COBALT OR CERULEAN?

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INTERPRETING COLOUR TRENDS FOR THE CANADIAN FASHION INDUSTRY

by

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Toronto, May 10 2013

A MRP presented to

Ryerson University

In partial fulfillment of the

Requirements for the degree of Master of Arts

in the Program of

Fashion

Toronto, Ontario, Canada, 2013

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Abstract

The Canadian apparel industry faces many difficult decisions during product development, and selecting a colour palette for an upcoming season can be a significant challenge. With no specific Canadian colour forecasting services available, Canadian trend directors must rely on European and American forecasts for their colour trends. This study on colour trends and preferences demonstrated how colours that are forecast for the United States and Europe are adapted for Canada and the diverse target markets within it. Six case studies based on interviews with trend directors from Canadian retailers explore the methods used to develop seasonal colour palettes. These case studies reveal each retailer's customers' attitudes towards colour trends and colour preferences, and then compare them to the rest of the retail market. The results will allow Canadian fashion professionals—and those working in small markets anywhere—to better understand how to develop seasonal palettes for their customers, thereby increasing sales and profit.

   Keywords: fashion, colour forecasting, Canada

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Acknowledgements

It gives me great pleasure in acknowledging the support and guidance from my adviser Professor Alice Chu. She has introduced me to the fascinating world of colour forecasting from both an academic and professional perspective. Thank you for your encouragement and patience during the completion of this MRP.

Grahame Lynch, for his extensive efforts in developing this research into a successful MRP;

My fellow MA Fashion classmates, for their moral support, insightful perspectives on fashion and amazing friendships;

Last but not least, my friends and family, for your love and encouragement during this entire process. I thank you all for supporting my decision to pursue this research.

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Dedication

I dedicate this MRP to Dr. Delfina Falcão and Dr. Hector Guestrin for introducing me to the world of design and research.

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Fashion trends and customer preferences are very important elements in the development of fashion products. Fashion trends are a reflection of what is current, and they are influenced by factors that include social, political, economic and cultural changes as well as pop culture and technology (Cho & Lee, 2005). Fashion forecasters pull emerging trends out of public information by becoming sensitive to directional signals, and are always looking for new, fresh and innovative ideas (Brannon, 2010). Fashion forecasting indicates what the influential trends will be for an upcoming season, and can extend across various categories of fashion products, including textiles, accessories and colour. Forecasts are usually presented in a book or online, and designers purchase them for use both as a guide to creating marketable products and as a source of inspiration. As these trends are just suggestions, it is up to designers, buyers and other industry professionals to interpret the predictions and tailor them to their target markets (Wilson, Benson, Bruce, Hogg, & Oulton, 2001). The research discussed in this paper addresses the development of colour palettes for target markets based on colour trends.

Colour indicates the mood of a season and is one of the most visible signs of change within the supply chain; therefore, a well-developed colour palette is essential to product development (Grove-White, 2001). It sets a standard throughout the supply chain, and ensures that all the various components and materials will match within the product, and with the other products on the sales floor. For example, textile production sits at the beginning of the supply chain and fabric producers must anticipate consumers' needs well in advance in order to complement a designer's final product. The textiles can be produced as early as two years before

the designer's final product is sold to the consumer, which means that colour forecasts must be

available before textile production begins (Rinallo & Golfetto, 2006).

Fashion forecasting services assist with the selection of colours, which in turn help

retailers to maximize the volume of sales, as they are a prediction of what the customer will want

to purchase in future seasons. In addition to the current fashion colours and the classic colours, a

season's colour palette includes the previous year's fashion colours. This arrangement of new

and existing colours is used because most consumers don't replace their wardrobes every year

but still encourages them to make new purchases. When introducing new fashion colours, the

wrong hue, value or saturation can affect sales and cause the merchandise to need to be

discounted, resulting in loss of profit. This reason alone demonstrates the need for the proper

prediction of colour (Wilson et al., 2001).

As the effective interpretation of colour forecasts comes with experience in managing

colour decisions from season to season (Brannon, 2010), the research presented in this paper will

act as a guide for professionals who are new to the field of fashion design in Canada, helping

them to learn the process of properly selecting a colour palette for their customers. Case studies

will provide insights into adaptations that experienced professionals in the fashion industry have

made to seasonal colour palettes for a variety of target markets. This research paper will also

contribute to understanding the transitions a colour may undergo from the forecasting service's

palette to the retailer's final palette. The research will also demonstrate how colours that are

forecast for the United States and Europe may be adapted for Canada. The results can be adapted

to the needs of any particular target market in order to better understand how to develop a

seasonal palette for the market in question.

Literature Review

Colour forecasting gained importance during World War One when communication between New York and Paris was suspended due to the war. The New York garment industry was unable to receive trend information from European fashion centres and needed to establish its own colour-trend information in order to continue manufacturing. Colour forecasts were useful for all sectors within the apparel industry; knowing which colours were in vogue meant that additional commodities, such as accessories, could coordinate with garments (Brannon, 2010).

Fashion trends are a reflection of the current state of society and are influenced by factors that include social, political, economic and cultural changes (Cho & Lee, 2005). Today, fashion trends, as well as colour trends, are provided by a variety of companies from around the world that sell their forecasting services to designers and manufacturers. Colour forecasting remains a large component of fashion forecasting, and its purpose is to provide the industry with suggestions of colours that will sell. A high sell-through on a product will prevent loss of sales, profit and market share. Colour forecasting companies provide palettes, as early as three years in advance, that predict what colours will be in fashion for a particular season. Designers interpret the given palette and customize it for their target markets (Brannon, 2010).

Wilson et al. (2001) increased the industry's understanding of colour decision-making with an elaboration on colour services and an analysis of various processes, including the factors that influence colour-based decisions. They developed a strategic framework to assist in the management of colour selection, while thoroughly explaining the sources of inspiration for colour trends, how trends are developed along the supply chain, how a consumer responds to colour, and the challenges a designer faces in the colour decision-making process. Wilson et al.

also provided a model that identified the four types of information required by those making colour decisions. However, this paper was published in 2001, was intended for a British market, and is now outdated. Since it was published, the life span of trends has shortened significantly due to technological advancements (Brannon, 2010). This phenomenon will be discussed later in this paper.

To assist with the development of my initial research questions, I conducted several unstructured interviews with industry professionals for the purpose of gathering anecdotal opinions about the apparent gap of knowledge in the areas of colour and trend forecasting for the Canadian market. I spoke to one salesperson who sells a variety of colour and trend forecasting services to several Canadian fashion companies and she confirmed that there are no forecasting services that cater to the Canadian market specifically. I have also spoken to representatives from three global trend forecasting companies and none of these companies provide trend information that is specifically targeted towards a Canadian market. Overall, this group of professionals indicated that the lack of Canadian trend information is due to its small market.

A study done by Campaniaris, Hayes, Jeffrey, and Murray (2011) regarding the Canadian fashion industry, particularly Canada's small- and medium-sized companies, allowed the extrapolation of some information regarding the difficulties that the Canadian market faces in competing on a global level. The small size of the Canadian market has resulted in vigorous competition among retailers within Canada and has forced some companies to export goods, primarily to the United States, in order to attain a larger market share. This means that Canadian companies that export their goods either develop different product lines for the foreign market, thus maintaining the importance of a Canadian viewpoint for domestic lines, or the same product lines may be sold domestically and in the United States. The decreasing amount of domestic

manufacturing also adds to the challenges that Canadian companies face when competing

globally (Campaniaris et al.).

