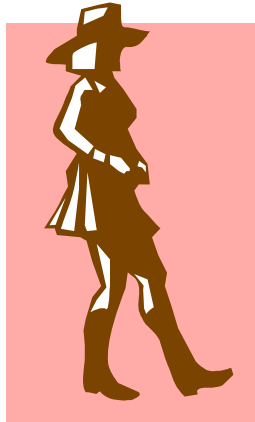


Denim-N- Lace Boutique



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FASHION BUYING TERM PROJECT
APRIL 2006

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PROFESSIONAL PHILOSOPHY

At Denim-N-Lace we are dedicated to providing one-of-a-kind fashions that will stand out in a crowd. Our commitment to serve our customers beyond ordinary responsibility, will reflect our philosophy. We provide an environment where we can stimulate ideas and information to our customers about the merchandise and products that we provide. Our philosophy is founded on meeting the following objectives:

- To maintain an environment in which our customers can be personally served and know that they are important to us and that we are attentive to their needs.
- To consistently, provide, high-quality expertise in fashion, management, tax, accounting, services, and sales.
- To render service in a timely fashion in order to meet our customers needs.
- To enhance on a continuing basis the types of fashion, products, and merchandise we offer.
- To strive for continuous, long-standing relationships with our customers and to attract customers that will benefit from and advertise our services.

Our customers are a unique part in strengthening our business as a boutique. At Denim-N-Lace there are no boundaries ahead, only opportunities.

DESCRIPTION OF TYPE OF STORE AND MERCHANDISE OFFERINGS

Name: Denim-N-Lace

Logo:



Open-to-Buy: \$500,000

Volume Markup: 200%

Stock Turns: 4

Seasons: Spring, Summer, Fall, and Holiday

Vendors: F.L. Malik, Sugar Lips, Sam Moon, Old Gringo Boots, True Grit, Dorfman Pacific, BB Simon, Judson Company, Cruel Girl, and Ariat.

Merchandise Mix:

APPAREL		ACCESSORIES	
Jeans	20%	Shoes	5%
Skirts	10%	Jewelry	8%
Jackets	10%	Belts	7%
Shirts	30%	Private Brand	2%
		Handbags	8%

Western wear is the taste of the Southwest. It has been around for many generations yet western wear is still very classy and draws the attention of more than just cowgirls. Denim-N-Lace is a small women's clothing and accessories boutique. The average target market being between the ages of nineteen to forty-five. The stores atmosphere is based on the west with a refined rustic look. There is always country

music playing in the background. The bookshelves, tables, and jewelry cases are all wooden with hints of southwest colors (turquoise, red, yellow, pink, and orange). The main area of the boutique is lit by track lighting and natural light through the big front windows. A few lamps are placed throughout the store to add an extra touch of light and decoration. The clothing and accessories all have a hip chic western appearance. Every woman that walks out of Denim-N-Lace is sure to be a desert diva.

LOCATION AND DEMOGRAPHICS

Durango is southwest Colorado's largest town, with a population of approximately 13,922. Durango is located on the Animas River; it developed as a rough cattle town and grew with the arrival of the Denver & Rio Grande Western Railroad in 1880. With its location being close to the four corners area, not only will Colorado residents visit Denim-N-Lace but also New Mexico, Utah, and Arizona residents. Fort Lewis College is also located in Durango. The average age in Durango is thirty-five, the perfect age for my target market. Durango is a huge tourist attraction with plenty of activities to take part in year round, including:

SUMMER ACTIVITIES

Bar D Chuckwagon
Biking
Biking Trails
Diamond Circle Melodrama
Durango & Silverton Narrow Gauge Railroad
Fishing
Gaming Casinos
Glider & Balloon Rides
Golfing
Guided Tours
Hiking
Historic Downtown Durango
Horseback Riding
Hunting
Jeep Tours & Rentals
National Park & Archeological Attractions
Mountain Biking
Museums
Durango Mountain Resort Summer Activities
Rafting & Kayaking
Rock Climbing
Rodeo
Running
San Juan National Forest
Soaring
Stagecoach Rides
Summer Youth Camps
Tennis
Vallecito Lake

WINTER ACTIVITIES

Art Galleries
Children's Activities
Cross Country Skiing / Snowshoeing
Custom Tours
Dining
Dog Sledding
Durango & Silverton Narrow Gauge Railroad -
Cascade Canyon Train
Fitness Centers
Gaming Casinos
Guided Tours
Historic Downtown Durango
Hot Springs & Spas
Ice Climbing
National Park & Archeological Attractions
San Juan National Forest
Shopping
Skiing / Snowboarding: Silverton Mountain
Ski & Snowboard Rentals
Sleigh Rides
Snowmobiling
Special Events

