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Fashion Dynamics Research Unit:

A Study of Male Fashion

Research Report No. 2

A Preliminary Assessment of
Industry Practice

The views expressed in this report are solely those of the author as endorsed by the Fashion Dynamics Research Group. They in no way reflect the views of the Management Centre or any other body connected with this project.

A Preliminary Assessment
of Industry Practice

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This report was specially prepared for circulation to
all those organisations taking part in the project

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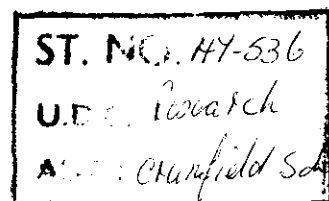
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Preamble

This report is perhaps the only one in the course of this project to be prepared more for the information of members of the research team than outside bodies. Hence the author apologises for anything herein which might seem to members of the industry as a truism.

Care has been taken to ensure that no person or organisation is identifiable.

Finally, the author would like to thank all those who gave their time to help with these interviews.

David F Midgley

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SUMMARY

- A From 20+ interviews with retailers, manufacturers, and other members of the menswear industry, the following major points have been extracted.
- 1 Selection of garments and demand forecasting is carried out by a single function - a merchandise function.
 - 2 Style and colour are selected on the basis of experienced judgement.
 - 3 Influence on colours is perceived as predominantly from the Continent, whilst design influence is mainly from the London high fashion and boutique industry.
 - 4 Demand estimation is achieved by extrapolation of past sales trends, sometimes coupled with trials of new styles in selected outlets.
 - 5 Forecasting demand is seen as a problem, the more fashionable the market the greater the problem.
 - 6 Most retailers sell both to a fashionable and a conventional mass market.
 - 7 Within these markets the consumers are seen as:
 - (i) becoming more fashion conscious, particularly the young;
 - and (ii) wearing more casual and informal garments.
- B The evidence gathered on these points supports the contention that the fashion process is similar to the theory of the diffusion of innovation. The supporting evidence falls in two main categories.
- 1 Styles originate and filter into the mass market in a manner consistent with the tenets of diffusion theory.
 - 2 The characteristics of consumers in the various market segments match those of the various categories embodied in the theory.

C In short, this small study encourages us to continue along the line of research described in Report No 1.

INTRODUCTION

This report was prepared as a brief summary of the results of preliminary interviews conducted prior to, or during, the formulation of the research objectives.

The aims of these interviews were:-

- (i) To gain background information
- (ii) To point out viable lines of research
- (iii) To establish personal contact with those organisations willing to assist
- (iv) To establish what type and level of statistics exist, and what would be available to the project.
- (v) To determine how forecasting is conducted in the industry
- (vi) To ascertain if forecasting was perceived as a problem by the industry.

To these ends 20+ interviews were arranged and conducted by informal unstructured techniques. A checklist of areas to discuss was used, thus ensuring that all the interviews covered the same ground and were therefore comparable. The results of these interviews, in note form, were then analysed to form the basis of this report, and to assist in the formulation of research objectives. However, with the aims of these interviews and the nature of the discussions being as they were, it was not thought appropriate to analyse the results too rigorously. Thus the main conclusions have been extracted and summarised, and the net results of this admirably fulfil the purpose of this small study.

THE SAMPLE

a) Organisations Interviewed

Of the 20+ organisations covered, 50% were menswear retailers, some owning manufacturing facilities and some buying-in most of their merchandise from outside. The retailers interviewed accounted for the majority of the menswear market. 25% were manufacturers selling solely to retailers, 10% were cloth manufacturers (woven and knitted) and the remaining 15% fell into other categories.

b) Those Interviewed

50% of the interviews were at director level and predominantly with the Managing Director.

33% were with style and fashion controllers, merchandise managers, buyers, etc. That is, those people concerned with setting style line and/or estimating purchase quantities.

The remainder of the interviews were with other categories such as market research managers, etc.

In 50% of the interviews the project was discussed with more than one member of the organisation.

INTERVIEW RESULTS

Here the results have been divided into two rough sections: (i) those dealing with retail organisations, and (ii) all other interviews. Also the problem of defining the term 'fashion' has been avoided. This point will be discussed in the section on conclusions.

