

Development and Status Quo of China's Fashion Designer Brand

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Abstract

Designer brand is an important symbol of fashion. In China, designer brand emerged more lately than Europe, USA and Japan. Firstly, the difference between China and abroad is compared. In western, the development of designer brand is mostly from Hauteur Couture to ready-to-wear. Due to typical traditional culture and politics, the development of China's designer brand is from middle grade to high grade. Based on marketing research in Shanghai, 28 fashion brands are chosen to be samples of China's designer brand. Then the status quo of china's designer brand is analyzed including category, designer studio, product combination, price positioning, and promotion strategy. Finally, some suggestions are forwarded for the development of china's fashion designer brand. Firstly, Chinese designer should positively go abroad to study advanced experience to be a world-class designer. Secondly, a designer brand company should strongly collaborate with a well-known enterprise to construct the designer brand together. Thirdly, Chinese designer brands may firstly develop in foreign market, and then return to domestic market. Anyway, Chinese designer should have the chance to work in famous brand in the world first, and then register his/her own brand. Thus he or she would be more possible to be successful.

Introduction

Designer brands still have played a vital role in fashion industry since it emerged in the second half of the 19th century in Europe. The students learning fashion design in all countries are striving to create their own fashion brand because it is their ultimate goal. The world famous designer brands entered China fashion market in early 1990s. When more and

more international designer brands come into China, Chinese new rich classes and even white-collar classes follow European designer brands. When China became the third largest luxury consumption country in the world, people discover that there is no international renown of China's local designer brands at all. Therefore, the designer brand is not only an important part of clothing brand in China but also an important links of image building in the process of the internationalization of Chinese clothing in the future.

1 Comparison of fashion designer brand development between China and abroad

The designer brand, which stresses the reputation of the designer, is usually named of the designer's name that created the brand and it is operated and designed by the famous designer.^[1]

The earliest designer brand in China can be traced back to before liberation. It is "Hongxiang Fashion Company" in Shanghai and is still very famous nowadays. The company is also a characteristic shop, which firstly operated woman fashion dress, renowned at home and abroad. After China's reforming and opening, the growing up new generation designers broaden their vision after overseas travel and study. "To create their own brand like foreign designers" has become their higher dream. In 1989, the designer Ma Ling in Beijing firstly set up her own "Ma Ling Fashion Design Studio" and registered brand name "Ma Ling"; In the same year Liu Yang founded "Liu Yang High Fashion Design Firm" in Guangzhou; In 1991, Zhang Zhaoda created "Mark Cheung" brand; Then, Yehong registered a joint-stock company in Shanghai which named "Ye Hong". And Chinese designers began to attempt the "market-oriented" strategy.^[2]

Reviewing Western fashion history from the 40's to 70's after the Second World War, New York, London and Milan were moving away from the impact of the high fashion capital - Paris, and established "international fashion capital" with their own unique styles. Under this background, New York is world famous for the ready-to-wear design brands whose character is casual sportswear; London pursues creative, and the largest characteristic of Britain clothing is coming from street youth culture and pop art acts; Milan has become another

fashion capital by taking the advantage of their traditional strengths of the high handicraft and excellent fabric, leather, knitwear processing technology.

But at the same time, China was experiencing the period of "Great Leap Forward", three years natural disasters and the "Cultural Revolution" which stranded the youth of a whole generation. This series of natural disasters and political campaigns caused tremendous cultural fault in cultural heritage of Chinese nation. In the early 1980s, people who just recovered from the "Great Cultural Revolution" were busy in solving the basic problem of food and clothing. Clothing for them was only a need for life, so there was no need to design, not even to say the designer brands. In the late 1980s, people began to pursue "beautiful" clothes. At the early time a group of designers with courage and talent began to do business, but China was still at an early stage of development so they didn't have so much impact; In the 1990s, China was further opened to the outside world, and the concept of the designer brand was cognized by the people. But designer brands in China have many difficulties and setbacks in the process of gradually budding because the mainstreams consume community was occupied by foreign brands.

At this time, the designer brands in Japan developed rapidly. Their clothing was very bold and modern, but still had the sense of national tradition. The fusion of the two characteristics formed the unique character of Japanese apparel. KENZO, Issey Miyake, Yohji Yamamoto became popular designer brands in French women's wear. Tokyo became the fifth largest international fashion capital.^[3]

In the meantime, major European designer brands made the ancient brands vital by selecting young and talented designers to be the head brand designers and regrouping the brands of luxury goods companies. At the same time, more brands designer made second-tier brands and adopted a multi-brand strategy to get more recognition of consumers and occupy more market share.^[4]

In summary, the development history of domestic and abroad designer brands is compared in the Table 1.

