

Fashion Design in London: the Positioning of Independent Designers within the Fashion Field

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Abstract

Background The aim of this paper is twofold. To begin with, we add to the understanding of how the UK's fashion industry field operates and how particularities of interactions in this field influence the entrepreneurial performance of new entrants. This builds on previous knowledge concerned with the obstacles to the creation of sustainable production chains. Secondly, we aim to explore the hypothesis that, in the UK, independent fashion design businesses are not growing as effectively as they might be, because they are locked-in in the design-driven, retail-led, London-based networks strongly dominated by links with designers' former colleges, intermediaries and other institutions to the exclusion of potentially more productive relationships based outside the core of the field, whether elsewhere in the UK or internationally.

Methods In order to understand how the fashion field works, we reviewed existing literature, used data from a previous study of one of the authors, and conducted primary research using case-study techniques directed specifically towards the aims of this paper.

Results Independent apparel designers in London are located at the periphery of the fashion industry field. Independent designers are torn between fashion as 'art' and fashion as 'rag trade' (McRobbie, 1998), and are located in a field where art and creativity carry greater symbolic and cultural value than commerce. This gap is emblematic of the British and London fashion industry as it is currently constituted, and is perpetuated by institutions such as the fashion schools and industry institutions.

Conclusion This performance of small / new fashion designer businesses is hindered by their location at the periphery of the fashion industry field, as well as an ideological position that favours design as art over design as commerce. This position is perpetuated by institutions such as the fashion schools and industry institutions which do not emphasise the craft 'know-how' and production aspects of the fashion design process. Our study confirms the paradox that despite their reputation for innovativeness many of the businesses within the London fashion system seems not able to profit from it.

Keywords Fashion Designers, Neo-Institutional Theory, Networks, Micro-Enterprises

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1. Introduction

The aim of this paper is twofold. First, we add to the understanding of how the fashion industry's field operates and how particularities of interactions in this field influence the entrepreneurial performance of new entrants. Part of this is to add to the previous knowledge on the obstacles to the creation of sustainable production chains. Second, we aim to explore the hypothesis that in the UK independent fashion design businesses are not growing as effectively as they might be, because they are locked-in (Wenting and Frenken, 2011) in the design-driven, retail-led, London-based networks dominated by strong links with their former colleges, intermediaries and other institutions to the exclusion of potentially more productive relationships based outside the core of the field, whether elsewhere in the UK or internationally.

Our research addresses the need to reverse the high failure rate of designer businesses (TCSG, 2000). There is a need to find ways of accelerating entrepreneurship and economic development in the fashion industry.

Fashion is a creative and cultural industry and is an important source of innovation, knowledge creation, and economic growth. Fashion is typical of important world city-regions: Paris, New York, London, Milan, Tokyo, and is one of the UK's most successful industries, with 8% of GDP (£21bn) and over 800,000 employees (BFC, 2012, 2010, 2009). It enhances the country's image and boosts economic growth via exports and on-line sales as well as through direct sales to visitors. The UK can claim world-leading capabilities in both fashion design and retailing (BFC, 2012).

The high-end fashion sector sees between an estimated 20 and 50 new UK designer/wholesale labels looking to break into the market each year. Some designers have achieved £2 million p.a. turnover within four years of their label's launch. However, this high growth is achieved by only 10% of labels (DCMS, 2013). Some commentators acknowledge the disparity between the international visibility of fashion industry and the economic returns (McRobbie, 1998) and raise the question: Why do so many of the most talented designers go bankrupt within a few years of leaving college?

2. Methodology

In order to understand how the fashion field works we analysed existing literature, use the previous research of one of the authors and conducted

primary research using case-study technique directed specifically towards the aims of this paper. We used a database of designers generated in our previous research (Rieple and Gander, 2009; Rieple et al., 2014 (under review)) focusing on micro firms typically that were within five years of start-up. Six London-based designers and one PR agent were selected for the case studies and interviewed about their relationships with retailers, manufacturers, peers and various intermediaries. The questions concerned how these relationships were established, what difficulties were encountered along the way, and what the character and structure of these relationships are. Answers to these open-ended questions were recorded, transcribed and analysed to identify themes and linkages. Additional information from the designers' websites and press and governmental documents and statistics were used to identify the specific position of independent fashion designers in the fashion field.

