MARKETING PLAN OF VIPS JEANS

Bachelor’s Degree Final Project
AE 1049

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1. EXECUTIVE SUMMARY

The following work shows the Marketing Plan of Vips Jeans, this company is specialized in the commercialization of fashion-forward. His shop in the street ‘En medio’ in Castellón sells clothing, shoes and accessories of the best current brands.

This company has been operating since 1988 and their main Competitive Advantage is the social prestige among Castellón consumers, acquired during these 26 years. The main feature of Vips Jeans is that adapt at all times to fashion trends of female and male markets, selling premium brands.

Currently it sells more than 10 different top brands, such as G-Star Raw, Munich or U.S. Polo Assn.

The following Marketing Plan expects to increase sales of the company. To achieve the objective, the Marketing Plan raises a Marketing Mix to improve customer perceived value. Necessary to adapt products to fluctuating demand, improve the service and facilitate customer communication.

Marketing plan helps to achieve these objectives, as it helps to planning and managing the necessary actions. This helps the company to be competitive in the market, minimize risk and avoid wasting resources and efforts.

It is essential for the success of the company, as it provides a clear vision of the objectives and inform competitive business environment.

Vips Jeans competes in a mature market but it offers many possibilities for the future. Fashion market has undergone a significant change in recent decades, before there was an elitist product, now it is a consumer product. In addition, clothing consumption has been generalized thanks to the reduction in the average prices and the incorporation of numerous consumers to the market.

At the same time, customer tastes are widespread. Offer is concentrated in two groups: companies specializing in fashionable clothing (as Vips Jeans) and companies specializing in clothing at low prices.
2. INTRODUCTION

This work summarizes the knowledge acquired during the years of study on the Business Administration Degree, interrelating most important concepts of marketing subjects.

Marketing Plan Vips Jeans is divided in two parts:

In the first part, I developed a diagnosis of the current situation of the company, in order to determine the starting point of the company and know their main features. First, it makes a brief introduction of Vips Jeans. Then, an internal and external analysis is done to know the main resources, skills and abilities of the company.

Then, Vips Jeans competitive environment factors are analyzed, explaining the market and the characteristics of the sector and demand. All this information is summarized in the SWOT analysis, which shows the main threats and opportunities for the company in the competitive environment, and its internal strengths and weaknesses.

All this information is contained in the first part of plan and will serve to make decisions in the second part of plan. In this second part of the Marketing Plan, objectives and strategies of the company are proposed. Here it is shown what the company wants to be in the future and how it will achieve.

Finally, actions on the Vips Jeans Marketing are proposed: product, price, distribution and communication. The actions aim to achieve the objectives. These objectives are proposed according to the results of the analysis of the first part of plan, in order to maximize resources, skills and abilities of the company.
3. CURRENT SITUATION

3.1. INTERNAL ANALYSIS

In the next section we analyze the current situation of the company; trying to establish the characteristics and potential of the company, identifying the resources and capabilities that the company owns.

This section will be of great importance for the development of a marketing plan, since in turbulent environments like these, *is more important internal strategy than external one; that is, the greater the importance of changes in the environment, the greater the likelihood that its resources and capabilities are the foundation for safe long-term strategy* (Grant, 2006).

3.1.1. PRESENTATION OF THE COMPANY

Vips Jeans was born in March 1988 as a young fashion store in the centre of the city of Castellon, located in "La Plaça la Pescatería" with emblems of the city as "El Fadri" or the City Hall of Castellon. Since then sells the best brands currently adapting to the brands demanded by the different generations of young people..

Given the great reception that took the idea to market internationally known brands, in 2007 it was decided to expand the shop. Thanks to this expansion, the commercial space as well as access to the store from 'la Plaça de la pescaderia No. 9', also has access from the street 'Enmedio 'No. 48. Because of this, Vips Jeans expanded to 110 m² surface what allows expand its product offerings; redefining areas for menswear and womenswear separately. Currently, Vips Jeans has clothing, footwear and accessories of the most important companies in the current situation, both male and female.

Besides all this, what really defines the company is personal and friendly service it offers its customers and friends. Proof of this is the extensive clientele that the shop has got since its inception back in 1988, thanks to the constant adaptation of the offered clothes to local demand.
3.1.2. COMPANY RESOURCES

The company resources can be defined as the set of factors or assets that you have and control.

3.1.2.1. Human resources

We understand productive human resources as services provided from people to the company related to their skills, knowledge and experience.

Human capital of Vips Jeans is one of their main sources of value, since being a store aimed at the end consumer the potential of its customer service staff is of vital importance. In addition, as mentioned above, Vips Jeans looks for a friendly service to the customer, so that shop workers should create links with their customers for their loyalty. This is one of the main premises of the organizational culture of the company and workers should feel identified with these company values.

The human capital of Vips Jeans consists of 5 people, characterized by their passion for fashion and sympathy aimed the public. The staff of the company is directed by José Safont, owner and manager of the shop, he is responsible for carrying out the daily accounting, organizing staff schedules, balancing stocks, place orders and serve customers unless he is doing any of the above activities. He delegated to an external agency the most laborious tasks of accounting.

In addition, the store has two assistants who are responsible for attending and bill customers. The two others are the internal team also Jeans Vips and perform functions of serving customer, going to the store as reinforcement in times when the influx of people is elevated: Christmas, winter sales in January and summer sales in August (Figure 1).

![Vips Jeans organizational chart](image)

Figure 1. Vips Jeans organizational chart

Source: Compiled from information collected.
The dedication of your manager is another factor behind the smooth operation of Vips Jeans, 27 years of experience in the store has allowed it to acquire knowledge and skills that represent a significant competitive advantage for the company. Allowing to expand knowledge of the sector, suppliers, brands and overall functioning of local demand.

3.1.2.2. Physical resources

Vips Jeans has the following physical resources for their activities:

- **Real states properties.** The main property resource Vips Jeans is the shop that has rented in the center of Castellón, with all units necessary for work and service to the public. This place has 110m2 of surface and accessible from 'Plaza de la pescaderia' No. 9 and from the Enmedio Street No. 48.

- **Personal property.** The main furniture resources owned by the company include two POS, a computer, two telephones, two indicators of radio frequency to read barcodes two counterfeit detectors, coin holder, shelves, counters, murals, displays, shelves, mannequins, busts, hangers, adhesive ticket strip, testers, mirrors and coat racks.

In March 2015 a reform took place in the premises. On the one hand, local lighting was improved with the placement of LED lamps in the store and in the shop window. The statuses of the meters were modified too, since produced deadlocks, and to redefine the flow of customers into the store. In this way customers have access to every corner in the shop.

3.1.2.3. Marketing resources

Regarding the marketing resources of the company, then we will analyze known as 4P's in the marketing world:

**Product**

Vips Jeans is a company that sells clothing and accessories for male and female consumers, following the latest market trends and the best brands of the moment among young audiences. Currently we can find in the store the following brands:
Marketing Plan of Vips Jeans

Current situation

- G-Star Raw
- Munich
- Denny Rose
- Th3 choice
- Sos
- U.S. Polo Assn
- Antony Morato
- Lunatic
- Uno de 50
- Hamaki-ho

Currently these brands are marketed, but in the future these brands can vary depending on what the local public demand. The company mainly provides two large annual orders, one for the autumn-winter and another order for spring-summer season. In addition to these orders, they usually make small specific requests for products that can have a good start in the market or to replenish some products.

The wide variety of collections that own these brands allows Vips Jeans choose clothes that best suit the demand of the company. Thus, the company takes advantage of quick adaptation to new trends that make the big brands and always catches up.

Price

The price, of course, is another key part of the company because it affects directly and indirectly benefits the demand for products. The presence of strong competitors nearby and pressure that these have on the business has been Vips Jeans to adjust their prices, reducing profit margins to compete with them. Still, due to the sale of premium brands, shop prices are a medium-high.

To compete with close rivals like Pull & Bear, Zara, Springfield and Massimo Dutti, and the different online platforms selling clothes, Vips Jeans has had to adjust and adapt their prices to be competitive. In addition to a strong reduction of prices began in the year 2011. A 10% discount is offered on all items to members of the university community and customer loyalty was rewarded with a 10% discount on all purchases for those who have the client card of Vips Jeans.
With these strategies, the company pretend to maximize benefits and adapt to the textile demand in the province constantly, offering a wide range of clothing brand and latest trend at prices that are accessible to different types of customers.

**Distribution**

Usually, when we talk about distribution, we refer to the different ways to buy the products of the company. Vips Jeans clothing can only be purchased at the company store, located in “la plaça la pescadería” nº 9. This is the only possible way to purchase their products and see their product catalogue.

But when we talk about distribution we have to discuss how to present their products at the store. That is, *Vips Jeans merchandising* at point of sale:

- **Structure.** In Vips Jeans shop no columns to obstruct the passage. Regarding lighting, in the last reform in March 2015 it has improved lighting store with the placement of high-voltage LED lamps.

- **Sections.** Store sections are well defined, on the part of the store that faces to ‘En medio’ street is located womenswear section. While on opposite side of the store we find menswear section. In the middle of the room, there is a crossroads between both sections; in one part of the hallway are men's shoes and other footwear and accessories for women.

- **Shelf.** It’s where the clothes are placed; at eye level is perfect height for experts to maximize sales. In addition, multiple units of each product are placed together to facilitate ‘facing’ effect and clothes are seen more easily.

- **Gondola.** In the store, specifically in menswear section, there is a gondola where high rotation products are placed.

- **Atmosphere.** In the store a slow-paced songs are heard, to generate that customers walk slowly around the store. In addition, it’s decorated with a combination of blue and white colors that convey a sense of harmony, peace, calm and tranquility to the customer.
Communication

Communication in a business dedicated to the final consumer is essential, as it provides information and dissemination of products offered by the company. Communication with the customer is essential to publicize the store to those who still do not know it; on the other hand, it will serve as a tool for creating and maintaining good relationships with customers.

- **Social media.** At the time of contact with customers, Vips Jeans uses both social media as its website, although the latter is of little use because it does not show its catalog of products and the information in it is outdated. Meanwhile, social media owned by the company - Twitter, Facebook and Instagram- if they perform updates more frequently and are of great help to promote the most recent collections in store.

- **Draw tickets for box at Villarreal CF Stadium.** A remarkable strategy in this paragraph is the agreement it has with the brand Hamaki - Ho, which Vips Jeans is the official distributor in the province of Castellon. Currently, the Italian company is now the official brand of Villarreal CF and has a box at the stadium of yellow team; this stage is run by the staff and the regulars Vips Jeans. In addition, the company is giving away part of these match tickets through its Facebook, a strategy that start to make a name for themselves to promote to the public more athlete.

- **Celebrities photos buying in Vips Jeans.** It is also important to discuss the publication of images in social media that show the visit to the store of familiar people, in order to give fame to the store based on the fidelity of these public figures. An example is the visit of some Villarreal CF players.

- **Custom bags.** Vips Jeans also uses a technique commonly promoted among clothing stores, clothing delivery sold to customers in bags with commercial logo.

