

**LASALLE COLLEGE
FASHION MARKETING**

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571 KRM 03

Project: SEGMENTATION

Consumer Segment Profile

Table 1 (One table per segment)

Segment name: (ex. hipsters)	Blue Collar Skeptics from the Boomer Generation.
Benefit sought: (physical & psychological needs)	Because they work hands on, manual labour jobs, they need clothes that match their lifestyle. Money is an issue for this segment so fashion is not a huge priority for them. They simply need affordable clothing that is versatile for their hardworking lifestyle.
VALs:	Blue Collar Skeptics value hard work, dedication, trust and honesty. They have a busy lifestyle because they must work hard to make money.
Personality:	Very skeptical, they have a hard time trusting big companies. They are tough, capable and hardworking.
Demographics:	Males and females aged 52-70 years old. (Baby Boomers prefer to work longer compared to other generations)
Geographic:	Suburban and urban.
Purchase behaviour: brands (minimum 4 manufacturer's brands), store type, store name, price range of the brands	Wrangler (\$20-\$80), Point Zero (\$60-\$100), Dickies (\$25-\$60) and Lois Jeans (\$35-\$85).

Demand estimate: (the price and quantity must be from the segment)	Q = n x avg. p x avg. q 9.6 million Boomers in Canada (18% of that are Blue Collar Skeptics) Blue Collar Skeptics = 1,728,000 of the Canadian population 1,728,000 x \$80 x 2 = 276,480,000 - My chosen numbers make a lot of sense considering their low income.
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MANUFACTURER Competitor Grid

Table 2

(One table per competitor (must be manufacturers not retailers) – 2 competitors must be presented per segment)

EXAMPLE – Students may not use this company in the analysis.

Name of Enterprise	Wrangler			
Founded in :	1947			
Manufacturing:	Most jeans are manufactured overseas, some are manufactured in America. They do act like they make their jeans only in America but that is not the case.			
Mission	“Wrangler is enduring American freedom; it's in the spirit of people who work hard, have fun and recognize courageous individuality. As a company, we believe in solid commitments and perseverance in the face of obstacles and challenges. Most of all, we respect ourselves, each other, our western heritage and the environment in which we live.”			
Product lines offered – brand name	Rustler, Wrangler International, Wrangler Western, Wrangler Workwear, Wrangler Five Star, Aura, Rock 47.			
Target market - consumer	Men and women - older, more mature target market. Manual labour workers.			
Principal distributors (3 or 4) and number of points of sale for each distributor	Walmart	Sears	Wrangler - online	
	408	95	worldwide	
Number of points of sale	865+ retail stores worldwide.			
Annual sales	\$1.7 billion in 2015			

Product lines offered – product category	Clothing	Accessories		
Focus on the denim product line(s) : Brand name	Jean Brand	Jean Brand	Jean Brand	Jean Brand
	Wrangler Jeans			
Brand image / personality	Classic American jeans. Associated with hard work, having fun and perseverance. Western image.			
Styles	6 fits			
Features	15+ washes			
Sizes	W 25 – 66 / L 28 - 44			
Colours	20+			
Price range	\$20-\$80			
Strengths		Weaknesses		
Great quality, very affordable prices. Known as a classic American brand. A lot of variety when it comes to fits, sizes, collections, colours and washes. Mission statement is clear. Versatile and comfortable jeans for any lifestyle. Overall, a very known brand that offers great quality for low prices.		Lacks style factor which would attract a younger age group. Wrangler does not have a strong social media presence which is very important in today's society.		
USP: Top brand when it comes to western heritage and the American lifestyle.				
Competitive advantage: Very known brand that sells high quality products for low prices.				

Target Market Need / Want Satisfaction:

Table 3 (Degree of need / want satisfaction based on information from tables 1 and 2 - **One table per segment**)

<p>Consumer segment: Blue Collar Skeptics <i>Benefits sought & / or VALs: Physical (features, styles, sizes, quality...) & Psychological (image, hierarchy of needs) as per table 1</i></p>	<p>Competitors' offerings: <i>Physical (features, styles, sizes, quality...) & Psychological (image, hierarchy of needs) aspects of the competitors' brands as per table 2</i></p>	
<p>Because they have hands on, manual labour jobs they need clothes that match their lifestyle. Money is an issue for this segment so fashion is not a huge priority for them. They simply need affordable clothing that is versatile for their hardworking lifestyle. Blue Collar Skeptics are only interested in saving money.</p>	<p>Competitor 1: Wrangler sizes: W 25 – 66 / L 28 - 44. 20+ colours and 15+ washes with 6 fits. Great quality for a good price. Very known brand that is associated with American lifestyle and western heritage. Wrangler represents handwork and perseverance.</p>	<p>Competitor 2: Lois Jeans</p>

1. What are the overlaps (where the consumer's need is well covered by the competitors)?

Price is being well covered, the competitors sell their jeans for very affordable prices which is exactly what the consumer wants. Both of the competitors cover the need for versatile jeans. The consumer needs jeans for work that will be comfortable and well suited for the job.

