

SECTION 2: Establishing the Retail Store Image: Six Step Method

Part 3: Develop an Inviting Store Environment: Create Identifiable Store Elements

Introduction: Develop an Inviting Store Environment

The third step in developing the store image is selecting the elements or store image cues and attributes that create the mental image or impression the public perceives regarding the store's personality. Each retailer must "paint a picture" or present a unique personality or character of the store that he wishes the target consumer to recognize in comparison to the store's competition. **Store image** is a mirror of what the store stands for with regard to value/quality of merchandise, price of product assortments, customer service types, store personnel, promotional direction and community citizenship.

Store image is:

- what makes a customer shop in one store over another store
- the positioning of the store in the channel of distribution
- the differentiation of the store from its competition
- the exclusivity of the store's offering as compared to the competition.

A store creates a mental perception in the minds of the consumer whether it is attempting to do so or not. Therefore, it is very important that these perceptions are established and controlled by the specific retailer. Perceptions are based upon such elements as:

- *generalities* or history and store founders, store location (i.e., type such as shopping center, mall, free-standing) and surrounding external environment, the tenant mix or store composition of the center, and target consumer
- *physical elements* such as a store's architecture, exterior and interior décor, the center's marque and/or signage that identifies the store (i.e., colors, lettering type and font style, materials)
- *personnel elements* such as an adequate number of sales associates with product knowledge and enthusiasm to build multiple sales
- *customer service* attributes such as types of services provided by the store and the consumer perception of these services
- *product* elements such as the retail/vendor matrix, brands carried by the store, the value/quality of the product, the merchandise assortment, product exclusivity and differentiation, the degree of fashion leadership that the store reflects
- *price* cues such as the price ranges and price points of a store's merchandise assortments, the value/quality equation implemented for pricing product
- *placement* elements such as channel of distribution and type of location where store operates
- *promotional mix* that includes media mix, community involvement, visual presentation and display, fashion coordination, special events, etc.

Even more important is the fact that if consumers have not visited a store and formulated a mental perception, they use other elements or visual cues to make a decision about the store. For example, word-of-mouth descriptions by family members and friends; window displays, advertisements and types of special events promoted by the store; type of clientele entering or leaving the store; and types of automobiles in front of the store and parking lot are all elements consumers use to create perceptions of the store. Thus, it is most important that the retailer selects and establishes elements or cues that are

the most prominent for building the store/brand image for that specific retailer. Additionally, it is much more difficult to change an image than it is to establish a beginning image.

For example, Belk, the largest family-owned department store in the southeast, recently successfully updated its store image in order to compete with present day competition. Corporate headquarters held focus groups with target consumers from the community in order to determine the current perceptions of Belk stores. Based on the research findings, the company created its updated image reflecting the history of the organization and its southern location.

The retailer changed its logo, signage, tagline and colors. Since the third generation is now overseeing store operations and the stores are mainly located in the south, a symbol to designate those cues was incorporated into the store logo and signage. A three petal graphic, symbolizing the three generations of the Belk family, was executed in shades of blue, signifying a cool, calm, and comfortable southern environment.

Additionally, the font and style of lettering for the Belk name were changed from the traditional scroll of the capital Belk "B" in a turquoise color to a lower case lettering in an updated font. The lower case font is a more contemporary, updated style designating a trend of the modern times. The tagline became "MODERN. SOUTHERN. STYLE."® Although it took several months and thousands of dollars to reimage, the signage, packaging, and promotional tagline of the retailer have "painted" the belk stores as stores with a "MODERN. SOUTHERN. STYLE"®!

In the following segments of Part 3, the store elements essential for creating an identifiable store image will be delineated in segments 3-1 through 3-8.

SECTION: 4: Investigating Design Principles and Art Elements to Communicate Store Image and Build Profitable Retail Sales

Part 2: Checklists for Effective Displays

Introduction:

For evaluating the creative endeavor of the visual merchandiser, as well as the student merchandiser, the following two checklists, “15 Point Checklist for Displays” (Part 2: 2-1) and “10 Common Sense Rules for Displaying” (Part 2: 2-2) are provided.

Part 2: 2-1 15 Point Checklist for Displays

15 POINT CHECKLIST FOR DISPLAYS

- Does the merchandise or display --
 - Attract attention?
 - Build store and fashion image?
 - Assist customers in self-selection?
 - Present the “total look” depicting the target consumer’s lifestyle?
 - Inform the customer of the latest fashion trends?
 - Sell merchandise?
- Is the theme of the presentation –
 - Unique?
 - Timely?
 - Well executed?
 - Appropriate for season, type of store, and target consumer?
 - Conducive to selling merchandise?
- Is there a definite focal point in the display?
- Does the total presentation reflect appropriate balance and good proportions?
- Is there rhythm in the composition?
- Is the color scheme pleasing and appropriate for the season, fashion trends, and merchandise?
- Is there a proper amount of backup merchandise to support the display?
- Are the background and floor space, clean, appropriate, and enhancing to the merchandise and/or theme?
- Are the props appropriate for the theme and do they enhance the merchandise?
- Is the lighting adequate and does it call attention to the featured merchandise?

