

What is a possible strategy for Tally Weijl to penetrate the German market with a sleeping ware line?



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Executive Summary

Tally Weijl is an expanding fashion company possessing the financial and internal resources to expand. The research question of this paper is: What could be a suitable entry strategy for *Tally Weijl* to penetrate the German market with a sleeping wear line?

An internal analysis of *Tally Weijl* tells that the company holds an excellent distribution and supplier network. A steadily rising turnover and expansion allow an extensive system of communication and a permanent presence in the public and press. An external analysis informs that there is a big market of competitors. Nevertheless, the competition is too different in style and does not harm *Tally Weijl*. A questionnaire presents detailed investigation about the customers' motivation, preferences, demographics and buying decisions. The German market proposes several opportunities, such as the demand for attractive, low-budget sleeping wear combinations.

With the sleeping wear range, *Tally Weijl* intends to raise something brand new. Nevertheless, the little twist, which discerns *Tally Weijl*'s concept, will remain. With the first collection in autumn 2012, different kinds of sets and mixable articles, shorts, pants and tank tops in different materials and colours will be offered. Concerning the promotional activities, the focus will be on in-store advertisement, as the customers buy out of impulse. Additionally, online-selling as newborn aspect will be introduced, in order to follow the trend. The existing distributional network of *Tally Weijl* permits a fast delivery and low costs. The production based pricing policy allows a minimal retail price which is below the price of the competitors.

The financial calculations of the sleeping wear range are expected to be highly profitable. The 18 different products with a total of 99,300 articles promise 75% of turnover and a market share of 0,30%. This is made possible by low production and low transport costs and effective distribution systems and processes.

To conclude, *Tally Weijl* wants to offer a comfortable, but attractive sleeping wear which makes the customer feel self-confident. The German target market offers several opportunities, while the competitors do not present a significant threat. In-store advertisement and the internet will promote the new product. A well established and fast distribution network allows low prices and foresees a profitable enrichment for the company.

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1 Introduction

This paper attempts to answer the research question of what could be a possible strategy for *Tally Weijl* to penetrate the German market with a sleeping wear line. The fashion brand achieved high brand awareness and an elevated number of loyal customers. Since the company wants to maintain its success, extensive research will be carried out.

First of all, reasons why the research is being conducted will be clarified. The purpose is to find an appropriate strategy which suits the demand of the German sleeping wear market and its target groups. Further, the desire of the customer to possess attractive, but comfortable home wear, which makes the client feel self-confident, wants to be created. The research plan will be designed for Germany since it holds 25% of the actual number of stores and the turnover. Given that *Tally Weijl* is operating in 31 countries, significant aspects of other markets are kept in mind.

A research plan requires a big amount of time and effort and usually has specific goals. This marketing plan will examine whether it is reasonable for *Tally Weijl* to launch the new home wear range in Germany and develop a possible strategy. The following questions will be covered during this paper:

- What are opportunities and threats to the company?
- Who are the competitors and do they illustrate harm?
- What do potential customers desire?
- What are opportunities of the German target market?
- What kind of product does the customer want?
- Which promotional approach is suitable for the target market?
- What qualities does the distribution network have?
- What for a pricing strategy should be applied to serve the target market best?
- Would the new range be profitable?

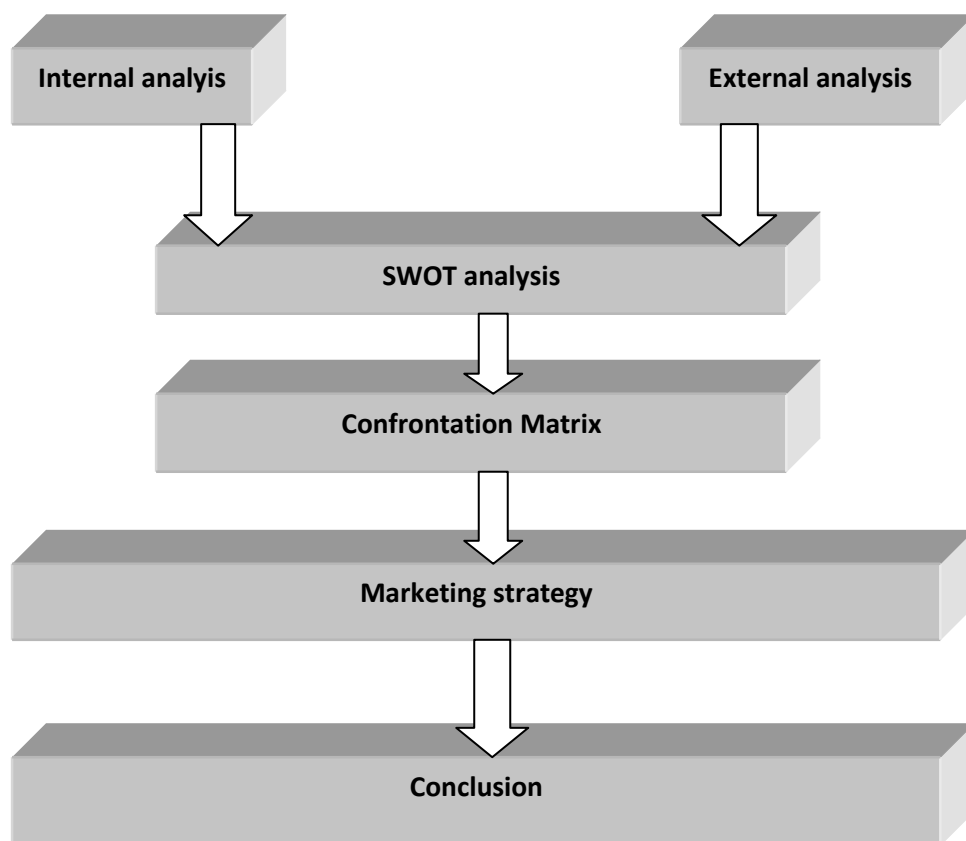
These questions will be treated in greatest detail. For a logic process, information will be gathered first. Secondly, the results will be put together to come up with an effective marketing strategy, finally.

2 Methodology

Choosing the right research method means setting the cornerstone for an effective strategy, since research is the basis of marketing. The kind of analysis which is utilised and the way information has been gathered will be discussed below.

How has the research been constructed? In order to build up a successful strategy, a logic sequence has been applied. The internal and external analyses form the basis for the SWOT analysis. The confrontation matrix builds a connection between SWOT analysis and marketing mix. This result creates the parameter for the marketing mix. The marketing mix contains a strategy concerning product, promotion, price and distribution.

Research structure



What kinds of analyses have been used and how has research been made? In the internal analysis, it has been scanned through distributional, financial and communicational aspects of *Tally Weijl*. It is important to know about its abilities, performances, strengths and weaknesses. In the external analysis, the Five Forces of Porter analysis discovers the degree of possible threats. It examines the

forces, which are close to the company and that could affect the ability to serve the customer. The competitors' analysis examines the performance of brands serving the same market. It is essential to know what competitors offer and to understand whether it is reasonable to enter into this market. Additional to the competitors' analysis, a customer analysis has been made. Analysing in greatest detail the expectations and demographics of the target market, makes it possible to earn customer insights so as to offer the customer what he really wants.

How will research be conducted? Different emphases can be put when carrying out research; therefore it is important to select adequate means. For this paper, a mixture of primary and secondary research has been applied. As secondary research, books from public libraries, press kits and press releases, the World Wide Web, encyclopedias and reports have been used. Primary research played a major role in gathering information. With the aim of earning specific insights of the target group a questionnaire has been given out to 200 potential customers, which offered a large amount of valuable information. Several interviews with experienced employees from *Tally Weijl* made discover strengths and weaknesses of the private owned company.

The above listed means of desk and field research establish the source for the investigation with the purpose of finding out, whether it is reasonable for *Tally Weijl* to launch a sleeping wear range on the German market and with which strategy.

3 Internal analysis

3.1 Tally Weijl

Tally Weijl is an international fashion label which designs, produces and sells clothes, accessories and shoes for young girls and women. The company has been founded by *Tally Weijl* and Beat Brüring in 1984 in Switzerland. Since 2004, *Tally Weijl* is expanding much (S2). Today, it operates in 31 countries (appendix 1) with 767 stores (appendix 2) and employs over 2800 employees. For more detail about the expansion, please see appendices 3-5. In 2011, it made a turnover of 515 million Euro. The most important markets are Germany, Italy and Switzerland. The biggest amount of the collection is sold in Europe, but girls in the Middle East dress more and more in the *Tally Weijl* style. The headquarters of *Tally Weijl* and the Service and Support Centre are based in Switzerland, Basel, while the Design Centre is situated in Paris (Tally Weijl Trading AG, 2012).

3.2 Structure

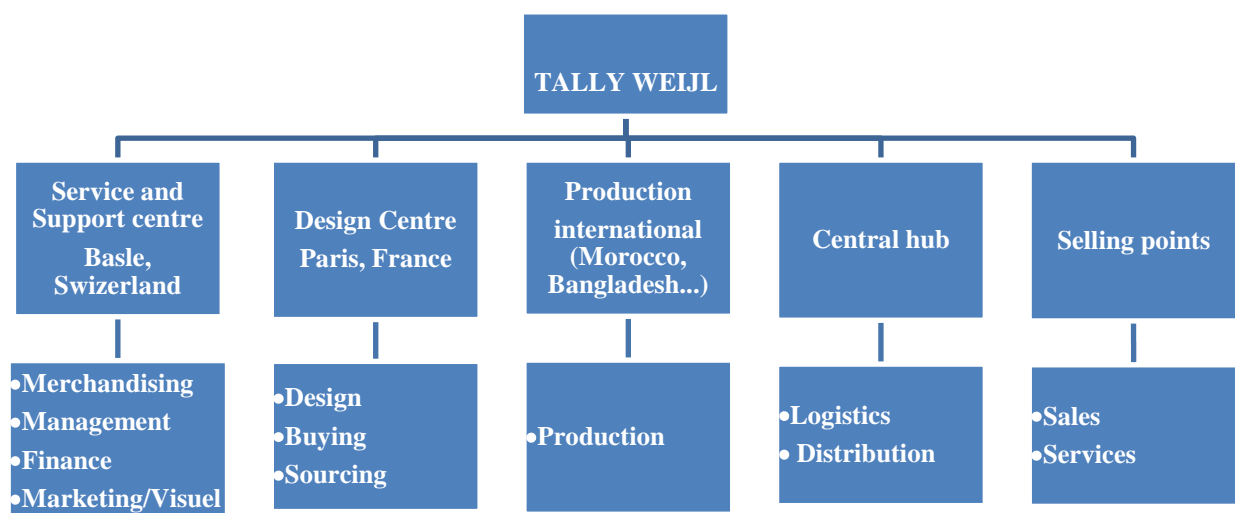


Table N°1

The company *Tally Weijl* consists of different parties. The Service and Support Centre is situated in Basel with the departments Business Administration, Finance, IT and Marketing/Visual. The Design Centre in Paris is the cornerstone for the actual collection and consists of the departments Design, Import and Sourcing (Stocker, 2011). Different international production houses manufacture the merchandise such as China, Bangladesh and Morocco and deliver the company first with samples and further with the complete collection. The company possesses three different warehouses in: Germany, Italy and Switzerland. These depots redistribute the merchandise which departs to the stores in the whole world (Diamant, 2012).

3.3 Distribution

Distribution channel

In order to provide a link between production and consumption, a distribution channel needs to be defined (Tactical Decisions: Distribution, 2012, p. 1). In general, *Tally Weijl* uses an “indirect-marketing channel” with one intermediary, which is the retailer. 99% of the financial turnover is attained through indirect channels, whereas only one percent is achieved through a direct channel, the internet. The selling through internet is all new, but it is becoming a bigger market. *Tally Weijl* consists of 764 selling points worldwide, whereof 416 are partners, such as department houses, and 388 are actual stores. For a detailed overview, please see appendix 2. A part of the stores is *Tally Weijl* owned, while a part is franchised (Tally Weijl Trading AG, 2012).

Fast and long track

The production process of *Tally Weijl* includes two different tracks, the fast track and the long track. The choice of the track depends on the product and the given lapse of time. As the name already says, the fast track is quite fast, because the people work quickly and the production is cheaper. The purpose of the fast track is to produce a product fast, if there is a need. If a new colour comes on the market and *Tally Weijl* wants to have it in their store, it is possible to produce the new colour fast in order to keep up with the latest trends. The long track is chosen for products with more details such as jackets and coats. The production houses for the fast track are situated in Morocco and Turkey, while the production houses for the long track are based in different countries such as Bangladesh, China, Vietnam, Cambodia, Laos, India and Pakistan (J.-M. Tison, personal interview, April 27, 2012). For smooth processes and to ensure that the delivery arrives punctual, a detailed planning of the delivery in the hubs is created. These plans enclose a general overview of four weeks (see appendix 6) and a daily overview with the detailed delivery as to see in appendix 7.