Durango Population (2000)	13,922
Gender	
Male	7,102
Female	6,820
Age	
15 or younger	1,810
16-24	4,132
25-44	3,793
45-64	2,702
65 and older	1,485
Average Age	35
Race & Ethnicity	
White	12, 090
Black or African American	70
American Indian and Alaska Native	767
Asian	103
Native Hawaiian and other Pacific Islander	16
Some Other Race	574
Two or More Races	302
Hispanic or Latino	1,436
Household Income by Age	
Householder under 25	17,635
Householder 25-34	36,635
Householder 35-44	51,222
Householder 45-54	54,103
Householder 55-64	38,864
Householder 65-74	35,708
Householder 75 and older	21,690
Average Household Income	34,892

COMPARISON SHOPPING

INTRODUCTION

Let's compare two department stores: Cowtown Boots and Corral West Ranch Wear, and two website stores: Double D Ranch and Sheplers. In these stores we will be comparing classifications, floor layout, and personal selling. The one department we will take a closer look at is the women's wear.

Cowtown Boots is a medium sized store that carries only western apparel and accessories. They have a wide selection of jeans, boots, hats, jewelry, and belts. Cowtown boots has a small selection in women's, men's, and children's wear. They do not have many new items in stock. When you first walk in the store you will find hats to the right and jewelry to the left. In front of you will be the men's wear to the right and the women's wear to the left with an isle between those two departments. The boots are located in the very back of the store. The dressing rooms are at the front of the store near women's wear.

Corral West Ranch Wear is also a medium sized store that again only carries western apparel and accessories. They also have a wide selection of jeans, boots, hats, jewelry, and belts. Corral West, on the other hand, carries a much bigger selection in women's, men's, and children's wear. They have many new items in stock. There are two entrances into this store one from outside and one from inside the mall. If you come in the outside door you will find women's wear to the left and men's wear to the right. Towards the back you will find children's clothing to the left and boots and hats to the

right. The dressing rooms are to the left as you walk in the outside door in the women's department.

The Double D Ranch website is very decorative and carries only women's apparel and accessories. They carry a wide variety of tops, skirts, jackets, and dresses with a small selection of accessories, such as belts and shawls. At the top of the home page you will find buttons that say: buy online, catalog, participating retailers, my account, and shopping bag. Towards the bottom of the page you will find buttons that say: home, about Double D Ranch, design studio, and contact us. Each page has pictures with descriptions and buttons to easily find your way around the website.

Sheplers website is not fancy but it is simple and easy to maneuver in. Sheplers carries a wide range of clothing and accessories for men, women, and kids. They even carry a small amount of merchandise for the home and garden. Sheplers home page lists the merchandise that is on sale. At the top of the website you will find the different categories for men, women, and kids. From those categories drop down menus appear for boots, jeans, and apparel. Other links on the home page include: savings, free catalog, cart, and wish list. Each page on the website has the same layout with pictures of the merchandise and prices below. If you want to learn more about a product you simply click on it and see it in a bigger view with more information.

CLASSIFICATIONS

Cowtown Boots carries all of the following brand names, Wrangler, Rockies, Cruel Girl, Banjo, Roper, Ruddock, Five Star, Cumberland Outfitters, Western Ethics, Twenty X, and Bar None. From these brands you can find long sleeve button up shirts, long sleeve shirts, vests, t-shirts, and jeans. A Cruel Girl pair of jeans sells for \$43.95

which is the most expensive of the jeans and you can find a pair of Wranglers for \$21.95 which is the cheapest of the jeans. A Rockies long sleeve button up shirt sells for \$39.95. A Cruel Girl short sleeve t-shirt sells for \$19.95 and a Western Ethics denim vest sells for \$36.95.

Corral West Ranch Wear carries many more brand selections including Wrangler, Rockies, Shyanne Collection, Derek Heart, Lawman, Quizz, Five Star, Montana Clothing Company, Ethyl, Gordon and James, Twenty X, New Frontier, Adobe Rose, Outback, and Jonden. A pair of Lawman jeans sells for \$49.95 which is the most expensive jeans in the store. The cheapest pair of jeans is Wranglers, selling for \$29.95. A Rockies long sleeve pearl snap shirt sells for \$44.95. A Roper long sleeve shirt and a Cruel Girl short sleeve shirt both sell for \$29.95. A wool vest by Gordon and James sells for \$59.95.

