number of types of response format that may be used. The most commonly used are dichotomous, multiple-choice and

open-ended formats. Most questionnaires contain a mixture of these.

*Dichotomous* Only two responses are allowed, such as 'yes' or 'no', 'male' or 'female'. A neutral 'don't know' category is sometimes included. The advantages are that these questions are quick to ask and the responses are easy to record and analyse. The disadvantages are that they do not allow for any shades of meaning to be included in the responses, and many questions would have to be asked to derive information of any detail by using this format alone.

*Multiple-choice* Here the respondent is presented with a choice of several possible answers to the question. Frequently, the list of choices is shown to the respondent on a card. The order of the alternative answers should be rotated to avoid bias. Again, the questions are quick to ask and the responses are easy to record and analyse. This format also allows for more shades of meaning and the respondent has more freedom of choice in the response. The difficulty of this format is that it is difficult to ensure that the list of possible responses is complete.

*Open ended* The respondent has complete freedom of choice in the response given with this format. This format is often used where little information exists to construct a multiple choice list, or when great detail is required. The advantage is that the information produced is extensive and is free from any bias of suggested answers. The main disadvantage is that the responses are slow to record as they must be recorded verbatim. This can lead to interviewers selecting what they think are the most important points, resulting in bias. These responses are also difficult to analyse as coding frames must be constructed for each question after the fieldwork has taken place. Coding of responses at a later stage requires grouping of responses, which can lose some shades of meaning.

#### *Question sequence*

The questions need to be organized logically to avoid introducing error or bias. Generally, you should move from general questions that the respondent finds easy to answer, to more specific or difficult questions about attitudes or behaviour.

In some surveys it is possible to ask classification questions, which may appear personal or embarrassing, at the end of the interview. If a quota sample is being used, some of these questions will need to be asked at the start of the interview, as they may form part of the

(A) 15–24	(A) under £5000 p.a.
(B) 25–34	(B) £5000–£9999 p.a.
(C) 35–44	(C) £10 000–£14 999 p.a.
(D) 45–54	(D) £15 000–£20 000 p.a.
(E) 55+	(E) £20 000+ p.a.

**Figure 4.5** Sample showcards.

quota control. To overcome this, showcards may be used, e.g. with age or income bands (Figure 4.5).

### *Questionnaire layout*

The overall aim is clarity. There are some procedures that can aid clarity. These include ensuring that all questions are numbered; filter questions (ones that may be omitted in certain situations) should be clearly marked; instructions to the interviewer should be in block capitals; arrows or visual aids may be used.

### *Pretesting (pilot) and revision*

The questionnaire must be thoroughly tested, using respondents similar to those who will take part in the final survey. This is known as the pilot stage and is vitally important to the reliability and validity of your survey results. Once this has been done, any modifications needed can be made, and the questionnaire tested again.

## 4.11 Attitude measurement and rating scales

These are used to quantify the strength of a response. The two scales most commonly used in attitude measurement are Osgood's semantic differential scale and the Likert summated rating scale.

### 4.11.1 Types of attitude scale

Attitudes are measured in scales. The main types of scale are as follows.

#### *Nominal scales*

These classify individuals into two or more groups, e.g. male/female, agree/disagree.



**Figure 4.6** Interval scale.

### *Ordinal scales*

These rank individuals according to certain characteristics, e.g. Yves St. Laurent fragrances according to preference:

- ◆ Opium
- ◆ Paris
- ◆ Rive Gauche, etc.

### *Interval scales*

These scales have regular calibrations, for example see Figure 4.6.

The advantage of this scale is that it can be used to measure the strength of a particular attitude. It also allows the use of statistical measures such as standard deviation, correlation coefficients and significance testing.

### *Ratio scales*

These scales have a fixed origin or zero point, which permits the use of all arithmetical functions, e.g. measurement of length or weight. Measurements of market size, market share and number of consumers are also examples of ratio scales.

