Introduction

GLOBAL FASHION MANAGEMENT AND INTERRELATED FIELDS

This Handbook of Research on Global Fashion Management and Merchandising provides an edited collection of chapters on empirically based theories, their application and practices in the fields of management and merchandising in the fashion sector within diverse global markets. Providing relevant and current research, this publication is useful for researchers, scholars, and practitioners interested in improving their understanding of management and merchandising in a volatile and creative environment.

We consider Fashion Management to be a multi-faceted discipline that, within the context of globalization, finds itself at the intersection of the following related fields: Creativity and Innovation, Fashion Entrepreneurship, Strategic and Operations Management, Fashion Marketing, Corporate Social Responsibility (CSR) and International Business. These fields no longer constitute distinct and sparse bodies of knowledge within Fashion Management; however as a result of the heightened complexity of the current business environment they are becoming increasingly interrelated and complementary. As fashion companies, of all sizes, compete in a complex, international marketplace, knowledge of these fields provide a fuller understanding of fashion management and its business practices in an era of globalization. A broader understanding of fashion management and merchandising is essential to anticipate change, capitalise on emerging business practices and ultimately to sustain commercial growth. This research handbook explores disparate dimensions of managing fashion businesses that are interrelated and complementary in a global context.

The introduction has two objectives. First, we would like to draw attention to the significance of the multi-faceted perspective of Fashion Management and the impact of this on research in related fields. Secondly, we provide a synopsis of the book through a presentation of the six sections, themes and corresponding chapters.

A Multi-Faceted Perspective of Global Fashion Management

A multi-faceted perspective of Fashion Management has gained increasing significance in the current era of globalisation, as fashion businesses must consider the cultural diversity of international markets and the distinctive challenges inherent in servicing those markets. Fashion supply chains are frequently spread across international locations to reduce shipping lead-times, to benefit from lower production costs and proximity to local consumers whether these are based in Europe, Asia or America. As fashion brands continue to scale up and enter international markets, larger players, such as Benetton, tend to take control of the retail distribution channels. These business practices point towards the need for global fashion
managers, as practitioners, to understand the opportunities and challenges of operating in international markets and to apply the lessons learnt from one geographic market to another with deference to cultural differences. For practitioners, global fashion management must intrinsically present a multi-faceted approach in order to operate effectively in global supply chains and meet the needs of global consumers.

For the researcher, the multi-faceted approach to global fashion management is particularly useful for two key reasons. First, a multi-faceted approach is closer to the business reality and therefore offers a richer understanding of the interrelated challenges and issues that will be faced by practitioners. Second, research into the fields of CSR, Creativity and Innovation, Strategic and Operations management have demonstrated their growing significance for information gathering, analysis and decision-making for fashion businesses within international markets and for international consumers. The growing significance and scope of these fields of knowledge provides support to our understanding of fashion management in an era of globalisation. For example, global supply chain research must frequently consider CSR and fashion management research must take into account the management of creativity and innovation as well as strategic and operational challenges at all stages of the developing business. By considering these fields as complementary and interrelated, we believe that our studies into global fashion management are strengthened and nuanced through the consideration of a multi-faceted perspective.

**A Synopsis of the Book: Emerging Business Practices in Interrelated Fields of Fashion Management**

The collection of 29 edited chapters of this book reflects the emphasis on emerging business practices in diverse facets of fashion management that address the complexity of operating within a global market.

The contributing authors emanate from 11 different countries and three continents: Europe, Australasia and America. This body of work reflects the diversity in both fashion management research and in geographic market context and therefore extends the boundaries of global fashion management into interrelated and complementary fields of knowledge.