The Double D Ranch website carries all of their own designs. A knit ring tank sells for \$152.00. A pitchin, a fit t-shirt sells for \$39.00. A Pocahontas skirt (pig suede) sells for \$313.00. A border line skirt (linen and nylon) sells for \$187.00. Jackets are very expensive; a sacred cross jacket (pig suede) sells for \$480.00.

Sheplers carries eighteen different brands including: Levi's, Wrangler, Stetson, Carhartt, Ariat, Resistol, Lucchese, Dan Post Boots, Nocona Boots, Bailey Hats, Justin, Tony Lama, Minnetonka Moccasins, Rockies, Durango Boots, Roper, and their own brand Sheplers. The most expensive pair of jeans are the Rhinestone horseshoe Lawman jeans which are \$59.99. The cheapest pair of jeans sells for \$24.99 which is the 550 relaxed Levi jeans. A Roper's long sleeve button up shirt sells for \$39.99. A three-quarters vintage knit top sells for \$24.99. A lined suede vest sells for \$29.99. All novelty T-shirts are in the \$20.00 range.

FLOOR LAYOUT

Cowtown Boots has country music playing in the background. They have florescent lighting and some lights are either broken or burnt out. There is also a lot of natural light coming in through the big windows at the front of the store. The cashier's desk is placed at the front of the store so it is easy to see and find. Their fixturing has t-stands towards the front with the newest items. The t-stands also have a mannequin on top wearing the newest clothing. The rounder's are towards the back with all the sale items. They have long parallel racks that contain more expensive jeans which are set in front of the shelves that contain the folded, cheaper, jeans against the wall. Cowtown has no clothing hanging on their walls. The walls are covered with posters.

Corral West Ranch Wear also has country music playing in the store. They have florescent lighting and some of the bulbs are burnt out. They have a small amount of natural light coming through the door and two windows. The cashier's desk is in the middle of the store and out in the open. Their fixturing has no mannequins and the t-stands are towards the front with all the new clothes. They have a rounder placed in the back by the wall with the sales clothing. They also have medium height parallel racks with jeans. They have a waterfall in the corner and all their jackets and nice vests are hanging high on the walls.

The layout of Double D Ranch webpage is very nice when you choose a category, such as jackets. The right of the page tells you all the names of the jackets and when you click on the one you want an image of that jacket comes up on the left. If you click on that image it will take you to the page where you can order the jacket. At the top of the page is the name of the product the price, product description, sizes, and colors available.

There is also a bigger image to the left with a person wearing that piece of clothing.

There is a return policy within fourteen days of the order receipt. Any product may be returned for credit or exchange.

Sheplers website is also nice; once you choose a category such as women's apparel you can view thumbnail pictures of all the apparel. If you click on one of the thumbnail views you are taken to a bigger view of the picture and choices such as: quantity, size, color, price, and even other products that you might be interested in. At Sheplers, any product may be returned for a refund or an exchange; a time limit is not stated.

PERSONAL SELLING

Cowtown Boots sales personnel are very friendly the two of them approached me and were professional. Customer service is also available. The store is clean, there is no clothes on the floor, and everything is well organized. However, the carpet could have used a quick vacuuming to pick up a few strings and dirt. The shopping bags are not fancy, just a plastic bag in yellow with the name of the store in red lettering.

Corral West Ranch Wear sales personnel are friendly and well groomed for the job. The manager was there at the time, he approached me talked to me and before I left he had offered me a part time job. Customer service is available. Corral West is clean with wood floors and some carpet. There is no clothes on the floor and everything is well kept. The shopping bags are not fancy, just a plastic bag in orange with the name of the store in brown and mountains in the background.

CONCLUSION

Cowtown Boots is a nice quiet store with cheap prices. Corral West Ranch Wear is a clean store with more brands and a bigger selection to choose from, at a higher price. Double D Ranch is a professional website with a minimal size selection of women's wear at very high prices. Sheplers, because it is a website, carries a large variety of apparel and accessories for good prices. Corral West Ranch Wear and Double D Ranch carry modern western wear, where Cowtown Boots and Sheplers have older styles still in stock.

