



## Chapter 2

# The Role of the Fashion Buyer

The buying role differs between companies but all fashion buyers are responsible for overseeing the development of a range of products aimed at a specific type of customer and price bracket. There are various levels of seniority within a buying team, ranging from small independent stores, which may have one buyer who also participates in sales and promotion, to a major fashion multiple which has trainee buyers, assistant buyers, buyers and buying managers, headed by a buying director. The job title can also vary, most notably at Marks and Spencer, where buyers are referred to as 'selectors'. Members of a buying team need to be effective communicators as most of their time at work is spent liaising with suppliers or internal departments.

Buyers usually buy merchandise for a specific product area. In a small company, this may be a very broad range, for example ladies' casualwear, including jackets, tops, skirts and trousers, but in a large multiple, the range is likely to be far more focused, for example men's shirts. Usually, the larger the company the narrower the buyer's product area is. It is probable however that a buyer for a very narrow product range in a large company will be responsible for a higher amount of financial turnover, owing to large quantities per style being sold, than a buyer for a broader product range working for a smaller retailer. If the range of product categories is large most retailers, including Marks and Spencer and Bhs, have separate buying departments or divisions for menswear, womenswear and childrenswear. The responsibility for buying merchandise is subdivided into specific product ranges which may include jerseywear, knitwear, leisurewear, nightwear, swimwear, tailoring, underwear, eveningwear, footwear and accessories. In larger companies roles are usually more strictly defined than in smaller companies where the job may be more diverse in terms of products and responsibilities, calling for versatile buyers with a wide range of skills, as the job can sometimes extend into the creative and technical areas of design and quality control.

The buying role for small independent retailers and some department stores is quite different from working for a high street fashion chain store, as independents mostly buy ranges of branded merchandise without the opportunity to become involved in the design or development of the product. The buyer's role is usually different in America as it includes more administrative duties and financial input which in the UK are normally part of the merchandiser's

job (Clodfelter, 2003). In the USA buying is often a subdivision of the merchandising team, whereas in many companies in the UK buying is perceived as the central role. The experienced buyer's role invariably involves travelling, mainly to see clothing suppliers and to gather trend information (see Chapters 5, 6 and 7). A trainee buyer rarely travels abroad during the first year of employment. This gives a new recruit the chance to see how the head office operates and to assist the buyers before they embark on overseas trips. The first working trip for a trainee or assistant buyer is likely to be to Paris to view the trends at trade fairs and in stores, but after two or three years he or she can be travelling to several countries per season, depending on the retailer and the product area.

### Qualities of a successful buyer

A fashion buyer needs to be versatile and flexible as the buying schedule may include sitting behind a desk one day writing reports and communicating by phone or email, travelling to Paris to identify forthcoming trends the next week, then flying to the Far East the following month to meet and negotiate with suppliers. A good buyer needs stamina but should also be enthusiastic, conscientious, professional, decisive, numerate, creative, imaginative and well motivated. To succeed in this career buyers need to have foresight and develop skills in people management and time management. It is rare to find someone with an equal balance between these qualities and skills and many buyers will excel in some while being only adequate in others. Although this list appears to be daunting, most of the skills are learnt within the job. Enthusiasm and self-motivation are possibly the most important elements as they cannot be taught; they are the main qualities that, together with experience or qualifications will help the buyer to obtain that all-important first job. It is very difficult to ascertain solely from CVs and interviews whether or not a person has the right qualities to be a buyer as most of these will only be developed by exposure to the fashion buying environment. If, however, you already have most of these qualities and the willingness to acquire the rest, you have the potential to be a successful buyer. Even with extensive skills and experience a buyer who is new to a company will require a certain period of training and readjustment to become familiar with different systems and terminology. Companies that do not recognise and plan for this factor could lower their profits as a result when the new buyer's range is launched.

### Liaising with suppliers

Buyers liaise with garment suppliers on a regular, often daily, basis. A buyer may spend more time speaking to a representative from one of the company's manufacturers, probably from the design or sales department, than to another buyer from the same office. It is important therefore to establish strong working



relationships with suppliers as a mutually supportive approach will be beneficial to both parties. The buyers interviewed for this book each stressed their reliance on suppliers to enable ranges to be bought successfully. Occasionally buyers appear to view themselves as being on the 'opposite side' to suppliers – in a superior position – as they have the ultimate decision-making power. However this can be detrimental to buying a successful range as the supplier may be reluctant to offer new ideas if the buyer is too autocratic. It should be remembered that retailers and manufacturers both have the same main aim: to sell as many garments as possible by meeting customers' requirements. To liaise effectively both the buyer and supplier need to form a relationship based on integrity, reliability and respect. Buyers can only expect to see samples and costings delivered on time by the manufacturer if they in turn respond quickly and professionally to the supplier's phone calls or emails. Buyers liaise with suppliers for numerous reasons throughout the buying cycle (see Chapter 3) in relation to selecting, ordering and delivery of garments and, in the case of own label retailers, participating in the product development process.

## Negotiation

One of the major aspects of the buyer's role in dealing with suppliers is to negotiate prices and delivery dates, and many major retailers therefore offer training courses in negotiation skills to their buyers. The garment manufacturer's sales executive, or occasionally the senior designer, submits a 'cost price' for a garment, which has been based on the result of a costing process in the factory (see Chapter 7). This may take place in a face-to-face discussion, or in writing. The buyer calculates how much the garment needs to be sold for in the store to achieve the retailer's 'mark-up', which is the difference between the manufacturer's cost price and the selling price. The cost price is usually multiplied by around 2.5 to calculate the retail selling price for a retailer of branded goods, or three times the cost price for an own label retailer, including Value Added Tax (VAT) in the UK (see Chapter 5). It may appear from these mark-ups that retailers make a great deal of profit, but their slice of the selling price has to be substantial in order to cover overheads such as store rents, utility bills, shop assistants' wages and head office costs, including the buyer's salary, and – it is hoped – some net profit for the company.