Business processes

Tally Weijl is creating its collections from A to Z (S3), which is an advantage towards some of its competitors. The inspiration for the collections is collected in fashion metropolis and fashion shows worldwide. A drawback of this technique is the fact that *Tally Weijl* is mostly a follower (W2) instead of a trend setter and that the collections appear with one season of delay. Therefore, the ideas of the products originate from successful fashion creators or the competitors. This fact to be a follower is actually a choice *Tally Weijl* makes. The company is a follower, because it is possible to sell products cheaper this way. The production process is as cheap as possible, while only the margin is added in order to receive the retail price.

3.4 Finances

3.4.1 Financial performance

It is essential to inspect the financial performance of a company and to scan the monetary character. In 2011, *Tally Weijl* obtained a turnover of 515 million €; with a growth rate of 24,3% compared to the previous year. Please see appendices 8 and 9 for detailed information about the return. Since 2004, the company proves a steady growth (S2). Please see below an overview of the turnover and the gross profit with an example of several articles from the clothing section.

Turnover and gross profit of clothing section

Article	Retail Price €	Quantity	Coefficient	Intake margin	Stores value	Turnover (without mark down)	Gross Profit (without mark down)
Basic Knitwear	12.95	10,000	4,16	72%	133,481	113,601	81,484
Dress	12.95	99,300	4,16	72%	1,325.5	1,128.06	809,139
Top	5.95	10,000	5,03	77%	61,122	52,029	39,855
T-Shirt	5.95	99,300	5,03	77%	606,940	516,545	395,765
Pullover	12.95	10,000	4,16	73%	133,481	113,601	83,419
Blouse	12.95	99,300	4,16	73%	1,325.5	1,128.06	828,350

Table N°2

3.4.2 Pricing policy

Price elasticity

The price elasticity of the demand is rather high, since close substitute goods are available. If prices would augment drastically, consumers would switch to regular textiles, instead of paying much more. The price elasticity of the supply is flexible, since the labour required for the production is rather unskilled and production facilities are simple (Mike Moffat, page 1).

Pricing method

The most adequate pricing method for *Tally Weijl* is the cost-plus pricing, since the company sells a huge amount of products and it does not require a lot of information. The idea is to set the costs of the production and to add a specific amount as mark-up. This is the reason why the method is also called mark-up pricing. It is used in order to make profit and it is a simple way to calculate it (*Le plan marketing : plan stratégique, plan opérationnel, plan marketing client, plan de crise*. 2008, page 83).

Pricing strategy

Due to different reasons, Tally Weijl sets rather low prices. This strategy is called penetration. First, low prices attract customers, but long-term it assists the objective of increasing market share and market volume. Through the financial profit, *Tally Weijl* is capable of investing and expanding worldwide.

3.5 Communication

Tally Weijl uses four different types of marketing communication tools; public relations (including events), internet/e-marketing, advertising and personal selling. The promotional activities have a great effect, since the brand awareness is high and steadily rising and the perceived image is what *Tally Weijl* is aiming at (C. Boucheron, personal interview, April 26, 2012). *Tally Weijl* is already well-known on the existing markets (O1), but it wants to spread its name over the whole world. Promotional activities can help to raise brand awareness. This is an effect of the big promotional budget, which is used in order to reach objectives. An analysis of these four marketing communication tools will be done, in order to further understand *Tally Weijl*'s communication policy.

Advertising

Advertising is a crucial form of promotion for *Tally Weijl* since it has the biggest impact. The enterprise is quite present in the mass media, especially in new media and magazines. Since the target group is rather young, between 14 and 30, it uses new social media such as facebook, twitter and blogs on a daily basis. *Tally Weijl* publishes its controversial new collections in magazines such as Glamour, Bravo, Mädchen and Arcard Style, which are worn by celebrities such as Alexandra Richards, Bar Rafael and Julle Ordon (Diamant, 2012). This way, famous people make publicity for *Tally Weijl* and make girls want to wear the same cloths, because it looks good on the stars. Further, *Tally Weijl* is very active in the new social media and has direct contact with its clientele through blogs. As you can see in the publicity campaigns in appendix 10, *Tally Weijl* makes debatable advertisement.

Sales Promotion

Sales promotion is an additional important means to capture the client's attention. On a regular basis, sold outs are offered, while clients are able to purchase the Tally products for a lower price than usually. This attracts consumers which might normally not buy *Tally Weijl* products. Furthermore, loyalty programs are offered, in order to maintain customers and to reward fidelity.

Personal Selling

Personal Selling is very important in the moment, when the client is already in the store. A good performance of consulting the customer can boost sales figures drastically. Therefore, the personnel should always be highly motivated, possess a good knowledge of the stock and constantly try to satisfy the client to 100%.

Public Relations (PR)

PR allow *Tally Weijl* to build “mutually beneficial relationships” (Public Relations Society America) with the public. The company publishes regularly logbooks, press releases, blogs and news with the aid of social media (appendix 11). The marketing department of *Tally Weijl* in Poland started a blog by a famous polish singer, which is wearing *Tally Weijl* products and making publicity about *Tally Weijl*. The purpose of PR depends on the country. If the brand is not that famous yet, *Tally Weijl* puts the focus on rising brand awareness first. The majority, 85%, of *Tally Weijl*’s turnover is reached in 7 countries. In these countries, the company is operating with more facility striving to keep the brand in the news (C. Bucheron, personal interview, April 26, 2012).

3.6 Objectives

Tally Weijl is an ambitious company, conscientious about its aims and it strives to keep in mind its objectives:

- Make the life of young women sexy
- Increase their market share in every country
- Conquer new markets
- Reinforce their notoriety and image
- Become a global brand
-

3.7 Philosophy

Tally Weijl’s mission is to “make young woman look and feel irresistible at every moment”. *Tally Weijl* is not only selling cloths, they have their own philosophy and offer an attitude surrounded by a whole life style. The young *Tally Weijl* woman from today is living its life in the fullest. She loves to attire the administrative regards from their female friends, to flirt with men and to turn around their minds. With a sexy and very feminine style (S4), *Tally Weijl* collects all the desires from a woman and illustrates its most sensual side (Diamant, 2012).

4 External analysis

4.1 Five forces of Porter analysis

The five forces of Porter analysis examines the forces which are close to the company and that affect the ability to serve its customers and to make profit. Before entering a new market or launching a new product, it is indispensable to investigate the degree of possible threats and the pay off of the business. It comprises three forces of horizontal competition, namely the threat of substitute products, established rivals and new entrants. The two forces of vertical competition are the bargaining power of suppliers and customers (Burk Wood, Marian, 2005, pp. 45-47).

- Threat of substitute products 4/5

The threat of substitute products of sleeping wear is fairly high. Lingerie and textiles actually both serve as sleeping wear, such as a regular T-Shirt or a comfortable home dress. For the case sleeping wear becomes too expensive, the customer could tend to buy substitute products.

- The threat of established rivals 3/5

There are several competitors, which are already well established, covering a big market share. H&M counts as the biggest competitor; further Triumph, Hunkemöller, Esprit and warehouses offering sleeping wear. *Tally Weijl* is distinguishing itself from their rivals, as it offers a unique style and always has a little twist. There are a big number of competitors, but they are different.

- Threat of new entrants 4/5

Entering the sleeping wear market is easy, since the production of pyjamas does not require special facilities and the manufacturers do not presuppose extraordinary knowledge. Additionally, pricing circumstances permit easy entrants conditions. On the other side, sleeping wear is less attractive than the textile or lingerie industry, since customers purchase pyjamas less frequently.

- Bargaining power of suppliers 2/5

Suppliers do not have a significant influence in the industry, because raw materials are slightly effortless to obtain and the tissue market is enormous. Furthermore, there is a huge amount of textile manufacturers.

- Bargaining power of customers 4/5

The customer is the most important force in this circle, because without the customer there is no demand. Let's take the extreme case where trends and tendencies revolutionise and it is not in anymore to wear sleeping wear or tastes change and girls prefer to wear a big T-Shirt or a tank top.

On the other side, people will always have the need of wearing something comfortable in the night and a pretty pyjama or night shirt as sleeping wear itself is not possible to substitute.

To conclude, the buyer's propensity to substitute sleeping wear is rather high, the established rivals do not encounter a big threat, other than the threat of entrants. The suppliers of the sleeping wear market do not encompass a lot of power in the industry, but the customers do have bargaining power.

4.2 Competitor's analysis

During the planning process of launching a new product, it is highly important to examine the competitor's performance serving the same target market. There are several manufacturers, which bring sleeping wear on the market (T1), but they differentiate themselves from *Tally Weijl* in terms of style and they do not offer the provocative, challenging approach. The fashion brand is bit by bit expanding to the East. If competitors would do the same, this would display a threat for *Tally Weijl* (T2). What does this have to do with the German market? There is an interrelation between the markets. *Tally Weijl* as a brand exists because it sells big amounts for cheap. Therefore, it is very important for the enterprise to reach the mass. If they do not expand but the competitor, the competitor would sell products cheaper and take its customers. Please see below a detailed description of the competitors:

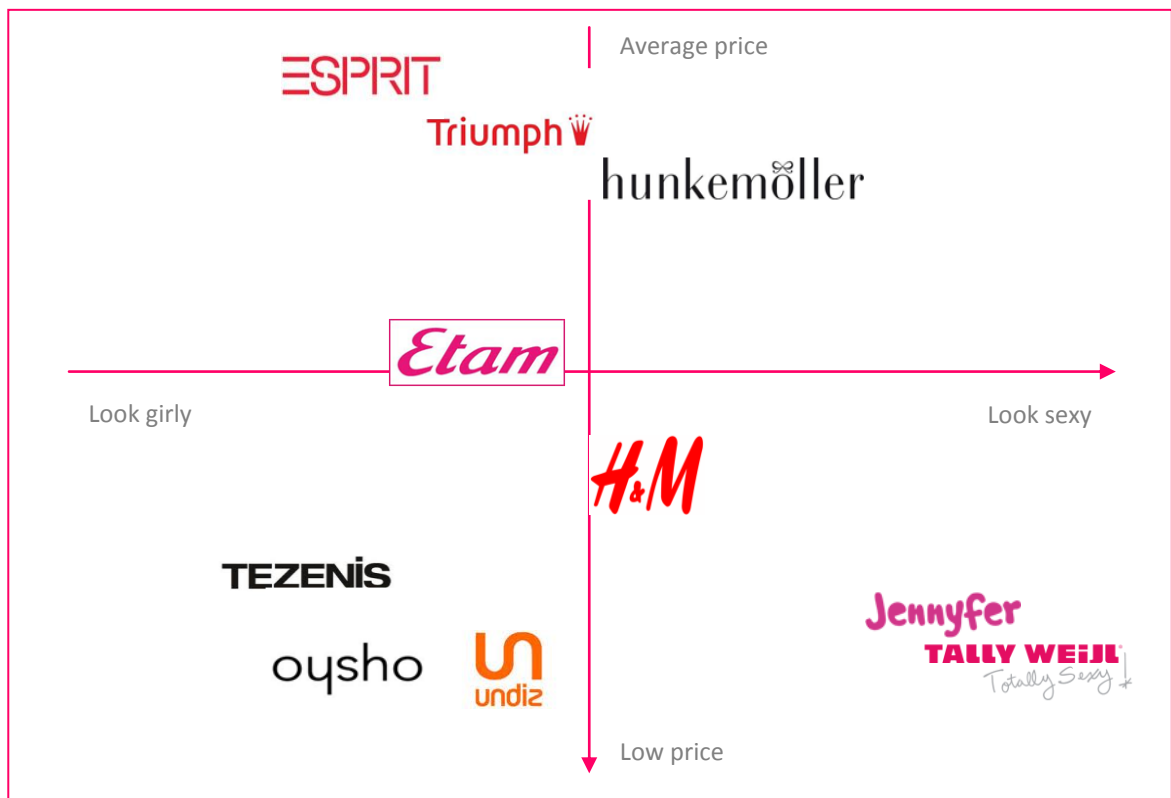
On the German sleeping wear market, the main competitor of *Tally Weijl* is H&M. In terms of size, profit and brand awareness, H&M has a big advantage towards other brands (H&M Quick Facts, 2012). Exactly as *Tally Weijl*, it is designing its own collections and slowly is expanding to Eastern countries. Relating to style, the competitor is producing more basic and day to day textiles, while *Tally Weijl* customers would miss the "special touch".