- Is the key idea presented concisely through proper signage?
- Is the merchandise or display changed every week or every two weeks?
- Is the arrangement of merchandise, fixtures, and props different from those in recent displays?
Is there something new, exciting, and different happening?
- Does the overall display presentation enhance the merchandise featured?

SECTION 3: Planning the Retail Merchandise Presentation

Part 2: Merchandise Presentation by Color

Color is the single most important element in both merchandise presentation and display. In fact, color is the first element in any visual presentation that attracts attention. Color may create or become 80 % of the merchandise/display presentation. However, color is a personal, individual, private experience that is influenced by culture, regional and global locations, and environmental background. For example, in the United States the traditional attire of the bride is a white wedding dress, while in other countries red is the color of choice. For funerals, black is the color frequently worn to symbolize sadness and death in western countries; but white is the color of death in China, and purple is the color that designates death in Brazil.

Furthermore, there is a physiological and psychological impact of color that affects the viewer's perception of the visual presentation. Consumers react instinctively to color. Based on the consumers' previous experiences with color, their backgrounds, and the region in which they reside, consumers immediately "read" or translate the meaning implied by a color. Thus, color creates a mood and binds the overall theme and merchandise classifications in the merchandise presentation. Color motivates the consumer to buy!

Additionally, color is symbolic for seasons, holidays, events, and occasions. For example, black and orange denotes Halloween; red and green automatically announces the Christmas season; and red, white, and blue signals the Fourth of July. On the other hand, in a retail store, red signs signify "sale" or clearance merchandise.

Concisely, customers are drawn to merchandise through effective color coordination. Remember, color sets a mood and ties the merchandise presentation to the retailer's merchandise mix and product categories. *Color is the single most important selling element of the merchandise presentation!*

And, as previously discussed, all merchandise presentations utilize color in order to organize product classifications and to create a logical arrangement for ease of customer selection. Merchandise presentations begin with color (i.e., light to dark), proceed to the arrangement of product classifications (i.e., left to right), and culminate with sizing (i.e., small to large) within each color of each product classification. Additionally, the same strong statement of a harmonious color scheme (e.g., two colors and a neutral) should begin at the entrance or windows-on-the-aisle section of the store or department, continue throughout the store and culminate with the top or vista walls.

For additional information on color, the color terminology, color schemes, color coordination, and the psychology and symbolism of color will be discussed in-depth in **Section 4: Investigating Design Principles and Art Elements to Communicate Store Image and Build Profitable Retail Sales.**

Merchandise Presentation by Color: Light to Dark and Neutral to Warm to Cool

To colorize the merchandise assortment, *within each product classification arrange styles from light to dark.* A hue or pure color is noted as being *chromatic* or highly colored. All colors have *value* or a degree of lightness or darkness that is evident in the color. With regard to light and dark colors, if white is added to a basic or pure color the results are a *tint* of that color or a *pastel*. If black or grey is added to a

basic or pure color the ending color is a *shade*. Also, the *intensity* or the brightness or dullness of a color must be considered when arranging merchandise presentations and creating displays.

Colorize merchandise in a sequence of neutral to warm to cool colors. Neutral colors include white, black, grey, brown, and beige. These colors are frequently used in store design and décor and especially for background colors for a display. These colors act as a foil or background for the merchandise and do not compete with the colors in the merchandise or display. For arranging the merchandise presentation, an example of positioning tints and shades of white to brown utilize the following sequence:

- white → winter white
- cream → beige → light browns
- medium browns → dark browns

Neutral colors that are warm include winter white, beige, and brown; neutral colors that are cool colors include black, white, and grey. Warm colors advance and are aggressive and exciting. On the negative side, these colors, in some tints and shades, may be agitating or irritating to some consumers. *Warm colors* include red, pink, yellow, orange, peach, brown, and rust. Some tints and shades of purple may also be classified as warm. An example of colorizing warm colors may be viewed below.

- light yellow → marigold
- peach → orange → rust
- pink → red → burgundy
- lavender → purple

Cool colors recede and are calming and relaxing. Colors classified as *cool* include blue, green, blue-green and sometimes violet, depending on how much of another color is mixed with the purple. Cool colors may be arranged accordingly:

- sky blue → medium blue → navy
- light green → medium green → dark green → olive green
- gray
- black

As has been discussed previously, when arranging the merchandise presentation, always consider the psychology and symbolism of color as well as the personal color preferences of a culture and geographic region. Remember, color creates a mood and is the binding factor that relates the merchandise and display theme to the presentation. *Color is the single most important selling element of the merchandise presentation.*

Merchandise Presentation by Product Classifications

The merchandise presentation is organized from colorizing all product classifications and then proceeding to the organization and arrangement of those classifications. Separate product classifications by type, end-use, occasion for wearing, or lifestyle of the consumer. Additionally, separate within each product classification the fabrication types (e.g., cotton, silk, polyester), as well as solid colors from patterns composed of the identical colors. In other words, do not mix cotton and cotton blend long sleeve woven shirts with silk blouses and cotton knit tee shirts. Separate the shirts from the blouses and the blouses from the tee shirts.

