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PAMELA PHILLIPS
ELLYE BLOOM
JOHN MATTINGLY

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fashion sales promotion

THE SELLING BEHIND THE SELLING

Pamela M. Phillips

Ellye Bloom

Dr. John D. Mattingly

Kent State University



To J. P., W. P., and K. C.

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fashion sales promotion

THE SELLING BEHIND THE SELLING

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Under the consulting editorship of Joseph C. Hecht Montclair State College

Preface

Fashion Sales Promotion—The Selling Behind the Selling addresses those activities that promote and stimulate the sale of fashion goods. It identifies what those activities are, how they are conducted, by whom and—most important—why.

This book is aimed at the student whose goal is the buying function at the retail level. It will also provide information to the student who is studying for a career in sales promotion.

Buyers must be more than selectors of merchandise. They have to be visual interpreters, marketers, and merchandisers. A vital ingredient for a successful retail operation is the continuous interaction between the promotional and merchandising functions. For a merchant to understand that sales promotion exists is not enough. The two parts must work together as a unit; success is dependent on the merchant's input, understanding, and support of sales promotion.

Using demographics, psychographics, and attitudinal data, marketing is providing direction for both the merchandising and promotional divisions of today's retailers. A chapter has been included to examine these new marketing techniques—the type of information they can supply the retailer and where a retailer can obtain such information.

Finally, since all sales promotion efforts can fail if the customer is confronted by an uninformed salesperson, a chapter has been included on this important, final link in the sales promotion chain.

P. P.

E. B.

J. M.

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CHAPTER The Selling Game

LEARNING OBJECTIVES

After reading this chapter, you will be able to:

- 1. Write a broad definition of fashion.
- 2. Describe the purpose of retail sales promotion.
- Explain the various levels of sales promotion activities carried out in the fashion industry.

Fashion sales cannot occur in a vacuum.

The sale of a product, fashion or otherwise, occurs only when it meets or satisfies a customer's need, want, or desire. In order for a customer to know that a product meets one of these criteria, communication must take place.

Sales promotion is one form of this communication. The objective of sales promotion is to sell an idea, product, or service at a profit. Used in the battle for customer patronage, sales promotion arouses the buying impulse by addressing the customer's basic needs, giving the customer reasons to buy, perking interest, and encouraging action. It is used to build customer loyalty, to disseminate information, and to establish or reinforce a company's image.

The communication of sales promotion is achieved through advertising, visual merchandising, special events, publicity, and personal selling. Each area has a different role in the total communication effort, but all have a common aim. All sales promotion is selling that promotes a sale of a product, idea, or service. It is this selling behind the selling that this book is all about.

FASHION—ANOTHER DEFINITION

As a student of retailing, you will come across numerous definitions of fashion. Fashion has been described as excitement, ever-changing fantasy, a form of personal expression, or a display of self-concept. Often it is credited as the reflection of historical and social events.

Yet a common element in all definitions is that fashion mirrors what people are thinking and doing at a given point in time. It is influenced by the way they see themselves and the way they want others to see them; how they spend their days and what they do at night; how they earn their money and how they spend their leisure time. In other words, fashion mirrors *lifestyle*.

All components of lifestyle must be considered as we discuss fashion sales promotion. Lifestyle is much more than the clothes that people wear; it encompasses our architecture and interior design, our taste in food and entertainment, and the way we spend our time.

An "item" becomes fashion when there are customers for it. More importantly, an "item" becomes fashion when it sells.

Often, of course, the "item" is apparel. Clothing is the most personal and visible expression of a person's concept of self. We often see the word "fashion" used to mean an article of clothing or an accessory. For example, the bulletin on a magazine cover announcing "Fall Fashions" or an editorial that speaks of "Paris Fashion" is conveying information about new styles of clothing.

It is important for you to remember that fashion sales promotion takes inspiration from all aspects of lifestyle rather than just from clothing trends and style developments.

Not everyone who buys and wears a particular fashion is involved in the lifestyle from which that fashion grew. The popularity upsurge of active sports-wear was not entirely due to an increased need for functional clothes; active sports-wear is worn by many who do not actually participate. As popular thinking turned to health and physical fitness, clothes associated with active sports became fashion because people included concepts connected with those sports in their self-image.

Swanson's ad in Figure 1.1 takes advantage of this phenomenon. Drawing upon a lifestyle change—an increased interest in physical fitness—Swansons presents a fashion alternative to its customers and houses it in a specially created department. Appealing to its readers' vanity, the ad tells the customer that "whether your forté is biking, aerobics, tennis, jogging, swimming or just plain spectating, we've got an unmistakable collection that goes beyond function" The message is—whether you're part of this exercising craze or not—here's a chance to look better. These sweat suits crossed the line into the realm of fashion when a functional design was done in velour fabric and offered in fashion colors.



Figure 1.1 Swansons draws this ad's theme from the current lifestyle craze. Courtesy of Retail Ad Week magazine.

REACHING OUT TO THE CUSTOMER

Stores today carry the same merchandise as their direct competition. Except for slight variations, the merchandise mix of each similar store offers customers the same choice at the same price. What makes the customer choose one store over another?

Presentation is the variable that makes one store stand out from its competition. Through its sales-promotion activities, a store conveys its image to the customer. The image may be one of service, price, or the "latest in fashion," depending on the customer the store is trying to reach.

