**Individual business report**

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BSc (Hons) Fashion Management

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Reflective/business Report of “Designer Avenue”

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Plagiarism Statement:

“I, Yusin Man, certify that this is an original piece of work, I have acknowledged all sources and citations. No section of this report has been plagiarized.”

Executive Summary:

The aim of this report is to overview the whole process of creating “Designer Avenue”. In the meantime, it helps me to reflect on my ability of learning and skills throughout the whole project. In the main body paragraph, I explained how my role as a product & sourcing director affect every decision I made and how my decisions influence our company overtime. Using data and results of the questionnaire and sources from both outside and inside the course to support my points and decisions.

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**1.Introduction**

[Designer Avenue](https://designeravenue.wixsite.com/home) (Click to see the website) is an online fashion platform which promotes and retails aspiring and post-graduate designers, cultivating a community of communication between creatives. On our platform, we provide the opportunity for all designers to display their talents and creativities. Currently, Designer Avenue offers products from five designers outside the U.K. Our next step is continually introducing new designers who either has a lot of experience in the industry or just step into the fashion world. As a product & sourcing director, my job is mainly focus on finding the best resources at the best prices to keep the business growing on schedule.

The digital landscape is “Designer Avenue” native environment, without it we are not able to engage directly with our customer. According to (George Hill, 2017), the digital revolution has allowed us to take huge strides in communications across the globe, connecting people who would never have known about one another only 30 years ago. We hope that on our platform, designers can exchange ideas with designers and might have collaboration in the future. Most importantly customers can give feedback to the growing designers to make them better in what they are capable of.

**2.0 The idea of Designer Avenue revealed**

In the beginning of this project, we came up with several ideas both services and products. For instance, using 3D printer to make glasses and used tires to make shoes. At last we decided to create e-commerce based platform where young designers can sell their products. Because we wanted to be different than other groups. Even though we don’t need to manufacture goods by ourselves, which means we won’t be spending time on looking for materials and factory, we have to look for and persuade designers to join and work with us, a group of people who are just students and barely have any experience in starting up a business.

**2.1 Brand identity & mission statement**

In week 3, we came up with our brand identity and mission statement (see Appendix 1). Our targeted customers are classified into two groups of people. The first one is our direct consumers, aspiring and post-graduate designers who aged between 18 to 25 (see Appendix 1). These designers we are looking for have lack of marketing resources but plan to start up a brand or has an existing brand already. The potential customers to buy our recruited designers’ products is our second group of targeted customers. They are millennials, aged between 20 to 30, who are interested in fashion and love exclusivity. They constantly browse and shop online and have low disposable income. Our competitors are Net-A-Porter, ASOS and Not Just A Lable. Our competitive advantage is we have aspiring and post-graduate designers who just started their brands and are incredibly creative and innovative instead of brands that have existed for decades. Our platform is something more than just a fashion retail website, it is more like a community where designers can freely use their talents to influence one another. Encouraging young designers to start up their own business is crucial in the fashion industry. People expect new idea and new products to surprise them every season.

**3.0 Product & Sourcing**

Procurement is a core activity in a business (Turban et al, 2008) and sourcing is one of the critical steps in buying goods and services, where individuals or groups analyze, assess and select a vendor and their goods and services based on certain specifications and requirements (United Parcel Service of America 2005). As a product and sourcing director I started to search for designers who meet all the requirements. Before this, we sent out questionnaire online for fashion designers all around the world (See Appendix 2). In week 4, I talked to several friends back in China who have started their brands already. I presented our business idea via messages and asked them if they are interested or not. Since at that time, our website hasn’t been created, so I don’t have any solid evidence to show them what we are actually doing or planning to do. I arranged some meetings with these designers when I went back to Shanghai, China during spring break and also asked them to bring some of their products with them when we meet because the sourcing or tender process is used to select the best product or service for a certain category of expenditure (Procurement Academy, 2017).

After I met with the designers, Slimhoyawang agrees to be part of us. I rejected the brand “NOS” because the owner of the brand claims that he doesn’t have much stocks, thus in my opinion his products does not have good quality, whereas Slimhoyawang’s products are unique and have distinct design since our potential customers are in love with exclusivity .

