Intemporel Market Report and Product Development for Entering the Women's Athleisure Market BUS 2400: Product Development in the Fashion Industry Jamilex Barzallo, Anmol Kaur, Adia Titus, and Mia Washington

Stage 1: Idea-Generation Phase

Intemporel is a luxury fashion brand that caters to professional, career women who are fashion conscious. Our clientele loves timeless pieces hence; the meaning of our brand's name is timeless. Besides providing classic well-constructed pieces we also design garments that reflect current trends and runway designs. With the growing popularity of athleisure wear, Intemporel wanted to figure out if a venture into the athleisure wear market is feasible. Intemporel has recently conducted more extensive market research and discovered that our target market is into fitness. Rather than let our consumers purchase athletic wear from companies such as Lululemon and Gap Inc.'s Athleta, we want to provide our own quality athletic wear. Figure 1 is a bar graph that shows the sales of athletic clothing in the United States. By doing so it must be of the same caliber as our already established company. To differentiate our competitors in this market while also catering to the demands of our consumers, we must incorporate the latest technologically advanced fabrics and workout enhancements in our athletic wear.

Making the garments both breathable while having the ability to stretch and flatter the bodies of our clients. Having a healthy and active lifestyle is important for the Intemporel woman. Prior to deciding to continue the product development process of the Active Mesh Jacket, our Market Research and Human Resources departments discovered more products in which would be ideal for our target consumers. The idea of creating a line of stylish running shoes was discussed in the idea-generation phase. However, we chose to continue with another option that we felt would generate higher revenue for our company. The reasons for not pursuing these options included not knowing how our already established consumers would gravitate to the added product to our established brand. For example with sneakers, the market is saturated with numerous companies including Nike and Adidas. This could result in low market share in that category and ultimately a loss in profit. However, our target markets were more interested in having active clothing i.e. an active jacket.

Stage 2: Identifying Intemporel's Opportunity and the Market's Demand

This report will examine the research that was conducted in order to figure out if entering the market of luxury athletic wear for women is a profitable market considering our target consumer. The reasons for not pursuing the athletic shoe option included not knowing how our already established consumers would gravitate to the added product to our established brand. For example with sneakers, the market is saturated with numerous companies including Nike and Adidas. Figure 2 demonstrates how Nike is dominant in the athletic industry and their annual revenues are proof of this. This could result in low market share in that category and ultimately a loss in profit. In addition our company has experience in the use of textiles and fabrics for clothing and not that found in athletic sneakers. Extensive research in order to comprehend the athletic shoes market and its current technologies. Moreover, our target market was more interested in having active clothing i.e. an active jacket. Our company would have to thoroughly comprehend the newest performance fabric technology in order to provide comfort and enhance our consumers' workouts. The most popular fabrics used in the manufacturing of athletic wear are spandex, nylon and polyester (Wearables, 2015). However, each of those fabrics has their limitations. Understanding which fabrics are best suited to different environments and climates is necessary to ensure our consumers would continue to purchase from our collections. When deciding on continuing with the Active Jacket we

wanted to create a multifunctional garment. One that incorporated the newest technology in textiles to ensure comfort and functionality while incorporating the latest athleisure trends in our designs.

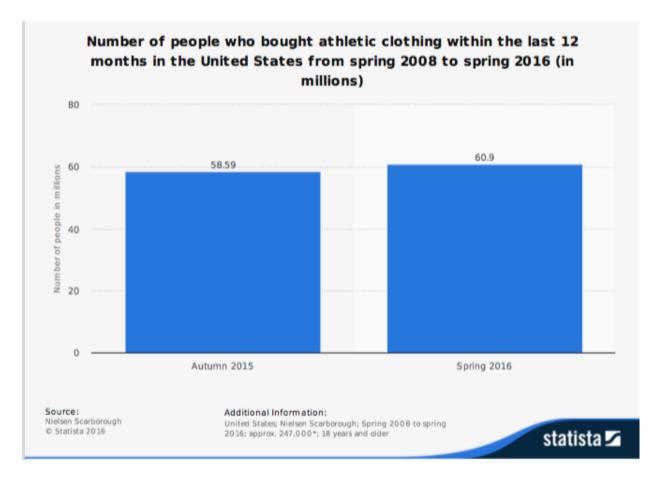
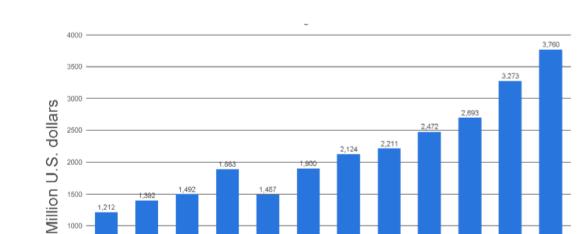


