A Designer as Brand – Personal Fashion Business Plan as a Sample for Fashion Entrepreneurs

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Chapter 1 Introduction

1.1 Background and Motivation

Most of the designers or design students learn various technical skills and culture research in university, but are lack of knowledge on marketing and branding. Nowadays, design idea is as significant as business strategy, even designers have excellent works, but without careful commercial consideration that will lead to marketing failure and let the competitors have the opportunity to take the cutting edge. However, that is not easy for designers to build up their own brand without the knowledge of brand management and marketing technical skills.

In the meantime, the author has found out that most designers in Taiwan are indifferent to market and lack commercial knowledge of brand management. Due to these factors, the author wants to present a work onto a personal website with personal experiences learned from the MA module courses and theories that might help fashion goers like designer students, fashion designers and those who are already in industry to have basic concepts of starting their own fashion business. For Fashion entrepreneurs starting their business, they need to consider different business strategies and set up their own business plans, such as analyzing most up-to-date fashion market trends, to distinguish the strengths from weaknesses and then identify the opportunities.

After the analysis, Fashion entrepreneurs can organize the information in a way that enables them to come up sound strategic approaches. All in all, the website will be designed to enable visitors to take the basic steps required to starting their own business. A platform will be created in the website also for issues discussion; improvement suggestions that interact with author to enrich author's work as well.

1.2 Aims and Objectives

1.2.1 Aim

To build up a website for the author's fashion new brand business plan and as yet in separating pages to present the idea for fashion goers such as designer students, fashion designers and those already in industry to be interested in fashion and enable them to understand the factors required to build up their own brand as well as the operating process toward its success.

1.2.2 Objectives

- To Observe different kind of brand guide books; fashion entrepreneurial books and multimedia books, etc.

- To study brand and marketing theories.

- To design two questionnaire surveys to cover two different subjects. One is a research of recent fashion market; the other one is what factors designers needed for building up their own brand and will they search and find the information through the website.

- To sketch the band images and build up the business plan.

- To develop the final website pages – sketch design, initial design, final design, and design website page layout.

- To test the target market / designers.

- To complete the final version of website pages.

The aim of the project is to create the author's own version of fashion business plan as a sample for fashion designer students, fashion designers and those already in industry who are interesting in fashion business to enable them catch up essential elements required to build up their own fashion brand and post it onto its own website in

separating web pages to realize the idea. The objectives of the project start from the secondary research such as searching for entrepreneurial books, branding books, marketing books and literature, etc.

The author would get the summary from the secondary research and then start to generate two different questionnaires for different purposes to different targets. One is the fashion market research for fashion business plan start-up; the other one is what the elements designers are needed to start their own fashion business and will they get related information on the website. After these two stages, the author would start to sketch brand images and structure the business plan, and then design the website pages featuring with the content's layout. Finally, the author would test the website prototype to collect all feedbacks for further improvement.

1.3 Methodology

1.3.1 Research structure

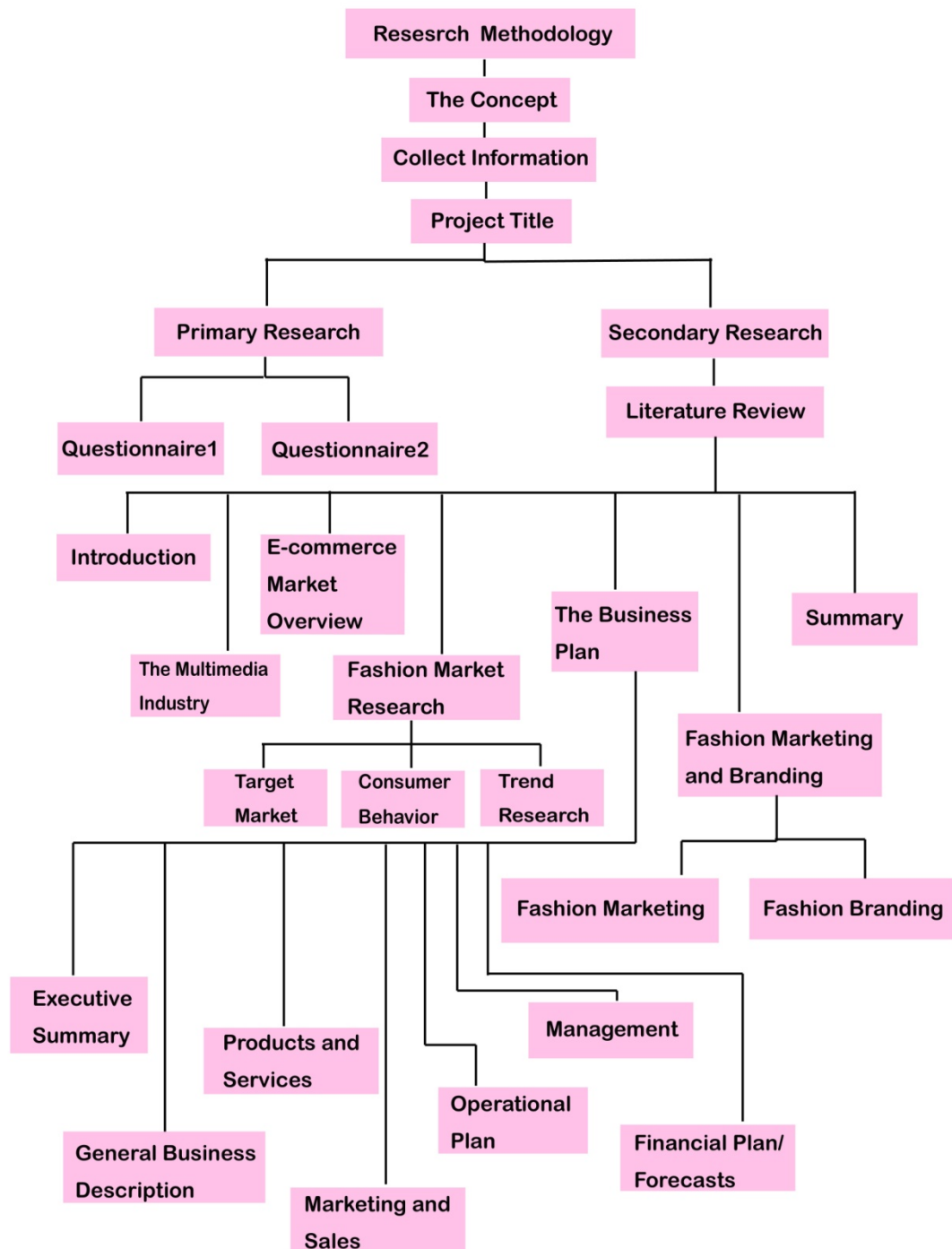The research structure of the project is presented as below (Figure 1.1).

Figure 1.1 The research structure of the project

1.3.2 Secondary Research

Literature Review

The majority of secondary research is books, journals, articles from the library. Parts of information are from internet searching. The scope of the Literature Review research includes E-commerce, entrepreneurship, branding, and marketing. Literature Review concentrates on internet industry, E-commerce market overview, fashion market research, fashion marketing and branding, and business plans. After analyzing all data, the author would conclude the result for primary research or design.

1.3.3 Primary Research

Questionnaire

In this stage, there are two questionnaires generated for two different targets and in two different purposes. The first one is for fashion market research that would be a sample to empower visitors to understand how to do marketing research. The target is female customers who have financial ability to purchase fashion clothing. The questionnaire is part of the business plan. The second one is for fashion entrepreneur survey, in which fashion entrepreneurs will be induced to respond what factors are significant, that are needed to take into consideration, and how important the different business plans will be in fashion entrepreneurial process. Moreover, the survey would tell in the end that how much interest the fashion entrepreneurs are on visiting online website to comprehend fashion entrepreneurial information. In the final stage of the process, the author will base on the information from all respondents to identify their preference and requirement and then design the author's own business plan and website.

1.4 Time management

Gantt chart

In this stage, the author brings up her timetable for the project in second semester. Secondary research was delayed due to the author has slightly adjusted her project direction, re-researched and rewrote the literature review in the beginning of second semester. Because of the reasons above, the author redrew the timetable. The new timetable included literature review, primary research, design development, and the business plan structure, etc. After finishing the primary research, the author had a presentation for Assessment three in the second semester. However, the professors were not satisfied with the final guide book. The professors pointed out that that the guide book was too solemn, theoretical and poor in content features... One of them has given several suggestions. That is the promotion channels through Facebook or Flicker that will brings up much more interesting, personal, relaxation and unrestrained, to develop in this direction would be a useful way for the author. Having heard of these suggestions the author suddenly has the great relief and way out of all the confusions from the troubles to overtake other competitors who had no entrepreneurial experiences.

Finally, the author decided to present the revised project in website way which could not only reach the original goal, but also will increase delights and created more interactions with the visitors. Moreover, internet network is convenient and worldwide. Due to the reasons above, the author redid the primary research and added certain questions which were related to the frequency of internet, using any benefits on the website to help fashion entrepreneurs. Consequently, the author spent lots of time on both secondary research and primary research. Fortunately, the author was favorable to correct the destination, and then moved to the next stage. The stage of

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design development met the schedule in the new timetable which was redrawn again after the presentation of assessment three. The final timetable came out quite late, and the starting time of each stage was the same but different on the period.

Figure 1.2 Gantt chart

Chapter 2 Review of the Literature

2.1 Introduction

There is a difficulty for designers who want to build up their own brand without the marketing and brand management background. Also, the author discovered that designers became estranged from market and lacked commercial knowledge of brand management and marketing in Taiwan. Nowadays, design idea is as significant as business strategy because even designers can have excellent design works. However, without careful commercial consideration, their places in fashion industry will be taken away by other competitors and led to failure. Due to the reasons above, the author wanted to present a work in a more personal website way with personal experiences to support fashion entrepreneurs, such as students, graduates and those who are already in industry and have a keen interest in fashion to set up their own fashion brand business by using the theory and practical application of fashion entrepreneurship. The final visual outcome presented on a personal website, but on separate website pages which provided the content of author's own business plan as a sample. As a self-learning guide, the project enabled fashion entrepreneurs to understand the whole process and the factors needed to start and develop their own business through the key steps required.

Before starting their business, the Fashion entrepreneurs needed to consider different business strategies and set up their own business plans which outline where fashion entrepreneurs wanted to develop their business and how they planed to get there. Consequently, fashion entrepreneurs have to analyze the recent fashion market trends, distinguish the strengths and weaknesses and then identify the opportunities which evolve into marketable products as creative ideas.

2.2 The Multimedia Industry

According to the council of the INFO2000 program, the definition of Multimedia is 'combinations of data, text, sound, graphics, animations, still & moving images stored in digital forms and interactively accessible'. (Anon, ca) In addition to traditional media such as text, graphics drawings and images, multimedia includes a computer-based interactive communications, which is presented in audio, video and animation way. In the past, the term multimedia was used to describe a show by the Exploding Plastic Inevitable. The show integrated music, cinema, special lighting and human performance. (Anon, ca) Nowadays, people contact with the multimedia industry every day without realizing such as CD-ROM's, DVD's, web pages, Video games, which are all part of multimedia industry.

Today, Internet is one of the fastest growing media in history. Due to the Internet has been viewed as a huge market, and furthermore, it is full of immense opportunities which are capable to reach the worldwide population. The table chart presented below is the statistics of World Internet Users and Population Stats (Figure 2.1).

WORLD INTERNET USAGE AND POPULATION STATISTICS						
World Regions	Population (2008 Est.)	Internet Users Dec. 31, 2000	Internet Users Latest Data	Penetration (% Population)	Users Growth 2000-2008	Users % of Table
Africa	975,330,899	4,514,400	54,171,500	5.6 %	1,100.0 %	3.4 %
Asia	3,780,819,792	114,304,000	657,170,816	17.4 %	474.9 %	41.2 %
Europe	803,903,540	105,096,093	393,373,398	48.9 %	274.3 %	24.6 %
Middle East	196,767,614	3,284,800	45,861,346	23.3 %	1,296.2 %	2.9 %
North America	337,572,949	108,096,800	251,290,489	74.4 %	132.5 %	15.7 %
Latin America/Caribbean	581,249,892	18,068,919	173,619,140	29.9 %	860.9 %	10.9 %
Oceania / Australia	34,384,384	7,620,480	20,783,419	60.4 %	172.7 %	1.3 %
WORLD TOTAL	6,710,029,070	360,985,492	1,596,270,108	23.8 %	342.2 %	100.0 %

Figure 2.1 Internet Usage and World Population Statistics are for March 31, 2009.

(The source is from Internet World Stats - http://www.internetworldstats.com/stats.htm)

From the table of the Internet usage and world population statistics, Internet users increased sharply during 2000 to 2009. The highest penetration of Internet users is from North America, which is 74.4%, and the second one is Oceania / Australia, which is 60.4 %. More than half of the populations in North America and Oceania / Australia use the Internet. The Internet users in Middle East grow most dramatically. The growth rate of Internet users enlarges exaggeratedly in Middle East and Africa. As a result of the data above, today, people live in a new world with high technology and convenient Internet network. Moreover, there are seven days in a week and twenty-four hours in a day. In recent years, Internet has become part of people's lives, and most important of all, people can not live without it. For this reason, Internet is truly a huge market with opportunities, which can simply convey information or e-commerce throughout the world. Internet is not only the tool of information searching and people connecting but also a commercial channel, a publishing channel or a personal performance channel.

2.3 Fashion Market Research

2.3.1 Target Market

Market segmentation is where the larger market is heterogeneous and can be broken down into smaller units that are similar in character (Easey 2002, p98-99). The characteristics of the potential target can be segmented in three distinct ways - geographic, demographic and psychographic. The geographic location means where the customer lives such as country, type of Urban Area and Urban/Rural. The demographic is base on measurable statistics such as age, sex, race, and religion, etc. The psychographic signifies the characteristics of personality, motive and lifestyle, which are consumer's personality, motives for purchasing, and consumer's life and aspirations as well. Moreover, market segmentation can be analyzed in different ways

by different social groupings, income level, education level, life-cycle stages, etc. General speaking, potential customers get together because of the similar product requirements and buying behaviors.

Market segmentation helps companies to meet customers' needs, and companies also believe that marketing success is linked to how effectively their customer base is segmented. After segmenting the customers into different groups, companies can select the groups and make the strategies on its sales and marketing which will aim to position the product or service directly to targeted customers. To sum up, who is the customer, and variety needs and requirements of different customers are fundamental to the principles of marketing. Market segmentation bring benefits which include understanding what customers need and want, and it can lead to more careful investment and effective marketing process.

2.3.2 Consumer Behavior

The consumer behavior is the basis for segmenting markets. Consumer behavior is the study of the processes involved when individuals or groups select, purchase, use or dispose of products, services, ideas, or experiences to satisfy needs and desires (Solomon, 2002, p32). On the other hand, consumer behavior is produced because of the customer's needs and desires. However, the needs and requirements will be different following the different social classes, income levels, education levels, etc. A study (Bohdanowicz and Clamp 1994, p15) has shown that Maslow suppose people have five different hierarchy of needs which are physiological needs, safety needs, social needs, esteem needs and need for self-actualization. Different needs and desires will cause different consumer behaviors. Most consumers first purchase for warmth and comfort rather than other factors, which due to satisfy physical needs. The reason

why the social needs are regarded as a powerful influence on fashion purchase is because people want to look good. In the same study (Bohdanowicz and Clamp 1994, p16) has indicated that McClelland also brings up three basic needs for human actions. They are need for power, need for affiliation, and need for achievement. The varied needs and motivations enable people to perform different behaviors to satisfy their desires. Consumer behavior is how people please their different hierarchy of needs.

