

## Business studies coursework- Kinetic Plc

### AO1

#### Investigation:

Kinetic Plc is a sports manufacturer. It manufactures clothing for activities such as sailing, hockey, cycling etc. It was a partnership in 1986, a private company in 1990 and has been transformed into a public limited company in 1994. Kinetic plc owns a number of factories across the United Kingdom. The public limited company also has its companies head offices lease set to terminate. They are not looking to renew its contract and are looking elsewhere to locate their head office. Kinetic Plc do not compete with large sportswear manufacturers such as Nike or Umbro. The company has a website, but do not sell its products over the internet. They sell their products to the retailers or straight to the consumers by mail order. Till date, 1993; it sold its goods only in the United Kingdom. However, it began exporting its products to France in 1994 and now, exports all over the world.

I am going to investigate whether Kinetic Plc should sell over the internet or open a shop to sell its products. Kinetic Plc is losing out on sales against its competitors, examples of its competitors that compete with Kinetic Plc's range of products are:

- Speedo, [www.speedo.com](http://www.speedo.com); which sells water sports equipment. They sell their products over the internet to their targeted consumers. Their targeted consumers are over 21 to mid 40's as they are the most energetic and sports fanatic.
- REI, [www.rei.com](http://www.rei.com); which sell hiking boots, skiing equipment etc. They sell their product over the internet. Their targeted consumers are between 17 – mid 30's as they are usually the target group consumers that go to the swimming pool. It also could be the reason that they work and the steady prices on their equipments could be affordable to them.

Kinetic Plc need to expand, to compete with its competitors and not lose out on sales. By expanding, the business will have more sources available to increase the rate of production and increase the profit rate.

I will be examining this investigation by using a wide range of sources, primary research and secondary research. Primary research is 'first hand data', directly studying the markets desires of wants and needs, whereas secondary research is collecting information which is already available, such as in a magazine it will tell you the information of a cycling club and the needs in a specific local area.

Using a questionnaire as my primary research which will enable me to find out about a particular group of people, and to see what factors (age, wealth, location etc) affect Kinetic Plc target market which will persuade them to buy the products. Where as, my secondary data will come from magazines, books etc. which will allow Kinetic

Plc to overview how they are losing out to most similar firms and will evidently allow them to recover the losses.

### Marketing Mix:

The marketing mix is the ingredients that businesses need to achieve marketing aims. A business like Kinetics Plc may change its marketing strategy over time by altering its marketing mix. The marketing mix is made up of Product, Promotion, Price and Place. All these marketing mix help Kinetics Plc stay successful and gain a profit.

**Product:** A product is something people buy for either a 'want' or a 'need'. Before people pay money for a product, it will be inspected, such as quality. Quality needs constant reviews. This is usually one of the first things people look for in a product. Size and packaging is always crucial to customers. The packaging should be eye catching and as attractive as possible to catch the consumer's eye before he/she wonders of to the next product. After good sales service, the company starts to build up reputation, which then brings more customers as it is secondary research to them—where other people help promote your product by quoting it as a good product. You could expand on the product you've already created by making new, catchy ideas or simply concentrate on the first main product. Kinetics Plc's product is specialist sportswear, which do not compete with big companies such as Nike or Umbro.

**Promotion:** Approach and conserve is needed to advertise the product. This could be adverts or a local leafleting. The press, T.V, point of sale, telephone, local or national is an appealing way to attract majority customers. If your company is sponsored by something which has a status of good quality, this will give your company and brand name a good start of selling point as it is sponsored by a famous person. Expenditure, the way Kinetics Plc promotes its products is vital for customers. The way they promote should be well worth watching. The shop/website and clothing should be advertised in many different ways. Local radio helps to give out an invite, however it is only shouted out to local residents as the radio channel is tuned in only locally.

Promoting goods through the internet usually attracts teenagers as the majority of the world which is used by internet is viewed by young adults. This gives Kinetic Plc a great advantage as it will give them a selection of people to advertise their products to; this will prevent them using much of the primary and secondary research.

