



Success of Fashion Retail Start-up by Young Entrepreneurs

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Abstract: *This study examines the experience structure and success of successful young entrepreneurs in the field of fashion. Increased demand for fashionable goods and services like – Designer clothing, accessories and décor has provided reasonable opportunities for the entrepreneurs to enter this field. The study was conducted as a qualitative case study. Data were collected from July 2021 to June 2022 through in-depth interviews as well as literature collected from other journals, newspaper articles, and books. Collected data were summarized through description, analysis, and interpretation processes that produced themes. Finally, five successful themes were extracted. The study results are as follows, there are five successful themes found in the fashion start-up process. 1. Developing talent as entrepreneurs with a sense of fashion and enthusiasm 2. Passing on trial and error as a chance to communicate with customers 3. Challenge the fashion retail market with global online start-up opportunities 4. Building a system that responds to market environment changes 5. Leading and distinguishing expertise from entrepreneurs.*

Key Words: *Entrepreneur, Fashion – Retail, Start-up, Market.*

1. INTRODUCTION:

Recently, as youth unemployment has increased, entrepreneurship has been highlighted (Lee & Hwang, 2016). Interest in employment and start-ups is a hot issue among members of our society due to the national job creation problem and the university's employment rate problem. It can be said that the background of the fashion start-up was that it became difficult to find a job in the fashion manufacturing field while moving abroad, and the domestic fashion market entered a growth stagnation period, which made it difficult to find a job as the employment environment deteriorated (Yun, 2017).

Globalization and IT technology development have reduced manufacturing jobs but are contributing to increasing the possibility of online retail start-ups, such as Group Startups and One-man Startups (Oh, 2017). With the spread of high-speed Internet and smart phones, a commercial district that transcends time and space has been formed, and the locality of the consumer market is disappearing (Lim, 2007).

It is a natural change that interest in fashion retail startups, which is the key to doing business, increases. The emergence and growth of editorial platforms in the recent distribution market environment contributes to the expansion of start-up opportunities by lowering the initial investment cost for start-up (Oh, 2016). In addition, fashion communication is an important change that increases the chance of success in fashion retail startups by lowering the barriers to entry for new businesses (Eom & Pyo, 2013).

In this rapidly changing fashion market environment, it is necessary to conduct research on fashion startups that will lead to interest in employment and entrepreneurship in the career environment of fashion majors. There are many studies on the success of venture startups or general startups, but there are few studies on the process of fashion startups or the success of fashion startups. Therefore, it is necessary to conduct academic research on the success process and experience of fashion startups that will be helpful to young entrepreneurs who wish to start a business instead of getting a job after graduating from college. Interest in this study was sparked by long-term industry-university cooperation with representatives of successful companies that started as fashion retailers. As the opportunities for fashion major students to meet with successful young fashion company representatives increased, the students dreamed of starting a business and became very interested in their successful startup process.

This study tried to capture all the variables as much as possible in an open state rather than a quantitative study in which the researcher limits the research variables in a situation where there is little research on fashion startups. In addition, it was conducted as a qualitative research method to minimize reduction through artificial concepts,



standards, and scales (Jo, 1999). This study used an in-depth analysis that allowed participants to describe and understand insiders' perspectives on their experiences, coping processes, and success factors in the fashion startup process (Kim, 2007). In this way, this study was conducted as a qualitative case study according to the educational need and purpose of providing guidance or lessons to students who are preparing to start a business through the process of entrepreneurship experience about why a fashion business was founded, how it was founded, and how it was successful.

The research questions to achieve this research purpose are: first, to reveal the structure of the experience of the success of a fashion startup, and second, to reveal the theme of the success of the experience revealed in the process of starting a fashion business.

2. Research method:

2.1 Research participants

Since the research interest is the success of the fashion retail business of young entrepreneurs, in the field of fashion retail, the representatives of companies who started as young entrepreneurs and maintained the business until now were the subjects of the sample. The participants are three representatives of a company that started as a young fashion retail entrepreneur in the 2020s, when internet shopping malls started, and has now grown into a small and medium-sized business. They have maintained an industry-academic cooperative relationship for a long time, such as providing field training opportunities, internships, establishing relationships with family companies, and giving special lectures to companies that are seeking support from various national projects. Through continuous cooperation, they have become role models for entrepreneurship students of fashion majors was selected as a representative case.

Table 1. Characteristics of interviewees

Interviewees	Gender	Age	Major	Final education	Founded year.	Business location	Annual sales	Employee
B CEO	M	40	Visual design	Graduate	2019	Gurgaon	100	50
K CEO	M	42	Fashion design	Graduate	2020	Gurgaon	130	100
A CEO	F	43	Accessory Fashion	Graduate	2020	Gurgaon	120	450

Table 1 - According to the opinions of participants who do not want to reveal the names of participating companies, they are classified by the first letter of the company name.