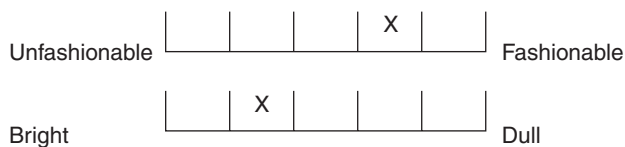
As previously mentioned, the most widely used attitude scaling techniques are the Likert and semantic differential scales.

#### 4.11.2 The Likert scale

Respondents are asked to indicate their level of agreement or disagreement with a series of statements about a subject or an object. The statements used are identified as either positive or negative, and scores are allocated for particular responses. The list of possible responses is usually:

- ◆ strongly agree;
- ◆ agree;
- ◆ don't know/neutral;
- ◆ disagree;
- ◆ strongly disagree.





**Figure 4.7** An example of the semantic differential scale.

The Likert scale is not an interval scale, so it is not possible to infer that 'strongly agree' is twice as strong an attitude as 'agree'. The scores achieved by individual respondents are only relative to those achieved by other respondents. Likert scales are popular as they are easy to construct and give reliable information about the degree of respondents' feelings.

#### 4.11.3 The semantic differential scale

This is another widely used technique in marketing research. A series of bipolar (opposite) adjectives or descriptive phrases are presented to the respondent at opposite ends of a five or seven point scale. Respondents are asked to indicate where on the scale best describes their feelings towards the subject or object. An example is shown in Figure 4.7.

Semantic differential scales have been successfully used for such investigations as corporate image, brand image and product image. It is often difficult for consumers to articulate their feelings in these areas, and the semantic differential scale offers them an easy way of expressing themselves. These scales are widely used in marketing research as they obtain information about consumer behaviour that may not be obtained with the same degree of success by direct questioning.

### 4.12 The role of marketing research in new product development

Marketing research has a vital role to play in ensuring that new products launched onto the market are successful ventures, rather than dismal failures. The main input that marketing research makes into the new product development process is in the areas of:

- ◆ idea generation;
- ◆ evaluating and developing new product concepts;
- ◆ evaluating and developing new products;
- ◆ pricing new products.

These inputs are similar in the development of fashion.

Since the late 1970s, there has been an increase in the number of stores developing their own product lines. Specialists called product developers create products and test them on customers. There may be numerous reasons why a product is developed or modified to be sold in a particular market; new government legislation, changes in culture, the economy or even the climate may be responsible.

The creation of a marketing strategy for the development of a fashion product involves four stages. Each of the stages (discussed below) involves marketing research with the ultimate aim of testing a product for feasibility prior to its production, and to produce a plan for its production and marketing.

#### 4.12.1 Creation of a customer profile

By identifying potential target markets for the proposed product, it is possible to prepare a customer profile for each one. Profiling characteristics such as age, gender, occupation and geographical location are considered, together with lifestyle characteristics as used in market segmentation.

Once these target markets have been identified, the attitudes and perceptions of potential consumers may be researched. Different groups of consumers have different needs, and by addressing the variables associated with buyer behaviour, it is possible to identify the product attributes that will appeal to each target group.

The information necessary to write a customer profile is available from several sources, both primary and secondary. For example, trade press, reports from fashion shows, sales staff, industry analysis and buyers can all be called upon to supply information.

The identification of specialized target markets is as important to the area of fashion retailing as it is to fashion design. Many fashion retailers (Next and GAP, for example) have deliberately targeted very specific niche markets, in an attempt to differentiate themselves from the competition. Emphasis has been placed on the development and acquisition of appropriate merchandise to satisfy particular market segments.

#### 4.12.2 Preparing a profile of the competitors

Information about competitors' market size, market share, product range, consumers and marketing strategies comes under the scope of marketing research. With this information it is possible to analyse

the relative strengths and weaknesses of the competition, and decide how much of a threat they pose.