I have shopped at all of these stores. I buy pants at Cowtown because they are cheaper, but shop for shirts at Corral West Ranch Wear because they have more to choose from. As for Double D Ranch, I just look because it is too expensive. If you're looking for something simple like jeans, hats, or belts, try Cowtown Boots or Sheplers first. If you want something in style and are looking for something nicer like a vest, jacket, or shirt, try Corral West Ranch Wear. If you're looking for something more elaborate for a party like a dress, skirt, or jacket, try Double D Ranch. Between these four stores you will find something to fit into the style of the southwest.

STAFFING PLAN

STAFF AND RESPONSIBILITIES

Denim-N-Lace is a small boutique that is open seven days a week: Monday-Saturday 10:00 a.m.-5:30 p.m. and Sunday 12:00 p.m.-5:00 p.m. Being the owner I am usually at the store at least four hours a day during the week but I take the weekends off. I have three part time employees, two of which are retirees and one a housewife. One retiree works Tuesdays and Thursdays. The housewife works Mondays, Wednesdays, and Fridays. The other retiree works Saturdays and Sundays. I don't offer any staff benefits or commission on sales. Instead I pay two dollars an hour above minimum wage and offer fifty percent off any merchandise in the store for staff.

I require that employees be at the store fifteen minutes before opening and to open promptly at 10:00 a.m. or 12:00 p.m. If employees need a day off it is their responsibility to inform me and ask one of the other employees or I to work for them. Employees are responsible for bringing their own lunch, because the store does not close during the noon hour. Employees are expected to serve customers in a proper manner and make sales when ever possible. Other employee responsibilities include: vacuuming, washing windows, mirrors, and glass cases, pick up any clothes on floor, spacing the hangers on racks an inch apart, organizing clothes on racks by size, setting up displays, replacing any clothes taken off mannequins or jewelry taken from cases, ringing up sales, use of credit card machine, counting money back to customer, and any other cleaning that needs to be done to keep the store looking presentable.

TRAINING SESSION: EMPLOYEE ORIENTATION

During the training session with employees, I make sure that each employee understands the store and what is asked of them. I go through the procedures of what should take place during a normal day as follows: (1) Open the store: put up open sign, turn on all the lights, computer, and music. Employee's bags can be stored in the work area and lunch can be put in the refrigerator. It is preferred that all food and drinks be kept in the work area with exception of water. (2) Employees clock in and out by hand writing hours on a piece of paper. Then clip that piece of paper to a clipboard with their name on it that is stored in the work area. (3) Answering of the phone by saying Denim-N-Lace, then stating your name. (4) Ringing up sales: how to include tax, how to deduct percentage on merchandise for sale, how to run the credit card machine, and how to count money back to the customer. While the customer is being paid out I also have the employee wrap the purchase in tissue and put in a bag. (5) Show employees where to find the vacuum, all cleaning supplies, boxes, bags, and any extra things that might be needed in the work area. (6) Closing the store for the night: enter the sales of the day into the computer, total up all cash, check, and credit card payments, take that amount of cash and checks out of the register, run the credit card machine, and make sure totals match for the day. All of the money and paper work should be stored in filing cabinet in the work area. (7) Final closing procedures: taking down the open sign, throwing the trash, turning off lights, music, computer, and locking the door on the way out. I end the training session by letting the employees ask questions.

ETHICAL STANDARDS

- Tardiness, laziness, fighting, and stealing will not be tolerated.
- There will be absolutely no possession of firearms or drugs on the premises.
- There will be no use of obscene language.
- Customers must be greeted promptly upon entering the store.
- Employees must be in the main area of store at all times as long as a customer is present.
- Visitation from friends and relatives is accepted as long as customer's needs and sales are still being met.
- The computer may be used for personal use as long as there are no customers in the store and all other duties have been met.
- Cell phones are allowed, as long as there are no customers in store.
- No money is allowed to be taken out of the register for personal use at any time.
- A safe and healthy work and shopping environment will be maintained at all times.
- There will be no exchanges on merchandise that appears to have been worn or used by the customer.
- All layaway sales are final and must be taken out of the store within ninety days.
- Denim-N-Lace is an equal opportunity employer and will not discriminate against employees or customers because of race, gender, sexuality, ethnicity or cultural background.