2.3 The Business Plan of Starting Fashion Business

2.3.1 Executive Summary

The Executive summary should get straight to the point by focusing on the key issues and the bottom line so that the potential investors can immediately get an impression for entrepreneurs' new ventures without having to plough through the whole business plan (BURKE, 2008, p54). Its purpose is to explain the basics of your business in a way that is interesting and informative. There are also two other important aspects for the executive summary. They are sale summary and a credible description of what the product and service is, how the idea works, and what it will do for the clients and customers who will make everything worth paying. The executive summary should have an overview about the type of business and the business opportunity, and it should depict that there is a market for the product and why it is unique, and provide brief financial statements.

2.4.2 General business description

For the new business, entrepreneurs have to set out in details concerning   time of starting business, types of business, the vision images, the logos of business, the company goals, adjectives, personal backgrounds, skills, and experiences. The Competitive advantage may be defined as, the strategies, skills, knowledge, resources

and competencies that differentiate a business from its competitors- this may be by offering a product which customers find is more attractive than the competitors'. (BURKE 2008, P43) Moreover, entrepreneurs should describe in depth the product and service that any factors will bring an added advantages or disadvantages, or any unique selling position that makes the product unique, or preferred, relative to your competitors. The SWOT analysis, one of the most commonly implemented analyses in marketing, provides an excellent starting point for this type of review (Dibb and Simkin, 1996, p48). In short, the SWOT is the method to identify and structure a business' **s**trength, **w**eakness, **o**pportunities, and **t**hreats. The SWOT analysis will enable companies to match the strength with business opportunities presented in the marketplace and lead to limit the impact of the weaknesses and external threats. The general business description should include all the contents mentioned above, and with the SWOT analysis that can help not only entrepreneurs but also investors who consider more about the business and the opportunities.

2.4.3 Products and services

The product or service plan outlines the product in detail, such as any technical specs, drawings, photos which should be placed in an appendix and, it can be presented by showing samples, presentation boards and Power Point presentations. Moreover, entrepreneurs should describe what the product and service offer and what factors will give entrepreneurs competitive advantages or disadvantages. In this section, entrepreneurs also need to explain how the products will be developed, how the business will adopt the new technologies, new trends and new fashions, how the products are received, what support services are required, etc.

2.4.4 Marketing and Sales

Within this section, entrepreneurs have to describe the specific activities that entrepreneurs plan to use to promote, sell, and distribute the products and services. Marketing and sales can be subdivided into three sections, which are market research, marketing and branding, sales and negotiation (BURKE 2008, P56). Following a strong marketing and sales plan helps entrepreneurs to have a clear idea to present their products and services to the market. The entrepreneurs will receive the data which confirms that there is a market for the products and services, estimates the consumer desires and competition, and defines the target market through the market research. Furthermore, entrepreneurs need to outline the price strategy, such as Price Skimming, Penetration pricing, and discounts in this stage. Also, the promotion and advertising of the products and how to develop the brand image, which includes company name, product name, labels, logos, ought to be explained in depth. There are two more points needed to be indicated in details. One is how entrepreneurs plan to sell the products and services – where to sell and to whom. Another one is how entrepreneurs will deal with customer services and respond to customer problems.

2.4.5 Operational Plan

The operational plan is to explain daily operation of the business, its production, location, people, and equipment. The production section describes how the products are made, detailing the critical elements of the manufacturing process (BURKE 2008, P57), where the products and services are produced, and how much space will be needed, and how much of the occupation expense will cost. For example, it establishes what special equipment and expertise are required, what specialist staffs are needed, and what materials are used etc. The location of this section means where the products and services will be sold, how much space will be needed, and how

much of the occupation expense will cost etc.

2.4.6 Management

The management plan establishes the credibility of the people involved in the business such as entrepreneurs themselves, fashion designers, design teams, sales and marketing personnel, people in accounts department, suppliers and contractors, outsourcing companies (BURKE 2008, P55). The entrepreneurs ought to introduce the business with a brief history of the company in details about its legal identity and registration, why and how the company is established. In addition, all the key persons whose roles, qualifications, working experience and knowledge in this industry should be specifically identified. In this way that is able to measure their contributions in a professional scoreboard to enlarge the competitive advantage of the business.

2.4.7 Financial Plan / Forecasts

A study (BURKE 2008, P58) has shown the financial plan is the keystone to running the business, especially the major area for a start-up company. A financial plan should cover the profit and loss in at least 12 months, the projection of Cash flow and Sales forecast. The investors are more concerned to see a sound and reasonable financial plan before they pour in their money. The key indicators in yearly P/L projection should include sales forecast, cost of goods sold, expenses, and above all, the profit on monthly basis. The expenses and overheads might include rents and rates, utilities such as the bill of water, heating, lighting, gas, etc; insurance such as fire or liability insurance, life insurance, employee insurance, drawings, wages and salaries, internet, or even the expense spent on advertising and logo design. The financial statements should estimate and project all the possible costs before running the new business.

2.4 Fashion Marketing and Branding

2.4.1 Fashion Marketing

A study by Kotler (2000 cited Easey 2002) finds that marketing research as the major instrument in business is defined as 'the systematic design, analysis and reporting of data and findings relevant to specific marketing situations facing the company'. Marketing research can provide meaningful information of a target market. It can also unveil the information about the recent trends of consumer preferences, competitor's activities, advertising effectiveness, and distribution methods and for pricing strategy. Marketing research is widely utilized and plays an essential role in developing new products, new advertising and promotion strategies. Through marketing research entrepreneurs will have a perceptive idea of who their potential customers are, to help entrepreneurs to identity their target markets in more depth so that entrepreneurs can create the products to meet their potential customers' needs and wants. Nonetheless, entrepreneurs should be assured to have the qualified products or services directed to the right target, be able to identify where their customers will consume their products and the distribution channels, deciding the best pricing strategy and when or how the effective way to promote the products is.

Marketing is all about letting people know about a company's products or service and persuading customers to buy or use it. A company uses advertising or choosing the proper channels through various promotion methods in order to solicit customer brand recognition of the company and inspire their desire for the products. Fashion marketing combines the application of the various techniques with business philosophy that focus on existing customers and potential customers in the field of clothing, clothing-related business and services in order to achieve the long-term goals for the organization. The role of design is to lead and reflect customers' demand

that results in variety of approaches to fashion marketing. There are five contents that fashion marketers will do such as fashion marketing research, fashion product management, fashion promotion, fashion distribution and fashion product positioning and pricing. The marketing strategy should be oriented to achieve the whole business goals. The main element of the marketing strategy is definition of a company's business, expression of a company's products or services, profile of a company's targeted users or clients, and clarification of a company's role in contrast to competitors. Another major factor of a successful marketing strategy is that a company has to consider existing and potential customers to classify them into particular groups or segments according to their requirement.

In a popular study Easey (2002) was told by Jean-Jacques Picart, the Parision fashion consultant that 'I has given many advices to many brands during the years, and if there is an absolutely one thing is that you cannot lie. You can bluff, you can rearrange the truth, but you cannot cheat. Marketing can persuade a customer to push open the door of a shop, but if they find the clothes inside it are ugly, they will leave. A product today at any level must accomplish the right balance between price, quality, creativity, and durability. If any of these factors are below par, the customer will not be fooled. The best marketing in the world comes down to a person standing in front of mirror.' Marketing exists only in a 'customer environment'. Thus companies should be all concerned about customers' needs and their wants and how they behave.

2.5.2 Branding

A study by Watzlawick (1967 cited Feldwick 2003) indicated that 'it is impossible not to communicate'. Everything a brand does is communication. Another study by Kotler and Armstrong (1994 cited Hines 1996) tells that the brand is a name, term,

sign, symbol, design, combination thereof that identifies and distinguishes a company, product itself, the promotion or the advertising or the shops in which products are sold. The brand's identity is its fundamental means of customer recognition and symbolizes the brand's differentiation from competitors. A brand, the company can secure customer's loyalty toward the products and regularly provide a product that is required by customer with sustainable quality and service. A company renews often the advertising and promotional campaigns to ensure that a company is staying on top of the business. Brands are about choice, and have to compete in a crowded and noisy business environment. Martine Assouline, an elegant French woman, responses to Tungate(2005) that 'At the moment we are in a period where the brand has an exaggerated importance'. Therefore, brands build-up needs to know what the outstanding features can be conveyed to customers and in line to innovations to meet customers' changing needs. Successful brands start with a clear proposition. If a brand without a clear idea of the value to establish, it ends up less attractively to fruitlessness.

A brand name is a legal entity for a company. It can be protected legally.   It is the main verbal marketing tool and strong point of product reference. Murphy(1990) indicates that brand name can be classified into seven types; names based on a person, a place, invented scientific ones, status names derived from fine-sounding English words, good association names, artificial names, descriptive names. One of the easiest names to choose for entrepreneurs businesses is their own names. Although using their own name may seem unimaginative, however, it is facts that many of the most successful fashion designers use their own name for branding: Vivienne Westwood, John Galliano, Matthew Williamson, Marc Jacobs, etc. The brand identity is the visual and verbal articulation of marketing practice, including all pertinent design

applications, such as logo, business card, letterhead, or packaging. It is also includes a tagline and website (LANDA, 2006, p5). The brand name is frequently at the core of the brand's personality, the key visual elements used in establishing and communicating a brand's personality are logos, the packaging and the general look of the brand. A logo is the visual expression of a brand. It presents and embodies everything a brand or company signifies; and a logo provides immediate emotional recognition. There are four types of logos: wordmark, lettermark, symbol mark, and combination mark. Which are important parts to brand image since logos are quicker to recognize than text. Identifiable logos can base on symbols, images, design details, colors and even catch phrases.

2.5 Summary

When entrepreneurs start building up their fashion businesses, they have to understand the market. Through marketing research they can explore the opportunities for products, to determine the target market, identify customer' needs and wants and predict customers' behavior. The business plan is the significant factor for entrepreneurs to start with their own businesses, which include the executive summary, general business description, products and services, marketing and sales, operational plan, management, and financial plan and sales forecasts. In the process of developing the business plan, entrepreneurs ought to determine their marketing strategies and branding strategies in order to stand up from competitors. After the business plan has been structured, entrepreneurs' creative and innovative talents will be taken into consideration for marketable products. The internet grows sharply year after year, and it is an easy way to absorb the information. Therein people can research and learn the knowledge more conveniently. It is also a good channel to share the experience and to communicate with people all over the world.

Chapter 3 Primary Research

3.1 Questionnaire Survey for Fashion Market Research

The questionnaire design and conduction are involved in marketing and sales, which are parts of the business plan. In this section, the marketing research is the beginning of all process to understand the target market and consumer behavior. Following to questionnaire survey, the author can show to the entrepreneurs the quick and easiest ways to understand customer's needs and requirements. The author intends to introduce self-designed fashion womenswear marketing research as an example for entrepreneurs to understand how market research will be done. The author has sent out fifty questionnaires to females to collect and analyze their requirements and behaviors.

3.1.1 Aim and Objectives

Aim

The author designed a questionnaire for survey, and to collect the information about the target market and consumer behavior.

Objectives

- Plan and identity the target – who, where, why, when, how
- Develop questions.
- Deliver questions.
- Collect data.
- Analyze the data.
- Evaluate the result to see if it meets the original expectations.

3.1.1 Survey Result and Analysis

3.1.1.1 General Finding & Target Group
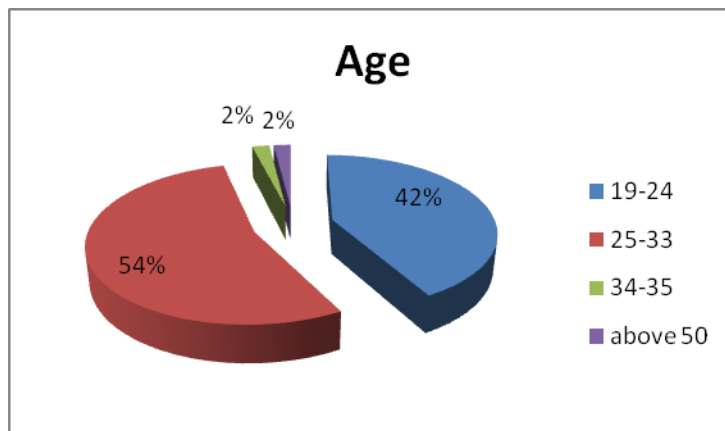
Figure 3.1 A survey of age
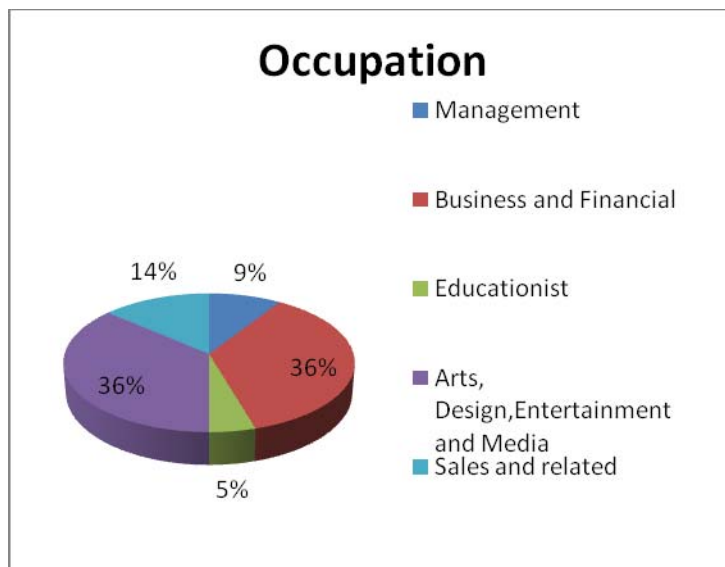
Figure 3.2 A survey of occupation
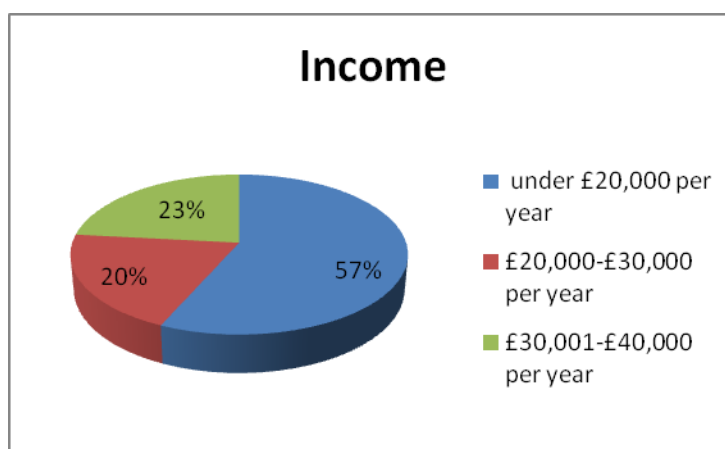
Figure 3.3 A survey of income

From the pie charts above, the majority of the respondents are the age between 19 to 24, which accounts for 42% and the age between 25 to 33, which is 54% (Figure 3.1). In the pie chart of occupation (Figure 3.2), the percentage of business and financial and arts, design, entertainment and media are the main occupation of the respondents, and the percentage are the same, which is 36%. Fourteen percent of the respondents are from sales and related area. The percentage of people working in management is 9 percent. The occupation in education is 5 percent. As for the pie chart of income (Figure 3.3), a large number of respondents come from salaries under £20,000 per year. The income between £20,000-£30,000 per year and £30,001-£40,000 are 20% and 23% respectively.