- **‘Buzz Marketing’.** Finally, note that the vast promotion chasing Vips Jeans is the "word of mouth" and that the market is highly concentrated and directed, so bad publicity would be devastating. Whereby the company looks for a good reputation among its clientele in order to get new customers.
That is why the company cares so much personal contact with its customers and concerned about retaining and new clients.

3.1.2.4. **Financial resources**

Regarding financial resources, generally Vips Jeans has a positive working capital result of 27 years of business that have allowed it to maintain sufficient current assets.

Thus, we can say that Vips Jeans has sufficient long-term resources to finance short-term operational needs, once funded fixed assets. As a result, the company has sufficient financial resources to develop the actions proposed later in marketing plan.

It may use the above results of current assets to finance orders, which are principally two a year: one for the autumn-winter and other for spring-summer. Moreover, part of these funds are used to pay costs of store maintenance as water charges, electricity expenses, rental costs, telephone line, internet and specific reforms.

3.1.3. **COMPANY CAPABILITIES**

Having analyzed the resources Jeans Vips we analyze their capabilities, as these resources do not create value for the company alone, but must be properly balanced and managed, thus generating capabilities. So, now we will analyze the specific capacities in charge to combine and coordinate the resources available.

3.1.3.1. **Organizational capability**

Organizational capabilities are especially linked to human capital and organizational knowledge of the company. Organizational routines of the staff make a customer service climate in the store that is maintained at all times, locating and delivering the clothes and sizes that customers demand in the shortest time possible.

Furthermore, the placement by brands and ranges of garments in the store makes it easy and shorten the period of search of some garment or size when replacing it or deliver it directly to the customer.
3.1.3.2. Distinctive capabilities

Values of Vips Jeans indicate that customer comes first and you have to get to keep a close and lasting relationship with customers, to achieve this, the company uses its main distinguishing capacity: experience and knowledge on fashion all staff of the store, which allows the customer feel well advised and getting a good deal from the dependent at all times. Thus, this makes the customer comfortable in the store, increase the frequency of purchase in Vips Jeans and achieve long-term relationship with them.

Moreover, knowledge and experience of the manager of the company in the sector, allowing you to have a wide network of contacts with suppliers to be the first in the province in having a specific collection and shorten payment terms to suppliers.

3.1.3.3. Value Chain

The analysis of the value chain is to identify those capabilities of a company from the breakdown of its activities, watching step by step process that follows the product until it reaches the consumer's hands (Figure 2).

![Figure 2. Generic Value Chain](image)

Source: Porter's Value Chain

Being a company that sells to the final consumer, Vips Jeans activities develops only the final part of the value chain. Among the primary activities of the value chain we can
Marketing Plan of Vips Jeans

Current situation

emphasize its external logistics with which it seeks to achieve maximum productivity by reducing as much as possible reset time and delivery to the customer, taking advantage of the store located in the basement of the same store. The products occupy the smallest possible space. Seasonal items, sorted by brand, collection and carvings are kept only in the store. This allows staff to streamline replenishment processes of clothing.

Regarding to marketing and sales, the shop window is your most powerful marketing strategy, as it leverages the perfect location of his shop in one of the streets with more traffic of people from the city to advertise their business and attract customers.
3.2. EXTERNAL ANALYSIS

3.2.1. MACRO - ENVIRONMENT

Macro – environment analysis are important to understand growth or decline of a market. To realize this analysis, it will be necessary evaluate the following external factors:

3.2.1.1. Political – legal factors

The political-legal factors affecting the company are mainly environmental protection regulations, tax policies, contracts law enforcement, consumer protection, trade regulations, labor safety regulations and competition.

The above mentioned regulations regulate issues such as the conduct of the conduct of such business, prices, opening hours, sales, consumer rights, competition law...

In addition, the company would also be affected by changes in VAT, which would impact on the final price of the product. The most recent increase in these tax rates occurred on September 1, 2012 and increased from 18% to 21%.

3.2.1.2. Economical factors

✓ The Consumer Confidence Index (hereinafter ICC for its acronym in Spanish) measures the degree of optimism that consumers show in front of their personal financial situation and the general state of the economy; so that serves as a reference to determine the predisposition to consume insofar as the ICC increases, and the anticipated savings if this indicator decreases.

The ICC was in January 2015 at 99.6 points, 21.9 points above the figure of January 2014; this shows the increased assessment of the current state of the economy by the consumer with respect to 2014. In percentage terms, the ICC has increased by 22% compared to 2014, as a result of an increase of 27.1% of the assessment of the current situation (family economy, Spanish economy and employment) and a 19.1% increase expectations for the coming months.
Thus, we can conclude that consumption forecasts for 2015 lead to optimism based on confidence of Spanish consumers.

- According to the report "Textiles and clothing expenditure 2014" prepared by EAE Business School, each Spanish currently spends an average of 437 € / year in garments, 3.3% less than the figures for 2012 and 22.6% less than the 2007 expenditure.
  The forecasts anticipate an increase to 521 € / year on average in 2018, an increase of 25% compared to current figures.

  From these figures we can foresee a possible increase in sales of the company in the coming years.

3.2.1.3. Sociocultural factors

- Although men worry more about their image and clothing, women keep sustaining the recovery of the textile sector. The volume of purchases of women's fashion in the last year grew by 1.4% to stand almost half of garments bought in Spain; On the other hand, the sector of menswear keeps stable over the previous year (+ 0.1%), while children's fashion continues with negative (-5.4%) as a result of declining birth rates.

- Today's consumers looking for fully integrated solutions to save time. Also, give more importance to price, are more rational and prudent, with greater control of spending. An example of this is the phenomenon "Smartshopper" who still wish to buy your favorite brands but not at any price.
The online sale has many opportunities as Spanish consumers increasingly buy more clothes through websites. The recent study by Cetelem Observatory says that e-commerce in Spain reached in late 2013, a turnover of € 3,185.3 million, 20.6% more than the previous year.

The clothes and shoes are not considered basic necessities and Spanish households currently do not have much purchasing power due to high unemployment, a fact that can lower the consumption of these goods. Currently the unemployment in Spain is much higher than in other major countries in Europe:

![Figure 4. Europe unemployment rate (%)](source)

**3.2.1.4. Technological factors**

- The development and proliferation of mobile devices allow consumers to be connected 24 hours, allowing you to access and share information at any time of day.

- The use that most population makes of social media, allows communicating and gathering a lot of information through them.

- The tips of the "bloggers" on clothing and style are followed by many consumers making them leaders of opinion, and their positive or negative messages about a brand or a store at any time can be spread very quickly.
3.2.1.5. **Ecological factors**

Today, concern for the environment is booming, and more and more consumers are looking to make more environmentally responsible consumption.

Consequently, according to the results of the latest Eurobarometer, 48% of Spaniards purchase frequently labeled as organic; compared with 30% of Spaniards who buy from time to time. Moreover, 91% of Spaniards prioritize their choice of purchase because of price instead of product's environmental impact.

In consequence of this, we can say that the top priority for the Spanish consumer is price compared to the environmental impact of the product.

3.2.2. **MICROENVIRONMENT**

In the next section we will analyze the attractiveness of the segment in which the company competes, since a segment can have a correct size and significant potential growth, but it may be that from the point of view of profitability on this segment do not be attractive. Hence, we will assess the effect on long-term profitability of 5 types of competitive forces; also called as the five competitive forces of Porter.

3.2.2.1. **BARGANING POWER OF CUSTOMERS**

As the bargaining power of customers is greater, the segment will lose attractive business; as customers seek better conditions of sale, reducing the price of our products or demanding higher quality products. Customers gain bargaining power when they buy in large quantities and when they are focused on buying groups.

In that particular market, the bargaining power of consumers is limited, as customers rarely make bulk purchases or are organized into groups of purchase. Furthermore, the risk of default is low, since most sales are collected in cash; and purchasing conditions are set by the store.
3.2.2.2. BARGANING POWER OF SUPPLIERS

The bargaining power of suppliers will decrease the attractiveness of the segment as these can increase prices and reduce the quality or quantity of lots. This usually occurs when there are few suppliers, when associated with each other or when substitutes are scarce.

In our sector there are multitudes of suppliers that offer different brands, styles, designs, quality and diversity on prices; which causes the shops can press and impose very favourable conditions, thereby increasing the attractiveness of the sector.

3.2.2.3. THREAT OF NEW ENTRANTS

The threat of new competitors depends on the attractiveness of the industry and barriers to entry that exist in it. In the textile retail sector, industry attractiveness is high, since as it is described above on the forecast, it is expected a significant increase in sales in the coming years due to the increasing purchasing power of Spanish society.

To create a new fashion store, barriers to entry and exit are low, so the attraction is very high. Also, do not need a big investment, so any entrepreneur can start activity without a huge investment. Furthermore, storage costs are particularly low, because of that are non-perishable and durable products.

One of the main difficulties that potential competitors may have are obtain good relationships with suppliers to get a quick and current distribution. Another major difficulty is located in the best areas where there is greater influx of customers as the best places are usually busy due to market saturation.

3.2.2.4. THREATS OF SUBSTITUTE PRODUCTS

The attractiveness of a sector or segment decreases if their current or potential substitute products, as they decrease the potential sales and profits that can be achieved in business. Furthermore, if competition increases, prices are likely to decrease in our segment.

For textile products there is no substitute product if it is considered as the sole function of clothing, so that these products pose no threat.
3.2.2.5. INTENSITY OF COMPETITIVE RIVALRY

In this type of competitive strength, a segment less attractive when into it act many competitors, very strong or aggressive; as these conditions can lead to price wars, advertising and new products.

In the retail distribution in fashion sector, the pace of growth in the sector is very low, as it is a sector in mature phase. So the number of competitors that exist in this market is very high, causing the competition between rivals is very high. In addition, competitors find it very easy to compete among themselves aggressively on price, quality, innovation, communication, branding and design products.

Also comment that in this sector Vip's Jeans faces both global companies like Inditex, Mango, Benetton, etc. as small local fashion stores.
3.3. MARKET AND DEMAND ANALYSIS

In the next section we will try to identify the different types of customers and what are needs covering Vips Jeans. This will require determining the market, the target audience, demand and consumption.

3.3.1. MARKET ANALYSIS

In the following analysis we will identify the type of customers; the needs met Vips Jeans and target audience that is directed.

To start defining the market that the company is facing, we define three dimensions:

- **Customer requirements** covering our products:
  - Basic clothing needs
  - Dress in the latest fashion, differentiation
  - Prestige of brands
  - Good value for money
  - Variety of products
  - Personalised customer service in store

- **Customer** groups who meets these needs:
  - Men and women between 20 and 35 years.
  - Residents in the city or province of Castellon.
  - With a medium-high or high economic level.

Once we have defined these criteria to understand and quantify the market of Vips Jeans, we have to study the demographics of Castellón and its province.

- **Castilón de la Plana population**, city where the store is located and main origin of customers. Thanks to the following graph (figure 5) we see the demographics of the city differentiated by sex and age.

