

# RIVER ISLAND

## COMPETITIVE SHOP REPORT

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# Contents

## **Introduction**

### **Company Overview**

- **History**
- **Company Size**
- **Current Findings**
- **Company Philosophy**
- **Current Financial Statistics**
- **Current market position**

### **Consumer Research**

- **Target Consumer**
- **Acorn Classification**
- **Primary Research results**

### **Department Research**

- **Competitors**
- **Trend Analysis**
- **Branding**
- **Pricing Structure**
- **Quality Control**

## **Conclusion**

## Introduction

This is a competitive shop report detailing research gained to highlight key information about the retailer River Island versus competitor Topman. This shop report will also be identifying the findings from focused research on High Street, the department Shirt's Menswear fashion. To forecast appropriate styles, shapes and colours for the A/W 2012 Menswear collection.

Research gained such as:

- An insight into the company overview
- Research to highlight the consumer profile of the target consumer
- Identification of current key trends by completing a trend analysis, as well as evidencing the current product range will be explored.
- Comparisons against research on competitor.

This research is based upon the comparison of three different garments from within one department.

## Company Overview



## History

River Island is a British male and female clothes wear company. River Island is a fashion selling retailer that began trading as Lewis Separates in 1948 from a small store in London. In 1988 the retailer then began trading as River Island. River Island was founded by two brothers; Andrew Hunt and Bernard Lewis. The retailer continues to trade within the family surroundings and is still being led by chairman Bernard Lewis.

## Company Size

River Island has a number of flagship stores situated in prime retail locations within the United Kingdom; Oxford Street London, Manchester City centre, Dublin City Centre. The retailer also has over 3000 stores currently trading in the United Kingdom.

River Island trade in several international locations also such as Singapore Turkey, Poland, and the Middle East. This development and expansion to the business reflects a demand for the retailer's product in other cities than in the United Kingdom.

## Current Findings

River Island after 60 years of trading is a prominent retailer on the High Street. Up until very recently river island has been a sponsor to Graduate Fashion week, this is where a student with the best collection is chosen to win a monetary prize and their collection will be produced and sold in the retailer flagship store in London. Being a sponsor to such an event was a successful marketing strategy as the event is primarily aimed at River Island's target consumer.

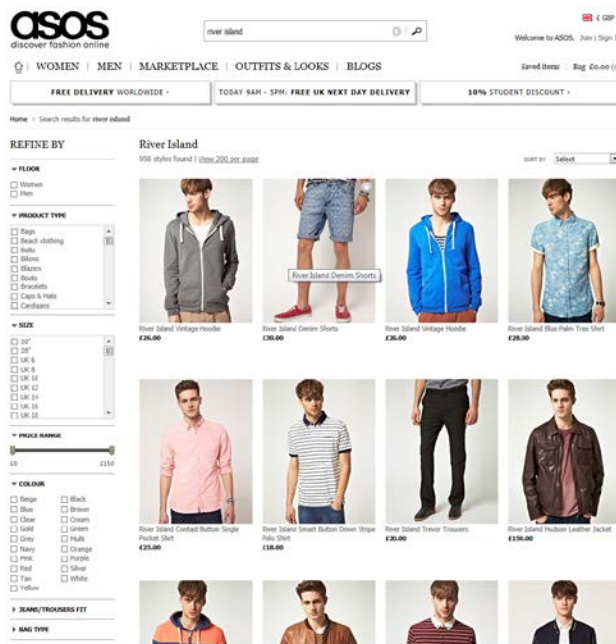




Here are examples of River Island being active using social media.

River Island has expanded as a company through becoming accessible to shop online. As well as recent being active on social media websites, such as Facebook and Twitter all of which is beneficial to attracting the target consumer through the high use of technology and the internet in everyday life currently.

River Island use these outlets to generate interest into new collections as well as a means of keeping the consumer informed of events, discounts, campaigns it is current running.