3.1.1.2 Consumer Buying behavior

Do you have certain clothes you would not wear?
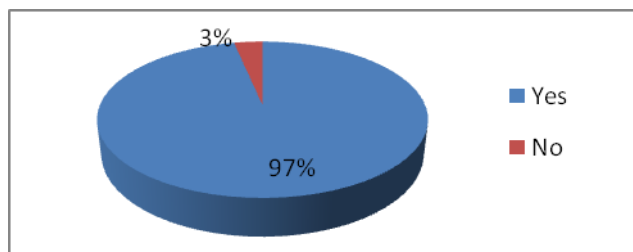
Figure 3.4 A survey of certain clothes people not wearing

There are 97 percent of the respondents who have some clothes they had purchased but never wear ever since. However, only a small number of the respondents, which is 3 %, does not waste any clothes. (Figure 3.4)

What is your attitude for purchasing fashion clothing?
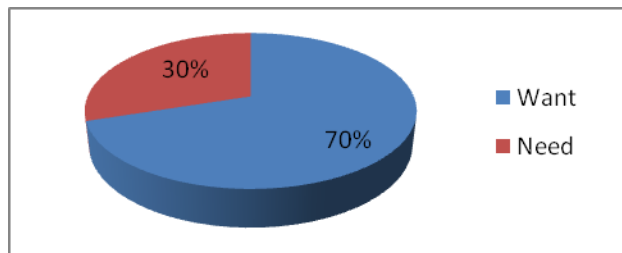
Figure 3.5 A survey of the attitude for purchasing fashion clothing

In the questionnaire of 50 respondents, 70 percent of people consume clothing in desire. The attitude of people purchasing clothing for need is 30 percent. (Figure 3.5)

How often do you shop?
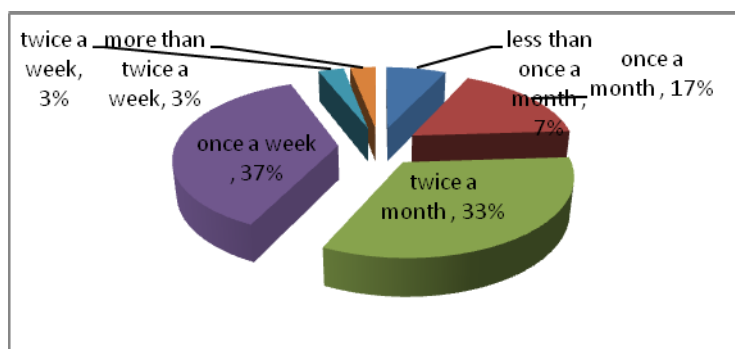
Figure 3.6 A survey of how often going shopping

The data indicates that the females whose age between 19 to 33 usually consume once a week and twice a month, which are 37% and 33% individually. 17 percent of females go shopping once a month. The percentage of shopping less than once a month is 7 percent. Twice a week and more than twice a week both are 3 percent. (Figure 3.6)

What do you buy?
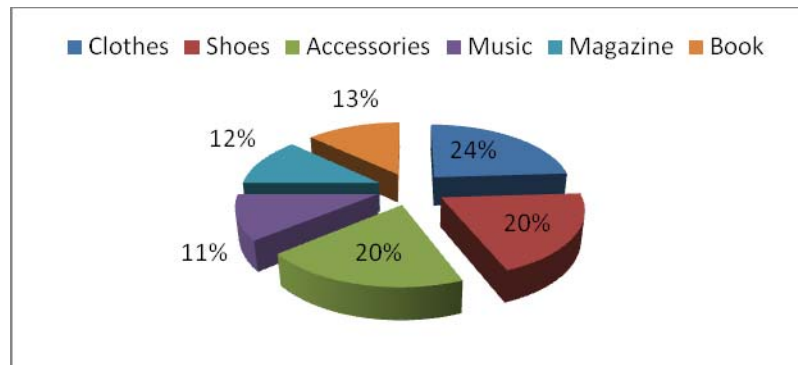
Figure 3.7 A survey of buying

As can be seen from the results of the data (Figure 3.7), the number of purchasing clothes and shoes are the same, which is 20%. The percentage of clothes, which is 24%, is slightly higher than them. The items, music, magazine, book, of females buying are close to one another, which are 11%, 12% and 13% respectively.

How much do you spend a year on fashion clothing and accessories?
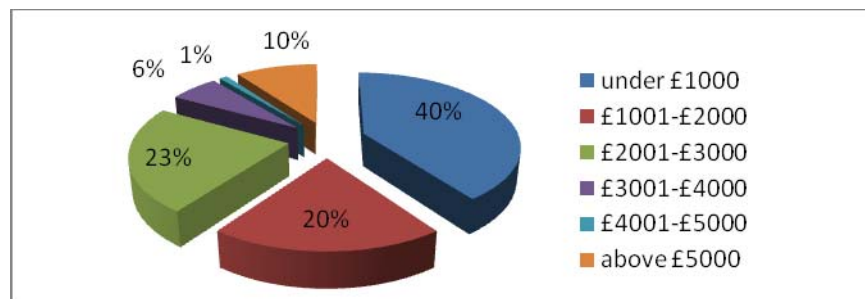
Figure 3.8 A survey of consumption on fashion clothing and accessories per year

From the result of the questionnaire, the highest proportion of respondents' spending money for fashion clothing and accessories is less than 1000 pounds per year. The consumption between £1001-£2000 per year and £2001to £3000 per year are 20 % and 23 % separately. A small number of female purchase fashion clothing and accessories around £3001-£4000 and above £5000 are 6 % and 10% individually. The money spending from £4001to £5000 is just only 1 %. (Figure 3.8)

Where do you shop?
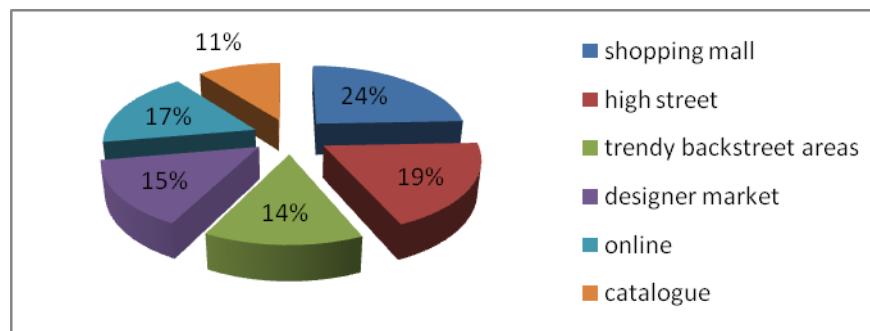
Figure 3.9 A survey of the place for shopping

From the pie chart of the place for shopping (Figure 3.9), the respondents mostly consume in the shopping mall, which is 24%. The other popular places are high street and online, the proportions are 19% and 17% respectively. The number of the trendy backstreet areas accounts for 14%, and the design market is 15%, only 1 % different. People shopping through catalogue are less popular that contribute only 11%.

Do you shop at department stores?
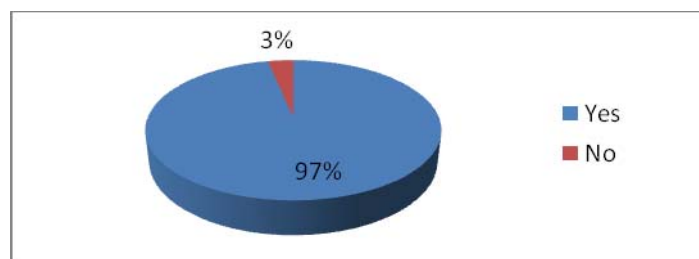
Figure 3.10 A survey of shopping at department stores

The picture above (Figure 3.10) shows that most female respondents do purchase in the department stores, which is nearly 97%. However, a small number of female respondents, only 3%, do not like to shop at department stores.

Do you buy fashion clothing from the high street shops?
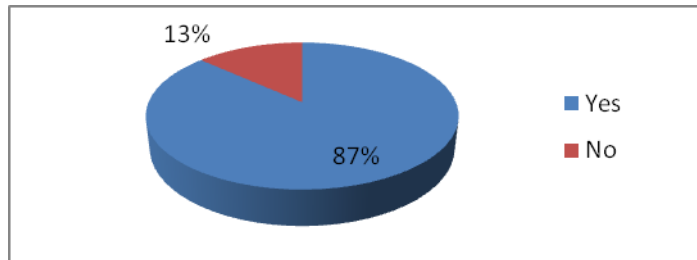
Figure 3.11 A survey of buying fashion clothes from the high street shop

From the information given in the chart, it can be seen that a large number of respondents purchase fashion clothing in the high street shops, about 87%.

On the other hand, it is 13% of respondents do not prefer to buy the clothes from the high street shops. (Figure 3.11)

Do you prefer buying from Indie designers in their independent fashion stores?
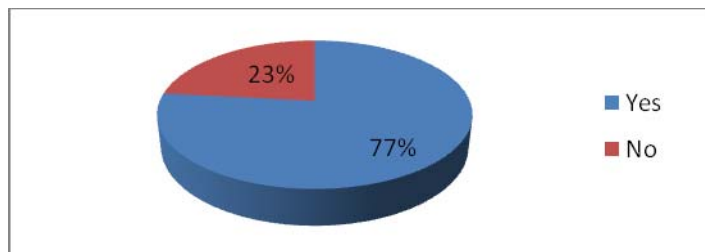
Figure 3.12 A survey of buying from indie designer stores

According to the analysis of primary research, the majority of the female respondents, 77%, prefer to consume the clothes in the stores of indie designers. Only 23% of the respondents have no intention to purchase from indie designer stores. (Figure 3.12)

Why do you prefer buying from Indie designers?
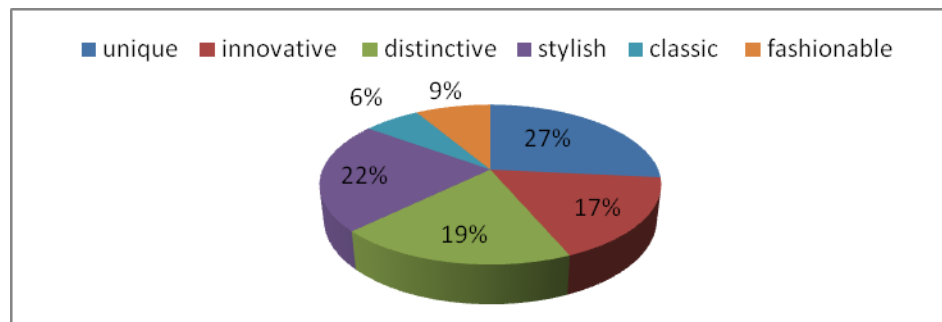
Figure 3.13 A survey of the reason for buying from indie designer

As can be seen from the results of the pie chart (Figure 3.13), the majority of the respondents, around 27%, believe the indie designer clothes are unique. Second to purchasing from indie designers are stylish, distinctive and the innovative, which are 22%, 19% and 17% respectively. Nine percent of the females are buying the clothes for fashionable reason. Only a small percentage, 6%, of the respondents buying is due to clothes classical.

Do you have the designer brand clothing?
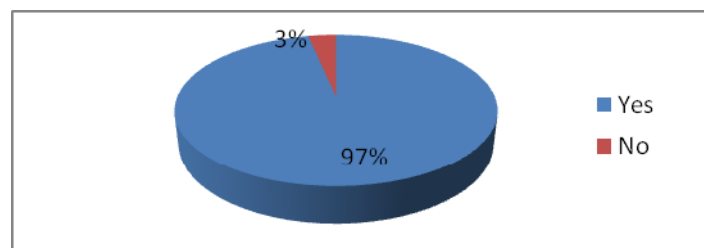
Figure 3.14 A survey of the designer brand clothing

The pie chart (Figure 3.14) presented that nearly 100% of the respondents, which is 97%, own the clothes from designer brand. The respondents of the survey do not have the designer brand clothing is only 3%.

What kind of fashion brand clothing do you prefer to buy?
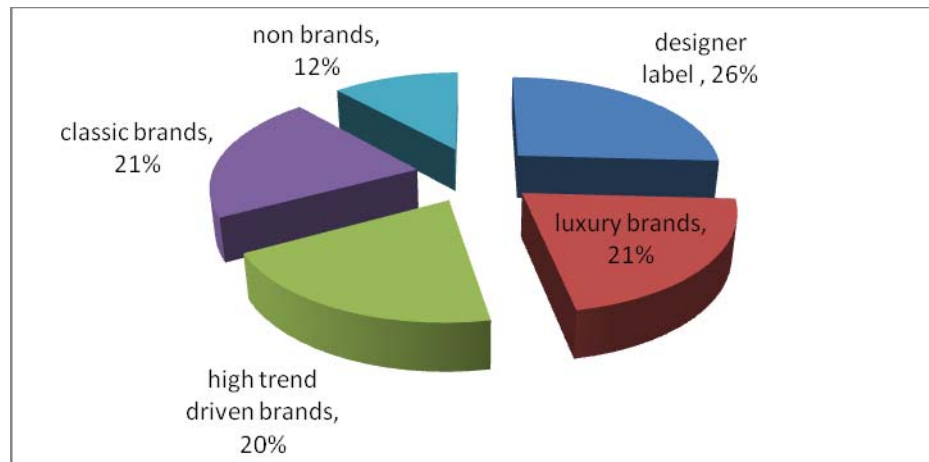
Figure 3.15 A survey of the types of fashion brand clothing preferring to buy

From the result of the survey, the majority of the female respondents prefer to consume clothing with designer label that is about 26%. There is the same percentage for both luxury and classic brands---21%. Down to 20% who favour clothes from high trend driven brands. The minor number of the respondents, only 12%, desire to buy non brand clothes. (Figure 3.15)

What is your motivation for buying fashion clothing?
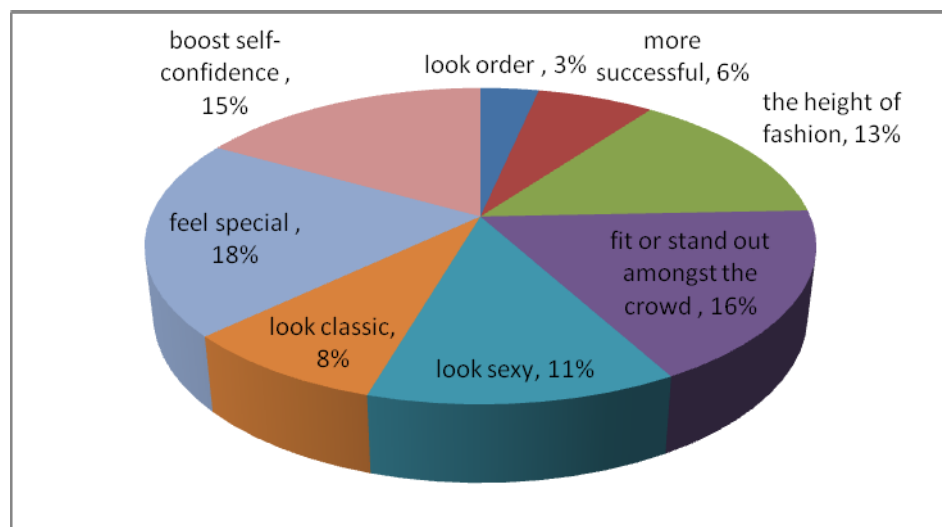
Figure 3.16 A survey of motivation for buying fashion clothing

According to the analysis of the pie chart (Figure 3.15), concerning the different purposes of buying fashion clothing, the majority of the respondents, 18%, feel social status unique with fashion clothes. There are close proportion of the respondents who purchase the fashion clothing to be feeling outstanding amongst crowd and boost self confidence, which are 16% and 15%. 13% buying for sexy outlook, 11% are also similar. To dress up like a successful office ladies is about 6% only. 3 % in total is for considering to fit their ages.