2. What are the gaps (where the consumer need is not satisfied or not well satisfied by the competitors)?

Overall, there are no real gaps. The Blue Collar Skeptics are quite simple, all they want is affordable prices and jeans to match their lifestyle. Both of the competitors sell jeans to those specific needs. One thing that could be a gap is the fact that both of the competitors are quite big companies. This group of consumers are hesitant to trust big companies so that can be an issue.

3. Is the gap important to the consumer?

I believe that the big company gap is important to them but not really in this context. The competitors are big companies, however; they are not that big compared to other jean brands like Levis for example. They are hesitant on this gap but I believe this would not effect them considering who the competitors are.

4. How well is the need being satisfied presently?

The need is being very well satisfied. They are getting great quality jeans for a good price. The jeans are very versatile and match their hands on lifestyle.

Degree of company competitiveness

Table 4 (Based on case information and table 2 - One table per segment)

Company (AJ)	Competitor 1	Competitor 2
Strengths	Strengths	Strengths
Low prices	Very low prices	
Revenue on product is good	Locked in on a specific target market, loyal customers	
Manufactures their own line	Variety in jeans (colours, features, styles, etc...)	
Excellent quality	Wrangler is a very known brand name.	
Weaknesses	Weaknesses	Weaknesses
Producing for other brands has prevented their own brand from flourishing.	Brand does not appeal to younger age demographics.	
Have not been able to properly position themselves.	Weak presence on social media.	

Areas where the company (Atlantic Jeans) can match or outperform the competitors: (Based on analysis of strengths and weaknesses and ability to develop and market the need / want satisfier)		
Even though the competitors produce high quality jeans, AJ still outperforms them in that category. They put a lot of detail and work into producing high quality pieces. They can definitely have a stronger social media campaign compared to the competitors. Those 2 aspects can really help them outperform the competition.		

Strategic Fit Analysis (based on analysis of tables 1, 2, 3 and 4)

Table 5 (One per segment)

Segment name: Blue Collar Skeptics	
Mission: AJ co. mission	The company mission is to deliver a high quality product that is made with skill and dedication.
Resources and Expertise:	Workers are highly skilled and trained to create the best quality product. They have a lot of resources including a huge factory that has sewing, cutting, and washing departments. They are able to produce in high quantity while maintaining excellent standards. Overall, they have a lot of resources and expertise at their finger tips.
Financial analysis:	$Q = 276,480,000$ $R = 0.2 \times 276,480,000 = 5,529,600$ $Cogs = 0.338 \times 5,529,600 = 1,869,005$ $G.M. = 5,529,600 - 1,869,005 = 3,660,595$ $Exp. = 0.55 \times 5,529,600 = 3,041,280$ $Profit = 3,660,595 - 3,041,280 = 619,315$ $Profit \% = 619,315 / 5,529,600 = 11.2\%$
Segment fit with company: Blue Collar Skeptics	The segment does fit well with the company but in the end Blue Collar Skeptics are not looking to spend money on clothes, they are more worried about retirement.

