

I. Executive Summary

Uniqlo is a clothing store owned and operated by Fast Retailing Co., Asia's largest clothing retailer. They currently have a goal to open at least 200 stores in the United States by 2020. The company hopes to be the number one retailer in the world, so growth in the United States market is a natural progression. Uniqlo has recently gained popularity for its affordable basics offered combined with its sleek and modern setting. Boston presents an opportunity for Uniqlo to expand its chain to the Northeast, as it currently only has U.S. locations in San Francisco and the New York area. With a similar demographic and a population made up of a large portion of Uniqlo's target market, Boston provides the company with the opportunity to open another U.S. location. The objective of this research study was to determine whether or not there is an opportunity for another clothing store to enter into the Boston market and succeed. Thus, an understanding of the shopping habits of Boston consumers, as well as their personal preferences, must be understood.

The survey was distributed to 29 students in the Boston area, specifically at Emerson College. Respondents were asked a variety of questions related to their shopping habits, personal likes/dislikes in clothing company, and what sort of qualities determine the popularity of one brand over another. The results from the survey show that respondents were rather neutral towards Uniqlo as a company, with the overall evaluation of the Top 2 Box % at 41% and a mean score of 3.41; however, 66% of respondents said that they would consider shopping at Uniqlo if it were to have a location in Boston.

Based off of the mean scores found in the survey, the FGI conducted, and the additional information that was discovered through the research study, the team as a whole recommends that



Uniqlo move into the Boston Market.

II. Introduction

According to Fast Retailing, Uniqlo's parent company, "Uniqlo is a Japanese company that inspires the world to dress casual." Uniqlo is a casual wear clothing store that designs, manufactures, and retails all of its own products. It is famous for its heat tech technology. Uniqlo combines rayon and milk protein in its material so that the clothing traps body's moisture and uses it to retain heat. Thus, the New England market is the perfect geographical location for Uniqlo since the store's specialty is heat-tech. What better New England city than Boston to introduce the company? According to Tadashi Yanai, the founder of the company, Uniqlo epitomizes the "casual industry", a term he coined himself. This is a "new casual brand that all people could wear at any time." Although the term is not an actual segment of the retail market, "casual industry" epitomizes Uniqlo's positioning amongst competitors. Unlike most of its competition, its business SPA (Specialty store retailer of Private label Apparel) model allows Uniqlo to produce high quality garments at an affordable price.

Uniqlo is unique in its dedication to customer service, much like Nordstrom, but not the same atmosphere. The company prides itself on catering to the consumer and literally changes its products according to customer feedback. New York City is the most competitive city in the world and Uniqlo has flourished despite its competitors established presence.

We chose Uniqlo because of its unbeatable quality at such an affordable price, something that appeals to anyone and everyone. Casual wear is for the masses and why would the company not try to



expand into one of the countries biggest cities? Additionally, Uniqlo is famous for its world-renowned heat technology. Uniqlo's heat tech gear is a fabulous addition to any New Englander's wardrobe. The Boston market already has prime retail location spots that would provide Uniqlo with a platform for success.

There are two major research objectives that need to be researched: 1) Understand what needs could Uniqlo fill for potential Boston customers and 2) Discover if there is a strong opportunity for growth and expansion in the Boston retail market. By conducting secondary research and primary research analysis, we will be able to achieve these objectives. For primary research, an FGI methods and a survey will be conducted. We need to better understand what the Boston consumer already likes, does not like, wants, and most importantly needs from its retailers. This culmination of information will ensure Uniqlo's successful expansion into the Boston market.

III. Literature Review (Situation Analysis)

Internal Analysis

Company Analysis

Uniqlo is a Japanese casual clothing company, similar to stores such as H&M, Zara and The Gap. However, where stores like H&M and Zara aim to bring the latest fashion trends to the masses quickly, Uniqlo has their own business model that has proven unique and effective. Uniqlo mostly offers basic clothing options, such as T-Shirts, sweatshirts, socks, etc. Uniqlo is able to keep these items on their shelves longer without having to discard "last season's fashions." This also provides for a lower overall deal they have with their suppliers. Uniqlo also offers their basic items in a myriad number of



colors to add some dimension to their somewhat narrow inventory.

Uniqlo has found a way to compete with their bigger named rivals without sharing the same big costs. Uniqlo only sells about 1,000 fewer units of clothing than competitors like H&M, but they get their supply at a cheaper cost and their products have a longer shelf life.

Uniqlo is now delving into trendier lines of seasonal clothing. Although maintaining their fresh take on basic clothing, they do not want to get boring so they have begun expanding the stores tastes. Uniqlo has stores in Manhattan, London and soon Los Angeles. Uniqlo has also just recently launched their first online store last week in an effort to rev up their international expansion.

Uniqlo CEO, Tadashi Yanai, has declared his goal for Uniqlo by 2020 is to have \$50 billion in sales and \$10 billion in profits. Given Uniqlo's rapid growth in sales over the past few years, they might meet Yanai's goal. According to the Economist, Uniqlo has seen a 22% increase in annual sales growth percentage as of 2009.

Product Analysis

The Uniqlo product concept is simple; keep it basic. Uniqlo is able to match their biggest competitors in sales because they offer an enormous variety of basic clothing in more colors than a Crayola box. They keep basic items longer because they do not have a “fashion shelf life” and through this management plan they are able to keep supplier costs low. Since expanding, Uniqlo has been delving deeper into the fashion trend scene so prevalent on their competitor’s shelves. Uniqlo manages to provide fashion forward clothing for all at an alarmingly affordable price. Uniqlo also specializes in warm clothing. Many of their articles of clothing come in a “heat-tech” option which means the article of



clothing was made and designed to keep you warm during the winter. Their specialized heat tech is exclusive to Uniqlo clothing, with it they're able to design super lightweight fashionable coats, jackets and shirts that make the coldest winters feel warm.

Uniqlo advertises through print ads mostly in New York City subways. They have two A-list celebrities with massive broad appeal in Charlize Theron and Orlando Bloom.

They have also created a creative and clever way of advertising on their Pinterest page; they created over 100 fake Pinterest pages to create an animation effect with graphics they have on their sites. So when users scroll down, the images look like an animated film strip. It has garnered a lot of positive feedback as creative exposure for the expanding Uniqlo brand.