The next section describes the fashion field in London and the position of independent fashion designers within it. Selected material from the case studies is embedded in the text and quotations used to highlight some points.

3. Results

Fashion designers are situated within the industry's dominant buyer-driven chains and are normally the managing directors or owners of their firms. This implies the need to set up and coordinate trade-based horizontal networks as a contribution to the success of the industry (Gereffi, 1999b; Gereffi, 1999a). It is the designer who has to establish relationships with a network of buyers and suppliers that would be cheap and reliable enough to satisfy the needs of their unpredictable, changeable and 'just in time' ('agile') operations. Without establishing this network, and without making these relationships an essential part of their social capital with attributes of trust and reciprocity, start-ups will not be able to survive and grow (Hite and Hesterly, 2001; Milanov and Shepherd, 2013; Gulati et al., 2000).

Fashion design firms occupy a dependent position in the industry's production chain relying on fashion retailers, who control the numbers, frequency and timing of orders, on various intermediaries and institutions such as London Fashion Week and trade shows, which are also part of the fashion industry, and on manufacturers for the actual production of goods (Karra, 2008). This intermediate position makes them vulnerable to both upstream and downstream pressures which place limitations on designer firms' development and growth.

There is evidence that the relationships between designers and their

collaborators elsewhere in the production chain are not without problems (Karra 2008). For example, buyers may not readily engage in transactions with emerging designers for fear of non-delivery or poor manufacturing quality. Designers have problems with manufacturers: on-time delivery, quality, costs and payment terms, particularly for small orders (Evans and Smith, 2006; Karra, 2008; TCSG, 2000). Moreover, the competition landscape in London is such that new designers have to find a niche between foreign and British haute couture houses and established brands, as well as fast fashion brands and mass producers of apparel (Fig. 1). Couture establishments provide high cost products, with considerable investment in design and innovation and which are governed by fashion seasons. Established brands also make reasonable investments in design and keep prices high, but usually wrap new designs in safe packages to reduce the risk. Fast fashion is characterised by low cost, designs are mainly reproduction and variations of those produced elsewhere; they produce products with a very short shelf life. The ready to wear sector has the lowest costs and lowest investments in design. Independent fashion designers have very high investments in design, especially for their first collections when they have to try to establish themselves in the sector. Their costs are high as well, and, all other things being equal, they produce one off products and pay premium prices for high quality. As a result, they have the highest risk of all not being protected by prestige and name of brands and couture houses, by stable orders for their products from retailers, and by absence of accumulated capital to survive the periods of low or no orders.

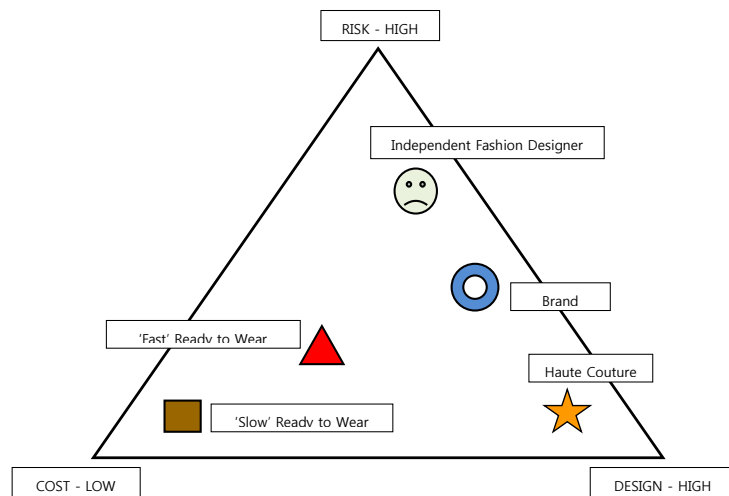


Figure 1 Fashion industry (developed from Pratt et al, 2012)

4. London's fashion field

London is the UK's designer fashion capital and an influential hub for talent, trends, and creativity for designers (Karra 2008). London Fashion Week is important for showcasing new trends and designs. The proximity of the supporting infrastructure which includes buying offices, fashion press, sales agents, PR agents and model agencies, and fashion colleges supports a designer fashion economy. The proximity of other creative industries provides the opportunities for collaboration and growth. There are many places of learning and socialisation in London such as art galleries, museums, and music clubs.

