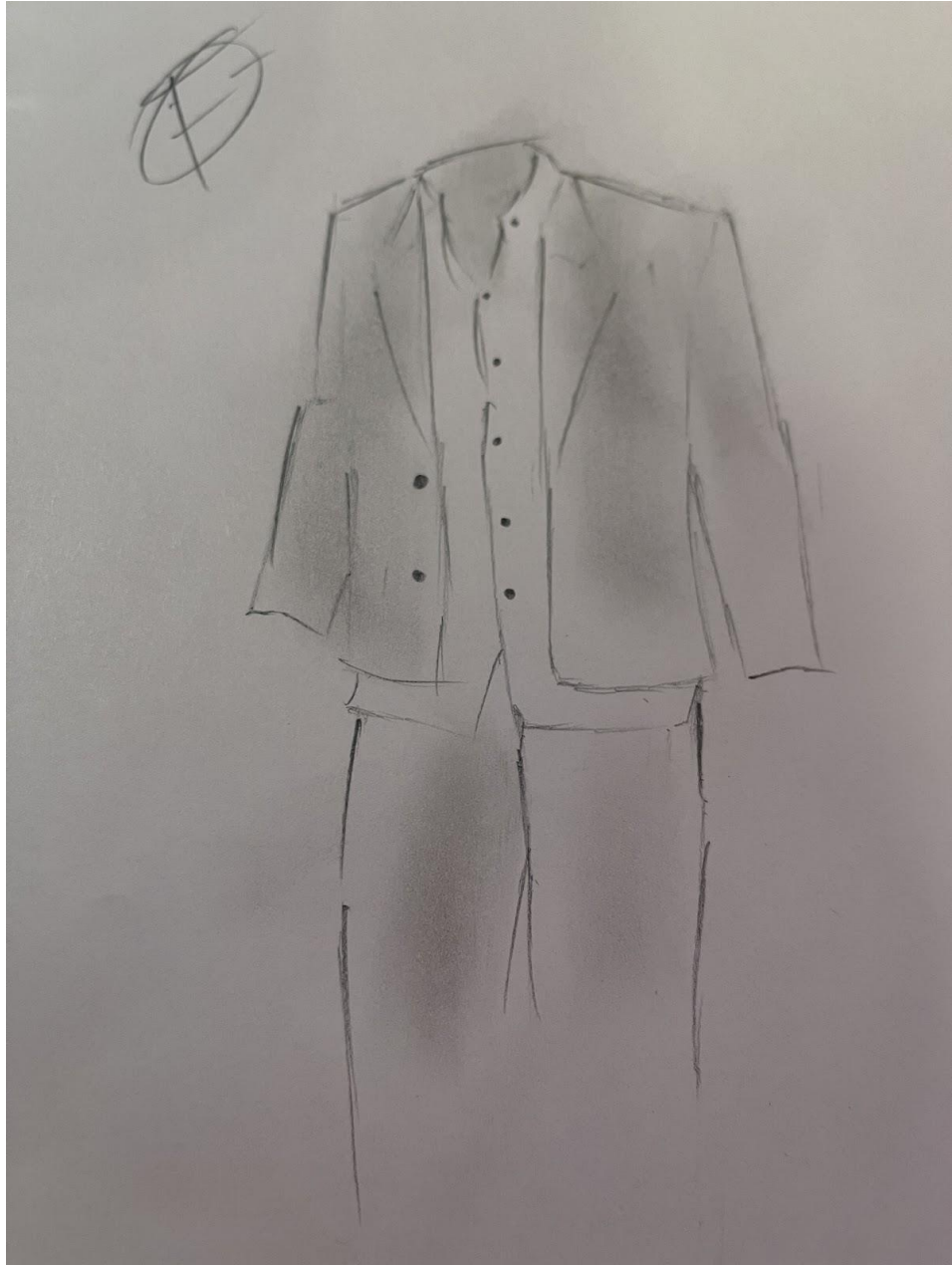


Open to Buy Project



Real Suits Boutique

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Company Biographies

Sabastien Mohammed

What's Good, my name is Sabastien Mohammed. I am 24 years old and I am a Junior at New York City College of Technology. I am currently studying Business and Technology of Fashion. Prior to returning to school, I served four years in the United States Marine Corps as a Sergeant. My career goal is to own my own fashion line that specializes in streetwear.

Responsibilities: To create the cover, abstract, co-create target market, co-create sketches, create part b, create part c, format citations and to complete final review and edit

Terrence Williams - Research Analyst



My name is Terrence Williams. I graduated from Medgar Evers College with an Associate Degree in Business Administration. I am currently enrolled at New York City College of Technology, working towards obtaining a Bachelor of Science degree in Business and Technology of Fashion. In addition to attending college, I am employed at a Retail company, named J. Crew. My goal is to one day obtain my own suiting company and continue to expand my knowledge as a marketer and entrepreneur in the fashion industry.

Responsibilities: To create the target market, co-create sketches, create the season colors, help with sizing and help with part b.



