

The Korean Fashion Industry's Globalization Efforts

- An American Perspective -

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Abstract

Asia has the potential of becoming a center of power in fashion. Japan has worked hard to build images of beauty and serenity. The Chinese people already have enriched their business sense throughout history. China is considered as the next powerhouse of fashion. The Asian "mosaic" including Korea should be very colorful, deep, spiritual and beautiful. It is essential we upgrade and update the training and education of fashion leaders. It is possible to find a niche in a global market through maximizing our strength based upon a great and long history in manufacturing textiles.

Key words: fashion industry, globalization, China, Japan, Korea

I. Introduction

Many different aspects of globalization have emerged during the last three decades and much has changed in that time. The word "globalization" had a totally different meaning when I first used it. Initially, I became involved in globalization in a personal way-not as a scholar or as a businesswoman, but I saw how limited-and limiting-the perception was about Korea in the United States. At the time, Korea was very poor and in the process of reconstruction after the Korean War. The majority of Americans were unfamiliar with our country except for that conflict. I was very discouraged by this narrow viewpoint and began to introduce Korea's rich culture and customs to many segments of people, individuals and groups. Sometimes I went to schools, but I also spread the word through radio and other

media, introducing 5,000 years of Korean history to those unfamiliar with it. By these means, I was able to show the unique talents of the Korean people and reflect their bright, diligent and hard working values.

Globalization is a kind of bridge building, and at the beginning of my career, I was fortunate to land at an institution that is devoted to communication, education, and building relationships, both intellectually and professionally. At the time, the Fashion Institute of Technology was rapidly growing along with the American fashion industry and playing an important role as an educational institution as well as a leader of the New York fashion world. I was fortunate that FIT embraced and nurtured me. As an Asian, I felt the responsibility of representing Asians in a constructive and positive way. One of the many assets of FIT is its faculty. They are all industry

people who want to create connections between industry and students. Its mission is to prepare students for professional excellence in design, fashion, and business by providing a premier educational experience that fosters creativity, career focus, and a global perspective. FIT has a museum, which is the repository of one of the world's largest collections of clothing, textiles and accessories. The Costume Department includes 50,000 garments on 20th century fashion. The textile area includes 30,000 textiles dating from the 5th century to the present, as well as 250,000 textile swatches and 1,300 sample books from all over the world. FIT plays the role of resource center for the American Fashion Industries as well.

II. Fashion Industries and Globalization Efforts

1. Fashion

This may sound like a simple question, but in order to understand globalization in a specific industry, it's important to understand that industry. Now there are many ways to define fashion. Fashion reflects the way people think and live, and you might describe this as the spirit of an age. Fashion professionals observe current cultural, political, economic, social, and historical events and have a keen awareness of people's lifestyles and how these lifestyles evolve and what expression they take. Fashion is driven by the values of a society, especially in this global age.

It is herewith described how we may capture this material culture and the culture of feelings, ideas, beliefs, and value. Americans tend to

approach this with statistical or scientific methods, whereas Europeans may confront it in a more artistic way. Asians turn to cultural and historical studies. What's clear is that in this global age, we are learning from each other at a very fast pace in order to face the fierce competition in the international market.

In addition to understanding the culture of fashion, it is crucial to master its core businesses. Fashion professionals must be adept in design, marketing, advertising, production, retailing, and the science of consumer research. They must understand politics, economics, and art. More importantly, they must address global change and its impact on technology. For example, technology introduced lean retailing by instituting new ways of ordering products, and fast delivery systems by using sales data captured electronically from the sales counter. Successful apparel and textile companies use up-to-the-minute data that gives them statistics about colors, sizes, styles, and geographical sales. Maximizing technology became a key ingredient in a successful fashion business.

2. Globalization

The era of globalization made the world small by way of digital technology. In this miniaturized world, we must act globally, communicate globally, travel globally, and sell globally. No one country can halt this trend-in truth, it's rolling on its own steam. It's doubtful that anyone can stop this electronic revolution. Markets, nations and technologies are being integrated which enable individuals, corporations and nations to reach around the world farther, faster, deeper and cheaper than ever before. Globalization means

the spread of free-market capitalism to virtually every country in the world. And globalization means that the world's big news events have an impact on everyone. For instance, the Iraqi's freedom fight and its impact on the world's economy might be contemplated. Think about the reports that SARS is spreading not just locally but globally with great speed. These two factors alone will have a major impact on the Asian Fashion Industry. Everything is instant and it's important to respond to events as rapidly as possible.

