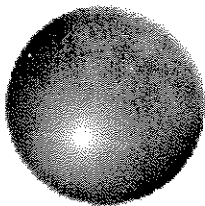
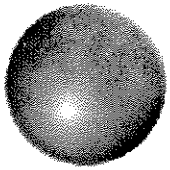


Example 6

Women's Clothing Industry



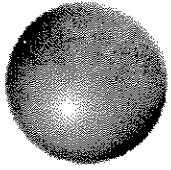


Sales History

U.S. Sales History in Billions of Dollars

Year	1996	1997	1998	1999	2000
Dollars	\$84.0	\$88.4	\$91.8	\$94.6	\$96.6

Sources: Children's Business, May 2001 & The NPD Group Inc.

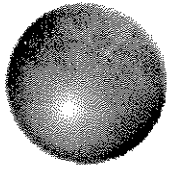


Sales History (cont.)

Overall % Growth from Previous Year

Year	Change
2000	+2.1%
1999	+3.1%
1998	+3.7%
1997	+5.0%
1996	+5.1%

Source: About Women & Marketing, April 1999 & Children's Business, May 2001



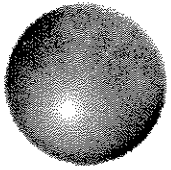
Competitors

• Top 5 Direct Competitors & Catalog Sales

(in billions of dollars)

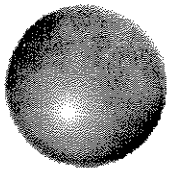
1. JC Penney.....\$3.9
2. Spiegel.....\$1.4
3. Land's End.....\$1.3
4. Sears.....\$1.1
5. LL Bean.....\$1.0

Source: Industry Analysis, May 2001



Competitors Brands

- JC Penney
 - St. John's Bay
 - Worthington
 - Delicates
 - Arizona Jean Co.
 - Spiegel
 - Eddie Bauer
 - Newport News
 - Land's End
 - Sears
 - Levi's
 - LL Bean
- Sources: www.jcpenney.com www.spiegel.com www.landsend.com
www.sears.com www.llbean.com



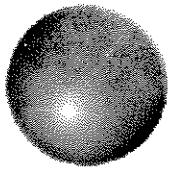
Competitors

• Top 5 Indirect Competitors & Sales

(in billions of dollars)

1. Gap Inc..... \$11.6
2. The Limited Inc..... \$10.1
3. Polo Ralph Lauren Corp..... \$1.7
4. Phillips Van Heusen..... \$1.3
5. American Eagle Outfitters.... \$1.1

Sources: www.polo.com www.pvh.com www.gapinc.com www.limited.com



Competitors Brands

◆ Gap Inc.

- Gap
- Old Navy
- Banana Republic

◆ The Limited Inc.

- Express
- Structure
- The Limited
- Lerner New York

◆ Polo Ralph Lauren Corp.

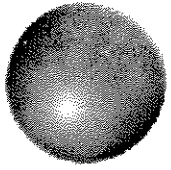
- Ralph Lauren Sport
- Polo Sport
- Chaps
- Polo Jeans

◆ Phillips Van Heusen

- DKNY
- IZOD

◆ American Eagle Outfitters

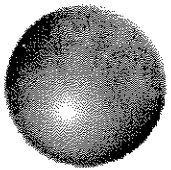
Sources: www.polo.com www.pvh.com www.gapinc.com www.limited.com



Environmental Influences

- Legislation
 - Trade Acts
 - Shipping costs
- Cultural Factors
 - Fast-paced
 - Convenience
- Trends
 - On-line shopping
 - Casual attire
 - Value-Oriented

Source: Industry Analysis, May 2001

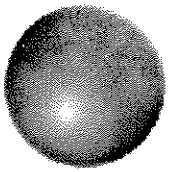


Industry Forecast

Market Estimates
(in billions of U.S. dollars)

Year	2001	2002	2003	2004	2005	2006
Dollars	\$100.3	\$104.1	\$108.1	\$112.2	\$116.5	\$120.9

Source: The NDP Group



Segments

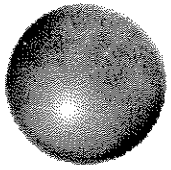
⊕ Primary Group

⊕ Women

⊕ Ages 35-59

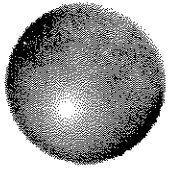
⊕ Active

⊕ Rural area/small towns



Segments (cont)

- ⊕ Secondary Market
 - ⊞ Women
 - ⊞ Ages 60-80
 - ⊞ Rural areas
 - ⊞ Lack of transportation



Segments (cont)

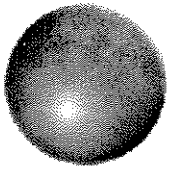
⊕ Secondary

☒ Men

☒ Ages 35-59

☒ Convenience

☒ Gift buyers



Primary Research

- ⊕ Barriers to Entry
- ⊕ Existing Customers
- ⊕ Potential Customers

Handout #1

Positive Forces in the Consumer Market:

- Low personal savings rate = high personal expenditures
- Low interest rates
- Low unemployment
- Very low inflation

Negative Forces in the Consumer Market:

- Weakening consumer confidence
- Slowly increasing unemployment
- Growing numbers of store closings
- Decreasing levels of consumer household wealth
- Consumers with record high debt
- Volatility in global markets
- Continued Layoffs at larger corporations

Handout #2

1999 U.S. Women's Apparel Sales

Category	\$ in Millions	%
Store	838,156	88.6
Catalog	88,924	9.4
Online/Internet	5,676	0.6
Not Reported	13,244	1.4
Total Women's Apparel	946,000	100.0

Source: Retail Apparel Sales Statistics & Trends 1999-2000, The NDP Group Inc.
URL: <http://www.npd.com>

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