Mustafa Abdelgadir - Forecaster

My name is Mustafa Abdelgadir. I'm 19, and I am currently a sophomore at City Tech pursuing the Business Tech of Fashion Bachelor's degree. I had some knowledge in the business field my senior year in highschool and worked at a small fashion store by my house over the summer before i attended my first year of college, as well as some business courses during my junior year of highschool that's what got me interested in business from the start.

Responsibilities: To create the storefront, co-create the sketches, create the sizing, help with seasonal colors, create the SKUS, create the manufacturing and help with the part b.

Abstract

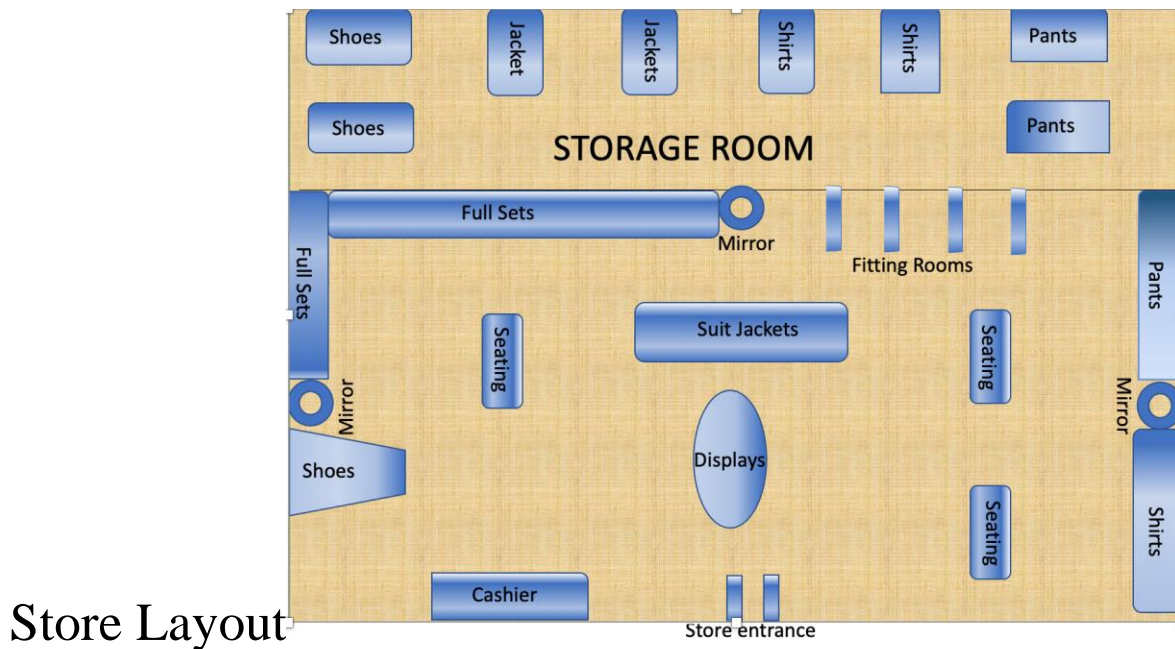
This open-to-buy (OTB) project explores the costs it takes to establish a suit-wear business. This project uses numerous credible online articles that are used to predict what is necessary to identify, source and purchase the garments necessary to stock a clothing store. For this open-to-buy project, our company specializes in reversible suits. This research paper also explores a

store's location, this company's target market, trends, sourcing and planning for the projected months.

Keywords: open-to-buy

Storefront





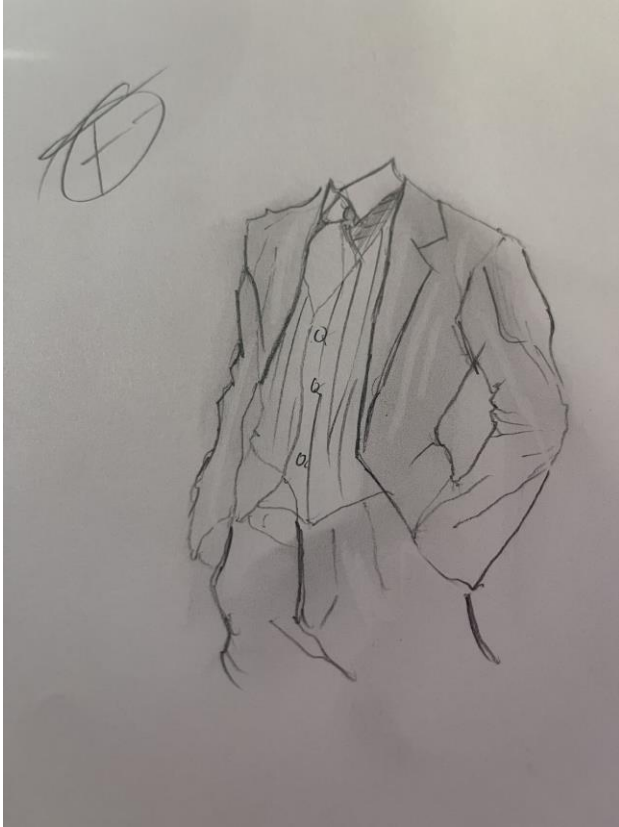
Target Market

A target market is a group of people that a business chooses to promote and aim their products and merchandise towards. This is a very important step in the planning process as it selects the consumers with the greatest likelihood to purchase your product (Higgins, 2020). The very first step of creating a well-developed target market is to examine the variable in your marketing mix. The four Ps in the marketing mix are product, promotion, place, and price. (Twin, 2020) The four marketing mixes help to determine whether the item will be successful in the marketplace.