Figure 1: Number of People who Bought Athletic Clothing Within the Last 12 Months in

the United States from Spring 2008 to Spring 2016 (Statista, n.a.)



Nike's net income worldwide 2005-2016

Nike's net income worldwide from 2005 to 2016 (in million U.S. dollars)

Figure 2: Nike's net income worldwide from 2005 to 2016 (in million U.S. dollars)

2009

2010

Year

2011

2012

2013

2014

2015

2016

statista 🗹

(Statista; 2017, p. 57)

1000

500 -

0

Note: Worldwide

Source: Nike; ID 241685

2005

Further information regarding this statistic can be found on page 127.

2006

2007

Stage 3: Product Detail

Understanding the fabrics is the most vital task of creating athletic garments. The fabrics need to be able to withstand all and any environment, because we don't want our consumers to limit themselves by only being able to wear our garments in good weather. They should feel as if they can wear them whether it's raining, extreme heat, or windy, because nylon allows for wind resistance, polyester has moisture wicking capabilities and its light, or nylon with durable water resistant coating helps the consumer stay dry and comfortable (Wearables, 2015). If the clothes stay dry or have moisture wicking properties, then the consumer won't have to worry about bacteria or microbial growth. We want the consumer to have a garment that has thermoregulation capabilities. With thermoregulation the garment has the ability to regulate the temperature of the body despite the changing conditions in the environment. Our customers will have no worries about the weather they can keep up with their everyday workout routines either indoors or outdoors, there will be no limitations.

Air Knit Polyester Fabric after research of textiles were conducted was found to be an ideal fabric choice for the garment as well as for the target consumer(s). There are small perforations in this fabric that allow for better airflow to get to the skin and cool it down (Casadevall, 2016). Which is ideal in any environment not solely that of the gym environment. In addition, it will be ideal for someone suffering from hyperthyroidism. Hyperthyroidism is when one's thyroid produces a hormone called thyroxine; too much of the hormone can increase the metabolism rate leading to an increase in body temperature (Krucik, n.d.). The jacket is supposed to make the wearer comfortable and confident at all times. Although our garments higher priced, the quality standards of this garment will be superb compared to our competition.

Stage 4: Business Analytics

Another aspect of expanding that Intemporel must take into consideration is making sure our current Supply Chain Management can handle an additional line of clothing. We want to ensure that our quality remains the same. Our enterprise resource planning (ERP) must be updated frequently in order to calculate what is in inventory and which items need to be reordered. One of our competitors, Lululemon Athletica LLC., has perfected their SCM by using both voice technology and put-to-light technology. Voice technology refers to "direct e-commerce picking processes and the replenishment of existing SKUs" (Trebilcock, 2014) which helps the company operate their SCM efficiently. Currently, Intemporel's manufacturing is mostly completed overseas, primarily in China. However, our processing and product scanning are completed in the United States.

Initially the product was planned to contain a majority of mesh polyester, but the fabric isn't durable to the standards of Intemporel. Being that we are a luxury brand that wants fashion and quality to be on a balanced level, further research was conducted to find a fabric, which fit with our aesthetics. We then chose air-knit polyester since it is higher quality and more expensive which undoubtedly correlates with our apparel price points. As stated earlier, the air knit polyester will account for the majority of the garment's construction with mesh polyester as an accent fabric. The Active Jacket will be a part of our Fall/Winter 2017 active wear collection. The mesh fabric on this garment will provide both additional breathable and style to the jacket. Our Intermporel woman

could go from the gym to run errands and be comfortable and confident wearing our designs.

