

The background of the book cover is a black field filled with white line art. The art depicts various styles of shoes, including high heels, loafers, and boots, shown from different angles and in motion. Some shoes have small, square, double-lined details on them. The lines are clean and modern, creating a dynamic and artistic pattern.

Fiona Armstrong-Gibbs and Tamsin McLaren

# MARKETING FASHION FOOTWEAR

THE BUSINESS OF SHOES

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## THE BUSINESS OF SHOES

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Fiona Armstrong-Gibbs and Tamsin McLaren

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Bloomsbury Visual Arts  
An imprint of Bloomsbury Publishing PLC

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# FOREWORD

The footwear industry has seen a number of quantum shifts in the last decade—not just from the perspective of continued growth, but also in how customers consume media and engage with brands. This has been stimulated in part by the evolution of technology that has democratized the media landscape. Brands can now reach their customers by creating a dialogue across multiple platforms.

There is also the critical challenge of understanding channels of distribution that have exploded in recent years through the onset of omni-channel retailing. Both retailers and brands alike have been quick to realize this market growth and potential, by opening up increasingly sophisticated offers to the consumer across digital and brick-and-mortar channels.

Understanding this marketplace in order to drive, reach, and stimulate awareness and demand to resonate with informed customers has become increasingly complex. Historically there has not been a single book that addresses the critical strategic issues that face any individual or organization on how to market and distribute its products.

This book provides informative and practical insight into how the whole journey from concept to customer is becoming more tailored toward increasingly savvy and demanding consumers within this highly competitive environment.

I would have loved to have read something like this when I first set out in the industry twenty years ago, as it provides a clear and no-nonsense approach on how to understand the business—from production through to season launch and retail, and from a marketing perspective, how to engage with consumers by setting out and reinforcing a clear positioning and reaching them in an authentic and credible way.

Simon Jobson, Global Marketing Director at Airwair International Ltd.—Dr. Martens

# PREFACE

We established early on in our teaching careers that there was a gap in academic literature and that no single text specifically addressed the fashion footwear business. Fashion marketing and management books focus predominantly on apparel, and footwear-specific publications address design, production, and historical factors rather than examining the business from a management and marketing perspective.

In many conversations with industry and academic colleagues alike, the feeling was that students were not always aware of opportunities within the sector, and that there was no single “go-to” book for industry professionals either; *Marketing Fashion Footwear* will be useful for students studying fashion marketing, management, buying, merchandising, and design as the aim is to provide a much needed balance and broader perspective on a fast-growing sector. It will also provide industry professionals with a view on how footwear differs from other product areas, and so it can be used to support individual training and development needs.

*Marketing Fashion Footwear* therefore does not focus on performance footwear, designed for athletic and health and safety end use. The words footwear and shoes may be used interchangeably, but generally industry professionals use the term “footwear.”

The chapters have been designed to explore the journey from customer to product and marketing concept throughout its different stages: consumer behavior, research and development, trend forecasting, product creation, the supply chain, retail and wholesale distribution, brand management, and marketing and public relations. Each chapter contains key learning objectives, an introduction to the topic, an Ethics in Action section, case studies, and an interview with a key industry professional.

**FASHION FOOTWEAR IS FOOTWEAR THAT HAS BEEN DESIGNED, MANUFACTURED, AND MARKETING WITH A SPECIFIC FOCUS ON FASHION STYLING AND TRENDS. FASHION FOOTWEAR IS BOUGHT BY A CONSUMER WHO CONSIDERS VISUAL APPEAL AND STYLE AS WELL AS SEASONALITY AND FUNCTIONALITY. BRAND AND AESTHETICS CAN TAKE PRIORITY OVER PRACTICALITY, DURABILITY, AND COMFORT.**



Key marketing and brand management theories are applied from leading international and upcoming footwear and fashion brands, and within the Ethics in Action sections moral or socially pertinent issues that are facing the industry are highlighted.

Footwear is a vast and dynamic industry, with many interesting and varied job roles requiring a myriad of both transferable and specific skills. Key job roles are discussed within the chapters via industry insights from designers, brand owners, retail buyers and store owners, brand managers, and digital specialists. Detailed figures, diagrams, and images support the text and contextualize theory, and each chapter is summarized and a set of discussion questions and exercises are provided. These can be used as a basis for in-class discussion, and they form the basis for further study and wider research. Finally, the key terms are listed to clarify and support the learning objectives.

We begin by focusing on the consumer (in **Chapter 1**) and exploring how the fashion footwear consumer displays a variety of behaviors that differ from that of apparel, embedding much more emotion into choosing, wearing, and disposing of shoes. **Chapter 2** explores how manufacturing footwear differs from clothing and follows the evolution from traditional to modern and future techniques in design, construction, and production. There is a focus on global hubs of production and regions that specialize in specific production techniques, their development, and place in the manufacturing landscape of the twenty-first century.

We then look at the international nature of the industry, as **Chapter 3** assesses the impact of globalization and regional and country trends are discussed to provide an understanding of the history, current challenges, and future directions for the sector. In addition, this chapter looks at the relevance of changing legislation around quotas and tariffs, export and import legislation, and the key role that footwear plays as part of different countries' overall economic stability and growth.

**Chapters 4, 5, and 6** outline the evolving retail and e-tail landscape and how this has altered dramatically in the last twenty years. Retailers and brands of all sizes are required to make more innovative products and have better quality production, an improved and more seamless customer experience, as well as more exciting and intriguing marketing and communications—gone are the days when “product is king” alone. Different countries

have varying retail distribution models, but the uniting factor in the digital age is the power of omni-channel distribution and marketing.