External Analysis

Environmental Analysis

The current environment within the fashion industry in Boston is extremely competitive and cluttered. There are new brands and companies constantly attempting to break through the market. In order to be truly successful in this market businesses must be able to differentiate themselves from their competitors and offer something unique to consumers. The Boston area is also the epicenter of a huge college market that has already created many opportunities for new and emerging brands looking to target that needs of that particular demographic. Uniqlo's distinctive styles and brand image are a perfect match for this market. Being a New England state Massachusetts is very susceptible to cold, wet, and unkind weather conditions. With the winter season taking up a large portion of the school year Uniqlo will be able to offer college students and other consumers an affordable and practical way to



stay warm with their signature “heat-tech” designs. It is important to note, that one out of every third person is a college student in Boston. Currently the company is doing very well financially and is rapidly stretching its arm towards markets outside of its resident China. According to the “Financial Times” Uniqlo, “Japan's largest clothing group expected sales for the year to rise 15 per cent to Y1.07tn from Y928.7bn last year. Consolidated operating profits in the full year were also expected to hit a record of Y147.5bn, up 17 per cent from the Y126.5bn it posted in the year to August 2012”. The US is a major factor within this surge of growth and the Boston market has a strong potential to contribute to that. In “The Record” Verdon notes that, “Uniqlo plans to open hundreds of stores in the United States over the next decade, and its executives hope to reach \$10 billion in annual sales in this country by 2020, and \$50 billion in sales worldwide. Uniqlo is the fourth-largest apparel specialty retailer in the world, behind Gap, Zara and H&M”.

The current financial climate in this country however is not as healthy as Uniqlo’s. Many consumers are chiefly concerned with getting a good deal on a good product. Price and quality are the main attributes that consumers are seeking in brands. If businesses are unable to deliver then the repercussions could be fatal, ultimately leading the brand to fail in the American market. In “Display & Design Ideas” Underhill points out that, “Even UNIQLO squandered dollars and oodles of time on locations in New Jersey before it went back to the drawing board. But from scratch, the retailer was able to develop its SoHo location, which many brokers felt they overpaid for at the time, but wound up a winner; and their Fifth Avenue flagship and 34th Street stores followed suit. Success or failure can be hard to detect at first for any foreign player”. Taking this into consideration Uniqlo’s strong brand has



proven it can adapt to varying fashion cultures and borders. The company is by no means immune to any of the challenges facing emerging brands in Boston. However it does have many strengths that will help it fortify a place within this retail market.

Industry Analysis

The apparel industry is a major industry worldwide and especially the United States. China is the exporter and producer of most textiles, apparel and the United States is one of the key importers of clothing worldwide. Fashion industry has grown exponentially within the last decade with the edition of e-commerce. Uniqlo, for example just opened their online store, this allows consumers who are outside of the retail locations to interact with the brand and purchase clothing.

According to a 2007 snapshot report on the US clothing market, “US Clothing Retailing sales increased by 6.2% in value in 2006. Total sales for 2006 were billion US\$ 155.35”. In 2006, the largest US Clothing Retailing Company by value was Gap, with a 10.4% share of the market. In Japan, Uniqlo has been described as the “Gap” of Japan. Both Uniqlo and Gap are family clothing stores, that is, they provide apparel for kids as well as men and women “Family Clothing stores, representing 53.2% of the market by value, constituted the largest segment of the US Clothing Retailing market in 2006”. Industry and market trends predict that in 2011, the US Clothing Retailing market will reach 201.7 billion dollars in value, representing a Compound Annual Growth Rate of 5.5% since 2007.

Competitive Analysis

One of Uniqlo’s major competitors is **H&M**, which began in Sweden in 1947 under the name Hennes (later changed to Hennes & Mauritz). H&M is known for their mix of both basic items and on



trend pieces, while Uniqlo focuses on mostly basics not trends. Uniqlo has a store presence in three states, while H&M has 27 different states with their stores. H&M differentiates from Uniqlo in selling a lot more trendy pieces, rather than just basics like Uniqlo does. They also focus on a lot of accessories (jewelry, purses, etc.) while Uniqlo's main focus is on clothing. They have high productivity and are constantly releasing new designs and products. Like Uniqlo's partnership with celebrities, they have a partnership and underwear line with David Beckham. Some weakness that work against H&M is that their clothing gets limited advertising outside of the store and malls and they have recently received negative press for throwing away defective clothes, instead of donating them.

Another major competitor is **ZARA**. This company is newer than Uniqlo as it began in 2006 in Malaysia. They're more focused on higher fashion for a lower price, so again their designs are more trendy than Uniqlo's. They have a presence in 13 different states and don't place much of a focus on casual wear. They are known for having high fashion pieces for mid-range prices and high turnaround on products. Uniqlo however, keeps the same pieces around for long periods of time and high fashion isn't a priority. ZARA also has limited advertising and tends to have some items that are priced considerably higher than anything sold at Uniqlo.

The **Gap** began in 1969 and has a very well known and established reputation. They focus on casual clothing, comfort, and basics just like Uniqlo. However, they are seen as more of a family brand and often have older consumers than Uniqlo – which is known for its yuppie (young urban professional) customers. They also have a higher price point for products fairly similar to Uniqlo's, but since their name is well trusted and their products are known for their longevity their customers are willing to pay



more for the basics. Uniqlo keeps their prices low intentionally, but their reputation is nowhere near as strong as that of Gap. They have over 2500 U.S. locations and a strong advertising presence in both print and television (both of which Uniqlo is slacking in).

Lastly, **American Apparel** was established in 1989 and places a high emphasis on basics. They are most similar to Uniqlo of all of the competitors. They have stores in 31 different states and are known to be the go-to place for all things basic. They have a much higher price point than Uniqlo, and a similar shirt can sell for three times as much. They also have a limited color palette compared to Uniqlo, but offer a lot of unisex clothing like they do. They are seen as more of a risqué brand and have a strong voice on political issues that is often depicted on their clothing too. Stories of sexual harassment and child labor surround the company, but they still have a very devoted clientele that are willing to pay the higher prices for the basics. They are seen to be somewhat of a hipster brand and like Uniqlo they too have limited advertising.

