Japanese Fashion Industry: Its Characteristics & Potentials

By Yoko OHARA

A fashion show of a popular girls' brand at Tokyo Girls Collection 2009 Spring/Summer

Photo: Cecile McBee/ Japan Imagination Co.

Introduction

To many people, the word "fashion" may evoke the images of fashion shows of famous designers or the outrageous clothes that entertainers, both young and old, find appealing for their uniqueness. Others may regard fashion as temporary phenomena or just fads. However, fashion, which once seemed like a gorgeous world far from the everyday lives of ordinary people, has become part of everyone. It has also been transformed from clothes, which are physical "products," into something that is deeply intertwined with the way of life ("lifestyle") or psychological affairs such as people's "emotions" and pride.

The nature of fashion has changed dramatically against the backgrounds of an improvement in the living standard, the spread of affluence and increased individuality of consumers, all arising from these phenomena, as well as the maturing of society and the economy, and technological innovations. Affluence has given rise to desires for "making one's everyday life fashionable." Advances in information and communications technology (ICT) have solved various problems in meeting the latent needs of consumers, as new technologies and systems have changed the means of production and distribution. Moreover, emotions evoked by "beauty" or "surprise" and the sensitivity to love such emotions have begun to create new economic value. In a word, the fashion industry is entering a new stage of maturity.

The Japanese fashion industry has developed and matured faster than that in any other developed country. To begin with, "Western clothes" are not traditional clothing for the Japanese. However, as the nation rebuilt itself after World War II and achieved high economic growth, the Japanese sought novel and innovative clothes free from traditional constraints and techniques of the West and developed a model different from conventional garment-making in the West. In the past, Japan enjoyed a dominant position by taking advantage of its traditional techniques, such as those for silk fabrics when Japanese silk was unrivaled in the world. Today, however, Japan has entered an age where it creates new types of fashion and spreads them to the world.

This article will look into the characteristics and uniqueness of today's Japanese fashion industry and explore the direction of its further development and contribution to the world.

CHART 1

Evolution of value creation in fashion business

Increasingly sophisticated consumer needs & shift in leading players

Period	Major value creators	Industry background: High economic growth/ rising income	Rapid fashion market growth	Japanese designers, yen's rise/inter-nationalization	Bursting of bubble, distribution revolution	Diffusion of Internet & globalization
1960s	Manufacturers	Fashionable ready-to-wear clothes				
1970s	Apparel distributors		Vogue			
1980s	Designer brands			Designer brands		
1990s	Vertical-type retailers				Valuable prices	
2000s	Consumers (multi-channels)					Emotion/ throb/ experience

Logic of businesses (sellers)

Logic of customers (buyers)

Note: Each square (□) in the chart filled with words illustrates the value created in each period which became established as time proceeded

Source: Compiled by author

Japanese Fashion Industry: Track Record

The term "fashion business" and its concept were first introduced to Japan in 1968, when a book titled *"Inside the Fashion Business"* was translated into Japanese. It was authored by Prof. Jeannette Jarnow of the Fashion Institute of Technology (FIT), State University of New York, and others. When I translated the book by Prof. Jarnow, who was my mentor when I studied at FIT, the term "fashion" itself was not common in Japan. Since there was no Japanese equivalent to "fashion business," it was decided to

use the English term as its Japanese version after much discussion and ado. *"Fasshon bizinesu"* has hence become a borrowed word in Japanese. This is another typical example of Japanese people introducing and flexibly adopting a new concept or technology from the West, along with the original term, and "Japanizing" it – a practice which has been repeated many times since the Meiji Restoration of 1868.

Chart 1 shows the historical stages of development of fashion apparel in Japan. The chart also shows the evolution of "consumer needs or value offered" and "value creators."

In the post-World War II period, the term "fashion" did not exist. In the 1940s and 1950s, the term "mode" was used instead. At the pinnacle of mode were the collections of famous designers from Paris haute couture houses announced each year. These were "art works/creations" beyond the reach of ordinary people, who wore custom- or home-made clothes that sought to incorporate the "mode" prevailing then as much as possible.