Formal wear should be about looking the part at work, but don't sacrifice how you look! Look and feel confident with tailored suits from The Real Suit-Suits. While off-the-rack suits are an easy option, they never flatter the body and make you look good. With tailored suits, you look good while feeling comfortable as well! Our tailored suits feature sourced materials of higher quality, which means that our suits last much longer than off-the-rack. So, you can save more money with a suit that fits your silhouette well, while lasting a long time. Our proposed target market are businessmen and college graduate men from the ages of 24-45 who want to look the part at work without sacrificing style. These men shouldn't lose their sense of style in the corporate fields they're entering in. They can be college graduates, but also those who wear suits

frequently, such as lawyers, finance, bankers, etc. These individuals should look good while they're still young, or as they grow older.

We are currently headquartered in the fashion hub of Manhattan, NYC and furthering to expand internationally to other areas of the world such as Japan. With our HQ being centered in one of the strongest fashion hubs, we can easily track and predict the latest trends coming and to come.



Sketches

Figure 1. Three-Piece reversible suit made of silk. This garment is meant to be light for summer use. The exterior color is light, while the interior color is darker for reversible purposes.

Figure 2. Pinstripe Blazer made of cotton for a more traditional look.

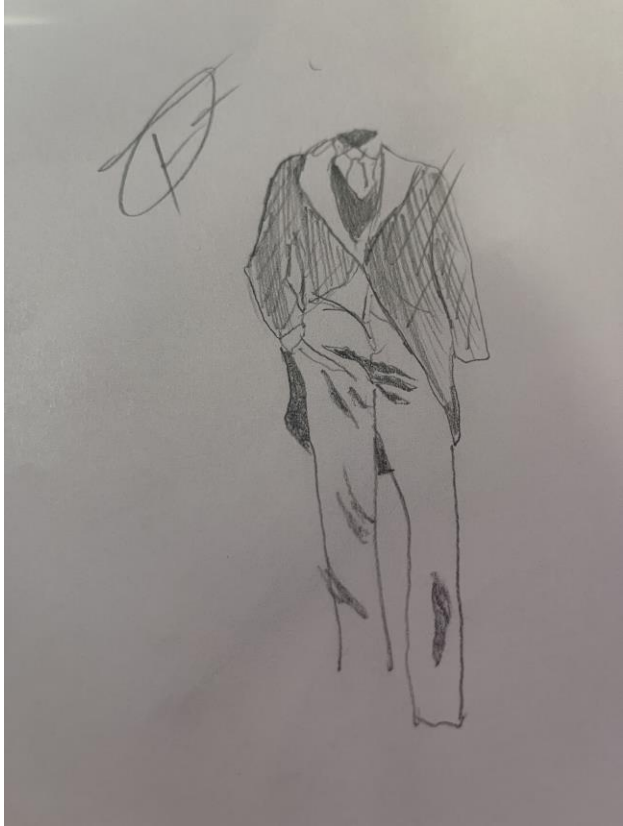


Figure 3. Traditional suit made of cotton. This garments exterior is made with a darker color with a light reversible inside