What kind of factors will you consider when you purchase fashion clothing?
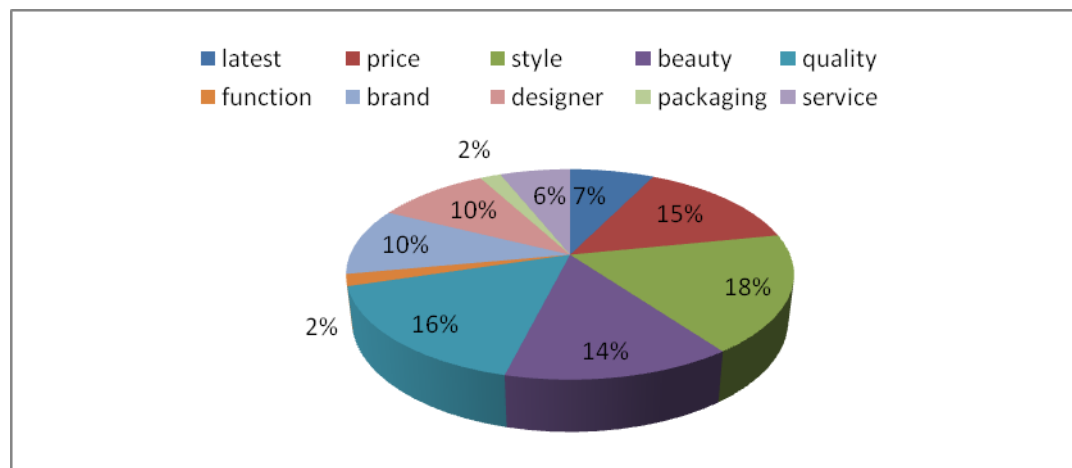
Figure 3.17 A survey of factors before purchasing fashion clothing

As can be seen from the results of the survey, the majority goes to 18% who think of style element before buying the fashion clothing. The quality, price, and beauty are only 1% percent difference to one another, which are 16%, 15% and 14% respectively. The factors of brand and designers before buying the fashion clothing are in the same percentage, which is 10%. The service and quality concerns are nearly close to each other that are 7% and 6% respectively. The minor percentages prefer to the motivation of packaging and function, which is only 2%.

3.1. Summary

According to the results of the questionnaire, The age from 19 to 35 who work in the field of business and financial and arts, design, entertainment and media, with the yearly salaries under £20,000 tend to purchase for satisfying their desires, not the needs. They normally consume clothes, accessories and shoes once a week or twice a month in the shopping mall, high street and online. The amount of the consumption falls to the range from under £1000 to £3000 per year. They prefer to purchase the clothes from indie designers with brand on it that can guarantee the quality, and emphasize it on unique, stylishness and distinctiveness. Moreover, the significant purposes for people to buy fashion clothing are to enjoy the specialty, fitness or standing out amongst the crowd that can boost self-confidence. However, before they take the action to purchase clothes, they will consider the factors of style, quality, price and beauty.

3.2 Questionnaire Survey for Fashion Entrepreneurs

This questionnaire is designed for information collection in related to the business plan structure and the design. For this project, the questionnaire is given to 50 those fashion goers in different areas----fashion and textile design student, fashion and textile designer, people who work in related field and the people who are interesting in enterprise in order to understand how they get fashion information on line to master their fashion entrepreneurial process, establishing business plan and the factors that will have impact on the fashion business.

3.2.1 Aim and Objectives

Aim

Produce a questionnaire for survey to collection of the information of what factors designers needed to build up their own brand and will they search and find the information through the website.

Objectives

- Plan and targets identified – who, where, why, when, how
- To Design and develop questions.
- To deliver the questions
- Data Collection
- Data Analysis
- Results comparison to designed expectations.

3.2.2 Survey Result and Analysis

3.2.2.1 General Finding & Target Group
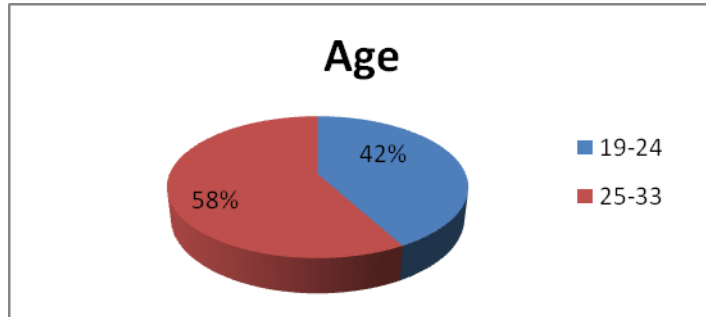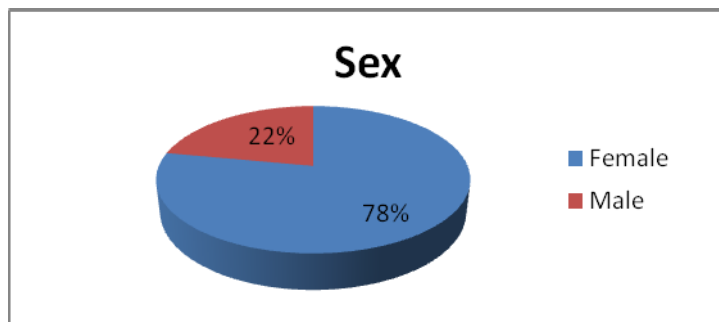

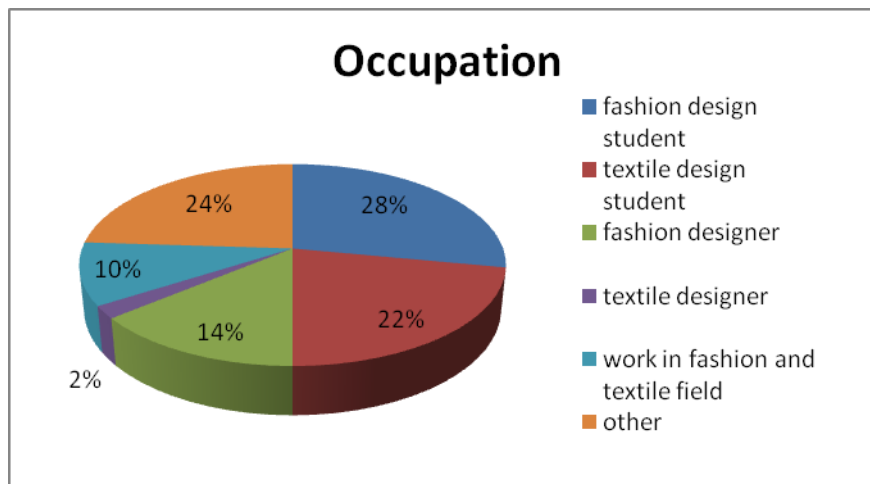Figure 3.18 A survey of age

Figure 3.19 A survey of sex

Figure 3.20 A survey of occupation

From the results of the general information above, the age for the chosen respondents are 19 to 33.There the age from 19 to 24 account for 42%, and the age from 25-33 is

58% (Figure 3.18). In the chart (Figure 3.19), the number of female respondents, 78%, is higher than male ones. Three categories of occupation-- fashion design students, working in other fields, and textile design students gain 28%, 24% and 22% separately in order. Fashion designer is 14 % and the respondents who work in fashion and textile area are 10%. Only 2 percent of the respondents are from textile field.

3.2.2.2 General consideration of starting a new fashion business

Do you have an interest on setting up your own fashion brand business?
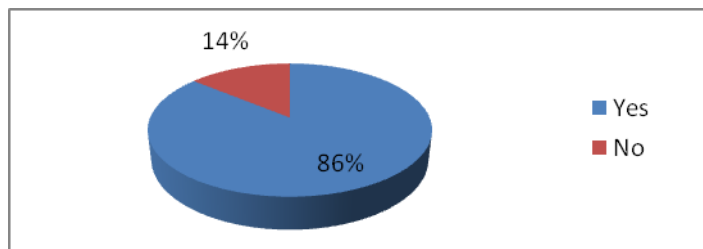
Figure 3.21 A survey of an interest on setting up own fashion business.

The pie chart presents above (Figure 3.21) indicates that 86 percent of the respondents are interesting to establish their own fashion brand enterprises. Only 14 percent of the respondents show no interest.

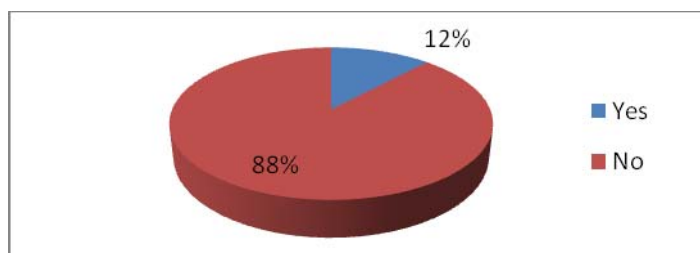Do you think it is easy to be fashion entrepreneurs?

Figure 3.22 A survey of being a fashion entrepreneurs

As it can be seen from the pie chart (Figure 3.22) that the most respondents, 88%, believe it is not easy to setting up a new fashion enterprise. While in contrast, a small number of the respondents considers it is piece of cake.

How important of the conditions as indicated below do fashion entrepreneurs need to have before starting their business?
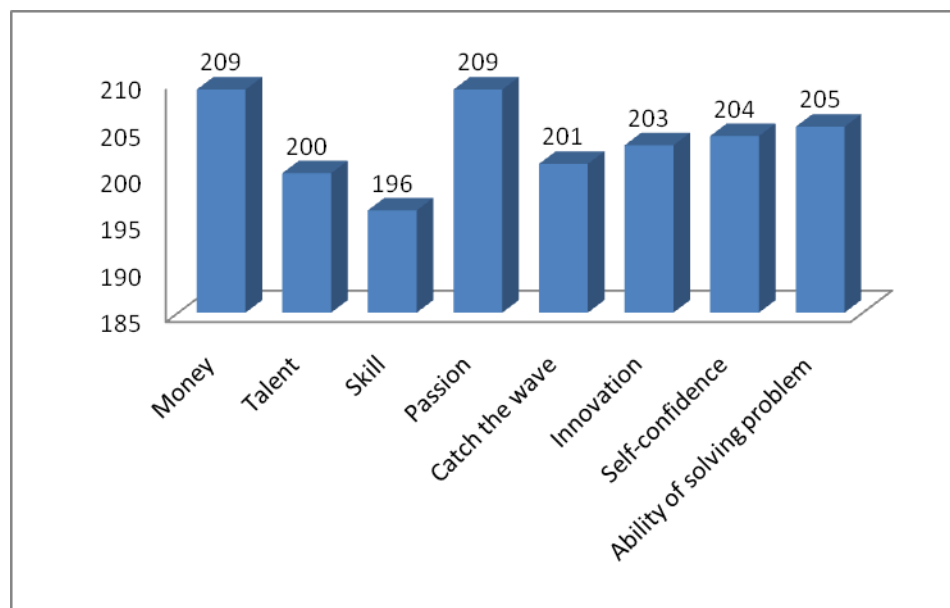

Figure 3.23 A survey of the importance of different factors before the business

From the results of the survey given above (Figure 3.23), the majority of respondents believe that money and passion are the significant elements for building up their new fashion businesses, which are 209. The following main factors are very close to one another--- which are ability of problems solving, self-confidence, innovation, catch-up of chic wave and talent, the points are 205, 204, 203, 201 and 200 respectively. The less important factor is skill, which are 196.

What kind of knowledge do fashion entrepreneurs need to take into account before setting up the business?
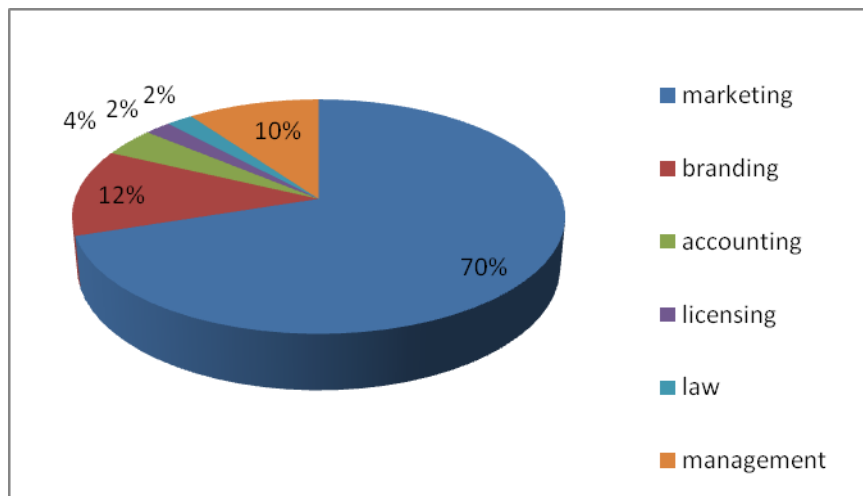

Figure 3.24 A survey of the knowledge should be considered

According to the pie chart (Figure 3.24), most respondents, 70%, realize that marketing skills are the most important factors doing the business. The percentage of branding and management are 12% and 10% individually. There are only 2 percent of the respondent s fall in the category of licensing and law.