**Place:** Decisions about place include where goods are sold and how well they are distributed. In a place where people bypass each day would be superior. Some were like a sports centre. Direct distributions such as home selling or mail order are all rising sectors of the market. This tells us that selling over the internet wouldn't be too bad as it's a growing thing. Delivery and stock levels; sales are lost if these areas are inefficient. Increasing ways of getting the product to public could also be delivering. Kinetics Plc use mail order, exporting to other countries and selling direct to retailers as their methods of distribution.

Price: Basic price levels needs constant review. The way a product is priced should be suitable enough for that product.

The type of pricing that could be used for Kinetics Plc is the following:

Penetration pricing is the pricing technique of setting a relatively low initial entry price, a price that is often lower than the eventual market price. The expectation is that the initial low price will secure market acceptance by breaking down existing brand loyalties.

Competition based pricing- Shoppers were rating prices low on the list of items of significance in making a buy. Competition-based pricing is easily implemented on the internet, because it is relating your own prices on a set of goods compared to the rivals. If it is slightly overpriced, you advertise to show your product is at a better buy than the other products.

Skimming – this is when a company sets a high price, as competitors bring in similar products, the company then starts reducing their prices.

For Kinetics Plc I think demand based pricing should be used. This is setting the prices according to what people want to pay is a fine way to keep customers coming back. This would be good because Kinetics Plc will always have consumers to sell their products to.

### Target Market

The target market for Kinetics PLC would be all people interested in specialist sportswear. The age group would be around 25 – 40 depending on what type of sports they participate. Their lifestyle should be very active packed and usually healthy. These reasons could be something like health concerns. Perhaps people who just enjoy being very physically fit. Their location would be in places were they can do specialist sports activities, such as wind surfing and canoeing. This type of location would help Kinetics Plc as people would buy their products from their company as it is usually the easiest and the quickest route to them. The location could be anywhere because of the fact that as Kinetics Plc does mail ordering, exporting to many countries abroad and selling direct to retailers. But if Kinetics Plc advertises their products over the internet it wouldn't matter, were the products were sold, as anyone could buy them from anywhere.. Social life would consist of sports, work and things they get pleasure from, rather than a normal life like taking part in a daily activity-going for a walk.

Socio economics grouping are exclusively segmented into 6 key categories, which include, age, sex, ethnicity, qualification, educational background or job and the head of the household. It is significant to categorise these groups in such a way, in order to look into the consumer's lifestyle as well as the income. It should be taken to consideration, the fact how the targeted consumers may react to their products which are being offered.

<b><i>Social grade</i></b>	<b><i>social status</i></b>	<b><i>Occupation</i></b>
A	Upper middle class	Directors, lawyers and solicitors
B	Middle class	Manager and nurses
C1	Lower middle class	Supervisors and clerks
C2	Skilled working class	Electrician and carpenter

All the social marks in this table above relate to Kinetics Plc as these are the targeted segment that could have the funds to buy the manufactured goods.

### Changes in ownership

Kinetics Plc was set up as a partnership in 1986, but changed into a private limited company shortly in 1990. It then became a public limited company in 1994. Partnerships are owned by partners; the minimum of two and a maximum of 20 partners. In a partnership, there is unlimited liability. The owners are personally responsible for the debts of the business. In an Ltd you have limited liability. Shareholders are more likely to agree any aims in an Ltd corporation than they are in a partnership. They don't have to discuss with all owners in an Ltd, but in a partnership each partner needs to get all information due to what is happening in a firm. Kinetics Plc also changed from an Ltd to a Plc. This may have been because a Plc is usually large and sells goods to the public as most of its shares are brought publicly. Ltd is usually small to medium-size and sells shares privately. When Kinetics Plc made this change, they have expanded their business- giving them a more chances of increasing their profit rate. A Plc has at least 2 shareholders. Ltd has at least 1 shareholder. Kinetics Plc needed 2 shareholders as it was a couple who were managing the business. A Plc sells its shares easily with a minimum share capital of £50 000 to start. For a Ltd organisation it takes time to sell shares and there is no minimum capital. Kinetics Plc may have wanted to sell their shares more easily with a minimum share capital. In a Plc the shares listed on stock exchange are sold to the public, while in an Ltd the shares are only sold to creator, family and contacts. In my opinion Kinetics Plc made a good decision by changing from an Ltd to a Plc as this will give them a greater chance to increase the popularity and size, this will find it easier to compete with its competitors due to its popularity.