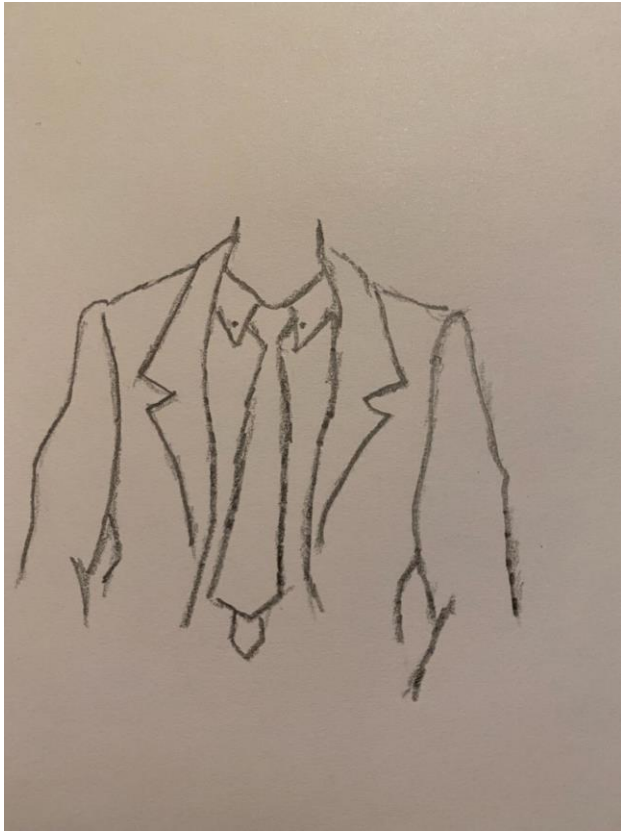
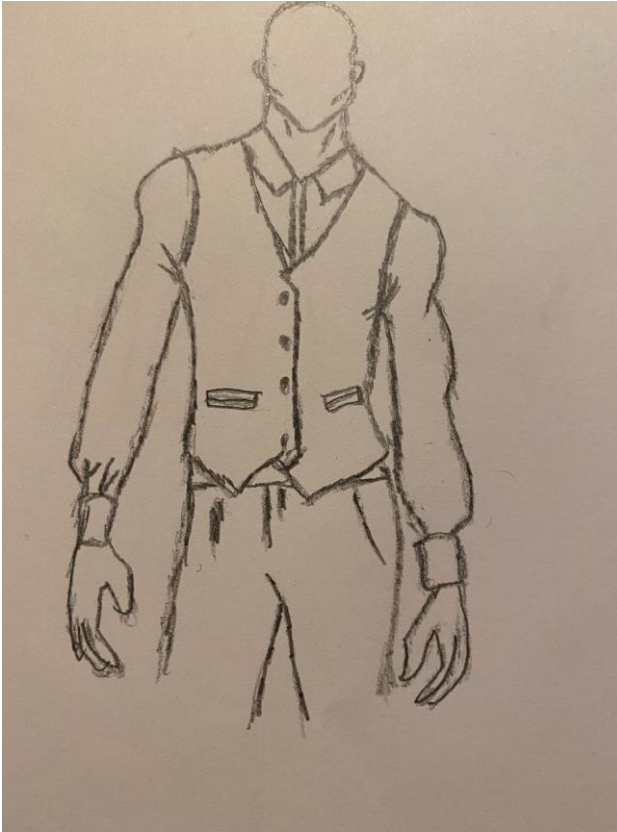


Figure 4. Dress shirt made of fine silk for a comfortable feel for



those

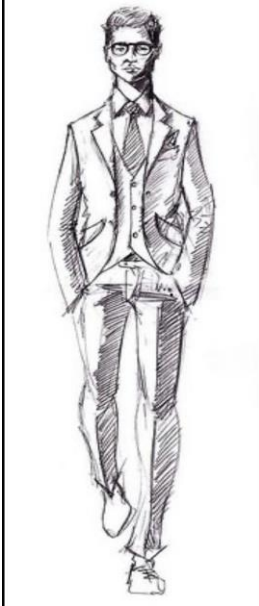
long workdays.

Figure 5. Full 3-piece suit traditional non-reversible garment.



Made of satin for a classier feel.

Figure 6. Haute-Couture three-piece suit made out of recycled plastic. This eco-friendly one-time use garment is set to be



affordable and stylish for the daring consumer.

Sizing

Everyone wants a well-fitted suit and the better the suit fits the better it will look on the one who's wearing it. Many factors go into finding the perfect suit like your height, waist measurements, your side measurements, and hip measurements; these all go into the perfect suit. A good fit suit isn't just made to look good but also meant to prevent any stretches, as well as provide warmth and comfort, conceal the socks, and most of all defines your figure well. Down below is a detailed chart of what the specific sizes measurements are for a suit.

Internat suit size	US Suit Size	Euro Suit Size	Chest (inch)	Waist (inch)	Arm (inch)
S	34	46	34	28	31.5
S	36	46	36	30	32
M	38	48	38	32	32.5
M	40	48	40	34	33

L	42	50	42	36	33.5
L	44	52	44	38	34
XL	46	54	46	40	34.5
XL	48	55	48	42	35
XXL	50	56	50	44	35.5
XXL	52	56	52	46	36

Season Colors

These are the selected colors for the upcoming season with an important look for the projected popular spring/summer colors.



SKUS

The charts compiled below are listings of Real Suits models and each model of suit includes the color, size, and which season they are with compiling from the months of February till July. The SKU is designed to keep track of our products and as well as show what we left in stock and

helps us keep an organized storage space and tells us exactly how much we ordered between the periods February and July.

FEBRUARY

Style #	Color #	US Size	SKU	Season	IRN
0123	White 5758	40	6546-333-876-09	Spring 2021	201
0123	White 5758	41	6546-333-876-09	Spring 2021	202
0123	White 5758	42	6546-333-876-09	Spring 2021	203
0123	White 5758	43	6546-333-876-09	Spring 2021	204
0123	White 5758	45	6546-333-876-09	Spring 2021	205
0124	Ivory 5758	46	6546-333-876-09	Spring 2021	206
0124	Ivory 5758	47	6546-333-876-09	Spring 2021	207
0124	Ivory 5758	48	6546-333-876-09	Spring 2021	208
0124	Ivory 5758	49	6546-333-876-09	Spring 2021	209
0124	Ivory 5758	50	6546-333-876-09	Spring 2021	210
0124	Ivory 5758	51	6546-333-876-09	Spring 2021	211
0125	Tan 5758	52	6546-333-876-09	Spring 2021	212
0125	Tan 5758	53	6546-333-876-09	Spring 2021	213
0125	Tan 5758	54	6546-333-876-09	Spring 2021	214
0125	Tan 5758	55	6546-333-876-09	Spring 2021	215
0125	Tan 5758	56	6546-333-876-09	Spring 2021	216
0125	Tan 5758	57	6546-333-876-09	Spring 2021	217
0125	Tan 5758	58	6546-333-876-09	Spring 2021	218
0125	Tan 5758	59	6546-333-876-09	Spring 2021	219