River Island has also increased its revenue by for the first time collaboration with Asos, an online fashion store, by allowing Asos to sell items from the retailer allows the company to be seen by target consumer's through another retailer, this is an advantage for the retailer as the competitor Topman has not been able to secure this.



MEN		GIRLS	
SHOP BY PRODUCT		DEPARTMENTS	GET THE LOOK
JUST ARRIVED	BAGS / WALLETS	RI want this	ALL LOOKS
CLOTHING	holdalls	RI limited edition	summer days
t-shirts / vests	rucksacks	magazine edit	summer nights
polo shirts	satchels	tailoring	print works
hoodies / sweatshirts	wallets	fashion fix for less	bright future
shirts	branded bags	going out	classically trained
jumpers / cardigans	ACCESSORIES	casual wear	hot spot
chinos	hats	smart separates	on the deck
jeans	scarves / gloves	holiday shop	well suited
trousers	underwear / socks	brands	print shirts
shorts / swims	loungewear	seasonal offers	fresh prints
suits	belts	TRENDS	head start
blazers	ties	denim shirts	colour pop
coats / jackets	pocket handkerchiefs	boat shoes	tribal
SHOES / BOOTS	SUNGLASSES	print t-shirts	best dressed celebs
plimsolls / trainers	WATCHES	casual jackets	spring knits
high tops	GIFTS	coloured jeans	sunday best
boat shoes	JEWELLERY		
brogues / loafers	SALE		
espadrilles / flip flops			
casual shoes			
formal shoes			
boots			

The menswear department is vast for the retailer River Island, due to this trends throughout the entire department will be researched to be able to predict trends for the A/W 2012 collection.

### **Company Philosophy**

River Island states on it's website in the 'about us' section that 'River Island is known for its stylish and affordable fashion and the unique touches we bring to our collections, which give us stand out from the rest of the High Street. Our customers love us for our great going-out looks, amazing denim and fabulous shoes and bags, as well as being the perfect place to pick up everything you could need to get a complete head-to-toe look.' The retailer prides itself on being affordable High Street fashion, and also a one-stop location for a complete fashion look to it's consumer's.

River Island product is designed by in-house designers which the retailer state allows them to 'have fabulous new fashion arriving in-store and online every single week'.

### **Current financial statistics**

The last financial statistics released in 2010 for the retailer River Island stated that the company generated sales of 802m, but 'despite this pre-tax profits slipped to 116m from 139m the year earlier.' Due to the current economical climate retailers have been seeing the knock on effects of consumer's spending less.

### **Current market position**

River Island's current market positioning is targeted at consumer's from the late teen age to young working adults. As the closest competitor to the retailer on the High Street is Topman, their target consumer's are over the same groups of consumer.

River Island and Topman identify and aim their marketing processes towards this group of consumer through advertising targeted this group, as well as producing the correct product through market research. River Island is considered to be an affordable trend aware retailer on the High Street.

# **Consumer Research**

## **Target Consumer**

From primary research that has been carried out for this report by arranging a focus group, the findings detailed that the target consumer for menswear-Shirt department was that the target consumer is aged from 15-28 years of age. They are male, and consider themselves to be trend aware. The consumer buys from both Topman and River Island and find both retailers competitively prices. The consumers also stated that the quality was well worth the pricing instore.

The consumer noticed a price rise over the past couple of years and agree that this is due to ethical and sustainability issues. As well as the current economical issues facing the United Kingdom current.

The consumer does find that pricing can effect a final decision on a final purchase of similar styles. The consumer does also state that they are not affected by paying more for quality and extra detailing on the garment.

The target consumer follows into the acorn category of F-N.

## **Brand Image**

The focus group findings show that the target consumer feel they are being targeted appropriately through advertising and also through the media outlets such as Facebook and Twitter. They feel that the brand image is well understood and also attracted the consumer as they feel their needs for affordable High Street fashion are being met. The consumers will continue to purchase instore aslong as they are being represented by the retailer.