### Current ownership

Kinetics Plc's current ownership is a public limited company. There are a few advantages and a few disadvantages to having this type of ownership. Advantages of being a Plc are it is easier to borrow money because of its size and the security it can offer as it is a public company.

Facing limited liability; its owners are shielded from personal liability and all profits and losses pass directly to the owners without taxation of the entity itself.

Large organization has a high prominence so they have a first-class credit rating.

Being a Plc the public are presented of the situated and presented of the situation of the day-to-day business running. This will motivate the public as they are more co-operative, this will result in them to buy more shares from the stock market.

Disadvantages Kinetic Plc may face are that the company can be taken over since the shares are easy to get. Original owners may have little authority on decisions because it becomes a big corporation and the shares are slowly but surely increasing, which means there's more owners, this creates more disagreement between each other making decision making difficult.

Your day-to-day running are publicly known, and usually interfered by the as your shares are sold and bought on the public share market.

Most expensive set up cost of all forms of business organisation, because the company will have lots of paper work to do which will require to be done ahead of it could commence.

There could be the likelihood of a takeover of a merger because the shares can be bought by anyone.

## AO2

### Direct and indirect distribution

Manufacturers or producers need to decide how their goods will reach the customers. This process is known as distribution.

Direct distribution is selling directly to the targeted segment of consumers, possibly locally or all over the country. Using direct distribution as the system to sell your products, you may sell your products via direct mail, trade from your own stores or employ house-to-house selling techniques.

Indirect distribution buys in bulk from the manufacturer and breaks this into smaller quantities to be sold to the final consumer. Some manufactures may use selling agencies to distribute their goods for them and pay them a fee for this support. The selling agents act for a number of manufactures who find it cheaper to operate through a specialist and selling. This is particularly the case when small firms wish to sell overseas. Examples of indirect distribution are when the manufacturer sells his goods in a bulk to a wholesaler. This makes the number of transaction smaller and helps to keep the total cost as low as possible. The wholesaler trades the

manufactured goods to the customers for a price hoping to gain a profit from this deal.

### Advantages and disadvantages of distribution by Kinetic Plc

Kinetic Plc currently use many different forms of distribution, including direct and indirect distribution towards the promotion of the product.

Mail order- Direct distributing, selling direct to customers- direct distribution and exporting products to France- indirect distribution.

Kinetics Plc distribution over their goods has many advantages and disadvantages in order to compete with its rivals.

Distribution through mail order gives the benefit to Kinetic Plc as consumers may find it easier to buy over mail ordering as there won't be as much of a cost to travel to the location where the firm is located. Another advantage for Kinetic Plc selling over mail order is that it is easier to start up; this will give Kinetic Plc more money to build for the business. Disadvantages for Kinetic Plc selling through mail order are; the products may arrive damaged, this will lose customers loyalty and decrease the profit rate in order to compete with its rivals. Another disadvantage for this sort of distribution is that the period for the product to reach your destination. This will cause some consumers to go somewhere else as the demand could be high. And the time could be limited.

Kinetic Plc will benefit if they sell directly to the retailers as it would be more profitable to sell as direct as possible to the customer, this will leave the retailers out of the chain of distribution which would sell to the customers at a higher price as it is as direct and expensive to the consumers . This will increase the value of the products as you are more exposed to the customers, than or as close to the customers as possible.