As German originated, Triumph and Hunkemöller, the underwear and sleeping wear providers, and Esprit, are well established in the branch. Triumph offers different lines for different ranges of age. The brands BeeDees and Sloggi are for young women, but the positioning is more casual and traditional. It offers better quality, but for a higher price (BeeDees Colourful Summer, 2012). Hunkemöller trades comfortable, class, but attractive night wear for young women (Nacht&Lounge, 2012). The range is of good quality and the prices are between Triumph and *Tally Weijl*. Esprit proposes nice, casual, but traditional home wear, which is not as sexy or playful as *Tally Weijl* (Night&Loungewear, 2012). The range would not be in the budget of the *Tally* customer.

Every country has its well established sleeping wear dealer, since this branch is many times regional defined. Etam with its subsidiary company Undiz cover a big market share in France. Etam retails a straightforward and basic range, while Undiz offers an imaginative, coloured and young choice. Tezenis is the Italian avant-garde with a cosmopolite, young, trendy but basic range. The competitor which is most close to *Tally Weijl* outside of Germany is Jennifer, since they offer provocative clothing which is eye-catching.

Please see the positioning map below, which displays the main competitors including *Tally Weijl*, concerning price and look.

Graph 1: Positioning map of *Tally Weijl* and its main competitors



4.3 Consumer analysis

4.3.1 Segmenting

Target group

In order to offer the highest degree of satisfaction to the customer, the company first needs to decide which market segment it is targeting. In general, the target group of *Tally Weijl* is between 14 and 30 years old, in most cases students, the majority has no or a small salary, are single and go

shopping with their friends rather for pleasure than for need. In this frame, there are four different segments. *Tally Weijl* is placing them in the following categories (Stocker, 2011):

1.) The fancy Tally girl

The fancy Tally girl is the typical Tally client. She is between 16 and 20 years old and she is student. She admires the little touch of sexy, since she is self-confident and she likes to change style. With the intention to create her own style, she imitates her idols. Sometimes, her purchases are impulse-driven, but usually she goes in the shop knowing what she wants to buy. Her budget is between 50 and 100 euro per month.

2.) The sporty Tally girl

The sporty Tally girl is between 16 and 25 years old, student or already working. In comparison to the other groups, shopping is not her favourite hobby. She is taking care of her appearance and with a budget below 50 euro per month, she rather purchases articles such as jeans and T-Shirts, since she likes it to feel comfortable.

3.) The daring older sister

The daring older sister is a young woman between 20 and 30 years old who already works. She is tempted by the last trends and influenced of celebrities. She visits stores to buy articles she saw in magazines, such as accessories and attractive dresses and has a budget of 50-100 euro or more per month.

4.) The working older sister

The working older sister is between 20 and 35 years old, she is sophisticated and feminine. This young woman is independent and she knows what she wants. With a budget above 100 euro, she feels more comfortable with dresses going below the knee, blouses and dark jeans.

4.3.2 Targeting

Satisfying the target groups requires knowledge, which entails in turn a large amount of customer directed research. Therefore, a questionnaire (appendix 12) has been given out to 200 potential customers, with the aim of gaining more insight. This desk research offers understanding about motivation, preferences, buying decisions and participants of the potential *Tally* customer in Germany. *Tally Weijl's* target market approach is directed to the mass market. In the countries where *Tally Weijl* is well established, many potential customers are familiar with the brand (O1). This offers an opportunity for *Tally Weijl* to further expand.

Demographics

The major target group of *Tally Weijl* in Germany is between 14 and 30 years old, while 25% are younger than 15, 30% are between 15 and 18 years old and 27% between 18 and 25 (see appendix 13). In average, the profession of the German *Tally* customer is 62% student, 25% are employed and a small percentage is in a higher position (see appendix 14). Most of the participants respond to buy two until three pyjamas per year (see appendix 15), while they prefer to buy pieces separate (appendix 16) instead of a set (O2) with a relatively small budget (O3) as to see in appendix 17. Since the target group is rather young, the salary of the customers is mostly 0 or below 500 € (see appendix 18). A big part of the potential target group is single and living with their parents (see appendix 19).

The customer's need and purchasing process

A big majority of the customers is purchasing sleeping wear, because they are tempted to buy, but not because of the need. It is more seen as an act of pleasure (see appendix 20). It is the brand *Tally Weijl* and the visit in the shop which makes the customer think there would be a need for this product. These impulse purchases can be enforced through in-store advertisement and a good selling performance (O5). In comparison to other countries, the German customer does not set priorities concerning quality, look or price as to see in appendix 21.

Participants

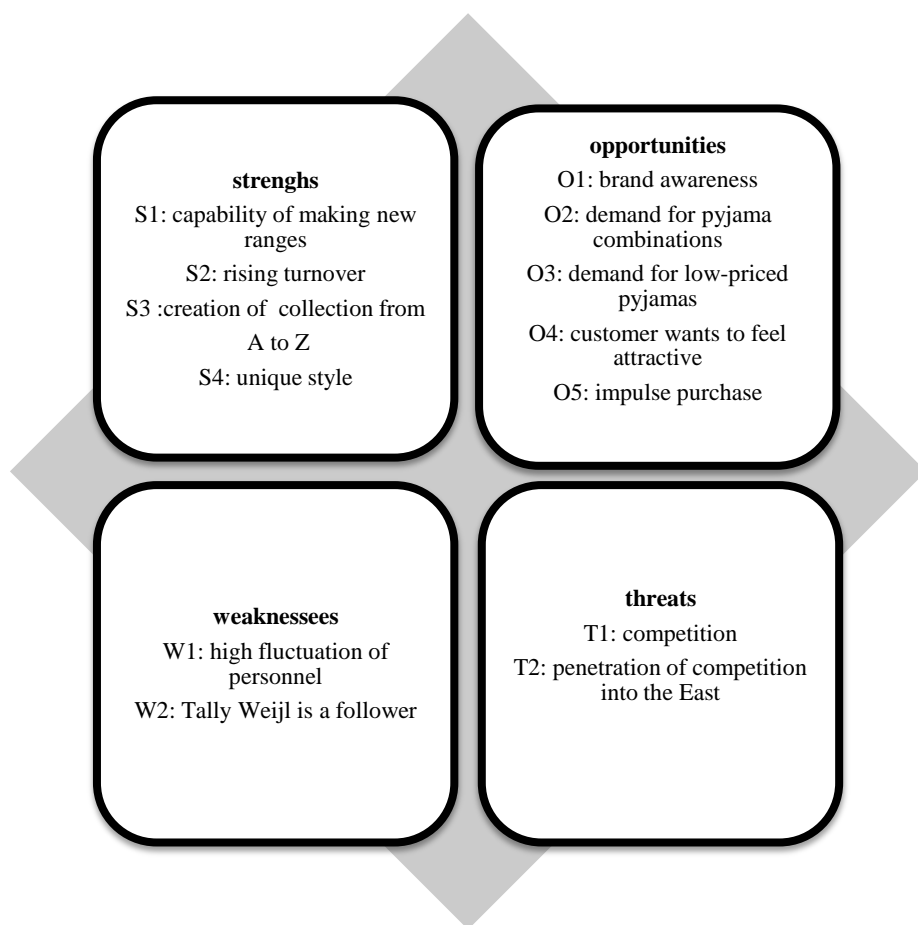
A lot of times, there are people who influence the buyer's decision. 75% of girls and young women like shopping with friends, while only 14 % shop on their own (appendix 22). Therefore, the grade of influence from other people is quite high.

Product positioning

Tally Weijl offers a unique style for girls and young women who like to feel comfortable and attractive (O4), as you can see in appendix 23, and to draw their friends and men's attention. *Tally Weijl*'s symbol is the special touch or the little extra which distinguishes it from their competitors. Eye-catching, young and feminine fashion is offered for a lower price, than the competitors can offer their products.

5 SWOT analysis

In this chapter, internal and external factors that can influence the launch of the new product range are going to be summarised. The analysis of internal factors, strengths and weaknesses, such as external factors, opportunities and threats is significant for the success of launching a new product in an already existing market. There are several strengths and opportunities for *Tally Weijl*, which are necessary to be taken into account. On the other hand, weaknesses and threats could danger the success of the company, which need to be considered, while formulating a strategy.



Strengths

Tally Weijl as a well established enterprise with a steady rising turnover holds several strengths which support the success of the sleeping wear range. First, the capability of being able to produce new ranges is a strong point of the company (S1). Secondly, *Tally Weijl* is constantly expanding (S2). Every year, it opens new stores, increases its brand awareness and conquers the hearts of girls and young women. Thirdly, the fashion brand produces its collections from A to Z (S3). With the Design Centre in Paris, ideas for new products commence just the way how *Tally Weijl* desires to

make it 100% Tally. Fourthly, *Tally Weijl* possesses a unique style (S4). The approach is to make women feel sexy and self-confident with outstanding clothes and accessories.

Weaknesses

There is a big list of strengths which supports the introduction of night ware in the *Tally Weijl* stores. However, there are internal weaknesses which could hinder its success which need to be kept in mind. First of all, the company has a big fluctuation of employees (W1). This signifies that it is difficult to keep specific procedures and values of the company. Furthermore, it is an additional effort for the HR department and for employees, because newcomers require a learn-in phase. *Tally Weijl*'s employees travel around the world to do shopping and watch fashion shows, in order to get inspiration. Therefore, the definition of the collections is mostly determined by big fashion creators and not by *Tally Weijl* itself (W2). This leads to the fact that, by the time the cloths are designed and manufactured, it is constantly one season behind.

Opportunities

Tally Weijl is a company which is blessed, because it has a large number of opportunities. So far, *Tally Weijl* is operating in 31 countries, which is a great deal, but there are still a lot of markets to conquer. Firstly, the company can be proud of high brand awareness (S1), at least in the countries where it has a lot of success such as Germany, Switzerland and Italy. The already existing customers who visit regularly the 764 stores will be curious about the new range and will try it out. Concerning the product choice, there is a big demand for pyjama combinations on the German market. . In comparison to competitors, *Tally Weijl* offers several combinations. Due to the recession, people tend to spend less money. This is an opportunity for *Tally Weijl*, as the demand for low-price pyjamas is augmenting (O3). Moreover, there is a big demand of sleeping wear which makes the client feel attractive and self-confident at the same time (O4). Through in-store advertisement and personal selling, the fashion brand can take advantage of the fact, that customers make spontaneous impulse purchases (O5).

Threats

A big range of external factors can harm the success of a company, such as substitute products, new entrants, the customer itself, suppliers, but especially established rivals (T1). In each country, there is a great deal of fashion brands, retailers and warehouses, which sell similar products. However, the biggest competitor, which demonstrates the main threat for *Tally Weijl* is H&M. Because of changing values, the enterprise was able to spread out to the East, bit by bit, while few fashion brands like *Tally Weijl* are operating there. It would be a danger if more brands would expand to the East (T2).

To summarise the situational analysis, there are more strengths and opportunities than weaknesses and threats that could hinder expansion. *Tally Weijl* already possesses the capacity to process new products (S1) and a rising profit, but the high fluctuation of personnel (W1) and the delay of one season (W2) demonstrate weak aspects. A quantity of opportunities, such as high brand awareness (O1), the fact that the Tally client likes attractive sleeping wear (O4) and the demand for low-priced pyjamas (O3) favour the development, but the competitor does not always stay behind (T1).

5.1 Confrontation Matrix

The Confrontation Matrix connects the company with its surrounding, while strengths and weaknesses establish a link with the target market. The smarter the connection is, the better the strategy which will be established. Therefore, it is important to compare every different combination possible (Expert Programme Management, Confrontation Matrix).

The table below demonstrates all internal factors of the company *Tally Weijl* and all external aspects of its environment. Scores have been given to the different options possible. The rating zero to three indicates the attention which should be given to the designated combination. Zero specifies that low attention can be given to the combination, while three implies an important aspect, while choosing the strategy.

Nevertheless, the strategy which leads to the most advantage for *Tally Weijl* is the SO combination. The company is capable of producing new products and there is a demand of economic sleeping wear on the German market. For that reason, the approach to launch a sleeping wear range in Germany is in relation to the results of the SWOT analysis.

There are several combinations with the rating three, but the link of being capable of producing new products in combination with the demand for an economic sleeping wear range is the most profitable. This internal skill of Tally Weijl to produce new ranges unites the external demand of customers for low-priced products, which result in an economic home wear line.

Table 2: Confrontation Matrix

Opportunities					Threats			
		O1: Brand aware ness	O2: demand of combinat ions	O3: Demand of low priced pyjamas	O4: wish for feeling attractive	O5: impul se buyin g	T1: com petit ors	T2: penetration of competitors into the East
Str en gt hs	S1: new products	3	3	3	2	3	1	2
	S2: rising profit	1	1	3	1	1	2	2
	S3: creation from A to Z	1	2	1	2	1	2	1
	S4: unique style	2	2	3	2	0	2	2
W ea kn es ses	W1: high turnover of personnel	0	1	2	0	0	2	2
	W2: TW as follower	1	1	0	1	1	1	1

6 Objectives and Strategy

Before going into detail concerning product and financial issues, it is important to give a clear picture of the direction the end product is supposed to take. In this section, key strategies, results and objectives of the product will be given.