MARCH

Style #	Color #	US Size	SKU	Season	IRN
0126	Yellow Cust 5758	40	6546-333-876-09	Spring 2021	201
0126	Yellow Cust 5758	41	6546-333-876-09	Spring 2021	202
0126	Yellow Cust 5758	42	6546-333-876-09	Spring 2021	203
0126	Yellow Cust 5758	43	6546-333-876-09	Spring 2021	204
0126	Yellow Cust 5758	45	6546-333-876-09	Spring 2021	205
0126	Yellow Cust 5758	46	6546-333-876-09	Spring 2021	206
0127	Lime Pist 5758	47	6546-333-876-09	Spring 2021	207
0127	Lime Pist 5758	48	6546-333-876-09	Spring 2021	208
0127	Lime Pist 5758	49	6546-333-876-09	Spring 2021	209
0127	Lime Pist 5758	50	6546-333-876-09	Spring 2021	210
0127	Lime Pist 5758	51	6546-333-876-09	Spring 2021	211
0127	Lime Pist 5758	52	6546-333-876-09	Spring 2021	212
0127	Lime Pist 5758	53	6546-333-876-09	Spring 2021	213
0128	Rose 5758	54	6546-333-876-09	Spring 2021	214
0128	Rose 5758	55	6546-333-876-09	Spring 2021	215
0128	Rose 5758	56	6546-333-876-09	Spring 2021	216
0128	Rose 5758	57	6546-333-876-09	Spring 2021	217
0128	Rose 5758	58	6546-333-876-09	Spring 2021	218

0128	Rose 5758	59	6546-333-876-09	Spring 2021	219
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APRIL

Style #	Color #	US Size	SKU	Season	IRN
0129	Blue ice 5758	40	6546-333-876-09	Spring 2021	201
0129	Blue ice 5758	41	6546-333-876-09	Spring 2021	202
0129	Blue ice 5758	42	6546-333-876-09	Spring 2021	203
0129	Blue ice 5758	43	6546-333-876-09	Spring 2021	204
0129	Blue ice 5758	45	6546-333-876-09	Spring 2021	205
0129	Blue ice 5758	46	6546-333-876-09	Spring 2021	206
0129	Blue ice 5758	47	6546-333-876-09	Spring 2021	207
0129	Blue ice 5758	48	6546-333-876-09	Spring 2021	208
0130	Blue Glacier 5758	49	6546-333-876-09	Spring 2021	209
0130	Blue Glacier 5758	50	6546-333-876-09	Spring 2021	210
0130	Blue Glacier 5758	51	6546-333-876-09	Spring 2021	211
0130	Blue Glacier 5758	52	6546-333-876-09	Spring 2021	212
0130	Blue Glacier 5758	53	6546-333-876-09	Spring 2021	213
0130	Blue Glacier 5758	54	6546-333-876-09	Spring 2021	214
0131	Stone 5052	55	6546-333-876-09	Spring 2021	215
0131	Stone 5052	56	6546-333-876-09	Spring 2021	216
0131	Stone 5052	57	6546-333-876-09	Spring 2021	217
0131	Stone 5052	58	6546-333-876-09	Spring 2021	218
0131	Stone 5052	59	6546-333-876-09	Spring 2021	219

MAY

Style #	Color #	US Size	SKU	Season	IRN
0132	Taupe 5758	40	6546-333-876-09	Spring 2021	201
0132	Taupe 5758	41	6546-333-876-09	Spring 2021	202
0132	Taupe 5758	42	6546-333-876-09	Spring 2021	203
0132	Taupe 5758	43	6546-333-876-09	Spring 2021	204
0132	Taupe 5758	45	6546-333-876-09	Spring 2021	205
0132	Taupe 5758	46	6546-333-876-09	Spring 2021	206
0132	Taupe 5758	47	6546-333-876-09	Spring 2021	207
0133	Nutmeg 5758	48	6546-333-876-09	Spring 2021	208
0133	Nutmeg 5758	49	6546-333-876-09	Spring 2021	209
0133	Nutmeg 5758	50	6546-333-876-09	Spring 2021	210
0133	Nutmeg 5758	51	6546-333-876-09	Spring 2021	211
0133	Nutmeg 5758	52	6546-333-876-09	Spring 2021	212
0133	Nutmeg 5758	53	6546-333-876-09	Spring 2021	213
0133	Nutmeg 5758	54	6546-333-876-09	Spring 2021	214
0134	Sage 5758	55	6546-333-876-09	Spring 2021	215

0134	Sage 5758	56	6546-333-876-09	Spring 2021	216
0134	Sage 5758	57	6546-333-876-09	Spring 2021	217
0134	Sage 5758	58	6546-333-876-09	Spring 2021	218
0134	Sage 5758	59	6546-333-876-09	Spring 2021	219