**Chapter 7** identifies issues faced by designers, brands, and retailers around brand identity and protection in today's counterfeit culture. Protecting intellectual property and some of the wider-reaching legal implications of recent cases and decisions, as well as the effect fakes have on the industry as a whole, are discussed. Brand management is explored in depth in **Chapter 8** via the discussion of critical success factors for longevity of different types of brands through brand collaborations and an understanding of brand equity and value, as well as the iconic nature of brands and footwear.

**The final chapter** covers the scope of marketing communications and the channels used to reach key opinion leaders and consumers, both in traditional and new media, and how this affects the brand's message. It assesses the various promotional tools used for successful campaigns in the twenty-first century and considers footwear as a product that has been elevated through the use of product placement and celebrity endorsement.

Extensive primary research was undertaken in the United States, Canada, and Europe to support secondary research, in order to provide a snapshot view of how the international fashion footwear industry works. Due to the length of the research, writing, and publication process there is always scope to update material, and we hope that students and industry professionals will be inspired by the sources made available to them in this book.

Shoes are the subject of fairy tales, films, art, and exhibitions; they hold powerful cultural connotations, and yet the business as a whole and how it operates has not yet been captured in a single publication—until now. For those studying or working with footwear and fashion, understanding the business of shoes is essential. The last twenty years have seen the product category grow exponentially as a key fashion item, outperforming other sectors in the industry. And increasingly the fashion industry is recognizing opportunities within this product category, and so the focus, investment, and employment opportunities are growing.

We hope you find this book to be useful and informative!

Fiona Armstrong-Gibbs and Tamsin McLaren





## 01

# THE FASHION FOOTWEAR CONSUMER

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## Learning Objectives

- Outline global footwear consumption patterns and define consumer behavior with reference to demographics, psychographics, and social factors.
- Examine customer motivations and issues of self-concept and how this impacts on the decision-making process and disposal of shoes.
- Identify the key research tools to develop a specific understanding of the fashion footwear consumer.
- Outline the fashion cycle and the key aspects of trend forecasting and analysis for footwear.

### 1.1 Fashion style tribe at London fashion week

Connecting and understanding key customer groups is essential when developing a successful marketing strategy.

## INTRODUCTION

Consumer behavior is the study of how individuals make decisions about how to spend their available resources, time, money, and effort when purchasing products. This chapter will cover the key concepts underpinning the behavior consumers display when searching for, purchasing, wearing, evaluating, and disposing of footwear. It is important to make the distinction between the customer who is the purchaser of shoes—either an individual or a retailer buyer—and the consumer who is the end user or wearer; however these may be used interchangeably. Embedded in behavior is the evolution of trends and process that consumers adopt and adapt to fashion change. This chapter will address the behavior of today's footwear shopper with reference to trends, the macro environment, and influencers.

