

Software For Spotting Latest Fashion Trends Replaces Focus Groups

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By James Geddes from Tech Times

Fashion retailers are using new software to predict the latest fashion trends based on shopper's preferences and picks as communicated via online surveys. Formerly, the companies used focus groups to perform the same function.

Picking the right styles and trends can make or break for clothing retailers such as Abercrombie & Fitch, American Eagle Outfitters, The Limited, The Gap, and other big mass market clothiers. A big misstep one season can literally turn the fortunes of a once hot retailer into a financial bust. Companies are always looking for new ways to accurately predict popular upcoming styles and trends in time to design and manufacture them in time for the next fashion season.

The companies traditionally relied upon one of the most oft-used

market research tools, focus groups. In focus groups, a group of pre-vetted individuals who are likely to use a company's products are gathered in a conference room and asked their opinions so that a company can assess consumer's perceptions. The group is run by a leader who encourages discussion and opinion sharing. Often company execs are secretly watching the group through a two-way mirror, or the comments are recorded for subsequent review.

Focus groups can be limiting however, [says](#) Lois Huff, vice president of client insights and strategy at The Limited. "There's a statistical rigor behind it. A traditional focus group might involve 20 or 30 or 40 people, but you have no insight into their ability to predict a winner or loser. Meanwhile, you're making decisions worth millions of dollars."

A new program, [developed](#) by First Insight, solves that issue by selecting participants based on their ability to accurately predict fashion trends. Before relying on an individual's opinion going forward, the program first assesses their reaction to older fashion selections to assess their ability to pick future winners. This is done via online surveys, which show the participant various dresses, bags and other items and asks if they would purchase them and at what cost.

The responses are then matched against the actual performance of the items. The more accurate participants are asked about future items, and their data is used to choose which clothes are actually put into production. "It's about finding the people you need to listen to," said Greg Petro, First insight's founder and CEO.