**Fashion Merchandising: Principles and Practice 2**

**Range planning 1**

The range plan fulfils two criteria. For the buyer it must reflect a relevant product offer that will be in line with trends, the customer and be able to compete on the high street. For the merchandiser is must be financially balanced, with buys for each option in line with demand and within the open to buy.

Exercise 1 - Below is a past product range with product analysis results calculated for you.

Use the product analysis to decide a set of quantitative inputs to the range plan using the rate of sale and sell through rate % data as you feel is appropriate to finalise the range plan.

Then calculate the total unit buy, cost value and selling value for the range plan.

Calculations:

1. Total unit buy = ((rate of sale\*lifecycle) \*number of stores)/STR%
2. Total cost value = total unit buy\*cost price
3. Total selling value = total unit buy\*selling price

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| --- | --- | --- | --- | --- | --- | --- | --- |
| **Product description** | **Option** | **Fashionability** | **Cost price** | **Selling price** | **Intake margin** | **Rate of sale** | **STR%** |
| Cap sleeve top | White | Core basic | £2.92 | £10.00 | 65.00% | 3.33 | 84% |
| Cap sleeve top | Navy | Core basic | £2.92 | £10.00 | 65.00% | 5 | 50% |
| Bootleg jean | Navy | Core basic | £2.92 | £10.00 | 65.00% | 1.67 | 95% |
| Core |  |  |  |  |  | 3.33 | 64% |
| Skinny jean | Navy | Fashion | £2.92 | £10.00 | 65.00% | 2.08 | 68% |
| Skinny jean | White | Fashion | £2.92 | £10.00 | 65.00% | 1.88 | 41% |
| Drape back top | Navy | Fashion | £2.92 | £10.00 | 65.00% | 1.67 | 73% |
| Drape back top | Silver | Fashion | £2.92 | £10.00 | 65.00% | 3.13 | 77% |
| Fashion |  |  |  |  |  | 2.13 | 63% |
| Jacket with satin trim | Metallic Silver | High Fashion | £2.92 | £10.00 | 65.00% | 1.13 | 38% |
| Pencil skirt | Metallic Silver | High Fashion | £2.92 | £10.00 | 65.00% | 0.88 | 29% |
| V neck dress | Metallic print | High Fashion | £2.92 | £10.00 | 65.00% | 1.63 | 76% |
| Bowling shirt | Metallic print | High Fashion | £2.92 | £10.00 | 65.00% | 1.13 | 82% |
| High fashion |  |  |  |  |  | 1.19 | 50% |
| **TRANSITION THEME** |  |  |  |  |  | 2.68 | 62% |

There is a template range plan for you to use within the online resources, and a “model answer” range plan is provided. Use both to answer the questions to exercise 2 below.

Exercise 2 – Your answers

1. How much do the total buy units add up to?
2. How much does the total buy cost value add up to?
3. How much does the total buy selling value add up to?
4. Why is it important to know the answers to the three questions above?