The sales production rate will increase as their will be a surplus demand for the product. However, again, this system has a disadvantage. Retailers sell at the same price, despite the fact; Kinetic Plc has to sell at a lower price so that each contributed party has a profit.

The opinion of the physical goods from a customer (the ideal feedback), will be unheard if you sell indirectly. You will have to suffer a loss; this will evidently show that the customers who are buying the product are unconvinced as there are no feedbacks.

Exporting to other countries from Kinetic Plc will make them more well-liked, this will allow Kinetic Plc to gain a substantial profit and also gain a profit by introducing a brand name. Their knowledge about foreign exportation will help them in the near future, if they decided to expand. The drawback for this classification is that Kinetic Plc will have to chose whether time is an issue; as, the quicker you want your

products to be exported the greater the price (usually as tax) will be. The market research will not be enough to support its survival in the French market. It will have to promote its goods again, attracting its customers.

### Opportunities

Kinetics Plc may be missing out on opportunities to compete with its competitors because they do not own a shop or sell on the internet, this will result in them making unwanted enterprise (risk taking) which could be fatal to the fate of a business. They have not expanded their business and are considering ways to expand its business. They should use more forms of indirect distribution even though this may take longer than usual, this will bring in a wider range of options to expand the business and increase its profit rate as they would be in a greater position to compete with its competitors. Two advantages of Kinetic Plc opening a shop is that now they are not selling their products indirectly to the retailers. This will support them by not losing out on sales and competing with its competitor. They could concentrate on a targeted market in which they are going to enter, which will convince its targeted customers that the products they made are for their use. The disadvantages of opening a shop are that the market research does not always support the companies' plans. The local environment could be said that it is a push from secondary research. Nevertheless, it could turn out to be that the area is full of thugs, trying to ravage your shop, which could sidetrack customers from your shop. The shop may be situated in an area where it is less attractive. This will make end result in fewer customers entering the shop, which will lead to a loss in selling products.

The advantages for selling products over the internet for Kinetic Plc are that many of its products will be viewed world wide. This will increase the chance of it to gain a profit and help itself to compete with its competitors as the firm will be more world wide known. Many of them will have access to the internet and Kinetic Plc's promotion plans will attract world wide, as the promotion will be as an internet advertisement. The advertisement of the products will be done world wide as part of opening a website. Another advantage for selling over the internet is that it has a low start up cost.

The disadvantages of selling over the internet are that it is more exposed to hackers if there is not enough security on its documents. The price to own a website are quite high, so Kinetic Plc would be at a greater loss than before and must be well organised and have a plan that works before it loses out on promotion schemes. However, all plans are not 100% accurate. So could lead to a waste of promotion campaign. Another disadvantage over selling over the internet is that many customers are afraid giving their bank details, thinking that they will be subject of fraud. This creates an uncertainty relationship between its targeted segment and the manufacturers.

### AO3

The surveys below will demonstrate the answers for the questionnaire asked to the targeted segment. This will allow Kinetic Plc to enter a segment and gain a profit in the segment market.

- The total evaluated people (30 people) will not equal the same for many questions as many people take part in more than one sport or benefit through more than one reason.

#### Question 1

What is your gender?

Male	17	57 %
Female	13	43%

#### Question 2

What is your age group?

0-18	5	17%
19-24	6	19%
25-29	9	30%
30-39	5	17%
40+	5	17%

#### Question 3

Which sports activities do you regularly take part in?

Basketball	3	7%	
Cycling	7	18%	
Windsurfing	3	7%	
Sailing	10	24%	
Other (shown below)	18	44%	
-Canoeing	3	2%	} Total of 44%
-Marshall arts	13	34%	
-Hockey	1	2%	
-Netball	1	2%	
-Running	1	2%	
-Swimming	1	2%	

#### Question 4

Would you purchase your sportswear from a shop?

Yes	28	93%
No	2	7%



#### Question 5

Why would you choose to purchase sportswear from a shop?

