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BUS 611
Professor P.
Scaffold 4

Now that we have 3/4 weeks under our study do or re-do the Porter 6 factors that you have from your CAPSTONE

1) Competitive Rivalry

- As my business is in the retail industry, it's imperative I study my biggest competitors. Major business retail tycoons like H&M, Zara, Old Navy, Fashion Nova etc, focus on delivering fast fashion just like my business. Although, my clothing adds the component of customization they have the edge in offering a variety of products for maximizing customer satisfaction and strengthening customer loyalty. Secondly, these extensive brands have the ability to market different trends and styles very often – sometimes two or three times per month. Moreover, they can take styles from the runway and have them in local retail stores in less than a week. In regards to my business it's necessary that I focus on developing unique trends to be sold at low prices in mass quantities to able to compete and generate profit.

2) Barriers to Entry

Entry to the retail industry are relatively low but there's a gamut of reasons why the bigger fish keep eating the smaller ones. Powerful retail companies lessen the ability for new entrants to come into the industry on a larger scale. Prime example it was reported in 2017, Zara offered 20 clothing collections, with around 12,000 designs being sold that year. Moreover, new entrants do not have the brand recognition or the loyalty of customers of their larger competitors. These retail companies attract fashion influencers and endorse stars on the runway, thus, making it difficult for companies to compete because of societal recognition. In reference to my business I will strategically focus on a marketing myself to price conscious millennials looking to enhance their wardrobe. I believe marketing is crucial to garnering loyal customers.

3) Threat of substitute Products

Generally, fast fashion retailers are not heavily invested in creating a fashion trends and designs, but are inspired by the most attractive and promising trends spotted at fashion shows and by cues taken from mainstream consumers. In many cases original designs are stolen, duplicated and then marketed as the innovative idea of other establishment, in which causes for loss of revenue for the originator. Prime example, in 2009 Gucci accused Guess of trademark infringement and tried to sue them for \$221 million. In the end, they received \$4.7 million. Branding and trademarking are essential for my business especially with creating original patterns, trends and styles. They allow me to leverage myself with within the retail market but my designs can easily be duplicated and mass produced by larger competitors. My products are likely to be duplicated but the addition of the consultation services would set me a part from my competition and strengthen my brand.

4) Buyer Power

Today's buyers have more purchasing power than ever before. My customers can demand higher quality from my products since there is a variety of powerful retailers at their disposal. They have more frequent changes in choices available to them in finding the perfect garment, accessories in their preferred color and size in store or online- in the comfort of their home

5) Supplier Power

Fortunately, my business has a higher bargaining power within the retail industry. With many textile suppliers in countries like China, Vietnam, India etc., locating products at low cost, vast labor, reduced commercial barriers, and material supply availability I will surely locate quality products. Secondly, because most of the larger fashion retailers outsourcing their production to developing countries, switching costs are low are very low.

6) Complementors

The commentary forces that will assist my business in being competitive among major retail brands is partnering with major coupons discounting sites, .ie. Retailmenot, Rakuten, Groupon. etc. Through monthly discounts in addition to our affordable prices I will be able to persuade customers to purchasing my merchandise as well as opting into my loyalty subscription program

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