Patterns are frequently arranged to break the monotony of several solid colors on the same fixture or within a wall space. Based on colorization of the pattern, position color-patterned product classifications that match the identical solid colors of the same product classification between those different solid colors. Arrange patterns from geometric to floral to stripes to plaids between those solid colors.

Also, arrange each product classification by sleeve and hem lengths. For example, do not mix long and short sleeve cotton shirts together in one wall section. Rather, separate the long sleeves from the short sleeves and arrange those items by color, fabrication, and occasion for wearing. Likewise, separate shorts, skirts, and pants on the same fixture. Begin with the shorts and arrange those together and then position the skirts and pants. Within those classifications, also separate the different length of shorts, the different lengths of skirts and different length of pants.

For example, if the retailer has both dressy crop pants and trousers in stock, the crop pants should be separated from the trousers and both of those should be colorized within product classifications and then sized from left to right, small to large on the fixture or in the wall section.

Merchandise Presentation by Sizing

The merchandise presentation culminates with sizing within each color of each product classification. Size from left to right of the wall section and fixture and from small to large within the product classification. If the product is on a wall waterfall, the smallest size should be positioned on the lowest level of the waterfall, with the largest size being positioned at the top of that fixture. If a product classification is housed in a cube or bin, the smallest size should be on the top of the stack of the merchandise while the largest size is located at the bottom of that stack.

In summary, these guidelines are used frequently in retail stores. Therefore, the consumer has been trained subconsciously to locate the correct size with merchandise arranged utilizing the above guidelines. However, not all retailers employ these guidelines for organizing and arranging their store's merchandise presentation, yet these retailers are very successful. For example, for many years, JC Penney has used a different presentation for colorizing its product assortments, yet sells reams of merchandise every season. The model that Penney's utilizes has been very lucrative for the Penney stores. Thus the JC Penney consumer is accustomed to and expects that particular organization and arrangement of product.

SECTION: 4: Investigating Design Principles and Art Elements to Communicate Store Image and Build Profitable Retail Sales

Part 2: Checklists for Effective Displays

Part 2: 2-2 Ten (10) Common Sense Rules for Displaying

10 COMMON SENSE RULES FOR DISPLAYING

- Never display one remaining piece of an item (unless it is a one-of-a-kind, very exclusive, or represents the entire classification).
- Never mix sizes of coordinates or layered items.
- Always display the smaller size of a garment when available.
- Always position the display near the featured merchandise.
- Always accessorize in order to present the “total look.” Remember, sometimes “less is more.”
- Remember, merchandise comes first, but close behind is the idea (theme).
- Always pay close attention to the small details such as housekeeping, visible tickets, wrinkles, etc.
- Carefully choose an attention-getting device.
- Select merchandise that is new and newsworthy.
- Always select display techniques that enhance the merchandise and present a consistent store and fashion image to the target consumer.

SECTION: 4: Investigating Design Principles and Art Elements to Communicate Store Image and Build Profitable Retail Sales

Part 3: Summary of Merchandise Presentation and Display for Communicating Store Image and Building Profitable Sales

In summary of *“Establishing the Retail Environment/Store Image: Visual Merchandising and Display”*, a review of “The Six Basic Principles of a Retail Merchandise Presentation or Display” is presented below:

THE SIX BASIC PRINCIPLES OF A RETAIL MERCHANDISE PRESENTATION OR DISPLAY

- **Plan Your Merchandise Presentation and Displays**
 - Know what, where, when, and why about the theme, special event, and merchandise itself.
 - Develop a plan including a timetable, organizational chart of activities, and sketch to scale for all major displays.
 - Coordinate interior store displays with window displays and/or “windows-on-the-aisle displays”.
 - Be aware of what is happening in your local community, country, and world.
 - Make plans in advance based on the previous year’s sales, promotions, and special events.
 - Keep a special events calendar with types of activities, displays, etc.
 - Coordinate displays with advertising, special events, and promotions.
- **Select Merchandise Thoughtfully**
 - Keep abreast of the latest fashion trends, new market developments, and new merchandise classifications and accessory trends.
 - Be sure there is enough backup stock to support the display.
 - Make sure theme, sizes, styles, fabrications, and colors are compatible.
 - Prepare the merchandise for display in advance – remove tickets, steam wrinkled fabrications, brush surfaces, etc.
- **Select Color First and Then Define Lines**
 - Select a background color and props that enhance the merchandise.
 - Remember, color is the first component that attracts the viewer’s attention.
 - There is a psychology to color that sets the mood and becomes symbolic for seasons and events.
 - Avoid the use of too many horizontal or perpendicular lines in a display.
 - Plan the focal point and use repetition to create rhythm.
 - Use texture to enhance the merchandise.
 - Use neutral backgrounds with brightly colored merchandise and props.
 - Use pastel backgrounds with drab merchandise and neutral props.
 - Avoid using a material for backgrounds that calls attention to the background rather than the merchandise.