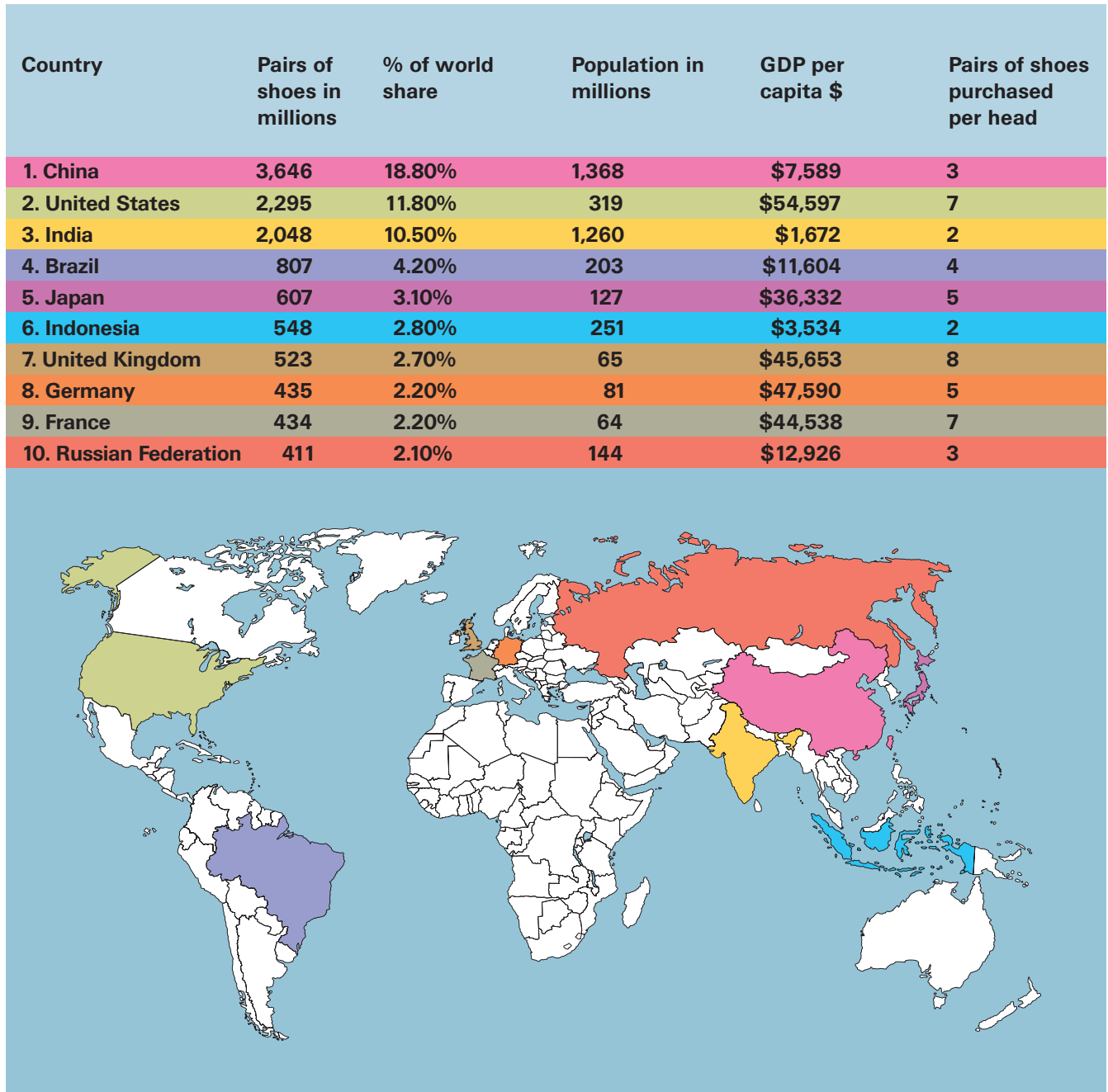
## GLOBAL FOOTWEAR CONSUMPTION

Historically, footwear was a functional purchase; most customers bought a black or brown pair of shoes, sandals for summer, boots for winter, and possibly a pair of “Sunday best” or evening shoes for special occasions. Footwear was an investment, expected to be durable and repairable. The 1980s and '90s saw the increasing casualization of clothing, a blending of acceptable styles for work and personal life. People wore comfortable sportswear as casual and leisure wear, adopting the same principle in their footwear and allowing for sneakers and trainers to enter the fashion market. The widening of choice and options in footwear styles and colors gained momentum through the 1990s and firmly established footwear as a commodity item. The “fast fashion” clothing model in the new millennium also contributed to the increase in footwear sales, satisfying consumer demand for affordable and stylish fashion footwear.

The global footwear market grew by 3.9 percent in 2014 to reach a value of \$289.7 billion and between 2010 and 2014 saw an annual growth rate of 4.8 percent. Across the world the footwear sector has seen a higher percentage growth than apparel. Athletic and casual footwear has driven this growth alongside increased consumer loyalty to brands, with consumers willing to replace footwear more often than before.

### Which Countries are the Largest Consumers of Fashion Footwear?

With the largest economy in the world and a population of over 1.3 billion, China is the world leader in manufacturing, exporting, and consuming footwear. Both India and Brazil have high consumption percentages, however this is reflective of a large population, and much of what is produced in these countries stays in the home market. As these economies emerge and offer their population higher standards of affluence and living, it is predicted that their purchases per capita will increase. The United States, Germany, France, United Kingdom, and Japan are the top five leading markets by volume and by pairs per capita. None of these countries are leading manufacturers;



however, they have well-established and -developed retail markets. Coupled with high levels of gross domestic product (GDP), this suggests that consumers have the ability to make optional “fashion” purchases. In general, the wealthier the country, the more shoes people buy.

#### 1.2 The world's largest consumers of footwear in 2014

In 2014 over 24 billion pairs of shoes were produced. Developed, affluent countries such as the United States, Japan, and Western Europe are still keen consumers of footwear but have seen their overall consumption patterns decline slightly since the economic crisis of 2008. The last few years have seen Asian countries such as China and Indian increase their consumption of footwear.

Adapted from the World Footwear Yearbook 2015  
(<http://www.worldfootwear.com>)

## WHAT IS CONSUMER BEHAVIOR?

Consumer behavior is the actions that individuals, groups, or professional organizations display when evaluating, selecting, purchasing, using, and disposing of goods and services and how these satisfy their needs and impact wider society.

Fashion footwear for many people is now a discretionary purchase; with increased brand awareness, innovative technology, and huge choice, retailers operate in a highly competitive and sophisticated environment. Their primary goal is to recognize and maintain their customers.

### 1.3 Customer segmentation

In order to understand the consumer it is necessary to segment, or split, them into groups based on similarities such as age and gender, as this will have an influence on what they buy and how they shop. Many young people are heavily influenced by the brands that their friends and peers are wearing.

## Identifying and Segmenting the Consumer

Retailers and brands split, or “segment,” mass (homogeneous, undifferentiated) markets into heterogeneous markets that share similar characteristics. These markets—or potential customers—are then defined by demographic, psychographic, and social factors. Demographics are objective and quantifiable data such as population, age, and sex and can explain who buys. They form the first part of a consumer profile. Psychological factors such as personality, self-awareness, attitudes, and opinions plus social factors such as culture, class, reference groups, and family life cycle also need to be included and help to explain why people buy. While the geographic and socio-demographic data are reasonably straightforward to gauge, it is much harder to quantify these other behavioral aspects of the consumer.

1.3







**1.4 Unisex styling at Ming Pin Tien**  
A Chinese designer Ming Pin Tien photo shoot showcases adidas sneakers styling for both men and women as a fashion choice.

## Demographics

Target customers are measured by indicators of gender, age, and ethnicity as well as geographical data such as housing type/location and economic data such as income. These indicators build a pattern over time that may show an aging population, falling birth rates, economic variables, and fluctuations in employment. All of these help to build a picture of who the marketer may wish to target or how it may adapt and develop its products. Online shopping behavior via gender shows that men are more like to shop on intermediary websites such as Amazon for their shoe purchases, whereas women tend to enjoy searching and go to specific retailers' site to browse and purchase.

**“ DEMOGRAPHICS ALLOW US TO DESCRIBE WHO BUYS AND PSYCHOGRAPHICS ALLOWS US TO UNDERSTAND WHY THEY BUY.”**

SOLOMON & RABOLT, 2009

**1.5 Family life cycle stages**  
Consumers' priorities often change as their family status evolves; therefore, their footwear preferences and financial spending power may affect their choice of footwear.