How important of the following plans do fashion entrepreneurs set up their fashion brand business?
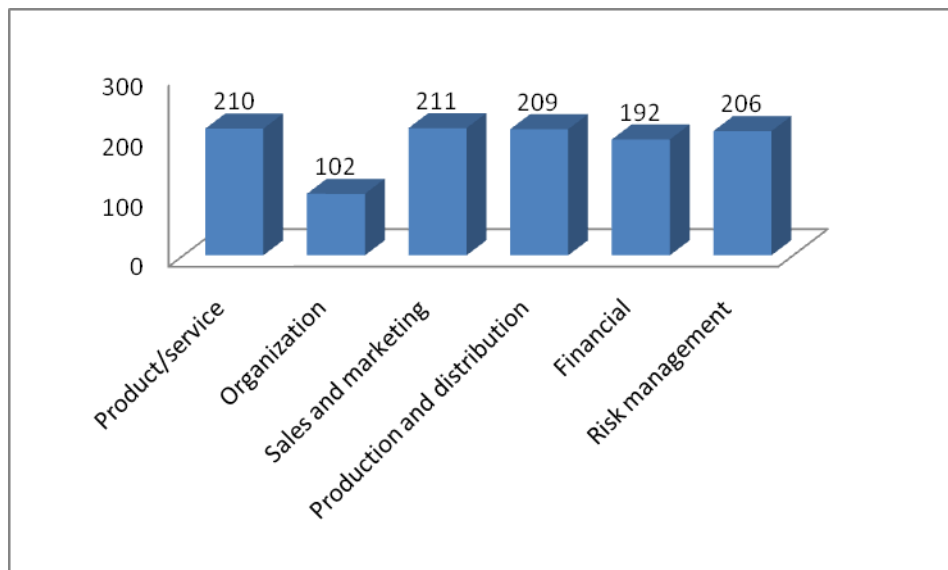

Figure 3.25 A survey of the importance to different plans

The bar chart indicates that three major plans that fashion entrepreneurs think very important to their start-up of the new fashion business are sales and marketing, product and service and production and distribution, which are 211, 210 and 209 separately. The 206 point of risk management, which is the less important consideration if compares to the other plans. However, organization plan is only 102 in total. (Figure 3.25)

How important of the following factors do fashion entrepreneurs have to take into considerations?
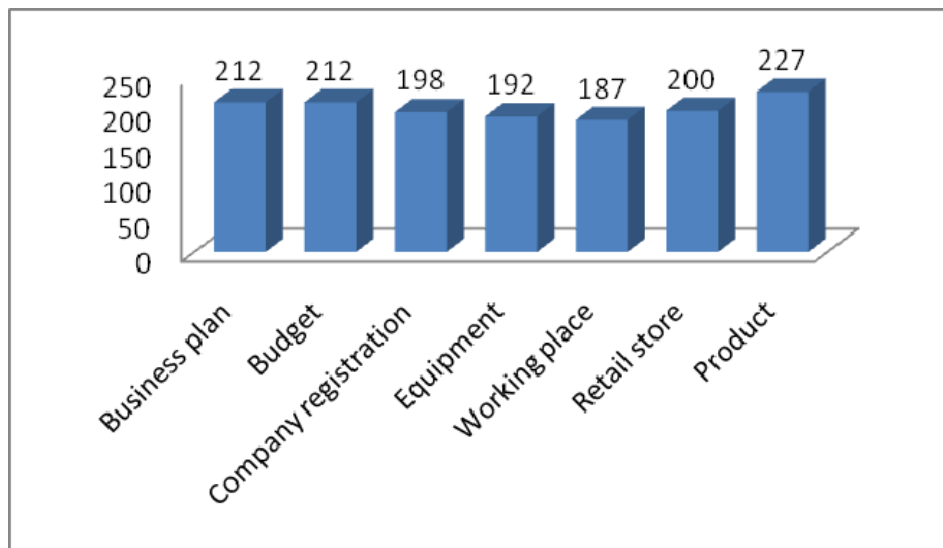

Figure 3.26 A survey of the importance of different factors needed for the new fashion business

From the information given in the bar chart (Figure 3.26), the most respondents understand that the product, which is about 227, is the key element for starting the new business, because the creative and innovative product can bring more commercial opportunities. The next following factors for starting the new fashion enterprise are business plan, budget, retail store, and company registration in order, in which both of business plan and budget are 212, next is 200, and the last is 198. The Equipment, 192, and working place, 187, are two less important conditions to take into account during the all setting up process.

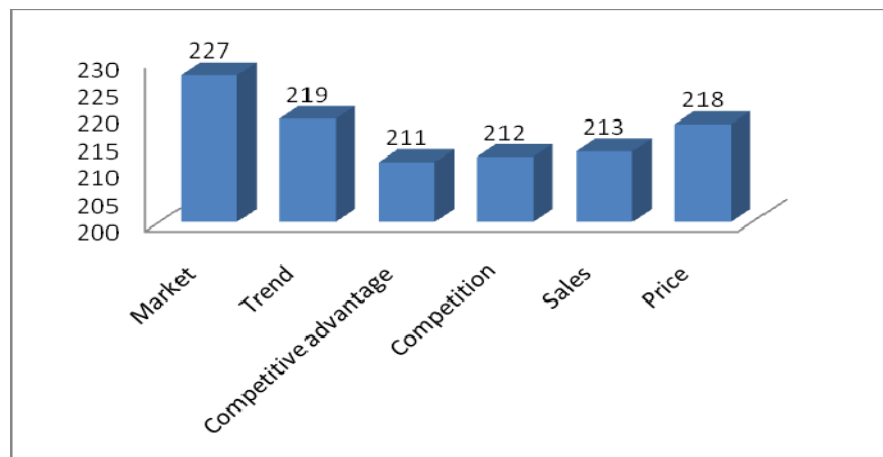How important of the following researches does a fashion entrepreneur have to do?

Figure 3.27 A survey of the importance of different researches

The results of the survey indicates that fashion entrepreneurs should put the market research, 227, at the first place of the new fashion business. The second two researches that follow are in relatively similar numbers, which are trend research and price research, 219 and 218 respectively. After that, there are three close points in sales, competition and competitive advantage research, which are 213, 212 and 211 individually. (Figure 3.27)

How important of the following visual images does a new fashion company/brand need?
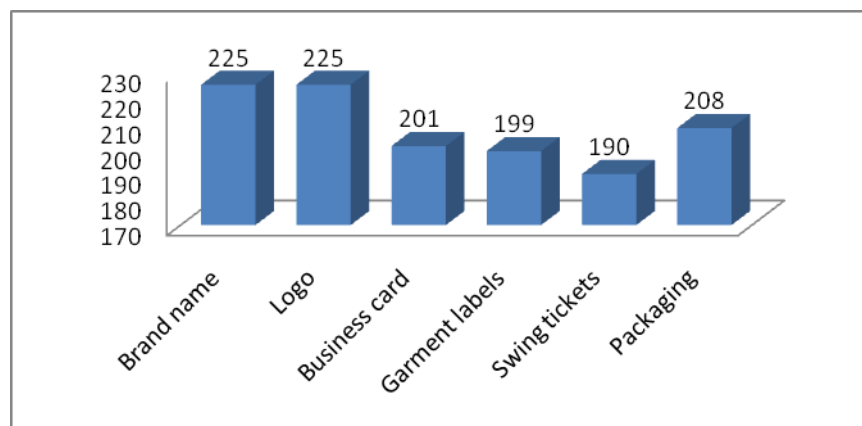

Figure 3.28 A survey of the importance of the different visual images

It can be seen from the bar chart above (Figure 3.28) that brand name and logo are the most significant visual images for the companies, both are 225. However, the swing tickets are the lowest number, which are 190. Packaging, business card and garment labels are less important than brand name and logo.

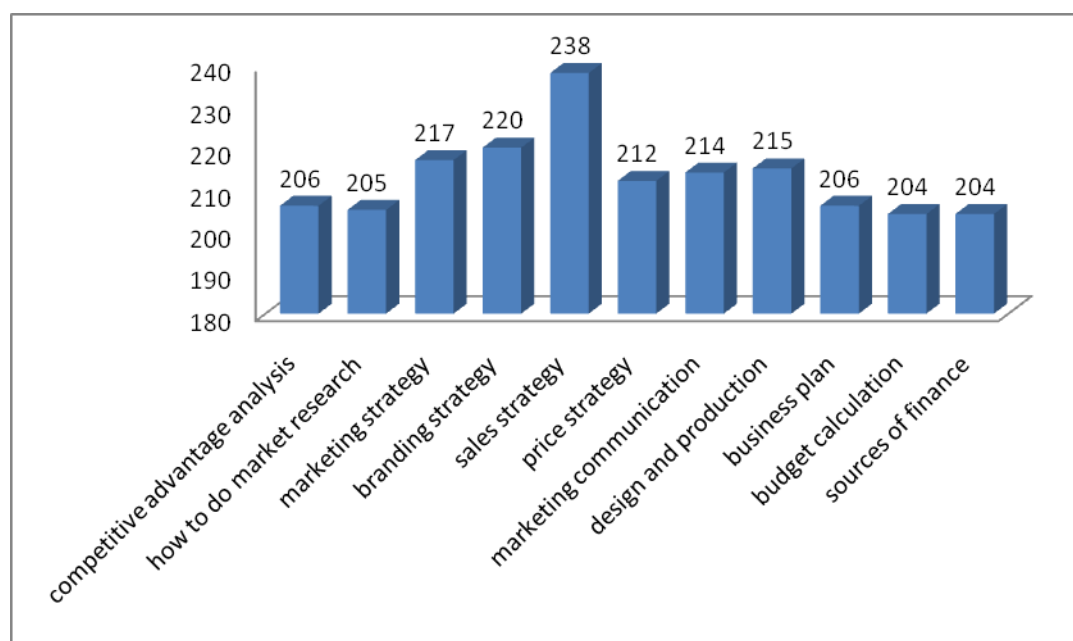How important of the following contents should be included for setting up the new fashion business?

Figure 3.29 A survey of different important contents to be considered for the new fashion business

From the bar chart given above (Figure 3.29) sales strategy, 238 is considered to be the key factor in the process of building up a new fashion business. The following less important factors are branding strategy, marketing strategy, design and production, marketing communication, and price strategy. The factors that are not mentioned here are the lowest and in similar numbers.

3.2.2.2 Online Search Behavior
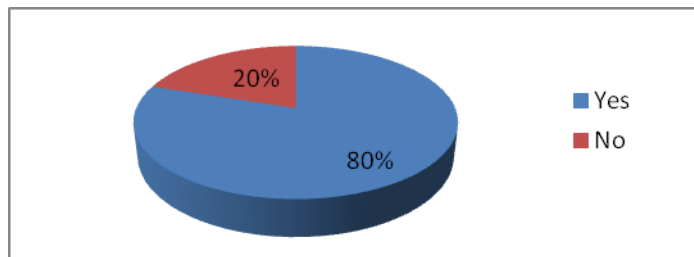
Do you use Facebook or Flicker?

Figure 3.30 A survey of using Facebook or Flicker

According to the result above (Figure 3.30), a huge percentage of the respondents do use Facebook or Flicker, which is 80%. However, only 20% of the respondents do not use them.

Do you have an interest on visiting online website for teaching you or giving you as sample that how to set up your fashion business?
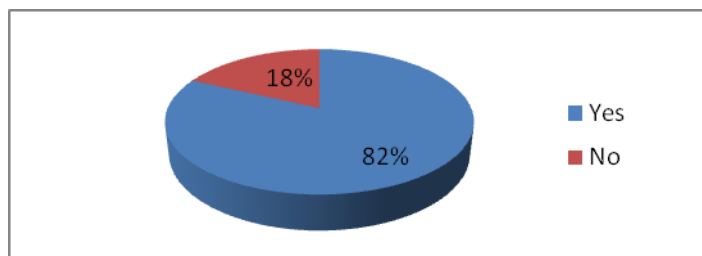

Figure 3.31 A survey of visiting online website of fashion enterprise

Form the information given in the diagram (Figure 3.31), the big proportion of the respondents, 82%, are interesting on searching the information on-line to get the knowledge about how to build up the fashion enterprises. Only 18% are to the opposite side.

3.2.3 Summary

To sum up, from the results derived from questionnaires, the age of the respondents is from 19 to 33, and the female accounts for the major portion. The main occupations are fashion and textile design student and the people who work in related area.

Most respondents are interesting in building up their own fashion business and like to learn related knowledge from the website. Though they believe it is not easy to achieve. Before starting the business, the respondents consider that money and passion are the major factors, and marketing strategy is the most powerful tool. Most business plans are important. However, the major ones are sales and marketing plan, the minor one is organization plan. Furthermore, fashion entrepreneurs have wonderful products with comprehensive business plan that will be helpful to start up their own fashion business. Therein the Business Plan the market research, sales strategy, branding strategy, name and logo, marketing strategy, are the critical processes.

Chapter 4 Design Development

4.1 Design Rationales

Today, design idea is as significant as business strategy. Even designers have excellent design works but without careful commercial considerations that will be like having your hands tied up within the boxing ring and eventually lead to failure. Therefore, the author intends to present the useful and helpful fashion business plan in personal experience as an example through website channel. The ultimate goal is to shed light to those who are related to the subject of fashion or textile, and are interesting to establish their own fashion enterprise. Due to the reasons above, both the secondary and primary research are significant and favorable for constructing the business plan and designing the prototype website.

The results of the literature review and the questionnaire have pointed out that business plan is the key factor in whole fashion enterprise. The creative and innovative design combined with comprehensive business plan enables the design become more marketable and valuable. From both secondary and primary research there indicate that the content of the business plan includes Executive Summary, General business description, Product/Service, Marketing and Sales, Operational Plan, Management Team, Financial Plan, brand name and logo. The channel of presenting the author's own fashion business plan is personal website. Thanks to Internet convenience and globally ubiquitous people can easily get useful information. Online website is a nice place to share experience and have immediate interactions with people in the world.

4.2 Design Process and Development

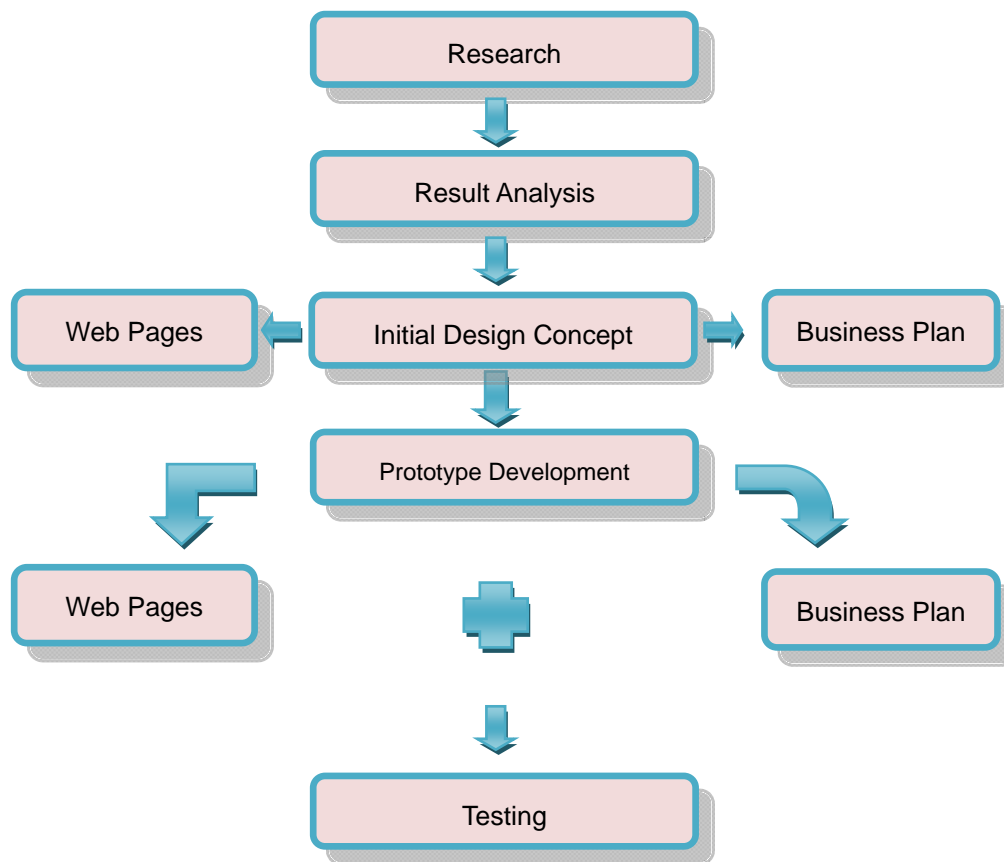The picture showed below (Figure 4.1) is the design process.

```
              Research
                 │
                 ▼
           Result Analysis
                 │
                 ▼
  Web Pages ◄── Initial Design Concept ──► Business Plan
                 │
                 ▼
         Prototype Development
    ┌────────────┼────────────┐
    ▼            ✚            ▼
 Web Pages       │        Business Plan
                 ▼
              Testing
```

Figure 4.1 Design Process

4.2.1 Initial Design Concept

Business Plan

The result of secondary and primary research indicates that before constructing the business plan, the company name and logo must be created in the first place. The brand visual images characterize the brand

Figure 4.2 Brand name and logo design

identity of the companies. The author finally chose RuLu's as the company name and logo. The reasons would be described more specifically in general business

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description. After that, the structure of the business is followed by executive summary, general business description, products and services, marketing and sales, operational plan, management, financial plan and Sales forecasts in order.

