

# FASHION MERCHANDISING MINOR AT TEMPLE UNIVERSITY

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SUBMITTED TO:

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## EXECUTIVE SUMMARY

Temple University does not offer any fashion degree programs which is a problem for creative students who wish to enter the business world. The fashion industry is the fourth largest sector in business and is growing at a rate of 10% (Nechak 2021). Temple is missing the opportunity to place its students in this thriving industry, especially considering the interest students have shown through the formation of the Fashion & Business Club. To solve this problem, I am proposing Temple offers a minor in fashion merchandising. The process of implementing this minor involves the department heads of fiber and materials studies and marketing and supply chain management at the Tyler and Fox Schools. Additionally, Temple's Offices of the Provost and Secretary, Academic Affairs, and Board of Trustees all need to approve the minor. We will begin the approval process in December of 2021, following Temple's Review of Academic Programs and Courses timeline through March of 2022. The minor will be ready for students beginning the Fall 2022 semester. Offering this minor to an estimated 50 students will cost \$145,799 in salaries and materials. It has the potential to bring in revenue of \$509,100 from students' tuition. This proposal will benefit students at Temple with a fashion specific program to learn and gain industry experience through, increasing their job placement rates. Temple benefits when its students succeed, leading to increased revenue, applicants, and reputation for the University.

## THE NEED

The Fox School of Business works to create business professionals; the Tyler School of Art focuses on creative success. These two schools are strong alone but leave a gap where creative, business-minded students are lost. Students interested in fashion graduate unprepared to work in this field.

### *Club Offerings*

The Fashion & Business Club at Temple University houses over 100 students who have a passion for expressing themselves creatively, while still developing a business career. The club

hosts weekly speaker sessions where members learn about industry professionals who also had to pave their way without a specialized degree to assist them. Although the club provides professional development and networking opportunities, students still cannot stand out post-graduation in the competitive fashion industry without a degree.

### *Job Placement*

In a 2010 survey, the US Bureau of the Census found that 27.3% of college graduates do not have a job in their major field (Stack 2021). As students enter college, they feel pressured to choose a direction, so may settle for a degree that does not align with their passion, leading to the proportion this survey shows. The fashion industry is the fourth largest sector in business and is growing at a 10% growth rate (*Fashion industry statistics 2021*). Considering the opportunities offered in the fashion industry, Temple needs to offer a fashion merchandising minor to prevent incoming undergraduates from choosing alternative degrees or schools they are not passionate about.

## THE DETAILS

Below is an example of what the bulletin would look like for this minor, formatting adapted from Temple University's 2021-2022 Bulletin (*Bulletin 2021-2022 2021*).

## FASHION MERCHANDISING MINOR

### *ABOUT*

This minor adds a concentration of fashion for students in the business or art schools. Students will learn how to manage, analyze, and apply quantitative data in an otherwise qualitative field. Students will incorporate technology in their work, whether it be simplifying the supply chain, manufacturing clothing, or designing clothing. Students will graduate with a greater understanding of trends; specifically, how to anticipate and market trends using data.

This minor offers in-field internships where students will gain valuable industry experience. Students are also required to participate in a Student Professional Organization, which aids

development in the professional sector. The American Marketing Association and the Fashion & Business Club are two particularly relevant SPOs offered within the Fox School.

Adding this minor will set students apart as they develop art and business skills through courses, internships, and professional development that will translate into their careers in fashion.

### REQUIREMENTS

- Open to business or art students.
- Integrates business analytics with wearable art to prepare students for careers in the fashion sector of business.
- Appropriate for all students, but particularly relevant for students majoring in Fibers & Material Studies, Marketing, and Supply Chain Management.
- Creative, quantitative, critical thinking, and problem-solving skills required for success in this minor; a cumulative GPA of 3.0 is recommended.

- **Prerequisite courses required for non-business students:**

<a href="#"><u>ECON 1101</u></a>	Macroeconomic Principles	3
<a href="#"><u>ACCT 2101</u></a>	Financial Accounting	3
<a href="#"><u>STAT 2103</u></a>	Statistical Business Analytics	3
<b>Total Credit Hours</b>		<b>9</b>

- **Six courses required (four must be taken at Temple University):**

<a href="#"><u>MIS 2502</u></a>	Data and Analytics	3
<a href="#"><u>SCM 3517</u></a>	Inventory and Warehouse Management	3
<a href="#"><u>SCM 3518</u></a>	Sourcing and Procurement	3
<a href="#"><u>ART 3211</u></a>	Cultivating a Collection	3
<a href="#"><u>ART 3214</u></a>	History of Wearable Art and Costume	3