The activities of London's independent designers are organised by project. Their careers tend to be flexible, and it is therefore essential for them to rely on a vast network of relationships to maintain continuity of work and to be able to move from one engagement to another. The networked nature of fashion designers' activities is relatively well researched (Aage and Belussi, 2008; Malem, 2008; Malem et al., 2009; Wenting, 2008 a and b; Wenting et al., 2008). Networks and resources being accessed through these unique networks the firm possess are difficult for competitors to imitate and substitute. Therefore, both networks and the resources they allow the firm to tap in are a source of sustainable competitive advantage (Granovetter, 1985; Gulati and Singh, 1999; Porter, 1998. Social capital also has a positive effect on innovation (Cooke et al., 2005; Dakhli and Clercq, 2004; Landry et al., 2002).

Across many parts of the industry, routes to entry have been characterised by knowing people in the field. In contemporary dynamic and risky economic environment the very existence of many firms depends on inter-organisational networks. Indeed 'whom you know' rather than 'what you know' contribute to the social capital of organisation, and are considered to be an intangible, relational resource. These relationships have value because they effect knowledge transfer and access to resources that a firm may not hold internally, and that a small firm cannot hold internally.

London fashion designers' relational networks are diverse and include: other designers, stylists, fashion editors, journalists, photographers, models, celebrities, PRs, buyers, mentors from previous academic networks (fashion colleges), artists, actors, musicians and filmmakers. Much of the fashion designers' creativity comes from the diverse cultures and energy that emerges from this local ecology and especially the specialist colleges and the 'street culture' which is a notable feature of London (Evans and Smith, 2006; Malem et al., 2009; McRobbie, 1998; O'Barne, 2009).

At the same time the fashion field in London is also highly institutionalised (Pratt et al., 2012). The processes of product creation and especially its legitimisation are strongly influenced by the amalgam of educational, professional and public institutions and organisations. The fashion field's core actors are involved in the legitimisation processes of the selection, promotion and dissemination of fashion (Entwistle and Rocamora, 2011; Purvis et al., 2013) and takes place at nodal events such as fashion weeks, fairs, and trade shows (Entwistle and Rocamora, 2011; Gilbert, 2000; Pratt et al., 2012).

Core players in this field include the three major fashion colleges (Central Saint Martin's, the Royal College of Art and the London College of Fashion) and the London-based British Fashion Council (BFC). They hold strong legitimising powers and contribute to the particularities of London's fashion domain known internationally by its appreciation of artistic values.

Though worldwide fashion is now close to being a form of modern art, where experimentation, multiple disciplines and the absence of aesthetic rules dominate (Aage and Belussi, 2008; Lipovetsky, 1994), this is especially true for the London fashion industry, which is considered to be highly innovative. The fashion designer is celebrated as an artist. The fashion colleges teach fashion starting with its creative side (Pratt, et al., 2012) and impose their own disciplinary vocabulary upon their subjects. This involves negating or dislodging the informal cultural practices that come from other fields (McRobbie, 1998; Pratt, et al., 2012). In the London fashion industry field cultural value far outweighs economic value and its focus on financial gain, although the hope for designers entering the field is that the symbolic status they accrue will at some point in time, translate into financial success (Aspers, 2001; Aspers, 2006; Aspers, 2010; Aspers and Skov, 2006; Entwistle, 2002; Entwistle, 2009; Entwistle and Rocamora, 2011).

The fashion field in London is characterised by a high level of homophily. Partly this can be explained by the middle class origins of many designers, but also by the homogeneity that comes from the shared experience of attending one of the very small number of relevant educational institutions.

Achieving the qualifications and credentials from London's art-oriented fashion schools, which are highly valued both within the London field and elsewhere, has become a strong contributor to the symbolic capital that young designers are eager to build. Along with justifying the artistic ethos of their products the educational institutions and the BFC, which in its own right has strong relations with the fashion schools, encourage young designers to legitimise the best of their products by participating in fashion weeks, trade shows, etc. and to be noticed by established designers and fashion houses. The BFC, for example, organises many awards for emerging designers that offer the chance to present their own collection at the Fashion Shows. In this way the circle of cultural reproduction becomes absolute.