Shops are local and convenient	12	19%
You can get advice from the sales assistant	4	6%
You can try on the sportswear	26	41%
You can see the quality of the product	21	33%

#### Question 6

Why you would not chose to purchase from the shop?

You don't have time to go to the shops	8	36%
Shops are too far away	6	28%
The shops are limited to its products with less range of products	8	36%

#### Question 7

Would you purchase sportswear from the internet?

Yes	20	67%
No	10	33%

#### Question 8

Why would you purchase from the internet?

It is easy and convenient	11	22%
Wider range of choice	15	31%
It is quick	9	18%
Easier to obtain a reasonable price for the product	14	29%

#### Question 9

Why would you choose not to purchase from the internet?

No access to the internet	7	18%
It takes too long to arrive	8	21%
I'm afraid to give my bank details over the internet	12	32%
Not sure of the quality	10	26%
Other (stated below)	1	3%
Fraudulent	1	3%

#### Question 10

How often do you purchase sportswear?

Weekly	0	0%
Monthly	12	40%
Yearly	18	60%

### Question 11

As a customer where would you prefer to buy your goods from?

Shop	18	42%
Internet	3	7%
Specialist shop	20	47%
Mail order	2	4%

### Question 12

If you owned a shop, how would you distribute your products?

Shops	2	7%
Internet	10	33%
Specialist shops	14	47%
Mail order	4	13%

Why?

Mail order

- Builds up a network of regular customers
- Sell in bulks to schools, clubs, society and individuals
- Sell a wide range of goods
- Quick and easy

Internet

- Many young people take part in sports and use the internet
- Opportunities to develop sales all over the world
- Easier to start up
- Lower set up cost

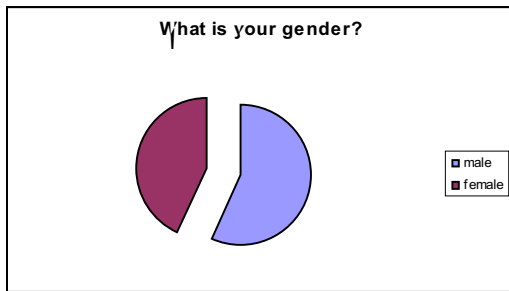
Specialist shops

- builds up a dedicated circle of customers who will return (loyalty)
- Enjoy giving good services
- People know where to come specifically
- Specialist in a particular department (efficiency)

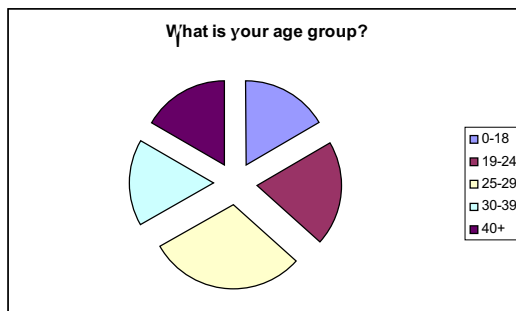
Shops

- take care of retail sales of the goods
- reach more customers by having a chain of shops

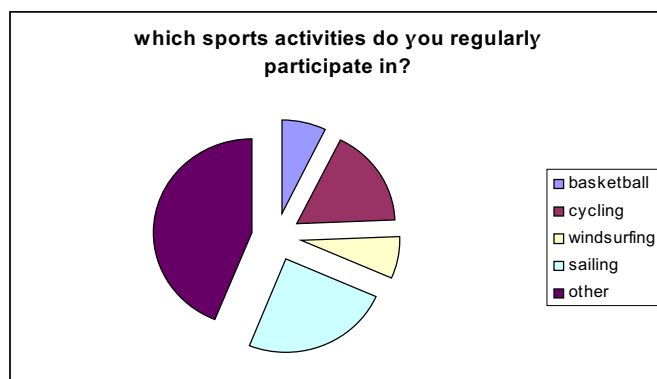
Pie charts for my questionnaires and their analysis: -



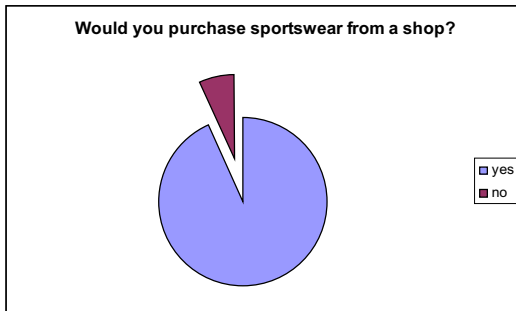
My results show that 57% of people were male and 43% of people were female.