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1 When we refer to "Castellón de la Plana", it is referring to the city of Castellon is not the whole province.
From these data we can see how the population is aged and there are fewer young, as predominant ages are between 35 and 50 years. In addition, ranges ranging from 20 to 35 years which are aimed Vips Jeans products are much lower.

However, there are approximately 33,000 women and men in absolute numbers residing in the city of Castellon de la Plana aged between 20 and 35 years.

In addition, as says “Pla d’ acció comercial de Castelló de la Plana” published by the city of Castellon in January 2013, Average annual expenditure of Castellon is €10,739 / person / year. If we break down this expense by type of product, we note that 17.8% of the annual expenditure is dedicated to purchasing clothes and accessories. In absolute terms it represents an average expenditure of 1.91€/year in these products.
Population attracted to the shops area of Castellon de la Plana. As well as addressing the demographic figures of the city of Castellon de la Plana, we must take into consideration the population of the province of Castellon because often they go shopping to the capital of the province and therefore also part of the Vips Jeans costumers. Most come from nearby towns to the city as Benicassim, Almazora, Vila-real, Burriana, Onda, Oropesa, Alcora, Borriol or La Vall d'Uixo.

This shift shows the nearest town is the data contained in the following, which show that the total business spending on personal equipment attracted populations near Castellon is greater than the residents themselves (Figure 6).

**Figura 6. Castellón de la Plana business expense**

<table>
<thead>
<tr>
<th>Partidas de gasto</th>
<th>Gasto Generado residentes de Castelló (euros)</th>
<th>Gasto Evadido (-) residentes de Castelló (euros)</th>
<th>Gasto Atraído (+) residentes área de influencia comercial (euros)</th>
<th>Total (euros)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bienes diarios</td>
<td>324.672.530</td>
<td>4.268.752</td>
<td>73.382.033</td>
<td>393.785.811</td>
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<td>Equipamiento Personal</td>
<td>104.708.739</td>
<td>5.061.944</td>
<td>114.481.649</td>
<td>214.128.444</td>
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<td>Equipamiento del Hogar</td>
<td>67.653.252</td>
<td>2.859.970</td>
<td>2.097.190</td>
<td>66.890.471</td>
</tr>
<tr>
<td>Otros productos</td>
<td>89.583.202</td>
<td>4.369.139</td>
<td>22.515.960</td>
<td>107.730.023</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>586.617.723</strong></td>
<td><strong>16.559.806</strong></td>
<td><strong>212.476.832</strong></td>
<td><strong>782.534.749</strong></td>
</tr>
</tbody>
</table>

From the details obtained in “Encuesta de hábitos de compra a los residentes de Castelló de la Plana” y “Encuesta de hábitos de compra a visitantes del municipio”. Pac-Castelló. 2012.

According to the Municipal Population Census published by the IVE (Valencian Institute of Statistics) in 2014, 75.109 people living between 20 and 35 years in the whole province, without regard to the people of Castellon de la Plana.

So, considering all the inhabitants of Castellón province and between 20 and 35 years, the company will face a market of approximately 108.000 customers.

Linked or floating population. In addition to the resident population of the province of Castellon, another group of customers which is also part of the market Vips Jeans. This group is assigned the name linked or floating population and refers to those who reside in the province for work, study or tourism. This group of people spends long periods living in Castellón and that is part of the group of customers of the company.
Target.

After analyzing Vips Jeans market we will define your target, formed by residents in the province of Castellon between 20 and 35 years old, of medium, medium-high and high socioeconomic class. With a modern lifestyle and taste for trendy clothing and design. With clothing, besides covering the primary need of clothes, looking for a casual look and differentiation thanks to premium brands.

3.3.2. DEMAND ANALYSIS

To understand the relationship between the market and demand, we must understand the demand and the total volume of product that could be purchased by the market discussed above.

3.3.2.1. Consumption analysis

To analyze the consumption of the population of the province of Castellón we will build on the results of the survey conducted by the city of Castellon and published in the "Pla d'acció comercial de Castelló de la Plana" in January 2013:

- Preferred places by consumers to make purchases of clothing, footwear and places are the center of Castellon (47.3%) and Commercial Center La Salera (28.3%). (Figure 7)
- Students prefer to make these purchases in the CC Salera (55.2%), as they have a wider range of fashion brands according with their social group.
- As age increases, the consumption of such goods increases at El Corte Ingles.
- Residents in the Central Zone and the historic centre of the city of Castellon don’t go to the CC La Salera to make these purchases; they prefer do it in the city centre due to the proximity and the large supply business there.
- As regards to frequency, one in four people in Castellon attends the center for shopping every week. Among these, consumers aged between 25 and 34 years come more often (one in three).
- The commercial image of city centre is viewed favorably by 62% of respondents.
- The average expenditure on sales is € 114.27 / person. Youth, the unemployed and pensioners made the least expenditure.
- The shops in the center of Castellon are the main destination for spending on sale season.
Marketing Plan of Vips Jeans

Current situation

- 40% of the inhabitants of the nearby municipalities Castellón say come one or more times per week and 50% every two weeks at least.

Figure 7. Favourite places to buy products of personal equipment


3.3.2.2. Consumer analysis

The Spanish families have had a major expense for most of the 2000s thanks to an expansionary phase of the Spanish economy. Although at the end of this decade, from mid-2008, the loss and the expansion of indebtedness (financial and real estate) family occupation has significantly reduce household spending and increasing savings and reducing investment.

In fact, according to the Household Budget Survey 2013, average expenditure of Spanish households fell by 3.7% over 2012; which in absolute terms represents an expenditure of 1,045 €. This data is extracted to the new type of consumer, that focus on make their purchases at low cost type and outlets stores. In addition, the new consumer is more intelligent and demanding, plan your shopping, reuse products are well informed before making a purchase and are attentive to offers and promotions.
3.3.2.2.1. Determining factors of demand

Purchases by consumers are heavily influenced by cultural, social, personal and psychological characteristics of the buyer:

- **Cultural factors.** Currently we have a major cultural shift in society towards greater physical concern. People take care of your physical form and clothing. Furthermore, within the field of fashion, it has taken a shift to the informal style and this has increased the demand for casual wear. On the other hand, the social class to which consumers belong also influences the demand group, the demand for Vips Jeans consists of consumers who are middle class, middle-high and high.

- **Social factors.** Consumers are often influenced by reference groups to which belong, and this is used by the marketer to influence the choice of certain products or brands through opinion leaders. In the Spanish textile market we find two types of opinion leaders. On the one hand the 'Mass connectors' which are famous people (athletes, actors, singers, etc.) those are active in social media and influence their followers with clothing brands to look at the photos. On the other hand we find the ‘Mass Mavens’ are fashion experts who transmit their knowledge mainly through blogs. Thus, fashion brands marketed Vips Jeans are known and generate word of mouth advertising using buzz marketing (viral marketing).

- **Personal factors.** The taste for certain brands and certain style of clothing is linked to the age and personality of the consumer. In our case brands and styles marketed Vips Jeans identify with a young, bold, energetic and outgoing.

- **Psychological factors.** Customers are influenced by the beliefs they have about a product or a brand. Recognized brands of clothes convey a sense of belonging to a certain social group, with which the consumers share a set of values and creating positive feelings about the brand by promoting these brands that make some famous people.
3.3.2.3. Analysis of the purchase decision process

After analyzing the consumption and the consumer, we analyze how consumers make purchase decisions. This requires defining the five stages that make up the decision making process of buyers defined by Philip Kotler (Figure 8).

**Figure 8. Buyer decision process (Armstrong y Kotler 2013)**

1) **Recognition of the need.** The consumer recognizes a state of dissatisfaction and seeks solutions to cover it.

Vips Jeans uses the shop window as the main tool for generating stimuli in their customers. So when customers pass in front of the shop windows and see some article on the dummies they like, they feel the need to enter the store.

On the other hand, Vips Jeans takes promotions on social networks to generate the need to be fashionable among customers uploading pictures of the latest collections that are available in the store. In addition, it takes advantage of the stimuli generated by the advertising campaigns on television or magazines that carry the brands it sells (Figure 9).
2) **Search for information.** In order for customers know their product, pricing and features of the brands it sells, Vips Jeans uses both commercial media (through its website and various social media, the company offers consumers the information about your products) and personal sources, meeting the needs of their customers so they remain happy with the company and recommend it to their family, friends or acquaintances.

3) **Evaluation of alternatives.** From the information obtained and the consumer, an evaluation of the different alternatives on offer will be made. For this purpose the consumer must analyze the benefits you can get from each of the items, based primarily on the following attributes:

- Brand
- Design
- Price
- Quality

Evaluating alternatives will vary according the importance that consumers give to each of these alternatives.

4) **Purchase decision.** At this stage the consumer carries out the purchase, deciding the brand, model, amount and payment of the garment. But it will have to consider two situations:
- Someone interferes in purchase intent giving negative arguments that the consumer had not considered.
- The buyer wishes to make a gift and have to put you in their shoes of other person.

5) **Post-purchase behavior.** After the purchase and use of the product the buyer can be satisfied or dissatisfied. If the product is at the level of their expectations will probably come back to store to buy. If customer satisfaction exceeds their expectations will be delighted and will recommend the store to your family and friends. That is the reason why it is so important to Vips Jeans not raises the expectations of its customers to points that cannot be achieved.
4. MARKET RESEARCH

4.1. RESEARCH OBJECTIVES

Market research seeks to collect as much information about customers or potential customers of the company to reduce uncertainty in decision-making. Thus, Vips Jeans will be able to meet the needs of customers.

Specifically, the specific objectives of our research are:

- Knowing what the most important attributes for when customers are making their purchases of clothing, footwear and accessories.
- Assess the prestige that consumers perceive from brands currently marketed Vips Jeans.
- Knowing the level of customer spending on purchases of clothing, footwear and accessories based on the level of family income.
- Knowing what aspects of the point of sale are most important to the consumer.
- Identify which brands are not currently commercialized in Vips Jeans and would be willing to buy.
- Knowing the interest in fashion and brand loyalty and / or stores.
- Identify sources of information most used by customers when making their purchases of clothing, footwear and accessories.
- Knowing in what kind of establishments usually do this kind of shopping.
- Knowing whether respondents know Vips Jeans, and knowing whether they usually buy there.
- Discover why customers will not buy Vips Jeans.
- Identify the preferred brands of respondents.
4.2. METHODOLOGY

Once defined the general and specific objectives of the research, we will focus on defining the procedures we use to obtain the information necessary to achieve the objectives described above.

4.2.1. RESEARCH DESIGN

The research will be carried out from a descriptive study, which aims to describe the characteristics and perceptions of customers or potential customers of Vips Jeans. Thus, the company may take a number of decisions to improve the services and products offered to customers.

To obtain the necessary information to help meet the objectives discussed above has been carried out quantitative data collection through a cross-sectional study to collect information through a structured questionnaire (Table 1). The questionnaire consists mostly of closed questions based on interval scales and Likert scales (1-5).