The book is divided into six sections that are underpinned by the following fields of knowledge: Creativity and Innovation, Strategic Fashion Management, Fashion Technology, Fashion Retail, CSR and Sustainability and International Business. The first section addresses the key factors that drive creativity and innovation in fashion management. The second explores the factors, orientation and processes of strategic fashion management for micro-enterprises and for larger companies. The third considers the role and functions of technology in fashion business operations encompassing product development, showcasing, retail and consumption. The fourth section presents the changing dynamics of fashion retailing to elevate the customer experience. The fifth addresses the prevalence of CSR in decision-making in diverse segments of the fashion industry as well as in upstream (sourcing) and downstream (retail) operations. The final and sixth section of the book highlights exemplars of emerging business practices in developing and developed international fashion markets to illustrate the operational spectrum and complexity of fashion management in these contexts.

**Section One: Key Drivers for Creativity and Innovation**

The drivers for creativity and innovation in fashion businesses are to be found in the workplace practices allied with a transformational form of leadership, where managers attempt to inspire their teams with a
vision and values (Amabile, 1998; Bilton, 2006). Creativity is a function of three components: expertise, creative thinking skills and motivation and managers can positively impact creativity through practices such as challenge, freedom, resources, supervisor encouragement and organisation support (Amabile, 1998). Creativity and its application through the development of innovations or new products is essential to the growth, sustainability and longevity of a fashion business, where fashion is primarily about change and incremental innovation (Brannon, 2005; Lynch & Strauss, 2007; Maramotti, 2005). Section one includes three chapters that explore the different forms of effective managerial leadership in fashion businesses at an individual and organisational level as well as leadership in fashion product strategy and value creation through collaborations between art and luxury fashion.

Chapter 1 (by Miller), ‘Visionary Leadership: Learning from Exemplary Organisations’ investigates the workplace practices of fashion design leaders in seven fashion retailers and assesses the behaviours and activities that elevate these individuals to visionary leadership. The research questions how these visionary leaders manage to deliver consistently successful brand propositions in a volatile and competitive market. Hands-on management, design expertise and interconnected roles are key to transformational and visionary leadership.

Chapter 2 (by Kittilaksanawong), ‘Organisational Leadership and Resources in Driving Creativity and Innovation’ examines the role of leadership as a driver of creativity and innovation and proposes different levels of control, autonomy, risk taking and constraints by top management depending on the degree of creativity within the organisation and the novelty-seeking traits of the designers. Management should encourage a high degree of autonomy in a highly creative organisation.

Chapter 3 (by Codignola and Rancati), ‘The Blending of Luxury Fashion Brands and Contemporary Art, A Global Strategy for Value Creation’ identifies the positive impact derived from the collaboration with contemporary art in value creation for luxury fashion brands. Collaborations are viewed from the perspectives of the impact on the consumer perception and the brand and managerial insights to facilitate the implementation of such collaborations are proposed.

Section Two: Factors, Processes, and Orientation of Strategic Fashion Management

Strategic fashion management and strategy implementation has largely been overlooked in fashion industry research. Due to the complexity and ever-changing nature of fashion businesses, strategy implementation may be considered more difficult than in other industries. This section of the book draws attention to drivers for strategy development and implementation in the business as a whole and in its different divisions. Strategy development in the fashion industry, as in other creative industries, frequently emerges through practice and hands-on, real-time decision-making (Bilton, 2006) and leads to the formation of different business model formats including asymmetrical or fast fashion. Strategic sourcing sustains the development of these business models and needs to consider global trade policies to deal with the increased complexity of managing in an era of globalisation. Within this context, strategic fashion management is critical to fashion businesses of all sizes and market segments to sustain growth and development at any stage. As the luxury market segment is increasingly multi-layered, strategic orientation has to take into account the competitive market context to identify a distinct positioning for a high-end fashion business. Strategy development and management, although frequently overlooked, is cited as being a critical success factor in the early phase of a fashion micro-enterprise (Caro & Basso, 2014). These issues are explored in the following chapters.
Chapter 4 (by Aboutalebi, Tan and Dyerson) ‘Strategic Fashion Management: Influential Factors in Strategy Implementation’ presents a metadata analysis of the strategy implementation literature to deduce a tentative model of the key intra-organisational factors that are likely to influence strategy execution and implementation in fashion companies.