From the end of the 1950s to the 1960s, fashionable ready-to-wear clothes made their debut. During this period, consumer needs (or the values offered) were for "fashionable ready-to-wear clothes," which began to replace home- and custom-made clothes. The creators of added value then were garment and fabric manufacturers.

As the term "fashion business" came to be used more widely, the term "fashion apparel" became popular in the 1970s. "Being in mode" was of important value and so were "brand names." As the business risk of hitting or missing future fashion trends increased, wholesalers (apparel distributors) replaced manufacturers as leading players in the industry. These companies spread fashion as what is in vogue to the general public by, among others, signing licensing agreements for overseas brand names.

In the 1980s, consumers became more conscious of their individual styles, and their sensitivity toward fashion rose. This set the stage for Japanese designers and individualistic firms to play important roles in the industry. Rei Kawakubo and Yohji Yamamoto shocked the fashion industry around the world by using "black," a color thought to be unrelated to fashion in the West, as a form of fashion. Even before then, Issey Miyake's clothing made of "pieces of flat fabrics" had a large impact as unstructured clothes, a type of garment which had been unknown in the West. During the second half of the 1980s, the yen's appreciation helped boost luxury imports to Japan, and "brands and semiotic marks" surfaced as new values.

In the 1990s, following the collapse of the economic bubble, the industry saw a mushrooming of new types of retailers who emphasized cost-efficiency and low prices. In particular, vertical types of retailers who radically reformed the conventional business process by integrating product planning, manufacturing/sourcing and retailing, and offering "valuable prices" emerged as new champions of value creation, becoming leading players in the industry today.

Japanese Fashion Today

As the Japanese fashion business evolved, it has become apparent since the advent of the new century that merely following the conventional business model of offering valuable information, namely "what is in mode," primarily for the business and social use of clothes will not sustain its further development. This is because the sense of value among consumers and their lifestyles have changed dramatically as the market matured.

PHOTO 1 Photos: style-arena.jp

Examples of street fashion on Omotesando and Shibuya streets

First came diversity. Market segmentation and distribution channels as well as fashion itself have come diverse. Fashion now includes not only world-class luxury name-brand products but also youthful pop culture, fashionable casual wear and innerwear, and home furnishings and interiors. Distribution has also become multi-channel, with Internet, TV and cell-phone shopping prevalent in addition to brick-and-mortar outlets and mail-order catalogs.

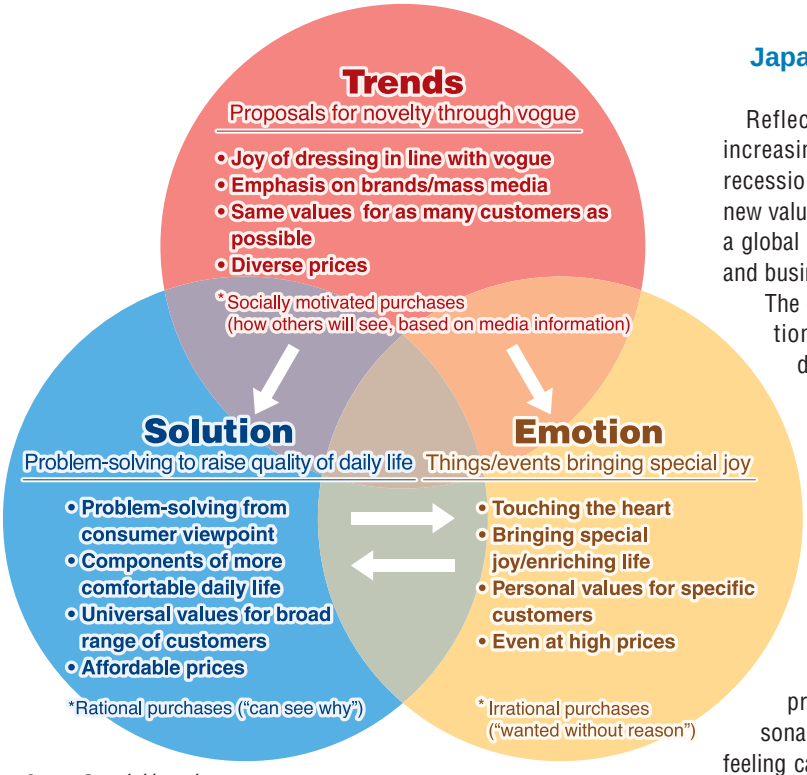
In the meantime, consumers have become even more individualistic. The days of "10 persons, one color" have become "10 persons, 10 colors" and then "one person, 10 colors" (one person wearing completely different types of clothes depending on each occasion and on his/her feelings). Consumers no longer buy what businesses suggest, but buy what they want and wear it the way they like. The Japanese "street fashion," which is drawing attention around the world today, was born when young people chose clothes reflecting their sensitivity and mood in such places as the back streets of Harajuku in central Tokyo and arranged them into their own "cool" fashion *(Photo 1)*. As the traditional fashion hierarchy has collapsed, the world's top designers, who once were a presence beyond reach, are increasingly collaborating with specialty store chains providing the so-called "cheap fashion."