My results show that 17% of people were aged between 0-18, 19% of people were aged between 25-29, 17% of people were ages between 30-39 and 17% of people were ages 40 or above.



My results confirms that 7% of people participate in basketball, 18% of people participate in cycling, 7% of people play a part in windsurfing, 24% of people participate in sailing and 44% participate in other sports curriculum (martial arts, canoeing, running, netball, hockey, swimming.)

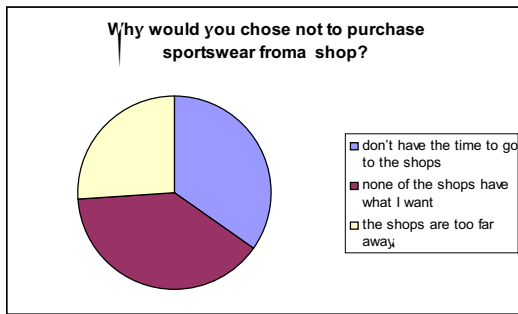


My results show that 93% of people would purchase sportswear from a shop and 7% of people wouldn't.



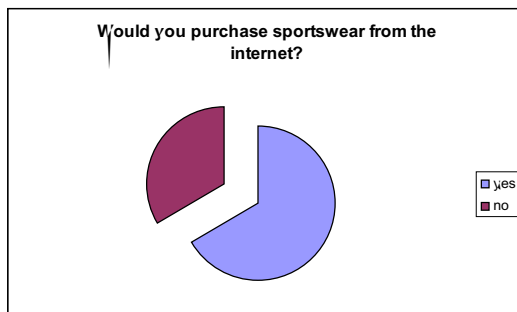
My results show that 19% of people say shops are local and convenient, 6% of people say you may get advice from sales assistant, 41% of people say you can see the quality of the product, 33% of people say you can try on the sportswear and 41% of people say other (you can exchanged dented goods).

The highest of these percentages was 41%, and this was for you may try on the product. This may have been because if the quality of the product is not up to its standard, people are less likely to buy it as the product may not last as long as it would if it was good quality (warrantee) and to try on the size to make sure it fits. This could lead to Kinetics Plc missing out on opportunities to increase their market population. This proves that Kinetics Plc should consider opening a shop, as they could illustrate there patrons the quality of there products more in detail, further more, the customer may inspect the product before he/she buys it, were as this cannot be done on the internet.

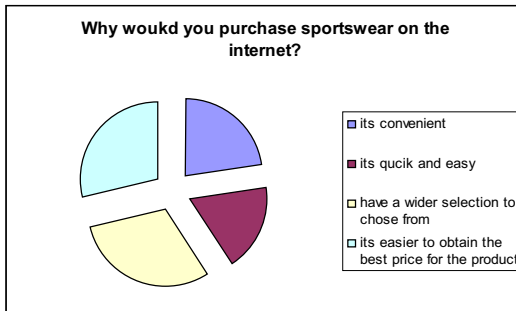


My results shows that 36% of people said they don't have time to go to the shops, 36% of people said none of the shops have what I want and 28% of people said the shops are too far away.