Household composition or family life stage/cycle*		Footwear choice
1	Bachelor and Peacock (students, low income, working) single	Young, sexy, affordable, and fun
2	Early nesters (working) couples without children	Glamorous, seeking status and variety
3	Full nesters (working) couples with children	Practical, stylish, and comfortable
4	Empty nesters (working or retired) couples without children	Investment, durable, comfortable, and purposeful but stylish
5	Solitary survivors (retired) singles	Comfortable and supportive but presentable

\*Also consider single-parent households, parents with grown-up children still living at home, and house shares in large cities, universities, etc.

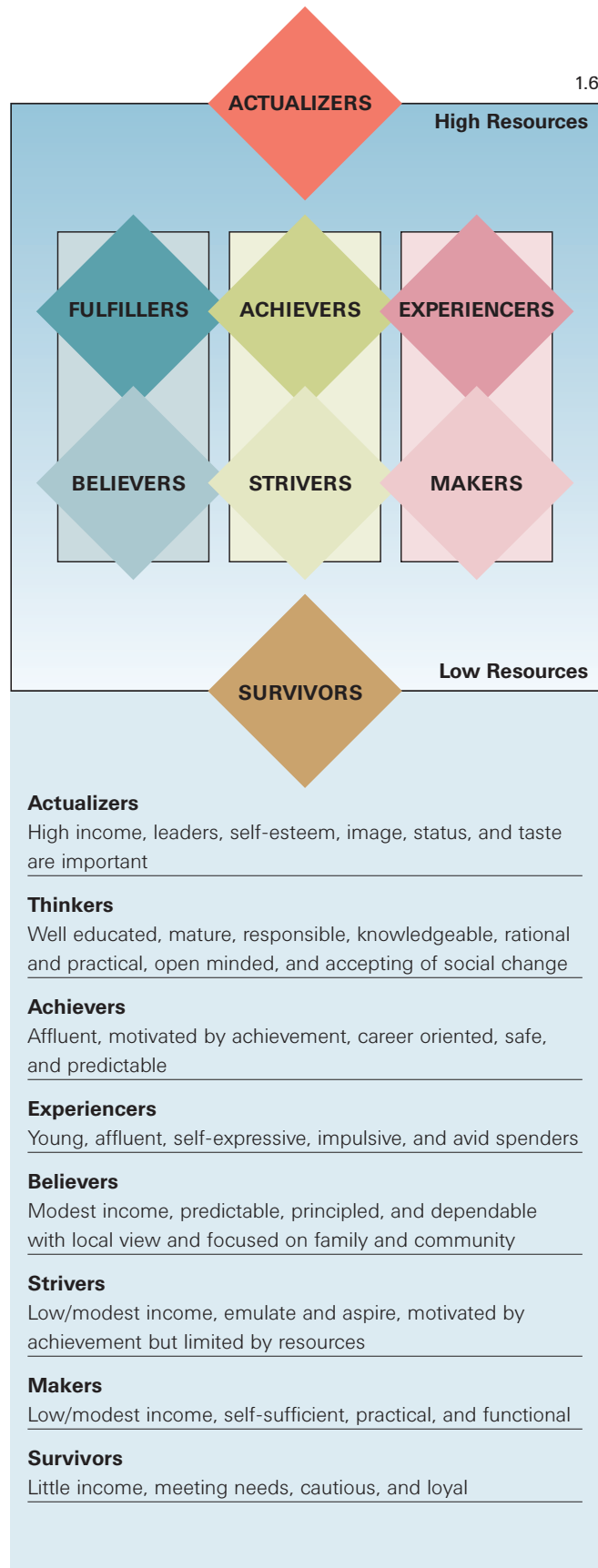
## Psychographics

Consumers are also segmented by psychographic factors, which requires an awareness of a person's values, attitudes, and lifestyle and may explain why people make the choices they do. These factors are critical for developing an accurate picture of the potential and existing customer. Understanding someone's demographic data, such as income or profession, alongside their psychographic profile may help to calculate how much spare time they have and how they use this time. Where they live could also signify how conscious they are of their status or class. Consumer attitudes, however, play a role as well. These enduring evaluations of people, brands, social situations, and issues also may help to explain lifestyle and consumption patterns. Insights into the importance of the purchase and perceived risk an individual may feel when looking for the product are also important. All of these elements of market research can lead marketers to work out a profile of their target customer and gain a better understanding of the attitudes toward the brand or retailer.

### 1.6 VALS 2 Segmentation System

Psychographic research that identifies people's values, attitudes, and lifestyles (VALS) is considered to have surpassed the simplicity of demographic categories, and in the United States many marketers will use the VALS 2 Segmentation System to identify different customer groups.

1.6



## Reference Groups

Our buying decisions are heavily influenced by social reference groups who have a profound effect on how we live our lives and make our purchases. Normative reference groups such as family will influence general or basic codes of behavior, manners, or values. Comparative reference groups, such as peers, classmates, or inaccessible celebrities and opinion leaders, help to form benchmarks and influence how we rate ourselves and what we wear, along with more specific types of attitudes or behavior. An example of this could be how classmates influence a person's choice of branded sneaker. However, in some cultures the role the family plays in an individual's choice may be as important as their comparative reference groups. Bound in this are deep ties to a social class or order they belong to; these may be difficult for an observer to decipher.

Consumers go to different media platforms to gain knowledge, often merging reference groups and commercial advertising and promotional messages through social media such as Facebook, Instagram, and individual fashion blogs. Traditional reference groups are becoming increasingly blurred due to the rise of digital communications and online communities, as well as fashion bloggers who may work with brands but appear to relate to their readers and viewers in a much more sociable and informal way (see Chapter 9 for further discussion).