The shortage of scholarly literature relating to the impact of recent increasing global

communication on colour forecasting presents a significant challenge to research in this area.

The ability to share information online increases forecasters' abilities to "coolhunt" for emerging

trends, and allows them to share their findings with their customers in a time-sensitive manner,

in order to benefit all parties along the fashion supply chain. One of the few academic

publications relating to the impact of technology on fashion forecasting is Brannon, 2011, who

points out the recent changes in the process of forecasting that have occurred as a result of

increased use of technology, and the impact of technology on consumer behaviour. Brannon

points out that consumers are now able to easily access the latest runway shows and upcoming

trends, allowing them to quickly become familiar with fashion's latest innovations. The time lag

for consumer acceptance is too short for retailers to be able to capitalize on a trend. To

compensate, some trend books are being sold with a web component, such as Scout from

Australia; others – such as WGSN and Style Sight – are offered exclusively as online services

with frequent updates on market trends (Brannon, 2010).

In the days before consumers had easy access to fashion information, the time lag

between the introduction of an innovation and its availability worked to the advantage of the

industry and the product development cycle. Most trends that were seen in the mass market

tended to originate from the runway; they appeared in stores one year later, once the designer

samples had been reinterpreted for the target customers. The industry consensus was that the new

styles that were presented at fashion weeks determined the next season's acceptable styles for

mass-production, and the runway's fashion direction helped determined the next year's colour

schemes, fabrics and styles (Weller, 2007). As a result of increased global communication, there

is now almost no time lag: the trends that are inspired by runway fashion now appear in stores

before the original designer goods do. These trends appear in fashion products at all price points

(Brannon, 2010).

Ease of communication also means that there is less time to make money off a trend.

While it is difficult to determine how long a trend will last when working with a one-year

product development cycle, the industry is striving for a shorter delivery times, as trends can die

before fashion items even hit the stores. While in the 1990s some trends saw life spans of five or

more months, now they may have life spans of eight to 12 weeks (Brannon, 2010). Today,

fashion consumers expect and thrive on constant change, so new products must be made

available on a frequent basis (Bruce & Daly, 2006). This phenomenon is very difficult for

manufacturers to work with since many factories need at least a year to produce large volumes,

especially in the textile sector. These manufacturers are required to take risks with colour and

fabric trends in order to keep up with these reduced lead times (Weller, 2007). The shortened life

span is also a result of "fast fashion" which offers high fashion at a low price point with a high

turnover and a limited supply. "Fast fashion" produces a quick adoption rate of trends, especially

among young and fashionable customers. This phenomenon has also contributed to what is has

been called the "race to the bottom" among retailers, where the competition for the lowest price

is intensifying at both the wholesale and retail level (Byun & Sternquist, 2008). Currently,

designers find that they must develop new colour palettes and create mini-collections as

frequently as once or twice per month since many department stores and chains are changing

their product assortment every month to keep up with the consumer demand (Jackson, 2007).

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The existing literature focuses on the importance of colour forecasting, the development of trends and how to make colour decisions. It also focuses on the challenges that face the supply chain and product development due to the fact that fashion trends often do not become clear until it becomes too costly and disruptive to make changes (David, Heeley, & Bhamra, 2006). The industry has recognized the struggles faced by designers with colour forecasting and the development of colour palettes for various market segments. Alternatives to the existing system are currently being explored through the development of various computer models that forecast colour trends for fashion (Yu, Hui & Choi, 2012; Chang, Gao and Zhang, 2009). One model has even combined the colour trend data with consumer colour preference data in order to generate a more personalized colour palette (Cassidy, 2007). This quantitative approach has the potential to assist in the development of colour palettes, but has not yet been incorporated into the industry.

As previously mentioned, fashion trends reflect the state of society. The state of the economy is a prime example of how the Zeitgeist can determine the direction of fashion and colour. In good economic times, fashion can be extravagant while in poor times, it can be more conservative, functional or classic. In times of uncertainty, consumers tend to feel more comfortable with colours that feel familiar. Since the recession that began in 2008, lower price-point stores have been more successful than other higher priced retailers and there have been increased sales in timeless fashion pieces over the pre-recession period (Kim, Fiore, & Kim, 2011). Social changes can also play a large part in the evolution of fashion's next trends. With the baby boomer generation getting older, fashion trends must be more accommodating to this group as they hold a large share of the market (Kim, Fiore, & Kim, 2011).

In addition to the heavy competition at the retail level and the decreasing length of the fashion cycle, the industry also faces the challenge of an increasingly sophisticated consumer.

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Product developers must understand their target markets better than they have in the past in order

to be able to interpret the trends of the season based on consumers' preferences. In the recent

past, garments that displayed the season's trendiest colours were the ones most likely to sell, and

sales would be affected if the "it" colour was missing from the assortment. Currently, having the

exact shade of that "it" colour is less important to the consumer, as long as the retailer offers a

version of the "it" colour that suits their target market (Jackson, 2007). Researching the target

market's wants and needs includes an analysis of their retail competition and their own

company's past sales records. Determining which styles and colours sold well or poorly in the

previous season provides insight on customer preferences: high sales mean that the trend has

been adopted by customers while low sales mean that the trend has passed its peak. However, a

positive response to a trend cannot be an incentive to repeat last year's colours, as trends evolve

from one season to the next. With fashion changing at such an accelerated rate, forecasting

becomes difficult for determining both product offerings and quantities (Kim et al., 2011).

Colour is a design feature that most influences a customer when making a purchase

decision over other factors such as fabric quality or fit. Even though colour offerings are heavily

influenced by trends, a brand's image can also be defined by colour. Finding the balance

between trends and brand identity is important as consumers tend to demonstrate loyalty to those

brands that offer colours that they feel would flatter them. As colour trends evolve per season,

the brand image must remain cohesive in order to minimize the risk of alienating customers.

Even though marketing may influence a consumer's purchasing decision, his or her choice of

colour ultimately comes down to personal preference (Kim et al., 2011). Customers tend to

respond to the colour of an item when they first see it – not only because it is an obviously

noticeable feature, but also because there are strong social and cultural symbolic associations

with colour (Jackson, 2007). In addition, there is a tendency for younger generations to purchase

colours that are trendy while older generations purchase what they believe looks good on them.

Designers must consider their customers' colour preferences when incorporating colour trends in

order to experience improved sales (Kim et al., 2011).

     Fashion Trends: Analysis and Forecasting (Kim et al., 2011) places a significant

emphasis on tailoring fashion trends to targeted consumers. The authors state that the role of

forecasting is to identify future trends and determine their longevity. This allows designers to

develop products and marketing strategies that will suit their target markets' needs and

preferences. Observing consumer behavior is an essential part of fashion forecasting because it

allows forecasters to identify shifting consumer lifestyles and preferences and to anticipate future

trends. Consumer research also improves understanding of the customer, exposes problems and

opportunities, and helps designers make better decisions in relation to product development,

branding and retailing.

     Consumer segmentation can be defined as "the process of identifying a group of people

similar in one or more ways, based on a variety of characteristics and behaviors" (Kim et al.,

2011, p. 81). By using such factors as geographical, demographic or psychographic

segmentation, target markets can be identified (Kim et al., 2011).