**3.1 Negotiation**

Negotiation is an essential business activity for establish trade relationships between partner (Yuan and Turel, 2004). During the meeting, my goal is to clarify the terms of the offer and get additional value beyond what has been offered. When selecting suppliers through sourcing process, I also work with other departments in our company, such as finance or branding, in order to get their approval to sign this designer under our platform. The objective of product and sourcing director is to reduce total cost at a maximal level during the specification stage. At first Hoya Wang, the founder of Slimhoyawang suggested that we should at least give him deposit to secure his products, after I told him that we don’t have much budget available currently to purchase his products in retail prices besides from the 100 pounds received by the University. But I convinced him in believing our company with the presentation we did and the estimated profit we will both get as the business grows (See Appendix 1). He finally decided to join us and give us his products first with no cost after negotiation. Meanwhile I have talked to other designers that Andrea and David contacted in their countries how we are going to run our business and how our platform will benefit their brands in the future. Also, I reviewed all of their products and make sure the quality of the goods and prices match our business concept and requirements. Products of the brand “Of Trying Times” are much more expensive compare to the other products from other designers. Therefore, I asked the owner whether she is willing to lower the price or not in an approach for better sales on our platform. Unfortunately, she cannot reduce the price due to her high cost in producing the earrings and necklaces.

**3.2 Stock**

At this stage, my biggest concern was how many pieces of products we should take from each designer. On account of we don’t have extra money to rent a warehouse to stock the products. Thus, most of the goods were located in Asian countries. We would have to undertake the obligation to ship the closing stock back to them after the contract ends, which means our total costs would increase due to the international shipping fee is high. However, if we only take a few products from each designer, we might run out of them before the event in Spitalfields Market, because we will be started selling both offline and online in Week 8. Therefore, I did some estimation for our future sales and took a day to visit Spitalfields Market and asked the long-term tradespeople there how much do they usually make during weekdays. However, the answers from them are various, from £30 to more than £200 (See Appendix 3). So that I take into account in our products, our cheapest product is £10 and the most expensive one is £119. (See Appendix 4) Due to our higher pricing, the maximum sale we would approximately get is £140. Moreover, we have 4 weeks of making profit from week 8 to week 12. We will get more sales as our marketing strategies expand on social media. Therefore, I decided to get 24 t-shirts, 9 jackets and 12 caps from “Slimhoyawang”, 4 pairs of earrings and 26 necklaces from the brand Of Tring Times, 2 belts, 18 caps, 3 chokers and 2 iPhone cases from Headquarter, and 30 pairs of earrings from the brand 3125 (See Appendix 4 for further details). These are the adequate amount of stocks we should get for our platform so far considering all circumstances.

**3.3 Request for information**

A Request for Information (RFI) is a method of collecting information from different suppliers prior to formally sourcing products or services (Purchasing & Procurement Center, 2017). I prepared a RFI questionnaire and sent it out to all of our five designers. Because these brands are relatively new and doesn’t have any impact in the market. In order to sell their products in a more appealing way to the customers, we ought to know and understand the brand fully and in depth (See Appendix 5,6,7,8 & 9). Each brand has its own unique selling point, and as the promoter we need to emphasize the feature of every single product. For example, Hoya Wang uses a lot of Chinese ink on most of his products, painted by himself. Pixie, the founder of the brand Of Trying Times uses polymer clay and bio-degradable resin and all of her chains are 22K gold plated. It is vital important that as a sourcing director, I need to outline all of the products in details for both other employees in the company and our potential customers.

**3.4 Contract**

Contract management is a subset of the larger strategic sourcing process, and like the rest, it is foundational for ultimate sourcing success (Matthew York, 2014). Gina, our company secretary started preparing for the contract and Non-Disclosure Agreement since week 4 (See Appendix 10&11). After all of our designers confirming to join us, my job is to send out all the legal documents and contract to them, and go through each step and regulation with them. The contract and NDA protects both the first party and the second party. See Appendix

**3.4.1 Documentation**

In order to ensure that the contract finalization process is documented appropriately, and also in case of future disputes with the designers, I kept all the emails and conversations on phone on file.

**4.0 Selling in the markets**

On 2nd June, we went to Spitalfiles Market in London to sell our products and get the opportunity to meet our potential customers face to face. A week before that, our group also decided to sign up for another day in Candem Market in order to increase our sales volume and achieve better results and profit for both designers and ourselves.

**4.1 Spitalfileds Market**

Spitalfields Market is a well-known market where craftsmen and designers sell their products. We had a meeting one day ahead to discuss how we are going to display or products and labeled them. My job is to provide each product a description and stated what are the products made of and make sure every single member of our group knows about it (See Appendix 4**).** So that when the customers ask questions and have intention to purchase products from us, we are able to answer professionally. We made £333 on that day and we all felt really satisfied about the result (See Appendix 12).

**4.2 Camden Market**

Camden Market is way bigger than Spitalfileds Market, which means we have relatively more competitors here than we had in Spitalfields. The marketing director, company secretary and I arrived early in the market in order to get a good spot in the market. After we got a table, I started labeling every product we got and put a price tag in front of them to make it clearer for the customers. In addition, I’ve made some posters to emphasize the unique materials that are used in our products. For example, I put a cardboard saying “Chinese Ink” beside t-shirts from Slimhoyawang. For the brand “Of Trying Times”, I put my Mac Book Pro right next to the earrings and necklaces, displaying a line “Handmade Accessories, 24K Gold”. Unfortunately, we didn’t make much sales on that day because it was raining. Thus, our goods are more expensive than most of the products that are selling by other people in the market. Overall, even though the sale was low, it was a good experience especially for a business that just started like “Designer Avenue”. We need to take many different circumstances into account when selling products, particularly the weather affects the sales when we are planning to spend a day in an outdoor market.