Web pages

The author has visited many different websites for reference in order to consider the structure for own websites. The concept of thoughts exchange and experiences sharing is taken into consideration. It is not difficult to realize from the study that the major elements of the website should include the home page, about page, contact page, link page, and discuss board page. Moreover, the business plan was constructed by executive summary, general business description, products and services, marketing and sales, operational plan, management, and financial plan and sales forecast. Therefore, the website ought to cover five main pages and seven key content pages.

4.2.2 Fashion Business plan development

Executive summary

In this section the author will explain the basics of the business and its opportunity, to point out that there is a market for the product and why it is unique in order to let investors feel it immediately. It will be described as follows. RuLu's will open a small retail store for a small business and will build up an online website for customers in Taiwan at same time. After five years RuLu's will open a new store in Yahoo auction website and will start to post products to overseas. RuLu's will then cooperate with accessories designers and shoes designers to produce our own brand accessories and shoes. On top of all, the owner will hire famous magazine models to enhance the shop's popularity and RuLu's will start to promote our clothes through some well-know girl magazines in Taiwan. Besides, the owner will still use the method of

online link from the Facebook or Fliker to RuLu's online website.

RuLu's is an Indie designer brand for womenswear. The spirit of the brand calls for young women who are looking for self identity and a little bit rebellious against the traditional culture of male society but not losing sexy feminine element.

RuLu's focuses on creating innovative clothes rooting in the historical Chinese background with features to include traditional Chinese tailoring, dressmaking techniques which combine the elements of tongue and cheek attitude with sex and feminine form. The basic product (shirts, dresses, skirts, trousers, jackets, coats, suits etc.) will present female's self independent and personal style with the body-conscious cuts in high quality to produce personal confidence. RuLu's will start from a small retail store and also set up RuLu's website online shop for customers at the same time. Customer can freely visit the shop to feel the really designs. They can purchase the products online more conveniently.

General business description

In this content, the author describes when the business starts up, type of business, the visual image or logo of business, company goals and objectives or personal background, skills, and experiences in details, and that will follow as below.

Brand background

The entrepreneur is a Textile student. The entrepreneur will base on textile's skill and knowledge to create innovative designs. RuLu's is an Indie designer brand for womenswear. The spirit of the brand calls for young women who are looking for self identity and a little bit of rebellious against the traditional culture of male society but not losing sexy feminine element. RuLu's will start from a small retail store and also

set up RuLu's website online shop for customers at the same time. Customers can visit the shop to feel the really designs and can purchase the products online more conveniently.

Business concept

The brand name is derived from the entrepreneur's Chinese name- YI-Ru Lu--- the entrepreneur's surname and one word of the entrepreneur's first name. The logo is same as brand name which is presented as below:

RuLu's focuses on creating innovative clothes that root in the historical Chinese background with traditional Chinese tailoring and dressmaking techniques that will combine   the elements of

Figure4.3 company name and logo

tongue and cheek attitude with sex and feminine form. The basic product (shirts, dresses, skirts, trousers, jackets, coats, suits etc.) will present female's self independence and personal style with the body-conscious cuts in high quality to produce personal confidence.

Personal goals in my career

Immediately after graduation

▪ RuLu's will open a small retail store as a small business and build up an online website for the customers in Taiwan.

▪ During the year, the owner will use online link method to promote our shop such as setting up a RuLu's shop pages on the Facebook or Flicker etc.

▪ Moreover, the owner will hire famous magazine models to enhance the shop's popularity.

▪ RuLu's will provide student's 10% discount but not including sale products.

- The members who join in the first year will get 10% off life-long, even for discount products.

- VIP members who have purchased in store or on website over £100 in the first year will receive £10 gift card every year and also get 15% off permanent, even for discount products.

Two years

- The owner will use the method of online link from the Facebook or Fliker to RuLu's online website.

- The owner will hire famous magazine model to promote RuLu's clothes at the same time.

- RuLu's will open a new store in Yahoo auction and provide free e-paper for new arrivals, which can also link to our online website.

- RuLu's will still give students 10% discount, but not including on sale products.

- The members who register from the second year will get 10% off permanently, but not including discount products.

- The VIP members who join from the second year will receive £10 gift card every year and get 15% off permanently if they purchase in store or on website over £100, but discount products are not included.

Five years

- RuLu's will open the second retail store in Taiwan.

- RuLu's online shop website and the shop in Yahoo auction will start to post products for market abroad.

- The owner will still use the method of online link from the Facebook or Fliker to RuLu's online website.

- RuLu's will still give students 10% discount, but not including on sale products.

- RuLu's will cooperate with accessory designers and shoe designers to produce the brand accessories and shoes with our own brand.

- RuLu's will start to promote our clothes through some well-known girl magazines in Taiwan.

- The members will get 10% off permanently, but not including discount products.

- The VIP members who have purchased in store or on website over £100 will receive £10 gift card every year and get 15% off on any items except discount products permanently.

Products and services

In this stage, the author will outline the product and service in details. For example, they are the basic products, product type, technical skill used, the pricing, delivery service, online order system and after-sales service etc, and all of them mentioned above will be presented as follows:

- The basic products are shirts, dresses, skirts, trousers, jackets, coats, and suits etc, which present female's self independent and personal attitude with the body-conscious cuts in high quality to produce personal confidence.

- Moreover, the owner will add dressmaking techniques to combine with the elements of tongue and cheek attitude, but in sexy and feminine form.

- RuLu's clothes will be of distinctive style and fashionable and also follow the trend every season. (The sample pictures are presented on next page)

Figure 4. 4 Top shop 2008   Figure 4.5 Top shop 2008   Figure 4.6 Top shop 2008

- The price will be a bit lower than top shop but much higher than the mass-product goods in Taiwan, but the quality and the cutting will be more professional than others.

- For the RuLu's online shop store, customers can receive the products through postage, and for those who have purchased over £50, then they   don't need to pay Delivery Costs, however, £2 delivery charge for all orders under £50.

- The postage time will take 1-2 days after ordering.   If customers do not receive the delivery within 5 working days, they can contact our Customer Services department.

- RuLu's has its own e-paper which keeps customers informed with the news quickly, and by reading the news, they are able to get more discounts during the special sales day, such as Valentine's Day,   Mother's Day, or during the sale seasons.

- Purchasing order pages are the same as on next page. (Figure 4.7 is from online top shop store)
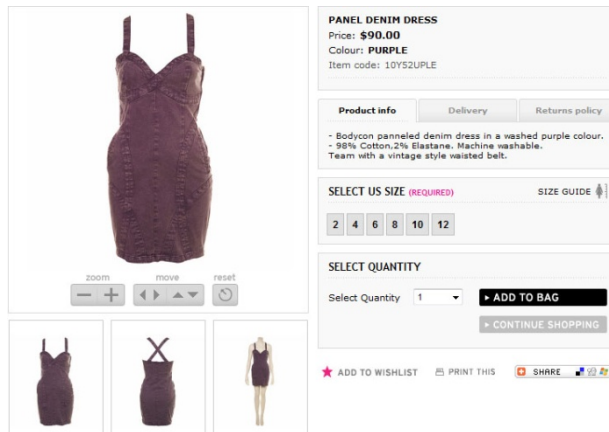
Figure 4.7 the order page sample from top shop

- When customers order from the online shop, RuLu's will deliver the products with its own design box. And on the other hand, if customers purchase in retail store, RuLu's will pack the items with its own design paper bag. Both of them will be redesigned every season.

- The products can be exchanged and refunded within 7 days of the purchase date upon the receipt. As for the products ordered from the online shop, the customer needs to post back both the clothes and the receipt. When the package is received, RuLu's will return all the money, including the delivery costs.

Marketing and Sales

From this stage, the author constructed the method to do market research – questionnaire(See in Appendix), which will define the target market, the customer behaviors, analyzed competition with competitors – direct and indirect, SWOT analysis, structured promotion, advertising strategies and sales forecast. The analysis of the fashion market research was already shown in the primary research. The marketing and sales plan is presented below.

Target Market

The age of the target customer will be around 20-35 female customers who have strong personal identity, self-confidence, independent ability, and novel thought; the income level will start from slightly lower than average; the occupation might be Arts, Design, Entertainment and Media, Management or Business, Financial or Sales and some other related ones; and the social status will be around middle class group; the educational level will be in the range of undergraduate and postgraduate; the location will start in the capital of entrepreneur 's country.

Customer Behavior

Women used to buy clothes in an affective mood, and now they buy them depending on their feelings, fashion ability and fit of clothing, but never on demands.　Though Women always already have lots of clothes in the wardrobe, they still think that they don't have enough clothes to wear. Due to the reason, the owner's clothes should be unique, stylish and fashionable in an acceptable price and able to catch customers' eye at the first moment. Therefore, customers will purchase frequently by every season.

Competitive Analysis

Direct Competitors

- Top Shop
- STEPHANE DOU - CHANGLEE YUGIN
- All saints

Indirect Competitors

- Vivienne Westwood- Red Label
- bLender
- SEXY DIAMOND

	Direct Competitor		
Brand	**Top Shop**	STEPHANE DOU - CHANGLEE YUGIN	**All Saints**
Location	worldwide	Tawain	Uk
Products			
Price	Common price	High price	Middle price
Quality	Middle qality	High qality	High qality
Service	Good	Good	Good
Reliability	Good	Very good	Good
Stability	Good	Good	Good
Expertise	Very good	Very good	Very good
Company Reputation	Very good in worldwide	Good in Taiwan	Good in UK
Sales Method	Retail stores & Online shop worldwide	Retail stores & Online shop in Taiwan	Retail stores & Online shop in UK
Advertising	1. Fashion magazines in worldwide 2. Posters 3. Catalogue 4. Famous models and starts wearing	1. Fashion magazines in Taiwan 2. Catalogue 3. Famous and starts wearing	1. Fashion magazines in UK 2. Catalogue
Pros	1. Stylish and fashionable 2. Clear brand identity 3. variety products 4. Acceptable price 5. Plenty locations in worldwide	1. Innovation, stylish and fashionable 2. Clear brand identity 3. High Quality in materials and manufactuures	1.Unique innovation and stylish 2. Clear brand identity 3. Plenty locations in UK
Cons	1. Common design 2. Less quality and manufacture	1. pricey 2. High material costs 3. Less locations inTaiwan	1. Pricey 2. High material costs 3. Complicated design process

Figure 4. 8 Direct competitor

	Indirect Competitor		
Brand	Vivienne Westwood- Red Labe	bLender	SEXY DIAMOND
Location	worldwide	Tawain	Tawain
Products			
Price	High price	Between middle and high price	Common price
Quality	High qality	High qality	Common quality
Service	Very Good	Good	Normal
Reliability	Very Good	Very good	Good
Stability	Good	Good	Good
Expertise	Very good	Very good	Normal
Company Reputation	Very good in worldwide	Good in Taiwan	Normal in Taiwan
Sales Method	Retail stores & Online shop worldwide	Retail stores & Online shop in Taiwan	Retail stores & Online shop in Taiwan
Advertising	1. Fashion magazines in worldwide 2. Catalogue 3. Famous models and starts wearing 4. Fashion TV programs	1. Fashion magazines in Taiwan 2. Catalogue 3. Famous and starts wearing	1. Fashion magazines in Taiwan 2. Catalogue
Pros	1. Innovation, Stylish and fashionable 2. Clear brand identity 3. High qality materials and manufactures 4. Plenty locations in world wide	1. Innovation, stylish and fashionable 2. Clear brand identity 3. High Quality in materials and manufactuures	1. stylish and fashionable 2. Clear brand identity 3. Acceptable
Cons	1. Pricey 2. High material costs 3. Complicated design process	1. pricey 2. High material costs 3. Less locations inTaiwan	1. Common design 2. Less quality and manufactures

Figure 4.9 Indirect competitor

SWOT

Strengths	Weaknesses
Trend Awareness. Creative design concepts, fresh idea. Creative design skills. High quality but acceptable price. online shop is savestime and more convenient for customer. Expert pattern making skills. Expert sewing skills. Local competitors and designers have poor products and lack the skills.	Lacking business skills. Limited fashion and business contacts. Lack of finance, cash flow-limited funds available Lack of equipment and systems. Unknown label / brand High set up costs - barrier to entry. Not 'streetwise' - need to understand the market and potential customer. Lack of experience in warehousing and distribution - could lead to overstocking.
Opportunities	**Threats**
provides the unique and stylish design. Platform to supply another market. Develop new products and services. Growth - increase workforce as business becomes established	Competition undercuting prices Too innovative designs will be unacceptable in Taiwan.

Figure 4.10 SWOT analysis

Promotion

- RuLu's will still get students 10% discount, but not including on sale products.

- The members, who join during the first year, will get 10% off permanently, even for discount products, but after the first year, the member will still have 10% off permanently, but on sales products are not included.

- VIP members who purchase in store or on website over £10 and also join in the first year will receive £10 gift card every year and get 15% off permanently even for discount products, however, after the first year, the VIP member will still have 15% off permanently, but not including on sales products.

Sales season

a. **Topic:** Big sale seasons

b. **Time:** every December, April, July, Valentine's Day, and Mother's Day

c. **Goal:** RuLu's gives the customers special discounts which could enhance the popularity of the store and the revenue growth during these seasons.

d. **People:** Every customer and staffs in RuLu's.

e. **The procedures:**

- Before the sale seasons, RuLu's will send e-paper to every VIP customer in order to inform them the news.

- During the sales seasons, the customers will get the special gift from the store if they purchase over ￡100.

- The members including the VIP members who joined in the first year will still get extra 10% discount on sales products.

Advertising

- RuLu's will use online link method to promote our shop, such as setting up an RuLu's shop pages on the Facebook or Flicker, etc.

- RuLu's will hire famous magazine models to enhance the shop's popularity.

- RuLu's will provide free e-paper for new arrivals in Yahoo auction websites and send e-paper to every VIP member, and this can also link to our online website.

- RuLu's will start to promote our clothes through some famous girl magazines in Taiwan.