     In *Diffusion of Innovations* (1995), E. M. Rogers explores the adoption of trends from a

broad technological perspective. Originally written in 1962, several editions have been published

along with plenty of criticism since consumer behaviour can be very complex. Rogers' theory of

the diffusion process and how consumers respond to innovations is a concept that can be easily

applied to the development of new products across all industries, including fashion. Rogers

focuses on how an innovation's attributes may affect its rate of adoption and the different types

of consumer that contribute to the acceptance or rejection of that innovation. Although Rogers'

work does not make much reference to the fashion industry itself, many academic journals make

the connection between *Diffusion of Innovations*, fashion trends and consumer behaviour.

Rogers said that the rate of adoption of an innovation is influenced by different types of

consumers who hold certain functions and characteristics. He divided these shoppers into

consumer adoption categories that make up the retail market: innovators (2.5%), early adopters

(13.5%), early majority (34%), late majority (34%) and later adopters (16%) (Rogers, 1995).

Innovators are the first individuals to adopt a new product. They are likely to have a higher

socioeconomic status and higher education level than late adopters. They tend to have a more

favourable attitude towards change, be more socially active, and have a greater knowledge of

innovations than late adopters. Early adopters recognize trends from innovators and adjust it to

be more palatable to mainstream consumers. The early adopters have an important role in the

successful adoption of a new product, as they provide evidence of satisfactory product quality

and increase the demand among early majority consumers. Both innovators and early adopters

are referred to as "consumer change agents" because they play an important role in the

introduction and early stages of the acceptance of an innovation within all consumer adoption

categories (Kim et al., 2011).

Early majority consumers adopt innovations before the average consumer does, but spend

more time deliberating over the adoption of that innovation than do innovators and early adopters

(Rogers, 1995). However, early majority consumers play an important role in connecting the

early adopters to the late majority. The late majority approach an innovation with skepticism and

only try an innovation after the average member of their group has already adopted it. Late

majority adapters tend to have a below-average social status, a limited income and very little

opinion leadership among their peers (Kim et al., 2011).

Late adopters are the last to adopt an innovation (Rogers, 1995). They have even lower

social status, fewer financial resources and little-to-no opinion leadership than the late majority.

Late adopters tend to be the oldest, have a more isolated social circle and be more brand loyal

than other groups. They must be certain that an innovation is successful before they will

purchase the product (Kim et al., 2011).

"Consumer change agents" tend to have a higher level of need for uniqueness than late

adopters, which may result in "consumer change agents" already adopting yet another new

innovation by the time the first one is purchased by late adopters (Kim et al., 2011). This

phenomenon demonstrates the trickle-down theory, in which fashion innovators must

differentiate themselves from other fashion consumers to maintain their status as innovators.

This restarts the fashion trend cycle in which a new innovation becomes adopted by the

mainstream (Beaudoin & Lachance, 2006).

Once an innovation is detected, several mechanisms come into play that diffuse the new

trend throughout the relevant chain of consumers (Kawamura, 2005). For the innovation to be

actually produced, the item of fashion and all of its components must pass a set of criteria that

define it as a fashionable and innovative item before it is worn by the consumer. The individuals

that allow the innovation to be promoted and marketed are called gatekeepers. Author Yuniya

Kawamura (2005) explains that "gatekeeping" is a term that has been applied to judgements

about admitting a person or works into cultural fields. She also says that "gatekeeping is a way in

which affirmations, reinterpretations and rejections shape individual works and whole careers"

(Kawamura, 2005, p.108). The production of fashion goods goes through a long supply chain

which involves the approval of many individuals. The colour, fabric, style, fit and other factors must be determined along with price, delivery date and other retail decisions. These factors help shape and refine the end product, but without acceptance by the media, the innovation will still have a difficult time being accepted by the consumer (Kawamura, 2005).

Both "professional change agents" and "consumer change agents" influence how far or fast an innovation diffuses. The "professional change agent" category includes two different types of fashion professionals, those involved during developing product and those involved in their distributions, who are employed by the industry to help legitimize and promote new trends (Workman & Studak, 2007). The first are the individuals involved in manufacturing and product development, including designers who take part in Fashion Week and who have established themselves as authorities of good taste, as well as the trend forecasters, as they provide at least some trend direction to elite designers by influencing the textiles and trims available for the design and the overall development of products. At a retail level, buyers decide which items of a collection make it to the sales floor and therefore into the hands of the consumer. The second group of fashion diffusion agents includes those who help promote and distribute innovative items and ideas after the fashion products have been manufactured. This group includes fashion journalists, editors, others in the media, advertisers, marketers, merchandisers and publicists. Fashion magazines and advertising introduce the innovation to the consumer, make them aware of the new product or trend, and hopefully entice them to purchase it (Kawamura, 2005).

The types of consumers who read fashion magazines and have a high interest in fashion can be considered fashion leaders. They encompass innovators, opinion leaders and early adopters. These individuals are referred to as "consumer change agents." This influential group of consumers relies on professional change agents for new product information, after which they

aid the diffusion of these new products to the early majority, the late majority and the late

adopters. Their ability to influence makes the consumer change agents the target group for

fashion marketing and merchandising campaigns (Workman & Studak, 2007).

Methodology and Methods

The current research was an empirical study of colour forecasting in the Canadian fashion industry. Using qualitative methods, the study explored designers' interpretations of a trend publication's suggested colour forecast in order to understand how a colour is adapted to fit the needs of various specific target markets' needs. Six case studies facilitated understanding of how these palettes had been adapted by a variety of Canadian retailers.

The population sample included major Canadian retailers that had a large vendor base. This selection process was used because in a department store or major retailer, the final decisions on product attributes are made by the buyer (Wilson et al., 2001). Such retailers also set a colour palette for their private label products that many different vendors follow. Department stores act as gatekeepers, deciding what products are available to consumers, and one retailer often services a few different target markets.

The Canadian retailers that were included in the study have several stores nationwide and cover a variety of price points, demographics and psychographics. This study therefore provides many examples of different target markets within the whole sample. As there are no trend-forecasting publications targeted for Canadian consumers specifically, this study provides insight on how colours that are forecast for the United States and Europe are adapted for Canadians. The principal research methods were semi-structured, face-to-face interviews, and visual analyses of colour palettes. The interviews were done in person at the corporate offices of each respective department store, and audio recordings of the interviews were transcribed. Interviewees needed to sign a consent form that was approved by the Ryerson Ethics Board. Interviewees were asked to describe their customers, their customers' preferences, how they interpreted the forecast from the trend publication they use, and how they adapted it to their

target markets. They were also asked specific questions about the additional resources they use for trend information, their merchandising strategies, and how their market segments compare to the global marketplace. Gaining a thorough understanding of how these retailers developed their own palettes provided useful information on how each market segment responds to colour in women's and men's apparel.

Based on the responses from each retailer, I detected the common themes within colour preferences and market segments. The methods of colour palette development were compared and contrasted based on the way that retailers interpreted trend services and their retail success with particular colours. Each retailer showed me its colour palettes for its market segments, and explained where the colour standards came from and why they chose that particular shade for the final palette. If a retailer had more than one market segment, they discussed the differences in tones between the palettes for each market segment. The end results will provide guidance towards colour preferences for different types of consumers, and help vendors work within their supply chains more effectively.