Chapter 5 (by Buckley) ‘Entrepreneurial or Not? Asymmetrical business models in UK fashion micro-enterprises’ is an empirically based study and explores how and where fashion micro-businesses integrate entrepreneurial actions into their business models during the early growth stage. It contributes to entrepreneurial strategy research by demonstrating how asymmetrical business models can be used to identify the components that require entrepreneurial focus and action.

Chapter 6 (by Curran) ‘Trade Policy and its Implications for Sourcing Fashion Goods’ presents the growing importance of developing effective supply chain strategies in fashion, as retailers are increasingly being called to account for the impacts of their sourcing choices. In the context of the EU, preferential access through unilateral or bilateral trade regimes, and anti-dumping measures are key issues that impact fashion sourcing strategies.

Chapter 7 (by Sperber) ‘The Luxury Market in the Fashion Industry: A Conceptual Segmentation’ develops a segmentation framework, the ‘luxury fashion segmentation cube’, and divides luxury fashion into four distinct segments according to a proposed taxonomy. The framework can be used for competitive analysis and to develop an organizational positioning strategy within the desired segment.

Chapter 8 (by Arrigo) ‘Fast Fashion Business Model: An Overview’ provides an overview of the fast fashion business model by describing its key drivers from a strategic management perspective. A literature review and case studies of three global fast fashion companies demonstrate the characteristics of efficiency, speed and flexibility are necessary to succeed in the global market place.

Section Three: The Role and Functions of Technology in Fashion Businesses

Since the launch of the internet in the nineties, digital technology has transformed the ways in which fashion businesses are able to communicate and deliver value to the global consumer. Technology has shifted from its initial function of facilitating decision-making and communication to evolving into a broader role of empowering new developments in the value chains of fashion businesses worldwide. Digital technology in fashion has engendered new distribution businesses in m-commerce and e-commerce, prompted new product development strategies with better informed garment sizes, new marketing strategies using consumer bloggers, generated digital artisans and cutting-edge artefacts with integrated hi-tech capabilities. These examples are emblematic of the opportunities that digital technology has created for fashion businesses and indicates the breadth of the role of technology in global fashion management and merchandising. Technology also poses new challenges for fashion companies to assess and measure its impact and highlights the need for conceptual frameworks and ‘labels’ to define the boundaries of its role. These opportunities and the emerging issues are explored in the chapters in Section Three.

Chapter 9 (by Sadaba and San Miguel), ‘Fashion Blog’s engagement in the customer decision-making process’ illuminates the influence of blogs in the consumer decision-making process and analyzes the bloggers’ role as a key player in the fashion industry. Through several case studies, the engagement between bloggers and readers is measured and noted as significant for brands in the development of marketing strategies with bloggers.

Chapter 10 (by Ross), ‘Fashion-technology & Change in Product Development and Consumption for the High-End Menswear Sector’ is a longitudinal study of Bespoke/High End tailoring (Ross, 2007) with
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a secondary focus on mid-market menswear. The study evaluates how the traditional sector of tailoring has embraced fashion digital technologies in the design process to multi-channel retailing, e-commerce and mobile applications. The author utilizes a 3D-4C’s process model as a structural template to establish best practices and future forecasts for proactive fashion management.

Chapter 11 (by Peng, Vecchi et al), ‘How to Use Sizing Technology and Fashion Metadata’ describes the e-Size project and opens a dialogue on the importance and influence of sizing technology and fashion metadata on fashion e-commerce, especially the use of body metadata and garment metadata. The results of an exploratory survey, administered to a sample of customers, assess the potential validity of sizing software applications for online fashion retailers.

Chapter 12 (by Çadırçö and Köse) ‘Augmented Reality as a Tool to Enhance the Experiential Value of Online Shopping: the Future of Fashion Retailing’ provides insights into the experiential value of Augmented Reality (AR) in online fashion retailing. The conceptualization of AR’s experiential value is proposed with perspectives of hedonic and utilitarian value and combined with assumed benefits and risks of online shopping that can be eliminated with the use of AR technology.