(i) RETAIL ORGANISATIONS

a) Organisation Structure

All those interviewed had an essentially similar method of purchasing (or deciding what to produce).

This method might be termed a 'merchandise function', though the person performing it is not always called a merchandise manager. Essentially it means that one man, with or without a small attendant team, is responsible for buying or selecting garments. The size of any team would seem, as might be expected, to depend on the market size and range of garments sold.

There are, however, variations on this basic function. For instance in some organisations one person selects the garment designs to be sold, and another estimates the numbers of each style to be purchased or produced^{*}.

In other organisations one man is responsible for both tasks, and this latter system seems to be favoured by the majority of those visited.

The overall effect is that selection and demand estimation are grouped within one function. Any other function such as computing or market research acts as an information service to merchandising.

* Although here we are discussing ready to wear garments, the problems of forecasting bespoke sales are somewhat similar. No stocks of garments are held but stocks of cloth, and these produce forecasting problems. The retailer must also match sales to production, and although the problems of forecasting the sales of individual styles disappear, the forecast for the bespoke range must be right.

Relatively few organisations appear to have established market research departments, though many utilize outside surveys.

b) Forecasting Methods

In this area there was an even greater similarity of approach with all those spoken to using a mixture of extrapolation of past sales trends and experienced judgement.

However, we must first separate forecasting into two distinct stages. The first is the selection of style and colour, and the second the estimation of quantities.

(i) Style and Colour Selection

This is mainly performed by experienced judgement. All those concerned travel extensively both in England and the Continent, attend exhibitions and watch the boutique trade carefully for any emerging trends.

The general opinion was that experienced buyers usually selected the right goods on this basis, but one or two views were given that market research could improve on individual flair.

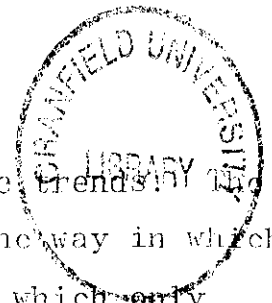
Most thought that experienced buyers were completely objective, and indeed went to great pains not to let personal preference cloud their judgement. The fact remains, however, that this process is largely a subjective intuitive one.

In some respects colour is seen as less of a problem than style. By a process which will be discussed later some measure of consensus on a season's colours is arrived at, and this lessens forecasting problems to some extent at least.

Thus in this whole area selections are arrived at mainly on the basis of an individual's knowledge of the fashion scene and his market.

(ii) Demand Estimation

Here there are some differences of approach. All those interviewed



keep records of unit sales from which they extrapolate trends. The differences lie in the detail of the statistics and the way in which the trends are extrapolated. There are organisations which only keep aggregated unit sales in set price ranges and, on the other hand, there are those that keep sales with complete detail of style, colour, size and price on every product line sold.

On trend extrapolation the majority appear to use fairly straightforward techniques, merely projecting past figures or moving averages. Most of those dealing with the mass markets use this technique and contend that, with trends only changing gradually, this method is sufficiently accurate.

There were a few opposite views here, from people who said such techniques did not show growth rates accurately enough and did not spot when lines were about to go into decline.

A few organisations do use more sophisticated techniques, utilizing the computer to estimate demand and control stock levels. At the uppermost extreme of sophistication past sales patterns are categorized and used to project future sales of similar goods. Also differing views were obtained here; from those who said these more advanced techniques were infinitely better than the best expert judgement, to some who said that although these techniques worked for conservative mass market garments, they were useless for more fashionable products. These techniques were also all adaptive control mechanisms adjusting stock levels as actual sales results were contrasted against forecasts.

Another major technique used by all organisations, regardless of the sophistication of their forecasting techniques, was that of trying new garments in selected shops. This was seen as a useful exercise giving better estimates of likely demand, though again the level of technique applied ranged from the 'will sell/won't sell' level to predictions of sales curves.