JUNE

Style #	Color #	US Size	SKU	Season	IRN
0135	Caramel 5052	40	6546-333-876-09	Spring 2021	201
0135	Caramel 5052	41	6546-333-876-09	Spring 2021	202
0135	Caramel 5052	42	6546-333-876-09	Spring 2021	203
0135	Caramel 5052	43	6546-333-876-09	Spring 2021	204
0135	Caramel 5052	45	6546-333-876-09	Spring 2021	205
0135	Caramel 5052	46	6546-333-876-09	Spring 2021	206
0135	Caramel 5052	47	6546-333-876-09	Spring 2021	207
0136	Khaki 5052	48	6546-333-876-09	Spring 2021	208
0136	Khaki 5052	49	6546-333-876-09	Spring 2021	209
0136	Khaki 5052	50	6546-333-876-09	Spring 2021	210
0136	Khaki 5052	51	6546-333-876-09	Spring 2021	211
0136	Khaki 5052	52	6546-333-876-09	Spring 2021	212
0136	Khaki 5052	53	6546-333-876-09	Spring 2021	213
0136	Khaki 5052	54	6546-333-876-09	Spring 2021	214
0136	Khaki 5052	55	6546-333-876-09	Spring 2021	215
0136	Khaki 5052	56	6546-333-876-09	Spring 2021	216
0136	Khaki 5052	57	6546-333-876-09	Spring 2021	217
0136	Khaki 5052	58	6546-333-876-09	Spring 2021	218
0136	Khaki 5052	59	6546-333-876-09	Spring 2021	219

JULY

Style #	Color #	US Size	SKU	Season	IRN
0138	Charcoal 5052	40	6546-333-876-09	Spring 2021	201
0138	Charcoal 5052	41	6546-333-876-09	Spring 2021	202
0138	Charcoal 5052	42	6546-333-876-09	Spring 2021	203
0138	Charcoal 5052	43	6546-333-876-09	Spring 2021	204
0138	Charcoal 5052	45	6546-333-876-09	Spring 2021	205
0138	Charcoal 5052	46	6546-333-876-09	Spring 2021	206
0138	Charcoal 5052	47	6546-333-876-09	Spring 2021	207
0138	Charcoal 5052	48	6546-333-876-09	Spring 2021	208

0138	Charcoal 5052	49	6546-333-876-09	Spring 2021	209
0138	Charcoal 5052	50	6546-333-876-09	Spring 2021	210
0139	Black 5052	51	6546-333-876-09	Spring 2021	211
0139	Black 5052	52	6546-333-876-09	Spring 2021	212
0139	Black 5052	53	6546-333-876-09	Spring 2021	213
0139	Black 5052	54	6546-333-876-09	Spring 2021	214
0139	Black 5052	55	6546-333-876-09	Spring 2021	215
0139	Black 5052	56	6546-333-876-09	Spring 2021	216
0139	Black 5052	57	6546-333-876-09	Spring 2021	217
0139	Black 5052	58	6546-333-876-09	Spring 2021	218
0139	Black 5052	59	6546-333-876-09	Spring 2021	219

Manufacturing

Here at Real Suits, our suits are made with the utmost quality and care there is. We use real material like cotton and wool and recyclable clothes wear that will not be harmful to the environment after it's been worn out and recycled. An endlessly versatile fabric, wool paves the way as being one of the best fabrics for suits. Being suitable for both midday heat and colder evenings, it's ideal if you're searching for that one year-round perfect piece that can be used for everything from job interviews to parties. The refined look will give you that ultimate classic suit appeal while being both soft and wrinkle-free to remain smart throughout the day, as well as keep the suit breathable, comfortable, and it gives it a classic look that can be worn all year round. We work with Mills around the world who provide the best woven wool there is and the process of getting the wool nice and ready to use for our suits is quite a process, first a sheep is sheared for wool with some type of hair removal tool, and then what comes next is cleaning the wool by wash which is very important since it removes the dirt and natural oils from it, and is inspected thoroughly by high end manufacturers front and back to make sure there are no flaws and damage done to it before it goes on to the next process. Carding the wool is the next important step which straightens the wool and makes it softer and is normally done by big machines to make the process quicker but we make sure that not too many machines are used on the product since it may cause damage to it, then comes spinning the wool into yarn, weaving and knitting it, and dyeing it as the final process of the wool making since wool is easy to dye after having absorbed water and some computer sites are used to design and develop some colors and designs that best suit our clients order. But we make sure the material is checked inch by inch to make sure there are no flaws, and it has to pass a quality inspection before it can be rolled out to our customers. At Real Suits, we like to deliver the best possible results for our clients and that's making sure that the fabric we use is top tier and matches our customers' expectations.