Chapter 13 (by Carcian and Bagnaschino) ‘TechCouturism, An Alternative Showcase for New Fashion Designers’ explores the global phenomenon of new emerging interactions between fashion and technology that has spawned a varied and interchangeable terminology including wearables, fashion technology, and wearable devices, despite essential differences between the artefacts. Case studies of Hussein Chalayan, CuteCircuit and Iris van Herpen demonstrate the creative and communicative potential of the trend. The authors suggest the neologism TechCouturism as an ideological movement and marketing tool for innovative combinations of technology, fashion design and textile crafts.

Chapter 14 (by Webster), ‘Fusion of Artisan and Virtual: Fashion’s New World Opportunities’ considers two potentially disparate cultural positions in fashion in tandem. The current global fashion system proposing speed to market, overt supply and low prices is juxtaposed with slow fashion, artisan techniques and bespoke methodologies. Opportunities have emerged for new models of agile, small-scale operations that provide customised options for a discerning and socially responsible fashion customer. Hence, the blurring of bespoke and virtual sees the rise of the digital fashion artisans.

Section Four: Changing Dynamics of Fashion Retailing

The formats, processes, touchpoints and consumer encounters in fashion retailing are currently undergoing considerable change with the emergence of omnichannel, multi-sensory experiences, vertically integrated supply chains and intense competition from global multi-national players. In order to stand out in a highly competitive and digitally driven marketplace, fashion retailers and fashion brands are employing new methods to attract and retain new and existing customers to the bricks and mortar store. Multi-sensory experiences are used as levers to enhance the consumer’s physical engagement with the store and to anchor the souvenir of that encounter in the consumer’s subconscious. At the same time, fashion retailers are extending their role and position within value chains to become more significant players in supply networks. Sourcing strategies, frequently led by retailers as a result of their proximity to consumers are pivotal in managing the flexibility, speed and cost of products. Raising awareness and consumer engagement with the brand are frequently the principal drivers for the changing dynamics of fashion retailing. Relevant to both researchers and practitioners, the key techniques of changing retail dynamics are examined in the following chapters.
Chapter 15 (by Guercini and Milanesi) ‘Store openings and sourcing strategies in the internationalization of fashion industrial retailers’ outlines the characteristics of the “industrial retailer”, whose role is relevant in the configuration of supply networks as well as store openings. A case study of an Italian fashion firm with typical characteristics of the industrial retailer, highlights the impact on sourcing strategies and the relevance of stores openings for the international expansion of brand-based companies.

Chapter 16 (by Blazques Cano). ‘Omnichannel Fashion Retail and Channel Integration: the case of department stores’ illustrates the development and implementation of omnichannel retailing and demonstrates its experiential touchpoints in department stores. Case studies of two iconic stores, namely Harrods and Selfridges, provide evidence of different strategies for omnichannel and managerial implications with recommendations for global retail practitioners are provided.

Chapter 17 (by Alexander and Nobbs), ‘Multi-sensory fashion retail experiences - the impact of sound, smell, sight and touch on consumer based brand equity’ examines how fashion retailers reinforce their brand through integrating multi-sensory experiences within the physical store, specifically sound, smell, sight, touch and taste and analyses if sensory retailing really can gain consumers’ attention and amplify their brand (Brakus et al, 2011; Barclay & Odgen-Barnes, 2011).

Chapter 18 (by Valta and Vianelli), ‘Brand Experiences, Retail Scenarios, and Brand Images in the Fashion Industry’. In a fashion brand context, the interaction of multiple retail environments greatly affects consumer behaviour towards fashion brands. This chapter provides a review of the main issues related to brand management and customer experience management in a co-creation perspective from the literature. Insights are provided for academics and practitioners toward a more comprehensive understanding of the fashion brand experience and fashion brand image.