**“ PERSONALITY REFERS TO A PERSON'S UNIQUE PSYCHOLOGICAL MAKEUP AND HOW IT (CONSISTENTLY) INFLUENCES HOW A PERSON RESPONDS TO HIS OR HER ENVIRONMENT.”**

SOLOMON & RABOLT, 2009

**“ FOR ADOLESCENTS, SHOES ARE A KEY SIGNIFIER OF THEIR IDENTITIES, AND THE SHOES THEY DESIRE OFTEN CONFLICT WHAT THEIR PARENTS REGARD AS APPROPRIATE. SHOES APPEAR AS A KEY VEHICLE THROUGH WHICH ADOLESCENTS AND YOUNG ADULTS WORK OUT ISSUES OF IDENTITY, INDIVIDUALISM, CONFORMITY, LIFESTYLE, GENDER, SEXUALITY, ETHNICITY, AND PERSONALITY.”**

BELK, 2003

## CONSUMER MOTIVATIONS

Motivation is identified as a need that has been sufficiently stimulated to prompt someone to seek satisfaction. When shopping, consumers use the word “need” in different ways. A utilitarian need fits a purpose, such as a pair of boots to keep our feet warm and dry, whereas hedonic needs are subjective and emotional, often relating to self-confidence: we feel the need for a pair of acceptable fashion shoes to help us keep up with the latest trends and find social acceptance.

Needs can be physical or emotional, and both impact when buying a pair of shoes. Psychologist Abraham Maslow (1954) developed a theory to explain the motivational behavior that leads us to consume a variety of products that is still relevant today. Once our basic physiological needs have been met, we move up the hierarchy, satisfying the varying necessities in the process. Social acceptance and self-esteem assurances ultimately lead to self-fulfilment and enriching experiences.

### Emotional Purchasing

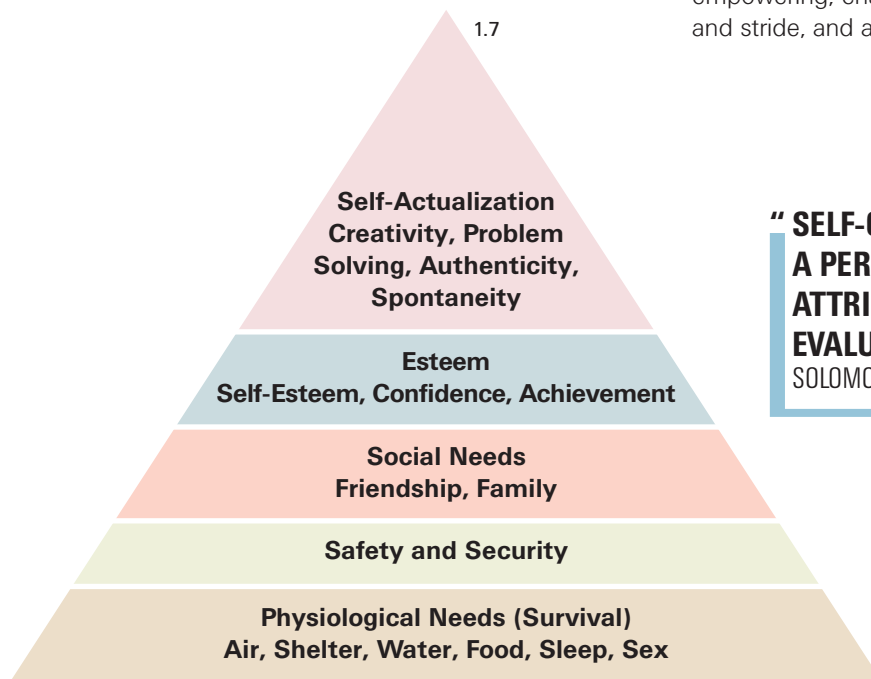
Emotion is a key driver in discretionary purchases and is related to moods and feelings rather than physical satisfaction. New shoes from an ethical brand such as Toms or Gandys flip-flops may help to repair a bad mood or maintain a good one, making the purchaser feel good about supporting a cause. Emotion is also related to impulse buying. Emotion can impair judgment, relying on

cues such as brand labels, low prices, and discounting so the customer requires less information or analysis before making the purchase. When we are emotional it is also easy to avoid negative cues, such as ill-fitting or uncomfortable shoes. Fast fashion footwear is sold in pairs, allowing customers to serve themselves. They may buy quickly without trying on and only when they get home realize they have ill-fitting shoes, two right-footed shoes, or a pair of different sizes.

### Self-Concept

Most consumers feel varying degrees of positivity about themselves, known as self-esteem. Fashion and appearance management link with self-esteem; we look after our appearance when we feel good, and we may over-compensate when we feel insecure. We use footwear to transform ourselves, to aspire to an ideal, to make us perform better or escape to a fantasy version. Different shoes help us play out different acts in our life. Converse to relax in, Hunter wellington boots to enjoy a music festival and Christian Louboutin heels for a date night. Legendary 1950s French shoe designer Roger Viver is quoted as saying, “To wear dreams on one’s feet is to begin to give a reality to one’s dreams, and to nourish the hope that they will bring on other dreams.”

The past decade has seen much debate in the media about the ideal body shape, but footwear for many people taps into a different emotion. Footwear is ageless and sizeless, and it transcends ethnicity. The right shoes can be empowering, enable us to feel taller, alter our deportment and stride, and add the finishing touches to our personality.



**“ SELF-CONCEPT REFERS TO THE BELIEFS A PERSON HOLDS ABOUT HIS OR HER ATTRIBUTES AND HOW HE OR SHE EVALUATES THEM.”**

SOLOMON & RABOLT 2009

#### 1.7 Maslow's Hierarchy of Needs

Defining “need” through Maslow’s theory allows the marketer to identify at which point the consumer will purchase shoes to fulfill a certain need, for example a pair of rubber wellington boots to keep your feet dry at a muddy music festival.