- **Maintain Good Composition**
 - Check proportions of props and merchandise in relation to space and boundaries of the display.
 - Decide upon formal or informal balance based on merchandise type.
 - Plan a dominant point, usually the merchandise itself, in the display.
 - Assure there is rhythm or flow throughout the display.
 - Check for the effectiveness of repetition in the display.
 - Review, critique, and revise your work as you create the display.
- **Plan Lighting Techniques**
 - Avoid the use of fluorescent lights for window displays.
 - Use lighting to create motion and rhythm in the display, if appropriate for theme and merchandise classifications being featured.
 - Use different light sources on the same selling floor; highlight and accent fluorescent primary lighting with LED secondary lighting.
 - Remember, fluorescent lights are available in colors of “white”, from cool blue to warm white with peach tones.
 - Replace fluorescent lights with HID lights when both shadows and highlights are desired on the selling floor.
- **Evaluate the Overall Effectiveness of the Presentation**
 - Was the theme easily comprehended?
 - Did the display sell merchandise and create multiple sales?
 - Did the display inform, teach, and motivate the target consumer to take action?
 - Did the display reflect the store and fashion image?
 - Did the display assist with customer self-selection?
 - Did the display sell merchandise not included in the display?

Part 6: Plan the Merchandise Presentation

Planning an exciting merchandise presentation is one of the most important steps in establishing the store and fashion image. Arranging the merchandise in the store with relation to floor and wall space must be carefully planned in order to produce maximum sales dollars per square foot. Today's consumers demand convenient, easy-to-traverse traffic patterns in the store; merchandise that is positioned in easy-to-find locations and easy to shop; displays that excite and depict the lifestyle of the shopper; and an exciting "retailtainment" environment in the store.

A store may be arranged or merchandise may be presented using a variety of techniques. The store may be arranged by a) creating a 3 x 3 merchandise store layout presentation, b) building the merchandise presentation based on color dominance, c) coordinating product line groupings, d) creating shop concepts for various brands presentations, e) coordinating merchandise based on size, f) grouping merchandise by end use, and g) creating the merchandise presentation by price. Sometimes more than one of the presentation techniques are used simultaneously in the store.

Creating the 3 x 3 merchandise store layout presentation and building the merchandise presentation based on color dominance will be discussed in **Section 3: Planning the Retail Merchandise Presentation**. The other techniques will be discussed briefly in this part of Section 2.

Merchandising by Coordinating Product Line Groupings -- Many vendors build their seasonal product lines around groupings of product classifications that mix and match to create ensembles that can be worn for different occasions or various end uses. The products are usually produced in more than one colorway and have solid, pattern, and print colors that blend or match in specific colorways. Additionally, some related separates (i.e., product classifications with blending or matching fabrications, colorways, silhouettes, or occasion for wearing) are also merchandised together in order to create add-on or multiple sales.

Four-way or quad fixtures and/or wall sections which are divided into segments are excellent for this type of merchandise presentation. On each of the four arms of the fixture, a completely accessorized ensemble of coordinating pieces and colors can be combined to teach the consumer how to mix and match the product classifications. The presentation can visually show an item going from work to an evening out or to a sporting event.

Many times this type of presentation is found in sportswear departments, especially in the better to moderate priced areas of a store. Also, this type of presentation is frequently combined with the 3 x 3 presentation in order to create a "silent selling" environment for a department store or stores with customer service centers that have less sales associates to cover the selling floor.



Merchandising by Creating Brand Name Shop Concepts – One of the most popular concepts for merchandising designer to better merchandise is the current trend of building shop concepts within the retail store in order to house only the merchandise of one specific vendor's brand. For example, Ralph Lauren has done an excellent job of building shop concepts in the retail stores that sell his seasonal lines. A shop concept is a win-win situation for both the retailer and the vendor. More than likely, the shop is designed and created by the designer or vendor and frequently merchandised by a vendor representative (i.e., retail marketer or retail merchandiser who works in the retail store and is an employee of the vendor).

In the shop concept, the vendor can control the brand image and create a merchandise presentation in order to market and sell all product classifications simultaneously. The materials used to build the shop, the fixtures to present and display the merchandise, and the ambience or shop environment are more than likely established according to vendor policies. Even the merchandising layout and display guidelines are directed and supervised by the company. The image of both the merchandise presentation and product offering is constant, consistent, inviting and hopefully motivating in order to entice the target consumer to become a repeat customer.



Merchandising by Size – Stores that offer special sizes, such as women’s plus sizes, men’s big and tall, children’s apparel and sometimes youngmen’s wear, create merchandise presentations in order to introduce new trends and educate the consumer on “how to” coordinate product classifications for the most flattering apparel combinations. These stores arrange merchandise classifications on fixturing from left to right or front to back and by size from small to the large. Ideally, the first hanger on the front of the fixture or wall bar visually presents the total ensemble showing various product classifications with accessories that complete the coordinated outfit.

Within each product classification the colors are arranged from light to dark and from neutral to warm to cool tints and shades. Printed or patterned merchandise containing the solid colors are used as a break between colors in order for the consumer’s eye to rest and to allow time for the mind to interpret the visual presentation. In this type of presentation, different hem lengths and sleeve lengths are presented on separate fixtures or in separate areas of the wall or on other types of fixturing. In other words, different lengths of garments are not mixed together but are separated for a more balanced and pleasing presentation.