Section Five: CSR and Sustainability in Downstream and Upstream Operations

As the visible consequences of climate change has made the consumer more aware of CSR and sustainability in all sectors, including fashion, the principles of sustainable management have pervaded managerial decision-making in apparel supply chains, retail and brand management to a lesser or greater degree. Materials management, sourcing and manufacturing are frequently cited as operational processes where sustainable principles can be readily applied. However, as global supply chains encompass complex networks of manufacturers across several different countries, these principles are often difficult to defend and control in a transparent manner. Nonetheless, fashion businesses have made progress in transparency, social responsibility and sustainability in upstream and downstream operations. Examples of this progress, its measurement and challenges are explored in the following chapters and recommendations are made for researchers and practitioners.

Chapter 19 (by Karaosman, Brun and Morales-Alonso) ‘Slow Fashion and Sustainability: The Luxury Impact’. Slow fashion has emerged as a revolutionary process that is sensitive to the impact of fashion production and distribution on society and ecosystems. Luxury fashion is growing rapidly and this chapter questions whether its quality, heritage and artisan skills can positively impact sustainability. The research has a twofold aim. First, it investigates how luxury fashion could enhance sustainability through sourcing and local manufacturing, and second, how the slow fashion concept could be endorsed through luxury.

Chapter 20 (by Karaosman and Brun), ‘The Myth of Sustainability in Fashion Supply Chains’. The global fashion market is expected to account for €1,512 billion by 2018 and is associated with critical environmental and social impact due to extensive material use, energy consumption, and health and safety
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issues. This chapter applies an assessment tool to evaluate the impact of Supply Chain (SC) operations on sustainability and proposes a performance measurement model to assess how and/or to what extent the level of sustainability could affect operational performance. The study illuminates how a fashion SC could be configured more sustainably, how sustainability should be assessed, and how SSCM performance could be measured.

Chapter 21 (by Castaldo and Grosso), ‘CRM in Fashion Retail: Building Store Loyalty through Store Trust’ illustrates the results of a study aimed at developing and testing a model of building store loyalty in the fashion retail context. Hypothesis refers to loyalty antecedents derived from previous studies and is not limited to variables identified in the literature (trust, satisfaction and perceived value) and also to antecedents among the retailing-mix levers to provide directions to fashion retail managers. Key findings identify the role of trust as a loyalty antecedent and the poor, negative role of salespeople within the model.

Chapter 22 (by Da Giau, Lion et al) ‘The Challenge of Sustainability within the Italian Fashion System’. Sustainability has become a critical issue for the fashion industry globally. This chapter contributes to the questions concerning the introduction of sustainability throughout the entire supply network. Through multiple case studies and mystery shoppers, the study examines how Italian fashion companies are changing their image and practices to address sustainability concerns and how they are extending these initiatives to their suppliers and retailers.

Chapter 23 (by Laidlaw Ritch) ‘Fashion brand management: fashioning value through CSR’ considers the potential of Corporate Social Responsibility (CSR) to address concerns of garment-worker exploitation in fashion production. The success of Victorian era philanthropy in alleviating poverty and empowering employees is reviewed. Evidence from the Hawthorne Studies in implementing CSR for the benefit of employees and business is supported by some more recent examples from Sri Lanka. Two fashion organizations, where CSR activities are central to their operations are explored and lastly, consumer evaluations of fashion labels addressing the concerns of garment workers are reviewed.

Section Six: International Evidence of Emerging Business Practices

The book concludes with a review of compelling evidence from diverse markets including China, Brazil, Russia, Spain and Italy that points to the emergence of truly global opportunities and challenges as international fashion markets develop with distinct cultural backgrounds and indigenous fashion industries. E-commerce, in different ways, poses challenges for both China and Spain concerning customer relations and online customer experience. Global brand Benetton has transformed its operations to expand in today’s global fashion markets. Success for fast fashion brands appears to be derived from control of the customer-facing channels, whilst managing flexibility and diversity through extensive global supply chains. The empirically based research provided in the following chapters offers substantive evidence that global fashion managers should address the parallel need to maintain flexibility and to build scale through global networks.