Table 1. Technical details of the investigation

<table>
<thead>
<tr>
<th>Technical Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Universe:</td>
</tr>
<tr>
<td>Consumers of clothing, footwear and accessories from Spain</td>
</tr>
<tr>
<td>Information collection method:</td>
</tr>
<tr>
<td>Free structured survey</td>
</tr>
<tr>
<td>Scope of the study:</td>
</tr>
<tr>
<td>On areas of consumer and retail clothing, footwear and accessories</td>
</tr>
<tr>
<td>Sample size:</td>
</tr>
<tr>
<td>30 valid surveys</td>
</tr>
<tr>
<td>Sample location:</td>
</tr>
<tr>
<td>12 respondents in El Corte Ingles Castellon and 18 respondents in the centre of Castellon town.</td>
</tr>
<tr>
<td>Sampling Procedure:</td>
</tr>
<tr>
<td>Procedure for convenience and stratified by age.</td>
</tr>
<tr>
<td>Sampling error:</td>
</tr>
<tr>
<td>±18.25% (p=q=0.5; confidence level=95.5%)</td>
</tr>
</tbody>
</table>
Questionnaire: Structured with closed questions (Likert scale 1-5), interval scales and an open question questionnaire.

Date of fieldwork: May 2015

Data collection was conducted in the month of May 2015, and the studied population are people who were making purchases in the center of Castellón and in sections of "Menswear", "Womenswear", "young fashion for her" and "young fashion for him" in El Corte Ingles Castellon. In total it has surveyed 30 people.

4.2.2. MEASUREMENT OF VARIABLES

Measuring variables, as already mentioned above, it was made through a quantitative study by an "ad-hoc" structured questionnaire that consists of 17 questions and possible answers formalized and standardized (Appendix 1).

The first is a multiple choice question that seeks to know how often the interviewees buy clothes, shoes and/or accessories. In the question a question of classification is used to determine the average monthly expenditure on these products.

The following three questions (P.3, P.4 and P.5) are questions of identification and measurement of consumer attitudes, measured by the Likert (1-5) scale. They seek to understand what important is for respondents aspects of the point of sale, the services offered by the shops and the most important attributes when making their purchases.

After these questions, two other questions are presented about the behaviors and/or buying behaviors (P.6 and P.7). With these questions it is to know that media use interviewed before making purchases and in what type of establishment tends to make purchases.

In the eighth question, we try to know the respondent's interest in the world of fashion and loyalty to brands with which it is identified.

In questions 9, 10 and 11 is to determine whether the consumer knows whether Vips Jeans and whether usually buy in the store. In the case of being a regular consumer, question 10 seeks to know what brands they usually buy in Vips Jeans. In the event that the respondent is not a regular customer of the shop, in Question 11 it is to weigh the importance of the reasons for not usually buy in the store.
Question 12 is an open question that seeks to discover the two favourite brands for the interviewee.

Finally, last five questions (P.13, P.14, P.15, P.16 and P.17), are qualifying questions to describe interviewees from personal data (age, sex, occupation and number of household members) and socioeconomic data (family income).

### 4.2.3. SAMPLE DESCRIPTION

When we describe the sample collected from the survey, we will focus on describing four important aspects from all respondents: age, gender, income level and total monthly expenses on clothing footwear and accessories:

- **Age.**

  In terms of age, we can see in the following chart (Figure 9) that most respondents are between 36 and 45 years (37%), between 20 and 25 years are 23%. with the lowest percentage are respondents between 31 and 35 years (17%), 26 to 30 years (13%) 46 to 55 (13%).

  With this we can conclude that more than half of respondents (53%) who performed this analysis are between 20 and 35, this will be important as consumers who belong to the age group is taken into account to which it is addressed currently Vips Jeans.

  On the other hand, 47% of respondents are between 36 and 55 years of age. Thus there is set aside to older consumers although not falling within the target audience of the company, must be studied because if some studies obtain some results that advise an expansion of the target customer, it would be convenient apply it to Vips Jeans.

![Figure 10. Age (age ranges)](image-url)
• Gender.

Regarding the gender of the respondents was found that of the 30 people interviewed 15 are women and 15 are men. When we carried out the survey, took into account this fact and tried to get the number of women and men surveyed were the same. Vips Jean is addressed to both sexes and is convenient to have the same amount of information of both.

![Figure 11. Gender](image)

• Income level.

Then we analyze the sample with the level of total monthly household income of respondents.

Figure 11 shows that the vast majority of people interviewed have a monthly income between 2,000 and 2,500 € (47%) or 2,500 € (43%). Only 10% of respondents have an income level between 1,500 and 2,000 €.

These data reflect the total monthly household income and knowing that the average household members of the respondents are 3.3; we can say that most of the respondents belong to families of a middle socioeconomic level, medium-high and high.

![Figure 12. Monthly income level (€)](image)
• Total monthly expenses on clothing, footwear and accessories.

Once known income levels of respondents, it is important to describe the sample, which is the level of monthly expenditure made in the type of products sold Vips Jeans. As reflected in the following chart (Figure 12), most respondents perform a monthly expenditure of between 150 and 200 Euros (37%) or an expenditure of more than 200 Euros/month (30%). After these, customers who made an expenditure of between 100 and 150€ per month (20%) and persons performing an expenditure between 50 and 100€ per month (10%). Finally, only 3% of respondents performed a total monthly expenditure below 50€ on clothes, shoes and accessories.

These data reaffirm the above theory, where we observed that most respondents belong to families with a middle economic level, middle-high and high. Inasmuch as more than half (67%) expend more than 150€ a month (37%) or more than 200€/month on these products (30%).

Figure 13. Monthly expenses on clothing, footwear and accessories (€)
4.3. RESULTS

4.3.1. FREQUENCY ANALYSIS

In the next section we will analyze the sample depending on different issues.

First of all we will analyze the frequency with which respondents made a purchase of clothing, footwear and accessories.

As we can see in the following table (Table 2) most of the respondents made purchases of clothing, footwear and accessories at least 3 times a month (46.6%). Followed by respondents who made 4 purchases a month (20%) and 2 purchases a month (19.7%). The lower frequency of purchase of these products is found among people who make one purchase per month (10%) and those who purchase 5 items a month (6.7%).

Table 2. Purchase frequency last month of clothing, footwear and accessories

<table>
<thead>
<tr>
<th>Purchase last month frequency (times)</th>
<th>Frequency</th>
<th>Valid Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>3</td>
<td>10</td>
</tr>
<tr>
<td>2</td>
<td>5</td>
<td>16.7</td>
</tr>
<tr>
<td>3</td>
<td>14</td>
<td>46.6</td>
</tr>
<tr>
<td>4</td>
<td>6</td>
<td>20</td>
</tr>
<tr>
<td>5</td>
<td>2</td>
<td>6.7</td>
</tr>
</tbody>
</table>

If we analyze what percentage of respondents are regular customers of Vips Jeans, we note that 46.7% of respondents made purchases in Vips Jeans sometime. Meanwhile, 53.3% does not usually make purchases of clothing, footwear and accessories in Vips Jeans (Table 3).

Tabla 3. Vips Jeans customers

<table>
<thead>
<tr>
<th>Vips Jeans regular customers</th>
<th>Frequency</th>
<th>Valid percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>14</td>
<td>46.7</td>
</tr>
<tr>
<td>No</td>
<td>16</td>
<td>53.3</td>
</tr>
</tbody>
</table>
The following image (Figure 14) we can see the favorite brands of respondents. We can say that the brands mentioned are very diverse, as they have collected more than 30 different brands. Still, we highlight four brands that stand out from the rest: Polo Ralph Lauren has been one of the brands that have stood out more frequently respondents (8.3%), followed by Hilfiger, Nike and Pull & Bear with 6.7% respectively.

![Figure 14. Favorite brands of respondents (%)](image)

Finally, as we can see in Table 4, we observe that the main occupation of respondents (46.7%) is people currently working followed by students (33.3%).

<table>
<thead>
<tr>
<th>Main occupation</th>
<th>Frequency</th>
<th>Valid Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student</td>
<td>10</td>
<td>33.3</td>
</tr>
<tr>
<td>Worker</td>
<td>14</td>
<td>46.7</td>
</tr>
<tr>
<td>Home worker</td>
<td>4</td>
<td>13.3</td>
</tr>
<tr>
<td>Unemployed</td>
<td>2</td>
<td>6.7</td>
</tr>
</tbody>
</table>

Table 4. Occupation
4.3.2. DESCRIPTIVE ANALYSIS

First of all, in the next section we will analyze the responses to the questions of identifying and measuring consumer attitudes, measured by Likert (1-5) scale. The data obtained correspond to the responses to questions 3, 4 and 5 of the questionnaire (P.3, P.4 and P.5).

On one hand, the Table 5 shows which are for the respondents the most important when making purchases of clothing, footwear and attributes. As we can see, the attributes most highly valued by consumers are convenience and look nice with 4.8 and 4.83 respectively. On the other hand, the aspects least valued by consumers when making purchases of clothing, footwear and accessories are the price and the image and prestige of the brand, with a rating of 3.73 and 3.70 respectively.

<table>
<thead>
<tr>
<th>Attributes</th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design-Fashion-Style</td>
<td>30</td>
<td>3</td>
<td>5</td>
<td>4.27</td>
</tr>
<tr>
<td>Image and prestige of the brand</td>
<td>30</td>
<td>1</td>
<td>5</td>
<td>3.70</td>
</tr>
<tr>
<td>Quality</td>
<td>30</td>
<td>2</td>
<td>5</td>
<td>4.50</td>
</tr>
<tr>
<td>Comfort</td>
<td>30</td>
<td>3</td>
<td>5</td>
<td>4.80</td>
</tr>
<tr>
<td>That feels good</td>
<td>30</td>
<td>4</td>
<td>5</td>
<td>4.83</td>
</tr>
<tr>
<td>Price</td>
<td>30</td>
<td>3</td>
<td>5</td>
<td>3.73</td>
</tr>
<tr>
<td>Variety of models and colors</td>
<td>30</td>
<td>2</td>
<td>5</td>
<td>3.83</td>
</tr>
</tbody>
</table>

With regard to the evaluation of the importance of issues related to the sales point, we can observe (Table 6) that the most valued aspects are the orderly presentation of the garments with 4.1 on average, the decor with a 4.07 and attention staff with an underrated aspect 4. As we find the proximity of the point of sale with a 2.33 average and convenience of testers with an average 3.63 out of 5.
Table 6. Important aspects of selling point of clothes, shoes and accessories

<table>
<thead>
<tr>
<th>Aspects</th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer attention (Kindness)</td>
<td>30</td>
<td>2</td>
<td>5</td>
<td>4.00</td>
</tr>
<tr>
<td>A tidy exhibition of garments</td>
<td>30</td>
<td>1</td>
<td>5</td>
<td>4.10</td>
</tr>
<tr>
<td>Proximity of the point of sale</td>
<td>30</td>
<td>1</td>
<td>4</td>
<td>2.33</td>
</tr>
<tr>
<td>Decor, atmosphere and cleanliness of the local</td>
<td>30</td>
<td>1</td>
<td>5</td>
<td>4.07</td>
</tr>
<tr>
<td>Comfort of fitting rooms</td>
<td>30</td>
<td>1</td>
<td>5</td>
<td>3.63</td>
</tr>
</tbody>
</table>

The analysis of the issues related to the service provided by the stores is also valued from 1-5 in our survey. Here you can see how the most valued aspects are the money back if not satisfied with the product (4.37 average out of 5) and discounts and advantages of having a customer card Store (4.23 on average). By contrast, the appearance less valued by customers is the advisory service from staff (average of 3.17), but still marked this service remains high and therefore important for clients (Table 7).