Merchandising by End Use and/or Occasion of Wearing – Many customers like to shop in one location or store for all items that are needed for a specific lifestyle activity. An excellent example of this type of merchandising is found in sporting goods stores. These stores carry apparel, equipment, accessories, and complementary items that are needed for a particular activity. Additionally, home furnishings stores merchandise using this technique. A bedroom vignette or room setting presents everything from bed and bath linens to floor coverings, to room accessories, to sleepwear. The vignette is color coordinated with solids and patterns containing those solids visually presented for a “total look”. Add-on and multiple sales are expected with this type of merchandising.

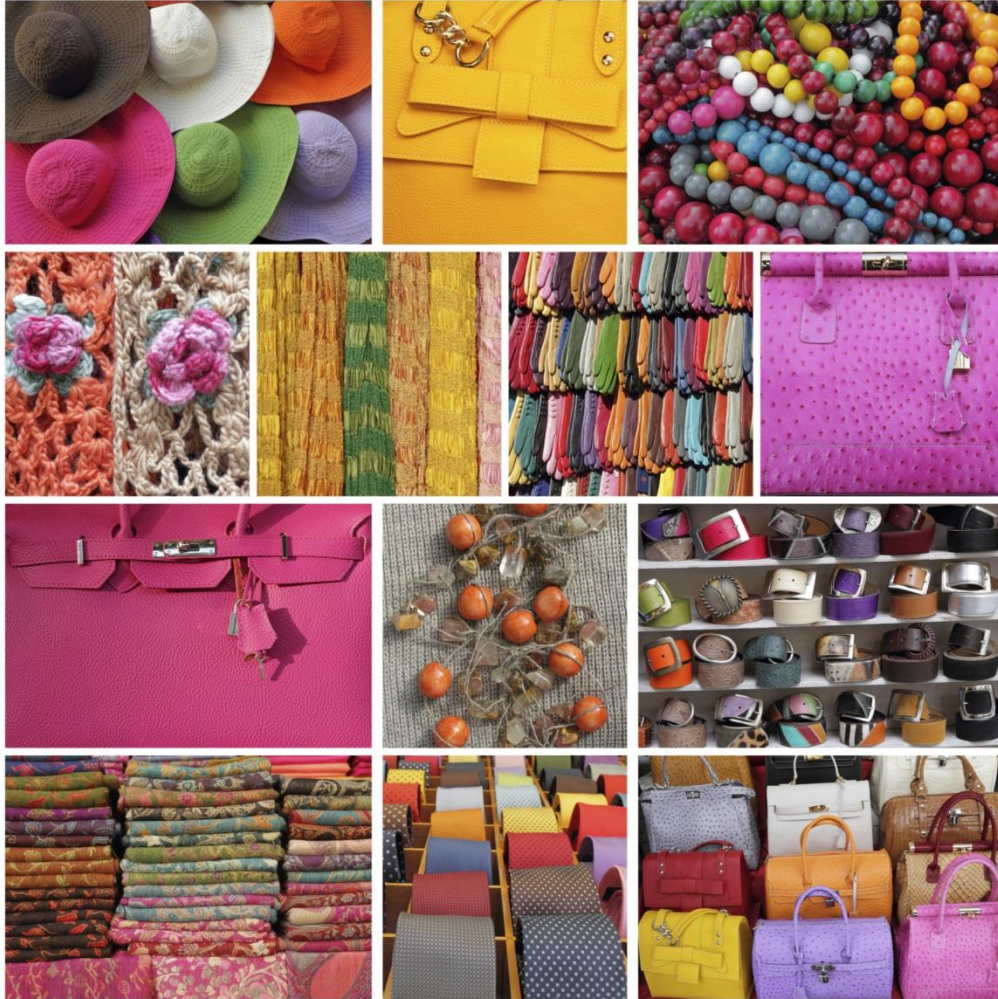
With regard to occasion of wearing, some consumers like similar product classifications, regardless of the brand name and price point, to be merchandised together in order to compare all products easily and to see the variety of selection. Also, these customers, who do not have the time nor the inclination to shop in many different areas in a store in order to mix and match product, indicate that they are overwhelmed by some of the current merchandising techniques utilized by their favorite retailers. If this technique is used, the merchandise is still presented by color, pattern, and size coordination. These areas should be merchandised with garments within identical product classification positioned on fixturing from left to right or front to back, small to large, light to dark and from neutral to warm to cool

tints and shades. This arrangement makes it easy and convenient for the consumer who does not enjoy the shopping experience as a fun, exciting activity.



Merchandising by Price – Some stores, such as discount stores, are merchandised with emphasis on the price of the product. However, as previously stated, in today’s competitive marketplace, many of these stores now use trendy visual merchandising techniques to “romance” the inexpensive, reduced, or sale merchandise.

In other stores of this type, the retailer uses the philosophy of “stack it high and let it fly”, or stacking certain product classifications on aisle tables, skirted tables within the store, or “dump” tables designated as bargain tables with the lowest price available. Regardless of the merchandising policy of the discount retailer, the merchandise must be arranged and presented in a manner that is conducive to impulse buys as well as add-on sales. Frequently these retailers use signage, banners, and point-of-sale graphics to reinforce the concept presented in the merchandise presentation. Many customers love to rummage through piles of merchandise to find the “jewel” or bargain at the bottom of the pile!