Results

Retailer A

Retailer A, a supermarket, sells fashion merchandise under its private label in a supermarket setting as well as in stand-alone stores. It offers products for women, men, children and babies, with a strategy that encourages customers to shop for clothing at the same time as their groceries. Retailer A has recently expanded its brand into the United States via stand-alone stores in major shopping areas, as well as through a major American chain department store. The brand's aesthetic, which has not changed since its expansion into the United States, maintains a reputation for fashion-forward clothing at a low price with a slightly more European than American aesthetic.

For their womenswear line, the initial target customer for Retailer A was a suburban mother, between 30 and 50 years old, who was already a regular grocery store customer of the retailer. With the introduction of the clothing department, the customer would go to the store for the whole shopping experience and purchase clothing for herself and her children. Once the brand began to expand, Retailer A opened freestanding stores throughout Canada and in New York, which has broadened its customer base. It is now targeting markets that include teenagers, women in their twenties, all the way up to very stylish women over sixty years old. The brand intends to target this new fashion-forward consumer who will mix affordable clothing with some designer pieces. Retailer A wants to be a part of the high-low type of styling for customers who know how to style the brand's pieces into their existing wardrobe. This customer appreciates great basics and great colours.

Retailer A recognizes that it has two distinct groups of womenswear customers who are quite different from each other. The stand-alone stores cater to the fashion customer and have a

different product assortment than does the supermarket segment. The retailer still tries to cater to both of these customers. The brand's recent expansion has allowed its merchandising team to learn how to distinguish the differences between each group of customers, and to learn what each of their consumer segments respond to. Retailer A is constantly trying to learn more about this new fashion customer, while still refining its knowledge about its initial customer, since the supermarket shopper makes up the bulk of its business.

Retailer A sees a difference in colour preferences between their two sets of customers. For reasons that are unknown, purple tends to sell very well to its supermarket customer. Black is another big seller, but the supermarket customer does not tend to like navy or grey melange. The merchandising team believes that those colours don't sell very well because they may be too sophisticated for this market segment. Based on past seasons' sales, colours that are bright and clean, like aqua, pink and bright blue, have been successful with the supermarket customer. The merchandising team speculates that those classic colours are very understandable for most women and the customer tends to gravitate towards those shades. Colours that are dusty, moody and/or unusual do not do well for this segment.

For the brand's fashion customers, the merchandising team tries to push the boundaries for their colour stories. They will use different colour combinations that are more fashion-forward. For example, Retailer A will do a collection entirely in white, or using all one colour, or many shades of one colour. The fashion customer can also afford more expensive pieces than the supermarket customer, so there are more elaborate and higher-priced pieces in the freestanding store. This customer will understand and appreciate that type of merchandising and products assortment more than the supermarket customer.

Retailer A tracks colour sales in order to better understand its customers' colour preferences. Sales records may not be the absolute method of determining the success of a colour because the customer can surprise it with an anomalous purchase, or the colour itself may not be responsible for the poor sales. The respondent from Retailer A pointed out that several factors other than colour can affect sales, including fit, fabric, price and overall value. Once the customer has evaluated those components, then whether the customer likes the colour or not becomes a factor. It is difficult to gauge what the customer's reaction will be because colour is so personal.

The brand's creative director tends to use a consistent type of colour palette that maintains the brand identity. The brand has a tendency to use very clean and preppy colours, as it has worked well for it so far. Retailer A will generally use lots of brighter, happier colours and it will run an item in every colour of the rainbow. The merchandising team has tried to use more muted colours in the past but they didn't sell very well. For neutrals, the team tends to use navy, white, black and tan. Even within the neutrals, they are always re-evaluating their colour standards to better suit their customer's needs. Their strategy when it comes to colour is to offer fun, preppy colours that the customer can easily wear and coordinate. For their supermarket assortment they will evaluate the colours to ensure the best shades for that season and whether a colour will sell to that customer market, since the supermarket sales make the most money. The focus of the palette is less about what is trendy and more about what the team thinks their customer will gravitate towards and then buy.

When it comes to developing their seasonal palette, Retailer A starts with a broad palette and then begins to narrow it down. The retailer begins with a set of colours that the merchandising team finds the most beautiful and that spike their interest. Finding these colours is

an organic process which involves scanning a variety of sources for inspiration and colour standards. This can include vintage samples, ribbons, vendor samples, and fabric stores. Buying designer samples to imitate for styling, trims or fabrics is standard practice, especially in the Canadian industry. Retailer A will even buy a designer sample just for its colour. The merchandising team will also scan Pantone swatches for colour standards, but not all of the standards that are distributed to their designers and vendors will be determined by Pantone numbers.

Retailer A subscribes to WGSN, one of the most extensive global forecasting companies. When starting a new season, Retailer A always takes a look at the forecast, specifically the global palette rather than the one for the American clients. In the past, Retailer A might use a couple of the palette's Pantones but it will never follow that palette verbatim. It will tweak the colours that it finds from the WGSN palette, but will use the colours that it finds from their multiple sources for the majority of their final seasonal palette. One reason why Retailer A does not use Pantone for all of its standards is that Pantone swatches tend to be flat, making it difficult to match to certain materials such as sweater yarns that can be vibrant and textured in comparison to a paper or cotton swatch.

Once the seasonal palette has been decided, it will be divided by quarter. The first quarter will be for spring, and then new product deliveries will occur every month. These monthly deliveries must flow with the previous month's merchandise but still look new to the customer since the store does not completely change its stock every month. New colour is the easiest way to show newness on the sales floor and encourage more frequent sales. There is opportunity to try out new palettes by putting smaller pockets of it on the floor. For example, a small pocket of sorbet colours will exist among the other bright merchandise. This allows the brand to try

something new without taking a big risk. Seasonality can also determine which colours they use

and at what time of the year. For spring, the colours are always clean and bright. For summer,

there is always a white story. For fall, Retailer A will introduce those classic, heritage colours

that are associated with autumn. For the holiday season, it always uses metallics and has a black

and white story. For Retailer A, revolutionary changes do not happens every year; instead,

changes relates more to the little things it adds here and there to update its seasonal approach.

Retailer A tries to find its own way of interpreting colour trends and incorporating them into the

rest of the store, without making it a feature so it that will detract from what it usually does. An

example of this would be to include some sorbet and neon colours for spring within its

assortment of clean bright colours.

Retailer B

Since the establishment of its successful catalogue business, Retailer B has been in

business in Canada for several decades. It has a chain of major department stores that offer a

wide variety of home-related products and services as well as apparel for the whole family. It has

recently expanded its online presence for those who prefer online shopping. With American

retailers expanding into Canada, Retailer B has been working on repositioning itself in order to

compete. It has been making efforts to lower their price point and attract a younger demographic

for their apparel departments.

Overall, the target customer of Retailer B is a baby boomer. The younger market that it is

trying to attract is someone between 30 and 40 years old. For womenswear, it has three different

categories which include contemporary, classic and traditional. The contemporary category is the

one that it is trying to expand for its younger demographic. The classic womenswear category

makes up the bulk of its business but the traditional category is something that Retailer B does

very well. That category targets the older consumer and Retailer B is a big player in outfitting

this demographic nationwide. On the menswear side, there are three categories as well. For its

younger demographic, Retailer B has a contemporary category with a slightly more fashion-

forward appeal. The second category is for classic clothing including tailored goods that make up

a major part of its apparel business, while the third category is for casual classics.