**1.8 Shoe choices reflect****elements of our personality**

Consumers shop with a view of themselves and buy product that they believe reflects this view both consciously and subconsciously. Fashion footwear choice is about crafting an image of and identity for ourselves.



**“ WHEN A WOMAN BUYS SHOES, SHE TAKES THEM OUT OF THE BOX AND LOOKS AT HERSELF IN THE MIRROR. BUT SHE ISN'T REALLY LOOKING AT HER SHOES—SHE'S LOOKING AT HERSELF. IF SHE LIKES HERSELF, THEN SHE LIKES THE SHOES.”**

CHRISTIAN LOUBOUTIN

## Conspicuous Consumption—Income versus Image

Sociologist Thorstein Veblen developed the theory of conspicuous consumption in 1899, which suggests that we use certain products such as clothing and accessories to display our financial wealth or value. This is evident when purchasing branded footwear. Logos such as Hunter on boots and Christian Louboutin's red-soled high heels project signs of status in society, wealth, and awareness of fashion trends. We place a large priority on what other people think of our footwear choice, and shoes have the ability to convey status. In the past, high heels particularly represented privilege in part due to their impracticality; women did not walk very far, let alone run or physically exert themselves with manual work. Heels were the domain of the leisure class; today it is the "limo class" of celebrities and socialites. Shoes can symbolize social distinction or acceptance from one's peers, sexual attraction, and a reflection of the current zeitgeist or spirit of the time. Undoubtedly money and material goods enable consumers to develop their sense of identity, feelings, and relationships with others; therefore our choice of footwear may well symbolize how much money we have.

1.9



Jasmin Sanya, Footwear Buyer at Harvey Nichols, UK

### What do you think motivates people to buy footwear?

Footwear has always been an important piece of any outfit, not least because a pair of shoes is necessary. Many people have a huge affection towards shoes and the effect they can have on one's persona or mood. In our culture, people often judge one another on their choice of shoes, whether it's for a first date or an interview; we can use our choice in footwear to show an extension of our personality and character.

### What or who influences the consumer to buy?

In today's digitally driven culture, we are finding a large proportion of our customer base influenced by the images they see on social media; a celebrity following for a brand is prevalent in today's market. The consumer is constantly looking to seek out the next big thing, something fresh and undiscovered, but traditional media channels such as product placement in magazines and advertising campaigns still has its place and impact on the brand's customer.

**" OURS SOLES ARE THE MIRROR OF OUR SOULS ... THEY SEPARATE US FROM THE DIRT AND SYMBOLIC IMPURITY OF THE GROUND AND ELEVATE OUR STATUS AND GENDERED SENSE OF SELF."**

BELK 2003

### 1.9 Multiple shoe personalities

The popularity of social media channels such as Instagram allows users to share their multiple shoe choices with others.

## Sneaker Culture

Athletic and sports footwear is now an acceptable substitute for more traditional shoes. Nike holds the largest share (19 percent) of the total footwear market in the United States (sales of \$12.8 billion in 2014); in comparison, Adidas has 4 percent. Nike consumers are loyal, and they enjoy and expect technical innovation and increased performance features. Constant innovation, consumer understanding, and strong marketing images and placement are essential to maintain Nike's position. Its exclusive Flyknit technology in one-piece construction launched in 2014 and aligned with the US college football playoffs, where players wore the Vapor Untouchable football cleats that featured an ultra-lightweight Flyknit upper made with recycled polyester yarn. This linked with the target customers' lifestyle, aspirations, and sports culture.

### FROM COMMODITY TO COLLECTION: THE SNEAKER AS AN EXTENSION OF SELF

Collecting as behavior originated through necessity by hoarding or saving for lean times. However, as footwear has evolved from a utilitarian product to a commodity fashion item, the practice of buying sneakers, or kicks, to create a collection is now a lifestyle activity for a core group of enthusiasts.

Devotion to collecting sneakers is a significant activity in our consumer culture today, fuelled by greater availability and rising affluence. However sneaker wearing evolved from the 1970s urban hip-hop culture in the United States, which was often a tough and poor environment where young men had to assert themselves to survive. Usually owning only one pair, cleaning them, and adding different laces for variation was common. Their rise from street style through music and sports endorsements (basketball player Michael Jordan's eponymous Air Jordans) with sophisticated communications campaigns is well documented (see the link at the end of chapter), and today's collector culture has evolved to be part of a \$26 billion industry.

The increased availability of new sneakers inevitably drove up the value of original and authentic styles, leading small groups of enthusiasts to hunt out and create personal collections. Sneakers hold cultural and financial value; therefore, collecting gives people pleasure and a purpose in life and elevates their feelings of self-worth. They can buy "triples," or several pairs of the same shoe: one to wear, one to lose at home, and one to store; in many cases sneakers can remain unworn and often left in boxes. This tribe of shoppers displays both a compulsive "need" and addictive behavior.

**"THE TROPHY SNEAKER IS THE LATEST TREND AND A PHENOMENON WHICH SEEMS TO HAVE LONGEVITY. THERE IS NOW A HUGE DEMAND FOR SNEAKERS ON THE WOMEN'S SIDE OF THE MARKET AND HARVEY NICHOLS ARE LAUNCHING A WOMEN'S SNEAKER CONCEPT, THE FIRST IN THE UK MARKET WITH A FOCUS ON FASHION SNEAKERS INSTEAD OF PURE SPORTS PRODUCTS."**

JASMIN SANYA, FOOTWEAR BUYER AT HARVEY NICHOLS, UK





Sneakers symbolize identity and allow the person control in their sneaker “world.” Collectors may often talk to the objects, favor them over family members and social situations, and find comfort in them, going to great lengths to preserve and protect them.