Creating the 3 x 3 merchandise store layout presentation and building the merchandise presentation based on color dominance will be discussed in **Section 3**.

Part 4: Developing the Fashion Image

Fashion touches all types and varieties of product classifications from apparel, accessories, and footwear to home décor, furniture, kitchen utensils and home appliances, to cars, boats and motorcycles. There are very few products in the marketplace that are not in some manner impacted by fashion design and/or the fashion cycle. Fashion permeates all aspects of our environment.

Therefore, the retailer must assure that a constant and consistent fashion image is established and maintained by his retail business in order to establish the store's identity and fashion leadership in the community. From the signage and exterior of the store to its entrance and window displays, the fashion image becomes evident to the consumer through the exterior and interior décor and visual merchandise presentation, especially the displays with the types of props and attention-getting devices utilized to attract the target consumer.

Fashion image:

- reflects the degree of fashion leadership the store seeks to project (e.g., fashion innovator, fashion expert, fashion follower, fashion laggard)
- is identified by the stage of the fashion cycle that its merchandise assortments represent and the target consumer it chooses to attract and service
- is one aspect of store image
- is determined by the store's customers, store size, channel of distribution in which it operates, and fashion leadership it establishes.

To develop the fashion image, as with developing the store image, there are six steps. Those steps include the following:

- profile target consumer
- develop a store environment that is natural and comfortable for the target consumer
- create the fashion merchandising policy for the store
- establish the markdown procedures for merchandising and establish the pricing policies for merchandise assortments
- develop the selling techniques related to the fashion image
- establish policies for the fashion obligation and fashion education in the community.

Profiling the target consumer (Refer to Part 1 of this section.) and developing the store environment (Refer to Parts 2 and 3 of this section.) have been discussed in detail. In this section, *Part 5: Establish the Merchandising Policy*, the merchandising policy, including markdown procedures and pricing policies, will also be expounded upon.

For a brief review from the discussions in previous parts, remember that the retailer must reflect the tempo of fashion through the store's atmosphere, décor, and environment. When creating the store image, the retailer simultaneously creates a fashion personality for the store and generates excitement and specific expectations pertaining to fashion in the mind of the target consumer.

Based on the retailer's strategic plan and management philosophy, the retailer must determine a long-range guide for the store's fashion aims and level, standards of merchandise quality, price ranges for product classifications, and attitudes and policies toward the competition. Fashion merchandise assortments should match the lifestyles of the customers as well as the needs and wants of those

consumers. Additionally, every product classification assortment in the store should coordinate with all others.

For example, accessories such as jewelry and handbags should be on the same fashion level and in similar price ranges as the apparel offerings. The brands carried by the retailer should be complementary and compatible in order to produce multiple or add-on sales. If the shoe collection is at a different fashion level than the apparel for the target consumer, then the retailer, more than likely, will be attracting two different target consumers or will be losing sales to its competition. Plus, neither of the consumer segments being targeted by the retailer will be happy with the selection of the store's merchandise. One consumer will not be able to make an apparel selection, while the other customer will not find the shoes needed to complete the total look!

When establishing the fashion merchandising policy, the retailer must first decide upon the *fashion level* (i.e., basic versus fashion and staple versus seasonal) of the *merchandise mix* (i.e., all product categories and classifications carried by the retailer). Additionally, the *industry zones* (i.e., designer, bridge, contemporary, better, moderate, popular) from which the merchandise is procured must be selected. Also, the types of brands and product categories plus classifications available from those branded companies carried in the store must be identified. The selection of the fashion level, industry zones, and brand types determines the number of seasons that new merchandise will be purchased and delivered to the store.

The ladies apparel industry and oftentimes other apparel segments, such as children's and youngmen's wear, are organized into zones. These *zones* are based on a) lifestyle of the consumer, b) the level of fashion or design expertise exhibited intrinsically in the product, c) the taste level of the consumer or the consumer's perception of the position of the product on the Buying-Selling Curve (Refer to diagram of curve in this section.), d) the current fashion trends in the market (i.e., themes, silhouette types, colorways, patterns, trims), e) types, quality, and finesse of fabrications, f) standards of quality for workmanship in product and/or technology incorporated into design, g) price range of product classifications, and h) size ranges of product.