BUSINESS PLAN

COMPANY OVERVIEW

Denim-N-Lace is a small women's clothing and accessories boutique. The average target market being between the ages of nineteen to forty-five. The stores' atmosphere is based on the west with a refined rustic look. The clothing and accessories all have a hip chic western appearance. Denim-N-Lace has not been opened in any other area and this is the first time that it will be seen in Durango, Colorado. The store has no prior history and I am a first time business owner. I feel that the store will succeed because of the demographics. Durango is both a college town and a tourist town with business year round. I have an open-to-buy of \$500,000, four percent of which will be spent on promotion and two percent on private branding. My store stands out because every woman that walks out of Denim-N-Lace will be a desert diva.

PRODUCT

All merchandise sold at Denim-N-Lace is carefully chosen. All merchandise sold is for women including: shirts, jackets, jeans, skirts, jewelry, belts, shoes, and handbags. Vendors include: F.L. Malik, Sugar Lips, Sam Moon, Old Gringo Boots, True Grit, Dorfman Pacific, BB Simon, Judson Company, Cruel Girl, Ariat and two percent private branding. All merchandise carried has a western appearance while still keeping up with the fashion styles, and colors for each season. Customers buying our merchandise are tourists, college students, local doctor's wife's and rancher's wife's.

COMPETITION OVERVIEW

Durango already has some shopping areas and a few boutiques, but nothing like Denim-N-Lace. Our biggest competition is with the stores in the downtown area. But with our originality and range of unique products, we stand out in any crowd of locals or tourists. Our goals for the future include growth and expansion. If Denim-N-Lace has amazing sales and recognition within the first two years another store will be opened in another area.

MARKETING STRATEGIES

Our short term goals for Denim-N-Lace are to invite customers in to our store through advertisements, special events, and sales. We advertise through the use of radio, newspapers, and tourist/regional magazines. We hold special events such as fashion shows and sales are held for Mother's Day, Valentine's Day, Thanksgiving, etc. We will enhance and consistently offer high-quality expertise in fashion. Our long term goals for Denim-N-Lace are to get our name out to the public and establish a good history with our customers by striving for continuous, long-standing relationships.

DESCRIPTION OF TEAM

I am highly qualified to be the owner of Denim-N-Lace. I have a Bachelors degree in Clothing, Textiles, and Fashion Merchandising. I also have experience working in a boutique. I have the marketing, product, and service experience. I believe that my strengths and abilities will make Denim-N-Lace the hippest and fastest growing boutique in town. The other three employees that I have hired are strictly sales personnel. I have hired an outside accountant to take care of the finance and operations of Denim-N-Lace.

FINANCIAL PLAN

General Ledger:

Month:

Assets	(+)	(-)	Liabilities	(+)	(-)	Owner's Equity	Miscellaneous	Total
Inventory	\$500,000		Loan					
Building			Rent					
Equipment			Utilities					
Supplies			Accounts Payable					
			Promotion 4%		\$20,000			
Balance								

Actual Open-to-Buy: \$480,000

This general ledger is used as the main accounting record at Denim-N-Lace. All transactions are recorded in this journal.

Cash Flow Statement:

Date	Receivable	(+)	(-)	Payable	(+)	(-)	Total

This cash flow statement is used to record all incoming and outgoing money. With this statement Denim-N-Lace knows if it will be able to cover all immediate expenses.

OPEN TO BUY

4% PROMOTION

Stock turns: 4

Seasons: Spring, Summer, Fall, and Holiday

OTB (before Promotions): \$500,000 each stock turn

Total: \$2,000,000

Actual OTB: \$480,000

Sales Volume at Wholesale: \$1,920,000 (Actual OTB x Stock turns)

Promotions: \$20,000 each stock turn

Total: \$80,000

Maintained Markup: 200%

SIX MONTH MERCHANDISE PLAN

OTB (YTD) Stock turns: 4 BOM: \$480,000		Projected Sales Volume: \$3,840,000 (Actual x Markup x Stock turn) Promotion: \$20,000 Maintained Markup: 200%	
SPRING		OTB: \$480,000	
January		\$150,000	
February		\$170,000	
March		\$160,000	
SUMMER		OTB: \$480,000	
April		\$160,000	
May		\$160,000	
June		\$160,000	
FALL		OTB: \$480,000	
July		\$170,000	
August		\$140,000	
September		\$170,000	
HOLIDAY		OTB: \$480,000	
October		\$150,000	
November		\$150,000	
December		\$180,000	