Today, popular fashions are spreading at an ever faster pace. Reflecting this velocity, some firms now plan, manufacture and sell fashion products in three-week cycles. There are no longer uniform fashion trends. The dominance of fashion trends over the market is waning.

An important change not to be overlooked is that value creation, which shifted from upstream to downstream in the industry, has seen "the tail wagging the dog" from the 1990s to the 2000s; name-

CHART 2

Spheres of fashion expand from vogue leadership to value creation



Source: Compiled by author

ly, businesses (sellers) have been replaced by consumers (buyers) as leaders of value creation.

This change did not occur overnight. It was triggered by the bursting of the economic bubble in the early 1990s and the subsequent recession. Consumers began to look askance at "consumption for vanity" in which they sought to adorn themselves with high-priced and luxury products. When we apply Abraham Maslow's "Hierarchy of Needs " in which human needs are divided into five levels, groups of "fashion leaders," who sought to satisfy their "social needs " (Belonging and Love Needs) (level 3) and "Esteem Needs" (level 4), have become skeptical of wearing famous-brand products as symbols of "self-esteem or confidence" and have begun to enter the highest stage of "Self-actualization Needs" (level 5).

The change in the awareness of fashion leaders spread rapidly among the general public in the 2000s as the Internet allowed consumers to gather information and compare products through searches and blogs to find what satisfy their own needs. Consumers, once dependent on information from companies, now have the power to get information they want easily by using the Web or cell-phones. They have an overwhelming advantage over companies in terms of the quantity and quality of information at their disposal.

Today, consumers are independent, or "customers as individuals," so to speak. They choose distribution channels and products according to their own sense of value and yardsticks. It is the subjective feeling of an "individualistic customer" that decides when and what to buy through which channel and what final value of their purchases will be. In other words, the time has come when value is created and confirmed in the minds of individual consumers.

Japanese Companies' Response & Uniqueness

Reflecting these changes on the part of consumers and the increasingly harsh competitive environment stemming from the recession, innovative Japanese companies are working to create new values which differentiate them from others. I believe that from a global perspective, these efforts will give rise to original products and business systems unique to Japan.

The efforts for new value creation are made in two areas: "solution" and "emotion." "Solution" means "problem solving designed to raise the quality of everyday life," while "emotion" means "things and events that bring special joy."

Chart 2 shows the evolution of value creation from the conventional "presentation of novel fashion ideas" centering on "trends" into the above-mentioned two areas.

"Emotion" means a stimulus to a person's feelings, whether it comes from a physical object, an event or a service. It means that a consumer is touched by or feels empathy with the design, history or story behind the design or gets a special feeling from its use. This is a highly individualistic sense of value totally unrelated to product prices but related to some special element or personal feeling of "I don't know why, but I just want it." Such a feeling can be aroused by various things, ranging from outstanding designs, at the top of the scale, to one-of-a-kind hand-made clothes, clothes made with traditional techniques or by master craftsmen, and eco-friendly or "fair trade" products. A symbolic example is a sweater from the wool of a sheep lovingly named and raised. In other words, it has to do with people's own values and philosophies.

Japanese subculture is attracting attention from overseas as something "cool." This, along with the Japanese cultural heritage of the concept of living with nature and the spirit of *"mottainai"* (too good to waste), is one of emotional value resources which can be developed in many ways.