Consumer Analysis

DEMOGRAPHICS

Uniqlo customers are both males and females and range in age. Since the store sells basics it can ideally attract everyone. A ten-year-old boy may buy the same blue t-shirt for his school picture as a 35-year-old man is buying for the gym. The idea that basics can be used by all ages and both genders is what makes Uniqlo so successful. Consumers tend to be urban individuals, simply because those environments are where the current stores are located – New York City area, San Francisco, and soon Los Angeles. If this store were to expand to suburban areas as well, it would just as easily appeal to



those consumers too. People who shop here appreciate quality clothing for a low price and will likely repurchase the same sweater in a variety of colors if they feel that it is comfortable and worth the ticket price. Consumers living in cooler climates, like New York, are also drawn to the store because of its Heattech line of clothing that makes layering both warmer and more efficient.

PSYCHOGRAPHICS

According to VALS Types, Uniqlo customers are a mix of experiencers and strivers. They are experiencers in that they are impulsive, trend seeking, and variety seeking. They can easily go try different styles and colors out at Uniqlo without breaking the bank. They are striver in that they are style conscious, imitative, and contemporary, so Uniqlo appeals to them. Customers have typically either heard nothing of Uniqlo or recognize it as a top casual wear brand, comparing it to American Apparel and H&M. Awareness for the brand comes mostly through word of mouth since they have very limited advertising. Also, advertisements that do exist are really only displayed in the cities that have a Uniqlo store. The motivation for choosing Uniqlo over another brand is that basics never go out of style and this brand is known for having high quality products for lower prices. A customer looking to build their wardrobe through basics is able to do so without spending a lot of money. A casual lifestyle is common for people who shop at Uniqlo, however just as many professionals wear basics and the store appeals to them as well.

SWOT Analysis

Internal Analysis	
Product Strengths	Product Weaknesses



<ul style="list-style-type: none"> ● Heat-tech technology ● Customer Service - premium service at an affordable price ● High quality at an affordable price ● Foreign appeal ● Brand credibility ● Powerful market share in Japan as proof ● Online store ● Unique retail stores (sleek, modern) ● Multi-color options ● Distinctiveness ● Style is in sync with Boston ● Orlando Bloom, Chloe Sevigny and Charlize Theron are celebrity endorsers 	<ul style="list-style-type: none"> ● Attempting to enter a very saturated market ● Lack of brand awareness in US market ● Lack of product variety
External Analysis	
Market Opportunities	Market Threats
<ul style="list-style-type: none"> ● Retail expansion ● Become more fashion forward ● Capitalize on Boston’s lack of fashion sense ● Specific retail locations (i.e. Copley, Newbury St.) ● Boston “fashion” fit ● Foreigners make up portion of population 	<ul style="list-style-type: none"> ● H&M, Zara, The Gap, American Apparel ● TheNorthFace and Patagonia for heat-tech gear ● Brand loyalty

IV. Research Objectives

There were two main objectives in this research project. First, we wanted to see what needs Uniqlo could fill for potential Boston customers. In order to do so, we needed to identify marketing



problems that Uniqlo was facing as well as how they matched up with their competitors. In turn, we needed to determine the successes and strategies of speciality outerwear (i.e. The NorthFace, Patagonia) that already dominate the Boston market, as well as analyze what current retailers are not providing to satisfy customer needs. We also set out to identify Uniqlo’s key brand factors that differentiate them from similar apparel companies. By understanding the Boston market we wanted to determine what local factors Uniqlo would be able to capitalize on.

Our second objective was to discover if there was a quality that should be added or modified within Uniqlo to create a stronger opportunity for growth and expansion in the Boston retail market. In other words, in relation to competitors, what aspects does Uniqlo have or not have? What specific attributes can Uniqlo add to cater to the needs of the Boston college market? We wondered if Boston shoppers were looking for more options, or if they wanted more of the same. What kind of experience did they hope to have while shopping and would Uniqlo provide them with a better one than stores that already exist in the city. We also had to determine if they could actually grow based on their current reputation, if they even had one here yet.

V. Methodology

A. FGI

a. Participants Recruitment and Profiles

We selected a pool of people from neighboring classes that resembled a fashion forward consumer image. We chose two female international students from Madrid who dressed in something



other than sweatpants, three males that looked like they groomed themselves well for a 10 am class and two other female participants who we felt would express their opinions without fear of admonishment from a group.

b. FGI Procedures

The focus group ran smoothly, save for the select slip-ups, overall it was a complete success. We decided to opt for two moderators since our focus group consisted of 7 people we felt it would make the moderators more comfortable and in turn, the participants. The first questions were light and had nothing to do with consumerism; we went around the table and introduce ourselves to take the formal edge out of this. In hopes of getting answers that were genuine and opinionated we made sure everyone felt like they were in comfortable and receptive environment. The main questions we asked had to do with reactions and opinions on Uniqlo's clothes, attitude and image. In addition, we also wanted reactions to store layout and whether or not they would be willing to hop on the T and actually purchase something from Uniqlo.

c. Key Questions

The key questions asked during the focus group revolved around Uniqlo's store and their clothing. We had a monitor set up so we were able to access online Uniqlo galleries to showcase to the people in our group. To wit: We displayed an article of clothing from varying categories (i.e. T shirts, jackets, hoodies, windbreakers, etc) and asked for sincere opinions on the look, style, and price of the product. The moderators went around the room fueling discussion and getting great feedback on the



style and prices of Uniqlo

B. Survey

a. Data Collection Methods: In order to gather pertinent information on how students shop for clothing we utilized surveys and the focus group interview as our primary forms of data collection. Our surveys were designed to discover what clothing brands college students were loyal to and as well as what brand/product qualities are important to them. We anticipated that some participants would not be familiar with the Uniqlo brand so we introduced a concept board within the survey. We then tried to understand the student's attitudes towards the brand and if they would be open to the idea of purchasing clothes from Uniqlo. Our focus group was insightful yet due to technical difficulties we were unable to attain a copy of the FGI.