The CEO of Company B is the co-representative of the company that he and his wife founded in 2019. They started selling second-hand clothing at auctions, and in 2017 they started the hat business in earnest in the open market. After numerous trials and errors, he established Internet shopping mall B and achieved annual sales.

The CEO of Company K started the business in 2020 as a partnership with a friend he met during the branch activities of the National University Student Fashion Association. They operated a distribution store that sells fabrics and subsidiary materials to local students and consumers, and then opened an internet shopping mall, which can be distributed nationwide without the off-season such as vacations. Since then, it has expanded into fabric development and manufacturing, pattern/books, sewing, sewing machines, education programs, and agency operation, and has grown into a company that advocates a sewing DIY multi-shop.

The CEO of Company A started a retail store while attending college based on his experience of displaying fashion products and accessories from a part-time job at a clothing store when he was in high school. He bought directly from home and abroad and was successful enough to run multiple stores at the same time, including individual clothing stores and agencies of famous companies.

2.2. Data Collection

Data was collected mainly through in-depth interviews, and observations were partially used along with various literature reviews to understand the interview results. The in-depth interview was conducted in the form of the story of the entrepreneurial life of a young entrepreneur. The interview data is composed of overall quality according to the continuity of experience principle that the initial experience of the project is absorbed and the quality of recent experience is modified (Shin et al., 2004) In-depth interviews are about the start-up process and success process, such as 'Recall your entrepreneurial life and tell us about the things you remember from the start-up process. (Kim, 2007).

2.3. Data Analysis

The interview data had temporal continuity from the past process melted into the successful present and the growth process to prepare for the future. In this study, data including interactions and situations during a long period of



entrepreneurial life were grouped into a mass with common meaning and context, and the subject and sub-themes were derived from a small mass of meaning, so that the research problem could be interpreted meaningfully. Data analysis went through countless linear cycles of description, analysis, and interpretation (Jo, 1999), and in the process of recombining, reintegrating, and re-changing, the results of topics and sub-topics were drawn.

3. RESULTS:

3.1. Experience Structure of Fashion Startup Success

There are six themes of startup success derived from the experience of fashion startup success. These themes have a temporal sequence of past, present, and future, and consist of three stages: entrepreneurship initiation, entrepreneurial growth, and entrepreneurship maturation connected by continuity of experience.

The themes are divided into basic conditions, essential courses, and prospects according to the difference in context and level of meaning. First, focusing on the introductory course to start-up a fashion business, there are three success themes derived from the basic conditions for start-up, essential courses, and prospects for fashion start-up. In other words, 'Developing skills as an entrepreneur with a sense of fashion and passion', 'Communicating with customers using crisis as an opportunity, which is just a process of trial and error', and 'Challenge the fashion retail market with global online entrepreneurship opportunities'. The following are three success themes derived from the basic conditions for growth, essential processes, and future directions, focusing on the growth process after the fashion startup. These are 'Building a system that responds to changes in the market environment', 'Leading and discriminating with the entrepreneur's specialized knowledge', and 'Evolving through coexistence with members.

3.2. Success Topic of The Introductory Course To Fashion Startup

The basic that has led to the success of a start-up is 'developing skills as an entrepreneur with a sense of fashion and passion', and the essential process of starting a start-up is 'taking a crisis as an opportunity to communicate with customers. The suggestion for starting a fashion retail business is 'challenge the fashion retail market with global online startup opportunities. The sub-themes and central meanings for each subject are presented in Table 2.

Table 2. Success Themes in the Introductory Process

Theme	Sub-theme	Common meaning
Developing talent as entrepreneurs with a sense of fashion and enthusiasm	Based on experience and expertise accumulated through passion	<ul style="list-style-type: none"> - Experience what you do best from the bottom - A chance to be recognized as a passion rather than a reward - Various experiences of young days became the basis - Learn about expertise in fashion, design and management - Read and apply business books
	Meet a partner in a similar business experience.	<ul style="list-style-type: none"> - A similar field of business experience linked to current business - Meeting business partners, leaving the target market - Developed business possibilities by starting from a bad start business
	Integrate with aesthetics and trends.	<ul style="list-style-type: none"> - Aesthetics and trends are leading - Creating opportunities by integrating disadvantages into advantages - Attitude to maintain beginners without bravado - A lot of curiosity, problem solving ability - With sincerity, responsibility, concentration, and independence