When determining a colour palette for a season, the trend director must convince the

buyer which colours to buy for that season. The buyers review which colours sold well in the

previous season, but the trend director has to always think of the future. The customer's desire

for newness is met when the trend director predicts which colour will be successful for next

season. In order to predict those colours, the trend director uses a variety of tools to build the

next season's palette.

The role of the trend director is to evaluate upcoming fashion trends and decide which

ones will fit in with the target market. Trend directors consider everything that has any influence

on fashion such as runway, film or anything in the popular Zeitgeist. Retailer B's trend director

says that there are always signposts along the way which will tell you what the major trends will

be. She says that there are so many sources of information to look at that it is hard to say whether

most of her trend information comes from trend services or fashion blogs.

Most of her direction tends to come from runway analysis. The fashion seen on the

runway is considered directional, and those trends tend to be one year ahead of the average

Retailer B customer. Even though that customer adopts those trends one year later, the runway

trends still need to be edited for customers of this retailer. The trend director must figure out if

the trend is commercial enough to appeal to the customer. Applying trends requires balance: they

need to be aspirational enough to suit the customers without alienate them. There used to be a

misconception that a colour palette at a mass market level would not be as beautiful as colours at higher end level, but the trend director at Retailer B pointed out that great colour does not cost any more to produce so there is no reason to simplify colour, regardless of the consumer. At any price point or geographical location, all customers want to look great in what they purchase.

Retailer B subscribes to several forecasting services such as WGSN, Style Sight, Scout, PeclersParis and ESP Edit. Since this retailer is a large company, it has the budget to subscribe a large variety of online services in addition to purchasing trend books. Both WGSN and Style Sight offer extensive and in-depth coverage of the market, but subscriptions can cost a company tens of thousands of dollars per year. However, the online subscriptions make it easy for all departments to access trend information, including merchandisers, buyers, designers, textile designers or CAD artists who work in categories such as apparel, footwear, accessories or home. The trend books are usually purchased for the design team in mind.

When it comes to colour, Retailer B prefers to use certain trend services over others. PeclersParis tends to give direction that works well for its womenswear department while Scout, an Australian service, works best for menswear. The online service Style Sight tends to provide trend reports that work better for Retailer B's mass market customer. Retailer B's trend director has noticed that Style Sight is good at bringing the European directional fashion trends down to a realistic level, which makes the service successful for their clients.

There is a common misconception that there is a sixth sense to colour forecasting. Retailer B's trend director explains that colour trends require research even though there is a certain amount of intuition and risk involved. The trend department holds quite a bit of responsibility when a colour gets marked down or a trendy colour gets missed. This is why research is required when developing a colour palette. Looking at everything in the Zeitgeist

including magazines and competitive analyses are important to the retail sector. Attending fabric shows is very important because it is where many designers turn for trend inspiration.

Retailer C

Retailer C is one of the leading menswear chains in Canada that offers suiting, sportswear and tuxedo rentals. It offers merchandise at a variety of price points and styles to suit its broad customer base. Its target customer is primarily male also includes the women who shop for their significant others. Retailer C targets customers as young as 18 to 20 and as old as 65 to 80, but its median age is 43. Generally speaking, the customer's family income is between $80 000 and $100 000 per year. Retailer C recently developed a tuxedo rental business which has brought in the younger demographic into its store. Those who rent from Retailer C tends to be teenagers who need a tuxedo for prom or young men who are either in weddings or attending them. This new traffic of younger men has made it easier for the retailer to sell younger-looking product.

Retailer C is not known for having fashionable product, and tends to have a reputation for being "your father's store." It gains new young customers when these young men shop with their fathers and realize that Retailer C has brands and products that appeal to them. This retailer does not consider its merchandise to be on the cutting edge of fashion; it does like to think of itself as contemporary. In addition to the younger demographic, Retailer C caters to the gentleman who needs clothes to wear to work. It does not offer weekend or casual wear but offers dressy casual items such as denim, sports coats and dress shirts as well as formal wear. Overall, Retailer C has a wide appeal.

When it comes to colour, Retailer C focuses on customers in the early to late majority category when it comes to adopting innovations. Suiting is a large percentage of its business, where the majority of sales are black and variations of black such as pinstripes or shadow stripes.

However, it does carry suits in other colours such as charcoal, earth tones, navy, tan and olive. Other products such as sportswear or neckwear will often have more variation of colour but it is not part of Retailer C's core business.

Since Retailer C's customer is not an innovator, the merchandising team will not be the first one in the market to implement a new colour trend. They leave that to the more aggressive retailers that are more fashion forward, leaving their own customers some time to familiarize themselves with the latest colour trend. Retailer C has the capacity to see if a colour becomes successful in the menswear market and then offer it the next season or the one after that. This eliminates the risk of using a colour that will not sell; however, it is quick to jump on a colour that was successful for menswear in general.

When developing a colour palette, Retailer C uses a few different resources. Along with sales records, it gets feedback from its stores. It will ask the managers if they have received any requests from customers for particular colours or styles. If there has been a request for a certain colour, Retailer C will see how quickly it can accommodate that need. Another source for trend information is based on their merchandising team's sample shopping. They will go shopping at higher end stores in Canada and in Europe to see what is trending and then buy samples that could work for their own market. After a few months, they will decide which colours will make it onto their palette for the following season. Retailer C also depends on the vendors from which it buys product to give them trend information. Its vendors will only want to show it on-trend product in order for Retailer C to buy it. There is a sense of trust between the vendor and the buyer, even though the buyer makes the final decision. An additional source of colour information for Retailer C is the menswear trade shows that the buyers and merchandisers attend, usually twice a year in Las Vegas and one textile show in New York. The team from Retailer C

goes to these shows to scan the booths and get a sense of what is new in styling, fabric and colour. If they start to see a certain colour in a lot of the booths, then they will look into it further for their sportswear or neckwear.

Retailer C formerly subscribed to WGSN but found that there was a lot of information on womenswear that wasn't applicable to its customers. What was applicable to the menswear market was very narrow and too fashion-forward for its customers. Retailer C chose to unsubscribe because it was acquiring enough trend information using indirect methods. A lot of its vendors will provide Pantone swatches which it can use as colour standards across the whole store. Once Retailer C has gathered swatches of all of the colours that are being considered for its palette, it will start eliminating. There may only be room for three or four accent colours in its line in addition to its standard neutrals. Only a small portion of its merchandise will include these trendy colours, but Retailer C will buy a few different colours in order to appeal to everyone within its wide market share.

Retailer D

Retailer D is the Canadian division of a major retailer originally from the United States. It offer an extensive range of merchandise such as apparel, home decor, grocery and electronics. Known for its low prices, it is a huge competitor for many retailers across many categories. With over 300 stores across Canada, it counterbalances its low prices by ordering products in large quantities. Retailer D belongs to an international company that owns the same retailer in several countries. Its ability to collaborate with other international divisions allows for more efficient product development. About three years ago, Retailer D restructured its apparel business to conform to a "monobrand" strategy, which means that the majority of their products fall under its private brand's name or a derivative of it. Even though they are under a similar name, each

derivative caters to a different type of customer. Retailer D has brands for the whole family, including men, children, babies, women's contemporary, juniors and activewear.

