



Certified Merchandiser Sample Material

V-Skills Certifications

**A Government of India
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V-Skills



1. FASHION MERCHANDISING

1.1. Introduction

Fashion merchandising is the combination of the processes that a new fashion item must go through to be available in mass quantities to the consumer after it is left the hands of the designer. Fashion merchandising often gets confused with fashion marketing and although they work together, they are two very different things. To understand fashion merchandising completely, it is important to examine the role that fashion merchandising plays in manufacturing, buying, promoting and selling fashion items.

In regards to manufacturing, a fashion merchandiser will have significant input on the types of fabrics used to make a piece of clothing. Having a strong historical and socio-cultural understanding of the fabrics, help change a designer's vision into reality. By applying their knowledge about fabric and clothing construction, a fashion merchandiser will take a designer's piece and find the best way to manufacture the item while taking things like price and target market into consideration.

Buying becomes part of fashion merchandising when a merchandiser buys fashion items to be presented in a store. A fashion merchandiser must be aware of the target market for the fashion item and also very well-versed in fashion trend analysis and forecasting. This allows for more accurate ordering. A fashion merchandiser working with a designer will once again offer expertise to the designer on textiles and fabrics.

In the event that a fashion merchandiser is working for the designer, promoting the designer's product to stores that may want to buy large quantities is a number one priority. Not only is a fashion merchandiser required having a creative mind and strong visual merchandising skills, production skills must be sharp as well. Fashion merchandising promotes a designer's items through the use of fashion shows where creativity and visual effects must run wild to capture the attention of potential buyers. Additionally, fashion merchandisers seek out the target market for a designer's clothing, such as children's clothing stores, department stores or discount retailers.

The final component of fashion merchandising is selling. A fashion merchandiser that works with a designer is responsible for selling fashion items to stores, who then sells to consumers. Again the merchandiser must have an idea about forecasting and market trends so they may give their recommendation regarding production of the item. Creativity is important, because a merchandiser must offer suggestions on how to display the items within the store. When a fashion merchandiser works for a retail store, responsibilities include buying and presenting fashion items within the store.

- ✓ **Role of Merchandiser:** A fashion merchandiser (also referred to as a buyer or merchant) plays an important role in any retail organization. A merchandiser occupies both creative and financial roles. Although different companies may assign different types of responsibilities to a merchandiser, certain components are part of a fashion merchandiser's job, no matter the size of company or type of fashion product bought.

1.2. Merchandise Department

The fashion buyer needs the commercial flair to buy a range, whilst the merchandiser needs the commercial acumen to enable the range to work successfully. Merchandisers interact very regularly with buyers, and are responsible for setting the financial parameters of a garment range. This can include creating a framework for the buying budget, defining the number of product types and determining the number of lines within a range. In effect merchandisers give buyers a shopping list of products in terms of prices (entry, mid or high) and the length of time which they are expected to be in store. Nick Atkinson, menswear accessories merchandiser at River Island, describes how his role works in practice: I sit side-by-side with the buyer and the rest of the team: working closely with an assistant merchandiser, allocator and senior allocator.

My main responsibilities are minimizing risk, maximizing potential and planning a balanced range. We have a target of how much profit to make for the season and how much markdown we're allowed. Merchandisers need good computer skills and as the job is very numerical and analytical, being able to read figures and pull out the information is essential. Communication is also very important between the design, buying and merchandising teams. Merchandisers have a major role to play in many of the key meetings and processes within the buying cycle. They advise buyers on target margins for the range - which may differ for certain garments depending on the country of origin, the flexibility and lead time of the supplier, and the balance of the margin across the whole range. If a product makes a lower margin than the target which has been set, it may still be approved if other products in the range make a higher margin to compensate for it. This is referred to as 'marrying' margins, and is usually acceptable if the average margin across the whole range equals or exceeds the target. Merchandisers liaise frequently with buyers and suppliers to place initial and repeat orders. This involves regular meetings with buyers to assess the progress of each style

- ✓ **Buying:** A fashion merchandiser is responsible for selecting the merchandise that will sell in stores. This merchandise must be in alignment with the company's brand image. The merchant must choose trend-right merchandise that is also appropriate for the target customer's fashion level. This requires knowledge of current and future fashion trends -- both high-fashion from the runway and mass-market trends.
- ✓ **Financial Accountability:** Meeting financial objectives is the primary component of a fashion merchandiser's job. The merchandiser must maintain profitability by meeting certain financial plans set for each season. All merchandise bought must be appropriate for the customer and offered at a reasonable yet profitable price. A merchandiser's performance review will be partially based on the profit margin reached, rates of merchandise turnover and sales volume.
- ✓ **Customer Knowledge:** In order to offer an appealing assortment, a merchant must be intimately familiar with the needs and wants of the target customer. This is accomplished by spending time in stores, even working full shifts in them. A merchandiser should research fashion trends, read trade newspapers, and follow the semi-annual runway shows. A merchandiser should also spend time in competitors' stores, study other retailers' merchandise and track when they deliver new assortments.

- ✓ **Visual Merchandising:** Visual merchandising refers to the display of items in stores, including signage and marketing materials. When buying goods, a merchandiser must always think of how items will be shown. This involves determining which types of fixtures and folding methods will be necessary to properly house merchandise. Visual merchandising is important because sales can be negatively affected if items are not displayed correctly.
- ✓ **Administration:** Administrative work isn't the most exciting of tasks that a merchandiser must perform, but it is essential. A great deal of paperwork is necessary to take a product from its initial concept to arrival in the store. A buyer may file buy sheets, purchase orders, price ticket info and marketing materials. All must be completed with an extreme attention to detail.
- ✓ **Merchant** A merchant is a businessperson who trades in commodities produced by others, in order to earn a profit.

Types of merchant

There are two types of merchant.

- ✓ A wholesale merchant operates in the chain between producer and retail merchant, typically dealing in large quantities of goods. Some wholesale merchants only organize the movement of goods rather than move the goods themselves.
- ✓ A retail merchant or retailer, sells commodities to consumers (including businesses), usually in small quantities. A shop owner is a retail merchant.

1.3. Merchandising Types

Merchandising can be divided into three methods which are

- ✓ **Mass merchandising-** The approach that by necessity is used in stores, as the store assortment is the same for every visitor.
- ✓ **Segmented merchandising-** The approach typically used by mail order companies, in which separate catalogues are constructed to match the expected interests of a certain user demography (e.g., region, age, gender) or product category.
- ✓ **Personalized merchandising-** Shopping assistants or “personal shoppers” who guide the visitor through the store highlighting and recommending items based on their understanding of the user’s profile and needs.