In Figures 1.2 and 1.3, both ads for Saint Laurent's Opium, we can see the different, subtle messages achieved through presentation. The Frost Bros. ad is aimed at the high-fashion customer. The copy calls Opium "the haute couture of fragrance" and "the embodiment of elegance and fashion." Accompanied by artwork stylized to reflect the taste level of this customer, the copy only quotes the prices for one ounce and one-half ounce of parfum—the most concentrated and expensive version of the scent.

Garfinckel's ad is designed to have wider appeal. No mention of elegance or fashion here; instead, the copy tells the reader that Opium is "for the woman who is at once sensuous and serene." Again, the prices quoted tell us whom the ad was intended to reach. Garfinckel's quotes the more affordable one-quarter ounce of parfum first and lists companion products that start at twenty dollars.

Differences in presentation are achieved not only through advertising, but in the kind of special events each store holds, the way it displays its merchandise, and the image it projects through publicity. We will examine all of these aspects of sales promotion and will see how each contributes to the variable of presentation.

A MATTER OF SURVIVAL

Stores depend on sales promotion to build traffic and to make sales. Without sales promotion, a store would have to survive on customers who happened to walk by the door. This method of doing business is possible only under special circumstances. For example, the small retailer in a hotel lobby can feed off the traffic the hotel supplies; prospective customers have to pass by the retailer's front door to get in or out of the building.

Most stores, however, would wither and die if they did not announce to their target customers that they are open and anxious to do business.

TODAY'S RETAIL CLIMATE

Operating a healthy retail business is not an easy task. There are many factors which make the retailer's job—selling goods and services to the consumer for a profit—very tough.

Some of these factors are external conditions. These affect the business climate in general and affect retailers and their customers directly. External con-

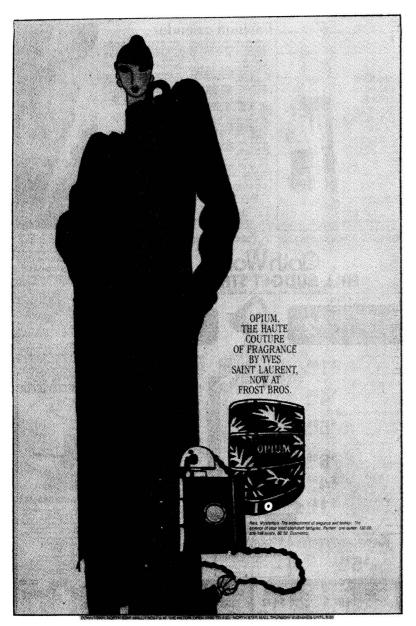


Figure 1.2 *Artwork and copy aim this ad at the high-fashion customer.*Courtesy of *Retail Ad Week* magazine.



Figure 1.3

This ad for Opium is intended to have wider appeal.

Courtesy of Retail Ad Week magazine.

ditions include the economic climate, retail competition, and the makeup of the market in which the retailer operates.

Fluctuating inflation rates create problems for the retailer. As inflation rates rise, the buying power of the dollar shrinks, thus decreasing the *consumer* buying power. In addition, the cost of goods and services spirals upward dinflationary times. Both factors, inflation and rising costs, cut into the amount consumer *discretionary income*, that is, money left over after the essential paid for.

Stiff competition is another external factor challenging retailers in this do. More and more stores are competing for the same consumer dollars, with sir.

merchandise, in the same retail markets, at the same price. Just as Lord & Taylor has moved west to capture new markets, Neiman-Marcus has moved east.

The actual size of the market a retailer operates in has been affected by two social factors. *Shifting demographics* drain customers from one trading area while increasing the number of customers in another. The present trend, and one seen as continuing in the 1980s, is a population shift toward the Sunbelt in the U.S. As population soars in states like Texas, Arizona, and California, retail customers are being drained from other sections of the nation. In addition, the overall population growth has slowed in recent years, and the makeup of the population has changed. A drop in the birthrate, coupled with increased longevity, has increased the average age of the country's total population. This factor influences the type of goods needed by the customer as well as the number of customers in a particular trading area.

Unemployment is another external factor that affects the retailer. If the locale's major employer, such as an automobile factory, closes its doors, the economic structure on which a retailer depends is shattered.

The fashion retailer also faces fierce off-price competition. Brand-name discounting, a trend many credit Loehmann's with starting (see Figure 1.4), has gained such momentum that it is changing virtually the entire retail climate. In recent years, discounters and discount chains have sprung up in every major retail market, offering, at lower cost, an array of merchandise from designer names to popular-priced brand names. While many discounters purchase manufacturer's overstock or end-of-season merchandise, in general they are able to offer the same merchandise as the fashion retailer at a lower price largely through the elimination of store services such as alterations, charge accounts, and delivery.

The fashion retailer is also faced with price-slashing from direct competition. When sales slump, retailers must run specials in order to move merchandise. If a store's direct competitor marks down a brand name that the store has in stock, it has no choice but to mark down the merchandise or lose customers to the competition.

Internal conditions also challenge the future growth of retail operations. Just as the consumer's expenses have risen, the retailer is paying more for everything from electricity to shopping bags. The cost of the merchandise the retailer offers has also increased. When business slows, due to fewer discretionary dollars and the other factors outlined, markdowns increase, cutting into the retailer's profits.

Today, more than ever, sales promotion is needed to stimulate sales for the retailer. The money budgeted for this area must be wisely and productively spent if the retailer is to realize a profit and remain alive.

FLS OF SELLING

There are several levels of selling in the fashion industry. The firms involved sell and promote to their customers and to the ultimate consumer. By dividing the market into three segments, we can examine the selling and sales promotion that occur in each. (Figure 1.5)