Pricing

Figure 4.10 Pricing list

Sales Forecast

Month	Tops	Dresses	Jackets & Coats	Jeans	Trousers	Skirts & Shorts	Total Month		Month	Cumulative monthly
1 (£)	1,400	720	1,360	600	480	280	4,840		1	6,201
2 (£)	2,800	1,800	3,230	1,250	1,000	630	10,710		2	13,592
3 (£)	2,205	780	1,700	750	600	350	6,385		3	8,088
4 (£)	3,050	1,800	3,400	1,750	1,000	700	11,700		4	15,154
5 (£)	1,750	1,260	2,295	1,000	1,240	420	7,965		5	10,630
6 (£)	1,680	1,080	850	1,100	800	875	6,385		6	9,166
7 (£)	2,975	2,400	2,975	1,000	1,250	1,000	11,600		7	14,857
8 (£)	2,030	1,800	425	750	480	1,050	6,535		8	8,823
9 (£)	2,100	1,920	255	500	400	1,330	6,505		9	8,744
10 (£)	2,170	1,680	680	800	520	700	6,550		10	8,580
11 (£)	2,240	1,440	1,360	1,000	720	525	7,285		11	9,541
12 (£)	3,150	2,400	2,975	2,250	1,600	875	13,250		12	17,987
Year (£)	27,550	19,080	21,505	12,750	10,090	8735	99,710		Year	99,710

Figure 4.11 Sales forecast

Operational Plan

In this section, the author explained how and where the products and services were produced, and where the retail store is located as the following:

Production

- RuLu's clothes will produce samples in our small studio, and then the owner will cooperate with manufactures for producing end items.
- Here is some essential equipment.
    a. Sewing machine and over locker
    b. Buttonhole machine
    c. Cutting table
    d. Mannequin (Dress makers form/dummy)
    e. Full length mirror
    f. Iron and ironing board
    g. Material and paper scissors, etc.
    h. Computer
    i. CAD software – Photoshop, illustrator
    j. Basic office equipments
- Distribution process in store.
    a. Choose the clothes that the customers would like to buy.
    b. Make a payment which allows customers to pay by cash or credit cards.
    c. Pack the clothes with its own design paper bag,
    d. The products can be exchanges and refunded within 7 days of the purchase date upon the receipt.
- Distribution process in online shop.

a.   Choose the clothes the customers would like to buy.

b.   Add all of the clothes to the shopping bag.

c.   Make an order.

d.   Write personal information, such as name, billing and delivery address.

e.   Make a payment which allows the customers to pay by credit card or use transfer remittance.

f.   RuLu's needs to check that RuLu's has received the payment first.

g.   RuLu's will pack and use express delivery which spend 1-2 days for delivery to the customers.

h.   The products can be exchanged and refunded within 7 days of the purchase date upon the receipt. The products ordered from the online shop need to be mailed both the clothes and the receipt back, and RuLu's will return whole price including the delivery costs when the package is received.

Figure 4. 12 Distribution Process

<u>Location</u>

- RuLu's will open a small retail store for a small business in Taipei, Taiwan.

- RuLu's will build up an online website for the customers in Taiwan.

- RuLu's will open a new store in Yahoo auction website.

Management

From this section, the author will present the capability of the people involving in the business, such as their roles, qualifications, work experience, knowledge of the industry, marketing, accounts department, suppliers and contractors, outsourcing companies, and all that mentioned above will be shown as below.

<u>Management team</u>

- Fashion designers:

  2 persons, including main fashion designer YI-RU LU

- Fashion pattern and cutting maker:

  1 person

- Fashion tailor :

  1 person

- Fashion assistant:

  2 people

- Accountant:

  1 person

- Graphic designer:

  1 person

- Bank Manager, Auditor- YI-RU LU

- Besides, the entrepreneur will cooperate with Business Adviser Agent in order to

help the entrepreneur to deal with the business problems.

Financial Plan and Forecasts

In this stage, the author presented the start up cost which should include all the costs during the new business, such as rents and rates, utilities-- the bill of water, heating, lighting, gas, insurance -- fire or liability insurance, life insurance, employee insurance, drawings, wages and salaries, Internet, and the 12 Month profit and loss projection. Therefore, the sales income has to exclude both the direct costs and the overheads in a year. The Financial plan is presented below.

Start up costs

Start-up costs (£)	
Business rent	1,000
Business rates	1,000
Water rates	100
Light/heat/power	200
New equipment	2,400
Material	2,000
Business insurance	100
Travel and vehicle costs	100
Telephone and postage	100
Printing and stationery	100
Advertising and promotions	600
Accountancy and professional fees	100
Development and training	100
Wages	5400
Bank charges	100
Total	13,400

Figure 4.13 Start up costs

12 Month profit and loss projection

SALES INCOME	ANNUAL	Exclude any VAT from sales
Tops	27,550	4,132.50
Dress	19,080	2,862
Jackets & Coats	21,505	3,225.75
Jeans	12,750	1,912.50
Trousers	10,090	1513.5
Skirts & Shorts	8,735	1,310.25
TOTAL SALES INCOME (A)	99,710	14,956.50
DIRECT COSTS		
Cost of materials sold/used	2,000	Adjust for stock and unfinished work
Direct wages and National Insurance	5,500	
Subcontract charges	100	
Packing Materials and carriage charges	500	
TOTAL DIRECT COSTS (B)	8,100	Exclude VAT if business is VAT registered.
GROSS PROFIT (A-B = C)	91,610	% G. P. Margin = GROSS PROFIT x 100 SALES
OVERHEADS		
Staff salaries/wages and National Insurance	5,500	Ltd Cos – include Directors' salaries
Business rent	1,000	
Uniform business rates	1,000	
Water rates	100	
Light/heat/power	200	
Repairs and renewals	6,000	
Business insurance	100	
Travel and vehicle costs	100	Include motor insurance.
Telephone and postage	100	
Printing and stationery	100	
Advertising and promotions	600	
Accountancy and professional fees	100	
Development and training	100	
Bank charges	100	
Interest charges – Bank/Finance	100	Do not include any CAPITAL repaid.
General expenditure	100	
Depreciation charge	100	
TOTAL OVERHEAD (D)	15,400	Exclude VAT if business is VAT registered
NET PROFIT/(LOSS) (C-D)	76,210	
DRAWINGS (Sole Trader/Partners)		Drawings will be subject to tax at a later date. Allow for Class 2 N.I.

Figure 4.14 12 Month profit and loss projection

4.2.3 Flow chart

The idea of the flow chart (Figure 4.15) was from the website observation and the main content structures of business plan. The flow chart is the basic design idea for the website, and the following website design would be much simpler.
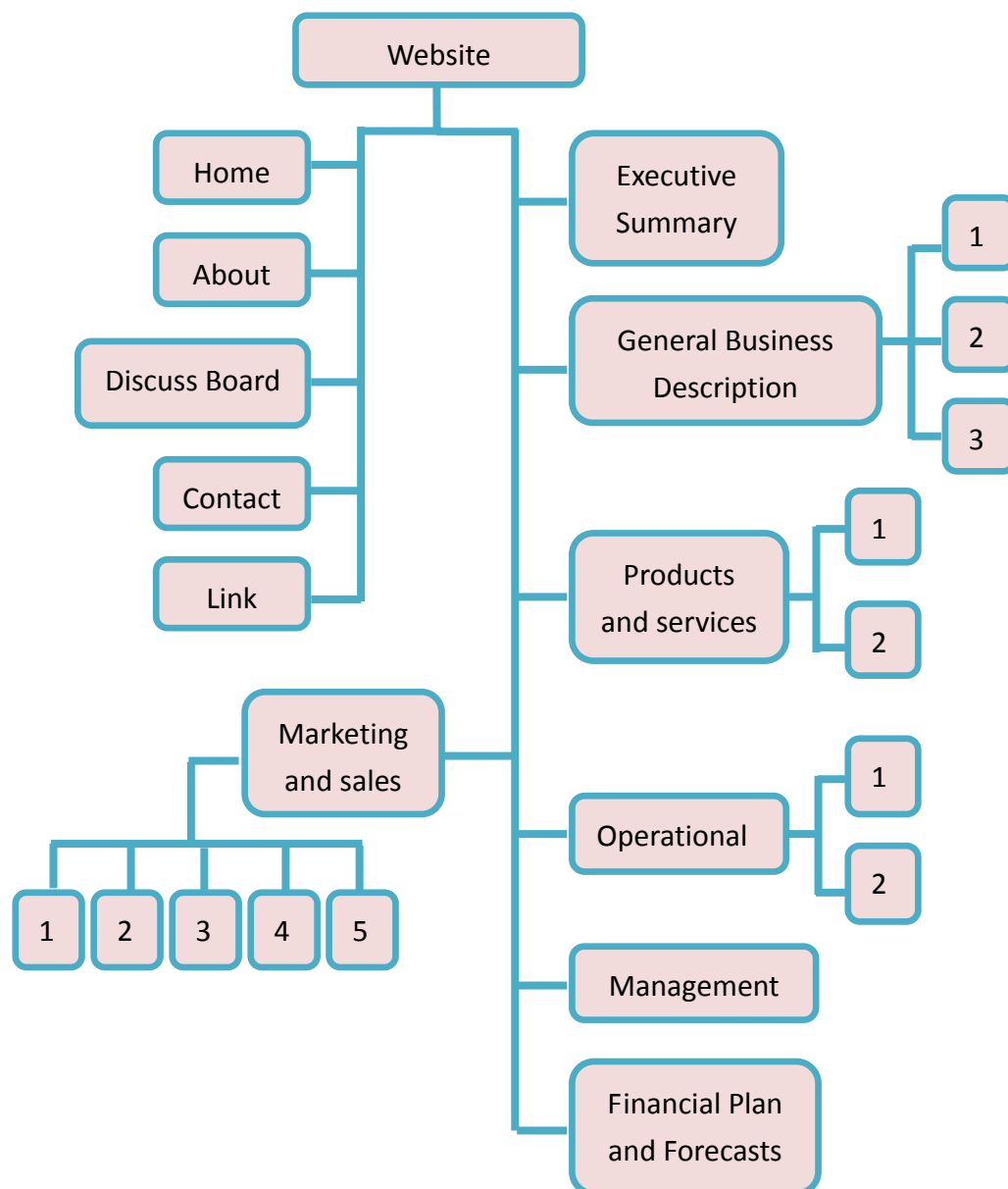

Figure 4.15 The structure of the website

4.2.4 Design for the web pages

Due to the author intended to match the company identity in the business plan, which is mentioned in the general business description, therefore, the author chose black and gray color for the website background. The

Figure 4.16 The web page design 1

website was designed by Photoshop software. The author created three different kinds of labels for the interface and title as well as the
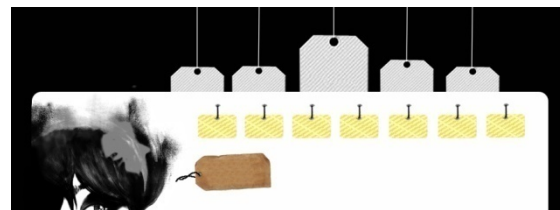
Figure 4. 17 The web page design 2

images and illustrations in the web pages and they were selected from fashion websites where the main concepts are connected. The layout of each web page used the same heading templates to set up the web construction. Moreover, the five basic service pages – home (Figure 4.18), about me (Figure 4.19), discuss board (Figure 4.20), contact (Figure 4.21) and link (Figure 4.22) all used the same background for the website in order to distinguish with the seven content pages. The main pages of the website were displayed in terms of the topics from the following page.

Home Page (Figure 4.18)

The layout of the home page was with the logo of the company and the title of each subject to direct different services. The top five interfaces were the basic services of the website, and
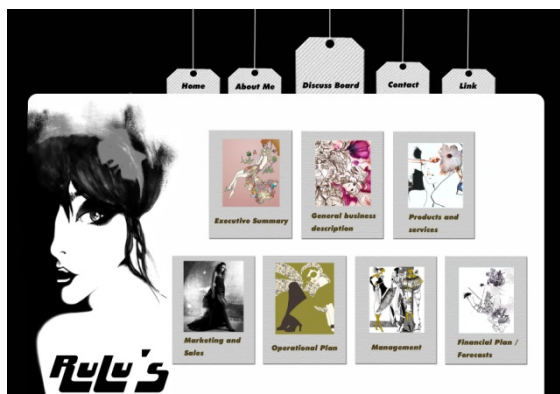

Figure 4.18 Home page

the seven interfaces with the pictures in the middle were the main contents of the website.

About me Page (Figure 4.19)

The position of the About me page contained the introduction of the author – the entrepreneur, and each title of interface is on the top of the page.

Figure 4.19 About me

Discuss board (Figure 4.20)

The contents of the discussion board aimed to offer a place for visitors discussing as well as interchanging the opinions or experiences.
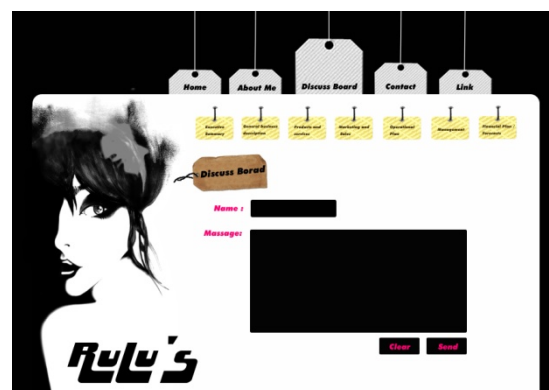

Figure 4.20 Discuss board

Contact page (Figure 4.21)

The purpose of the contact page was that the visitors could leave any questions on the website to the owner. The visitors need to give the name, e-mail address and the message, and then the author would reply it through the given e-mail.
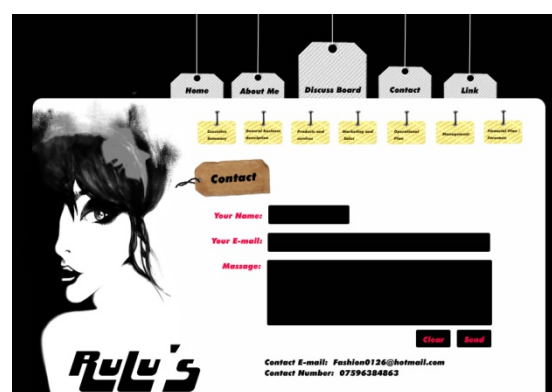
Figure 4.21 Contact page

Link Page (Figure 4.22)

The link page included the two networking pages – Flicker and Facebook. The visitors could connect to these two websites, which shares the same goal with the original website, and that is, to share the experiences or discuss the questions with more people.