This is one obvious area for further research, as this type of product lends itself ideally to store tests.

c) The Importance of Estimation

With very few exceptions, all those spoken to considered forecasting a problem. The extent of the problem depending on how 'fashionable' the article was. Indeed several pointed out that the higher fashion a garment was, the harder it was to forecast demand and the greater risk the organisation ran.

The problem was almost exclusively seen as that of forecasting quantities so far in advance of sales. The retail organisations interviewed had lead times from design to shop of 6 to 18 months, the majority falling in the 9 to 12 month bracket.

With the mass conservative market, the cost of mistakes was not seen as too great. Overproduction could easily be sold by price cutting and underproduction was catered for either by contingency plans or by shopping around for supplementary suppliers. However, the larger the organisation's market, and hence production, the more difficult it becomes to adjust.

With high fashion goods it was impossible to sell off because of changing styles, and usually too late to correct any underproduction. Organisations dealing with such goods delayed buying (or production) as long as possible, some working on one month lead times. Indeed these organisations tended to separate their management systems, one dealing with conservative mass fashion and the other with 'high' fashion.

In conclusion then, forecasting demand is seen as a problem, particularly with more 'fashionable' garments, and any improvement in techniques is seen as being of benefit.

d) The Markets of These Retail Organisations

Of those interviewed, most saw their markets as being part of the mass, conservative, 'middle-of-the-road' market. Within this some had attempted to capture a more 'fashionable' market in addition to the mass, while a few sold only to a more expensive and fashion conscious market segment.

The mass market was seen as middle to lower social class (C1C2DE), lower priced and of older age groups than the high fashion market. Those dealing with the latter saw their markets as younger (below 30), higher priced and in the upper to middle classes (ABCI).*

Of course these are over generalisations and what is really meant is that a greater percentage of young people buy high fashion and so on. A detailed study of the profiles of high fashion and mass fashion consumers is obviously a key area of research for the future.

In the mass market style trends alter slowly, gradually filtering through from the boutiques so that the styles of the bulk of the population change at a relatively slow rate.**

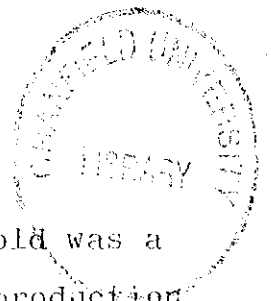
Naturally enough the large organisations concentrate their efforts on the mass market, though perhaps there are other reasons for this as well.

These are best summed up in the comment "multiples are followers not leaders". With 9 to 12 month planning/production cycles the large organisations cannot cope with the volatile high fashion/boutique market to the same extent that smaller organisations can. This is presuming that they would find this a viable market segment, and that returns us to the problem of defining high fashion and mass market. This will be discussed later.

* This, as well as being consistent with diffusion theory (discussed later), has some similarity to the 'trickle-down' theory of Nystrom (Economics of Fashion, 1928). Here high fashion was seen as a pursuit of the upper classes, whose influence eventually changed the styles of the masses. This theory, however, should be reinterpreted in the light of modern society (Nystrom discusses the period 1790-1920) where class is relatively less important.

These results would, superficially at least, contradict the views of Professor J Ironside who contends that 'fashion' originates in the younger elements of the working classes and 'trickles-up' to other social groups.

** Although not expressed in any detail here, there was also some evidence for the views of Amies (What Makes Fashion, Journal of the Royal Society of the Arts, 112, June 1964) that the large multiples produce mass fashions without reference to 'haute couture' as he defined it. This may well be true as at present the boutique trade would seem to be of more influence. Indeed, this mirrors Amies' views that designers were increasingly being influenced by the younger consumer.



Nonetheless several people pointed out that what they sold was a constant compromise between 'fashion', the market, and production times. Another point is that the organisations the author has been describing as dealing in more 'fashionable' goods are not in the extreme high fashion/boutique market. They are somewhere between this and the mass market, a point that will be returned to later.

When we view this market picture in the light of diffusion theory it will become remarkably coherent, but first the comments on fashion and design influence will be discussed.

e) Fashion and Design Influence

Taking colour first, views were advanced that the influence mainly comes from the Continent. There manufacturers, dyers, fibre producers and designers get together to promote certain colours each season. This then seems to reach England via the fibre producers and the requests of designers, retailers, etc. There is no such clear cut range appearing in England, though organisations such as the Menswear Association promote colours, and some attempts are being made to get together the relevant people as on the Continent.