Some of our interviewees reported that winning an award was important for their CV; however, it did not necessarily improve their chances of business success. As other researchers have explained (Skov and Meier, 2011), if a designer has a company at all, it is such a small business that it cannot handle the steep increase in orders if they suddenly arrive as a result, for example, of winning an award. In this way the twin ambitions of contest/legitimation and business success are de-linked (ibid.).

Students with a degree from the London fashion schools are already well inserted into the system and have a strong social capital of particular type - peers and teachers who often are fashion designers themselves, - on which they draw during their career (Pratt, et al., 2012), thereby reproducing both social and cultural capitals As one of our interviewees described:

There are strong links between educational institutions and independent fashion designers in London: first many students from colleges work as apprentices in designer firms, and second, designers often teach part-time in the colleges when the workload at the firm is low or not existent.

This ecology of networks of creativity and design is complex and conventionally conceived as bi-polar (French et al., 2004). On the one hand, there are large organizations, with strong designer groups, who wield significant amounts of market power and control - the centre. On the other hand, there are small, fledging independent designers, most often recent graduates from fashion institutions, who attempt to "go it alone" (McRobbie 1998), and often contribute very little into the economic success of the industry expressed in volumes of GDP, employment and exports - the periphery (French, et al., 2004). Many of the small scale, independent fashion designers belong to the periphery with a weak and rather precarious position in the industry. Their world is characterised by high levels of financial insecurity, under-insurance and self-exploitation, as well as a need to have additional creative and non-creative jobs to compensate for the absence of steady income (Evans and Smith, 2006).

Trying to establish their position in the London field fashion start-ups develop different strategies in relation to available resources and contacts and influences available. As previous research has shown (Rieple, et al., 2013) there are several typical tactics for doing so. For example, some engage enthusiastically with all external sources of knowledge, building contacts among fashion experts, fellow designers, participating in fashion events, and paying attention to the expectations of and feedback from customers.

They also believe that talking to other designers is important for their design work. They regarded sample houses, where they may see the work of other designers, as interesting places to browse.

Others, however, have a more individualistic approach to their work and are not interested in engaging with fellow designers or visiting sample houses (ibid.). This same study also identified some designers who appeared to want to ignore the opinions of their peers or buyers in their designing and at the most extreme, some at the periphery of the field who try to ignore the 'rules of the game' altogether. It remains to be seen which of these groups achieves greater success, either economically or reputationally.

These findings support previous research that has shown that there can be a non-significant (Smith et al., 2005), or even negative, relationship (Ahuja, 2000; Echebarria and Barrutia, 2013) between innovation and social capital. For example, one of our interviewees emphasised:

I abandoned my course at fashion school because I did not want to 'make products for a particular niche of customers' as the tutor required. Such restrictions did not fit my creativity, I preferred to be free from 'the system' and do my own thing.

Another interviewee similarly emphasised that he does not participate in networking much as he has to concentrate on developing his own ideas and then his own collection. This is explained by the fact that creating new relationships is costly and maintaining existing ties also consumes time, energy and financial resources; as tie strength is increased, there is less time left to seek out new resources that may lead to the good ideas that fuel innovation (Zheng, 2010). This is consistent with the idea that it is the weak ties which are relevant to innovativeness (Beugelsdijk and Smulders, 2003; Florida et al., 2002; Schneider et al., 2000). How these designers have achieved this type of independence whilst sharing the institutionalised backgrounds of many of the core players remains to be investigated. It may be that these designers serve as agents of change within the field, although as they prefer to operate in non-hierarchical structures, are adaptive in nature and prefer little bureaucracy (Vandavelde and Van Dierdonck, 2003), their move into more central positions remains precarious.

5. Conclusions

This research is exploratory in nature and represents the first results of analysis of the fashion field in London. Independent designers in London are located at the periphery of the fashion field. Independent designers are torn between art and commerce, between fashion as 'art' and fashion as 'rag trade' (McRobbie, 1998), where art and creativity carry greater symbolic and cultural value than commerce. This gap is emblematic of the British and London fashion industry, as it is currently constituted and is perpetuated by

institutions such as the fashion schools and industry institutions which do not emphasise the craft 'know-how' and production aspects of the industry (Pratt et al. 2012). Many commentators emphasise the paradox that despite their reputation for innovativeness many of the businesses within the London fashion system seems not able to profit from it.

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