CLASSIFICATION PLAN

Month: September		Year: 2007		OTB: \$170,000
STYLE #	CLASSIFICATION	%	\$	Misc.
01	Jeans	20	34,000	
02	Skirts	10	17,000	Will include some dresses
03	Jackets	10	17,000	
04	Shirts	30	51,000	Will include sweaters for fall
05	Shoes	5	8,500	
06	Jewelry	8	13,600	
07	Belts	7	11,900	
08	Private Brand	2	3,400	Ribbon Belts
09	Handbags	8	13,600	
TOTALS		100%	\$170,000	

PRIVATE BRANDING

Materials Needed:

43” of Belting Ribbon:

Buckle:

Thread:

Directions:

1. Fold 1" of one end of the belting material around the center bar of the buckle.
2. Fold end of material $\frac{1}{4}$ " over and sew to finish end.
3. Sew across the width of the belting material $\frac{1}{2}$ " from the buckle center.
4. Finish the other end of the belt by folding the material over $\frac{1}{4}$ " twice and sewing across.

Cost of Private Brand:

STYLE #	ITEM	MATERIALS	COST
08	Ribbon Belt	Ribbon	\$2.00
		Buckle	\$3.00
		Thread	\$0.20
		Tag with Logo	\$0.35
		Labor (Mexico)	\$1.00
			TOTAL COST: \$6.55

Distribution Plan:

STYLE #	ITEM	COST	*MARKUP	RETAIL COST
08	Ribbon Belt	\$6.55	350%	\$22.93

* Markup on private brand is higher to make more income while retail price is still reasonable for customers.

SALES PROMOTION BUDGET

OTB: \$480,000

Promotions: \$20,000

SPRING

AD:

January	\$3,000	
February	\$11,000	Valentines Day Sale
March	\$6,000	
SUMMER		
April	\$9,000	Beginning of Summer Fashion
May	\$10,000	Mothers Day Sale
June	\$1,000	
FALL		
July	\$6,000	
August	\$12,000	Back to School Sale
September	\$2,000	
HOLIDAY		
October	\$4,000	
November	\$12,000	After Thanksgiving Day Sale
December	\$4,000	

SOURCING

To keep Denim-N-Lace looking like the hippest boutique in town I will research and travel to several different places. I plan to attend the Los Angeles Market, Women's Apparel Market, and the Dallas Apparel Market. By going to market I will be staying up to date with the latest fashions. If I am ever unavailable to go to market, I will get a list of all the vendors who plan to attend and visit their websites. This way I won't miss too much and can always purchase merchandise on the web. Again some of the vendors I carry include: F.L. Malik, Sugar Lips, Sam Moon, Old Gringo Boots, True Grit, Dorfman Pacific, BB Simon, Judson Company, Cruel Girl, and Ariat. However, this is not a set list, over time more will be added and some may be taken off. At Denim-N-Lace I would also like to carry merchandise from local artists. I believe this is an important way to give back to, and create ties with, the community and a way to get our name out to the public.

SYSTEMS

The following is a list of journals kept at Denim-N-Lace.

Purchase Journal

Stock Turn:			Year:		
Date	Amount Purchased	Vendor	Contact Person	Terms of Purchase	Expected Date of Arrival

This journal will be used to record all purchases on account at Denim-N-Lace.

***Transfer Journal**

Style #	Description	Total Amount	Date Transferred	Receiving Store #	From Store #	Signature

This journal is used to transfer merchandise from one store to another.

* Note that this journal will not be used unless another Denim-N-Lace opens.

Best Seller/Slow Seller Journal

Stock Turn:			Year:	
Item #	Description	Manufacturer	Amount Sold	Notes

This journal is used to record any best selling merchandise or/and any slow selling merchandise.

Retail Price Change Journal

Item #	Description	Price	Sale Price	Sale Dates

Anytime Denim-N-Lace has a sale this journal is used to record the price change of merchandise on sale. If this step is not taken the store will be short money.

Receiving Journal

Date:			Vendor:	
Item #	Description	Quantity	Signature	Notes

After receiving merchandise from the vendor and merchandise is checked for damages it is recorded in this journal.

Charge Back Journal

Month:			Year:	
Date	Name	Amount	Check #/Card#	Notes

Anytime merchandise is found damaged it is returned to the vendor and to be recorded in this journal.

Stock Out Journal

Name:			Number:		
Item #	Description	Quantity	Date	Due Back	Destination/Notes
Signature:					

Anytime Denim-N-Lace lends out clothing for fashion shows or other things it is recorded in this journal.

Claims Journal

Date	Item #	Damage Description	Vendor

When ever there is damaged clothing or shortages from the vendor it is recorded in this journal.