	1940	1950	1960	1970	1980	1990	2000	Now
Abroad	Paris, New York, Milan and London developing the international fashion capital with their distinctive characteristics							
China	“Great Leap Forward”, “three years Natural Disasters”, and “Cultural Revolution” China emerging cultural fault							
Abroad					Tokyo becoming the fifth largest international fashion capital			
China					In 90s, designer brands in China budded			
Abroad							The luxury goods companies emerging, taking a multi-brand strategy	
China							Many designer brands registered	

Table 1. Comparison of Chinese and foreign designer brands' development

Throughout the three development periods of domestic and abroad designer brands we can discover that its sequence is in stark contrast. The experience of designer brands in West is from Hauteur Couture, ready-to-wear to the second-tier clothing and the market expands gradually and steadily. Because of historical, political and other factors, the designer brands in China mostly started from ready-to-wear in order to adapt the "low consumption" market. Until the end of the twentieth century Hauteur Couture just emerged in the Mainland China.

Meanwhile, most designer brands in China are in a single brand management situation. Not too many companies take the multi-brand management strategy. In the huge consumer

market of China, local designer brands are still in a pilot stage and consumers do not have a strong sense of identity.

2 Analysis of designer brands in Shanghai market

In Shanghai, with the wish of becoming the sixth "international fashion capital", People's awareness of fashion and the relatively high grade and high prevailing wear are leading in China. And Shanghai's consumption of clothing is forefront in our country too. In the early 1990s, as the world-renowned designer brands entering Shanghai, people's awareness of designer brands improves greatly. The attention of the local designer brands also improves gradually. Today, the local designers can be seen everywhere in Shanghai International Fashion weeks. The selection of "The Most Market Potential for Fashion Designers" in Changing Fashion Week also provides the local designer brands a good opportunity.

2.1 Designer brands

The sources of designer brands in China are extensive in Shanghai market, mainly from Shanghai, Beijing, Hangzhou, Shenzhen, Dalian, Guangzhou, Hong Kong, Taiwan, and other cities. The designer brands are shown in Table 2.

Shanghai	ZUCZUG, DECOSTER, GEETEEE, e+, naivee, LEVU'SU, La vie, INSH, ZIGE, MOVEASY, LLM, LUN KUN
Beijing	JEFEN, MARK CHEUNG, CREATION
Dalian	SUNFED
Hangzhou	IS CHAO, JNBY, LMYS
Shenzhen	Fair Cottage, EACHWAY, TANGY, OMNIALO
Guangzhou	EXCEPTION
HongKong	allan chiu, Cabbeen
Taiwan	TSAI MONG-HSIA, SHIATZY CHEN

Table 2. Categories by designer brands source

From Table 2, we can see that the number of Shanghai local brands is largest in Shanghai market, which is also a common phenomenon in China's fashion market: the brands are localization and geographical, for example, northern cities are basically selling brands of the north, while southern cities are basically selling brands of the south. Generally speaking, it is

difficult for brands in the north to enter the southern market, so is it for brands in the south.

Moreover, considering the Shanghai market where there are a lot of international renowned designer brands, some designer brands only are sold in second-tier cities instead of Shanghai, such as Feng Yao's brand "JIE" which is only sold in the second-tier cities near Nanjing where the brand registered and achieved gratifying sales.

2.2 Category

According to the clothing types, designer brands in Shanghai market can be divided into women's wear, men's wear and suits. Many designer brands do not include men's wear. Shiatzy Chen and TSAI MONG - HSIA mainly sale women's wear and their departments of men's wear that all sale men's Chinese costume are established after the women's are totally done. Cabbeen is the only brand that totally sales men's wear and is the characteristic leisure garment. The following are the main reasons:

(1) Compared to the rich variety of women's wear, men's wear exists the homogenization problem which is people don't care which enterprise it comes from, no matter how well-known the name on the label is If removing the commercial mark. This makes men's wear design has certain limitations and it is difficult to have a breakthrough on concept.

(2) The male consumers pay more attention to the brand and quality of garments when they buy clothes and pay relatively less attention to the design of garments. So clothes of designer brand with distinctive personality are not easy to open up the market.

According to the production characteristics the designer brands in Shanghai market can be divided into Hauteur Couture clothes and ready-to-wear. Classification by category is shown in Table 3.

Ready-to-wear	JEFEN, SUNFED, ZUCZUG, DECOSTER, GEETEEE, e+, naivee, LEVU'SU, ZIGE, IS CHAO, LAVIE, INSH, EACHWAY, TANGY, OMNIALO, EXCEPTION, SHIATZYCHEN, LLM, TSAI MONG-HSIA, JNBY, LMYS, Fair Cottage, Cabbeen
Hauteur Couture	MARK CHEUNG CREATION, allan chiu, LUN KUN, OMNIALO, TSAI MONG-HSIA

Table 3. Classification by category

Ready-to-wear is the brand that has a mass industrialized production. Considering starting up funds, better expansion in its own brand consumption as well as the faster recovery of funds in the market, the designer brand in Shanghai market mostly take the way of ready-to-wear.