b. Sampling Methods and Sample Profiles: MIGUEL

The sampling method consisted primarily of surveys and a focus group. We strove to gather public opinion on the brand Uniqlo, its exclusive heat tech technology woven into their apparel and whether or not it would fare well in the city of Boston. The research team that went into this study consisted of 5 people who each surveyed a total of 29 people who are at least 18 years of age. The sampling method used was random. The research team chose people from another class who were all around the same age group and lived in Boston. The total sample consisted of 4 males and 25 females, totaling a pool of 29 individuals. Most of the pool was Caucasian and made less than \$10,000 a year.

c. Key Questions: Key questions of our survey were initially focused on participants shopping habits and clothing opinions. Questions that asked about desired qualities in their favorite clothing



brands as well as important qualities when looking for clothing. After showing the concept board, questions focused on Uniqlo. Questions asked participants how they feel about Uniqlo, what qualities they enjoy about Uniqlo

d. Data Analysis: Cross-tabulations were used to obtain percentages for breakdown by demography with regard to variables under study thus gender. Other statistics used were Anova to get the mean comparisons between more than two groups, independent sample t-tests, for mean comparisons between two groups, and multiple response analysis for open ended questions.

VI. Results

A. FGI

Our focus group interview proved to be very insightful. We asked question focused on our participants clothing attitudes and shopping habits. We then educated them on Uniqlo by showing them a concept board and then gathered their opinions on Uniqlo. Unfortunately we were unable to attain a transcript of the FGI due to technical difficulties, but we do have some key insights saved from our notes.

Most of the participants had never been and a Uniqlo store. Some had heard of Uniqlo, and less had actually shopped there. However, their opinion of Uniqlo was not bad. The Japanese aspect of the brand did not affect them in a positive or negative way. After seeing the concept board they were impressive of the clean layout of the store and the innovative look of the store and mannequins.

Our participants valued an equal ratio of price versus quality, if not less price for more quality. They were not overly interested in Uniqlo's style options because they seem basic and simple, but were



not turned off by them and overall liked the clothing. The most exciting thing about the brand to them was its vast options, the customization (tailoring options), and the heat tech. After we told them about the free in-house alterations offered at Uniqlo, all of the participants were eager to shop there. The participants wanted to get heat tech clothes for the winter months and outdoor activities, and appreciated the number color options each item had.

B. Survey

Desired Qualities in Most Favorite Brands

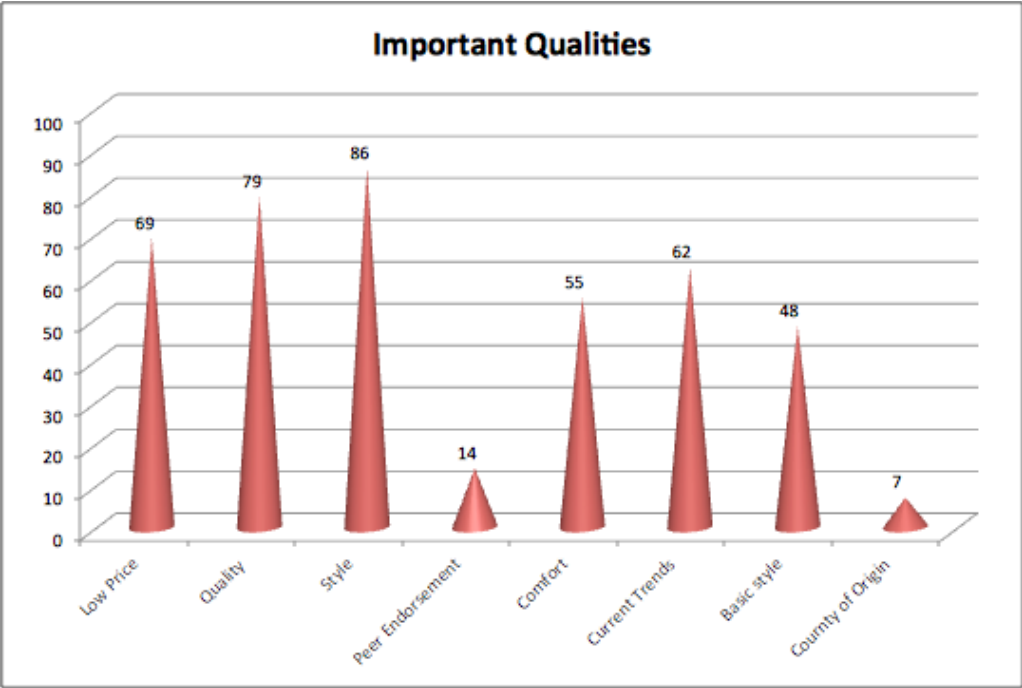
This research examined valued qualities in participants' favorite brands, which will help Uniqlo identify what qualities consumers enjoy about their current brands, and how Uniqlo can encourage consumer to try Uniqlo (see Table 1). Both style and value for money (79%) were the most popular qualities, followed by quality (76%). Next, the majority of participants value comfort (62%), basic style (59%) and current trends (55%). Endorsement from peers (14%) and celebrity endorsement (3%) were considered ones of the least important qualities. In terms of gender differences, males valued style (100%), comfort (75%), current trends (75%), peer endorsement (25%) and celebrity endorsement (25%) more than females.

Important Qualities When Choosing Clothing

The survey evaluated participants' most important qualities when choosing clothing (see Table 2). This is important information to identify what qualities Uniqlo should emphasize in their marketing strategy.



According to survey results, respondents valued style (84%) and quality (79%) the most. To a less degree, low price (69%), current trends (62%), comfort (55%), and basic/classic style (48%) appeared to be the next important qualities. The least important qualities were peer endorsement (14%) and country of origin (7%). No respondents considered celebrity endorsement an important quality. This finding is somewhat disappointing because Uniqlo’s brand image is centered on basic classic style as well as comfort. Males voted for these qualities (75% for both) more than females. In addition, males valued style (100%), current trends (75%), and country of origin (25%), compared to their counterparts.



Clothing Styles Identifying with Self

To determine if Uniqlo’s clothing style would adapt well in the Boston market, this study assessed what



clothing styles respondents identify with. The study showed that respondents identified most with basic (69%), trendy (52%), and Indie (45%) styles, followed by preppy (35%) and sporty (28%) styles (see Table 3). Finally retro style (7%) and “other” style (3%) were considered the least. Regarding gender differences, females identified as basic (72%) and Indie (48%) styles in comparison with males.