Table 7. Importance of the services offered

<table>
<thead>
<tr>
<th>Services</th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>If you are not satisfied you get your money back</td>
<td>30</td>
<td>3</td>
<td>5</td>
<td>4.37</td>
</tr>
<tr>
<td>Advisory service from staff</td>
<td>30</td>
<td>1</td>
<td>5</td>
<td>3.17</td>
</tr>
<tr>
<td>Discounts and advantages by having a customer card</td>
<td>30</td>
<td>1</td>
<td>5</td>
<td>4.23</td>
</tr>
<tr>
<td>Variety of brands and styles</td>
<td>30</td>
<td>2</td>
<td>5</td>
<td>4.10</td>
</tr>
<tr>
<td>Online information service on new garments</td>
<td>30</td>
<td>1</td>
<td>5</td>
<td>3.53</td>
</tr>
</tbody>
</table>

After analyzing these three questions, we will study aspects related to behaviors and / or purchasing behavior exposed in questions 6 and 7 of the questionnaire (P.6 and P.7).

First we will try to know that media use interviewed before making their purchases of these products. To do this, we can see the Table 8, which shows that the shop windows (mean 4.43) and consultations with family, friends and acquaintances (average 4.10) are the main sources of information used. By contrast, trade shows and
industry events are the sources from which information is sought with less intensity (1.50 of 5).

**Table 8. Level of intensity with which it is used information sources**

<table>
<thead>
<tr>
<th>Information sources</th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consultation with family, friends, acquaintances …</td>
<td>30</td>
<td>2</td>
<td>5</td>
<td>4.10</td>
</tr>
<tr>
<td>Catalogs and brochures of brands</td>
<td>30</td>
<td>1</td>
<td>5</td>
<td>3.03</td>
</tr>
<tr>
<td>Shop windows</td>
<td>30</td>
<td>2</td>
<td>5</td>
<td>4.43</td>
</tr>
<tr>
<td>Internet (websites, blogs, social media, etc)</td>
<td>30</td>
<td>1</td>
<td>5</td>
<td>3.77</td>
</tr>
<tr>
<td>Trade shows and industry events</td>
<td>30</td>
<td>1</td>
<td>4</td>
<td>1.50</td>
</tr>
<tr>
<td>Professional journal</td>
<td>30</td>
<td>1</td>
<td>5</td>
<td>2.43</td>
</tr>
<tr>
<td>Television</td>
<td>30</td>
<td>1</td>
<td>4</td>
<td>2.20</td>
</tr>
</tbody>
</table>

On one hand, we would like to comment that respondents tend to go shopping mainly in malls and independent shops with a variety of brands, since it was obtained in a range of 1-5 averages of 4.23 and 4.1 respectively.

On the other hand, the less frequented types of establishments are textile mills, with a mean of 1.07 (Table 9).

**Table 9. Purchase frequency by type of establishments**

<table>
<thead>
<tr>
<th>Type of establishment</th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malls (El Corte Inglés…)</td>
<td>30</td>
<td>2</td>
<td>5</td>
<td>4.10</td>
</tr>
<tr>
<td>Single brand stores (Levi’s, Nike, Bentton, Antony Morato…)</td>
<td>30</td>
<td>1</td>
<td>5</td>
<td>3.50</td>
</tr>
<tr>
<td>Online stores</td>
<td>30</td>
<td>1</td>
<td>5</td>
<td>2.33</td>
</tr>
<tr>
<td>Manufacturer shops (Zara, Pull &amp; Bear, Springfield…)</td>
<td>30</td>
<td>1</td>
<td>5</td>
<td>3.73</td>
</tr>
<tr>
<td>In the same factory</td>
<td>30</td>
<td>1</td>
<td>3</td>
<td>1.07</td>
</tr>
<tr>
<td>Outlet Shops (Centro de oportunidades de El Corte Inglés)</td>
<td>30</td>
<td>1</td>
<td>5</td>
<td>2.63</td>
</tr>
<tr>
<td>Shops with a variety of brands</td>
<td>30</td>
<td>3</td>
<td>5</td>
<td>4.23</td>
</tr>
</tbody>
</table>
Regarding the interest of the interviewed by the world of fashion and loyalty to the brands we buy, we can see that interest in the fashion world is greater (mean 3.9) than brand loyalty (3.23). Still, we can say that both scores are high in a range of 1-5, and therefore both statements are identified by the respondents (Table 10).

**Tabla 10. Level of identification with the following statements**

<table>
<thead>
<tr>
<th>Statements</th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>The fashion world interests me a lot</td>
<td>30</td>
<td>2</td>
<td>5</td>
<td>3.90</td>
</tr>
<tr>
<td>I am loyal to the brands that I identify</td>
<td>30</td>
<td>2</td>
<td>5</td>
<td>3.23</td>
</tr>
</tbody>
</table>

Following the descriptive analysis of the data, we will analyze what brands they usually buy in Vips Jeans (respondents that are regular users of the company), and in the event that the respondent is not a regular customer of the shop, will ponder the importance of the reasons for not usually buy in the store.

The preferred brand among 14 surveyed customers, who usually buy in Vips Jeans is Munich (3.14), followed by G - Star Raw (2.93) and US Polo (2.64). On the other hand, the marks are purchased less frequently are Th3 Choice (1.21) and Hamaki – ho (1.43).

**Table 11. Brands frequently purchased in Vips Jeans**

<table>
<thead>
<tr>
<th>Brands</th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>G – Star Raw</td>
<td>14</td>
<td>1</td>
<td>5</td>
<td>2.93</td>
</tr>
<tr>
<td>Munich</td>
<td>14</td>
<td>1</td>
<td>5</td>
<td>3.14</td>
</tr>
<tr>
<td>Denny Rose</td>
<td>14</td>
<td>1</td>
<td>4</td>
<td>1.93</td>
</tr>
<tr>
<td>Th3 Choice</td>
<td>14</td>
<td>1</td>
<td>2</td>
<td>1.21</td>
</tr>
<tr>
<td>S.O.S</td>
<td>14</td>
<td>1</td>
<td>4</td>
<td>1.79</td>
</tr>
<tr>
<td>U.S. Polo</td>
<td>14</td>
<td>1</td>
<td>5</td>
<td>2.64</td>
</tr>
<tr>
<td>Antony Morato</td>
<td>14</td>
<td>1</td>
<td>5</td>
<td>2.29</td>
</tr>
<tr>
<td>Lunatic</td>
<td>14</td>
<td>1</td>
<td>4</td>
<td>1.86</td>
</tr>
<tr>
<td>Uno de 50</td>
<td>14</td>
<td>1</td>
<td>5</td>
<td>2.36</td>
</tr>
<tr>
<td>Hamaki - ho</td>
<td>14</td>
<td>1</td>
<td>3</td>
<td>1.43</td>
</tr>
</tbody>
</table>
Finally, Table 12 shows us that the main reason that 16 respondents did not usually buy in Vips Jeans is because they do not identify with the style of clothing the company sells (3.13), it is also important for them to difficult car access to the area (2.63). By contrast, the vast majority are happy with their treatment by the store personnel (1.06).

**Tabla 12. Importance of the reasons why we do not usually buy in Vips Jeans**

<table>
<thead>
<tr>
<th>Reasons</th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>I do not know the store</td>
<td>16</td>
<td>1</td>
<td>5</td>
<td>2.75</td>
</tr>
<tr>
<td>I do not like the style of the clothes</td>
<td>16</td>
<td>1</td>
<td>5</td>
<td>3.13</td>
</tr>
<tr>
<td>The clothes are too expensive</td>
<td>16</td>
<td>1</td>
<td>5</td>
<td>2.31</td>
</tr>
<tr>
<td>Difficult access and parking in the area</td>
<td>16</td>
<td>1</td>
<td>4</td>
<td>2.63</td>
</tr>
<tr>
<td>I did not like the treatment received by store staff</td>
<td>16</td>
<td>1</td>
<td>2</td>
<td>1.06</td>
</tr>
</tbody>
</table>

4.3.3. BIVARIATE ANALYSIS (ANOVA AND CHI – CUADRADO)

Then we will carry out the analysis of variance, so we must mention that this analysis is characterized by a bivariate analysis, in which a variable of continuous nature (measurable) will be analyzed and a variable of discrete nature (classification). The discrete variable is responsible for dividing the sample into groups to allow comparison of group means.

4.3.3.1. RESULTS BY AGE

In the following analysis we have grouped the age variable considering the age of the target audience of Vips Jeans.

On the one hand we have created a group with people who are within the age range to which the company targeted, respondents who are between 20 and 35 years. On the other hand we have put together the rest of the sample with ages above 35 years.

First, commenting that the question (11.3), had to answer only respondents who are not regulars Jeans Vips, as it seeks to know why they do not usually buy in the store.

As we can see in the 13rd, 16 of the 30 respondents not usually buy in Vips Jeans. Among the 16 people who are not regulars Vips Jeans, nine of them are under 35 years and 7 over 35.
The age groups of 20-35 years include the price of Vips Jeans clothes as the main reason not to usually buy in the store (3.11). No clutch, the second age group gives less importance to prices of store (1.29).

In addition, we can conclude that there are significant differences between the groups, as the level of significance is 0.016 <0.05. Therefore it will be a segmentation variable.

Table 13. Price of clothing as a reason not to buy usually in Vips Jeans by age

<table>
<thead>
<tr>
<th>Question</th>
<th>Reason</th>
<th>Age group (years)</th>
<th>N</th>
<th>Mean</th>
<th>Sig. Inter-groups</th>
</tr>
</thead>
<tbody>
<tr>
<td>11.3</td>
<td>Too expensive</td>
<td>between 20 and 35 years</td>
<td>9</td>
<td>3.11</td>
<td>0.016</td>
</tr>
<tr>
<td></td>
<td></td>
<td>over 35 years</td>
<td>7</td>
<td>1.29</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>16</td>
<td>2.31</td>
<td></td>
</tr>
</tbody>
</table>

The following ANOVA analysis shown in Table 14, we can see the importance of comfort testers by age of the respondents. It can be seen that there are significant differences between older and younger than 35 years.

For those under 35 years this attribute have an average value of about 3.13 of 5. However, for over 35 years, this attribute is more important, as they perform a joint average rating of 4.15.

So, we can say that with increasing age of the customers, the importance of comfort testers grows. And there are significant differences on the qualification of this attribute depending on the age group. Besides these differences are significant between the groups, as the level of significance between groups was 0.01 <0.05. Therefore it will be a segmentation variable to consider.