Some of this information can be found from secondary data sources such as company reports, trade press, brochures and other promotional materials. Online sources also provide useful information for competitor research. It may also be possible for sales representatives to gather primary data from customers regarding competitors. Buyers, for example, will usually be contacted by a range of alternative suppliers and may be able to provide insight into competitors marketing intentions.

#### 4.12.3 Preparation of a marketing strategy report

Once the target market has been identified and a profile prepared for both the consumer and the competition, a marketing strategy must be prepared. The report will include general information about the market (size, structure, etc.) as well as particular information about the proposed target market. It will also contain information about the product, including the product's differential advantage and pricing policy. An evaluation of potential retail outlets will also be included, and an assessment of the resources will be needed to produce and market the new or modified product.

#### 4.12.4 The merchandise plan

This stage involves product testing, i.e. exposing prototypes of the product to fashion buyers. Any further developments suggested by these 'experts' will be considered, and the prototypes modified, as is the usual practice with product testing.

These are the main steps in developing and evaluating a new fashion product. The steps are slightly different from those involved in the development of more conventional consumer products, but the information necessary for a successful launch (such as an evaluation of the concept, its acceptability, consumer attitudes and preferences, information on the market in general and testing the product) is very similar.

### 4.13 Forecasting fashion

Estimating future demand for goods or services is extremely difficult in any market, but particularly so in fashion. Anticipating what buyers are likely to do under a given set of conditions is made more difficult by the eclectic nature of fashions, so any predictions about the future should be flexible and open to modification as the seasons change.

There is a problem with the use of formalized techniques for prediction in that many fashion professionals mistakenly believe that their creativity will be inhibited or that their fashion acumen and flair will be trivialized by this process. This is clearly not the case, and these methods should be used to assist the decision maker.

#### 4.13.1 Uses of information

The basis on which forecasts can be made is one of sound information. Past and present consumer purchases are analysed for trend data. The target market for your products must be clearly identified and described by using marketing research techniques. The use of geodemographic systems such as ACORN (A Classification Of Residential Neighbourhoods) can be used to identify and contact your target market, and collect information about attitudes, preferences and future buying intentions such as 'Are you likely to buy a new coat in the next three months?'

Millers and tanners who often work years ahead of the market can be contacted for primary data on future developments, as can fashion editors and buyers, who are in the forefront of current consumer behaviour. Secondary sources such as trade magazines and newspapers provide information which is readily accessible. Range plans covering such variables as material, product type, colour and price are also an important source of data.

#### 4.13.2 Further techniques

Information gained from the above sources will provide an analytical base for more specialized forecasting techniques. These include the use of ordinal scales to rank product alternatives as well as panels of up to eight people, who are asked to provide a consensus view of forecasts. A consensus is sought to avoid the bias introduced if the opinion of a single person regarding future sales potential was taken. Computer forecasting software has been specially developed for use in the fashion industry, which has facilitated the use of complex statistical techniques.

A form of product testing, called style testing, is used to involve the consumer in the forecasting process. A representative sample of target consumers is shown several provisional styles and ranges for future seasons. The consumers are then asked to state which they believe will be 'winners' and which are likely to be 'losers' in terms of customer appeal.

Test marketing of new styles, colours or silhouettes often takes place using a 'sample, test, re-order' system. Small quantities of garments are made up and placed in selected retail outlets. Customer reactions may be monitored without incurring the costs of full production. Similarly marketing research is used to monitor sales performance at the start of each season to identify any variations away from the forecast that may occur.

Fashion forecasting methods involve much organization and planning, and are not easy to establish in the first instance. All fashion businesses are involved in forecasting to some degree, and an increasing number of companies are being set up solely to provide specialist prediction services.

Fashion buying will always rely on a high degree of intuition and gut feeling about the market. When this is combined with a structured approach to planning and the use of research, more accurate forecasting is possible.