The activity of collection can help the transition into adulthood, which may explain why the majority of avid collectors are young men. There is a huge amount of time, effort, and commitment required to build collections, and often filling gaps—finding a sneaker previously unaffordable or unobtainable from childhood to complete the collection—is a kind of self enhancement and can help with levels of self-esteem. Collectors will queue, travel, and trade online to find exclusive products to enhance their collections.

#### 1.10 Sneaker Festival, Laces Out, Liverpool

Many collectors attend festivals and events to meet and trade with other collectors and sneaker enthusiasts.

**“ TRAINERS HAVE OVERTAKEN SHOES TO BECOME THE MOST POPULAR TYPE OF FOOTWEAR PURCHASED BY MEN FOR THEMSELVES IN THE LAST 12 MONTHS . . . POPULAR AMONG A WIDE AGE RANGE, BUT MOST USED BY 45–54-YEAR-OLDS.”**

MINTEL UK 2015



## **THE PURCHASE DECISION PROCESS**

The consumer goes through a series of decision-making stages when buying shoes.

1. Recognizing a “need” for new footwear, either practical or emotional (utilitarian or hedonic).
2. Identification of alternatives—can another style or a different brand satisfy the need (cultural gatekeepers)?
3. Evaluation of alternatives by considering commercial, social, and cultural influences (social reference groups).
4. Purchase of the shoes: in store, self-service, or online?
5. Post-purchase satisfaction or dissatisfaction; caring for and disposing of the shoes.

Shoppers’ behavior within the store environment is important to consider, and a significant number of us shop for footwear alone. The preference between self-service footwear and service from a salesperson is roughly split in half. When trying on shoes we do not go into a changing room but try on within the store environment. In many cases the customer will look for assurance, guidance, and approval from the sales associate. If fitting is required, the relationship between seller and buyer may become quite intimate, and that has implications for retailers as it allows them to build loyal relationships with customers.

## **Levels of Purchase Involvement**

How much effort goes into the purchase of a new pair of shoes? Much of this will depend on time, money, and the benefit new shoes will have for the consumer—especially if it has a social or reference group significance. When shopping for footwear, 74 percent of consumers rank comfort as the highest factor in their decision-making process, closely followed by fit at 67 percent. Design (49 percent), low cost (48 percent), and color (43 percent) are also key factors. Less so is the material the shoes are made from, e.g., leather or synthetic (33 percent), branding 19 (percent), and fashion (13 percent) (Mintel 2015).

As the key considerations when purchasing footwear are comfort and fit, Park and Curwen (2013) assessed the issues around fit and emotions. True fit and comfort are nearly impossible to achieve from ready-made shoes, but we learn to compromise in a way that we don’t with clothing. Clothing can be altered, adjusted, and remodeled. Open sandals and flip-flops allow for variations of fit due to the nature of their design, but most footwear cannot be changed once produced. Footwear requires a high degree of involvement during purchase as it is primarily about physical comfort, performance, and aesthetics. Once purchased and worn, if the shoes are uncomfortable they cannot be altered or returned, so the risk of dissatisfaction at the post-purchase stage can be high.

## ETHICS IN ACTION: Disposal and Recycling of Shoes

Previously, footwear was an investment rather than a discretionary purchase; when shoes wore out, people took them to a cobbler to be repaired. The increased use of plastic, fast production techniques, and growing affluence have led to the slow demise of the independent shoe repair store. The Shoe Service Institute of America notes that the shoe repair industry keeps approximately 62 million pairs of shoes out of landfills every year. Stores such as Nordstrom and the Shoe Heaven floor in Harrods offer a specialist branded shoe repair service for high-value purchases, with shoes either repaired on site or returned to the manufacture to be refurbished. There are now also a number of online shoe repair services across the United States. Despite this, footwear is viewed by many as a commodity, throw-away item, and environmental issues need to be addressed. What happens to our shoes when we have finished with them? Many end up in a landfill, but there are some recycling, lateral cycling, and social initiatives that are tackling this problem.

Lost and discarded flip-flops from the Indian Ocean that wash up on the beaches of Kenya are collected by Ocean Sole and recycled in Nairobi to create handcrafted sculptures and gifts. The concept for Ocean Sole originated in 1997 as a marine environmental project to address pollution on East African beaches. Local people were trained in basic recycling and craft skills, enabling them to start making a living creating flip-flop products that are now sold worldwide.

Donating to charity or selling through eBay, vintage shops, and garage or car boot sales is a form of lateral cycling and gets rid of our low-sentimental-value shoes. Dealers buy second-hand single and pairs of shoes from thrift stores, charities, and traders who collect our unwanted footwear. Prevalent in the United States, companies like Samiyatex have several well-established routes that our discarded footwear takes, but for the most part it ends up graded and bagged, sold by weight, and shipped by container to South America, Africa, and the Middle East for resale in the second-hand goods market.