Marketing Strategy

What is the marketing strategy? How does the customer should be approached? What is the end product? With this range, *Tally Weijl* intends to approach every *Tally* customer. Therefore, it is important to find a fine line between being fun, but not too sexy, because the customer should feel comfortable. With this project, Tally wants to open new dimensions, break rules, offer something new, but especially make the customer happy with this new product and offer him the sleeping wear range as a present. On the other side, the new range stays loyal to the Tally image. Every product which is put into store has to be with a twist and carry the little extra (S4). Therefore, this product range has to be different than pyjamas from other stores, because *Tally Weijl* wants to be different than others.

Marketing Objective

The home wear range is actually only a first step to its long term goal. The long term goal is to offer the customer lingerie. In order to prepare the customer for the long term goal, a connecting link had to be established, as the customer does not feel comfortable yet to buy lingerie at *Tally Weijl* (see appendix 24). Because the new product range is a range for itself, it needs its own space in the store in a sort of dedicated area. It is not aimed that the sleeping wear range will ever be present in every *Tally Weijl* store, since not every store is able to offer this “dedicated space”.

Financial objectives

There are clear marketing objectives for the new range, but the financial objectives are broader. There is no global budget figure which wants to be reached, because this is very hard to tell before knowing the reactions from the customer. Nevertheless, the revenue has to justify the product. If the home wear will be established in a store, this means at the same time that other products will have to be taken out. Therefore, the new range needs to have the same or better sales than the product which has been taken out (S. Coles, personal interview, April 19, 2012).

7 Marketing Strategy- The 4 Ps

7.1 Product

General description

Since marketing is about satisfying customer needs and providing benefits, it is important to describe the product line itself in a greater detail. The category of product depends on the situation. Home wear is a shopping product, because people tend to purchase pyjamas on a less frequent basis than convenience products and they are prepared to invest time in acquiring this product (Categories of Consumer Products, 2012, p1). Additionally, sleeping wear can be an unsought product (O5), caused through an impulse because of a promotion or the good performance of a sales employee. The fact that the product will be economic supports impulse purchases. Concerning the offer of the new line, it is planned to appeal to the needs of all customers presenting all kinds of different models, prints and styles (S. Coles, personal interview, April 19, 2012).

Benefits and branding

The new product range is a good addition to the current offer of *Tally Weijl* and it will satisfy the customers, because it is an enrichment. This is actually what marketing is about. “Marketing is about providing changing benefits to the changing needs and demands of the customer (P.Tailor, 2000)”. Even at home, either with their girl friends during a pyjama party or with the boyfriend, the Tally customer is supposed to feel comfortable and self-confident, casual but sexy. As well with the new range, the little extra which distinguishes *TallyWeijl* from its competitors (S4), will not be forgotten.

Features

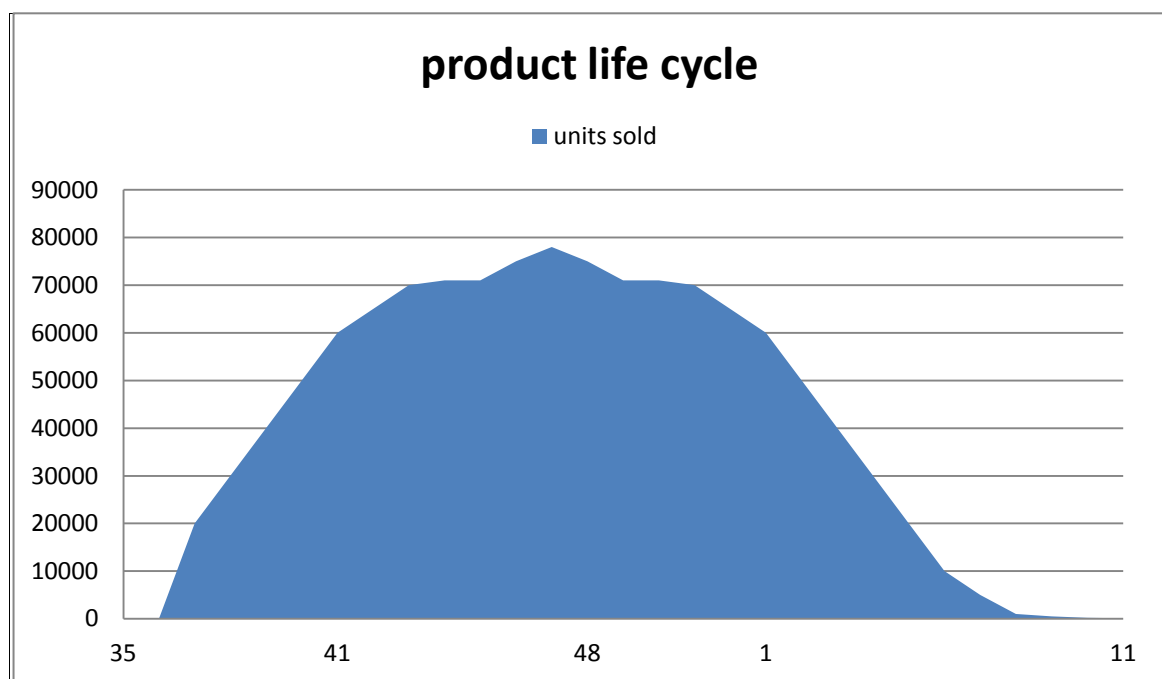
Relating to the collection, *Tally Weijl* usually chooses core colours for each single season, but in this case, the chosen core colours will slide through three seasons. First of all, every different kind of sleeping wear will be offered, in order to select the bad and best sells. A total of 18 different articles will be offered. This amount is sufficient to cover every taste, but it does not overload the customer. With the intention to differentiate from the competition, besides of the sets, *Tally Weijl* will also offer articles to combine with each other. According to the questionnaire, this shows an opportunity of the German market (O2). The range includes shorts with tang top, so as long trousers with T-Shirt and bathing gowns (see appendix 25). The bottoms to top mix will be 75/25, since a lot of customers combine with tang tops or T-Shirts they already hold.

Labelling

Labelling is an important manner intended to assist the customer (Labeling, para 1), although it has less importance in the textile industry. The slogan “girl’s night in” should encourage the customer to buy a nice sleeping wear which makes feel comfortable and self-confident, especially for a pyjama or movies night with friends or with the boyfriend. Examples of the labelling are to find in the appendix 26.

The table below contains information about the product life cycle and the availability of the fall collection. The row on the left indicates the pieces sold and the row underneath states the week numbers of the year 2012 and 2013. The week numbers which are displayed indicate a phase transition.

Graph 2: Product life cycle and availability of autumn collection



The product life cycle consists of five phases. The development phase starts in week 27 with promotional activities and serves to prepare the market for the new product. Introduction with the launch event begin first of September, in week 35, while gradual sales are expected. In week 41, five weeks after the launch, the growth phase is expected to commence. After the stabilisation of the sales in week 48, the maturity phase enters, but not for long, since the collection will be replaced through the following assortment. In week one, the decline starts and sales numbers are falling.

7.2 Promotion

Communication Tools

When a company decides to launch a new product, it is important for the business to use the most effective marketing communication tool. That is to say, not all products will be promoted the same way. In today's world, there are many different marketing communication tools. It is therefore crucial for *Tally Weijl* to use the correct marketing communication tool to promote its new product. In order to choose the correct communication tool, a few factors must be taken into account (Van Lathem, 2008, pp 220-221):

- Target-group
- Reach: how many people in the target group, how fast, costs of production
- Umfeld: the bedding of the message
- Authority of the medium
- Function: fun, informative, entertaining

For the launch of the sleeping wear range, *Tally Weijl* will use the current communication tools: advertising, sales promotion, personal selling and public relations. For a detailed time table of the planned promotional actions, including estimation of costs, please see appendix 27. Nevertheless, the focus will be shifted. Since the product is already familiar to the consumer, a pull strategy will be applied

Interrelation of the different means of promotion

There is a strong interrelation between the different means of communication. Advertising and public relations have an influence on the personal selling. Mostly, consumers visiting the store got already confronted by the brand *Tally Weijl*, either through billboards, magazines or the new media.

Objective: “Breaking Rules”

After pointing out the different communication tools *Tally Weijl* is currently using, more details will be given about the promotional tools, which will be applied for the new product. For the new sleeping wear range, *Tally Weijl* will “break its rules” (S. Coles, personal interview, April 19, 2012) and introduce new strategies. Consumer habits and the way of influencing customers are changing. Since internet and new media are becoming more and more popular, *Tally Weijl* will follow the trend and pay attention to internet buyers. Therefore, the focal point concerning the target group will be placed on social media. The second focus will be put on in-store promotion, in order to raise awareness of the new range and because it will boost sales drastically.

Objective of Advertising

Advertising will be done in magazines, on billboards and in-store. The target group, young women, are the type of people who scan through magazines on a regular basis with the intention to get inspired of the newest trends. The objective of advertising in magazines is making consumers aware of the launch of the sleeping ware range and to make them want to know more. Therefore, advertisement will be made in magazines such as Joy, Bravo, Glamour and Cosmopolitan; in order to raise awareness. Billboards have the same objective as magazines. On the other side, billboards are perceived in a different way than magazines, because they are “in your face”. However, this communication means will only be used in key places, where *Tally Weijl* is already well established for instance Cologne, Berlin and Munich. Big posters with a nice sleeping dress or a cute pyjama will be put up in the big cities in Germany. Nevertheless, the focus of advertising will be in-store, because “unfamiliar products may not draw people to a store”, but within the store they can attract and make curious (Maximize your in-store marketing efforts). Additionally, in-store advertisement can boost sales drastically.

Objective Sales promotion

In the introducing phase of the home range, it is of great advantage to offer discounts, in order to make the people try out the new product. This way, the customer gets familiar with the new product right from the start. A sales promotion like two products plus one product for free is an ideal manner to make the customer try out the new line.

Objective Personal Selling

A professional personal selling performance is an added tool of boosting sales in-store. Employees will receive a professional training by their supervisors about the new collection. Along these lines, vendors are able to offer customers the new range during a sales conversation, with the aim of making the customer familiar with the new product and to improve sales numbers.

Objective Public relations

The second focus of promotion will be put on the web site of *Tally Weijl*, as trends are changing and more and more people prefer to do their shopping online. Our target group is using social media on a daily basis. Therefore, they get confronted with the new range over facebook or twitter and they can even leave comments and be close to *Tally Weijl* over blogs. The company wants to respond to customer needs and to follow the actual trends (Diamant, 2012). With the introduction of the sleeping wear line, it will be possible to purchase products online.

7.3 Distribution

Distribution or Place is the third component of the marketing mix. For the launch of the sleeping wear range, the same distribution system as for the current products will be applied. The reason for this is that *Tally Weijl* possesses a well established distributor network with special conditions. For the new range, small quantities will be ordered. Therefore, it would not be possible for *Tally Weijl* to order with new suppliers, since the quantities would be too little (S. Coles, personal interview, April 19, 2012).

Production and physical distribution

In the following section, more details concerning the production and the physical distribution will be given.

1. The starting point for the production is the tissue. There is one responsible person for buying tissues, which meets tissue suppliers on a regular basis. For a smooth production process and a fast result, there is a tissue hub in Morocco of a surface of 10.000 m² where a big range of tissues is stored.
2. Price and quantities need to be set, while the price depends of the quantity. Normally, *Tally Weijl* gives its orders in a quantity of 2.000-10.000 pieces per model and per colour. In the case of the sleeping range, smaller quantities will be ordered, namely 1.000 pieces per model per colour. For a T-Shirt, an amount of 50cm tissue is needed. For a quantity of 1.000 pieces, 500 meter tissue will be needed.
3. By the time all conditions are set, the tissue needs to be send to Morocco. 7-10 days later, the merchandise arrives in the central tissue hub in Morocco, which is at the same time a control platform. After the control, the tissue will be send to the specific production house, where the piece will be produced. Usually, these production houses are very close to the central platform, in order to save time and money.
4. Regularly, the production takes 10 days. After finishing the merchandise, all articles will be controlled and send to the central hub in Neuenstadt, Germany. In this central hub, all merchandise from the different production houses is collected and put in storage.
5. From the central hub in Neuenstadt, 60% merchandise will be sent out to the three main platforms, which are situated in Lörrach (Germany), Zofingen (Switzerland) and Cantalupo (Italy). Each platform has its defined delivery region and an allocated number of countries. The remaining 40% merchandise stays in the central hub as reserve for the shops which run out of stock first (J.-M. Tison, personal interview, April 27, 2012).
6. Last, the different shops will be delivered with merchandise from the regional hub.