The uppermost of these percentages was 36%, this was for none of the shops have what I want and no time to go to shops. This may have been because every person has their own taste in their clothing and something they look out for which in suggestion to the point, 'they shop don't have what I want' shows that there is a limit to what the customers may be shown as the previous customer may have dropped the product or misplaced it in a different unappealing section. This shows that Kinetics Plc should consider business over the internet as people would find it quicker to search for what their looking for. It will allocate Kinetic Plc to increase their production rate and allow consumers to analysis a wide range of products. Whereas, if they purchased from the internet, it is accessible to everyone at any time, it also shows a wide range of quality in preferred pages. This makes them easier to locate and purchase from the internet.



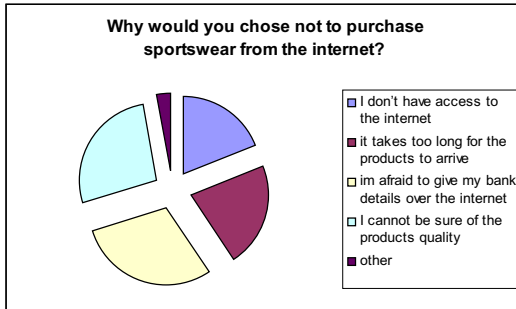
My results show that 67% of population would purchase sportswear from the internet and 33% wouldn't.



My results show that 31% of people said it's convenient, 13% of people said its quick and easy, 31% of people said you have a wider selection to choose from and 29% of people said it's easier to obtain the best price for the product.

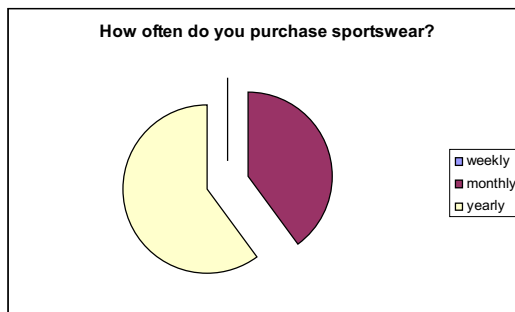
One of the highest of these percentages was 31% and was for you have a wider selection to choose from. This may have been because on the internet all the products are shown, in the other hand, in the shops there may be some stocks missing or unnoticeable as customer may have dropped or misplaced the product. People can look at all the goods the corporation has to offer on the internet. This shows that Kinetics Plc should consider selling over the internet because this majority of people, would know were to look despite the fact that searching for their wanted product. It is also world wide- the internet, so the construction rates will be high as if the promotion is alluring, the want will be high.

Where as a shop would be limited to its consumers as they would usually be local people purchasing. It is also a great chance to employ a wide range of people, as the start up cost is high where as an internet start up cost is low. Many of the products could be misplaced leading to lack of sales and resulting in loss.



My results show that 19% of people said I don't have access to the internet, 22% of people said it takes too long for the product to arrive, 32% of people said their too afraid to give bank details on the internet and 32% said other (some companies have fraudulent and fail to supply the goods)

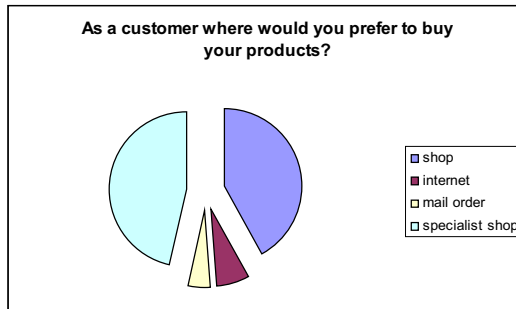
The highest of these percentages was 32% and was for people are too afraid to give bank details on the internet. This may have happened because people hear about internet hackers or fraud etc. People don't want to lose their money. This shows that Kinetics Plc should consider opening a shop because this way people could pay direct cash as they will know exactly who they are dealing with. This way Kinetics Plc will gain a circle of trust between them and their consumers- showing royalty, and will sway consumers to revisit next time.



My results show that there were no population that acquire sportswear weekly, 40% of people said monthly and 60% of people said yearly.