When developing a colour palette, Retailer D looks at the overall trends and then builds individual palettes for each of their customer categories. When it comes to trends, Retailer D knows that it does not set the market, but rather reflect the market. Their staff pointed out that due to the effect of the internet on the rate of diffusion, their customer wants the trends at the same time as everyone else. The Retailer D customer would be an early to late majority adopter depending on the category. Its customer does not take a lot of risks with their clothing and have low incomes, so their purchases are not frivolous. The colours that are offered have to work for their needs, which mean that more conservative or familiar colours are used for basics, while trendier or unusual colours are used for accents. While their customers do desire newness, they can't be pushed too far with their colour choices. Due to financial constraints, this customer may only have the option of buying just one top that month. Retailer D is conscious of its customers' purchasing habits and tries to keep its colourways up to date without pushing the boundaries too far.

After identifying colour trends, Retailer D comes up with a version of the trends that suits their customers. They tend to use cleaner colours for a few reasons. They find that they are less successful with dirtier tones, because the lighting in the store is geared towards hardline products such as furniture, cleaning products and groceries rather than enhancing apparel. Another reason is that those sophisticated greyed shades don't look as good in fabrics at this retailer's price point. The spokesperson for Retailer D pointed out that women lose pigment in their skin and hair as they get older and those dirtier shades are not very flattering to this demographic. Using cleaner colours is especially important in women's sleepwear because customers are not likely to

be wearing makeup when they go to bed, so fresh colours act as a cosmetic shade that enhances

their appearance. All categories of apparel from this retailer contain a form of the trendy colours,

but are adapted to their particular customer categories. In some areas, that colour may only be

used as an accent in a print instead of being the colour of an entire garment.

This retailer has also noticed some colour preferences within its different apparel

categories. All of the categories will have the same colours for its core palette which includes the

typical neutrals like white, greys, browns and black so that they are standard across the

department. Retailer D's contemporary customer palette has an emphasis on black for dresswear

but still reflects the market trends with the other colours. The women's "classic" customer tends

to like bright colours and soft cosmetic shades such as lavender, while the junior customer will

have sharper, more lifted colours and a palette with more contrast.

Retailer D benefits from being a large company that is affiliated with the network of

international branches of its namesake, and this allows them to access many different trending

services. It has access to the largest and most extensive services such as WGSN, Style Sight and

Fashion Snoops, as well as having access to the Donager Group, a forecasting company that does

custom trend reports. Retailer D also orders several trend books which come with swatches,

mood boards and some styling information. Some of these include Color Portfolio, Up, Scout

and A+A to name a few.

Retailer D uses an interesting approach towards analyzing colour trends, incorporating

both quantitative and qualitative methods. After reviewing its multiple trend services and books,

it takes a quantitative approach by listing every service and every colour that was suggested and

calculating how many times that colour has come up. This allows them to see where the market

is shifting. Next, Retailer D collects all of the swatches from these books and services and

arranges them into a new book by colour families. This book allows them to see how colours

have shifted. For example, all of the red shades are put together on a page and it becomes

obvious that the reds for that season are more towards orange than blue. This book has helped the

design team become aligned faster and more consistently with their colour palettes, and has

helped them decrease the number of colours in their palette by 25%. It also provides slightly

different colour options; for example, if a particular shade of pink is not working for their

customers, they can consult the book for a better option.

In addition to the trend services, Retailer D uses other resources to make decisions for its

colour palettes. Shopping trips within North America and Europe allow the team to observe what

is current, where the market is headed, and which styles and colours have been marked down.

Sales reports for its own stores also show which trends worked and did not work for its

customers, providing more insight into its target market's preferences. Lastly, its vendors

provide them with market intelligence during their pitch to the buyers. During these buying

meetings, the vendors will present their trend research in order to support their samples. After

analyzing the shopping trips, sales reports and vendor meetings, the trend direction team must

develop a palette that they believe will be the most successful and commercial assortment for the

season.

Retailer D follows a specific path every season when developing its colour palette. Twice

a year, in January and July, the design team attends the Print Source textile trade show in New

York. The textile show offers trend seminars for an additional cost but the team finds that

exploring the show on their own gives them an adequate sense of which types of prints and

colours will be on trend for that season. Upon their return, the team discusses what they saw at

Print Source and start to use its forecasting services to begin developing their palettes. This

allows the team to align itself to ensure continuity across apparel categories. After previewing their palettes with the trend director, the team reviews their selections before they leave for Europe to shop their stores. Going to Europe allows the team to confirm, prove or disprove their colour selections. When they return, they will revamp their palettes and tweak them for their categories and present them to the vice president, director of product development, and the team leaders. Their colour palettes will then be added to a document which outlines the colours, theme, key items, print and pattern, and an overall vision for their category. This document gets distributed to the merchandisers and buyers to ensure continuity in product across the sales floor.

Retailer E

With a long history in Canada, Retailer E is a luxury department store that carries designer womenswear, menswear and childrenswear. It has at least one location in every major city in Canada, and it prides itself with its high level of customer service. This retailer only does a small amount under its private label because the availability of a range of luxury brands is what brings customers to their stores. Retailer E likes to be seen as a speciality store rather than as a large department store, in order to provide a luxury shopping experience. Their customer wants to shop in a store that reflects how they want to look and feel, which is as though they are part of a smaller club. They aspire to shop at Retailer E and feel a sense of pride that they have been able to afford to do so. Retailer E considers itself as a fashion store that carries the latest fashion at a medium to high price point. Their customers are familiar with high-end apparel, and they take pride in their appearance.

Retailer E no longer has a target age bracket or specific customer demographic. Since it offers products suitable for every age, the one thing the customers in their target market have in common is that they care about living a high quality lifestyle, and they care about fashion. One

interesting fact about their customers, contrary to the belief most people have that all luxury

consumers want to be first with a trend, is that they are actually fashion followers. However, it

has a group of customers that always want the latest trends and they are considered Retailer E's

ambassadors for leading edge fashion. These customers are early adopters and are responsible for

taking an innovation and tweaking it to better suit the mass market.

Retailer E has noticed a recent transformation in the way that its consumers respond to

colour. With internet access to the latest runway shows within hours, consumers have become

more influenced by what they see on the runway because it is so accessible. In the past, brighter

colours were associated with the spring and summer season but fashion is using just as much

colour throughout the year. In the past when Retailer E merchandised its products, it noticed that

the bright colour acted as a magnet by attracting the customer into the store but they would

usually buy the item in black. Currently, colour is starting to outperform black. Being a luxury

department store, Retailer E buys some of its product directly off of the runway. It noticed that

until recently, high end runway designers didn't incorporate the intense bright colours that were

evident in streetwear. Luxury was associated with longevity, and people were afraid to spend a

lot of money on a recognizable item that might not be worn again. The trend towards intense

bright colours originated from designers taking inspiration from activewear, and is currently

tricking down to the masses. Retailer E finds that their customers buy classic pieces and basics in

safer tones such as black, navy or a dark colour, but they buy pieces to update their wardrobes in

newer and brighter colours.