7.4 Pricing

Pricing objectives

Pricing objectives indicate a clear path to the pricing procedure and determining its objectives is the corner stone for financial success. While formulating pricing objectives, it is indispensable to keep several factors in mind: the overall objective of the enterprise and the objective of the product, consumer price elasticity and available resources.

Tally Weijl determined a large number of objectives. First of all, the company strives to become globally active, to conquer new markets and to open new shops (Diamant, 2012). It desires to maximise the long-run profit, to obtain a market share of 0,30%, company growth and a margin of 75%. *Tally Weijl* has every kind of resources available so as to realise its goals. As a consequence of the steady growth (S2), *Tally Weijl* consists of sufficient financial means to accomplish promotion. Promotion is important to raise brand awareness and to increase sales.

Pricing overview

With the new sleeping wear range, *Tally Weijl* aims to reach a market share of 0, 30%, and a margin of 75%. The price elasticity of supply is high, it is planned to use cost-plus pricing and penetration. What does this mean in concrete? What are precise price visions for the home range? Please find below an overview of price indications for the sleeping range.

Table 3: Price overview of sleeping wear line

article	price
Tank top	7.95-8.95
Cotton/satin short	9.95-19.95
Cotton/satin pant	15.95-19.95
Night dress	12.95
Bathing grown	29.95

Pricing strategy

As to see in the internal analysis, the pricing policy of the company contains production based pricing. This is to say, *Tally Weijl* adds a specific margin on the production price. The production process is as cheap as possible. This is the reason why the company is mostly copying ideas from other fashion creators, because it is simply cheaper. Through low prices, *Tally Weijl* makes use of the opportunity of impulse purchases. Economic prices make customers buy more. It is very important for the fashion brand to reach the mass market, because this makes it possible to offer low prices.

8 Financial Forecast

The financial previsions of a Marketing Plan ultimately convince the decision-makers, if the numbers foresee profit. A performance analysis presents the expected results and the financial impact the new product will have.

For the autumn collection of the new pyjama range, 18 different articles with a total of 99,300 articles are planned. Compared to regular clothing, these quantities are much lower. As to see in table 2, usual quantities are 80,000-90,000, but for the home wear line, lower quantities of 1,000-14,000 are set. In order to place the sleeping wear range in the stores, other products will be replaced. Therefore, this project will only be realised if financial forecasts are promising. This can be measured with factors like coefficient, intake margin, turnover and gross profit (Van Laethem, 2008, pp. 354-356).

Coefficient/Profit

The regular coefficient for *Tally Weijl* is 4.16-5.03, as you can see in table 2. For the home range, there are some products like the satin short and tank tops, which have an expected coefficient of up to 5.74, which is very high. This leads to an elevated gross profit, which is actually the purpose. The overall calculated turnover for the 99,300 articles is 1,127,892 €, whereof almost 75% are gross profit (S. Coles, personal interview, April 19, 2012). Please see Appendix 28 for a detailed overview.

Wholesale price/base price

How is it possible that almost 75% of the turnover is gross profit? The explication is justified through the calculations for production and transport. In general, the transport costs vary depending on the production location. Please see appendix 29 for a full outline. As to see in appendix 30, the production and transport costs for an article which will be sold for 19.95 € are simply 4.62 (J.-M. Tison, personal interview, April 27, 2012).

To conclude, the sleeping ware range is predicted to be highly profitable. Low production and transport costs permit a high coefficient and intake margin, which result to an elevated gross profit. The launch of a home wear range would bring financial advantages and therefore open the doors for new opportunities.

9 Conclusion

The research question of this paper is: What could be a possible marketing strategy for *Tally Weijl* to penetrate the German market with a sleeping wear line? Extensive research has been conducted, in order to find out, which combination of the internal aspects of *Tally Weijl* and the external findings of its environment can be combined.

Tally Weijl desires to offer a comfortable, but attractive line, which makes the customer feel self-confident in every situation. The competitor analysis demonstrates that this line will differentiate itself from its competitors, since it has “the little extra” which makes every product special. All kinds of different forms, lengths, colours and prints are offered with a total of 18 different products. With the choice of 18 products, it is possible to suggest something for every type, but it is not overloading with too much choice. As the questionnaire says, the German market is demanding combinations to mix by oneself.

As to find in the promotional decisions in the strategy, the focus of the communication will be put on in-store advertisement and internet. Promotional activities in-store boost sales due to the reasons that customers do impulse purchases. Moreover, the trend says people acquire products more and more online. Therefore, *Tally Weijl* will establish an online shop and focus on advertisement with the aid of new social media.

The internal analysis of *Tally Weijl* shows that the distributional framework of *Tally Weijl* is fast and perfectly coordinated. This allows a rapid production of the merchandise. For the case the market requires the fashion brand to restock a specific product which is sold out or a colour which popped up, it is possible to react fast.

As to see in the external analysis, the *Tally* customer has a low budget and gets tempted by low prices. The policy of the company is production based pricing. They add a specific margin on the production price. This allows a minimal retail price which is inferior to the price of the competitors.

The strategy to launch a new sleeping wear line on the German market comprises a differentiated and diverse product line. It will be promoted through in-store advertisement and the internet. A well organised distributional network permits a fast production. Production based pricing allow a minimal retail price and high sales numbers, which make the product cheap in comparison to the competitor.

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10 The Appendices

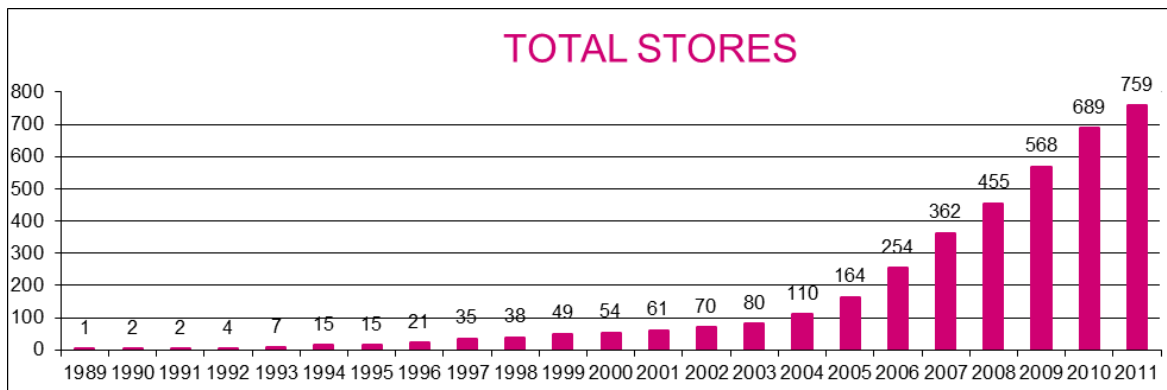
10.1 Appendix 1: Map with countries where *Tally Weijl* has selling points



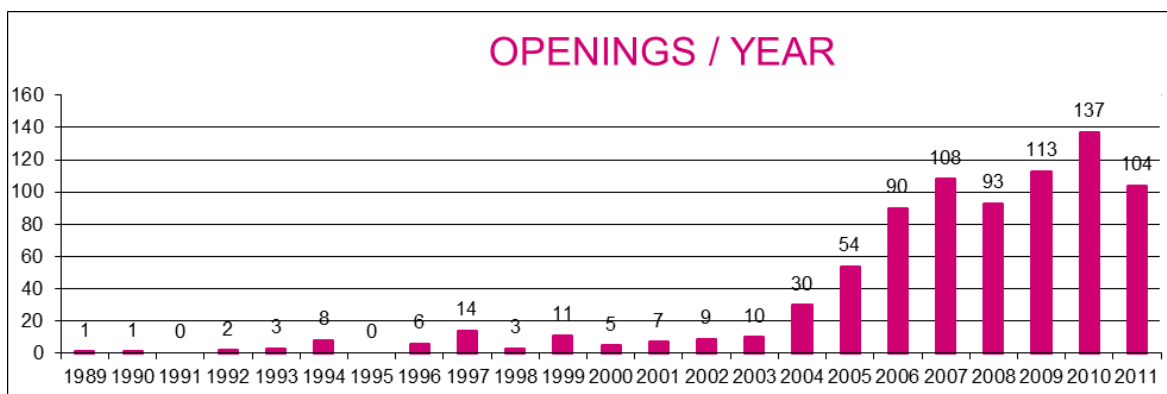
10.2 Appendix 2: Number of partners and shops in operating countries

Country	Partner	Tally Weijl Store	Total
Austria	66		66
Belarus	2		2
Bosnia-Herzegovina	2		2
Bulgaria	4	3	7
China		8	8
Croatia		13	13
Czech Republic		21	21
Cyprus	8		8
Estonia	2		2
France		13	13
Germany	49	151	200
Hungary	19		19
Greece	38		38
Italy	99	35	134
Kosovo	2		2
Lebanon	4		4
Lithuania	6		6
Malta	3		3
Montenegro		1	1
Netherlands	8		8
Poland	6	50	56
Portugal	12		12
Russia		1	1
Serbia		6	6
Spain		2	2
Slovenia	1	9	10
Slovakia		8	8
Switzerland	23	70	93
Turkey	2	7	9
Ukraine	20		20
Total	377	390	767

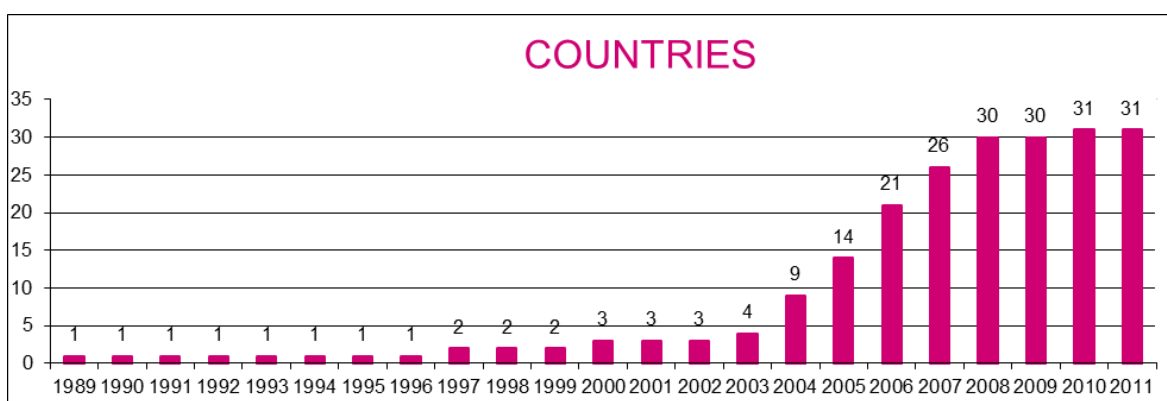
10.3 Appendix 3: Expansion of Tally stores



10.4 Appendix 4: Openings per year



10.5 Appendix 5: Countries



10.6 Appendix 6: Overview of delivery (four weeks)

FCC MAROC

LE 02/05/12

PREVISION EXPORT DU 04/05/2012

Façonnier	Mod	OC	PO SAP	COL	QTE
EAST MAILLE FES	RC3828RADA T1:100%PLA T2:100%PLS TO2405BAUM T1:100%VIS T2:97%VIS3%ELAS	65282	500017731	MARSHMALLO	700
		65283	500017731		6300
		65343	500018440	COBALT-VER	841
		65344	500018440		6142
				TOTAL	13983
FACING COF FES	VE4850GYMA T1:100%VIS T2:98%PLA2%ELAS	65453	500017727	KAOLIN-OFF	714
		65454	500017727		2400
				TOTAL	3114
S2A SEFROU	TO2405BAUM T1:100%VIS T2:97%VIS 3%ELAS TO4870TULIPO 97%VIS3%ELAS RC6611KIKI T1:97%PLS3%ELAS T2:100%PLS	65205	500018096	VERNIS SPL	3487
		64843	500017737	NOIR-ULTRA	1703
		64961	500018310	CARRIBEAN	2850
				TOTAL	8040
SENSOCOF TAZA	JC2980JAMA 86%PLS10%VIS4%ELAS	65437	500018272	KAOLIN	698
		65438	500018272		1200
				TOTAL	1898
HOT CONFECT FES	JC2980JAMA 91%PLS5%VIS4%ELAS RC5650LOZI T1:100%PLS T2:100%PLS	65311	500018475	NOIR	3500
		65449	500018617	SORBET	651
		65450	500018617		3698
				TOTAL	7849
L'ORIENTAL GUERCIF	CH2324CENA 68%COT27%PLS4%ELAS1%ME RC0153REC T1:71%VIS26%PLA3%ELAS T2:69%COT27%PLA4%ELAS T3:100%PLS	65121	500017931	BRIGHT COR	557
		65122	500017931		2659
		65447	500018064	NOIR-GRAY	447
		65448	500018064		2725
				TOTAL	6388
FIRDAOUSS TAZA	CH2357CALYA 67%COT29%PLA4%ELAS 69%COT27%PLA4%ELAS	65407	500018189	MANGA	412
		65408	500018189		1000
		65409	500018060	GREY VIOLE	360
		65410	500018060		2210