Table 14. Importance of comfort of fitting rooms by age

<table>
<thead>
<tr>
<th>Question</th>
<th>Attribute</th>
<th>Age group (years)</th>
<th>N</th>
<th>Mean</th>
<th>Sig. Inter-groups</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.5</td>
<td>Comfort of fitting rooms</td>
<td>between 20 and 35 years</td>
<td>16</td>
<td>3.13</td>
<td>0.01</td>
</tr>
<tr>
<td></td>
<td></td>
<td>over 35 years</td>
<td>14</td>
<td>4.21</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>30</td>
<td>3.63</td>
<td></td>
</tr>
</tbody>
</table>
Then we analyze the importance that consumers give to discounts to service and commercial advantages for those clients that have the company card.

As we can see in Table 15, people over 35 give higher rating to this service (4.71) than people under 35 years. However, we would like to comment that this service is highly valued by all respondents, since it has a joint average of the two age ranges of 3.63 of 5.

Thus, we can conclude that this service is valued by the public. While it is true that over 35 gives more importance to children under 35. We also found that differences between groups are significant, as the level of significance between groups is 0.019 <0.05. Therefore it will be a segmentation variable to consider..

Table 15. Importance of the advantages of having a client card by age

<table>
<thead>
<tr>
<th>Question</th>
<th>Service</th>
<th>Age group (years)</th>
<th>N</th>
<th>Mean</th>
<th>Sig. Inter-groups</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.3</td>
<td>Advantages for having a customer card</td>
<td>between 20 and 35 years</td>
<td>16</td>
<td>3.81</td>
<td>0.019</td>
</tr>
<tr>
<td></td>
<td></td>
<td>over 35 years</td>
<td>14</td>
<td>4.71</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>30</td>
<td>3.63</td>
<td></td>
</tr>
</tbody>
</table>

Finally we conducted an analysis of chi-square test, using the same criteria when age group, but this time using the contingency table that groups the frequency of age groups and levels of spending on clothing, footwear and supplements.

Thanks to Table 16 we can conclude that the higher level of spending on clothing footwear and accessories is grouped among those over 35, and that 63.6% of people who perform a cost between 150 and 200 euros in this type of products are over 35. In addition, the 77.8% of people who spend more than 200 euros a month on clothes, shoes and accessories are also over 35 years.

Furthermore, all persons performing lower expenses of € 150 / month on clothes, shoes and accessories are 20 to 35 years old.
To confirm that there has been a Pearson Chi-square test concludes that there is a relationship between the variables analyzed since the bilateral asymptotic significance of the Pearson Chi-Square is less than 0.05 (0.009).

**Table 16. Contingency table between age and monthly expenses on clothing, footwear and accessories (€)**

<table>
<thead>
<tr>
<th>Monthly expenses on clothing (€)</th>
<th>Age</th>
<th>Chi-square of Pearson Sig. asymptotic</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>between 20 and 35 years</td>
<td>over 35 years</td>
</tr>
<tr>
<td>0 – 50</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>100%</td>
<td>0%</td>
</tr>
<tr>
<td>50 - 100</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>100%</td>
<td>0%</td>
</tr>
<tr>
<td>100 - 150</td>
<td>6</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>100%</td>
<td>0%</td>
</tr>
<tr>
<td>150 – 200</td>
<td>4</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>36.4%</td>
<td>63.6%</td>
</tr>
<tr>
<td>More than 200</td>
<td>2</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>22.2%</td>
<td>77.8%</td>
</tr>
<tr>
<td>Total</td>
<td>16</td>
<td>14</td>
</tr>
<tr>
<td></td>
<td>53.3%</td>
<td>46.7%</td>
</tr>
</tbody>
</table>

4.3.3.2. **RESULTS BY GENDER**

In terms of gender, we observe differences between men and women when assessing the importance of consulting service shop. These differences are significant as the significance level (p-value = 0.002 <0.05). After performing the analysis showed that women (3.60) value this service more than men (2.73).

**Table 17. Importance of store staff counselling in terms of gender**

<table>
<thead>
<tr>
<th>Question</th>
<th>Service</th>
<th>Gender</th>
<th>N</th>
<th>Mean</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.2</td>
<td>Store staff counselling</td>
<td>Men</td>
<td>15</td>
<td>2.73</td>
<td>0.021</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Women</td>
<td>15</td>
<td>3.60</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>30</td>
<td>3.17</td>
<td></td>
</tr>
</tbody>
</table>
4.4. CONCLUSIONS AND RECOMMENDATIONS

To conclude this section, we will try to summarize the conclusions and recommendations from this market research.

First, if we talk about the age we can conclude that as the respondents belonged to a higher age range, monthly expenses on clothing, footwear and accessories increased. As seen in Table 16, 77.8% of respondents who spend more than 200 € a month is older than 35 years.

Because Vips Jeans currently addresses a target audience of 20 to 35 years, it would be consider extending the age of the target audience, as the expenditure of these age groups in these purchases is much higher, and meanwhile, revenues would increase significantly in Vips Jeans.

This decision would lead us to consider improving the comfort of fitting rooms in store, since among the higher age ranges this is a very important attribute of the store, as shown by Table 14, where over 35 rate this factor with a combined average of 4.15 of 5.

It would also be advisable to improve the functioning of the client card of Vips Jeans since, as shown in Table 15, overall service is highly valued by customers (3.63). Although customers over 35 years value more positively (4.71) than those less than 35 years (3.81), this service will be very important to achieve customer loyalty and promote the level of their purchases with advantages and exclusive promotions.

Then, we analyze the importance to consumers of different services of (Point of Sale) POS.

Best valued service in POS of clothing, footwear and accessories stores is that the money is returned if you are not satisfied with the product purchased (4.37) and obtains discounts and benefits by having a customer card (4.23), both results are shown in Table 6.

It is also important to respondents an orderly presentation of the products (4.1), so it would be desirable to improve the placement of clothes of Vips Jeans and try not to accumulate too many clothes together (Table 5).

These findings lead us to ask a significant improvement in the services offered in the client card Vips Jeans, the refund when clothing is returned and improve the placement of the clothes in the store.
As for the behavior and/or purchasing behavior, we can conclude that it will be important to keep a bright shop window, because as shown in Table 7, this is one of the main media used by consumers to be informed when making their purchases of clothing, footwear and accessories (4.43).

It will also be very important to keep customers happy, so they can make good advertising about Vips Jeans to your friends and family. Make good advertising will be important as it is the second most used information source (4.10).

In terms of gender, in Table 17 we can see how much women value the advice of the staff shop (3.60) than men (2.73).

This indicates that it will be important to ensure greater involvement of shop assistant in women area of the store, giving constantly support and advice to clients.

Finally, we will draw conclusions about the brands. On the one hand, regarding currently marketed brands Vips Jeans, we emphasize that the preferred brands are G-Star Raw, Munich and US Polo (Table 10). This leads us to improve the range of choice of these brands in Vips Jeans.

Moreover, compared to other brands that the company does not sell, we have identified that the brands that customers feel more identified and are frequently used are Polo Ralph Lauren, Hilfiger, Nike and Pull & Bear. It would therefore be desirable to consider the sale of any of these brands, except Pull & Bear because it is a brand that does not have access Vips Jeans.
5. SWOT ANALYSIS

In the next paragraph we are going to make a broadly analyse of the enterprise. On the one hand we are going to study the enterprise internally, with a review of their strengths and weaknesses. On the other hand, we will analyse the enterprise considering their environment, in order to discover their opportunities and threats.

The Table 18 summarizes the strengths, weaknesses, opportunities and threats of Vips Jeans.

Table 18. SWOT analysis

<table>
<thead>
<tr>
<th>STREGTHS</th>
<th>WEAKNESSES</th>
</tr>
</thead>
<tbody>
<tr>
<td>× Store location.</td>
<td>× Little use of social networks.</td>
</tr>
<tr>
<td>× Showcase appealing.</td>
<td>× Outdated website.</td>
</tr>
<tr>
<td>× Staff experience.</td>
<td>× Marketing of brands little known among the general public.</td>
</tr>
<tr>
<td>× Brands range.</td>
<td>× Excessive accumulation of the clothes on hangers.</td>
</tr>
<tr>
<td>× Frequented by famous people.</td>
<td>× Customers card disuse</td>
</tr>
<tr>
<td>× Exclusive trading of some brands in the province.</td>
<td>× Medium – high prices policy</td>
</tr>
<tr>
<td>× Good distribution of the placement in the store.</td>
<td>× Problems associated to access and vehicle parking.</td>
</tr>
<tr>
<td>× Regular costumers from many years.</td>
<td>× Little financial power</td>
</tr>
<tr>
<td>× Recognised by the costumers' experiences, it is not needed massive advertising.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OPORTUNIDADES</th>
<th>AMENAZAS</th>
</tr>
</thead>
<tbody>
<tr>
<td>× Great reception of fashion fairs and events in Castellon.</td>
<td>× High sector competition.</td>
</tr>
<tr>
<td>× Rising of the e-commerce.</td>
<td>× Variety of the customers’ preferences.</td>
</tr>
<tr>
<td>× Facility in direct communication with customers using social networks and website.</td>
<td>× The economic crisis reduces the household spending.</td>
</tr>
<tr>
<td>× Rising of the customers’ interest in clothing.</td>
<td>× Changing realities of the market.</td>
</tr>
<tr>
<td>× Very demanded sector.</td>
<td>× Facility to access in the industry.</td>
</tr>
<tr>
<td>× Unexploited fashions and styles</td>
<td>× Mistrust to new brands.</td>
</tr>
<tr>
<td></td>
<td>× Textile market dominated by the Inditex group enterprises.</td>
</tr>
</tbody>
</table>
Plan de Marketing de Vips Jeans

SWOT Analysis

- Influencia de personas famosas que muestran su look en redes sociales.
- Energía de negociación fuerte de los distribuidores de tejido contra los proveedores.
- Posibilidad de un aumento del gasto doméstico debido a la disminución del desempleo.
- Saturación del mercado de tejido.
- Alta imitación en la industria textil.
- Proliferación de tiendas online.
- Cercanía de competidores directos.
- Desarrollo de la cadena de suministro.
- Participación en el mercado de <<Killers>> competidores.
- Baja lealtad al cliente.

Entonces, vamos a desarrollar los aspectos destacados del análisis SWOT:

En primer lugar, en lo que respecta a las fortalezas, resaltamos la buena ubicación de la tienda, que está situada en el centro de la ciudad de Castellon. Ambas entradas en la calle “Enmedio” y la plaza “Pescateria” son lugares de paso importantes en cualquier momento del día. Esta fortaleza se complementa bien con Vips Jeans, ya que tienen una vitrina llamativa y atractiva para ganar la atención de las personas que pasan por estas calles. Además, también hay que destacar la gran experiencia de sus empleados, en algunos casos, como el gerente de la tienda, que han trabajado más de 25 años en esta industria. Esto ha permitido que la tienda sea conocida por la población de Castellon y tenga algunos clientes regulares.