Chapter 24 (by Ge, Liu and Ma), ‘The Impact of E-Commerce on the Clothing Retailers: Studies of Chinese companies’. In the past 10 years, e-commerce has developed rapidly in the clothing industry. This chapter focuses on how Chinese clothing retailers compete through the e-commerce platform. Starting with a literature review of supply chain and e-commerce practice, the study includes case studies of five Chinese clothing companies and focuses on their management practices in the context of e-commerce and customer relationships.
Chapter 25 (by Blazquez Cano), ‘The Role of Cross-country Differences in International Fashion Retailing: E-Commerce Development in Spain and the UK’. The Internet as a retail channel has transformed the value chain from retailers to consumers and offers substantial potential to both parties. However, e-commerce development in different EU countries is unequal: Spain and the UK exemplify the two extremes. The heterogeneity of consumers’ behaviors and attitudes in online shopping are explored and findings confirm the lack of homogeneity in the online fashion community. The study recommends that retailer’s websites should design the online experience taking into consideration the characteristics of the local Internet users.

Chapter 26 (by Kontu and Vecchi), ‘Fashion and social media: Some illustrative evidence from Italian luxury brands’. Despite the power of social media, many luxury fashion brands have been reluctant or unable to develop strategies and allocate resources to effectively engage with the new media. This chapter explores the use of social media in the luxury fashion industry through three case studies from the Italian market. The aim is to understand the role of social media as a strategic marketing tool and its broader implications to the overall marketing strategy. The findings can help practitioners and managers to make sense of the social media environment and better understand how to design social media activities to engage with the luxury fashion consumer.

Chapter 27 (by Amatulli, De Angelis et al), ‘The Russian Luxury Fashion Goods Market: Development and Perspectives’ provides an overview of the luxury fashion goods market in Russia as an “emerging market”, that offers several opportunities for luxury companies that want to invest in new luxury markets. The key theories in the fields of distribution and internationalization are applied to the Russian market to identify its inherent threats and potential opportunities. The chapter is useful for international luxury company managers interested in entering this market.

Chapter 28 (by Barbosa Pinto, Swirski de Souza), ‘Supplying What? An Analysis of Fashion Apparel Production in Brazil’ adopts a creative economy approach to explore value creation among fashion apparel producers in Brazil. ‘Fashion’ accounts for value creation and adds value to new products; fashion turns basic apparel items into more appreciated products. The study concludes that the lenses of industrial production and global sourcing are not sufficient to explain the value creation and value adding functions of apparel manufacturing. The emergence of a local fashion belief and a creative economy can be explored as a source of value creation and value adding.

Chapter 29 (by Vallisi), ‘Benetton’s Response to Increasing Global Competition’ focuses on the initiatives Benetton has implemented in order to keep up with competitors in the context of the apparel industry from 1990s until today. The most noticeable transformations in Benetton’s strategy are the shift from an Italian network of suppliers to a global network. Also the alignment with fast fashion principles, including implementing a dual supply chain and the transition from a franchising strategy to directly owned megastores. Benetton is compared with fast fashion company Zara. A full review of Benetton’s evolution is examined, including the company’s responses to the changes in the apparel industry in the context of fast fashion.

Concluding Remarks

In this introduction, we have attempted to show how global fashion management draws on different although interrelated concepts and an understanding of the fields explored in the chapter summaries outlined above. Throughout these chapters, in different fields and with different geographic scope, we hope that we have demonstrated the complexity and diversity of topics that are associated with fashion
management and merchandising in an era of globalisation. We believe that such a diverse selection of topics presented in this first volume will pose new questions and will encourage us to explore further avenues in order to develop a fuller understanding of the distinctive challenges faced by managers of fashion businesses and brands in the global marketplace. We are conscious that more research is needed in the field of global fashion management and that this should benefit both researchers and practitioners in their reflection and decision-making.

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REFERENCES  