**5.0 Developing Skills**

Establishing a business/brand requires many steps and efforts to accomplish. As a sourcing director, not only should I do my related jobs, also I must cooperate with all of the other departments in our company. However, when someone from your company has problem cooperating with, we should use our communication skills to solve the problem (See Appendix 13). I noticed that primary research helps us to understand the market needs, know who our competitors are, get connected with our potential customers and most importantly position our brand right where it should be. Product & sourcing is a complex process, from market research to contract, I need to make sure every decision I made reduces the company’s expense to the lowest and helps our platform stays on track. I should be familiar and able to use all kinds of software to document the data. To conclude, what we learnt from lectures are not enough for us to survive in the industry, real life experience is the best tool for developing one’s skills.

**5.1 SMART Acronym**

|  |  |
| --- | --- |
| **S**pecific | Look for more aspiring and post-graduate designers every month  Use my strength and ability to improve the platform  Negotiating for better prices |
| **M**easurable | How many contracts are signed each month  Analysis of the cost & sales  Comments from my colleagues |
| **A**chievable | I should believe that I can achieve, don’t make this impossible |
| **R**ealistic | 1. Use every resource and connection I have to achieve my goal, expand my social networks which will help me finding new designers   Use my communication skills to reduce the cost |
| **T**ime | At least three new designers each month |

**6. Future Development & Conclusion**

In my opinion, “Designer Avenue” can be developed into a long-term business as long as all of our members keep on contributing and putting efforts into it. As a product & sourcing director, I need to keep an eye on the changing of the environment of the market. Expending my network, I’ll be able to get talented designers to be a part of us. Meanwhile, our platform can help them to achieve their goals in their career lives, and it is a platform where they can sell themselves by presenting their products to other even bigger and international platforms. Since “Designer Avenue” is an online based platform, we should work harder on advertising on social media and think of effective marketing strategy to attract more customers to shop with us.

So many of my skills were improved during this process, such as sourcing, communicating with others, identifying each product and negotiating with our clients. Furthermore, I experienced every step in starting up a business from nothing to something. Cooperating with your colleagues is the key to be successful. I can definitely apply all of the skills I have gained to any other assignment or work in the future. In short, there’s plenty more knowledge, theory and skills I need to get familiar with in my future academic life and career.

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**8.Appendix (All the documents are in my Workflow Page 2)**

[App. 1) Pitch PowerPoint](http://workflow.arts.ac.uk/artefact/artefact.php?artefact=3049146&view=271567)

[App. 2) Survey Designer](http://workflow.arts.ac.uk/artefact/artefact.php?artefact=3049160&view=271567)

[App. 3) Survey Spitalfileds Market](http://workflow.arts.ac.uk/artefact/artefact.php?artefact=3049415&view=271567)

[App. 4) Stock Inventory](http://workflow.arts.ac.uk/artefact/artefact.php?artefact=3049440&view=271567)

[App. 5) RFI Slimhoyawang](http://workflow.arts.ac.uk/artefact/artefact.php?artefact=3047328&view=271567)

[App. 6) RFI Of Trying Times](http://workflow.arts.ac.uk/artefact/artefact.php?artefact=3047327&view=271567)

[App. 7) RFI 3125](http://workflow.arts.ac.uk/artefact/artefact.php?artefact=3047323&view=271567)

[App. 8) RFI Headquarter](http://workflow.arts.ac.uk/artefact/artefact.php?artefact=3047325&view=271567)

[App. 9) RFI Andy Lee](http://workflow.arts.ac.uk/artefact/artefact.php?artefact=3047324&view=271567)

[App. 10) NDA](http://workflow.arts.ac.uk/artefact/artefact.php?artefact=3049464&view=271567)

[App. 11) Contract](http://workflow.arts.ac.uk/artefact/artefact.php?artefact=3049468&view=271567)

[App. 12) Sales Spitalfields Market](http://workflow.arts.ac.uk/artefact/artefact.php?artefact=3049476&view=271567)

[App. 13) Skills Audit](http://workflow.arts.ac.uk/artefact/artefact.php?artefact=3049894&view=272075)

[App. 14) Crowdfunding Video](https://www.youtube.com/watch?v=fGrjO28FrSA)

[App. 15) Teamagreemnet](http://workflow.arts.ac.uk/artefact/artefact.php?artefact=3049503&view=271567)