

Fashion

Merchandising

Strand 2

Fashion Marketing

Fashion Merchandising Strand 2

- Student will understand the basics of fashion marketing.
 - Standard 1: Define Marketing Terms
 - Standard 2: Describe the 4 P's of Marketing
 - Standard 3: Describe the 4 methods of market segmentation
 - Standard 4: Describe the 6 marketing functions
 - Standard 5: Identify careers in the fashion merchandising industry

Marketing

- The process of developing, promoting, and distributing products to satisfy customers' needs and wants.

It is a series of activities that fashion businesses undertake so that customers will buy products from them instead of their competitors.



Marketing Concept

- To market effectively, fashion marketers follow the principles of the marketing concept,
Which is the idea that businesses must satisfy customers' needs and wants in order to make a profit.



Target Market

- The specific group of people that a business is trying to reach.



Market Segmentation

- Identifying a group of consumers, or target market, is achieved through *market segmentation*, which is a way of analyzing a market by categorizing specific characteristics.

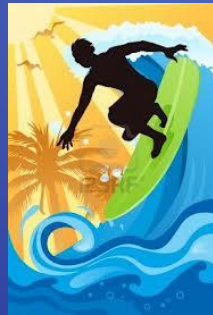


Methods of Market Segmentation

- Demographics: personal characteristics such as age, gender, income, ethnic background, education, religion, occupation.
- For Example: A retailer such as PacSun targets a teen or young adult customer.



- Psychographics: based on social & psychological characteristics such as interests & lifestyles.
- For example: PacSun, many of the customers may be interested in surfing or skateboarding.



- Geographics: statistics about where people live. Could include: region, city, county, & climate.
- For example: PacSun tends to focus its marketing campaigns in warmer & coastal regions rather than in colder climates.



- Behavioral Segmentation :statistics about consumers based on their knowledge, attitudes, use, or response to a product.
 - Purchase Occasion: instance when a consumer might use a product – casual or work attire.
 - Product Benefits: study of the benefits that consumers desire in a fashion product or service such as stain or wrinkle-resistance.
 - Usage level & commitment : how often consumers use a product & their loyalty to purchasing it.

Fashion Merchandising

- The planning, buying, and selling of fashion apparel and accessories to offer the right merchandise blend to meet consumer demand.



The Marketing Mix

- To sell a fashion product to target customers, businesses must apply the *marketing mix*.
- The marketing mix consists of four basic marketing strategies (4Ps) –
 - product,
 - price,
 - place &
 - promotion.



Product

- Refers to what company is offering for sale to customers to satisfy their needs & wants.
- Includes goods & services.
- Fashion marketers develop strategies that include producing, packaging, & naming a product.

- **Examples of Goods:**



- **Examples of Services:**



Price

- The amount of money consumers will pay for a product.
- Fashion marketers must determine how much consumers are willing to pay.



Place

- Refers to the way products are distributed and their systems of delivery.
- Important place decisions include
 - how & where a product will be distributed,
 - where the customer will purchase the item, and
 - when the product is distributed.



Promotion

- Any form of communication that a business or organization uses to inform, persuade, or remind people to buy its product.



6 Functions of Marketing

- Product/Service Management
- Pricing
- Distribution
- Marketing–Information Management
- Promotion
- Selling

Product/Service Management

- Fashion businesses must develop, maintain, & improve their products in response to customer demands.

Fashion producers look for new ways to use existing items or produce new ones that will continue to interest the consumer.

For example: a current textile in apparel is spandex. Although this material has been in existence for years, its popularity increased when designers began using it for women's & men's active-wear fashions.



Pricing Function

- A primary goal of any business is to make a profit.
- A key factor in achieving this goal is to price a product accurately.
- Pricing includes how much to charge for goods & services in order to maximize profits.
- Although companies price their merchandise based on what the customer is willing to pay, they must be careful not to set prices so low that business does not make a profit.



Distribution

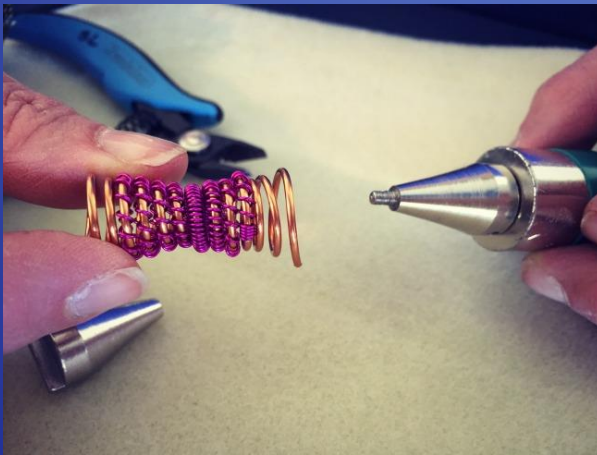


- This marketing function is responsible for identifying, selecting, monitoring, and evaluating sales channels, also known as channels of distribution.
- Each channel of distribution is a path or route that goods and services take from the producer to the ultimate consumer or industrial user, enabling products to be in the right places at the right times.
- Effective channel management is often a key to a business's success because it puts products in the customers' hands.

Channels of Distribution

Direct Channel

- The path of distribution in which products are sold by the producer directly to the customer.



Indirect Channel

- The path of distribution of products that involves one or more steps, or intermediaries. For example, a product moves from the manufacturer, to the wholesaler, to the retailer, and then to the consumer.

Marketing-Information Management Function

- The world of fashion is ever-changing. Gathering information is critical. Information is obtained primarily through marketing research, which helps fashion businesses determine their customers' preferences & how to better market products. Businesses are able to effectively use the information through marketing-information management systems.



Selling Function

- The selling function involves the direct personal contact that businesses have with their customers.
- Developing good selling skills is especially important for selling more expensive apparel and designer fashions.
- Sales personnel must be able to communicate the benefits & features of the items so that customers are willing to pay higher prices.



Careers in the Industry

- Advertising Director:
 - Works for retail stores and publications and oversees the advertising and promotion activities
- Public Relations Agent:
 - Represents and promotes businesses and products within the fashion industry.