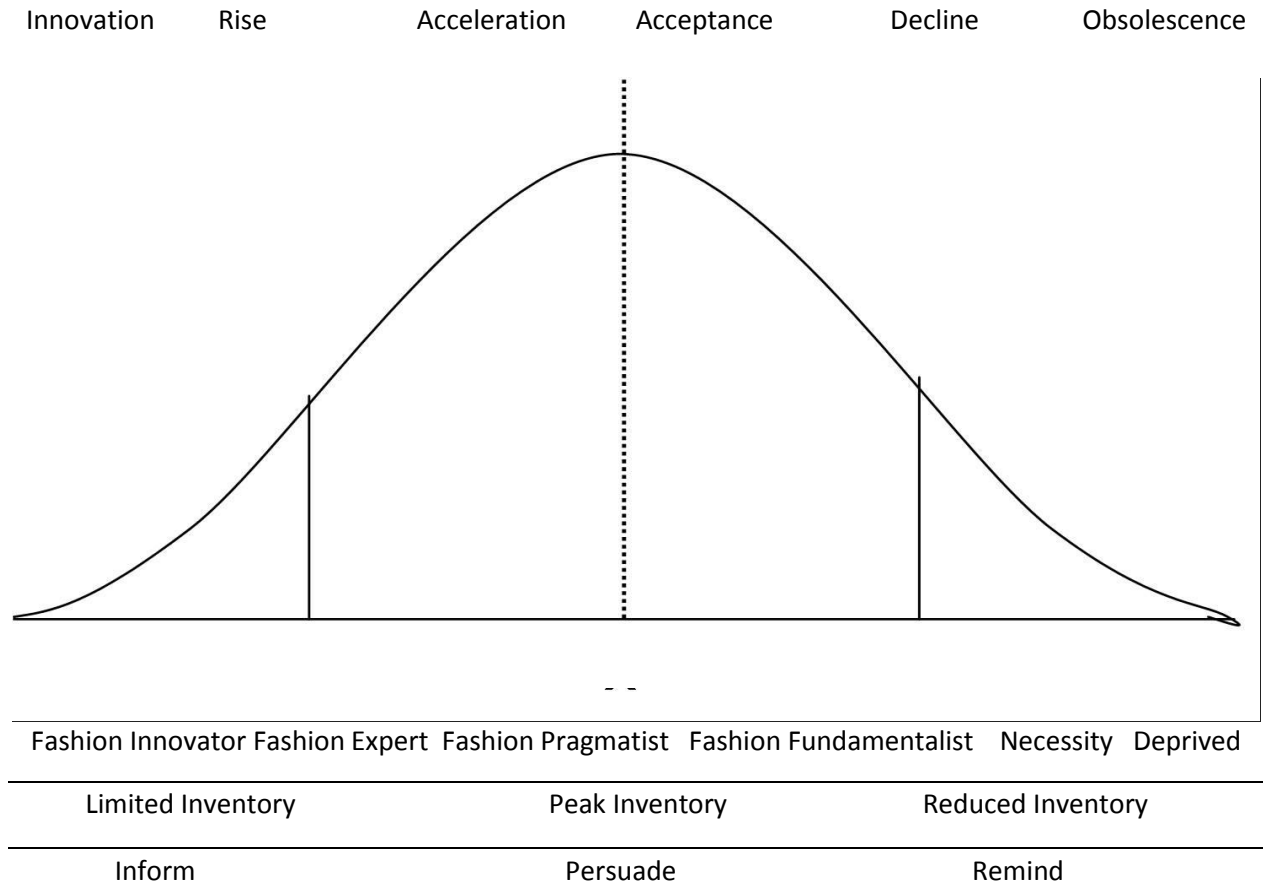
Vendors in the various industry zones target retailers in specific channels of distribution, as well as the lifestyles of their retail clients' specified target consumer segments. As previously pointed out, the number of seasonal lines produced by a vendor is influenced by the zone in which the vendor produces product; and, the various types of *brands*, such as designer, national, private label, private brand, and generic brands, are produced within specific zones of the industry.

The number of *seasonal lines* that a vendor produces and the retailer buys is based on the retail calendar. The retail year is not based on a calendar year. Rather it begins in February and ends in January of the next year. The retail year is divided into two major seasons, Spring and Fall. The Spring season begins with February and ends in July, while the Fall season begins in August and ends in January of the next year. The retail year is divided into two six month periods – *Spring* (i.e., spring and summer seasons) and *Fall* (i.e., fall, winter, holiday seasons).

Most retailers buy from three to five fashion lines of the vendor's seasonal product lines per year. All retail merchandising, promotional events, and fashion activities revolve around the number of seasonal product lines the retailer buys and the delivery timeline those lines are received into the store. The product must be merchandised and displayed in store for the target consumer to preview before the peak selling period for a particular seasonal line. Thus, the visual merchandiser has a huge responsibility in merchandising and displaying trendy, seasonal arrivals in a timely manner. Additionally, the visual merchandiser must pinpoint the major fashion trends for the season and present those trends early in the season. The visual presentation must educate the consumer about the innovativeness of the product and encourage the consumer to take action and purchase the product for her/his lifestyle activities.

A tool for correlating fashion trend information into the merchandising process that is used by both the retail buyer and visual merchandiser is the *Buying-Selling Curve*. (Refer to the schematic of the curve below.) This curve mirrors the bell-shape curve of the Product Life Cycle and follows the same format of the cycle, beginning with innovation and ending with decline and obsolescence. The curve is based on the *fashion level* of the product category. It relates the product fashion level to merchandising activities needed to provide the target consumer with the fashion product, at the right time, and in the right place.

Buying-Selling Curve*



[Adapted from Kincaid, Gibson & Woodard (2004)] – *Fashion Level, Consumer Type, Inventory Level, Marketing Technique

For the purpose of analyzing the merchandising of fashion products, the curve is divided into six substages: innovation, rise, acceleration, general acceptance, decline and obsolescence. Not all stores carry fashion merchandise in the initial substages of the curve or all of the other substages. However, all fashion merchandise, regardless of the stage when received in the store, gradually travels through the cycle to eventually become obsolete.