MODA,AND	CO1839CASSEY	65265	500017194	SORBET-KAO	67
	T1:100%PLS	65266	500017194		5834
	T2:98%COT2%ELAS				
	T3:100%PLS				
	T4:100%PLS				
	T5:100%PLS				
				TOTAL	5901
PREVISION EXPORT : 98588 PCS					

Explanations:

Faconnier: Name of supplier company

Mod: article number and material

OC: article number for the OC system

PO SAP: PO number for the article in the SAP system

COL: colour

QTE: quantitiy

10.7 Appendix 7: Detailed overview of delivery (one day)

Page 1
03/05/12-10:47:27

F30 NEW PLANNING FACONNIER / OC LIBRES
Du 01/01/12 au 03/08/12

FCCF France
Jeudi 3 Mai 2012

Façonnier : EAST MAILLE

[illegible]

Faconnier : FACING COF

Dép Maro	Saisie	N° OC	Ref MODELE	Couleur	PO SAP	DEST	Re Livraison	Date liv	Commentair	QTE	PV FS	PV EUR
04/05/12	27/04/12	000065453	VE4850GYMA	KAOLIN-OFF	500017727	S50 -	(S Livrée	27/04/20	Libéré	714	29.95	19.95
04/05/12	27/04/12	000065454	VE4850GYMA	KAOLIN-OFF	500017727	S50 -	(S Livrée	27/04/20	Libéré	5350	29.95	19.95
TOTAL FACING COF/04/05/12										6064		

(c) VcsTimeless

Page 12
03/05/12-10:47:32

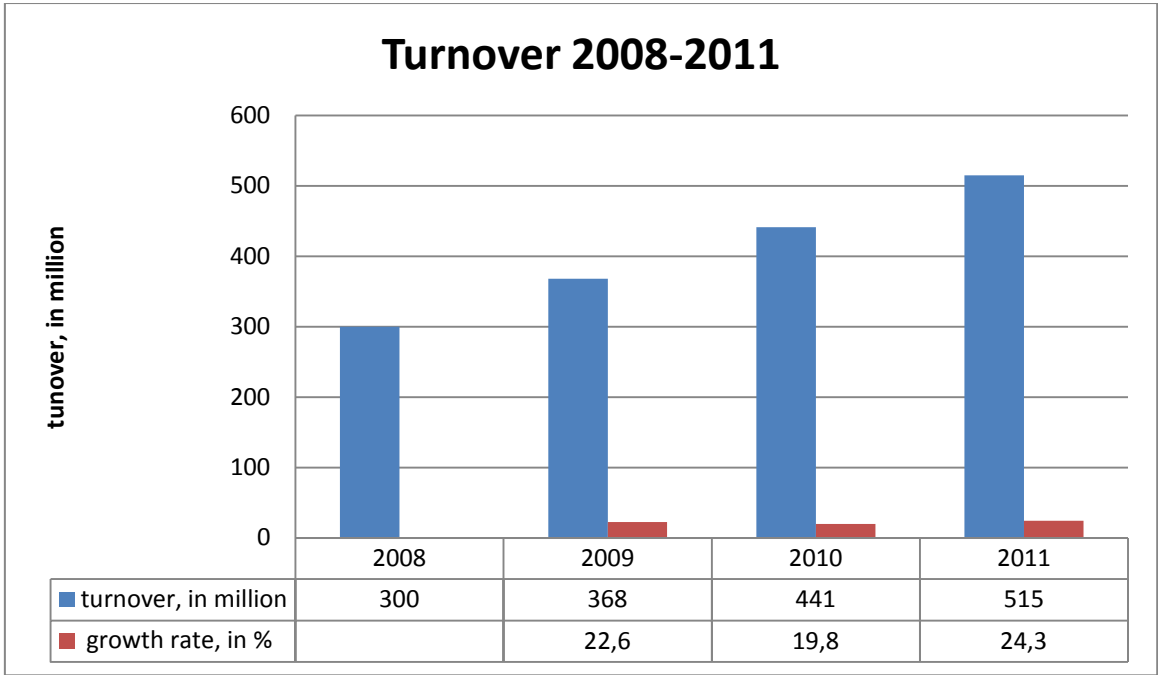
F30 NEW PLANNING FACONNIER / OC LIBERES
Du 01/01/12 au 03/08/12

FCCF France
Jeudi 3 Mai 2012

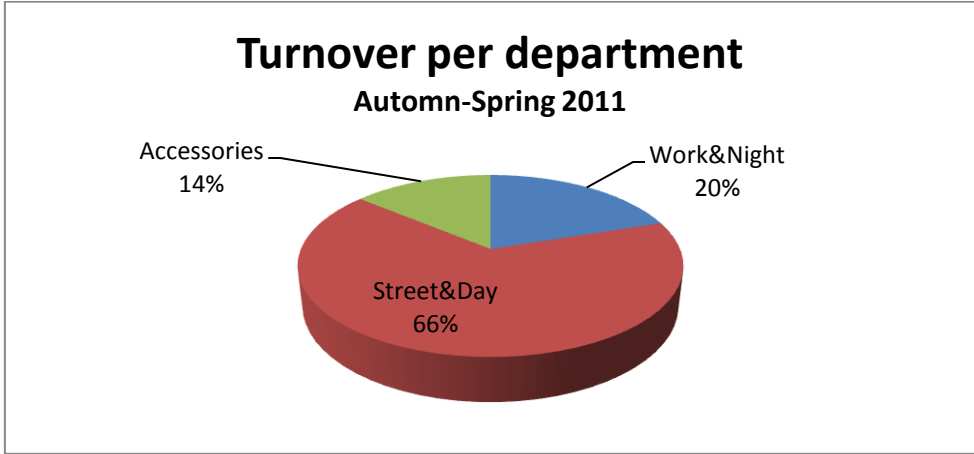
Façonnier : MODALAND SARL

Dép Maro	Saisie	N° OC	Ref MODELE	Couleur	PO SAP	DEST	Re	Livraison	Date liv	Commentair	QTE	PV FS	PV EUR
TOTAL MODALAND SARL/27/04/12												5914	
11/05/12	17/04/12	000065316	JC1339JITAO	PALE STONE	500018474	S50 -	(S)	(Sans va	(Sans va	Liberé	158	29.95	19.95
11/05/12	17/04/12	000065317	JC1339JITAO	PALE STONE	500018474	S50 -	(S)	(Sans va	(Sans va	Liberé	893	29.95	19.95
11/05/12	17/04/12	000065318	JC1339JITAO	NUIT	500018474	S50 -	(S)	(Sans va	(Sans va	Liberé	218	29.95	19.95
11/05/12	17/04/12	000065319	JC1339JITAO	NUIT	500018474	S50 -	(S)	(Sans va	(Sans va	Liberé	1233	29.95	19.95
TOTAL MODALAND SARL/11/05/12												2502	
TOTAL GENERAL												497513	

10.8 Appendix 8: Turnover 2008-2011



10.09 Appendix 9: Turnover per department, autumn-winter 2011



10.10 Appendix 10: Publicity Campaigns

Spring campaign 2010



Summer campaign 2011



10.11 Appendix 11: Publicity May 2012 in the girls magazine “Joy”



10.12 Appendix: Questionnaire

TALLY WEIJL

Questionnaire

PERSONNAL INFORMATION

1. e-mail :
2. Age :
☐ <15 years old ☐ 15 to 18 ☐ 18 to 25 ☐ 25 to 30 ☐ >30
3. Profession :
☐ Student ☐ Employee ☐ Management ☐ Other :

TALLY WEIJL AND COMPETITORS

4. What is more important to you ? (Classify from 1=most important to 3=less important)
☐ Quality ☐ Design ☐ Price

5. Do you buy more because :

- ☐ You need it ☐ Just like it

6. How often do you shop in TW ?

- ☐ More than once a month ☐ Once a month ☐ Every 2 or 3 months
☐ 1 to 3 per year ☐ <1 per year...

7. How much to you spend each month on clothes ?

- ☐ <20€ ☐ from 20 to 50€ ☐ from 50 to 100€ ☐ More than 100€

8. How much of your budget do you spend at TW ?

- ☐ <20€ ☐ from 20 to 50€ ☐ from 50 to 100€ ☐ More than 100€

9. What are your favorites brands ?

- ☐ H&M ☐ Benetton ☐ Pimkie ☐ Stradivarius ☐ Bershka
☐ Zara ☐ Pull and bear ☐ Etam ☐ Promod
☐ Autres :

HOMEWEAR**17. Where do you normally buy your sleepwear ?**

- ☐ H&M ☐ Benetton ☐ Etam lingerie ☐ Oshyo ☐ Undiz
☐ Autres :

18. What do you wear to sleep in?

- a) ☐ Short ☐ Pant ☐ Top ☐ Nightdress
b) ☐ Long sleeves ☐ Short sleeves ☐ Sleeveless
c) ☐ Lace ☐ Cotton ☐ Satin ☐ Other :
d) ☐ Plain/solid ☐ Printed

19. Are you looking for :

- ☐ Casual/cosy ☐ Sexy ☐ Both, it depends

20. How many pairs of pajamas do you buy each year ?

- ☐ < 1 ☐ 2 à 3 ☐ Plus de 3

21. Will you buy more often :

- ☐ By set ☐ Separated (mix & match)

22. Would you consider buying homewear in Tally Weijl ?

- ☐ Not at all ☐ Why not ? ☐ Of course !

23. Would you consider buying underwear in Tally Weijl ?

- ☐ Not at all ☐ Why not ? ☐ Of course !

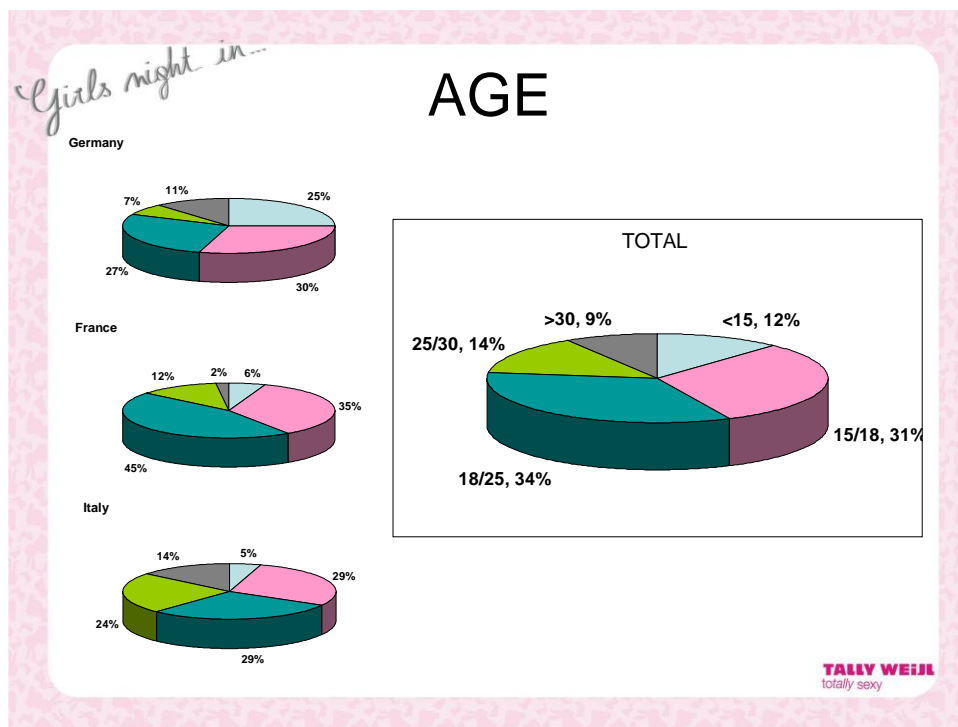
24. From the pictures which pajamas do you like most for you. (chose 4)

☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ 8
☐ 9 ☐ 10 ☐ 11 ☐ 12 ☐ 13 ☐ 14 ☐ 15 ☐ 16

