Comp Shop 2

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[Include any grant/funding information and a complete correspondence address.]

1. Reshopping the stores, what is the:
   1. New Merchandising Message/Fashion Statement in the window/front of store/department?

The new fashion statement which could be seen in the stores was the ‘elegance of discretion.’ The new collections at Sandro and Maje expressed the gist of cool, calm, and chic Parisian spirit, which id the effortless elegance of France, with a unique twist.

* 1. What are the new trends/color stories/prints? How is this merchandised featured in the store?

Sandro: The sharp-eyed updates were exhibiting the perennial and ever-green classics of a French femme. These new trends included a striking trench coat which was pleated, tricot raye tank tops with black shiny leather pants which were largely sleeve-tied. Along with this arrangement, the new trends also included some Chanel-style coats that complimented the black leather pants. The new trend colors are burgundy, turquoise, and neon.

Maje: The new enticing collections at Maje are a mirror image of the 70s designs which are iconic in every age. Soft monochromes, suede and gold tones in Maje bags and shoes are a true depiction of the store’s dazzling display of simplicity. The new trend colors are dull gold, bottle-green, and faded denim shades.

* 1. What is the pricing; regular vs. sale pricing for like items/classifications?

Sandro: There was a marked difference in the prices of items which were on regular store display and those which were on sale. The olive-green shoulder pad dress with a dazzling rhinestone belt was priced as $395 on my last visit but on this visit, this dress was displayed in the sale section and was priced at $276. If there are potential discounts or event-specific promo codes, Sandro fully entertains the customer.

Maje: The prices of dresses at Maje were relatively low than at Sandro’s. For instance, a star-embroidered scarf dress which piqued my interest was priced at €325, even though it was meticulously detailed. Currently, Maje is not offering any of its merchandise at sale prices.

1. In regards to pricing, be specific on key item vs. fashion pricing. If you are the buyer for this store/department, you need to understand the strategies. New for this second comp shop, you are acting as the buyer and planning a buy for Holiday 2020. You need to anniversary a key item for a Black Friday promotion. Please discuss the following in your comp shops:
   1. Describe the item you will be carrying?

Sandro: Sandro Vintage Style Corduroy Jacket which costs $560 is the Black Friday promotionl item that I am interested in and I am planning to buy it for Holiday 2020. It is a warm jacket which is perfect for destinations that have a colder temperature. Corduroy has been the centerpiece of the fall collection this year, so the jacket is very trendy and I hope to take great pictures in it. This jacket has also been getting wide recognition among the plus-size models due to its ease and level of comfort as opposed to other tight fitted denim jackets currently making a fashion statement in many walks and promotional campaigns (Dion, 2019).

Maje: From Maje, I am interested in buying a Suede Fringe M Bucket Bag which is a great handy accessory and is known for its hippy chic fashion, matching my personality.

* 1. What is the regular/original retail price for the item?

Sandro: The original retail price for the item is $560.

Maje: The original retail price for the item is €295.

* 1. What is the promotional retail price for the item?

Sandro: The promotional retail price of the Vintage Style Corduroy Jacket is $470.

Maje: The promotional retail price for the Suege Fringe M Bucket bag is €236 after a 20% discount.

* 1. What is the cost price you will need to pay the vendor based on your markup goals for the **regular and promotional pricing planned**?

Sandro: Cost price that will be paid to the vendor based on selling price and the promotional discount is $580. The discount percentage has been considered as the loss percentage in this formula to determine the cost price. $580 will be paid if the Jacket is bought at its promotional price.

Maje: In the case of Suede Fringe Bag, the cost price that will be paid to the vendor is €314 if 25% markdown percentage is considered as the loss percentage to determine the cost price of the bag.

* 1. Based on the promotional pricing, what is the markdown percentage the customer will experience and what will the markdown journalized percentage be for the retailer?

Sandro: Taking the amount of money, which was discounted at the merchandise, and dividing it by sales price the markdown percentage which the customer will experience is 19% for the Sandro Vintage Style Corduroy Jacket.

Maje: The markdown percentage for the suede fringe back for the customer is 25%.

1. Where is the merchandise from the first comp shop positioned?

Both brand stores are located in Manhattan, New York.

1. Are there any new vendors or private brands/labels?

Currently, there are no new vendors or private brands in that area where Sandro and Maje are located. In terms of competition, both are trying to advance their marketing strategies.

1. What promotions is the store running to get the customer into the store?

Sandro is running a 25% Off The Spring Collection promotion and the Summer Clearance Sale is up to 65% Off (Sandro,2019).

Maje, as a promotional strategy, is offering a 10% discount on its bags, accessories and shoes (Maje, 2019).

1. Is the website message for the retailer the same as what you saw in the stores in terms of product, merchandising message and pricing? Be specific: what is the same, what is different.

The website message is the same as in the stores in terms of product merchandising and advertising. The tag lines for specific apparels were the same as I had seen in the website. However, there were slight differences in some prices of the dresses. Upon asking, the store manager told me that the website priced some dresses in the section of clearance sale but as they are in-demand and the store is running out of stock, therefore we habe to price it as regular items.

1. For the conclusion:
   1. Did both stores portray the same merchandising message/fashion statement for both the in store presentation and the website?

Maje and Sandro both portrayed the same fashion statement in their store outlets and in their websites. There was also no difference in the prices in-stores and online and the websites specifically mention that apart from shipping or processing fee, there is no mark-up in the prices from those at the stores. The merchandising message at both websites was also identical to that in the stores.

* 1. What do you think they can do better based on what you saw in your store and the competition’s?

Following practices can be adopted by Maje and Sandro so that sales and revenues can be increased:

1. Provision of discounts at same or different rates but if there is a discount, the stores and website should display it in a same manner without any discrepancies.
2. Rearrangement of clothes, shoes, and bags in the stores which can visually attract the customers.
3. Customer sales representative is present in the stores but this service can be incorporated in the website. Instead of sending a query or an e-mail and waiting endlessly for a response, the customers will be able to directly talk to a sales representative on the online portal regarding any issue.
4. Each store can hire the services of marketing agencies for interior rearrangement of the merchandise based on specific themes and colors. Outdoor branding can also be done to increase the store traffic.
   1. How do they compare on prices, especially on key items, regular priced fashion and sale merchandise?

There is only a slight difference when the comparison on key items is done. However, the prices of sale merchandise differ strikingly, because both stores target different segments of the population in the clearance sale season. In a recent report, Maje was mentioned to provide a student discount as well, for those young adults who are interested to buy high-end dresses for their prom events.

* 1. If applicable: are same store sales (comp sales) increasing or decreasing?

The same store sales are increasing as they are helpful to understand the financial metrics of the brand and merchandise as compared to the previous year or the previous quarter. Additionally, the brands also deliberately increase comp sales so that a holistic image of the stores’ performance can be attained.

References

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