#### 4.14 The Internet as a research tool

Rather than go into specific details of web page design (on which there are numerous available sources), this section will concentrate on the usefulness of the Internet as part of research methodology. Rapid developments in technology and corresponding reductions in costs have meant that the use of the Internet for both business and social use has proliferated in the past few years. Businesses all over the world are considering whether e-commerce can improve profitability. Consumers are increasingly embracing online shopping, with the choice of goods available broadening all the time, particularly with regard to apparel. Designers and retailers alike have websites that can be found easily on the Internet (e.g. Next, Paul Smith, La Redoute).

The increased use of the Internet as part of the marketing process has similarly had a great impact on the marketing research industry. The number of marketing research companies that now provide specialist Internet research services ('e-research') has also grown considerably.

It is easy to be very enthusiastic about the use of the Internet for research, but as with all available research tools, care must be taken to ensure that it is appropriate to the particular study. As with the more traditional research methods, there are advantages and disadvantages. Conducting research via the Internet may increase the speed of research from design to results and reduce costs, as well as appearing to facilitate research on an international level. Problems

related to research via the Internet include using samples that are not representative of the target population and rapid obsolescence of information, such as e-mail addresses. In spite of the problems, the Internet is increasingly being used in marketing research for both primary and secondary data collection, and is proving to be a very useful addition to the researcher's 'tool kit'.

#### 4.14.1 Online secondary data sources

Online commercial databases have been available to researchers for many years (e.g. [www.FT.com](http://www.FT.com) – *The Financial Times*' website), providing access to news sources, trade publications and market reports. (It is useful to note that as with conventional sources, access to online secondary data is not always free.) The Internet contains a wealth of information but it may be time consuming to find as there is no single index of information available, rather a range of search engines (e.g. AltaVista, Yahoo!, Google), and sources may not necessarily be logically linked. Although online databases and search engines may be searched using keywords, the selection of appropriate keywords may be problematic. It is not always the most obvious keywords that will provide the best information. Searches using short phrases in quotation marks may provide more relevant results. The speed of searching and the breadth, if not always depth, of information available does make the Internet a useful tool for secondary data searches, however, particularly in exploratory research.

The Internet can be a particular useful resource for business-to-business research. It is possible to visit companies' websites which contain much useful information about products or services offered, financial information and an indication of the target market.

It is also possible to gain access to a whole range of market reports and articles online. Not all of these reports are free, which may limit access for some researchers. A useful source for market research information is [www.marketresearch.com](http://www.marketresearch.com) which offers more than 110000 market research reports from over 550 publishers. Other online sources include:

<a href="http://www.companieshouse.gov.uk">www.companieshouse.gov.uk</a>	Provides free information on more than 2 million companies.
<a href="http://www.londonstockexchange.com">www.londonstockexchange.com</a>	Provides a free annual reports service, giving information on the performance of over 1300 listed companies.

For the fashion industry, there are a number of websites providing access to a range of industry information. These include:

<a href="http://www.fashionweb.co.uk">www.fashionweb.co.uk</a>	A dedicated web portal for the fashion industry. Also offers a website design and hosting service.
<a href="http://www.fashion.net">www.fashion.net</a>	Provides links for agencies, news, services and employment in the fashion industry.
<a href="http://www.fashioninformation.com">www.fashioninformation.com</a>	A mainly subscription-only service providing information on trend forecasting for fashion industry professionals.
<a href="http://www.wmd.com">www.wmd.com</a>	Womens Wear Daily website – giving current information on all aspects of the fashion industry plus access to archived reports available by subscription.

#### 4.14.2 Primary data collection online

The main methods of collecting primary data via the Internet are by e-mail or website-based surveys or by online discussion groups.