Reasons Why You Clothes Shop

Survey results indicate that respondents of the study find that being fashionable and expanding his or her wardrobe are the two biggest influences in clothing shopping. (100% of males and 64% of females for fashionable and 75% and 84% for expanding wardrobe). Respondents indicated that all other influences listed are minimal close to non-factors.

Most Shopped For Items

Overall respondents of the survey indicated that shirts are the most shopped for item (90%) and that pants were the second most important (45%). Accessories, outerwear, basics, and shoes were all relatively the same score with a mean of (28%). Specifically, outerwear and shoes had the exact same percentage of importance with 50% of males and 24% of females.

Shopping Setting

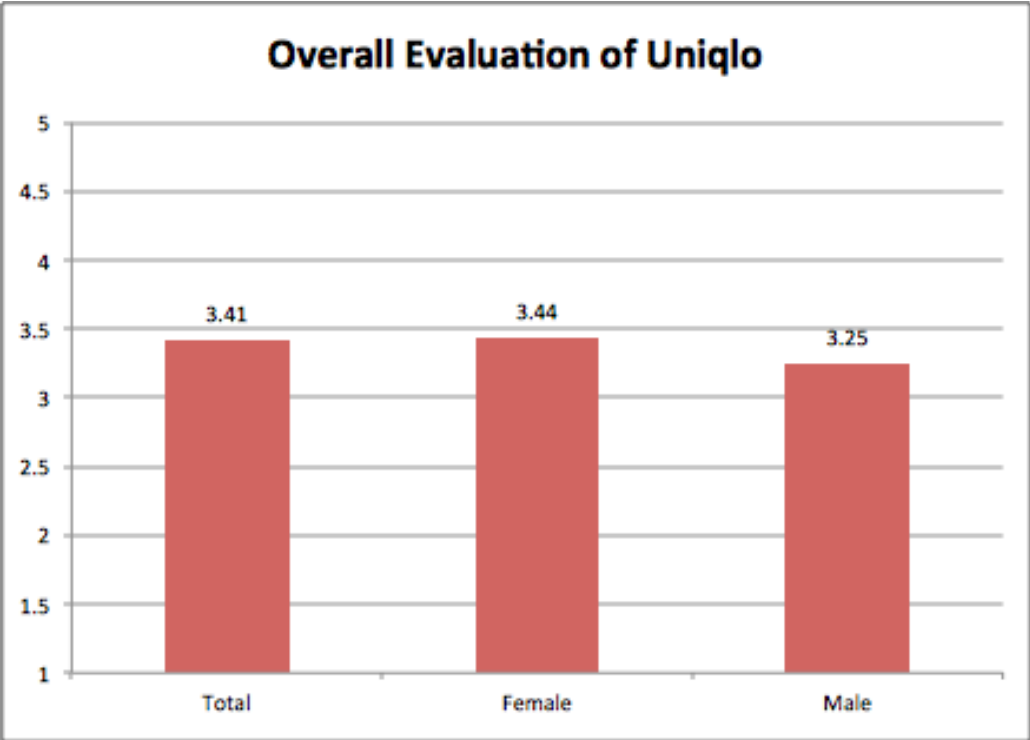
According to the survey’s question regarding preference of shopping setting, 72% of respondents shop most at shopping malls. Boutiques were preferred second most with 48% and online shopping and



department stores both had 38%. Other shopping settings like outlets mall and other were insignificant.

Overall Evaluation of Uniqlo

This research examined the participant’s feelings toward Uniqlo after the concept board had been reviewed. This helps to determine whether those surveyed generally have more positive or negative feelings toward the brand. 48% of participants were neutral to the brand, which leaves a lot of room for progress as 24% slightly liked Uniqlo, followed by 17% who strongly liked it. Only 7% strongly disliked the brand with 3% slightly disliking it.



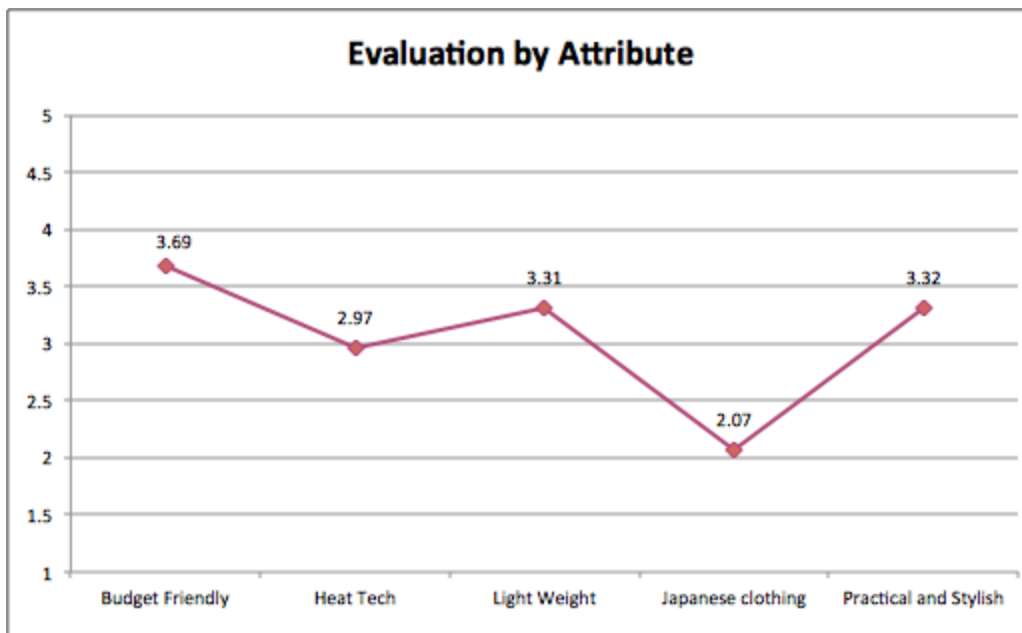
Brand Image



The survey also evaluated how participants felt about Uniqlo's brand image. This was measured on a Likert scale and survey takers were asked to mark on the scale where they felt Uniqlo's image best fit. Survey results showed that when determining generic vs. unique, Uniqlo was ranked with a total mean of 2.76. For low quality vs. high quality it had a mean of 3.03; out of style vs. trendy had a mean of 3.28; monotonous vs. diverse had a mean of 2.83; ill-fitting vs. flattering had a mean of 3.34.