<b>Elective</b>	
Select one of the following:	3
<a href="#"><u>IB 3596</u></a> Global Entrepreneurship	

<a href="#"><u>MKTG 3506</u></a>	Value Delivery Networks in Marketing
<a href="#"><u>ART 2201</u></a>	Introduction to Fibers and Materials Studies
<a href="#"><u>MKTG 3581</u></a>	Marketing Internship
<a href="#"><u>ART 3085</u></a>	Field Internship
<b>Total Credit Hours</b>	<b>18</b>

## COURSES

The selected courses are already offered at Temple University. The curation of these courses into a minor will prepare students for the fashion industry with their subject matters of wearable art, and the supply chain. Some courses require prerequisites, which are noted in the below descriptions.

- **Data and Analytics:** (PREREQ: MIS 2101) This course will prepare students to analyze data in the fashion industry. Viewing past and predicting future trends with data teaches students to use company resources efficiently when purchasing inventory.
- **Inventory and Warehouse Management:** (PREREQ: MSOM 3101) With high yields of clothing, students must learn how to properly manage this inventory and the warehouse operations and employees.
- **Sourcing and Procurement:** (PREREQ: SCM 3515 & 3516) This course will teach students about the supply chain and how to establish an efficient flow from materials to clothing to customers.
- **Cultivating a Collection:** (PREREQ: ART 2201) This art course will teach students how to select cohesive pieces for seasonal clothing collections.
- **History of Wearable Art and Costume:** (PREREQ: ART 2201) Students will learn about the history of fashion which they can apply to their future careers.
- **Electives:** Selected electives are meant to assist with student's professional development. Internships or entrepreneurship courses set students apart from the competition.

## THE TIMELINE



The first step of establishing this minor is presenting and receiving approval from the department heads in Tyler and Fox. Following Temple's Review of Academic Programs and Courses (TRAC) timeline, this proposal must be submitted by December 22 to the Office of the Provost (*Academic programs 2021*). After submission, we wait ten business days for the posting and commenting period before the agenda items are submitted to the Office of the Secretary (*Academic programs 2021*). Then there will be two committee meetings, one with Academic Affairs and another with the Board of Trustees (*Academic programs 2021*). This completes the TRAC process, meaning the minor can be posted in the Temple bulletin by early March. This gives time for students to declare the minor before priority course registration begins on March 31<sup>st</sup>. Students in the minor can begin taking courses towards the graduation requirement in the Fall 2022 semester.

## THE MARKET

68% of Temple's students are in-state residents so we will look at the Philadelphia market (*Temple University at a glance 2018–2019*). The urban location of Philadelphia is a market opportunity for the University. The assortment of shopping districts and company headquarters to choose from for job experience and fashion inspiration while students are studying in the city is helpful for professional development opportunities. Some include:

- The Galley at East Market
- Rittenhouse Row
- South Street
- The Shops at Liberty Place

- URBN Headquarters
- Burlington
- King of Prussia
- David's Bridal

Other Philadelphia universities are already offering programs in fashion merchandising. Jefferson University offers a career-focused curriculum from a top 20 ranking fashion school (Thomas Jefferson University n.d.). Drexel University offers a degree in design and merchandising through its Westphal College. With a student body of 26,000, Drexel is a sizable university with a strong reputation for internships and professional development opportunities. This is seen through Westphal's impressive 96% placement rate one year after graduation (*Design & Merchandising Major* n.d.).

These programs can be seen as a threat to Temple University's population numbers, as students interested in fashion are be drawn to Jefferson or Drexel's established programs and job connections. However, the programs' success demonstrates the feasibility of a fashion program in Philadelphia. Temple can use this as an advantage by curating a stronger program after viewing their competition's limitations and attracting more students.

## BUDGET

In total, running a fashion merchandising minor will cost the University **\$145,799**, assuming 50 students complete the 18 credit hours required. This cost will be offset by the tuition received for 18 credits of **\$509,100**, creating a potential revenue of **\$363,301**.