Otra ventaja de Vips Jeans es que comercian con marcas que son raras en las tiendas de la ciudad, y en algunos casos, estas marcas son exclusivas para Vips Jeans, como la marca italiana Hamaki-Ho. Además, en marzo de 2015 las ubicaciones en la tienda fueron redistribuidas, modificando un escritorio y una gondola que antes dejaban áreas de la tienda inaccesibles para los clientes. De esta manera se ha mejorado el flujo de personas en la tienda.

En lo que respecta a las debilidades, hay que destacar la escasa utilización de redes sociales y sitio web para promover nuevas colecciones. Es también un problema para la tienda la dificultad de acceso, ya que está situada en calles peatonales y el estacionamiento libre está muy lejos.

Finalmente, la excesiva acumulación de ropa en perchas hace difícil ver la ropa al primer vistazo y parece un desorden.

Los aspectos más importantes son enfocados en el poder de las nuevas tecnologías con el fin de tener una comunicación directa y constante con los clientes. Por otro lado,
Important rise of clothing suppliers allows the distributors to gain negotiating power with the suppliers and get better payment and delivery conditions.

In addition, the society is increasingly concerned in their brand image, trying to be in the latest fashion with the current trending, increasing the frequency with which the customers renew their clothes and giving a continued demand in any time of the year.

Finally, among the threats which face Vips Jeans it highlights the big competence and maturity of the textile industry, which is dominated by the Inditex Group and it is difficult to compete with them in prices due to the big size of this enterprise. Unfortunately to Vips Jeans, some of the brands of this group (specifically Zara, Pull & Bear, Massimo Dutti, Bershka and Stradivarius) are situated in the same street as Vips Jeans.
6. MARKETING PLAN

Then, after analyzing the company, its environment and having analyzed data from market research, we will proceed to comment the recommended actions and strategies for Vips Jeans.

6.1. PRODUCT – MARKET DEFINITION

Vips Jeans sells clothing, shoes and accessories from recognized brands to its customers. It also provides personal customer service at the point of sale, offering direct customer advice. With all this, Vips Jeans wants the customer is satisfied with the items acquired and their treatment.

However, it would be advisable to study the possibility of changing certain brands currently sold under other brands aimed at an older audience; this would require expanding the target audience. This strategy will be discussed below.

As for the market that addresses Vips Jeans, we talk about people between 20 and 35 years, with interest for wearing the latest trends and with a medium, medium-high and high economic level. Because it is not usual to find people who are in this age group with high purchasing power would be appropriate to extend the target audience of Vips Jeans from 20 to 50 years. We support this decision because of the results obtained after conducting market research, in which we observed (Table 16) that more than three quarters of people who spend more than 200€ a month on clothes, shoes and accessories, are over 35 . In addition, this group of customers gives less importance to price as the determining factor when making their purchases of these products (Table 13).

With all this we can conclude that the decision to expand the target audience of Vips Jeans from age 35 to 50 can be an economically favorable decision for the company.

This measure will also affect the choice of new brands to sell discussed above, as it will attempt to match supply with public taste in different brands.
6.2. MARKETING OBJECTIVES

In order to achieve a positive impact on sales, we will provide a series of quantitative and qualitative goals:

Quantitative objectives are summarized in Table 19, indicating the percentage to be achieved in the short, medium and long term:

<table>
<thead>
<tr>
<th>Goal</th>
<th>Quantitative Marketing Goals</th>
<th>Short term (6 months - 1 year)</th>
<th>Medium term (1-3 years)</th>
<th>Long term (3-5 years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>G. 1</td>
<td>Increase customer satisfaction and customer loyalty</td>
<td>1%</td>
<td>3%</td>
<td>5%</td>
</tr>
<tr>
<td>G. 2</td>
<td>Increase sales</td>
<td>1%</td>
<td>1.5%</td>
<td>2.5%</td>
</tr>
<tr>
<td>G. 3</td>
<td>Increase the number of followers on social media</td>
<td>5%</td>
<td>10%</td>
<td>25%</td>
</tr>
<tr>
<td>G. 4</td>
<td>Increase the number of visits on the website</td>
<td>2%</td>
<td>5%</td>
<td>10%</td>
</tr>
<tr>
<td>G. 5</td>
<td>Increase the number of people affiliated to membership card</td>
<td>2%</td>
<td>4%</td>
<td>6%</td>
</tr>
<tr>
<td>G. 6</td>
<td>Increase sales amongst public over 35 years *</td>
<td>10%</td>
<td>20%</td>
<td>35%</td>
</tr>
</tbody>
</table>

*The percentages of measurement of Goal 6 are measured in relation to total company sales. They are, for example, in the first year of implementation of this target sales to people over 35 years will assume 10% of total sales.

As for the qualitative targets we highlight those shown in Table 20:

<table>
<thead>
<tr>
<th>Goal</th>
<th>Qualitative Marketing Goals</th>
</tr>
</thead>
<tbody>
<tr>
<td>G. 7</td>
<td>Adapt to current market trends</td>
</tr>
<tr>
<td>G. 8</td>
<td>Improve communication with customers through online media</td>
</tr>
<tr>
<td>G. 9</td>
<td>Offer advantages and benefits to members of the Vips Jeans costumers club.</td>
</tr>
<tr>
<td>G. 10</td>
<td>Create a prestigious image for the company</td>
</tr>
<tr>
<td>G. 11</td>
<td>Getting a positive Buzz Marketing</td>
</tr>
<tr>
<td>G. 12</td>
<td>Penetrate the market of people over 35 years</td>
</tr>
</tbody>
</table>
6.3. MARKETING STRATEGY

Vips Jeans strives to offer its customers modern designs clothes and internationally recognized brands. It also seeks to offer a personalized service at the point of sale. Therefore **strategy of differentiation** is the most suitable for the company in terms of competitive strategy.

Through this strategy Vips Jeans should provide current clothing brands that have success among your target audience. It must also offer a personalized service to its customers in the store, knowing at all times their needs and what the market is demanding in every season. To achieve this will be vital to maintain constant communication with their customers through social media and the website. It will also be very important to be informed about clothing trends that occur in each period of the year at national and global level.

So to develop a correct strategy of differentiation will be essential to make good use of online media (Facebook, Twitter and website), and so know firsthand what are the needs Vips Jeans customers.

Because the company is a market leader or can aspire to be, it will also be convenient to use a careful segmentation strategy, enabling it to compete with high performance in those segments to which it is directed. That is why, as noted in paragraph 6.1, it has decided to expand the target audience of Vips Jeans, to compete on a segment of more age where rents are higher and which are willing to spend more money clothing, footwear and accessories.

If we carry out successfully this strategy of differentiation and we increase the value perceived by customers and maintain the current prices, we will have many chances to win market share. So to achieve success with this competitive strategy will be very important to identify at any time those attributes and features wherein customers bestow greater value, in order to achieve sustainable differentiation in time.
6.4. ACTION PROGRAMS

6.4.1. PRODUCT – SERVICE DECISIONS

With the idea mentioned above of expanding the target audience of the company from 20 to 50 years, it will be needed the introduction of new brands that may relish among a larger audience than 35 years, as this age group is not currently covered by the company. Therefore, as can be seen in data from market research (Figure 13), Hilfiger is the brand preferred by men over 35 years and Guess among women.

For all this, it is necessary to resort to specialized wholesalers in the sector and purchase products from these brands. If possible, it would be wise to purchase products of different ranges (suits, dresses, pants, shirts, belts, scarves, etc. ...) and opting for marketing product line of great depth and low amplitude. That is to say, from these two brands will be acquired a unique line of products for an audience older (lower amplitude) and a high number of different items in this product line in terms of colors, patterns...

Thus, it is very important to have a successful negotiation of acquisitions of goods with wholesalers. So this negotiation must be well planned to ensure a good assortment of items, competitive prices and good conditions to give back unsold clothing to avoid unnecessary storage, especially in articles fad. All these decisions on trademarks, line items, depth and breadth of the lines must be regulated over time depending on market response.

The proposed expansion of the target market of the company and the consequent commercialization of new brands that fit a wider audience than 35 years of age requires the elimination of any of the brands currently marketed, as otherwise saturation will occur garments in the store. To make this decision will need to see the evolution of sales of each brand marketed and decide to withdraw brands that have the least contribution sales.

Following the conclusions of market research, we have taken decisions on the two services most highly valued by customers in stores clothing, footwear and accessories (Table 7).
- "Your satisfaction is guaranteed or else you’ll get your money back"

Money will be returned to all those people that they are not satisfied with the items purchased, provided that the return is made within 15 days of product purchase.

- Vips Jeans client card

Discount of 10% is maintained in all garments for customers with customer card of Vips Jeans. This service will be enhanced with two new services:

A) Customers with this card will be informed via email and WhatsApp with information and pictures of the new season collections available at Vips Jeans. Clients can disconnect this telematics service by sending an email or Whatsapp denial of service to the email address or telephone number of the store. This card client intends to register all purchases so they can meet their customers' preferences regarding brands, product lines, product type…

B) All clients with Vips Jeans client card who make a purchase above 50 € will be given a ticket for one free hour of parking in any of the nearby parking (LUBASA and SABA) without expiration; that is to say, they can spend it in any time.

Vips Jeans client card is free; subscriber only needs to perform a test of satisfaction once year to reap the benefits of the client card. Thanks to this system, Vips Jeans may record customer’s purchases and customer’s preferences (brands, product lines, product type…).
6.4.2. PRICEN DECISIONS

In addition, it would be desirable to eliminate the 10% discount on the university community with the aim of promoting among the youngest public acquiring client card of Vips Jeans. Thus, the company will cover all customers with the same benefits and promotions. And also it can more easily report customers on new collections and learn about their tastes and buying habits through purchase records.

Regarding the price of the products, we consider keeping them without change, as prices of Vips Jeans are already tight enough to compete with rivals and to obtain the expected revenues.

6.4.3. DISTRIBUTION DECISIONS

At this point we will focus on the presentation of the products in the store, that is to say, in merchandising on point of sale.

- Expanding changing rooms

Noting the results of market research, we found that respondents aged over 35 years give much importance to testers outlets of clothing, footwear and accessories (Table 14). Therefore, after the planned expansion of the target audience, it is pretended to expand the capacity of the two testers who owns the company.

This measure is essential for older customers, who prefer a spacious and comfortable changing room.

- Modify shop clothing presentation

In addition, we will choose to improve the presentation of the clothes in the store, on the one hand be placed in a supplement separately from other products (wallets, belts, etc ...) area. Clothes are not grouped by collection or product lines, better placing color, from light to dark starting from left to right. This will help the client to perform a general store display upon entering and can observe what styles of season are marketed.
- Modify shop footwear presentation

With regard to footwear, it is desirable to maintain a specified area to such products, but in turn combine it with some footwear products placed at the bottom of the hangers, as shown in the following image.

**Figure 16. Footwear placement**

- Shop window rotation

As seen in the market analysis, the shop window is the communication medium most used by customers when they buy clothes, shoes and accessories. Therefore, the shop window decoration will change every two weeks.