However, in the short time available for these interviews, and the wide range of topics to cover, the author was not able to collect sufficient information on this subject to form any clear views.

On the subject of design influence, the majority (80%) of those spoken to were of the opinion that this chiefly came from the London boutiques and high fashion houses. It then gradually percolated into the mass market.

However, whether this sector of the industry is in turn influenced by the Continent is another matter, and one on which conflicting opinions were given. Some said that the Continent influenced the UK, evidence of this being the links between many multiples and 'big name' Continental designers, and the increasing sales of Continental imports. Others said that we influenced the Continent, particularly on suit design.

It is obvious that there are numerous interactive factors at work here, and again in the time available the author has not managed to unravel them. The comments gathered on colour, as well as design, nonetheless form a good basis for future research.

On fashion, all the sample made the comment that male consumers were becoming more fashion conscious, particularly the younger elements. Generally this was thought to be due to a number of factors such as better education, wider travel, more affluence and the influence of the media, particularly cinema and television. One person also added the comment that design generally was improving not only in clothes but architecture and other consumer products. Some others also thought that the increased fashion consciousness of the young was beginning to influence the older generations.

The other major point to arise was the growth in casual, informal clothing, again seen as being due to social factors, which is paralleled by the growth in knitted fabrics.

(ii) GARMENT MANUFACTURERS, CLOTH PRODUCERS AND OTHER CATEGORIES

The comments gathered here tend to mirror those of the retailers.

Once again colour influence was seen as largely coming from the Continent, and design influence (for garments) from London.

Regarding estimation, these organisations do not have quite the same depth of problems as retailers. On fashionable, and hence risky, lines they make only to order, thereby eliminating stock-holding problems. (Both garments and cloth are sold on the two seasons a year system, though attempts are being made to change this).

The only items produced for stock are the classical lines on which there is a high probability of continued sales.

This whole area is more suited to the project's technological research than its consumer work, though obviously the two inter-relate closely.

CONCLUSIONS

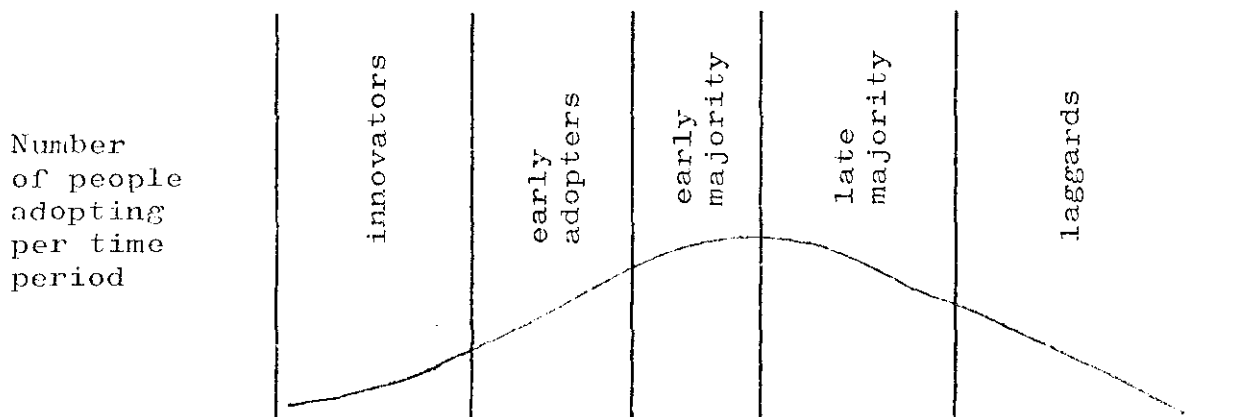
In Report No 1 the author stated that when these interview results were viewed in the light of diffusion theory an extremely coherent picture emerged. In the remaining pages an attempt will be made to illustrate this.

