February 12, 2020

2021 Fashion Scholarship Fund Case Study

MERCHANDISING

BACKGROUND:

Our tech-enabled culture is a cacophony of competing voices, values and concerns. Post-truth, fake news, blurred lines, gender-fluidity, divisive politics, safe spaces, a sharing economy, polarized international relations, heightened individualism or personalization, crowdsourcing, the Me-Too movement, privacy concerns, 24/7 connectivity, global warming, sustainability, inclusivity. These are just a few of the many descriptors of today’s zeitgeist, a German word meaning an era’s unique spirit or essence.

How can a brand break through all the noise and be heard? American Eagle Outfitter’s Aerie brand has done just that by appealing to regular and authentic women via social media and in-store marketing campaigns. Before body-positivity became a social movement, Aerie differentiated its intimates line by using real women without airbrushing and shot reveling in their imperfect realism in 2014 with its “Aerie Real’ campaign, two years before major magazines like Sports Illustrated used plus-sized models. American Eagle Outfitters has been a forerunner in promoting the visibility of women of all shapes and sizes, celebrating body empowerment and advocating body acceptance. Female shoppers can also upload selfies of themselves — and all their flaws — using the hashtag “AerieReal”. The campaign represents a stark contrast from other lingerie brands that showcase near-flawless models.

“So how exactly does one define a “real woman”? “You can see their stretch marks,” said Tatiana Clark, a stay-at-home mom in northern California, who shops at Aerie. “I like that they use models of all shapes and sizes.”

Today a brand must accurately identify the prevailing zeitgeist and be proactive rather than reactive to discover the target consumer’s deepest desires, just as American Eagle is doing with Aerie.

OBJECTIVE:

Identify a current political, cultural, or social phenomenon and select a product from a pre-existing fashion, beauty or lifestyle brand to integrate the phenomenon into an online and in-store merchandise campaign while maintaining brand integrity and authenticity. For example, Chanel’s genderless fragrance, Les Eaux des Chanel and Nike’s launch of a plus-size line using plus sized mannequins in its NYC Flagship. Your chosen brand may be one that sells only in its own direct-to-consumer channels, to 3rd party retailers (including e-commerce retailers), or both.

FORMAT:

Cases should be submitted as a 14-slide deck, landscape orientation, with slides sized for on-screen show 4:3, 10” x 7.5”. Submission files can be created in any software of the applicants choosing (PowerPoint, Keynote, Adobe InDesign, Illustrator etc.), however all cases must be submitted in a flat PDF format without video or sound.
No specific font or format will be enforced, and you are encouraged to utilize visuals throughout your presentation (all digital images used must be properly cited). It is advisable to not overload each slide with information, and to keep your presentation concise and to the point: each slide should take no more than 1-2 minutes to absorb by the reader. All references should be annotated in slide footnotes. If additional footnotes are necessary, you may add one (1) additional slide to the Appendix for footnotes. Do not use hyperlinks in a footnote as the content cannot be accessed once the case study is converted to a PDF to upload. Be sure to proofread your case study. Points will be deducted for not following format directions, as well as for grammar and spelling errors.

SLIDE 1: Include one title sentence to summarize the case and discipline of your case study. Outline how your deck is broken out (suggested slide assignment below is optional).

SLIDE 2: Write an executive summary, covering all components of your case study. This should not be a summary of your case background or an introduction. People reading your executive summary should get the essence of your case study without fine detail. The executive summary should be in paragraph format, no longer than 300 words. Be sure to briefly summarize how your choice of product benefits from association with the political, cultural or social phenomenon you chose. Articulate the objectives for the brand owner in aligning the product with the phenomenon you chose.

SLIDE 3-4: Conduct research on the leading fashion, beauty or lifestyle retailers and brands which have captured the zeitgeist. Share a brief comparison of two retailers or brands you researched. Identify one fashion, beauty or lifestyle brand you believe would benefit from creating a line that addresses the current political, cultural, or social phenomenon you have chosen. Identify the target customer segments you hope to attract. Explain your choices bearing in mind your brand’s current positioning, competitive advantages and strengths and weaknesses.

SLIDE 5-7: Outline your merchandising plan for your product launch. Your launch plan should be rooted in an understating of which customer segment(s) you are hoping to attract. Identify a retailer that would benefit from your launch and explain your choice. Your chosen retailer may be one that already sells your brand, although this is not a requirement.

- Develop a product assortment, merchandising and distribution strategy for your launch that includes a SKU plan, target product costs, COGS and margin goals. Develop an allocation plan for the chosen retailer’s in-store and e-commerce businesses.