Part B

	Planned Sales	On Order	Employee Discount	MD\$	Shortage	EOM	BOM
February	\$300,000	\$125,000	2%	\$8,000	2%	\$200,000	\$160,000
March	\$200,000	\$15,000	3%	\$12,000	4%	\$80,000	\$200,000
April	\$300,000	\$145,000	4%	\$4,000	5%	\$110,000	\$80,000
May	\$200,000	\$35,000	0%	\$3,000	7%	\$90,000	\$110,000
June	\$400,000	\$170,000	5%	\$18,000	2%	\$210,000	\$90,000
July	\$250,000	\$24,000	7%	\$25,000	3%	\$70,000	\$210,000

	Planned Sales	On Order	Employee Discount	MD\$	Shortage	EOM	BOM
February	\$300,000	\$125,000	2%	\$8,000	2%	\$200,000	\$160,000

February's Open-to-buy

B1. Open-to-buy for each money

Planned Sales \$300,000

- Planned Reductions \$ 20,000

(Employee Discount (2%) + Markdown (\$8,000))

- Shortage (2%) = \$20,000
 (0.02% X \$300,000 = \$6,000)
- \$8,000 +
 0.02% X \$300,000 = \$6,000) = \$20,000

- Planned EOM Stock \$200,000

= Total Monthly Needs \$520,000

- BOM Stock \$160,000

= Planned Purchase \$360,000

- Merchandise on Order \$125,000

= Open-to-Buy (At Retail) \$235,000

B2. Average Monthly Sales

Monthly Planned Sales / # of Months

$$(\$300,000 + \$200,000 + \$300,000 + \$200,000 + \$400,000 + \$250,000) / (6)$$

$$\$1,650,000 / 6 = \$275,000$$

B3. Average Monthly Order

All Merchandise on Order / # of Months

$$(\$125,000 + \$15,000 + \$145,000 + \$35,000 + \$170,000 + \$24,000) / (6)$$

$$\$514,000 / 6 = \$85,667$$

B4. Markdown Percent per Month

$$(\$8,000 / \$300,000) \times (100) = 2.67\%$$

	Planned Sales	On Order	Employee Discount	MD\$	Shortage	EOM	BOM
March	\$200,000	\$15,000	3%	\$12,000	4%	\$80,000	\$200,000

March's Open-to-buy

B1. Open-to-buy for each money

Planned Sales \$200,000

- Planned Reductions \$ 26,000

(Employee Discount (3%) + Markdown (\$12,000))

- Shortage (4%) = \$26,000

$$(0.03\% \times \$200,000 = \$6,000$$

- \$12,000 +

$$0.04\% \times \$200,000 = \$8,000) = \$26,000$$

- Planned EOM Stock \$80,000

= Total Monthly Needs \$306,000

- BOM Stock \$200,000

= Planned Purchase \$106,000

- Merchandise on Order \$15,000

= Open-to-Buy (At Retail) \$91,000

B2. Average Monthly Sales

Monthly Planned Sales / # of Months

$(\$300,000 + \$200,000 + \$300,000 + \$200,000 + \$400,000 + \$250,000) / (6)$

$\$1,650,000 / 6 = \$275,000$

B3. Average Monthly Order

All Merchandise on Order / # of Months

$(\$125,000 + \$15,000 + \$145,000 + \$35,000 + \$170,000 + \$24,000) / (6)$

$\$514,000 / 6 = \$85,667$

B4. Markdown Percent per Month

$(\$12,000 / \$200,000) \times (100) = 6\%$

	Planned Sales	On Order	Employee Discount	MD\$	Shortage	EOM	BOM
April	\$300,000	\$145,000	4%	\$4,000	5%	\$110,000	\$80,000

April's Open-to-buy

B1. Open-to-buy for each money

Planned Sales \$300,000

- Planned Reductions \$ 31,000

(Employee Discount (4%) + Markdown (\$4,000))

- Shortage (5%) = \$31,000
 $(0.04\% \times \$300,000 = \$12,000$
- \$4,000 +
 $0.05\% \times \$300,000 = \$15,000) = \$31,000$

- Planned EOM Stock \$110,000

= Total Monthly Needs \$441,000

- BOM Stock \$80,000

= Planned Purchase \$361,000

- Merchandise on Order \$145,000

= Open-to-Buy (At Retail) \$216,000

B2. Average Monthly Sales

Monthly Planned Sales / # of Months

$(\$300,000 + \$200,000 + \$300,000 + \$200,000 + \$400,000 + \$250,000) / (6)$

$\$1,650,000 / 6 = \$275,000$

B3. Average Monthly Order

All Merchandise on Order / # of Months

$(\$125,000 + \$15,000 + \$145,000 + \$35,000 + \$170,000 + \$24,000) / (6)$

$\$514,000 / 6 = \$85,667$

B4. Markdown Percent per Month

$(\$4,000 / \$300,000) \times (100) = 1.34\%$

	Planned Sales	On Order	Employee Discount	MDS	Shortage	EOM	BOM
May	\$200,000	\$35,000	0%	\$3,000	7%	\$90,000	\$160,000

May's Open-to-buy

B1. Open-to-buy for each money

Planned Sales \$200,000

- Planned Reductions \$ 17,000

(Employee Discount (0%) + Markdown (\$3,000))