Diffusion theory was briefly outlined in Research Report No 1, so instead of repeating this exercise we will look at it in the context of an imaginary fashion innovation.

If we were to take an innovation in the styling of male clothing, and for the sake of brevity we shall call it X^{*}, we could then advance the following scheme for its introduction and spread.

Suppose X originates in the mind of a boutique designer who immediately manufactures and tries it on his customers. If we take the categories of consumers given in Report No 1 (Figure 1), the boutique customers would be the innovators, who by definition try X because it is new. Once they have purchased, two things would happen simultaneously.

Figure 1



* To do this in terms of an actual example might be dangerous as people would immediately conceptualise it in its own terms and thus obviate the aim of the exercise.

Firstly, the innovators would talk about and visually display the innovation amongst their friends and social contacts. If some of these were convinced enough they too would purchase X (from a boutique) and influence their friends and social contacts. Thus the process starts to snowball.

Let us digress slightly here. It is not likely that they would buy the identical garment but another incorporating X. This is a slight difference between fashion and innovation in other areas. Nor does a fashion innovation remain in the same form, nor is it produced by the same agency. For instance, a new detergent would remain largely the same throughout and the innovating company would sell it in sequence from the innovators through the other categories, to the laggards.

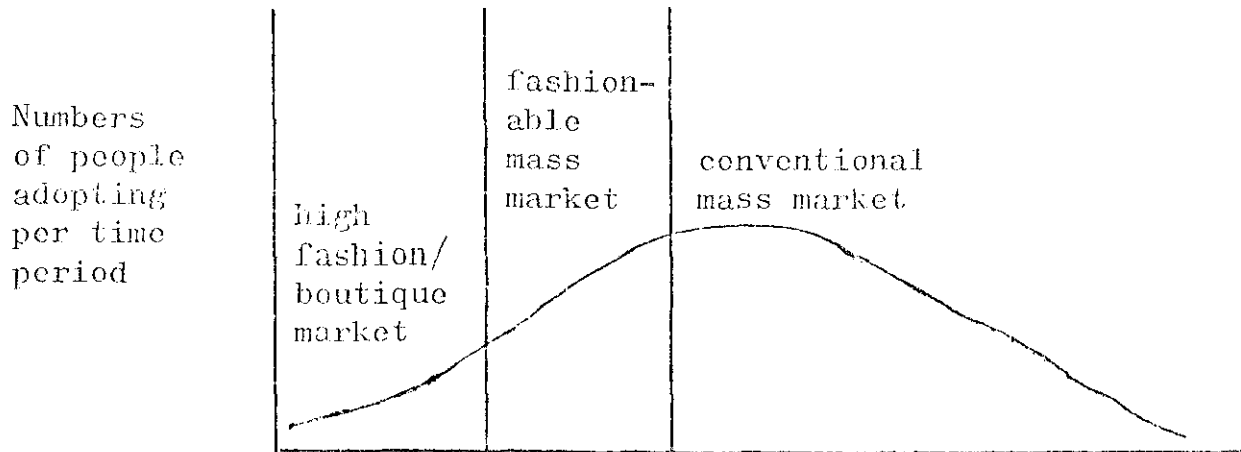
In clothing there is almost a parallel process of diffusion amongst the consumers and the retailers. This brings us to the second thing which would happen in the spread of X. The other boutiques would notice the success and be persuaded to introduce X, thus giving the process further impetus. The success of X in the boutiques would then arouse the interest of the multiples with more 'fashionable' markets and they would try it.

Concurrently the process of social influence would have reached the people forming these markets, perhaps the early adopters and the early majority. Some of these would be persuaded to purchase X and spread the word and image among their peers.

To digress slightly again, and to clarify a previous point of difficulty, it is not possible to categorise retailers as 'fashionable' or 'conservative' - at least in the majority of cases.

Most have either fashionable product lines, or departments, as well as their more conservative lines. Thus a better distinction would be to split up the market into three segments. As working definitions we might arrive at (1) the conventional mass market, (2) the fashionable mass market and (3) the high fashion/boutique market. Further, if we attempt to place these on the previous curve it would look something similar to Figure 2.