## **Relationship**

It's essential the consumer feels they have or are receiving a good product or else the relationship between the retailer and consumer will not be aligned.

## **Recruit**

Consumer's will be recruited through quality products that the retailer continues to produce.

## **Reward**

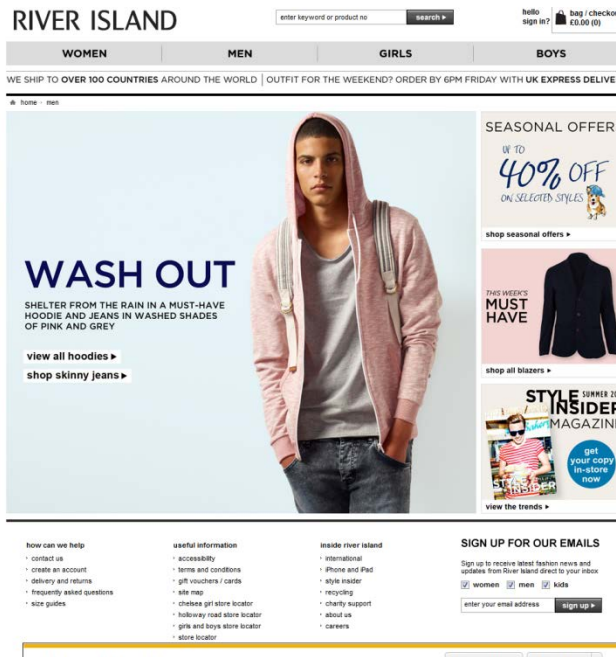
The rewards such as discount events, etc help build a good relationship with the target consumer.

## **Retain**

The consumer will be retained with this product as the quality of the products aslong as it is maintained.

## Attract Target consumer

The focus group findings also showed that the males are being to getting trend aware buy visiting the websites of both the competitor and River Island to look at the visual campaigns on the both sites as well as outfit build suggestions on the websites.



Images above show the retailers are active on the internet trading.

## Chosen Department

The chosen department that is being developed in this shop report is Shirts-Menswear. Looking at trend forecasting outlets such as WGSN fashion forecasting websites to consider what colours will be appropriate, fabric and prints. As well as considering quality and also ethical issues that can be improved by the retailer. It is also important to consider other departments that may influence the chosen department of shirts for the A/W 2012 collection will be Knitwear and also Jersey.





Printed t-shirts may affect the forecasting for the shirt department as details such as bold prints, Aztec prints, graphic images, panelling and also preppy styling could be incorporated.



Pastel colours for knitwear will also influence the colour palette for forecasting shirts.

### **Fabrics, Country Of Origins and Manufacturing**

Currently River Island is sourcing materials from and manufacturing in the main countries but the company has taken on an initiative to begin manufacturing within the United Kingdom. These implications would mean that the price of shipping would be less, the current time of production would be reduced significantly and also ethical issues such as paying the manufacturing employees would be highly welcomed as in the United Kingdom it is against the law to pay employees less than minimum wage.

Although moving all manufacturing to the United Kingdom may not be all beneficial for the retailer as the cost of employing the employers and paying the employees a United Kingdom standard wage, is more costly than that of employing employees in other popular manufacturing countries. This also may have a knock on affect for the consumer that the prices may rise because of the increase in cost that will have to be spent to pay for all the alterations to the retailers current manufacturing sources.

### **Department Research**

By carrying out primary research by visiting the retailer River Island as well as the competitors it was clear that key trends for the current season on the High Street for menswear's are re-structured denim, contrasting denim trims and detailing, 1950's preppy accents and also optical circle prints.

Key items are long sleeved with reconstructed appearance, of either denim appearance fabric or cotton. In store a continuation of Aztec print is present as well as circular prints of rich colours such as red are present. The shirts in the department tend to have one or two pockets on the shirts. The quality in the department was dependent on the price, in both retailer's the less expensive shirts in the department appear to have less attention to craftsmanship. Also the labelling with the most expensive appearance were reserved for the premium ranges in the department.