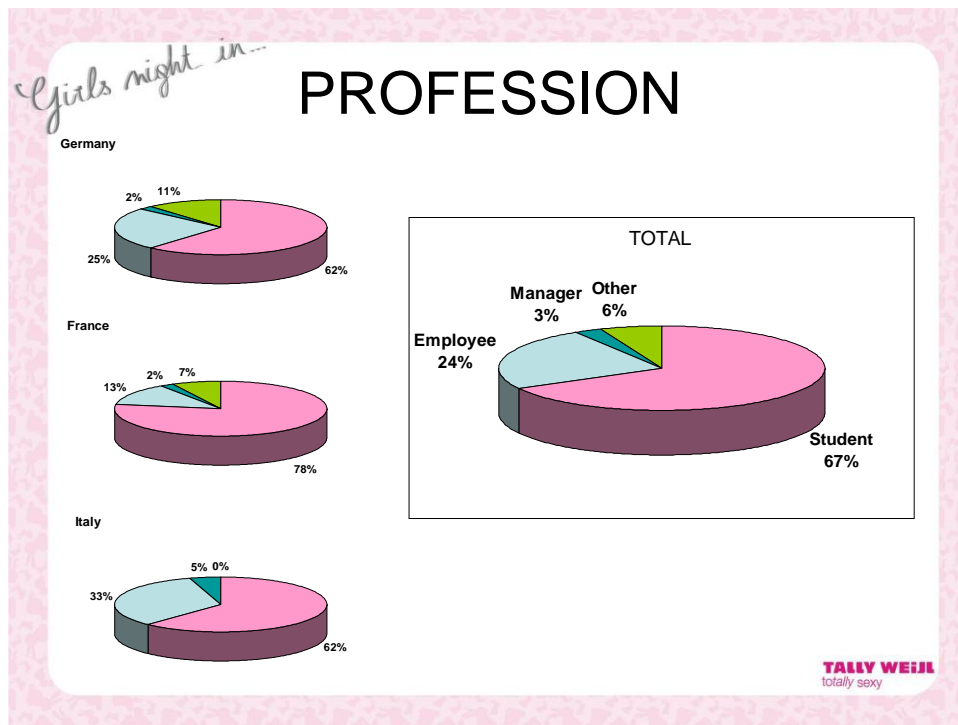
25. and which accessories do you like most for you. (chose 3)

☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6
☐ 7 ☐ 8 ☐ 9 ☐ 10 ☐ 11 ☐ 12 ☐ 13

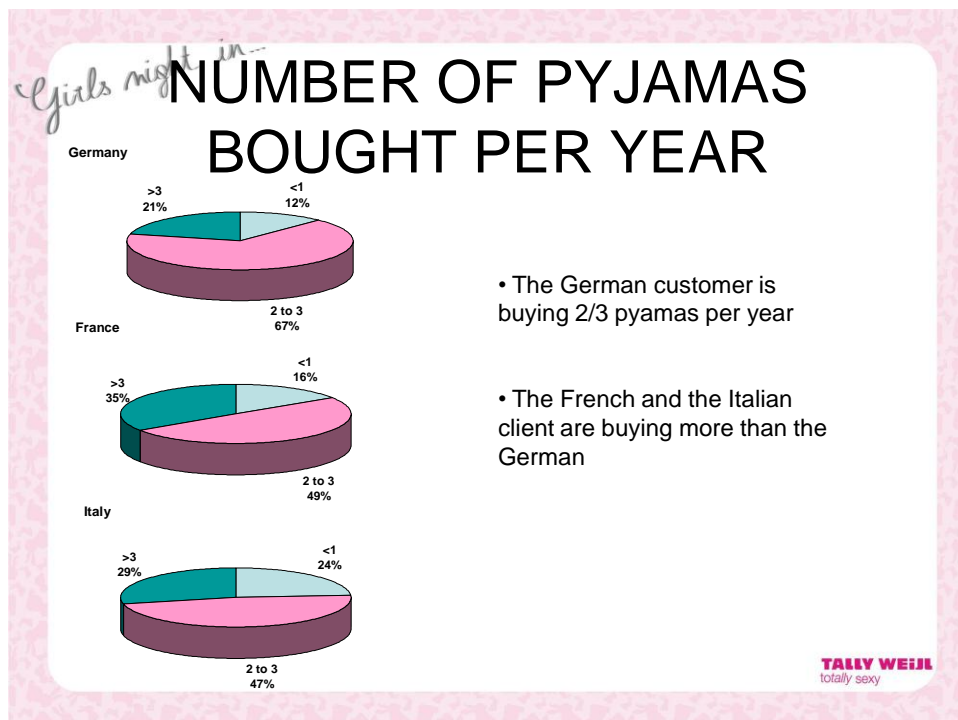
☐ Please indicate with a x in the box if you do not wish to be contacted by e mail with the results of this survey or to be contacted at any later date with other information from Tally Weijl.

10.13 Appendix 13: Age of target group

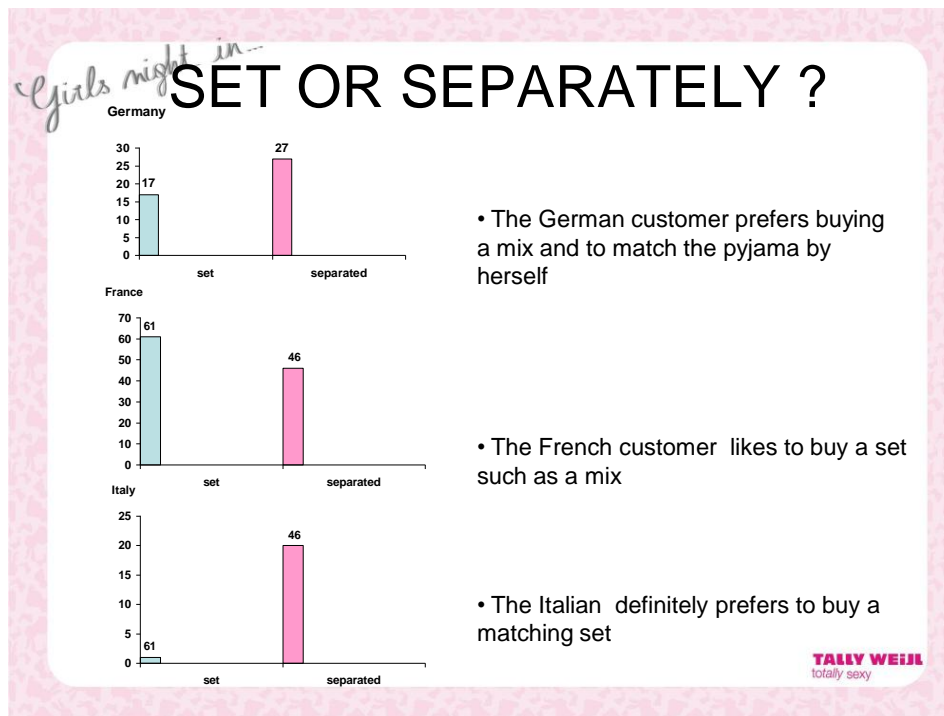
10.14 Appendix 14: Profession



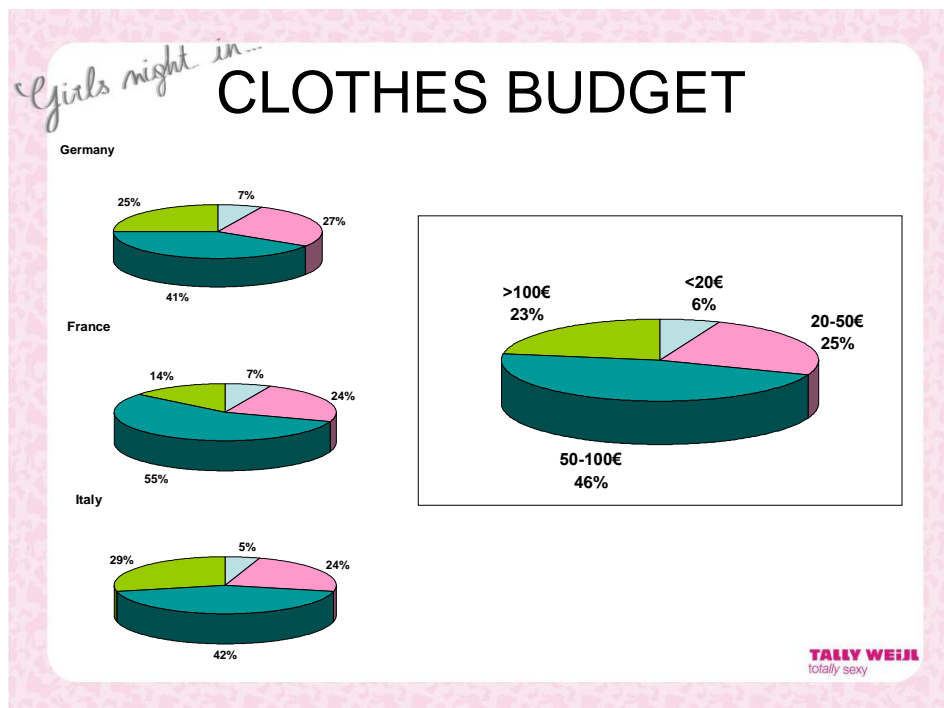
10.15 Appendix 15: Number of pyjamas bought per year



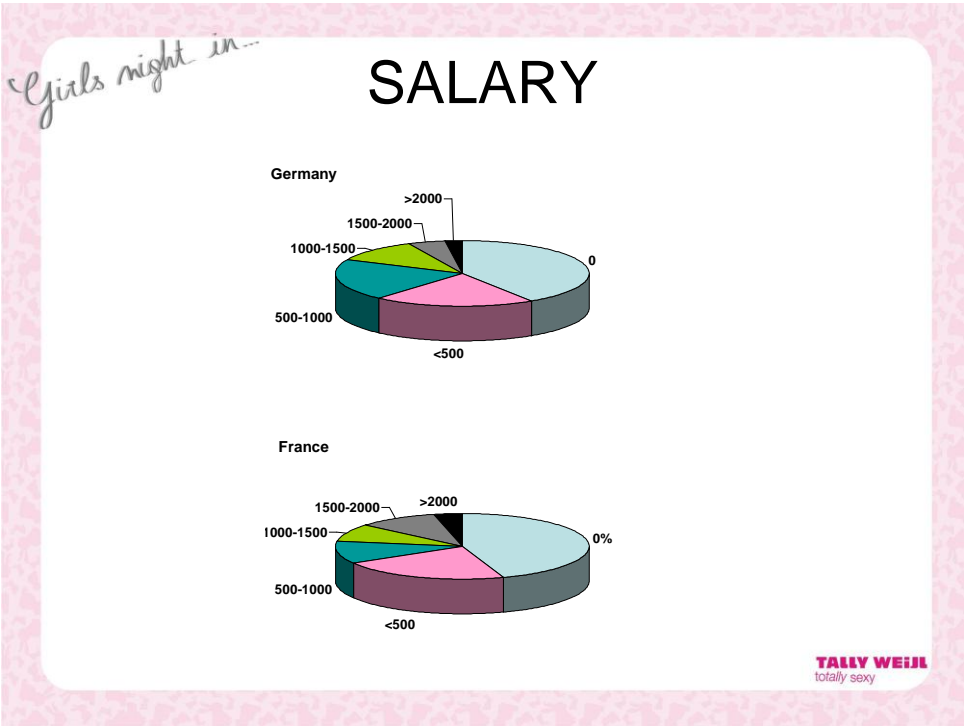
10.16 Appendix 16: Set or separately?