FORECASTING

Forecasting is an important part of Denim-N-Lace in order to be successful. By looking at past sale records and our journals we can determine what customers want. Like which colors, sizes, fabrics, and styles sell best in our location of Durango, Colorado. We can find out why we had slow selling merchandise; because of the weather, poor assortment, poor presentation, late delivery, etc. We will know which vendors to keep and which ones to get rid of because they are not profiting our store. I will stay up to date with future trends by looking through magazines and the web. I will do research on similar businesses looking at statistics and customer shopping habits. I will also do market research through trade journals, women's wear journals, and business journals. Through forecasting we will enhance the types of fashion products and merchandise that we offer. Denim-N-Lace will achieve its goal of being the hippest boutique in town.

ADVERTISING PLAN

Sales Promotion Budget:

4% of OTB (\$480,000) = \$20,000

Sales Promotion 4%

Season: Summer		BOM: \$20,000
Type of Media	Allocation	
Print	\$5,000	
Radio	\$5,000	
Post Cards & Postage	\$9,000	
Bags & Packaging	\$1,000	
Total	\$20,000	

(Example of Postcard Advertisement Sent to Customers)

Denim-N-Lace



Summer Fashion Show

You are invited to attend a “beginning of summer” fashion show at Denim-N-Lace. Come join us for drinks, desserts, live music, and the latest runway fashions. With special guest, country idol, **Carrie Underwood.**

April 2, 2007 at 6:30 p.m.

112 Durango St.
Durango, Colorado

For questions contact Nicole Perez (806)-775-1321

*limit 2 per invitation

JOURNAL ANALYSIS

Journal of Retailing

Summer 1977

Danny N. Bellenger, Dan H. Robertson, & Barnett A. Greenburg

Shopping Center Patronage Motives

Pgs. 29-38

The objective of research for this article was to determine the importance of various patronage motives for shopping centers as they relate to both demographic and life-style variables of shoppers. This article began its research of what Pierre Martineau speculated a long time ago.

“Shopping is a woman’s equivalent of a man’s hunting trip. It’s a spree or binge when she can let herself go and be herself. It is a vicarious enjoyment of higher status. It’s the woman’s way to wield power which is denied her in the typical husband-wife relationship, where she is forced into the subordinate role. In shopping, she can order people about, be waited on, be courted. She is literally ‘queen for a day’ flattered and imperious.”

This article research wants to see how true this statement is for today’s market. They also want to find out if this statement is true for only one type of women or others too.

This study included only adult female shoppers in the northern one-half of Metropolitan Atlanta, Georgia. This study completed over two hundred and sixty-one personal interviews, with an area sample of five hundred females. The questionnaire was geared to find two types of information. First, the relative importance of patronage factors, and second, the potential determinates of relative importance. The questionnaire included a list of twenty shopping center features. Including the security, cleanliness, atmosphere, presence of new fashions, convenience, etc. The demographic variables measured were marital status, number of children, education, occupation, residence, and income level. Life-style was obtained by the respondents’ level of interest on ten leisure

activities. “The measurement of life style was restricted to this domain in order to more pointedly address the hypothesis suggested by Martineau relating to the recreational nature of female shoppers.”

The findings were as followed: first, the basic shopping center features used by shoppers to evaluate alternative centers. Second, is the relationship between the importance that shoppers attach to the various center features and their personal characteristics. They then profiled the characteristics of shoppers who look for different features when selecting a center. These findings provide an excellent basis for developing strategies that a center can use to attract the affluent female shopper.

As far as importance, the quality of the center was the most important factor, convenience was second, variety under one roof was third, and the presence of related services was fourth. The canonical correlation index for this overall relationship is .44 with a chi-square value of 146.9 which is significant at the .05 level. So, they found that shoppers who consider convenience important consider presence of related services relatively unimportant and those shoppers who consider quality of the center important also consider variety under one roof to be important.

What they found is that there are two basic types of shoppers. Those who are recreational shoppers want a high-quality center with extensive variety and large number of related services. The others are very convenient and cost-oriented. These two shoppers are different in terms of demographic and life-style characteristics. The convenience oriented retail shopper tends to be a well-educated housewife. These shoppers are interested in reading, sewing, and cooking. They have a low interest in sports and movies, and very low interest in shopping as a leisure-time activity. The other

shopper tends to be less well educated and have a lower annual income. They like to entertain guests at home quite often, and they have a high interest in shopping as a leisure-time activity. So Martineau's comments noted earlier appear to apply to only one type of the female market.