Evaluation of Uniqlo Attributes

Characteristics that set Uniqlo apart from its competitors were tested on a likert scale to determine how appealing they were to consumers. Attributes were ranked from not appealing up to very appealing. Budget friendly was ranked the best attribute with a 3.69 mean, followed by both practical and stylish at 3.32. Lightweight high-tech fabric had a mean of 3.31 with heat-tech layering pieces at 2.97. Lastly, being a Japanese Brand came in at 2.07 – making it the least appealing of the attributes listed.



Intention to Shop

One of the more important and telling questions on our survey, the intention to actually shop at a Uniqlo store, given it was located in Boston. The results we received were not too positive. The mean percentage for males likely and very likely to shop was a mere 2.25. The mean for women was only slightly better, showing a .79 increase in their likeliness of purchase. The total mean overall was 2.93; numbers that don't really suggest an intention to buy.

Intention to Buy Uniqlo Jacket at \$79.90

This question asked about a concrete piece of clothing with an actual retail price from Uniqlo. We sought to measure a person's willingness to buy a Uniqlo brand jacket at the price of \$79.90 by asking how likely a purchase this would be. The results for the survey question were not good. 50% of both male and female participants said they were *very unlikely* to purchase said jacket from Uniqlo. The total mean score overall for the *likely to very likely, including male and female* was only 2.00. The intention to buy a jacket at that price from Uniqlo is simply not there.

Effective Ways to Communicate

This question aimed to show the researchers what means of communication they prefer to be informed through. This multiple response question consisted of Facebook, Twitter, Blog, Pintrest, YouTube, email, text and tail. The 29 participants were instructed to choose as many communication tools as they



liked. The highest percentage among communication vehicle preference was Facebook and email. With Facebook collecting a whopping overall total of 72% and email with 55%. Other notable preferred communication tools were Twitter and direct mail.

Ideal Access Location

This portion of our questionnaire was aimed at determining where the ideal location for a brand new Uniqlo store in the Boston area would be. The most popular location choice by far was a shopping mall (52%) such as the Pru mall outlet where consumers can peruse a large variety of different brands. The second most popular location choice was a stand-alone Uniqlo store (45%) where consumers could be surrounded in the complete brand experience with a significant design that would help to emphasize the look and feel of the brand. Many participants also chose an online store as their ideal location choice (38%) where they would be able to shop right from the comfort of their smartphone or personal computer. Males were fairly uniform in their preferences whereas females really wanted an in-store experience such as a shopping mall or stand-alone store.

Importance of Heat-Tech Technology

This research was aimed at determining how important or attractive the heat-tech technology would be to potential consumers. We asked participants to rank the importance of the feature on a five point scale (not important at all to very important). A large majority of the students that took the questionnaire (45%) said that this heat-tech feature was not at all important to them. A few less said it was of little



importance (24%) and even less (10%) said that it was somewhat important. It appears that overall males were interested with the heat-tech aspect of the clothing where (25%) of males said it was quite important and only (12%) of the females felt that it was. Still overall this feature of the Uniqlo was not that attractive to the participants.

Differentiation in Comparison with Competitors

This specific research questioned was meant to find out how different the Uniqlo brand appeared to consumers against other similar clothing brands. A majority of participants (35%) felt that the Uniqlo brand was somewhat different from its competitors and (21%) felt that the brand was quite different. Females appeared to have a more unique opinion of the brand when (40%) responded that the brand was somewhat different and (20%) saying it was quite different. Males were more uniform in their responses but overall they still had a unique opinion of the brand when (25%) responded that they felt the brand was very different from its competitors.

VII. Conclusions and Recommendations

a. Conclusions

The research that was collected from the questionnaires and FGI was extremely constructive and gave our team a greater insight into the Uniqlo brand and how it is currently perceived by young college consumers. A major insight from the research was that people are simply not yet familiar with the Uniqlo brand. This was somewhat anticipated by our team because Uniqlo is a foreign brand and is



predominantly a part of foreign clothing markets and cultures. A majority (48%) of participants were neutral to the brand either because they did not know the brand at all or they were just simply not familiar with what differentiates it despite having heard about the brand before. This means that the brand has a lot of room for expansion and is sitting atop an almost completely unutilized client base.

The brand had a somewhat weak performance when participants gave it an overall mean score of 2.76 for unique vs. different from other brands. The students seemed to still have a positive overall attitude towards the brand but did not necessarily see it as being extremely different from similar clothing brands. This indicates that if Uniqlo were to make an entrance into the Boston market they would have to position themselves in a much more exclusive and distinct manner. The clothing retail market in Boston is already significantly saturated and full of brands that just appear to be imitations of one another. Uniqlo must break through all of that and offer consumers a truly special and unique brand experience; they already offer this in their other stores, but Boston consumers have yet to see what is so different about Uniqlo.

The participant scores for intention to shop were fairly low with a total mean of 2.93. Consumers are either unfamiliar with the brand or they are not seeing too many points of differentiation that would interest them in deviating from their current clothing brands of choice. Consumers felt that the budget-friendly aspect of the brand was the most attractive characteristic. This is a very good sign because who loves a good price on clothing more than a college student? The brand needs to continue to nurture this aspect of their reputation if they wish to have strong breakthrough within the Boston market. By offering high-quality, stylish clothing at a premium price, Uniqlo could develop a very healthy



and fruitful relationship with young college consumers in the Boston market.

b. Recommendation

After extensive analysis of the data collected over the several months, our recommendation actually contradicts that which would be concluded from pure statistical analysis. The recommendation is to open a Uniqlo store in Boston. Although the mean scores of brand evaluation were relatively low (3.41 on a 5 pt scale) and there was an overall 31% purchase intention these scores are still above average. The most important thing when considering whether or not to open a Uniqlo store in Boston is the target audience. Predominantly the audience is budget conscious college students. Since 1 out of every three people in Boston is a college student, it is important to capitalize on such a profitable area. Uniqlo has already established itself in major cities on the West Coast and one in New York City so the next step is Boston. The brand has well established competition in Boston like Zara, Forever 21, and the Gap; however, Bostonians are always looking of the next big thing within reason. Uniqlo is just that. It is a go-to for high quality basics at an affordable price. Not to mention the phenomenal customer service that has generated a significant amount of buzz. According to the focus group interview, students were thrilled by the heat technology, outstanding customer service, in-store tailoring, and most importantly the high quality at an affordable price. In fact, 100 % of the FGI participants said they would shop at Uniqlo if it were in Boston. Also, they would spread the word to their friends that Uniqlo is a great new store unlike its competitors. As far as purchase intention, the participants were thrilled with the price point especially for how high-quality the clothes are.