In order to build its colour palette, Retailer E subscribes to WGSN and buys trend books

from PeclersParis. It also looks through all of the editorials from around the world in every

magazine. The magazine tears sheets and the information from its services give them the big

stories of the season. The services speak in a broad language, which allows the retailer to create its own version of the season's themes. Retailer E reiterates that fashion is an evolution, not a revolution, indicating that similar stories repeat themselves every season in new ways. Using the magazines, it starts to create a parallel story. Next, it looks at the big trends that are happening on the runway. For a retailer, the best time to start a trend forecast is a year ahead of the season that is being planned. The combination of the services, the magazines and the runway give an indication of what is happening in the present and how the trends will evolve for the next year. Retailer E states that for its customers, runway fashion is very leading edge and that everything diffuses from there for the following year. Once Retailer E completes their forecast, it will provide a booklet outlining its trend direction to its buyers so they are prepared for the buying season. After the buyers come back from market, they will discuss what they saw and then edit which trends they will incorporate since they are unable to buy everything. Forecasting trends and developing colour palettes is a process that is constantly being edited and fine-tuned up until the products are ordered.

While the retailer emphasizes that runway fashion often influences the following year's fashion direction, Retailer E takes a fast fashion approach for certain items. Right after returning from the runway shows, the trend director selects the key items for the retailer's private label that will appeal most to their customers. They have these items domestically manufactured within six weeks, at a reasonable price point for a good quality item. Manufacturing in Canada is something that their customers value, and this also allows goods to be produced and delivered quickly. Domestic manufacturing is only profitable for both the retailer and the factory because the products from this retailer sell at a higher price point. The quick delivery of this collection of key

items satisfies the early adopters that want the latest fashion straight from the runway at an affordable price that doesn't sacrifice quality.

The runway world has two deliveries per year whereas the contemporary world, at least in womenswear, has monthly deliveries. As Retailer E sells a lot of merchandise from the runway, it needs to carefully stock its stores with merchandise in order to keep customers coming back. Designers now come out with a resort collection and a pre-fall collection in addition to their directional spring/summer and fall/winter collections. With new designer goods arriving every quarter, the retailer's private label will get refreshed every four weeks. Its strategy is to deliver smaller packages more frequently and to sell merchandise that is not tied to a season, so the customer can buy it and wear it right away. This satisfies the customer's desire for something new, which in turn provides instant gratification.

Retailer F

Retailer F offers clothing, accessories and footwear for style conscious women and men. The retailer has over 200 stores in Canada, where they offer products that are designed in-house but reflect the latest runway fashion. The retailer's target market has gone through many transformations since its launch over fifty years ago. Currently, its target womenswear customer is lives in suburban Canada and is a middle-aged, working professional. She comes from a dual-income household, has children that have left the home, or are about to, and she is about to have more free time. She needs clothing that fits her social needs.

Overall, Retailer F's customers tend to prefer feminine, floral-like colours such as shades of pink and purple. They are conscious of colour trends but gravitate towards the cleaner and brighter tones: for the spring 2013 season, for example, these included cobalt blue, coral, kelly green and mint. Black sells well, as do black and white combinations but its success may be

temporary as it is currently a trendy combination. Retailer F finds that colours that are too dull or moody don't sell very well. Dark neutrals, including grey and navy, have not been successful either.

Retailer F follows a similar model to Retailer E, where the design team does very thorough runway reviews and tries to introduce new trends as soon as possible. As soon as the designer goods are delivered, Retailer F's collection reflects those trends. Its customer is quick to adopt colour trends and Retailer F satisfies those needs by engaging in quick response manufacturing. They manufacture about 40% of their merchandise in Canada, and even use local textile mills. Retailer F's price point is slightly above mid-level, so it can afford the higher production costs that allow it to offer the latest fashion trends. The perceived value of Canadian-made goods also allows the customer to justify the higher cost of the garment in comparison to other fast fashion retailers. Retailer F is not considered a fast fashion retailer because it manufactures basic items overseas, although it uses the quick response model for its fashion items.

Retailer F subscribes to Style Sight after a recent switch from WGSN. It also uses trend books such as PeclersParis and Color Portfolio, which have a heavier influence on its color palette than the online services do. Retailer F takes the books into strong consideration and the runway review is very important, but they also seriously consider what will work for their customers as past sales have shown. If a colour is big on the runway and has done well for them in the past then it will definitely be incorporated into the final palette. Retailer F has a tendency to use the colour swatches directly from the trend books as a colour standard rather than tweaking them. Since colour trend books have a large variety of colours, Retailer F just chooses the ones that work best for their customer. In comparison, most other retailers will tweak the

colours from the trend books or use bought samples as colour standards. This method does not

work for Retailer F because the European samples are from the previous season and are often not

forward enough for their its customers.

COBALT OR CERULEAN?

Discussion

Menswear Analysis

Recent studies indicate that there is an increasing trend towards menswear becoming more fashion focused (Naderi, 2013). Retailer B has noticed a recent change in the menswear market, which in the past has tended to be conservative when it comes to innovation. The trend department has been finding that men have started to buy new pieces every season because the trends are changing at a quicker pace. Men are starting to shop for themselves more often instead of their significant others going on their behalf. They are experiencing more of an interest in keeping up with fashion, partially due to their buying more magazines and reading blogs. This allows them to get more comfortable with fashion and colour as it is becoming more socially acceptable to be stylish. In terms of preferences, Retailer B's customer wears a lot of blue, which brings colour into their wardrobe without it being too risky. Based on their trend services forecast, Retailer B will mute the colours for its final palette. Since its menswear customer often worry about looking silly, the muted colours still maintain a sense of newness.

Retailer C has also noticed that it is becoming more acceptable for men to wear brighter tones, but says that such behaviour goes in cycles. Menswear is becoming less conservative and men are becoming more liberal in what they wear. Men have a history of not wanting to stand out with their clothing but now pieces are being designed to stand out just enough. These brighter tones will appear in a coloured accessory like a pocket square, tie, socks or even a coloured shirt. For their customer, it's more about the hint or touch of colour. The more subtle it is the more elegant and sophisticated it will be. Colour allows men to express their personalities through their clothing. Some of Retailer C's customers see clothing as just a body covering and this retailer has merchandise that will appeal to that customer as well as clothes of interest to

those who do care about what they wear. Retailer C has noticed that the trend towards colour has moved into dresswear in the last three years but has always been prominent in sportswear.

Canada and International Markets

Retailer C believes that Canadian style falls somewhere between European and American styles. Often Canadians are more fashionable than American consumers but as forward as some of the European men's fashions. Due to the prominence of American media outlets in Canada, Canadians become exposed to U.S. styling, colouring and conservative influences. A European influence in Quebec creates a desire for more sophisticated and elegant dressing, also interpreted as a more French or Italian style, than is found in English Canada. A lot of Retailer C's vendors do business in both Canada and the United States, and they find that they sell more colourful product to Canadian retailers than they do to American retailers.

Retailer D compares the Canadian market to the other markets within its other international divisions. The Canadian climate also results in a unique product assortment, especially when it comes to outerwear. Canadian retailers need to plan merchandise around colder temperatures regardless of location because all Canadians experience some form of winter. In the United States, there is more variation in weather and they must adapt their monthly deliveries to diverse climates. Retailer A also discussed the types of colours that it offers for each season, such as pastels for the spring and heritage colours for the fall. This method of colour distribution would not work for other countries' climates.

