

The Digitalization of the Fashion Industry **-The Relationship between Influential Factors and Business-**

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The digitalization of the fashion industry refers to 'the reception of the digital environment by the industry'. The paper presented 3 conceptual categories of 'technological environment', 'information environment' and 'business environment' concerning the scope of digitalization, including from the introduction and use of new technical media to new ways of thinking following the paradigm changes. And it positively investigated and analyzed digitalization factors, and differences of digitalization level related to the factors. The analytic result and its suggestions are as follows. First, five digitalization factors of the fashion industry are defined: manufacturing process automation, computer systemization, information networking, e-business, and small batch production. Second, the digitalization degree of fashion firms decreases in the order of information networking, small batch production, manufacturing process automation, computer systemization, and e-business, with information networking on the top and e-business, recent focal point of interest, at the bottom. Third, as for the digitalization of each clothing category, men's formal dress and unisex display the highest level of the general digitalization.

At the next stage, the paper verifies the factors of digitalization that are promoted by fashion firms to improve their business performance, and its influence on the performance. It then examines the effects of influential factors such as market orientation, organizational features, and characteristics of a chief executive officer (CEO) on the relations between digitalization and performance. And it analyzes the control role of environment-market turbulence and technological turbulence-in terms of the relations between influential factors and digitalization. The result and its implication are as follows:

1. The Effects of Market Orientation on Digitalization Reveals

The level of digitalization rises in proportion to the level of both customer orientation and competitor orientation. Also a higher competitor orientation as an independent factor ensures a higher level of digitalization.

2. The Effects of Competitor Orientation on Digitalization Reveals

A more competitor-oriented company is more active in promoting e-commerce, adopting small batch production and spot production system, and using CAD/CAM.

3. The Effects of Organizational Features on Digitalization Reveals

Only the former displays significant positive(+) influence on digitalization. On the other hand, business control has significant influence on computerization, though digitalization as a whole is not significantly influenced by it.

4. The Effects of a CEO's Characteristics on Digitalization Reveals

A CEO influence is limited compared to other independent factors.

5. The Effects of Factors on Digitalization Reveals

Only technological turbulence appears to play a control role in the market orientation-digitalization relation.

6. The Relationship between Digitalization and Business Performance

a higher level of digitalization displays a higher performance level. The result explains that the recent digitalization efforts of fashion companies play an important role in improving customer satisfaction, financial achievements and corporation image. Therefore it is suggested that digitalization can act as both a barrier to enter into the competitive market, and a means of competitive advantage in the fashion industry.

As shown in the above result, this study defined the digitalization of the fashion industry which recently raises much interest in an integrated dimension, examined the degree of its digitalization, and positively demonstrated the influential and productive factors that influence on digitization. Also, it contributed to establishing a foundation for business prospects and developments through digitalization in the industry by revealing the relations between digitization and business prospects.