China will be the destination for manufacturing this garment. Even though it will take longer to receive the product and product scanning may be rushed in order to place our product in stores within a timely manner, this manufacturer has been our primary source and understands the standards for Intemporel garments as well as fairly paying their employees according to the living standards of the region. Corporate responsibility is another key issue for us and in the future we hope that our polyester materials will be more sustainable and has less of an impact on the environment. Switching manufactures in the future may also arise to cut transportation time and reduce the amount of greenhouse gases emitted into the environment as a result of our products.

Stage 5: Market Testing

Intemporel, being a luxurious athletic brand that caters to the professional, careered women we will incorporate social media, panels, giveaways on onlinesweepstakes.com, and have lifestyle influencers endorse our product. In addition, we would need an ambassador for this new athleisure wear line. Her job description would entail promoting a healthy fit lifestyle while wearing Intemporel plus she would need to have a strong following on social media. Other brands such as Lululemon are able to connect with their consumers through the use of fitness classes and ambassadors. Fitness bloggers help to inform their consumers of new products thus driving sales (Olenski, 2014). Our goal is to create brand loyalty by having a strong presence on social media and having brand ambassadors whom the fitness community or those looking to pursue a healthy lifestyle would want to emulate.

There are authoritative figures or influencers who are well respected by our target market. Influencers have thousands of followers that would quickly purchase products that are endorsed by their favorite healthy lifestyle guru. Cassey Ho, is an American social-media fitness entrepreneur with a YouTube channel that reaches more than 3 million people. She is considered an Internet personality both nationally and internationally. Ho sees herself as more than a Pilates instructor but rather as someone who promotes an overall healthy lifestyle and body image. Therefore, making her the perfect candidate for our product launch. Social media has become a key part in most marketing campaigns.

Besides incorporating ambassadors into the brand, giveaways are an option that Intemporel can use as a marketing strategy to promote our product launches. For example, we will give our consumers bonus entries, which would give them a higher chance at winning. This would only be rewarded to those that share the sweepstakes on their personal social media accounts i.e. Instagram, Facebook, Twitter and Youtube. This would help to promote our social media accounts among our already established consumer base and introduce our brand to potential consumers. As stated earlier, Online-Sweepstakes.com is a popular website that generates giveaways and would bring traffic to our website. By creating a free account with this site, Intemporel can create a sweepstake geared towards a health conscious audience. The qualitative data that would be collected would give a better understanding of the want/needs of the Intemporel consumer. This information will be usually especially when Intemporel decides to expand the athleisure wear collection.

Stage 6: Product Development and Launch

Production of the Active Jacket will begin early January with an expected 4month turn-around period. The jacket is expected to launch in October, giving enough time to inspect all quantities are equal in performance and comfort. Black will be the first color produced with three in total to begin the launch, including navy and gray. To market the product effectively, videos will be shared over social media of real-life athletes wearing the jacket while carrying out their exercise routines. Intemporel will also host health conscious events where consumers can try on our jacket and be more engaged to buy when they are placed in a setting of comfort and praise in an actual runway. Social media will be a critical element in the marketing of this product. Our social media feeds will be updated daily with photos of the product being displayed in realistic settings by ordinary people in order for the target consumers to relate to the product. The main social media platforms that our company will use to inform our consumers about newly available products include Instagram, Twitter and Snapchat. In addition to informing our consumers about new products we will use these platforms to study their likes and dislikes. Their feedback on the new Active Jacket will ensure that our athleisure wear line will be successful. In addition, if we find that our consumers want color trends added into the designs of these jackets we will be able to incorporate concepts such as colorblocking, colorful detailing or prints instead of plain solid colors.

If sales are not up to par, a jacket may be discounted or given as a promotional item when a consumer spends a certain amount to promote sales. In January, we will begin marking down these items prior to launching our new Spring athleisure wear collection. Our athletic clothing will be given two major season collections in order for the designs to remain current. In February, ideally we will launch the Spring collection. Our social media and printed media presence will be heightened at the time of collection launches to ensure sales at the start of the season in order for us to avoid marking down our products. Thus, maximizing our profit margins.

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