Passing on trial and error as a chance to communicate with customers	Crisis focuses on customer needs and serves as an opportunity for self-management.	<ul style="list-style-type: none"> - Lack of preparation for market changes or customer demand - Adjusting the project because it is trial and error, not failure - Need to manage company identity rather than save money during growth crisis
	Responding to market changes with customers	<ul style="list-style-type: none"> - In case of problems, complement and enhance the customer's perspective - Resolving problems with organizational changes in response to market changes -
	Achieve customer trust with authenticity in line with market trends	<ul style="list-style-type: none"> - Healthy work environment - Work honestly and earn customer trust - Observe & meet people of different age groups
Challenging the fashion retail market with global online start-up opportunity	Challenge yourself with fashion trends and concept knowledge	<ul style="list-style-type: none"> - The appearance of fashion majors and trends are in exceptional condition - Easy to start fashion retail business - Favorable for unconventional challenges of students with unexpected academic achievement
	Startup online with lifestyle fashion items	<ul style="list-style-type: none"> - Expressing differentiated style with fashion goods and living products - Planning your business items from your intern experience or field experience - Identify marketability through preliminary research and get realistic entrepreneurial training - Seeking global online business opportunity with steadily working authenticity

3.3. Success topic in the process of growing a fashion startup

The basis that has led to the success of growth since the establishment is 'building a system that responds to changes in the market environment', and the essential process for growth is 'leading and discriminating with the entrepreneur's major knowledge'. The future direction of sustainable growth is 'evolving through the win-win for members'. The sub-themes and central meanings for each subject are presented in Table 3.

Table 3. Success Themes in The Growth Process

Theme	Sub-theme	Common meaning
Building a system that responds to market environment changes	Create a system that segregates different cultures and shares roles	Organize work and role sharing beyond the limits of being alone <ul style="list-style-type: none"> - Separate organizations with different cultures - Operated as spot production crisis manual, POS system, automatic inspection system - Converting from a self-employed business centered on the president



	Introducing new technologies and concepts to make adjustments and changes	Operation of the initial Internet shopping mall where operating environment was poor <ul style="list-style-type: none"> - Build a professional shopping mall by utilizing mobile solution companies - Incorporate into sales growth, change name to change company-oriented concept - Repositioning to improve competitiveness of older shopping malls
	Recruitment of employees who have great success in fashion retail and have a passion for fashion	<ul style="list-style-type: none"> - Retail business is a hard job, so only the desperate survive - New employees have more passion for fashion and commitment to success than spec - Training industrious and faithful employees with company programs
Leading and distinguishing with expertise from entrepreneurs	Get ahead with promotional and marketing ideas	<ul style="list-style-type: none"> - Advertising and Promotion Activities attracted attention as the best in the Internet shopping industry - Entering the eco-friendly organic niche market centered on large corporations
	Develop product standardization and product management program as a fashion expert	<ul style="list-style-type: none"> - Standardize sewing techniques, colors and patterns aimed at domestic market - Develop our own product management program with many options
	Branding a space with unique taste in fashion sense	Armed with fast responsiveness in time-critical fashion retail - To make brand taste that is positioned in teen idol fashion - Create original space and unique space
Evolve into the coexistence of members	Customers, employees, and partners continue to be happy with business	Being a friend who picks clothes and becoming a merchant who leaves people <ul style="list-style-type: none"> - Create a company where customers are happy and employees are happy - Creating a pleasant workplace with partners and sustainable ecosystem
	Customers are friends, employees are owners, companies are growing together with conceptualization and specialization.	<ul style="list-style-type: none"> - Designing a conceptual complex shopping mall by collaborating with experts - Prepare to be responsible for the mutual growth of employees and customers - Create a professional editing company when a global network ecosystem is built

4. CONCLUSION :

The conclusion of this study will be a useful guideline for fashion majors to prepare for or educate fashion business start-ups. This study has academic significance in that it expanded the research field on entrepreneurship success to the fashion field, studied the entrepreneurial success experience from the perspective of a successful entrepreneur, and derived the topic of success from the fashion entrepreneurship process and experience through a qualitative research method. However, as it is a small case study, it has limitations that cannot be generalized to the overall phenomenon of fashion startups. In addition, case studies that segment and analyze data according to context and level of meaning have limitations in delivering detailed and rich connections and be on-the-spot in the decisive and dramatic stories experienced by each entrepreneur. A follow-up study is needed to reflect the success factors of fashion



startups, which are the results of this study, and to link with fashion majors' startup motivation, startup will, startup education, startup support, and startup system. In addition, we propose a follow-up study comparing the success factors of small-scale young entrepreneurs revealed in this study with the success characteristics of large-scale entrepreneurs.

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