Designer merchandise begins with the *innovation substage* and is usually a one-of-a-kind designer product. Being very exquisite, high-priced merchandise, this product is usually offered to the “fashion trend setter” who has a highly developed sense of design as well as the income and taste level to purchase this designer merchandise. The retail buyer selectively purchases limited sizes and quantities of this merchandise, and receives the merchandise very early in the buying season.

The visual merchandiser must present designer merchandise at the very beginning of the selling season or as soon as it arrives in the store in order to inform the target consumer of its availability. This merchandise must be featured and displayed with great flare and fashion expertise, since the product

accrues higher markdowns in this particular fashion level due to the design attributes and higher price points of the product.



Many specialty stores carry fashion merchandise in the next two substages, *rise* and *acceleration*. The target consumers in these substages are the “fashion expert” and “fashion pragmatist”. The fashion expert is aware of the latest fashion trends and purchases the product at the very beginning of the selling season. This merchandise is very trendy or viewed as the most up-to-date items available for purchase by a large segment of the population. These fashion items should be featured very early in the selling season and the visual merchandiser must “romance” the trends and products in order to teach the consumer “how to” wear and coordinate the products for successful incorporation into the lifestyle of the consumers.

The fashion pragmatist waits until the trend or style is accepted by a substantial group of people before purchasing the product. Moreover, this consumer is more practical with regard to the selection of design attributes of the merchandise. This customer, therefore, often purchases wardrobe building pieces that can be incorporated into the current wardrobe or worn for a longer period of time.

In these two substages the consumer desires maximum coverage of trendy, fashionable merchandise in a variety of styles, colors, fabrications, and brands. The stock is peaked during the acceleration substage and reorders are frequently placed if the vendor has the demanded product available for shipping. The marketing technique continues to be that of providing information in order to alert the consumer of both the trend and the store’s selection of merchandise. It is the responsibility of the visual merchandiser to create enticing merchandise presentations and displays in order to feature the latest versions of the design and the latest techniques for wearing or using the product.



After the trend or fashion is accepted by the general public, the style is positioned in the *general acceptance* substage. All consumers are accustomed to this fashion product or have “trained the fashion eye” to accept or appreciate the look. The fashion is available in many versions, in all price ranges, sizes, fabrications, and colors. Additionally, all store types and departments within those stores carry a knock-off or an adaptation of the product design. The retailer’s major marketing thrust for this substage is to persuade the target consumer to shop his store. In this stage, the visual merchandiser’s major responsibility is to present and display the product in various colors and fabrications at a wide range of price points and in various lifestyle settings. The merchandise presentation and displays in the store must be the “silent seller” that motivates the consumer to buy a particular product from this retailer rather than purchasing the product from the competition!

In the remaining two substages of *decline* and *obsolescence* the merchandise is usually offered at a markdown retail price and/or is purchased for sale by discount stores or other retail outlets. In today’s competitive retail environment, discount stores and other types of retail outlets are utilizing trendy merchandise presentations and display techniques in order to sell off-price product as well as product produced only for a specific retailer in a particular channel of distribution.

In summary, the positioning of the retail store’s fashion product on the Buying-Selling Curve helps to assist the visual merchandiser in establishing the store’s fashion image. Based on that positioning, the visual merchandiser can create timely merchandise presentations and displays that attract the target consumer and build add-on or multiple sales. Moreover, pinpointing the fashion level of the merchandise assortment is imperative for the visual merchandiser, since the level impacts the selection of appropriate fashion themes, props, and attention-getting devices when creating effective displays. In

the displays, the sophistication level or lack thereof are most important in attracting a specific target consumer.

Two other factors to consider when establishing the store's fashion image are developing the selling techniques related to the fashion image and establishing policies for the fashion obligation and fashion education in the community. The fashion leadership and selling techniques are keyed to the type of fashion image that the store would like to project. For example, specialty stores usually train sales associates to speak with authority about fashion trends and to present new fashion concepts with confidence and finesse. Further these associates are expected to "dress the part" and to represent the retailer while participating in community events. On the other hand, some stores only require the sales personnel to answer customer questions, locate the desired merchandise requested by the consumer, or provide minimal customer service. The various types of selling techniques "speak loudly" to the consumer and establish the fashion leadership of the retailer.

When establishing merchandising policies, oftentimes, retailers set policies for participating in community happenings and fashion events. Retailers who wish to establish fashion leadership in the community assist customers in analyzing, understanding, and interpreting fashion trends that are workable for the consumer in the local community. By providing fashion information, these retailers assist customers in developing a fashion awareness and direct those consumers in formulating an experimental attitude and fashion judgment. The ultimate objective of the fashion retailer, as well as visual merchandiser, is to teach the consumer to transition from season to season and build confidence in incorporating seasonal merchandise into fashion statements that express the fashion taste level and individuality of that specific consumer. Then the consumer develops confidence in the retailer's presentation of fashion products and accepts the fashion leadership of a particular retailer.