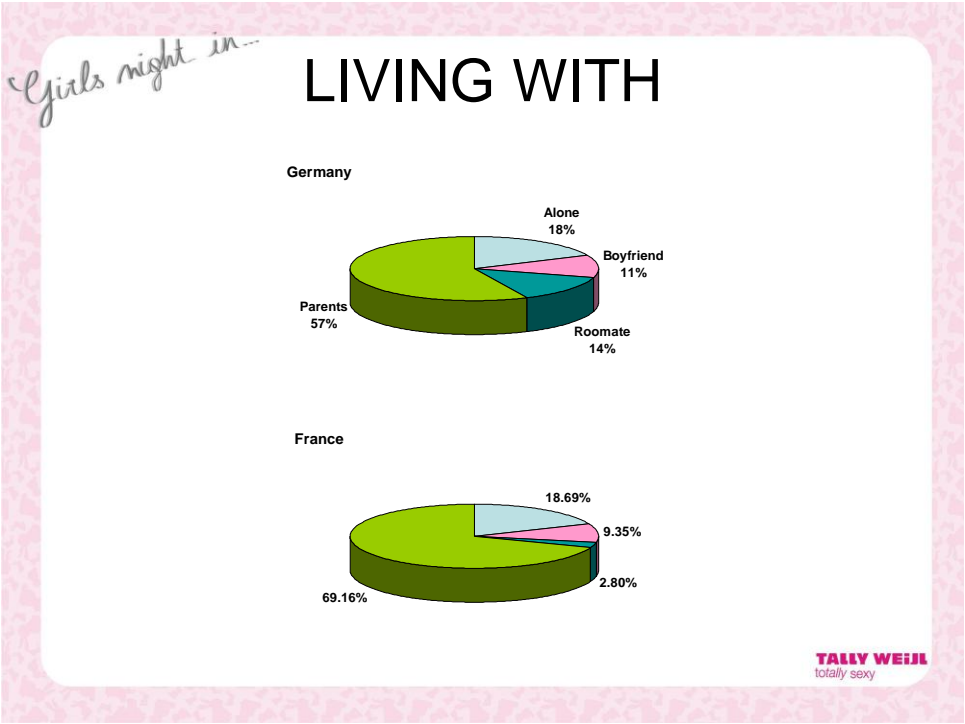
10.17 Appendix 17: Budget



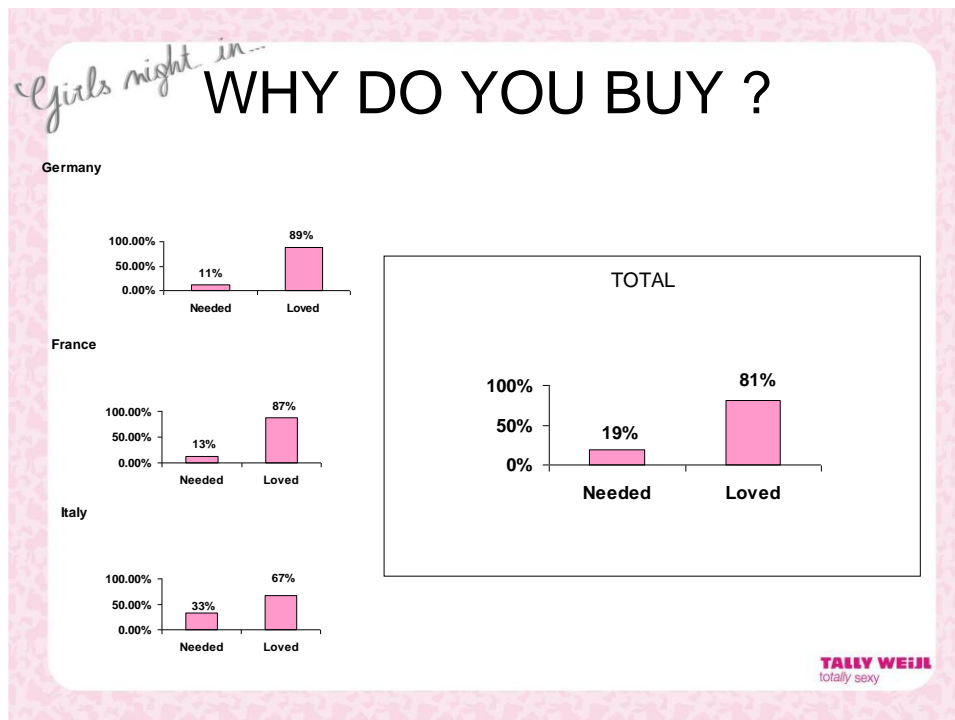
10.18 Appendix 18: Salary



10.19 Appendix 19: Who do you live with?

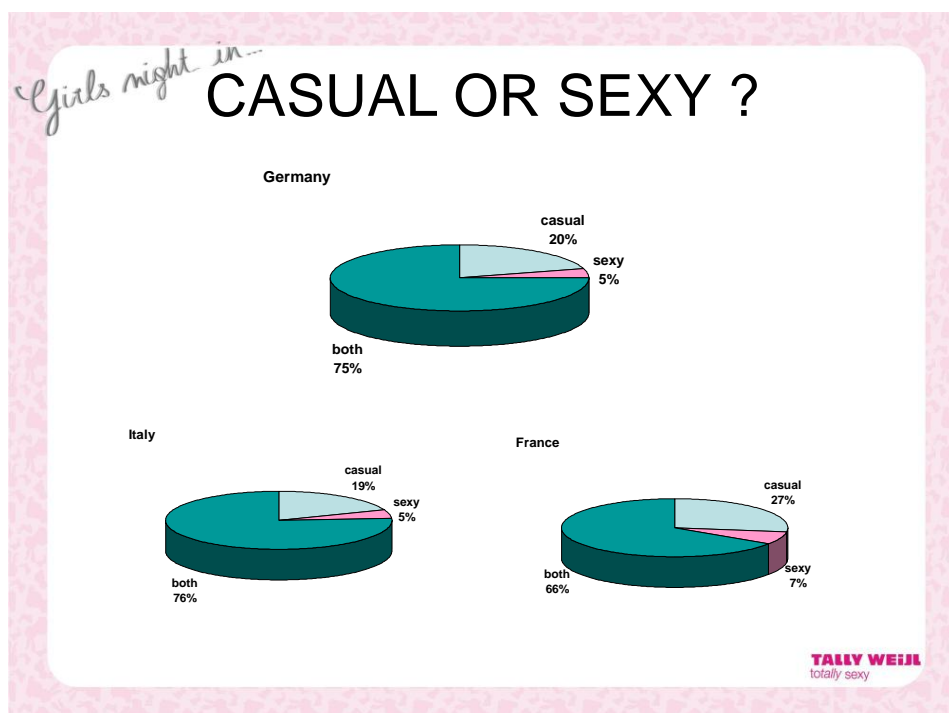


10.20 Appendix 20: Loved or needed?

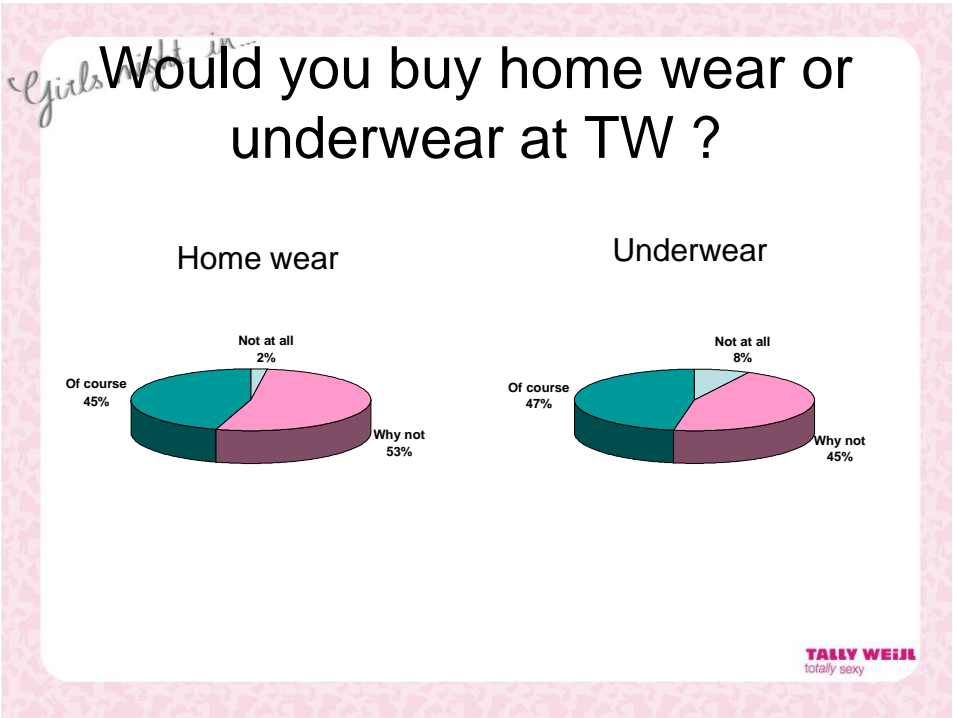


10.21 Appendix 21: Priorities concerning quality, look and price



10.22 Appendix 22: Shopping company**10.23 Appendix 23: Casual or sexy**

10.24 Appendix 24: Would you buy home and underwear at Tally Weijl?



10.25 Appendix 25: Autumn collection

TALLY WEIJL / Pyjama <i>Fall 12-13</i>				
Prices	Generic		Younger	Elder
€7,95				
€8,95				
€9,95				
€10,95				
€12,95				
€15,95				
€19,95				
€29,95				
		€35,95		€35,95

20.26 Appendix 26: Labelling



10.27 Appendix 27: Time table and estimate of costs of promotional activities

Date	Action	Promotional area	Estimate of costs
02.07	Logbook with new collection	Public relations	2000 €
17.07	Publishing of press release	Public relations	2000 €
01.08	Create blog	advertising	200 €
01.08	Social media: facebook, twitter	advertising	200 €
15.08	Newsletter	Public relations	500 €
17.08	Publicity on billboards	advertising	3000 €
20.08	In-store advertising	Advertising	1000 €
01.09	Launch event	Public relations	15.000 €
Total:			23.900 €

10.28 Appendix 28: Provisional financial forecast

	Retail Price €	Quantity	Coefficient	Intake margin	Stores value	Turnover (without mkdn)	Gross Profit (without mkdn)
Tank top	7.95	14,000	3,95	70%	111,637	95,010	66,772
Cotton pant	19.95	11,200	5,03	77%	229,467	195,291	149,683
Cotton short	12.95	8,000	4,55	74%	106,785	90,881	67,409
Pant	19.95	3,200	4,39	73%	65,562	55,798	40,872
Short	12.95	1,000	4,55	74%	13,348	11,360	8,426
Tank top	7.95	7,000	4,89	76%	56,490	48,077	36,520
Satin pant	15.95	5,200	5,09	77%	84,681	72,069	55,418
Satin short	9.95	10,900	5,35	78%	112,439	95,693	74,690
Tank top	8.95	6,400	5,54	79%	58,527	49,810	39,244
Short	12.95	3,200	4,86	76%	42,714	36,352	27,562
Pant	15.95	12,000	4,24	72%	195,418	166,313	120,183
Night dress	12.95	1,500	4,55	74%	20,022	17,040	12,639
Short	9.95	3,000	5,49	79%	30,947	26,338	20,704
Tank top	8.95	1,500	5,11	77%	13,717	11,674	8,991
Short	19.95	3,200	5,74	80%	65,562	55,798	44,383
Short (Leo)	19.95	1,000	4,73	75%	20,488	17,437	13,109
Jacket	29.95	1,000	4,24	72%	30,277	25,768	18,634
Oversize T	10.95	6,000	4,08	71%	67,191	57,184	40,702
Total new department	13.04	99,300	4,70	75%	1,325,273	1,127,891	845,940

If markdown (mkdn) of: 18%

Market share of: 0,30%

10.29 Appendix 29: Transport costs

Origin	Price
Paris	0,15 €/piece
Turkey	0,22 €/piece
China, Bangladesh,...	8% of production price

10.30 Appendix 30: Calculation sheet of production price

Fiche de calcul des prix de revient					remarque
CALYA	composant	PU	conso	montant	
tissus	tissu 1 P	2.3	0.75	1.725	laize MP2357 HHAA
	var emploi	0.1035	1	0.1035	conso mp231 0.75
	tissu 2	0		0	conso MT 0.72/1.5
	tissu 3	0		0	
	doublure	0.68		0	
	thermo	0.27	0.1	0.027	conso MT 0.05/0.9
fournitures	elas10	0.05		0	
	biaisatin/2 nh	0.079	4	0.316	
	Zip	0.02		0	
	smock	0.01	2	0.02	
	rubansat10mm	0.07		0	
	bt	0.01	7	0.07	choco
	coque/3	0.15		0	
	griffe carton puce	0.1	1	0.1	
	rubansat3mm	0.04		0	
traitements	pochebret	0.01	1	0.01	
	façon	2.2	1	2.2	
	lavage simple	0.23		0	
	lavage enzym	0.5		0	
	test its	0.05	1	0.05	
	froissage	0.22		0	
autres	broderie	1.5		0	
	teinture	1		0	
	transport	0.16	0	0	
	douane	0.56	0	0.00	
prix de vente	PRI avec douane			4.62	
	marge Paris	0.92	1	0.92	
	TAFRE			5.55	
	prix de vente conseillé		3.8	21.07	
			MARGE	PV	
			1.80	10	
			2.70	15	
			3.60	19.95	
			3.97	22	
			4.51	25	
			5.39	29.9	
			6.31	35	
			7.19	39.9	

VPM

2.37

Explanations:

Composant:

PU (prix unitaire): meter price of the tissue

Conso (consomation): amount used for one piece

Montant: monetary indication

Remarque: remark

Tissue: tissue

Fourniture:

Traitements: treatments

Douane: Zoll

Prix de vente (PV): selling price

TAFRE: production costs complete