1.11

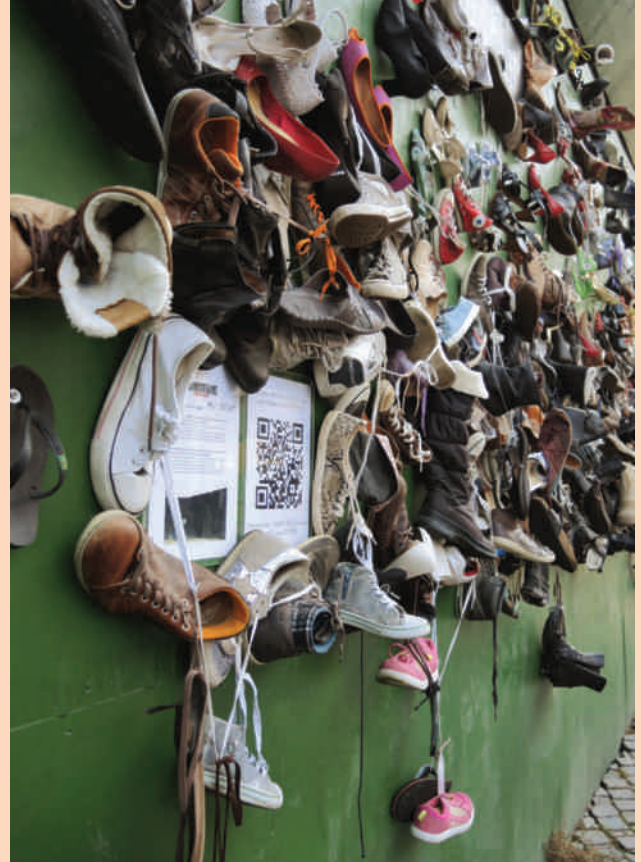
**1.11 Ocean Sole recycling discarded flip-flops**  
Ocean Sole's process consists of collecting, recycling, and creating new products from discarded flip-flops found in the Indian Ocean.



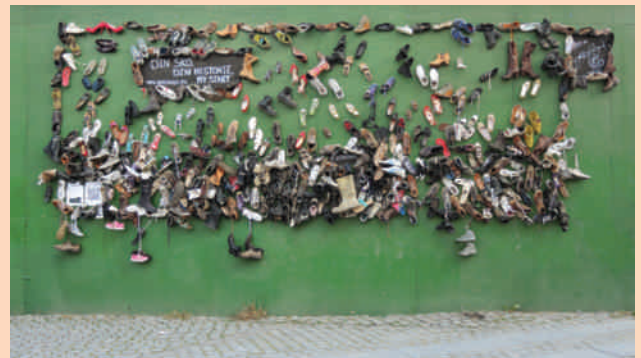
1.12



1.13



1.14



When shoes have a high sentimental value we often keep hold of them and hoard them in boxes, garages, and wardrobes; wedding shoes and baby shoes, for example, carry emotional attachments and memories. We go through a process, known as divestment rituals, of detaching ourselves from their meaning for some time before parting with these shoes.

**“ FOOTWEAR IS AN EXTENSION OF SELF AND IT ALSO ACTS AS A REPOSITORY OF MEMORY AND MEANING IN OUR LIVES.”**  
BELK, 2003

#### 1.12 Clothing and footwear recycling bins

Old clothing and footwear are collected through recycling bins at local supermarkets.

#### 1.13 & 1.14 Shoe art in Copenhagen 2014

The Wall of Shoes, an art installation by Jacob Amsgaard, was a creative endeavor as well as a way to help others. The shoes were collected over an eight-hour period, and all excess shoes and donations were given to the charity GRACE KBH.



## RESEARCHING EMERGING CONSUMER BEHAVIOR

To develop a deep understanding of the consumer, a variety of sources such as market intelligence reports, academic research papers, and primary research methods are used to collect data. Retailers may use this research to develop a profile of the consumer (also known as a pen portrait) that will underpin sourcing and buying, brand development, and the marketing communications strategy. Below are three examples of how and where to find information that supports a consumer profile.

### The Market Intelligence Report

Produced by market research companies such as Mintel, Keynote, and Barnes, these reports give specific, up-to-date information about commercial activities and consumer behavior happening in the market that a company operates in.

#### FACTORS AFFECTING THE US CONSUMER IN 2016 (SUMMARIZED FROM THE 2016 BARNES REPORTS FORECASTS: FOOTWEAR MANUFACTURING)

The United States saw improvements to its economy in 2016; however, relatively high unemployment, continuing government debt, and quantitative easing (QE) policies will keep this growth slow.

The housing market collapsed in 2008, and although it is recovering, many homes have not returned to their 2007 value. Linked to this, the wealth of the average American is at a historical low, so although interest rates are also low, many cannot afford to buy a new home. Home ownership is below 65 percent—the lowest in twenty years. The inflation rate is also low for consumer goods, but basic utilities and energy costs are well above inflation—around 11 percent—so this now commands a much larger percentage of consumers' disposable income.

US government debt and spending is high with a continued policy of QE, which in effect prints money to flow into the economy, giving a false sense of security. Currently 46 million Americans are receiving food stamps, an increase from 32 million in 2009, at the start of the recession, and 51 percent of workers earn less than \$30,000 a year. Poverty levels are increasing as household income has decreased by an average of \$4,000 per year. Between 2009 and 2013, student debt rose from \$440 billion to \$1 trillion, and 18 percent more people are collecting federal disability insurance.

Full-time, secure employment is also seen as a major problem; seven out of eight jobs created in the United States since the great recession's recovery have been part-time jobs. This trend is continuing, and many small businesses will avoid providing health insurance (Obamacare policy) by retaining fewer than fifty employees who work less than thirty hours per week.

The United States has a huge trade deficit; it imports much more than it exports, which ultimately means that very few products (with the exception of food products) made in the United States can be sold abroad to make money.

The impact of the economic environment on footwear sales in the United States is significant:

- Poverty and unemployment mean that while there is still a need for value shoes, they have to be affordable. This forces retailers to maintain low prices and source overseas, exacerbating the trade deficit.
- Consumers now have less disposable income but maintain a desire and compulsion to shop. The United States (and the West in general) thrives on consumption and material culture, and this feeds the cycle of debt and prolongs the process of QE.
- Without a thriving manufacturing base, the US economy relies on retail and services; people are still actively encouraged to spend money, despite the fact that they have little savings. Investing in long-term goals like property seems unobtainable.

*Note: This is a study of the United States; there are many similar economic pressures in Europe and developed countries that no longer have a large manufacturing capacity, which will be referred to in further chapters.*