A symbolic example is the concept of *"kawaii,"* or something which, like an infant, touches a person. This *"kawaii"* concept was born among Japanese youth and spread globally. Since it depends greatly on cultural context and personal feelings, it is an absolute value for the person who feels it. The *"Hello Kitty"* character is now very popular around the world. I was told that when *Kitty* was produced overseas for the first time, the company had a great deal of trouble because its facial expression was not what we call *"kawaii"* in Japan. The manager of the overseas factory, with a measure in hand, argued that they were producing *Kitty* exactly as specified, saying "so-and-so centimeters from the right end and so-and-so centimeters from the top." But the product just looked like a cat, not *Kitty.* In Japan, *"kansei,"* or delicate sensitivity toward things and nature, is very important. The initial subtle difference in the feline character's expression in Japan and abroad may be a good example of the importance of *"kansei."*

Meanwhile, "solution" is "something which makes our daily lives more comfortable." It is the supply of fair-quality, inexpensive basic

PHOTO 2 Photo: UNIQLO

"HeatTech" underware becomes a basic fashion item.

PHOTO 3 Photo: MUJI/Ryohin Keikaku Co.

Socks with a 90-degree ankle part for comfort, design and function

PHOTO 4 ©2009 ISSEY MIYAKE INC. Photo: Frédérique Dumoulin

Issey Miyake's "karate suit" for autumn/winter 2009 collection, designed by Dai Fujiwara and his team

necessities that meet the basic needs of our daily lives. It offers a universal value shared by many people which improves the quality of the core of personal lives.

In terms of clothing, solution can mean many things. It can mean offering clothes in sizes or types which have been ignored because they are not cost-efficient, business dresses for working women which can be coordinated elegantly in many ways, elegant and yet comfortable clothes for the elderly, and so on.

Here, a new approach to fill the void in the market is to be noted. It is not merely new product development as a marketing technique but a completely new engineering-type approach. For example, clothing retailer UNIQLO has a big hit product, "HeatTech" heat-emitting innerwear, which keeps the user warm. By developing a new type of yarn combining various synthetic and chemical fibers as well as a new production process, the company has come up with lightweight, warm and washable innerwear and offers it in many colors. The new type of socks with a right-angle ankle part developed by Ryohin Keikaku Co. – known for its MUJI brand – is another example. Whereas the ankle part of conventional socks had an angle of 120 degrees, the company re-engineered the production process by developing a new machine and practicing rigorous quality control, coming up with new socks with a 90-degree ankle part which are more comfortable to wear. This is based on their cherished concept of offering "simple, well-designed and well-made products" *(Photos 2 & 3)*.

There are also Japanese-style fusions of "emotion" and "solution." Dai Fujiwara, creative director for Issey Miyake, shook the fashion world by showing his "*karate* suits" at the Paris Fashion Week in March 2009. Earlier, Fujiwara had opened new territory by combining the designs of clothes and the production process under Miyake's A-POC (a piece of cloth) concept, and successfully combined creation and engineering. This time, he ventured into the world of *karate,* a sport which requires the fastest motions among all sports and instantaneous movement of the entire body, with business suits, which can be called a symbol of stiffness, but in this case the *karate* suit is designed and engineered to function. He analyzed the motions of *karate* from the viewpoint of human-body engineering and added flexibility by using pleats, etc., to parts where most needed. He has developed elegant and functional clothes that astounded even world-class *karate* players *(Photo 4)*.

Conclusion

Fashion in Japan began to develop after World War II when people came to wear Western clothes in their daily lives. It has matured and is now in the midst of new evolution and development. Efforts toward producing hybrids which meet the lives and senses of today's Japanese make up the core of this movement.

Japan has always learned from foreign cultures and ideologies, worked on fusing them with Japan's own culture and developed new products and philosophies which did not exist in other countries. In the world of fashion, Japan has the power to produce diverse hybrids, including those between the cultures of the East and the West, between creativity and engineering, between emotion and solution, and between culture and industry.

It is hoped that these Japanese traits will come to full florescence and contribute to the peoples and industries of the world. JS

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