- Shortage (7%) = \$17,000
 $(0.07\% \times \$200,000 = \$14,000)$
 - \$3,000 +
 $(0.015\% \times \$200,000 = \$3,000)$
 - Planned EOM Stock \$90,000
- = Total Monthly Needs \$307,000

- BOM Stock \$110,000
- = Planned Purchase \$197,000
- Merchandise on Order \$35,000
- = Open-to-Buy (At Retail) \$162,000

B2. Average Monthly Sales

Monthly Planned Sales / # of Months

$$(\$300,000 + \$200,000 + \$300,000 + \$200,000 + \$400,000 + \$250,000) / (6)$$

$$\$1,650,000 / 6 = \$275,000$$

B3. Average Monthly Order

All Merchandise on Order / # of Months

$$(\$125,000 + \$15,000 + \$145,000 + \$35,000 + \$170,000 + \$24,000) / (6)$$

$$\$514,000 / 6 = \$85,667$$

B4. Markdown Percent per Month

$$(\$3,000 / \$200,000) \times (100) = 1.5\%$$

	Planned Sales	On Order	Employee Discount	MD\$	Shortage	EOM	BOM
June	\$400,000	\$170,000	5%	\$18,000	2%	\$210,000	\$90,000

June's Open-to-buy

B1. Open-to-buy for each money

Planned Sales \$400,000

- Planned Reductions \$ 46,000

(Employee Discount (5%) + Markdown (\$18,000))

- Shortage (2%) = \$46,000
 (0.05% X \$400,000 = \$20,000)

- \$18,000 +

$$0.02\% \times \$400,000 = \$8,000) = \$46,000$$

- Planned EOM Stock \$210,000
- = Total Monthly Needs \$656,000
- BOM Stock \$90,000
- = Planned Purchase \$566,000
- Merchandise on Order \$170,000
- = Open-to-Buy (At Retail) \$396,000

B2. Average Monthly Sales

Monthly Planned Sales / # of Months

$$(\$300,000 + \$200,000 + \$300,000 + \$200,000 + \$400,000 + \$250,000) / (6)$$

$$\$1,650,000 / 6 = \$275,000$$

B3. Average Monthly on Order

All Merchandise on Order / # of Months

$$(\$125,000 + \$15,000 + \$145,000 + \$35,000 + \$170,000 + \$24,000) / (6)$$

$$\$514,000 / 6 = \$85,667$$

B4. Markdown Percent per Month

$$(\$18,000 / \$400,000) \times (100) = 4.5\%$$

	Planned Sales	On Order	Employee Discount	MD\$	Shortage	EOM	BOM
July	\$250,000	\$24,000	7%	\$25,000	3%	\$70,000	\$210,000

July's Open-to-buy

B1. Open-to-buy for each money

Planned Sales \$250,000

- Planned Reductions \$ 50,000

(Employee Discount (7%) + Markdown (\$25,000))

- Shortage (3%) = \$50,000
(0.07% X \$250,000 = \$17,500
 - \$25,000 +
0.03% X \$250,000 = \$7,500) = \$50,000
 - Planned EOM Stock \$70,000
- = Total Monthly Needs \$370,000
- BOM Stock \$210,000
- = Planned Purchase \$160,000
- Merchandise on Order \$24,000
- = Open-to-Buy (At Retail) \$136,000

B2. Average Monthly Sales

Monthly Planned Sales / # of Months

$$(\$300,000 + \$200,000 + \$300,000 + \$200,000 + \$400,000 + \$250,000) / (6)$$

$$\$1,650,000 / 6 = \$275,000$$

B3. Average Monthly Order

All Merchandise on Order / # of Months

$$(\$125,000 + \$15,000 + \$145,000 + \$35,000 + \$170,000 + \$24,000) / (6)$$

$$\$514,000 / 6 = \$85,667$$

B4. Markdown Percent per Month

$$(\$25,000 / \$250,000) \times (100) = 10\%$$

Part C

C1. After careful analysis of the following economic data from the U.S. government the Real Suits boutique set a sales plan increase for the next season (Feb-July) of 6.2%. Based on this year's sales plan, what is the company's new projected sale plan for the next season?

PLANNED SALES X SALES INCREASE %

$$(\text{Feb-July}) = \$1,650,000 \times 6.2\% = \$102,300$$

The planned increase in sales increased by \$102,300 for the next season. This is based on the sales increase of 6.2% over the 6-month period.

C2. In the prior year same sales period the Real Suits boutique had actual sales of \$1,820,000.00. What was the increase/decrease for the sales period and suggest reasons for the change from one season to the next?

ACTUAL SALES MINUS SALES INCREASE (IN DOLLARS AND PERCENT)

A. Dollar Amount $\$1,820,000 - \$102,300 = \$1,717,700$

B. Percent Amount $\$102,300 / \$1,717,700 = 0.05955638$

$$0.059 \times (100) = 5.9\%$$

The Percent amount is 5.9% decrease

The decrease for this sales period is a decrease of 5.9% or \$102,300. This could be due to increased competition or a lower number of events that people are needing suit-wear for.

References

Higgins, S. (2020). The Straightforward Guide to Target Markets. Retrieved December 02, 2020, from <https://blog.hubspot.com/sales/target-market>

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