In conclusion the two types of shoppers can accurately be labeled as the convenience shopper and the recreational shopper. In order for a store to draw its full market potential, "the center must first meet the needs of the convenience shopper in terms of location and easy accessibility. This would include adequate parking and a design that minimizes excessive walking distances. Second, an attempt must be made to create an attractive environment for those who seek recreational value in shopping," involving security, attractive décor, etc. Further research would be required to determine whether these implications hold true for other segments and in other locations.

Clothing and Textiles Research Journal
2000
Youn-Kyung Kim & Jinkook Lee
Benefit Segmentation of Catalog Shoppers Among Professionals
Vo. 18, pgs.111-120

There has been a phenomenal growth in the catalog industry with in the last six years. The competition has also expanded through the use of television and the internet. Catalog shopping is a convenience for working women due to time constraints. Catalog sales are said to have a wide variety, low cost of merchandise, increased credit use, specialized mailing lists, and low-cost data processing via computerization. Research has suggested that professionals with higher income and higher education are important to catalog retailers. Professionals have a higher catalog usage rate and greater purchasing power. The purpose of this study was to determine if professional clothing catalog shoppers can be classified into distinct segments and to develop a profile of each group. In this study catalog shopping was limited to clothing products and accessories because they are the most frequently purchased through catalogs.

A nationwide mailing list was purchased from Behavior Bank it contained a random sample of three thousand men and women who were employed in professional occupations. A questionnaire was then mailed out consisting of four areas: benefits sought, demographic characteristics, lifestyle, and usage situations. Six hundred thirty-four professionals returned the questionnaires. Any respondents who had not personally purchased through clothing catalogs and respondents over the age of sixty-five (retirement age) were excluded. The study ended up with two hundred sixty-one professional men and two hundred thirty-two professional women.

The majority of the respondents were between the ages of twenty-six and fifty-five. The questionnaires found that 63.3% were married and 36.7% were single. 38.5% of the respondents had some college, 33.6% had a college degree, or 19.8% had a postgraduate degree. 12.5% had a household income of \$50,000-\$59,999, 14% had an income of \$40,000-\$49,000, and 13.7% had an income of \$30,000-\$39,999.

In order to classify the clothing catalog shoppers into segments eight benefits were used: lower prices, less effort than shopping in stores, better quality of merchandise, greater variety of clothes, ease of returning merchandise, less time than shopping stores, satisfaction with previous merchandise, and use of credit card. This data was then compared in a cluster which is a standardization technique where raw data is converted into standard scores. The results: three distinct segments of catalog users were identified (1) Convenience shoppers, (2) Product Seekers, and (3) Inactive shoppers.

Convenience shoppers included 40.5% of the whole. These professionals strongly cared about the use of credit cards. They loved catalog shopping because of the convenience, less time and effort. These professionals were less concerned about the product, lower price, greater variety, and satisfaction with prior purchases. "Convenience seekers tended to use catalogs out of convenience, they were more likely to be married professionals with highest levels of self-confidence and fashion-consciousness and to use clothing catalogs most frequently for themselves and others" (Kim & Lee, 111).

Product seekers included 27.1% of the whole. These professionals cared about the product and quality of the merchandise, the lower prices, greater variety, and the ease of returning merchandise. These professionals were less concerned with convenience.

“Product seekers exhibited interest in product-related benefits, they tended to be married professionals and most price-conscious” (Kim & Lee, 111).

Inactive shoppers included 25.9% of the whole. These professionals showed the lowest average score on all eight benefit items. The low price was somewhat more important than other benefits and the use of credit cards was the least important benefit. These professionals tend to watch for promotions advertising low price and sale. That is how to increase sales from this segment. “Inactive shoppers display the lowest importance level for all identified benefits, tended to be married male professionals with lowest levels of fashion-consciousness and self-confidence, and use catalogs least frequently” (Kim & Lee, 111).

In conclusion catalog retailers who want to target professionals can identify and understand specific benefit segment groups and appeal to each benefit segment. Catalog retailers can develop unique products and services to offer. To draw in the convenience shoppers catalog retailers may display items in an attractive way so to enhance the career image. To draw in the product seekers catalog retailers may want to enhance the quality of images and emphasize the wide assortments. Inactive shoppers cannot be ignored so catalog retailers should be sure to advertise any sales or discounts.

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