So how do we as fashion professionals become leaders of this ever-changing global community by moving ahead? In order for you to get into the global market, you must understand the global customer. Traditional supply and demand chains do not work anymore.

In the 21st century, globalization is here through free trade and internet-commerce. The world is united via electronic mail and the World Wide Web. Global integration of information is shared in cyberspace instantly 24/7.

One key way to survive is to network with other leaders in the market. As a result, companies are merging and networking. Colleges and universities are doing the same.

It is said that the future era always arrives one step ahead of the current market being studied. With that in mind, it is possible to define globalization in two segments.

1) Globalization from the perspective of "How do other people get the market share in your country in the open market?"

Many luxury consumers are in fact global consumers, and the Asian market share for spending on these luxury goods exceeds 30% of their net sales. Not only do open markets give

more than just financial opportunities, but they also encourage healthy competition for global merchandising. One example of understanding how to merchandise a product internationally is the fact that today, global consumers want a brand-name store in Milan to be different than the same brand-name store in New York, and they want to see different merchandise and have a unique in-store shopping experience in each shop. This was not the phenomenon a couple of years ago. All the stores looked alike! Now, the luxury-brand concept changes with the values and lifestyles of global consumers, and for that reason, it's essential that the global fashion professional can identify and respond to those changes as quickly and creatively as possible.^{1,2)}

2) Globalization from the perspective of, "How do you go out into the world to get your market share in other countries?"

Most importantly, understanding this new age of globalization is critical. What should be realized are as follows:

1. Focus on the region, its market and the competitors in it.
2. Identify a consumer-driven or customer-driven product or service of the regional market for the customer so that you may produce it with excellence.
3. Define the mission and the goals of your company and understand the focus of the consumer, so your entire staff is on the same page in striving to accomplish excellent levels of quality, speed, efficiency, cost and service.
4. Figure out all the logistics necessary to produce the ultimate output, including production, distribution, retailing, advertising, and warehousing.

3. An American Perspective

It would be adequate to present as followings: three globalization issues that Korean companies confronted in recent years that illustrate how crucial it is to understand the impact that culture and world events have on the fashion business. It is essential for the Korean companies to understand the American market and see how the American lifestyle is a source of fashion inspiration.

1) Marketing promotion

Marketing was a way to introduce Korea to the United States of America through images, promotion, and big issues. In the late 1980's, the perception in the fashion industry regarding the quality of the Korean products was so low that no one wanted to risk a big purchase. It was, therefore, needed to analyze the gloomy market situation. This analysis came up at an opportune time. Fortunately, it was right before 1988 Seoul Olympics. The Korean government and its different industries were anxious to change their image during the first Olympic they ever hosted. A Korean conglomerate company started to introduce Korea's rich heritage to outsiders through various textile shows, inviting not only industry people, but also politicians, ambassadors and local government officials, educators of fashion related fields, media people, and so on. We even produced a type of "Broadway Show" depicting Korean leadership and its colorful heritage. We were very lucky that the chairman and president of the company supported our efforts. I believe that most of the Korean industry benefited from this indirectly because the marketing efforts helped to transform the image of Korea in many people's

minds. We were very fortunate and through this effort, the sales volume increased to millions of dollars. This is just one example of how marketing efforts should be multi-dimensional, including influential sources outside your industry.

During that first phase, Japan was far ahead of us. It was crucial for the Korean Government to support a policy to cultivate the Korean Fashion Industry.³⁾

2) training for Global Managers

In early '90, Chairman Lee of Samsung asked Samsung men to become global citizens. He was very ahead of his time in Korea. He knew that without drastic change, Samsung could not be a world's leader. He started by changing their working hours from 7:00 a.m. until 4 p.m., but he also felt the need for the staff to look, listen, and experience what was going on in the world.

I was already involved with training Korean fashion professionals because the approach of FIT and Korean fashion education was very different. Every year designers and other fashion professionals came to FIT for seminars. I spent countless hours with them to further their growth. During this period, learning the fashion business in American way was the focus.