<b>BUDGET</b>				
		PER CREDIT HOUR	PER MINOR	50 STUDENTS
SALARIES	\$	6,600	\$ 118,799	\$ 118,799
MATERIALS	\$	30	\$ 540	\$ 27,000
(cloud storage)	\$	5	\$ 90	\$ 4,500
(fabrics)	\$	5	\$ 90	\$ 4,500
(licensing)	\$	5	\$ 90	\$ 4,500
(software)	\$	15	\$ 270	\$ 13,500
TUITION	\$	566	\$ 10,182	\$ 509,100
<b>TOTAL COSTS</b>			<b>\$ 119,339</b>	<b>\$ 145,799</b>
POTENTIAL REVENUE			\$ (109,157)	\$ 363,301

## COSTS

The major cost comes from paying salaries to professors. This number was calculated by finding the average college professor salary in the US, and dividing per semester, then per credit hour taught, then multiplying by the number of credit hours required to complete the minor (*College professor salaries* (n.d.)). Calculations can be seen in the cost table below. Since the minor is new, the smaller number of interested students can be dispersed across one offered course of each class per semester, requiring only one professor salary per course. As the minor grows in population, additional course sections may need to be offered, increasing costs.

<b>COST</b>						
COURSE	HOURS	SALARY	PER SEMESTER	HOURS TAUGHT	SALARY/HOUR	SALARY/COURSE
Data and Analytics	3	\$ 158,399	\$ 79,200	12	\$ 6,600	\$ 19,800
Inventory and Warehouse Management	3	\$ 158,399	\$ 79,200	12	\$ 6,600	\$ 19,800
Sourcing and Procurement	3	\$ 158,399	\$ 79,200	12	\$ 6,600	\$ 19,800
Cultivating a Collection	3	\$ 158,399	\$ 79,200	12	\$ 6,600	\$ 19,800
History of Wearable Art	3	\$ 158,399	\$ 79,200	12	\$ 6,600	\$ 19,800
Elective	3	\$ 158,399	\$ 79,200	12	\$ 6,600	\$ 19,800
<b>TOTAL</b>	<b>18</b>	<b>\$ 950,394</b>	<b>\$ 475,197</b>	<b>72</b>	<b>\$ 39,600</b>	<b>\$ 118,799</b>

Another cost to consider is materials. For any art-based courses offered, fabrics and other supplies are needed to create art. Other courses will need licensing and software packages, as well as cloud storage for students and professors. Since students and professors are already enrolled in Temple’s system, these costs are minimal, as they are dispersed and averaged across other courses. In total, it would cost \$30 per credit hour, or \$90 per course per student in materials.

Assuming 50 students enroll in the minor, the total cost for materials would increase to \$27,000 to fund all students through the entire 18 required credits.

### REVENUE

Using Temple’s in-state tuition cost, then dividing by credit hour, and multiplying by the 18 required credits, estimated tuition revenue is \$10,182. This number is per student, so with 50 students, revenue averages to \$509,100.

<b>REVENUE</b>			
	TUITION	CREDIT HOURS	COST/HOUR
UNIVERSITY	\$ 16,970	30	\$ 566
MINOR	\$ 10,182	18	



## **BENEFITS**

Including a minor in fashion merchandising through the Fox and Tyler schools at Temple will benefit the University as well as the student body. Benefits for students and the university are positively correlated—when one benefits, the other follows.

### ***STUDENT BENEFITS***

As students gain experience through a fashion focused curriculum, they learn important industry skills that will assist them when applying for jobs. The connections they make through networking will increase job placement rates. For fashion programs specialized in advertising, promotions, and marketing, job growth is 10%—6% higher than the national average (Nechak 2021). With a growing industry, students will have more job opportunities. Offering a program that fuses business and fashion allows students to stand out and be successful. Students will benefit from:

- Experience in fashion industry
- Networking opportunities
- Specific curriculum tailored to their career interests
- Unique degree
- Fast growing industry

### ***UNIVERSITY BENEFITS***

When students graduate prepared for the industry, the university's reputation increases. Having a higher percentage of graduates placed in careers makes the school appealing to new applicants. With an increased number of applicants due to a unique degree program and improved statistics, Temple can enroll more students to increase revenue, or they can become more selective in who they accept. Either option will benefit the school, as more revenue means Temple can reinvest in programs, continuing to strengthen and grow its reputation; or becoming more selective means enrolled students are prepared and committed to learn and be challenged. These motivated students are more likely to be successful post-graduation, continuing to increase Temple's reputation. Temple University will benefit from:

- Increased job placement rate
- Increased applicants
- Increased revenue
- Increased reputation

## CONCLUSION

Implementing a fashion merchandising minor will fill the need for a creative business-related program for students interested in fashion. This process will occur over the spring 2022 semester, with the minor being offered starting in the fall of 2022. It will bring in a net revenue of \$363,301 from tuition after costs of running the program are subtracted. A fashion merchandising minor will expose students to the fashion industry, increasing job placement rates, revenue, and reputation for Temple University.

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