With e-mail surveys, questionnaires are sent to respondents at their e-mail address. The questionnaires are then completed and returned online. The advantages of speed of both delivery and return are clear, as are cost savings over mail surveys. Disadvantages of this method are that e-mail is not completely confidential and that respondents selected as having e-mail addresses may not be representative of the research population. There may also be a time lag for replies as not everyone reads their e-mail regularly! It should also be noted that with the increase in use of the Internet, the amount of e-mail and therefore 'junk' e-mail has increased. The response rate to e-surveys, although often lower, can be compared to mail surveys as similar problems with unsolicited mail exist. Now most e-mail surveys are completed following an e-mail invitation to participate and is a useful means of conducting business-to-business research. The usual problems associated with questionnaire design are still relevant when designing e-mail surveys.

Web-based surveys consist of questionnaires posted on a particular website which are then completed by respondents who 'hit' that given site. Website surveys allow for more complex presentation, using both graphics and sound. This method relies on convenience sampling of

users who access the website. These self-selected respondents may not be at all representative of the target population and as such this method should be used with care. It should also be noted that the costs of setting up a website of this complexity mean that it is more frequently employed by commercial research organizations.

Online discussion groups are frequently used for qualitative research in a similar way to focus groups, for new product development, product testing and evaluation. One key advantage of this method is the fact that results are available immediately and a transcript of the discussion can be taken easily. Research costs are also reduced as travelling expenses, venue hire, etc. are not incurred. The fact that respondents are able to participate from their place of work, however geographically dispersed they may be, has meant that this method is increasingly being used in business-to-business research. An incentive may be paid to the respondents, however, as the costs of connection will be borne by them. Visuals and sound files may also be included within the discussion site, but as respondents cannot touch the items, this method may not be suitable for certain products, e.g. where softness of fabric is important.

#### 4.14.3 Using the Internet for research

The rapid developments in technology have meant that access to information via the Internet is becoming faster and easier for an increasing number of people. There is currently a great deal of enthusiasm about the Internet as a medium for both leisure and business activities, but this should be tempered with caution when considering the Internet as a means for conducting research. Problems associated with access, sampling response rate and quality of information, etc. all need to be considered against economies of time and cost. As with all tools available to the researcher, each must be considered for its appropriateness to the study and selected accordingly.

#### 4.15 International marketing research

International marketing research generally refers to marketing research undertaken in countries other than that in which the research was commissioned. The challenge for the researcher here is to provide information from a culturally diverse, rapidly changing world. Each country in which research is conducted will have its own unique characteristics and mores with which the researcher may not be familiar. At the outset



certain factors need to be taken into account in the research design. These include:

Conceptual equivalence	Do concepts such as 'brand loyalty' have the same meaning and significance in each country selected?
Functional equivalence	Does a product have the same or similar function in the selected countries?
Scalar equivalence	Do scale measurements taken in selected countries produce the same or similar results?
Linguistic equivalence	Does language used when translated provide the same meaning for respondents, whether verbally or in written form?

#### 4.15.1 Cultural influences

Researchers must also understand the culture in which the research will be conducted. Some subjects will be easier to study in some cultures but not in others, depending upon the research population selected. It should not be assumed that a 'one size fits all' approach will be successful. Research design may have to be modified between countries and cultures to ensure comparability of data. For example, in Arabic countries it is generally harder to obtain samples of women respondents. Issues regarding access and culture have to be carefully addressed. In many instances, international marketing research may be designed in one country but administered by local agencies because of their knowledge of local custom and practice.

### 4.16 Summary

This chapter has covered the nature and scope of marketing research, starting with the survey research process:

- ◆ definition of the research required;
- ◆ decisions about the survey population;
- ◆ sampling methods;
- ◆ questionnaire design;
- ◆ data collection.

The chapter has also covered types of research design and approach, and the sources of data available to the fashion marketer. The

application of marketing research to the development of new products and fashion prediction has been discussed, as well as a consideration of some of the issues around international marketing research design and the impact of the Internet on research methodology.