Buyers should be able to estimate from past experience how much the consumer will expect to pay for a particular garment, and therefore can calculate the optimum cost price which they would be prepared to pay. Initially the supplier approaches the price from a different angle from that of the buyer, working on how much the garment will cost the supplier to produce. An experienced salesperson working for a manufacturer is also able to anticipate how much the buyer expects to pay. The buyer obviously wants to pay as little as possible for the product whereas the salesperson wants to sell it for as much as possible, since both are aiming to make profits for their respective companies. The buyer and salesperson both need to be realistic, however, and use

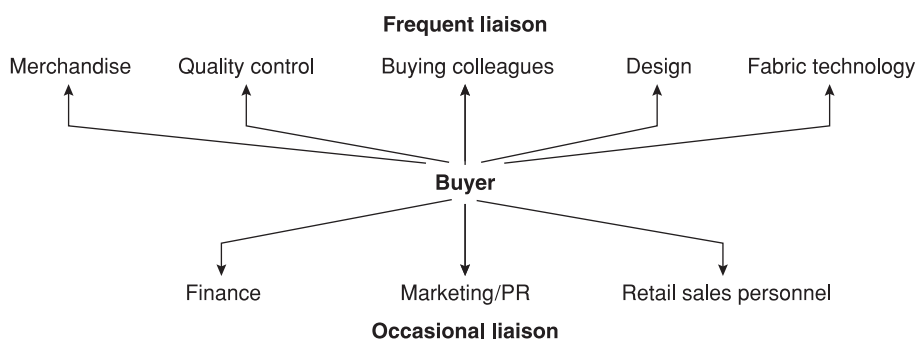
their judgement as to which prices are reasonable. If the buyer cannot achieve the retailer's target margin the buying manager will probably need to give permission for the garment to be purchased at this price, otherwise the style may be dropped from the range.

### **Liaising with internal departments**

Buying and merchandising are invariably centralised operations for retail chains, as economies of scale and higher efficiency are achieved this way. London is by far the most popular location for the head offices of British fashion retailers, though several large store chains and most mail order companies are based in the North, the Midlands or in Scotland. Fashion buyers liaise regularly with colleagues from other departments at head office, as the successful development and retailing of a fashion range is a team effort, requiring a variety of specialist input. Although buyers are usually based alongside, and interact frequently with, other members of the buying team it is likely that they will spend more working time in contact with other internal departments, as shown in Figure 2.1. This varies from one company to another as not all retailers have in-house design teams, fabric technologists or packaging teams. Buying is seen as a crucial and central role at head office, as the buyer makes key decisions about the products sold by the company and the job therefore involves liaison with most of the retailer's internal departments. The buyer may liaise frequently, on a daily or weekly basis, with key departments such as merchandising and quality control (QC), or intermittently with other departments, such as marketing.

#### ***The buying team***

Buyers need to work closely with the rest of their buying colleagues, as their ranges need to be sold alongside each other in the same stores, and are likely to be purchased to be worn together. Buyers from different areas therefore need to liaise regularly to keep in touch with developments in ranges and to support each other. Most buying teams have regular, perhaps weekly, meetings



**Figure 2.1** Buyer liaison with internal departments.



under the guidance of a buying manager. Some buyers may meet more often on an informal basis to update each other on ranges, and to ask for advice or opinions. If there is a quality problem with a garment in the range and the buyer does not wish to reject it, another experienced buyer's opinion may be sought to help the decision-making process. Buyers usually travel together on business trips and can therefore consult each other for advice on the range. Buyers for product ranges which are closely linked (e.g. if one is responsible for blouses and another for tailoring) are likely to consult each other frequently, to ensure that the range is well coordinated. Sometimes the buyer may need to contact another buyer in a separate division of the company, so a ladies' casualwear buyer who wants to source a certain type of fabric may seek the advice of a casualwear buyer from a menswear retailer within the same store group.

### ***Merchandise department***

The fashion buyer needs the commercial flair to buy a range, whilst the merchandiser needs the commercial acumen to enable the range to work successfully. Merchandisers interact very regularly with buyers, and are responsible for setting the financial parameters of a garment range. This can include creating a framework for the buying budget, defining the number of product types and determining the number of lines within a range. In effect merchandisers give buyers a shopping list of products in terms of prices (entry, mid or high) and the length of time which they are expected to be in store. Nick Atkinson, menswear accessories merchandiser at River Island, describes how his role works in practice:

I sit side-by-side with the buyer and the rest of the team: working closely with an assistant merchandiser, allocator and senior allocator. My main responsibilities are minimising risk, maximising potential and planning a balanced range. We have a target of how much profit to make for the season and how much markdown we're allowed. Merchandisers need good computer skills and as the job is very numerical and analytical, being able to read figures and pull out the information is essential. Communication is also very important between the design, buying and merchandising teams.

Merchandisers have a major role to play in many of the key meetings and processes within the buying cycle (see Chapter 3). They advise buyers on target margins for the range – which may differ for certain garments depending on the country of origin, the flexibility and lead time of the supplier, and the balance of the margin across the whole range. If a product makes a lower margin than the target which has been set, it may still be approved if other products in the range make a higher margin to compensate for it. This is referred to as 'marrying' margins, and is usually acceptable if the average margin across the whole range equals or exceeds the target. Merchandisers liaise frequently with buyers and suppliers to place initial and repeat orders. This involves regular meetings with buyers to assess the progress of each style