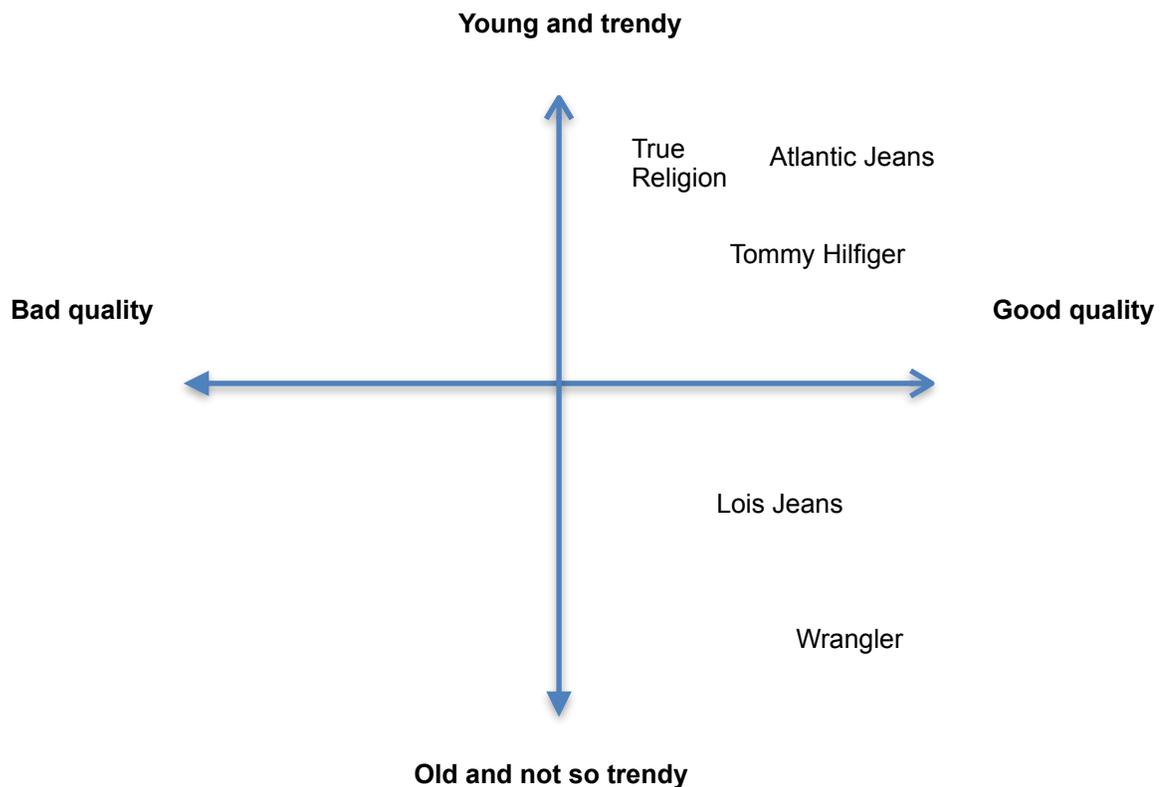
Potential Positioning Strategy

Table 7 (Identify the overlaps and gaps – (based on table 3): where the consumer need / want matches the company’s ability to satisfy the need / want in a competitive and differentiated manner.)

Overlaps:	Company’s (AJ) ability to match what is in the market	Company’s (AJ) ability to exceed what is in the market
	Atlantic Jeans can easily be viewed as a young and hip brand like how Tommy Hilfiger and True Religion are viewed. The only real thing they cannot match is the competitions equity, but other than that they do a very good job at matching the market.	AJ has the chance to be a new and upcoming brand that the Supremes will love. By now everyone knows Hilfiger and True Religion so they can take advantage of that. AJ can produce in high demand and the products will still be excellent quality. You need to be able to produce quickly but also in good quality because the Supremes want to be the first to have the new styles. Atlantic Jeans thrives on making high quality pieces, that on its own puts them at an advantage. Their price point will also help them exceed in the market.
Gaps:	Company’s (AJ) ability to satisfy the N/W	
	Atlantic Jeans really satisfies the N/W of the market. Not only do they make high quality garments but they also produce very quickly which is what the Supremes want. Considering that AJ is a pretty new brand, they can easily create that demand for their brand. Supremes are always looking for new trends and stylish brands so Atlantic Jeans can really match what they are looking for. Atlantic Jeans satisfies all the needs and wants.	
Decision:	What physical and / or psychological needs / wants will be targeted?	
Definitely the want for new trends and brands. Atlantic Jeans is relatively new and they create very high quality pieces so they have the chance to be classified as a high end, trendy brand. Also, the fact that Supremes want quality for their money, AJ delivers that and more because of the lower price compared to the the competition.		

Space Map

Table 9 The anchors must be identified and justified. The company/ brand and all competitors in the segment must be placed on the map (See power point lecture – positioning for an example)



I chose the anchors to be identified like that because those were some of the main N/W factors that were discussed. It is interesting to see where all the brands fall on the chart, they all produce good quality clothing, however; the style factor is very different for some. I decided to place Atlantic Jeans really towards the good quality indicator because they do produce excellent jeans. My main reasoning behind the high placement towards young and trendy is because they have that potential especially when entering this specific market.