The recommendation would be to put the first store in either Downtown Crossing and/or Boylston St. nearby some of the major department stores. Uniqlo stores are extremely large and spacious and the two recommended locations have plenty of space to accommodate. These are high traffic areas.

Since the target audience of Uniqlo is college students, promotion will include a combination of Facebook, Twitter, and word-of-mouth. FGI participants said that the most effective way to promote the grand opening of Uniqlo in Boston would be a social media presence which would in turn generate word of mouth.

In conclusion, the recommendation would be to open a Uniqlo store in Boston in either Downtown Crossing or Boylston St. near Lord & Taylor. The store should promote the grand opening via Facebook and Twitter, along with ads around the city.

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Appendix

A. FGI

a. Discussion Guide:

Good afternoon everyone. My name is Maxine Renning and I am a student in the Qualitative and Quantitative Research Methods class at Emerson College. I would like to thank all of you for coming here today. Today's discussion is going to revolve around general topics of apparel and clothing shopping. I urge all of you to speak your minds, as all your opinions are very important to us. There is no right or wrong answer. We will be recording this session to prevent loss of information and everything you say will remain confidential

Introduction

1. Let us begin with a round of introductions. I'd like each one of you to introduce yourself and say



what your favorite type of clothing is and why, and your least favorite type of clothing a why.

Understanding Attitudes Towards Clothing and Shopping

2. Let's talk about shopping for clothes . How often do you shop? Where do you shop from?
3. If we had to make a list of your biggest concerns with regard to clothing shopping what would they be?

(Bring up attributes if respondents do not)

- a. Price
 - b. Quality
 - c. Brand
 - d. Country of Origin
 - e. Fashion trends
 - f. Style
4. Imagine I put a hat in the middle of this table and all of you can put all your fears regarding clothing shopping in the hat and make them go away. What would you put in?
 - a. Why are these so important?
 - b. How would they be overcome?

Concept Evaluation

5. I have something to show to you today. (Expose Concept board)
 - a. What thought, images, moods come to your mind on seeing this?



6. Imagine you are back home now and you are telling your roommate about Uniqlo. How would you describe it?
 - a. What is it used for?
 - b. What is the brand name?
 - c. What is the best part?
 - d. What is the worst part?

7. Could you also please describe the person who would buy this product? Why do you say so?
 - a. Age/ Gender/ Occupation

8. Imagine Uniqlo was running a marathon. Who would be its toughest competitor? Why?
 - a. What advantages does Uniqlo have which none of the other contenders have...
 - b. What disadvantages does Uniqlo have which none of the other contenders have...

9. Imagine Uniqlo is a human being. What kind of a person would it be?
 - a. Age
 - b. Gender
 - c. Occupation
 - d. Hobbies
 - e. Lifestyles

10. What is your opinion of the brand name, 'Uniqlo'?

11. Imagine there is a girl, Sarah who dislikes Uniqlo. Why do you think she doesn't like it? According to you, what are her fears and concerns regarding the product? Why?



12. If you had to market 'Uniqlo,' how much would you price it? Why?

13. I have another concept for you...(show rest of concept board) what is your opinion about the price of 'Uniqlo?' Why?

- a. Do you think college students would like Uniqlo?
- b. Do you think Boston college students would like Uniqlo?
- c. What aspects of Uniqlo do you think would appeal most to Boston college students?

14. What would encourage you to try to use 'Uniqlo'?

15. Where would you expect to find information about 'Uniqlo'?



16. Do you have any recommendations for 'Uniqlo'?

- a. How to become more popular
- b. How to reach its target audience

Thank & Debrief



b. Concept Board

	 <p>MADE FOR ALL</p> <p>It doesn't matter who you are or where you live, UNIQLO makes clothes that transcend all categories and social groups. Our clothes are made for all, going beyond age, gender, occupation, ethnicity, and all other ways that define people. Our clothes are simple and essential yet universal, so people can freely combine them in their own unique style.</p>
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 <p>THE STORE</p> 	 <p>THE STORE</p> 
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THE STORE



THE STORE



THE CLOTHES

INSPIRE THE WORLD TO DRESS CASUAL



THE CLOTHES

INSPIRE THE WORLD TO DRESS CASUAL



THE CLOTHES

INSPIRE THE WORLD TO DRESS CASUAL



THE PRICES



WOMEN PREMIUM COTTON SINGLE JERSEY V NECK SHORT SLEEVE T

\$9.90

WRITE THE FIRST REVIEW

Made with the world's finest cotton, this soft, stretch cotton features a classic design and a relaxed fit for a comfortable feel.

- 100% Cotton, 4% Spandex
- Machine washable
- Imported



WOMEN LIGHT V NECK CARDIGAN

\$29.90

WRITE THE FIRST REVIEW

This light fabric gives this classic warm-weather piece a feminine look and feel. Features a soft texture and draping silhouette.

- 47% rayon, 37% acrylic
- Dry clean
- Imported



MEN DENIM RELAXED PANTS \$29.90





HEATTECH

DRESS LESS, FEEL WARMER




The technology of HEATTECH

Warm up from the inside out with a layer of Heattech. Available in the same basic styles you love, featuring our revolutionary technology that uses your own body moisture to heat you up.