- Create an in-store merchandising presentation that markets the product as displayed.

SLIDE 8-9: Outline your initial omni-channel launch plan. How would you allocate merchandise between your brand’s various sales channels (ie. owned e-commerce site and retail stores, 3rd party e-commerce sites and brick & mortar retail partners? How would you plan inventory differently for your Zeitgeist inspired product launch and what adjustments to allocation numbers would you make? Explain your reasoning.

SLIDE 10-11: Develop a creative marketing campaign for your launch for in-store and online presentation.

- Considering your target customer, what are the marketing tactics you would use to assure a successful launch of your zeitgeist inspired product line?

- Your marketing tactics should be creative, fit your target customer, and display strong consideration for expected profitability of this new business line.
SLIDE 12-13: Provide a concise profit & loss statement detailing components of your expected revenues, costs and expenses for the first six-month period of your new zeitgeist inspired line extension.

- Less than half of your slide should be taken up by your financial projections, with the balance devoted to outlining your assumptions and approach; utilize footnotes and the appendix to provide further detail of your analysis if needed.

- Financial projections should be rolled up for a six-month period but shown as the aggregate (do not show monthly financials).

- The first section of your P&L should include sales, receipts, average inventory, markdowns, cost of goods sold, and gross margin; utilize a bottoms-up approach to project out how much unit inventory you will need to carry, your average inventory value based on projected per unit tickets, projected sales based on expected foot traffic and conversion, as well as projected average unit retails based on expected level of promotion; be sure to explain all of your assumptions.

- The second section of your P&L should include all operating expenses associated with the rollout of your product line, such as the cost of product development, marketing, and any additional investments; do not include existing distribution or logistics costs unless you expect them to be incremental over your retailer’s existing operations; explain all of your assumptions.

- Financial projections will be judged based on the depth of research and business acumen displayed by the scholar.

SLIDE 14: Outline your plans to scale if your zeitgeist inspired product launch is successful.

- What are some of the factors you would consider when making a decision about expanding your launch of a politically, culturally, or socially relevant product?

- What are some of the ways you would consider scaling your collection given your objective of stimulating customer excitement and interest in your brand?

APPENDIX SLIDES 15-20: Use up to five slides to summarize any research you have done on what factors contribute to the success of fashion, beauty or lifestyle products that leverage the current political, cultural, or social phenomenon you have chosen. Use one additional slide for footnotes and a bibliography.

JUDGING CRITERIA:

Your case will be reviewed by industry professionals including the FSF Board of Governors, FSF Mentors, and FSF Alumni. Judges will use the following criteria to score your case:

CREATIVITY & FEASIBILITY (50%)

- Is the applicant’s idea unique, inspiring and innovative?
- Is the applicant’s idea well-thought-out and conceivably executable?
RESEARCH (30%)

- Has the applicant completed exhaustive research on best-in-class market players and their retailer of choice in order to successfully fulfill the objective at hand?
- Has the applicant acknowledged any instances in which their idea (or something close to) has been executed in the past, and whether it was successful?
- Does the scholar display strong business acumen and common sense?

CLARITY (15%)

- Has the applicant clearly completed each portion of their prompt?
- Does the applicant’s case follow logical development and a clear structure; is it easy to follow and summarize?

FORMAT (5%)

- Has the applicant used correct grammar and spelling?
- Has the applicant included a title page with one sentence to summarize the case?
- Was the student's name and school kept anonymous?

REQUIRED DOCUMENTS FOR SUBMISSION:

1) Completed FSF Case Study
2) Cover Letter: Please prepare a 250-300 word maximum cover letter containing your response to the following questions:
   ○ Why are you interested in the fashion industry?
   ○ What are your current career aspirations?
   ○ Why have you decided to select your case study discipline?
3) Current Resume
4) Current Unofficial Transcription

DEADLINES AND ANNOUNCEMENT OF COMPETITION RESULTS:

September 30th, 2020 - Complete your Applicant Profile and take the Eligibility Quiz on Wizehive, the case study submission platform. Your FSF faculty member will provide you with the Wizehive link.

October 18th, 2020 - Submit all four of your required documents mentioned above on Wizehive BEFORE 11:59 PM Eastern Standard Time. Please be advised, the Wizehive portal will automatically close PROMPTLY at 12:00 AM EST on October 19th, 2020. Be sure to allow sufficient time to upload all four required documents.

Confirmation of Submission - Once submitted, you will receive confirmation on your Wizehive Homepage that your submission process is completed.

Announcement of Scholarship Results - The Scholarship competition results will be sent to the FSF faculty member at your school by the first week of December. Your FSF faculty member will share the results with you.