The highest of these percentages was 60% and was for yearly. This may have been because peoples products last up to a year or they don't take part in specialist sports often enough to wear out their physical goods- which Kinetic sell. This shows that Kinetics Plc should consider selling over the internet because this way not many customers will come during most of the year. Kinetics Plc would have to wait for a

long phase before somebody walked in, which will lead to a significant loss. Selling over the internet would be a better option for the reason that people universal could view your manufactured goods; this may make more sales as not everybody can admission the shop, this will allow sales to occur through out the year.



My results show that 42% of people supposed shop, 7% of people said internet, 4% of people said mail-order and 47% said specialist shop. The highest of these percentages was 47% and was for specialist shop. This may have been because going to a specialist shop would be the most reliable, and will be more trustworthy than any other option. In the shop people can see the product, see who their retail from. This shows that Kinetics Plc should consider selling their goods in a shop because people would find it more reliable, aggravate-free and convenient. In addition, the employees will be more skills, as only on phase of skills will be needed as it will be a specialist shop.



My results show that 6% of people said shop, 36% of people said internet, 13% of people said mail-order and 45% of people said specialist shop. The highest of these percentages was 45%, which evidently was for specialist shop. This may have been because a specialist shop is where everybody would think of first when deciding to buy a specialist sportswear from. It will be the most dependable place to buy the supplies from. The goods will be examined and the qualities are



usually up to standard. This shows that Kinetics Plc should think about selling their goods in a shop because people themselves say that that's the way they would sell their products. So the majority of the public would probably go to the specialist shop if Kinetics Plc goes for opening a shop, to compete with its rivals.

#### AO4

I will now be concluding my investigation, by deciding whether Kinetic Plc would find it profitable to sell their physical products of manufacturing goods of special sports (i.e. canoeing and swimming) in a shop or through the internet. This is also an evident as one of Kinetic Competitor Plusstop are successful in selling specialist sportswear from a shop.

From my obtained research, I have concluded that 28/3 out of 30 people would purchase from the shop because of reasons such as take care of retail sales of the goods and you may try on the sportswear. The reason, you may try on the sportswear may be only done on a shop, whereas in the internet may only quote the size. Many of the customers, were afraid to give their bank details- possibly due to the subject of fraud; 33% were afraid of giving bank details over the internet.

The survey suggest that many people may buy over the internet due to a wide range of selection available, this may be done in a shop as you may increase its 'land' ownership. From the suggestion given to costumers, it strongly suggests that many people would like to purchase from a specialist shop rather than an internet. This tell you straight away that Kinetic Plc should open a specialist shop- as people would know its general qualities such as wide range of goods, good services and builds up a loyalty between the customers and employee department.

Question number 6 indicates that 39% of population would not buy from a shop, a strong point could arise there is a limitation of shops which could offer the services and goods to others. As kinetic will open a shop, this will attract many unsatisfied customers and encourage them to buy from Kinetic Plc.

33% said they would prefer to sell sportswear through the internet, 32% said they would not purchase from the internet, this is a complicated situation with the target market that Kinetic Plc can not really do anything about. In comparison, to their majority response of 'none

of the shops have what I want' when asked why they would not purchase from a shop, it suggests that is can not be changed. Their intended target group already has an idea that compromises with the fraudulent image of an internet which will result in them to not purchase from the internet. Kinetic can easily solve the problems arisen to the customers- whom think that shops are limited in the range of product available be expanding if they want but can not change the attitude of their customers.

When asked, in question 12, 'if you owned a shop how would you distribute your goods' the majority of people surveyed said they would like to sell through via specialist shop- 47% whereas internet only got 33%. This shows that opening a shop, will benefit Kinetic Plc through both the statistics gathered from primary and secondary research and customers. Reasons for their comment are:

- builds up a dedicated circle of customers who will return (loyalty)
- Enjoy giving good services
- People know where to come specifically
- Specialist in a particular department (efficiency)

After carrying out a questionnaire, I would recommend Kinetic Plc to sell their sportswear through a specialist shop, in order to expand and compete with its rivals.