Evaluation grid - Segmentation Project - 100% - Weight 40%												
A zero grade will be assigned to sections that are not done or information that is not pertinent												
Criteria - Tasks to be completed	Insufficient Mastery			Good Mastery			Exemplary Mastery			Level of completion attained	Result	On
	I-	I	I+	B-	B	B+	A-	A	A+			
	30%	44%	52%	60%	66%	76%	84%	92%	100%			
Generational groups have been fully identified, described and presented in a logical and usable format. (BT1 & BT 4) (Team member 1 and 2)	The team has collected data and information. The data and information is <i>incomplete, not pertinent, and / or not current / usable</i>			The team has collected the available data. The data and information is <i>more or less pertinent, and current / useful</i>			The team has collected <i>all</i> the <i>available data</i> and information. The data and information is <i>pertinent and useful</i>				25.0	25.0
Generational groups have been fully identified, described and presented in a logical and usable format. (BT1 & BT 4) (Team member 3 and 4)	The team has collected data and information. The data and information is <i>incomplete, not pertinent, and / or not current / usable</i>			The team has collected the available data. The data and information is <i>more or less pertinent, and current / useful</i>			The team has collected <i>all</i> the <i>available data</i> and information. The data and information is <i>pertinent and useful</i>				25.0	25.0
Segmenting - Segment profile and Segment demand estimate (BT1 & BT 3) (Team members 1 and 2) Table 1	The profiles and forecasts are <i>incomplete, not pertinent, not logical nor usable</i>			The profiles and forecasts are <i>incomplete, although partly logical and usable</i>			The profiles and forecasts are <i>complete, pertinent, logical and usable</i>				20.0	20.0
Segmenting - Segment profile and Segment demand estimate (BT1 & BT 3) (Team members 3 and 4) Table 1	The profiles and forecasts are <i>incomplete, not pertinent, not logical nor usable</i>			The profiles and forecasts are <i>incomplete, although partly logical and usable</i>			The profiles and forecasts are <i>complete, pertinent, logical and usable</i>				20.0	20.0
Targeting - structural analysis (BT2) (Team members 1 and 2) Tables 2, 3 and 4	The team has <i>not</i> completed the structural analysis in a systematic and logical manner. The interpretation of the information is <i>approximate</i>			The team has partly completed the structural analysis in a systematic and logical manner. The interpretation is <i>inexact, complete and partly usable</i>			The team has completed the structural analysis in a systematic and logical manner. The interpretation is <i>exact, complete and usable</i>				20.0	20.0
Targeting - structural analysis (BT2) (Team members 3 and 4) Tables 2, 3 and 4	The team has <i>not</i> completed the structural analysis in a systematic and logical manner. The interpretation of the information is <i>approximate</i>			The team has partly completed the structural analysis in a systematic and logical manner. The interpretation is <i>inexact, complete and partly usable</i>			The team has partly completed the structural analysis in a systematic and logical manner. The interpretation is <i>exact, complete and usable</i>				20.0	20.0
Target Market Selection - (BT 4) Team Tables 5 and 6	The selection is not based on an objective - qualitative and quantitative analysis of the strategic fit with the company.			The selection is partly based on an objective - qualitative and quantitative - analysis of the strategic fit with the company.			The selection is based on an objective - qualitative and quantitative - analysis of the strategic fit with the company.				5.0	5.0
Positioning - (BT 4) Team Tables 7, 8 and 9	The positioning strategy is not based on the key consumer need / want and differentiating factor. The positioning is not logical nor pertinent to the situation.			The positioning strategy is partly based on the key consumer need / want and differentiating factor. The positioning is partly logical and pertinent to the situation.			The positioning strategy is partly based on the key consumer need / want and differentiating factor. The positioning is logical and pertinent to the situation.				10.0	10.0
Marketing Mix - (BT 4) Team Table 10	The marketing mix is not fully developed as per requirements nor based on the positioning strategy.			The marketing mix is partly developed as per requirements and loosely based on the positioning strategy.			The marketing mix is fully developed as per requirements and based on the positioning strategy.				10.0	10.0
Quality of language Team	A 5-deduction for each spelling, vocabulary, grammar and syntax error up to a maximum of ten errors (20 errors)			Number of errors						0	10.0	10.0
											100.0	100.0
Student name				Seg and Tar (individual) / 50			Intro, Sel, Pos & Mark Mix (group) / 50					
team-member 1				65.0			35.0				100.0	100.0
team-member 2				65.0			35.0				100.0	100.0
team-member 3				65.0			35.0				100.0	100.0
team-member 4				65.0			35.0				100.0	100.0