Retailer D also elaborated on the differences between Canadian and American consumer strategies and attitudes. The United States' population is so large that the retailer's American division can choose one market segment and only focus on that customer. It can focus on the opening price point in addition to that customer and demographic. With Canada's population

being significantly smaller, a retailer must service many different market segments because the

population is not big enough to support just the opening price, mass market customer. Retailer D

finds that Canadian consumers tend to be less judgemental when choosing retailers because they

are not too proud to shop in different stores for everyday items. The retailer noticed that the

customer that shops at high end grocery stores will also shop at Retailer D. It is not uncommon

to see higher-end cars in the parking lot of Retailer D, belonging to customers who came in to

shop for basic items like toilet paper or childrenswear. They may not be buying apparel for

themselves, but maybe they will purchase basic items that will be integrated into their existing

wardrobe.

Retailer D receives colour palettes from its American division to use as a reference but it

still develops its own palettes to suit their Canadian market. From past experience, some of the

colours that are on the American palette do not work for the Canadian population because the

ethnic mix is different. The U.S. has a higher Latin and African American population whereas

Canada has a higher Asian, Eastern European and British population, for example. The

differences in the skin tones between the two countries can change which colours are more

flattering. The American colour palettes often have a mustard and peach family of colours which

has not sold well in Canada. Canada is multicultural, so they will include a bit of those colours in

its seasonal palette but not offer as many products in those colours. Research has shown that

40% of the Canadian female population looks best in cool and intense colours, 22.5% in cool and

soft, 22.5% in warm and soft and 15% in warm and intense colours (Chu & Nemeth, 2010). This

statistic can help provide some indication on the retail success potential of a specific colour.

Retailers A and D both indicated that the colour navy blue was not successful with their

customers in Canada. There has been a recent trend towards shades of blues and navy has been

forecast as an important neutral colour. Both retailers stated that Canadians do not understand navy as well as the Europeans and that, although navy has been successful for French and British retailers, in Canada it does not sell better than black. Retailer F also mentioned its struggle with navy for daywear, but found some success in eveningwear. Retailer D brought up the fact that navy is a difficult colour for customers to match, and they are uncertain as to whether they can wear a navy garment with black or brown shoes. Retailer E believes that customers need to be educated on how to wear colour and how to style it within an outfit. It also believes that style blogs are helping consumers better understand how to wear certain colours together. Since not all consumers are equally fashion forward, Retailer D uses shades of dark blue that go with black to make navy an easier colour for their customers to wear. Shades of indigo or a brighter navy are used instead, giving their customer the opportunity to be on trend. Based on retail sales, Retailer D has more success with shades of camel, grey and brown as core foundation colours.

Retailers A, D and F all prefer clean, brighter colours for their suburban middle-aged female customers, regardless of how fashion forward. Retailer D's explanation on loss of pigment with aging, cosmetic shades and their ability to enhance a woman's appearance helps explain the preference of women in that demographic towards these types of colours. Research has shown that younger consumers are more likely to purchase colours because they are trendy while older people will choose certain colours because they feel that it will compliment them (Kim et al., 2011). Even though colour is a personal choice, these generalizations help designers develop products that will result in good sales.

Colour Trends and the Internet

Retailer D has stated that their customers want the latest trend at the same time as everyone else. Even the late majority adopters still want to look current. It is common practice in

Canada for designers to go to Europe and shop for samples to imitate or inspire their next year's product assortment. In theory, the merchandise seen in Canada would resemble what was in Europe a year earlier. With the internet providing the latest fashion information, anyone can access runway shows and build an awareness of what styles and colours are current. This easy access makes consumers crave new trends, regardless of geography. Retailers B and D stated that they now have to carry the same product assortment across the country, and that consumers in big cities and in small towns share the desire to look current.

Retailer E has noticed a homogenization of colour across retail at all price points. Retailers and manufacturers heavily rely on trend services to maximize profit and facilitate operations within the supply chain. The issue is that everyone is using the same services, regardless of price point. The shade may not be exactly the same because most retailers are tweaking their colours to suit their markets. Even though Retailer E sells high end apparel, it is seeing the same colours in lower end stores but in cheaper fabrics.

Trend Direction, the Buyer and the Consumer

Many of the trend directors who were interviewed discussed the relationships that exist between them, the buyers and their customers. Both Retailers B and D stated that they cannot deliver the trends to the customer without going through the buyer. This is an example of gatekeeping, where trends go through multiple executive levels, where decision are made on which items, colours or details make it to the sales floor. Trend directors do their best to inform the buyers on the latest trends that they believe will work for their customers. They hope that the products that are bought comply with the trend report to ensure successful visual merchandising and to maximize sales. Buyers will instinctively want to buy the same colours that did well the previous year but the trend director must convince them to use next year's shade.

Retailer E's trend director educates its buyers on the next season's trends and tells them what to look for during their buying meetings. Like Retailer D, they make their buyer a guide that outlines the different moods of the season and breaks down which colours will deliver each month. The guide also explains how to work the key items and colours into the entire product assortment. Unlike Retailer D, Retailer E only shows the fashion colours and not the basic neutrals to the buyers, because that category requires less direction. Retailer D has fewer categories and departments, so colour standards for neutral don't need to be strictly enforced.

COBALT OR CERULEAN?

Conclusion

Colour trends represent a symbiotic relationship between retailers and customers that reflect customers' aesthetic and satisfy their desire for innovation while offering high profit margins to the retailer. Colour trends represent the consumer's current taste and what the consumer will want to purchase in the future, while also reflecting fashion's ephemeral nature. Fashion is both a high profile and economically important industry where fashion and colour trends heavily influence sales. The consumer's involvement in the industry plays an important role in maintaining interest and spending. Regardless of whether they are innovators or late adopters, all consumers play a vital role in supporting the industry and the diffusion of fashion (Naderi, 2013).

Canada faces many struggles with its industry catering to such a small market. The lack of trend services for the Canadian market specifically leaves trend directors and other fashion professionals debating between an American and European aesthetic. In addition, most retailers need to appeal to a broad demographic in order to create a large enough market share to support their business. There is vigorous competition among retailers and the infiltration of foreign retailers, particularly American, dilutes the amount of product that is targeted towards a Canadian audience. Canada's small industry and the limited amount of domestic manufacturing may be the reason for the lack of academic research on its apparel industry (Campaniaris et al., 2011). However, two of the retailers in the study still manufacture some of their products domestically, as do other Canadian companies that produce higher quality goods that sustain the local manufacturing sector.

The results from the interviews showed some commonalities in colour preferences and their customers' responses to colour trends. Each retailer had a unique approach to developing its

colour palettes with its target customers in mind. Almost all retailers were faced with fashion

trends having a shorter lifespan than in previous years, a demanding customer and a constant

desire for newness. These challenges applied to many different target markets, making these

issues almost universal. Fashion trends are a reflection of society which explains the

homogenization of colour across retail at all price points, as well as the limited number of trend

services. What makes each retailer distinctive is its interpretation of the colour trends and the

way that these trends are customized for the retailer's target markets. Retail success in Canada is

dependent on the proper prediction of colour trends for the Canadian market, and retailers'

ability to drive sales through effective merchandising that satisfies customers' desire for

innovation.

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