Figure 4.22 Link page

Executive summary Page (Figure 4.23)

The content of the page was to layout the executive summary of RuLu's company and the illustration in black as the background, which was from the home page (Figure 4.18) with title executive summary.
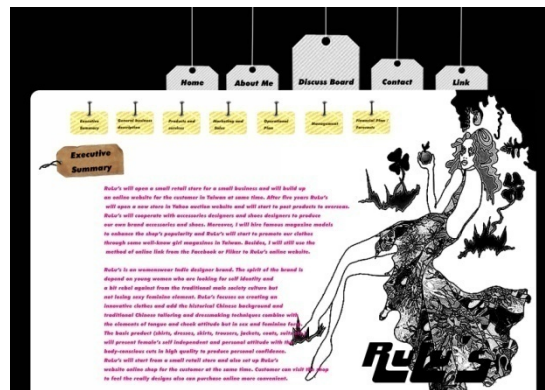
Figure 4.23 Executive summary

General business description Pages (Figure 4.24, 4.25, 4.26)

The pages layout the content of general business description of the RuLu's company, and the illustration in black as the background was redesigned from the home page (Figure 4.18).
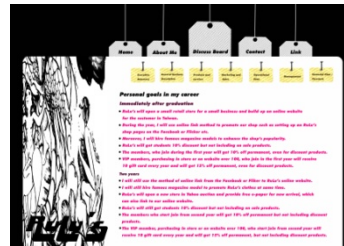

Figure 4.24 General business description 1

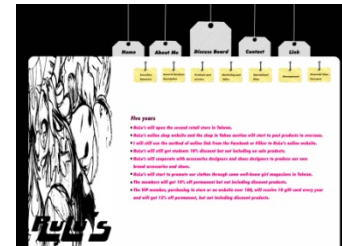Figure 4.25 General business description 2

Figure 4.26 General business description 3

Products and services pages (Figure 4.27, 4.28)

These two pages provide the information of products and services of the RuLu's company, and also the background were redesigned from the image of the home page (Figure 4.18).
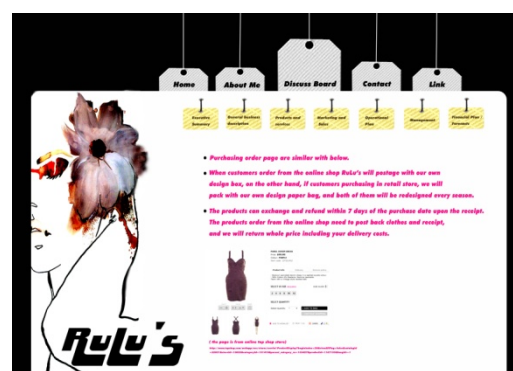

Figure 4.27 Products and services 1

Figure 4.28 products and services 2

Marketing and sales Pages (Figure 4.29, 4.30, 4.31, 4.32, 4.33)

The pages (from Figure 4.29 to Figure 4.33) showed the contents of marketing and sales of the RuLu's company in order.
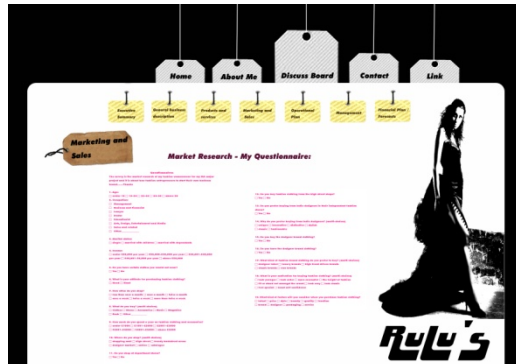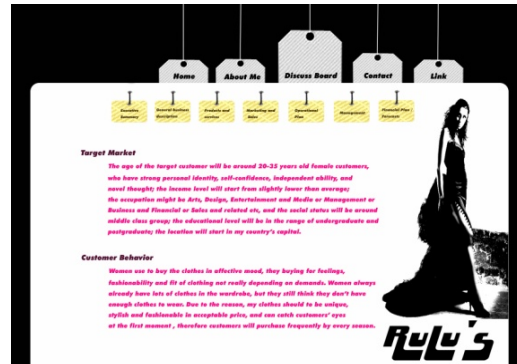

Figure 4.29 Marketing and sales 1

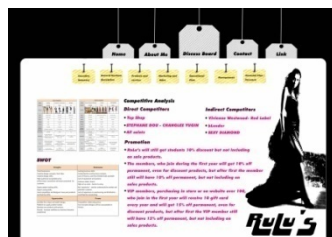Figure 4.30 Marketing and sales 2

Figure 4.31 Marketing and sales 3

Figure 4.32 Marketing and sales 4

Figure 4.33 Marketing and sales 5

Operational plan pages (Figure 4.34, 4.35)

The two pages aimed to present the contents of operational plan of the RuLu's company.
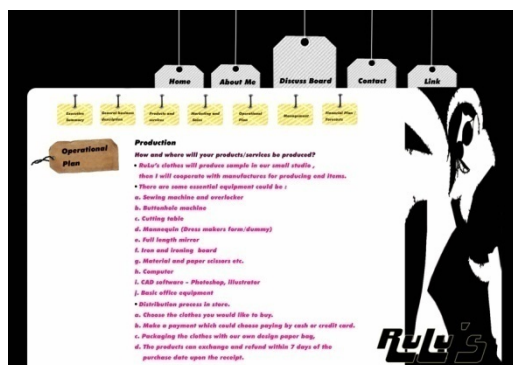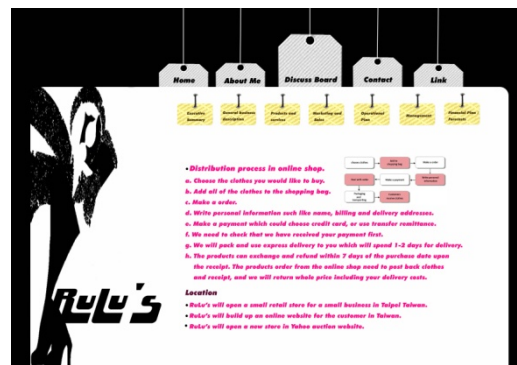

Figure 4.34 Operational plan 1

Figure 4.35 Operational plan 2

Management Page (Figure 4.36)

The page provided the information about the management team of the RuLu's company.
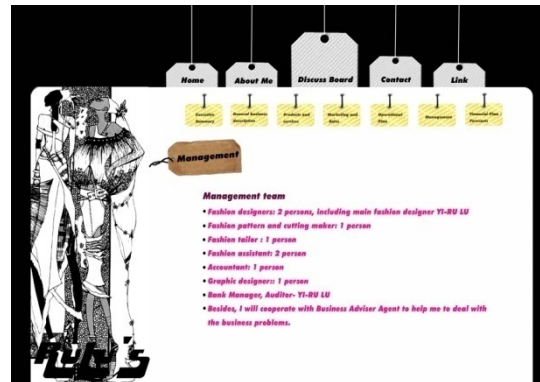

Figure 4.36 Management

Financial plan and forecasts Page (Figure 4.37)

The page presented the table of the startup costs and 12 month profit and loss projection of the RuLu's company.
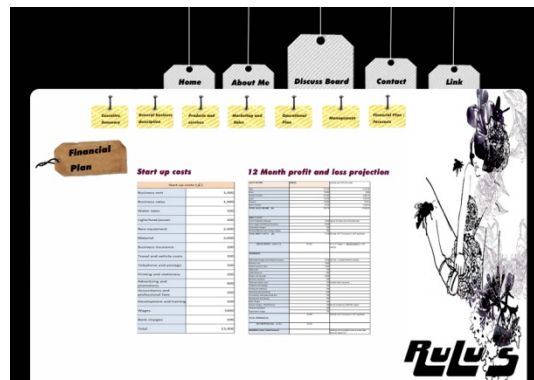

Figure 4.37 Financial plan and forecasts

4.3 Final Prototype

The final prototype would use the method of the hyperlink in PowerPoint to present the author's idea as the website. The user could click the hyperlink of each title on the page in order to link to the next subject page. The final prototype is presented on the following page (Figure 4.38).
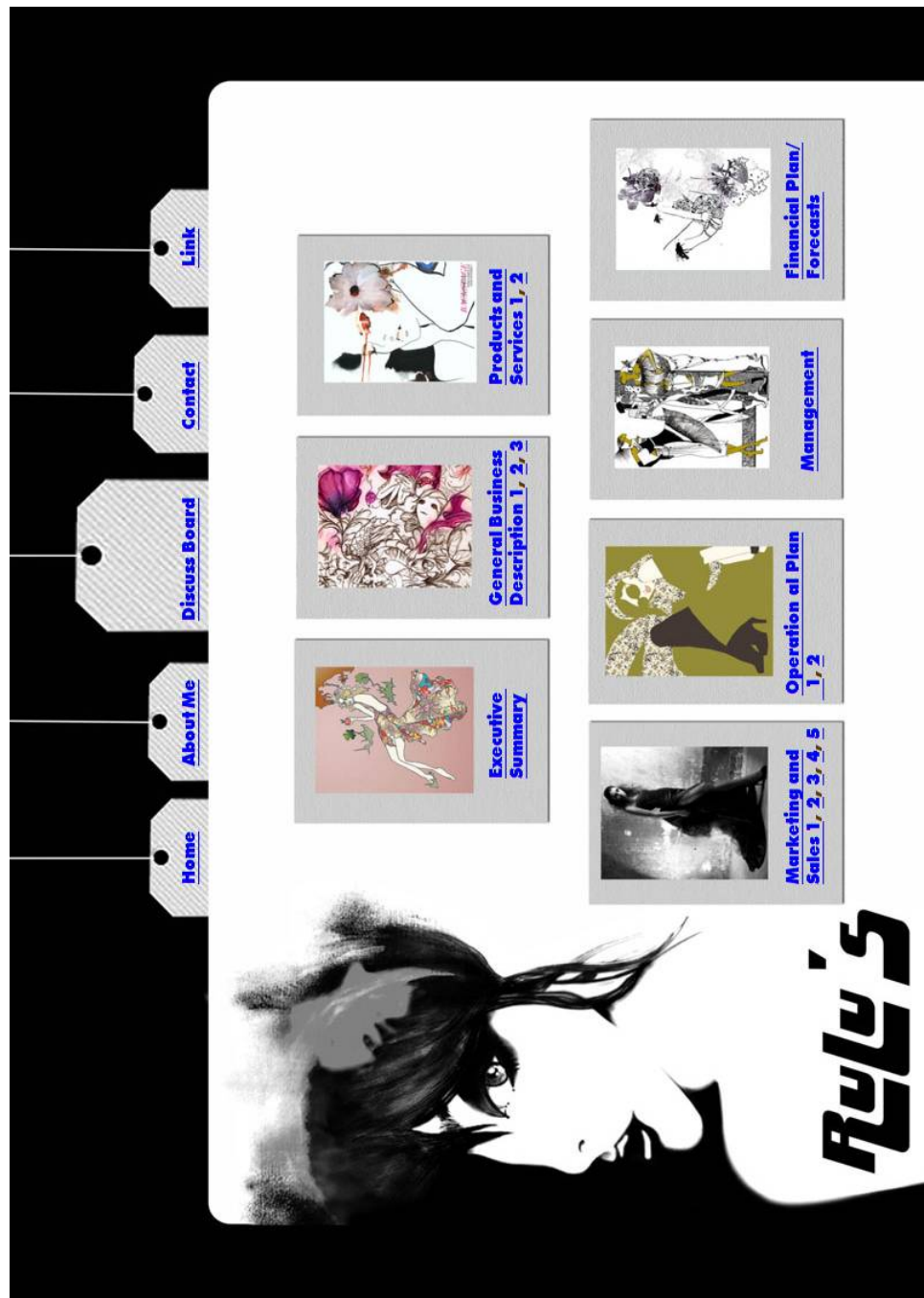
Figure 4.38 Final prototype

Chapter 5 Evaluation

5.1 Introduction

The aim of the project was to create the author's own fashion business plan on personal website. The final prototype was presented in the hyperlink way by PowerPoint. Therefore, the author had to test the final prototype in the method of interview and questionnaire to the target and gather all feedbacks.

5.2 Evaluation Result and Analysis

Name: Amber Lee

Occupation: Textile student

Suggestion:

- The idea of the project is good. The method of presenting the personal fashion business plan through the website is a smart way which is more convenient and can help more people worldwide.

- The content of management and financial plan is quite weak.

- The marketing and sales and products and services section are described very clearly and in details.

- More descriptions about how to create the content.

- The content is very useful.

- The link to other website is useful.

- The discuss board is a very useful concept for sharing the experiences with the people who enjoy knowing the content.

- The structure of the content on the website is clear and good.

- The website layout is very good.

- The color and images of the website are good.

Name: Vicky Lin

Occupation: Textile student

Suggestion:

- More contents need to be added into financial plan.

- It is better to introduce every step of each plan first, and then to bring out personal business plan as a sample. It will be much clearer for the users.

- As a non-web designer, the web page design is quite professional.

- The content is quite good and useful.

- The discuss board is very useful.

- The link to other websites is useful.

- The website layout is very good.

- The color and images of the website are good.

Name: Annie Cheng

Occupation: Textile student

Suggestion:

- The world of the interface for each subject, which is on the top of the website, is too small.

- Some contents are too tight to fill in the page.

- Sale forecast needs to be described more in details, such as how to forecast and calculate the sales per month.

- Pricing should explain why and how the price is set.

- The content is useful and good.

- The discuss board is very useful.

- The link to other websites is fairly useful.

- The website layout, color and images of the website are good.

5.3 Summary

The personal fashion business plan website prototype achieved nearly all of the main aims of the project through the evaluation. Generally, the content, discuss board and link were useful to the users. The website layout and designs were good for the testers. Although the content of few sections, such as management and financial plan needed to be improved more, and the description of how to set up each plan would be better added before the personal example, the testers still gave approval and encouragement to the project, and they felt it was a good idea and design.

Chapter 6 Conclusions and Recommendations

6.1 Conclusions

The aim of the project was to help the fashion designer students, fashion designers and those who are already in industry and people who have an interest in fashion to start their own fashion enterprises. The author offered the personal fashion business plan as a sample on personal website for the target. During the project, the secondary research and primary research were the significant factors for setting up all the processes and results. The author had to consider the basic background of business plan and Internet industry, and collect and analyze all the information related to the topic. After that, the author needed to create the questionnaire for the target in order to produce the best prototype. Finally, the author tested the prototype with the target and obtained the feedbacks for further improving. However, in the beginning of the project, the author had problems with the project direction and final presenting way, therefore, the author spent more time correcting and adjusting the mistakes. Although the author got lost in the beginning, the author still found the right destination to accomplish the project successfully in the end.

To sum up, the project was achieved successfully. Although it was slightly insufficient on the contents from the testing feedbacks, the project still acquired approval and support based on the overall evaluation results.

6.2 Recommendations

6.2.1 Improvements to the design

According to the results of the evaluation analysis, the improvements for design are distinguished into two parts, which is presented below. (Figure 6.1)

Strengths	1. The method of presenting the personal fashion business through the website is a good way. 2. The contents are useful and helpful. 3. The marketing and sales and products and services section are described very clearly and in details. 4. The layout of the content and website is clear and easy to use to find the information. 5. The discuss broad is useful for sharing experiences.
Weaknesses	1. The content of management and financial plan is quite weak. 2. More descriptions about what to do and how to create the content. 3. It is better to introduce every step of each plan first. 4. The world of the interface for each subject, which is on the top of the website, is too small. 5. Some contents are too tight to fill in the page.

Figure 6.1 Strengths and weaknesses

6.2.2 Further Developments

Due to the time limit, the author still achieved the project, but there were still some insufficiency of the contents. The complete fashion business plan included extensive field. During the project, the author conveyed the idea and created personal business plan as in many details as possible. For further improvement, the descriptions about how to set up each content of business plan will be presented first before the personal example. By doing so, the user will understand the content more clearly. The personal fashion business plan will build up more widely and more deeply. Moreover, the design of the website will be improved based on the suggestions from the testers. Therefore, the design will be more successful and professional.

6.3 Reflective MA Experience

During the one year in MA Design Innovation course, the author absorbed various knowledge, such as marketing theory, research methodology, design in concept, and the entrepreneurial plan, etc. Although the author did not learn well about marketing and any other research methodologies, the author still tried hard to overcome all the difficulties. Through these courses, the author learned how to follow the research methodology to review and analyze the literature review, and create the questionnaire or do the interview and observation for primary research. In the whole year, the author even learned the methods for running a project effectively and finished it in a limited time. What's more, the author learned to understand all the design process from the secondary to evaluation.

6.4 Review of Major Project

The author reviewed the major project, and it was a different experience for the author. As a textile design background student, the author challenged the similar filed, but in more marketing and more theory. The author aimed to create a personal fashion business plan as a sample on the website for the people in related area and enable them to understand the factors needed before setting up their own business.

In the beginning of the major project, the author spent much time on subject direction, and in the middle of the project, the author found that the way of presenting the fashion business plan was not interesting but too theoretical. Therefore, the author changed the final presenting way to the website. Moreover, in the process of structuring the fashion business, it was hard for the author with non-experience and non-knowledge about it at the beginning, however, the author tried hard to research and review lots of information well enough in order to create the correct contents. The truth is that the author overcame all the difficulties step by step and presented a successful final prototype in the end. The author felt a sense of fulfillment and pleasure because she achieved the project not only successfully but also professionally.