HEATTECH

DRESS LESS, FEEL WARMER



WOMEN HEATTECH KNITTED... **\$14.90**
 HEATTECH CREW-NECK SLEEVE... **\$19.90**
 MEN HEATTECH GRANDRELLE YARN... **\$12.90**
 MEN HEATTECH WAFFLE LONG JOHNS **\$19.90**




FROM TOKYO TO BOSTON



THANK YOU

b. Transcript

Unfortunately, the FGI recording did not work for our group. Thus, we do not have a transcript to include in our findings.

B. Survey

a. Questionnaire with Concept Board

Dear Participant,

We are Undergraduate students of the Marketing Communication department at Emerson College; we



are conducting the attached survey for our Research Methods class. The primary research objective is to examine your retail preferences for casual clothing. This includes both your value of price, quality, and trends. It also examines how and when you like to shop for clothing. This survey is absolutely voluntary and will only take 10-15 minutes. To ensure your privacy, all of your answers are strictly confidential. If you have any questions, please feel free to contact me at olivia_connors@emerson.edu.

Thank you for your time and effort,

Miguel Alcala
Olivia Connors
Gabe Corporan
Cody Harvill
Maxine Renning

1. What is your most favorite clothing brand? Check all that apply

- H&M
- The Gap
- Zara
- Forever 21
- American Apparel
- Other: _____

2. What qualities do you like about your most favorite brand? Check all those that apply.

- value for the money
- quality
- style
- peer endorsement
- comfort
- current trends
- basic classic style
- celebrity endorsement
- Other : _____

3. What are your most important qualities when choosing clothing ? Check all those that apply.



- low price
- high price
- quality
- style
- peer endorsement
- comfort
- current trends
- basic/classic style
- country of origin
- celebrity endorsement

Other : _____

4. What clothing style do you identify with most? Check all that apply.

- Preppy
- indie
- sporty
- basic
- trendy
- retro

Other: _____

5. How often do you shop for clothing?

- More than once a week
- once a week
- two
- once a month
- every couple months
- once a year

6. What shopping setting do you shop at most? Check all that apply.

- Department store (e.g Bloomingdales, Macys, Nordstrom...)
- Shopping Mall
- Boutique (stand alone)
- Outlet Mall
- Online

Other: _____

7. What influences your shopping for clothing? Check all that apply

- being fashionable



- expanding wardrobe
 - spending time with friends or family
 - Appreciating the atmosphere of store
 - trying clothes on
- Other: _____

8. What do you not like about shopping? Check all that apply

- It's stressful
 - too many options
 - hard access to fitting rooms
 - too little options
 - too many stores
 - too crowded rack
 - too little stores
 - too many people
 - sizes are not available
 - long lines
- Other: _____

9. What are the top 3 clothing items do you have the most of in your wardrobe?

- Shirts
 - pants
 - accessories
 - outerwear
 - basics (e.g undershirts underwear etc)
 - shoes
- Other: _____



UNIQLO



UNIQLO is a Japanese casual wear designer, manufacturer, and retailer. There are four U.S. locations with three in the New York City area and one in San Francisco, California. The store focuses on selling budget friendly basics that are both stylish and practical. They are best known for their **HEATTECH** layering pieces that range from long sleeve shirts (\$15), to turtlenecks (\$10), tights (\$12-\$15), and knee socks (\$13). Each item is made of a lightweight high-tech fabric that actually creates and maintains body heat to keep consumers warmer in colder temperatures.

1. Have you ever heard of Uniqlo? yes _____ no _____

2. If yes how?

3. Overall what is your feeling toward Uniqlo after reading its concept board?

1 ___ Strongly dislike

2 ___ Slightly dislike

3 ___ Neutral

4 ___ Slightly like

5 ___ Strongly like

4. What aspect of Uniqlo stands out to you and differentiates it in your mind from similar brands?

5. What do you not find attractive? Why?

6. Where do you think Uniqlo's brand image falls within these categories?

too generic ___ ___ ___ ___ ___ unique

low quality ___ ___ ___ ___ ___ high quality

out of style ___ ___ ___ ___ ___ trendy

monotonous ___ ___ ___ ___ ___ diverse options

ill fitted ___ ___ ___ ___ ___ universally flattering

7. How would you rate Uniqlo in the following attributes? Check one answer that best reflects your opinion on how appealing Uniqlo is.



	Not appealing	A little appealing	Somewhat	Quite appealing	Very appealing
Budget friendly	_____	_____	_____	_____	_____
Heat-tech layering pieces	_____	_____	_____	_____	_____
	Not appealing	A little appealing	Somewhat	Quite appealing	Very appealing
Lightweight high-tech fabric	_____	_____	_____	_____	_____
Japanese clothing	_____	_____	_____	_____	_____
Both stylish & practical	_____	_____	_____	_____	_____

8. If Uniqlo were available near you, how likely are you to shop at it?

- Very unlikely
- Unlikely
- Maybe or Maybe Not
- Likely
- Very Likely

9. What would be the chances of you purchasing a new heat-tech outdoors jacket from Uniqlo for \$79.90 if you were out shopping for a new jacket?

- very unlikely
- unlikely
- maybe/maybe not
- likely
- very likely

10. What is the most effective way for a brand to communicate with its consumers?

- Facebook
- Twitter
- Blog
- Pinterest



- Youtube
- Email
- Text via cell phone
- Direct mail (e.g brochure)

11. Where is the ideal place to access Uniqlo?

- A shopping mall
- A stand-alone Uniqlo store
- Department store
- Outlet Mall
- Online
- Other

13. How important would Uniqlo's heat tech technology be to you?

- Not important at all
- A little important
- Somewhat important
- Quite important
- Very important

14. When you compare Uniqlo with major competitors (e.g Zara or H&M) how different is Uniqlo to you?

- Not different at all
- A little different
- Somewhat different
- Quite different
- Very different

Age: How old are you?

- 18 – 20
- 21 – 23
- 24 -- 26



27 – 35

35 or older

Gender:

Male

Female

What is your ethnicity?

Caucasian American

Hispanic American

African American

Asian American

Other

What is your personal annual income before tax?

Less Than \$10,000

\$10,000 - \$19,000

\$20,000 - \$29,000

\$30,000 - \$39,000

\$40,000 or higher-