**Product/Trend Analysis**

These two shirts are the most comparable according to trend style and quality.

**TOPMAN**



### Materials, Colour, Trend

The used for the competitors product is a cotton. The pattern is a repetitive circular and dotted pattern similar to that of River Island. The colour is a primary red colour with black dotted details in the fabric and also white circle outlines.

### Labelling, Craftsmanship, Branding



The labeling on the Topman shirt is giving the impression of traditional clothing. A legacy of the retailer by stating on the label Est. 1978.

The shirt has one shirt pocket which is a common trend among the two comparative retailer, the shape of the shirt is a casual preppy influenced style garment.

It is made to appear casual from the roll sleeve, the print on the outside of the does not appear on the inside as is shown on the sleeve as a detail of contrast.

On the pocket is a single button detail of contrasting colour of an off cream/ white. Continuing with the preppy trend.







The stitch detail is extremely minimal and well constructed, there are no exposed seams neatly stitched and hemmed the inside shows again the inside revealing no pattern detail on the cotton.

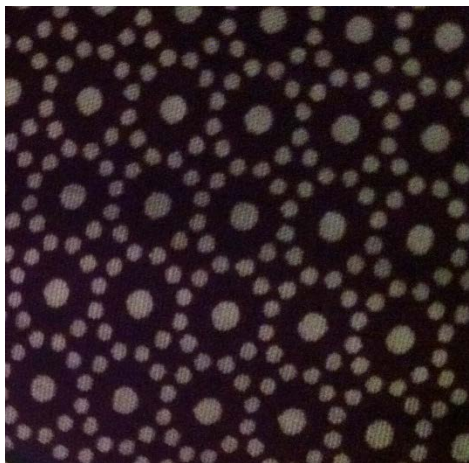


The hang label continues to reflect the legacy theme running through the Topman garment.

The price of the garment is £26.00 from research gathered, it appears the size or colour does not affect the pricing. It is also important to consider that due to a proportion of the target consumer possibly being students, the retailer offers currently 20% discount to students especially to the competitor River Island.

The labeling on how to care for this garment is not very detailed, the label also states the shirt was made in Romania, this is a finding that may be beneficial as it is within the EU, meaning closer to the United Kingdom, therefore can be transported and in stores faster than places in countries such as Africa or Asia.

### **RIVER ISLAND**



### **Materials, Colour, Trend**

The casual shirt in the style of a preppy trend, the shape and colour of the competitor's garment is similar.

The pattern detail is of a different patterned design, with white dotted detail in comparison the competitors shirt of a similar style. There is no black or any other detail outlining.

The River Island garment has two buttons at the collar, but overall the craftsmanship is of less quality in comparison to the Topman garment.

The pricing is very close as this garment cost £25.



## TOPMAN



This garment is a white cotton shirt with denim detailing and trim, the trim of the denim is a pale blue detail, the cotton appears to be creased and robust. The cotton also seems to be durable as it is a thick material as is the trim in appearance.

The white thread on the lapel and denim are of a contrasting appearance, this is interesting as denim is appearing in both stores. The overall appearance of the garment is not premium quality, or well crafted.

Although the legacy theme of the shirt department collection has continued through to this garment in regards to labeling.

It has button detailing on both sides of the collar and was made in Bulgaria.

The price of this garment has been reduced to £20 and perhaps this style will be phased out by the A/W collection 2012.

### **RIVER ISLAND**







This deep dark denim garment with reconstructed structures and contrasting colour panels from white to near black denim. The collar is white, and contrasts well against the deep denim. The construction and craftsmanship is well put together. The labeling is of a leather effect.

### **Conclusion**

There are similar trends that are being picked up the retailer River Island as well as Topman, there are areas in which the garment structure has of the retailer Topman has been less satisfactory to that of the retailer River Island, and also occasions in which pricing has been less appropriate for River Island product.

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