Figure 2



It is difficult to arrive at an estimate of the conventional market versus the fashion market (defined as unconventional as there are no generally accepted criteria with which to make the distinction between fashion and mass). One given is that 25% of male clothing purchases (excluding workwear) are of fashion goods, and this might well fit in with the usual proportion of innovators and early adopters in other innovations. These proportions are usually defined as being in the order of 2.5% and 13.5% respectively.

If we now return to our example, the spread of X, by now it has gained a foothold in the market and has been discussed or seen by a high proportion of the population. It then begins to influence the conventional market, and those designing for this market, and thus makes its appearance in these. Finally it reaches most of the population and becomes an accepted conventional clothing style, though it may have changed from its original conception. Some examples of this process which spring to mind are trousers without turnups, flared trousers, floral ties, coloured (ie non-white) shirts and so on.

To take a closer look at some of the issues raised here, it would seem that as the design element in any innovation is reinterpreted several times during the process, it becomes modified and generally less pronounced or extravagant. Flared trousers selling in the mass market of 1971 were not the same as those originally introduced. This immediately raises the problem of instantly defining and

retaining a fix on any innovation. The examples given so far are more in the nature of 'general innovations'. They take the form of binary absence/presence types more than quantitative measures, and this might form a very useful working definition leading us to study such innovations as flared/parallel, turnups/no turnups etc.

This is not to say that diffusion theory treats only such general innovations. It has been successfully applied to study specific products, though in the fields where this was done there was a much smaller variety of choice than in fashion.

As a first speculative thought on clothing it is unlikely that diffusion would normally operate down to the level of a specific garment. Reasons for this could lie in personality - individual expression factors coupled with the wide range of choice. Diffusion would thus be more likely to operate on a higher level of generality such as those already mentioned.

To continue with the main theme of this section, an assessment now needs to be made of the evidence for this scheme.

Firstly, all the evidence from extant work would suggest that there would be a high level of activity at the innovative stage, particularly with the requirement for this wider variety of garments. However, there would be a very high rate of attrition at this stage, only leaving relatively few to filter through to the early adopters. The above would be consistent with the activity in the boutique trade.

Those innovations that are adopted by the early categories would then spread slowly throughout the population, though perhaps more would be rejected at the early adoption stage. This would explain the gradual evolution of a relatively small number of styles into the mass market.

Secondly, diffusion theory would also explain the observations on retail markets. Regrettably we have at this time no information on boutique customers, but looking at the next stage the theory suggests that early adopters and the early majority will, proportionately

speaking, be younger, more affluent and of higher social class than later categories.

These are precisely the characteristics observed in the more fashionable markets of some retailers. Similarly the other, later adopter categories have characteristics matching those of the conventional mass market, and would react in the same way to new ideas.

Thus, in the author's opinion, the theory would seem to explain at an exploratory level all the features which have been extracted from the interviews. It would also suggest a large number of other measurable characteristics which have not previously been investigated in this market.

The one proviso to this is that the theory requires slight modification (specific interpretation) to account for the unique features of the fashion process. Tentatively these would seem to be:-

- 1 The variety of choice available to the consumer in the clothing field;
- 2 The large number of designers influenced by each other;
- 3 Different retailers serving different stages of the diffusion process; in turn leading to -
- 4 Styles being reinterpreted for different markets and at different stages in the process;
- 5 Individual and group factors relating to consumers; these are seen as:-
 - (i) Individuality - clothing as an extension of personality
 - (ii) Display - clothing as a method of attracting the opposite sex
 - (iii) Group influence - the need to conform to the norms of a social group
 - (iv) Cultural factors - clothing as an aspect of Western culture.

Nevertheless the basic mechanism would appear to be the same and in the author's judgement this study, albeit subjective and small

scale, provides enough evidence to encourage us to pursue the line of research outlined in Report No 1. Here, it will be recalled, we argued that diffusion theory provided numerous testable hypotheses, and as such gave the research a firm base from which to start. We also argued that even if this theory of consumer behaviour was not operating in the menswear market, the very act of disproving it would provide more information than starting from no knowledge base and inductively building a new theory.