

# Representing markets: The shaping of fashion trends by French and Italian fabric companies

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## Abstract

In this paper, we use ethnographic methods to describe the market making activities of *Première Vision*, Paris, the leading trade fair in the clothing fabric industry. Through collective action and powerful representational practices, *Première Vision*'s exhibitors affirm their style innovation and position themselves as trend setters. Our study extends the emerging literature on market forms and marketing practices by (i) introducing a different lens, based on the ideas of postmodern theorists, through which the nature of representation in industrial markets may be viewed and (ii) addressing the role of self-interested theorists, i.e. marketers who theorize about the market and its functioning in ways that are self-beneficial. Our paper also has implications for trade fair literature, which is mostly concerned with individual exhibitors' value appropriation strategies. The case of *Première Vision* shows that trade fairs may be considered as collective marketing instruments, thus highlighting the importance of organizers' value creation strategies.

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## 1. Introduction

Adam Smith's concept of the 'invisible hand' profoundly influenced the way we think about markets. The father of economics used the expression with reference to the fact that individuals striving to maximize their private interests end up supporting the public interest, even if they do not intend to nor are they even aware of doing so. According to Smith, the term 'invisible hand' was not intended as a metaphor: being a profoundly religious man, he believed in a benevolent God who created human beings with a nature that guided them to happiness (Joyce, 2001). Through semantic migration, the term is nowadays employed in a more general sense to refer to processes whose outcomes are produced in a decentralized way with no explicit agreements between actors and which, at

the same time, are not intentional, meaning that the actors' aims are neither coordinated nor identical with the actual outcomes (Joyce, 2001).

This paper is about one process, the fashion cycle, which seems to affirm itself thanks to an invisible hand that coordinates countless agents. In the past, fashion used to be a highly centralized industry where new trends were diffused from a single location, Paris, where the collections presented by a small network of *couturier* became the trends that everybody in the world imitated. Nowadays, this process has become decentralized. Fashion originates from many sources and is profoundly influenced by popular culture, celebrities and consumers themselves who, in many cases, inspire designers in the development of their collections (Crane, 1999; Polhemus, 1994). Yet, in spite of such fragmentation, new styles are consistently affirmed season after season (Davis, 1994) in ways that have a striking resemblance with the standard setting processes in technological innovation (Cappetta, Cillo, & Ponti, submitted for publication; Golfetto, 2004). To industry insiders, the fact that individual enterprises working separately tend to produce similar innovations is

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natural and taken for granted, since the inspirational ideas are “in the air”.<sup>2</sup> Not surprisingly, early fashion theorists (Blumer, 1969; Laver, 1933) suggested that fashion trends affirmed themselves in a spontaneous and uncoordinated way in accordance with the *Zeitgeist*, i.e. the spirit of the age prevailing at a given moment. A more careful analysis, however, suggests that what seems natural and is taken for granted is, in fact, the result of intentional and coordinated efforts by actors who through collective, focused actions have been able to shape the fashion industry and its paths of innovation.

In this paper, we use ethnographic methods to describe and interpret the activities of a network of companies who through efforts and investments over a long period of time affirm their innovations in style as the prevailing “fashion” of a given moment. Some readers may be surprised to discover that such actors are neither designers nor fashion companies. Our study deals with fabric producers, i.e. the upstream suppliers that twice a year provide fashion companies with innovative, “stylish” fabrics. In the fashion supply chain, the fabric sector is a central locus of innovation, and the companies studied have collectively developed the ability to define trends and, hence, provide significant inputs to the companies and designers that are commonly believed to drive the fashion process. These fabric companies are mainly market leaders from France and Italy which dominate the fabric for the fine fashion industry worldwide despite the greater than ever price competition from East Asian producers. Their competitive advantage, we argue, lies in their collective action, mediated and coordinated by trade associations, which aims to represent future trends in fashion. Through a skillful representation of fashion trends, these marketers symbolically position themselves as trend setters and can consequently benefit from premium prices with respect to competitors that are considered imitators.

The term used by the companies we have studied to define their collective action is “concertation”. In political science, the term usually refers to processes where “the major interest groups are brought together and encouraged to conclude a series of bargains about their future behavior, which will have the effect of moving economic events along the desired path” (Shonfield, 1965: p. 231). While the concept was developed in the context of industrial relations to refer to the bargaining activities of government, employers and trade unions over wages and labor regulation, it may also apply to the collective action of organizations that collaborate to defend the interests of a specific industry even without any significant intervention by state agencies (Molina & Rhodes, 2002). In the present case, “concertation” is about future innovative behaviors, it does not involve state agencies, it occurs at an international level and is centered on the activities of a number of major trade fairs. We have found that these events establish a common ground for co-operation, provide visibility for the

innovations presented by their exhibitors and legitimate such innovations as the benchmark to which all other companies in the industry will adhere. In particular, we focus on the network of companies grouped around *Première Vision*, Paris, the leading trade fair for fabric manufacturers targeting the fashion clothing industry.

The main purpose of this paper is to describe the “concertation” mechanism as it has developed over the last thirty years. In so doing, we intend to contribute to the emerging debate on market forms and marketing practices (Araujo, 2004; Kjellberg & Helgesson, in press, 2006-this issue). We agree with Kjellberg and Helgesson (in press) on the need to consider seriously the role of representation in the making of markets, and to this end we use the case of *Première Vision* to illustrate the socially constructed nature of the link between the representation and its referent or, in semiotic terminology, the signifier and the signified. Our argument goes beyond the idea that market actors may represent markets in ways that are beneficial to themselves. We rather emphasize, in accordance with postmodern theorists such as Guy Debord (1983), Umberto Eco (1986) and Jean Baudrillard (1994), the supremacy of representations over the phenomena they stand for. As skillfully described by Firat (1992: p. 81), a prevalent tendency in postmodern societies is “the dominance of the hype over the concrete, the virtual over the actual...the imaginary over the material and the image over the product”. Put differently, the relationship between market representations and actual markets in a postmodern world is reversed: it is the market that adjusts to representations and not vice versa, as will be evident after our description of the “concertation” mechanism at work in *Première Vision*. While these ideas now have currency among mainstream marketing scholars and consumer researchers, postmodern thinking is yet to be addressed in detail by business to business marketing scholars (Cova & Salle, 2003; Gomez Arias & Bello Acebron, 2001). In developing the concept of *hyperreal representations*, we extend our understanding of industrial buyer behavior and propose that buyers, at least to some extent, may be similar to consumers in their reliance on simulations and represented realities.

Our study also contributes to trade fair literature. Trade fairs have mostly been investigated from the individual exhibitor’s point of view with the prime intention of providing managerial insight into how to improve returns on investments (Borghini, Golfetto, & Rinallo, 2003; Munuera & Ruiz, 1999). However, since trade fairs bring together in the same location most of the principal actors in the field, they may be considered impermanent representations of the markets to which they refer (and which they help to construct socially). The case of *Première Vision* highlights the role trade fair organizers may play in the creation of value for exhibitors, a perspective that has only very recently started to appear in the specialist literature (see Borghini, Golfetto, & Rinallo, submitted for publication; Golfetto & Mazursky, 2004).

The paper is organized as follows. First, we develop our theoretical framework by reviewing and extending the recent literature on market forms and marketing practices, by

<sup>2</sup> Here and elsewhere, emic expressions and terms employed by our informants are placed in quotation marks. See the Methods section for more details.

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