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**Part C**

**Target Marketing and  
Managing the Fashion  
Marketing Mix**

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# Chapter Five

## Segmentation and the Marketing Mix

### 5.1 Introduction and overview

This chapter will discuss the nature of market segmentation and the related strategies that are open to the fashion marketer. The preceding three chapters have concentrated on customers, in the context of the marketing environment in Chapter Two, as buyers with differing needs and social characteristics in Chapter Three and as a focus of research efforts in Chapter Four. This chapter attempts to draw together several themes to look at how to decide which market or markets to aim at, namely the target market(s).

Having determined the target market or markets, the next consideration is the positioning of the fashion marketing organization and its marketing efforts towards the target, and this will be covered later.

The chapter also forms an important link with the rest of the book by introducing the concept of the marketing mix. Having shown how an organization can position itself within a market, the next task is the planning and organization of controllable variables to meet the requirements of the market profitably. The particular combination of marketing variables offered to specific markets is known as the marketing mix, and this is described shortly.

### 5.2 Mass marketing and market segmentation

#### 5.2.1 What is a market?

To constitute a market a number of conditions have to be met. There should be a genuine need, the customer(s) should be willing and able to buy the product, and the aggregate demand should be sufficient to enable a supplier to operate profitably.

### 5.2.2 Mass marketing

Fashion marketers who assume that all customers in the market are the same are adopting a mass marketing or undifferentiated marketing approach. The assumption is based on the idea that customer needs do not vary and that the company can offer a standardized marketing mix that meets the needs of everyone. The standard marketing mix means the same product, method of distribution, prices and promotional effort aimed at everyone. The best example of this is China during the cultural revolution of the 1960s where the whole nation was offered the Mao outfit of dark blue jacket and trousers.

In Chapter Two, when considering the development of markets, it was noted that the aristocracy and wealthy classes were able to obtain products that met their precise needs. Most people in the pre-industrial revolution period dressed in a variety of styles which were greatly influenced by local skills and raw materials. Mass production methods, coupled with the experience of producing clothing for large armies, led to the possibility of mass markets for clothing. Indeed the practice of mass marketing linked to the military can be illustrated by the existence of the 'demob' suit issued to servicemen upon demobilization from national service.

Where a product can be standardized, perhaps because of the predominance of function over style, then it could be argued that a mass market exists. Also, when mass production methods enable considerable economies of scale, some items may be produced so efficiently that the product becomes a low-priced commodity. Certain items of underwear such as white Y-Fronts or one-size tights are certainly capable of consideration as products suitable for mass marketing. The reality, however, is that although the possibility of mass marketing of clothing remains, it has never been a major feature of fashion markets in any advanced economy.

Given choice and the diversity of suppliers, consumers have amply demonstrated the desire for individuality that clothing can give them and they have rendered elusive the idea of a mass market for clothing. This is not to argue that homogeneity is absent in the clothing market or that there is not just one mass market, but many different clothing markets. One of the big success stories of the last decade has been Zara who have targeted younger customers with fast fashion as competitive prices (Figure 5.1).

Recognizing that the existence of many markets reflects the needs and purchasing capacity of clothing buyers leads to the idea of segmenting markets. Markets may be segmented or divided where, for instance, a group of consumers has a set of homogeneous needs that is different to other groups.



**Figure 5.1** Zara, an example of successful market segmentation.

### 5.2.3 Heterogeneous markets

The extreme form of market segmentation is where everyone has different needs and purchasing capability, and this is described as market heterogeneity. An example of this would be if everyone had bespoke tailoring, which, given the economics of the prospect, is an unlikely scenario. The nearest example is the market for corporate clothing. Here large organizations may require custom-made uniforms or limited ranges of clothing for their staff to enable the achievement of corporate image and personnel goals. However, even within the corporate clothing market, there will be some homogeneity, with for example smaller regional and local non-competing organizations such as restaurants who are willing to accept similar garments for their staff. Security staff and cleaning personnel from many organizations may be provided with the same garments.

### 5.2.4 Market segmentation

Market segmentation is where the larger market is heterogeneous and can be broken down into smaller units that are similar in character.