- Corporate aroma

Our last action of *merchandising* at the point of sale will be to use a fragrance that gives characteristic and recognizable odor to the store. Several experts say the aromas influence purchasing decisions of customers, and the smell of vanilla is the most suitable for the clothing stores.
This scent helps to reduce stress, and combined with the music with slow-paced songs currently used by the company and the combination of white and blue colors with which the store is decorated. This will help the client relax and spend more time on the shop and thus spend more money.

While it is true this instrument of olfactory marketing has great commercial potential although must be well managed so as not to produce an undesired effect if people feel the smell too strong.

6.4.4. COMMUNICATION DECISIONS

Decisions of communication are the most numerous and important. They are required to present Vips Jeans to new customers to which who now turn and to adapt to new trends in virtual communication.

Las decisiones sobre comunicación serán las más numerosas e importantes. Será necesaria para dar a conocer nuestra empresa a los nuevos clientes de a los que ahora no dirigimos y para adaptarnos a las nuevas tendencias de comunicación virtual.

- Website

One of the main improvements of the communication area is focused on improving and updating the website, which is currently obsolete. It should update information, showing new brands and collections that are currently on sale. This should show an extensive catalog of products to attract customer's attention, highlighting products qualities.

It will be important to communicate the various events I which company will participate via website. Such as, the gateway “moda en la calle de Castellón” or or solidarity fashion show to benefit the Multiple Sclerosis Association Castellón.

It will also inform people about the advantages of Vips Jeans client card and will allow becoming member of this card through the website filling in a questionnaire. The website will acquire a modern and practical style.
- **Social networks**

We will improve Vips Jeans social networks: Facebook, Twitter and Instagram. Now provide information and images of new clothes that are coming to the store.

In addition, it encourages clients to upload photos in their social networks trying on clothes in the store. If these photos get more than 100 "Likes", the customer will receive a ticket gift of 10€ for purchases over 50€. To be valid, the photos should upload with the hashtag #VipsExperience.

**Figure 17. #VIPSEXPERIENCE promotion**

Thereby, Vips Jeans enables its clients to share in real time with their friends the clothes they will buy. Additionally it helps to improve shopping experience for Vips Jeans customers.

With this action, the company aims to increase number of entries and social networks followers.

- **Participate in “desfile de moda en la calle” of Castellón.**

This action is to participate in urban fashion shows that take place in the ‘Calle Mayor’ of Castellon, where various local clothing stores show off their new spring-summer collections. This event has been held for 23 years and is a consolidated fashion event in the city. “El desfile de moda en la calle de Castellón” is celebrated in April.
These actions represent a minimal cost to the company, and if done correctly, they can generate a great information flow for client and company, improving customer feedback.
6.5. CONTROL

In the next section we will measure the effectiveness of actions, with intent to modify actions that don’t achieve objectives. This helps the company to know at all times if the actions are achieving their objectives.

Quantitative goals are easy to measure, because only need to measure if they meet the percentages marked in short, medium and long term.

However, qualitative objectives are difficult to measure, it will be necessary to check control guidelines that it will be reviewed twice a year (every 6 months):

<table>
<thead>
<tr>
<th>Goal</th>
<th>Qualitative Marketing Goals</th>
<th>Indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td>G. 7</td>
<td>Adapt to current market trends</td>
<td>Satisfaction test</td>
</tr>
<tr>
<td>G. 8</td>
<td>Improve communication with customers through online media</td>
<td>Number of followers and comments on social networks and website.</td>
</tr>
<tr>
<td>G. 9</td>
<td>Offer advantages and benefits to members of the Vips Jeans costumers club.</td>
<td>Number of new users of VIPs’ Jeans client card</td>
</tr>
<tr>
<td>G. 10</td>
<td>Create a prestigious image for the company</td>
<td>Number of followers and likes on social networks</td>
</tr>
<tr>
<td>G. 11</td>
<td>Getting a positive Buzz Marketing</td>
<td>Recommendations among friends and family</td>
</tr>
<tr>
<td>G. 12</td>
<td>Penetrate the market of people over 35 years</td>
<td>Number of new users of VIPs’ Jeans client card with more than 35 years.</td>
</tr>
</tbody>
</table>

On the other hand, strategic objectives aim to expand the Vips Jeans target to 50 years old and expand product range to adapt to this new type of customer. These objectives will be measured in the long term, as they are complex to achieve.

If these actions do not achieve goals, we modify some action to achieve the objectives.
6.6. SCHEDULE

Here we can see how to distribute the actions over time. In the following table, we can see when actions start and end.

This schedule can be modified, if any action needs to be extended or deleted.

<table>
<thead>
<tr>
<th>Action</th>
<th>J</th>
<th>F</th>
<th>M</th>
<th>A</th>
<th>M</th>
<th>J</th>
<th>J</th>
<th>A</th>
<th>S</th>
<th>O</th>
<th>N</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Negotiations with wholesaler to acquire new brands</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Moneyback Service and Vips Jeans client card service.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expanding of changing rooms</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shop window rotation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>change website</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>improve social network</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>#vipsexperience</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>“Desfile de moda en calle” event</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Negotiations with wholesaler to acquire new brands will be made before each high volume order, in previous months of the acquisition of the Spring – Summer collection and Autumn – Winter collection.

On the other hand, the reform of fitting room will be in March, taking advantage of the store closing during the celebrations of the ‘Magdalena’ in Castellón.
6.7. BUDGET

Change some brands not involve any additional cost.

Maintaining and updating the website and social networks will be conducted by the store manager, so not entail additional staff costs.

Actions that involve costs are the expanding of changing rooms, change website, buy parking tickets and #vipsexperience promotion.

Thus, the reform and expansion of the changing rooms will cost about 800 €, adding labour costs and materials.

Hiring a computer specialist to create a new website could cost around 700 €. In addition, we must add 70 €/ year of domain costs + hosting + management, caches renovated and reviewing scripts.

Regarding the free parking tickets for clients, the ‘Ayuntamiento de Castellón’ sold packs of 100 tickets, 0.5 € each ticket than an hour; when real cost is € 1.95 / hour in LUBASA parking’s and SABA parking’s.

We start buying 100 tickets of LUBASA parking’s (Avda. del Mar, Borrull, Hospital Provincial, Clavé-San Félix) and 100 tickets of SABA parking’s (Cardona Vives y Avda. del Rey-Huerto Sogueros).

Overall, this action would cost € 100 per year, although the cost may increase if the tickets are exhausted.
**ANNEXE I. Questionnaire.**

Good morning/afternoon. We would greatly appreciate YOUR HELP in answering the questions below, with the purpose of finding out your opinion of your purchases of clothing, footwear, and accessories. This investigation is being carried out for Business Administration Degree at the University Jaume I of Castellon. Regarding the information you provide us, we guarantee complete confidentiality and anonymity. The data will be treated in a comprehensive manner and not individually. Finally, this study is purely for research purpose.

### P.1.
In the last month, how many times do you make any shopping of clothes, shoes or accessories? (in 0):

<table>
<thead>
<tr>
<th>0-50</th>
<th>50-100</th>
<th>100-150</th>
<th>150-200</th>
<th>More than 200</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

### P.2.
Consider the monthly total expenses in these kinds of products (in €):

<table>
<thead>
<tr>
<th>0-50</th>
<th>50-100</th>
<th>100-150</th>
<th>150-200</th>
<th>More than 200</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

### P.3.
Please could you indicate the SIGNIFICANCE which has for you the following ATTRIBUTES when you go shopping CLOTHES, SHOES OR ACCESSORIES (where 1 is nothing significant and 5 is very significant):

1. **Design - Fashion - Style**
2. **Brand Image or Prestige**
3. **Quality**
4. **Comfort**
5. **How it Looks**
6. **Price**
7. **Range of Design or Colours**

### P.4.
Please could you indicate the SIGNIFICANCE which has for you the next ASPECTS related to the POINT OF SALES of clothes, shoes or accessories (where 1 is nothing significant and 5 is very significant):

1. The employees care (courtesy or advice)
2. A decently organized shopping area
3. Proximity of point of sale
4. Store decoration, setting and cleaning
5. Changing room comfort

### P.5.
Please could you indicate the SIGNIFICANCE which has for you the next ASPECTS related to SERVICE IN THE POINT OF SALES of clothes, shoes or accessories (where 1 is nothing significant and 5 is very significant):

1. Satisfied with money back
2. Counselling service from store staff
3. Discounts and advantages to own a client card
4. Range of brand and stores
5. Online service information for new clothing

### P.6.
Value from 1 to 5 the INTENSITY LEVEL which you have looked for the next INFORMATION SOURCES in order to shop those kinds of products (where 1 is “I have not consulted” and 5 is “It has been essential”):

1. Question/family, friends, ...
2. Catalogues or pamphlets
3. Store window
4. Internet (web pages, blogs, social networks, ...)
5. Fair exhibition
6. Magazines
7. TV

### P.7.
Please could you indicate which KIND OF ESTABLISHMENT you buy the clothes, shoes or accessories (I never buy in these places and 5 always buy in these places):

1. Department store
2. Single brand store
3. Online shops
4. Manufacturer stores
5. Outlets
6. Shops with a variety of brands
7. Department store

### P.8.
Indicate the LEVEL OF AGREEMENT with the following statements (where 1 is totally disagree and 5 totally agree):

1. The fashion word distinguishes me a lot
2. I am loyal to the brands which identify me

### P.9.
Do you buy one or several times in Vips Jeans? (If your answer is Yes do not answer question 11 in negative case go directly to question 11).

- [ ] Yes
- [ ] No

### P.10.
In the case of you have ever bought in Vips Jeans, Value from 1 to 5 which is the frequency which you buy the following brands (1 never buy these brands and 5 always buy these brands):

<table>
<thead>
<tr>
<th>Brand</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. G-Star Rew</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>2. Mango</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>3. Zara</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>4. H&amp;M</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>5. Asos</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>6. U.S. Polo</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>7. Antony Morato</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>8. Lululemon</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>9. Under Armour</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>10. Nike</td>
<td>1 2 3 4 5</td>
</tr>
</tbody>
</table>

### P.11.
In the case that you have never bought in Vips Jeans, please could you indicate the SIGNIFICANCE which has for you the following REASONS why you never bought in Vips Jeans (where 1 is nothing important and 5 is very important):

1. [ ] I do not know where is
2. [ ] I do not like the style
3. [ ] Clothes are too expensive
4. [ ] Hard parking and access into the zone
5. [ ] I do not like how staff treats me

### P.12.
Please could you tell us 2 of your favourite brands which you normally used to buy.

### GENERAL QUESTIONS

#### P.13.
Age:

#### P.14.
Gender [ ] Male [ ] Female

#### P.15.
What is your occupation?

- [ ] Student
- [ ] Worker
- [ ] House worker
- [ ] Retired
- [ ] Unemployed

#### P.16.
Consider total monthly income coming into your home (€):

<table>
<thead>
<tr>
<th>Income</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-1.000</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>1.001-1.500</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>1.501-2.000</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>2.001-2.500</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>More than 2.500</td>
<td>1 2 3 4 5</td>
</tr>
</tbody>
</table>

#### P.17.
Indicate the number of household members:


BIBLIOGRAPHY

- **Basic bibliography**

- **Websites of interest**
**PDF documents**