Although Chinese luxury consumption has begun to take shape, people who could consume Hauteur Couture are still in the minority. So some brands try a small amount of Hauteur Couture at the same time they operate ready-to-wear. There are only three brands taking the line of Hauteur Couture in Shanghai market: MARK CHEUNG CREATION, ALLAN CHIU and LUN KUN.

2.3 Designer studio

With Hauteur Couture becoming popular in China, the studio also emerges. The design studio in Shanghai market does not entirely do Hauteur Couture. There are mainly three types:

(1) Hauteur Couture studio. The most famous studio is "MARK CHEUNG CREATION created by Zhang Zhaoda in the World Trade Business Mansion and "Mirror Studio" created by Lu Kun on An Lan road 60, near the Chenghuangmiao.

(2) Ready-to-wear studio. Some designers who are not so well known complete their design dreams in the form of studio. The studio mainly produce ready-to-wear and a small amount of customer-tailed may also been done. For example, He Yan's studio is in her own home and she holds irregularly some free personal fashion show every year.

(3) Designing a series of clothing for brand companies irregularly. Studio itself does not have its own brand but provide the series of design work for the companies, which already have brands.

With the development of Shanghai's economy and the increased internationalization, there are more and more designer brands in Shanghai market. Although there are many designers can attract consumers by their high visibility and prestige, most of them are still unknown and do not make consumers have a strong sense of awareness with their designed brand.

2.4 Product combination

Chinese designer brands in Shanghai market are quite single in the breadth of product combination, and basically one category is soled, the reason is complexible. There are two main points as following:

(1) Because China's designer brand is still at the primary stage of the development - its starting fund and company is small, management time is also short, so the fashion brand has to survive by selling the single product firstly.

(2) The partial brand companies from other areas only sell part of their products or partial brand in Shanghai market, for example, "Fairy cottage" from Shenzhen whose brand is belong to Shenzhen KuangZi enterprise Development Limited Company. The company sells its leading brand of youth female --"Fairy Cottage", the companies also have children's brand "Little Shu and John", ready-to-wear brand "Fairy faire", the unisex leisure brands "The Natural Element", the bedding supplies "The Unit of Picture Color" and so on. Except that the female attire "Fairy Cottage" and "The Natural Element" are sold in the Shanghai market, others could not be found in Shanghai market.

2.5 Price positioning

In the fashion marketing strategy, the success of price positioning has a direct effect on the sale performance. However, because the clothing value has multiple orientation, the factors

that the clothing price positioning is needed to consider are more complexible.^[5] The price positioning of the designer brands in Shanghai area are shown on Figure 1.

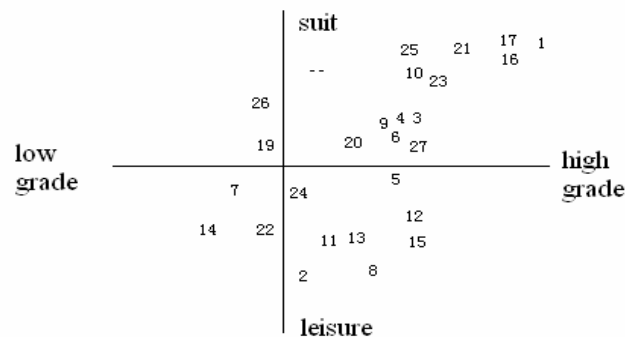


Figure 1. The Picture of Brand Price Positioning

Note: 1.Allan Chiu 2.Cabbeen 3.DECOSTER 4.e+ 5.EACHWAY
6.EXCEPTION 7.GEETEEE 8.INSH 9.IS CHAO 10.JEFEN 11.JNBY
12.La vie 13.LEVU ' the SU 14. LMYS 15.LLM 16.LUKUN 17.MARK
CHEUNG CREATION 18.MOVEEASY 19.Naivee 20.OMNIALO
21.Shiatzy Chen 22.Fair Cottage 23.SUNFED 24.TANGY 25.TSAI
MONG-HSIA 26.ZIGE 27.ZUCZUG

As Figure 1 shows, in the Shanghai market many Chinese designer brands are in the medium-high grade, and partial brands positioning is relatively concentrating. To set up high grade brand image, most designers mainly concentrate on the selecting of the fabric, for example, EACHWAY selects the fabric imported from Japan, JEFEN from Italy and so on, and some customer-tailored clothing fabric and the artificial expense cost are much higher.