However, the Samsung training program was different. Globalization was escalating at a different speed. Coming to FIT and taking seminars was not enough. Competition was already too fierce. The Korean market was open to everyone. Fashion companies in Korea did not have time to learn the trade, but they had to be a part of it. We wanted to give them a totally different approach, sending CEO's, executives, managers, designers, merchandisers, visual merchandisers, and marketers, out into the field to give them a hands-on experience. I took the

group to large cities and small suburban towns. I took them to the Metropolitan Opera and small church choirs in a small town. I took them to the Malls of America, and small back street boutiques in SOHO. These programs resulted in great excitement. I heard some people say, "My life has been changed completely." These are the very words that Chairman Lee of Samsung wanted to hear.

3) Collaboration

Training existing employees was an ongoing, slow process. Educating future global leaders takes time. Big companies in Korea realize that training is not enough. Until we build confidence, we need to network and connect with global fashion professionals. We all know the necessity. However, working with professionals who have different values and management styles is not simple and easy. In addition, companies realized that this was not enough. They had to partner with professionals who had mastered the global market. Global talent searches became very important. And once you find the global talent, utilizing them is another issue.

Without collaboration, you do not succeed in any concept or market. One small example of this is that organizations need to have a close relationship between the manufacturer, retailer and supply chain managers. One fast way to advance is to work with a professional who is an expert in the market you want to target. Searching for consultants or local/global talents for their expertise is an important step. Also, you must master communication in both language and a cultural sense. You have to establish protocol and define what the working relationship will be. Who is making the decisions-and more importantly, the final decision? Americans tend to work as a

team to come up with a decision and understand that everyone has different views and approaches. They nurture each other and respect other people's specialties.

Americans incorporate consultants on a regular basis and work together successfully, while Korean companies did not seem to have mastered these valuable partnering skills. Changing from a top-down management style to the teamwork process is not easy. I feel the big difference in the business practices of Koreans versus Americans is that Koreans are very much RESULTS-ORIENTED while Americans are more PROCESS-ORIENTED. Without this paradigm shift, you cannot master management skills for globalization. After all, Americans have more market share in our Asian countries especially in the high value market.

III. Conclusion

Currently Asia is considered as a growing region in production capabilities, cultural history, advanced technologies, economic wealth, and source of trends. There were the turning points of Korean fashion and its related industries around the time of the 1988 Seoul Olympics. The Japanese experienced a similar leap, and China will also make the most of the upcoming 2008 Olympics. Asia is ready. Already, Tokyo is one of the important places that provide inspiration for fashion. Japanese teenagers are considered a source of innovative, cutting-edge style.

For "value added" products, it is important to emphasize what you have as strength.

Asia has the potential of becoming a center of power in fashion. Asian countries can create something powerful, strong, colorful, and

spectacular.

Ten years ago, New York was called a melting pot. Today New York is called a mosaic because different cultures co-exist together by respecting and understanding each other. When that happens, the whole group can shine.

We all have to come up with a common goal and search together for a unique color. Look at Japan with their positive fashion image and exquisite materials. Japan worked hard to build images of beauty and serenity. The Chinese people already have enriched their business sense throughout history, and with much improved production capabilities will move to a large-scale force. China is considered as the next powerhouse of fashion.

Asians are hard working and very bright people. Among our countries, we have a great and colorful cultural background. We have a rich heritage. We may be able to put our forces together and create a great fashion fair in style capitals such as New York, Milan, Paris, and London or perhaps in this region. We can work together and back our growing young designers from Asia, New York, Paris, and Milan. These young Asian designers are indeed very talented, but rarely succeed in a major way. It is about time to create a Giorgio Armani of Asia.

Large organizations should back them up until they establish themselves. We should nurture them, and give them opportunities. We must help them incorporate their cultural differences into a new fashion trend.

Like European nations, we need to gather our forces together to identify ourselves and find a niche in a global market.

From education to politics and fashion, as united Asians, we have a responsibility to make a difference. Colorful harmony is quintessential in the fashion industries. We should come up with a coherent, credible and imaginative platform for pursuing our project.

The Asian "mosaic" should be very colorful, deep, spiritual and beautiful. Objectives to meet this goal are the following:

We must upgrade and update the training and education of fashion leaders. You cannot teach fashion with theory. You must prepare our future leaders to be ready for this fast changing global world. We must maximize our strength. China, Japan and Korea have a great and long history in making textiles. We must find our niche market with our excellent resources.

Not only must we learn the statistical methods of America, but we also should adopt the intuitive and artistic "gut feelings" approach of the Europeans. We, as united Asians, will adapt fast in this new global age as a leader of world fashion.

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