The establishment of the designer brand needs to consider the problem of market development, and whether the consumers can accept the brand concept and design style is very important is. Therefore they attract the consumers at the relatively high price instead of entering the market by way of the low price.

2.6 Promotion strategy

The designer brands which positions in high-grade consumers all adopts the VIP member system, In order to maintain its VIP users as well as its high-grade image, the frequency and intensity they participate in discount are all lower, even they don't participate in discount,

ZUCZUG and EXCEPTION are more prominent examples. The promotion of the brand positioning in the medium consumers crowd has no difference with common fashion brands.

The form of discount shop is less utilized in the designer brand. In the research objects only the "Skill Element" has a street discount shop nearby west Zhongshan road, the MOVEEASY in 'Collecting Gold', and ZUCZUG in XuJiaHui Foxtown.

3 Discussion of the development strategy

3.1 Chinese designer should positively go abroad to study advanced experience to be a world-class designer

It is recognized that Paris is a fashion center in the world, besides the rich artistic atmosphere and the opening cultural environment, the constitution of designer troops who active in Paris is international. Designer's growth needs the good field of vision, huge and the rapid information and the superior condition. All of above is doomed that they should design in big environment.^[6] If we merely limit to stay around, nearby, domestic, and we do not have wide range presentation references such as popular colors, fabrics, lining supplementary materials, styles and so on, our design will be very difficult to reach the international standards. Therefore, designer's sphere of action is not merely limited to domestic if they want to compete with international brands, both Yohji Yamamoto and Issey Miyaki, the present international well-known designers in Japan, are well-known in the world after they held individual fashion shows in Paris.

International designers depend on international environment. To become a world-class fashion designer, the scope of activities cannot merely be restricted in the domestic. On the one hand, domestic designers need to seek opportunities, modestly learn from international famous designers, and diligently rise their own designing level and the ability of brand management. In 2005 several Italian specialized headhunters, first appeared in Shanghai fashion festival, and wanted to invent Shanghai designers who have their own private brand experience to Italy to design for the great brand company. Our new designers should hold on

these opportunities, and first go to European big mature company to exercise themselves. If they want to become the world-class fashion designers, they should firstly enter that mystical designer circle. On the other hand, they should launch an attack on their initiative, and go abroad. And they should hold work conference in fashion capital such as Paris, show themselves, accumulate experience and enhance their own international visibility.

3.2 A designer brand should strongly collaborate with a well-known enterprise, to construct the designer brand together

It is difficult to become an international influence brand because it needs quite considerable fund investment, and it is impossible for the designer to simultaneously manage the company and design with limited ability. In this condition the cooperation with the famous company appears extremely important. There are too many examples overseas such as England famous designer Alexander McQueen, the partial stockholder's rights of the brand named after its individual name belongs to international well-known luxury goods group LVMH, in 2000 about 51% of LVMH's original stocks are transferred to GUCCI group. Between 2002 and 2003, flagship shops were opened in New York, Milan and London.

We can see from it that cooperation with the famous enterprise makes brand operate better, thus the designer and the company separately do design and marketing well and perform their own functions.

3.3 Chinese designer brands may firstly develop in foreign market, and then return to domestic market

Nowadays, many Chinese designer brands follow this rules that it first develops in the domestic market, and then gradually expands to overseas market. But, as a result of a short development history of the Chinese designer brand, until now we still do not have an international designer brand. However, if we are on the opposite, whether can it have a better effect?

As far as we know, Vivienne Tam, Anna Sui and Vera Wang, the three extremely outstanding famous Chinese descent female designers, are famous in American and even European market. Now the brands they created in US are world famous. They open branch-stores in each place of the world and they also have shares in the Shanghai market. Vivienne Tam has opened the Hauteur Couture exclusive agency in the New World, Vera Wang has opened the bridal nuptial dress exclusive agency in Shangrila, and the perfume and cosmetics of Anna Sui are soled in every big department stores of the Shanghai market. Although, they all are born and brought up in US, such kind of strategy first developing overseas, and then returning to the domestic market is worth studying.

How does China's fashion designer brand do to have better development and better internationalization? The entire Chinese fashion business need to solve the problem together, and the designer brand represents the fashion front, therefore its development is vitally significant for the transformation of our country from OEM (original equipment manufacturing) to ODM (original design manufacturing) fashion country.

Endnotes

[1] Jun, L 2005, *Apparel merchandise planning study*, China Textile Press, Beijing.

[2] Yun L 2005, *The Dialogue among the three generations of Chinese fashion designers*, Shanghai Bookstore Press, Shanghai.

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