Lilly Robertson Business of Fashion

2023 November, 20

Mrs. Joiner

Broadening DEI Through Brand Image will Provide a New Market Edge

I. CLAIM:

Broadening DEI through public image and advertisement will increase a company's competition "niche" and provide a new market edge. The morality of current society increasingly revolves around individuals striving for inclusivity. With this being a primary desire for customers, companies within the fashion industry that adapt to fit these preferences will have the upper hand over competing brands. Forbes magazine stated in a recent article that "according to McKinsey & Company's 2018 study Delivering through Diversity, there exists a clear correlation between DEI and performance: companies with the most ethically and culturally varied executive teams are 33% more likely to outperform homogeneous competitors with regard to profitability," (Forbes, 2022). Including DEI in public image, advertisement, and merchandise will allow for an expanded target market, as well as expansion for the company overall.

II. COUNTERCLAIM:

Successful companies have produced apparel for centuries, and the majority have no inclusion of DEI in their brand image. For this reason, DEI is oftentimes pushed to the side, as it is not seen as a necessary factor for company expansion and success. Diversity is oftentimes viewed as a trending topic rather than a moral priority, meaning that not all brands must enforce this change to succeed. The New York Times released an article in 2021 evaluating the viewpoints of 64 brands on diversity in the fashion world. Results showed that out of these

1

Broadening DEI Through Brand Image will Provide a New Market Edge companies, only four answered all of the questions pertaining to diversity being embedded in their brand. 16 of these companies "including Thom Browne, Oscar de la Renta, Burberry, Brunello Cucinelli, Proenza Schouler, Calvin Klein and Tommy Hilfiger," answered half of the questions while ignoring the other half and leaving no response (The New York Times, 2021). There were also many brands that refused to answer any questions at all. Companies that have seen great success, such as Tommy Hilfiger and Burberry, implemented a degree of diversity but did not see this as a detrimental factor for their company. Even so, these brands have managed to become household names and expand tremendously.

One form of expansion for fashion companies is through the creation of sublines, which can be an opportunity for DEI. For example, apparel can be expanded through the creation of plus sizes or petite sizes. However, not all fashion companies will thrive from sublines and expanding merchandise, as some prefer to maintain a small business with a reliable/trusted customer base. An article released in 2012 discussed the success that is possible within small businesses. It states that although this is not always the case, many companies have thrived by focusing on their specialties rather than prioritizing expansion. The reading states that "small is the new big only when the person running the small thinks big," (Guardian News and Media, 2012). There are many references to a book titled Small is the new Big, as it is also stated that "growing to be a sizable company has always been regarded as 'the' achievement for any business but as Seth Godin points out in his book, Small is the new Big, the era of 'big' has come to an end," (Guardian News and Media, 2012). Oftentimes, smaller businesses can maintain

Lilly Robertson Business of Fashion 2023 November, 20

Mrs. Joiner
Broadening DEI Through Brand Image will Provide a New Market Edge
priorities and focus on quality rather than quantity. However, price and profit are also important
factors to consider. Advertisement and rebranding are expensive, and therefore not always
viewed as necessary by brands whose previous strategies work well. With the increase in DEI
importance, the majority of the world has attempted to grow and accept changes that incorporate
these values. However, for small businesses that do not plan to expand apparel or size,
maintaining the brand image and ethical grounds of the past can be expected to continue
benefitting them in the future seeing as it has worked thus far.

III. ARGUMENT:

Broadening DEI through public image and advertisement will increase a company's competition "niche" and provide a new market edge. With the growth of mass production in the fashion industry, customers are used to a wide variety of merchandise that is easily accessible. Therefore, any form of expansion is an advantage for fashion companies. By including DEI in brand advertisement and apparel, narrow target markets will expand, resulting in a new market edge. Furthermore, fashion companies will also receive the benefits of loyal and diverse workers. The Business of Fashion released an article this year evaluating various perspectives of DEI and its current importance in the fashion industry. According to this study, "18 percent of LGBTQIA+ employees and 16 percent of Black employees, versus 9 percent of white employees, reported that they would not recommend others like them to apply for a job in the fashion industry," (The Business of Fashion, 2023). The incorporation of DEI within many

Mrs. Joiner
Broadening DEI Through Brand Image will Provide a New Market Edge
brands is increasing, however, it is nowhere close to where it should be. With this being a
primary factor that is looked for by workers and customers, fashion companies must understand
the importance of implementing these changes. The article explains the importance of flexibility
in the fashion industry, as adapting to customer needs opens opportunities for larger target
markets. It is stated that "really understanding and speaking to the next generation is key, but
without forgetting the generations that came before," (The Business of Fashion, 2023).

With DEI becoming a primary controversy in modern society, the fashion industry must acknowledge this as a desire and need for its customers. By doing so, brands will be able to eliminate competition by reaching customers that similar companies do not care to or cannot reach. A 2023 article examined the underrepresentation of women in the fashion industry as well as overlooked diverse categories. It stated that "producers should acknowledge that diversity is not a trend solely about race and skin color, but it is concerned with differences in age, gender, sexual orientation, and physical abilities," (Cavusoglu & Atik, 2023). In only the classification of women, there are many discussions and flaws amongst DEI within fashion companies. The reading emphasizes the importance of "non-White and non-Black women of color, women of average sizes, and women with characteristics that the fashion industry has long seen as flaws," (Cavusoglu & Atik, 2023). The key purpose of this study was to specify issues revolving around DEI in the fashion world in order to set a new direction for the industry. Similar in discussion is another article released in 2023 that explains ethics in fashion through the example of controversy with Gucci's Blackface sweater. The sweater caused racial offenses due to a

Lilly Robertson Business of Fashion 2023 November, 20

Mrs. Joiner

Broadening DEI Through Brand Image will Provide a New Market Edge correlation to Blackface, as it included a roll-up collar that covered the lower half of the face.

Gucci released a public apology and removed the sweater from the campaign. However, the article states that "a common response to crises around offensive products, including the response from Gucci, is acknowledging the lack of diversity - But simply hiring individuals from diverse backgrounds or having a person of color present in the room does not come close to a real and effective solution," (Karimkhan, 2023). DEI is a priority for customers and therefore must be a priority for brands. Not only will businesses be able to avoid negativity and backlash, but customers will be attracted to companies if they acknowledge and respect inclusivity within their products.

Adapting to societal values does not mean that brands must completely shift their image or change their merchandise. One option for implementing DEI into existing companies is by expanding through sublines. By creating sublines and including DEI amongst them, fashion companies can broaden their merchandise to new target markets to escalate success. An article was released in 2018 discussing diversity in body image throughout the media and women's fashion magazines and stated that models were primarily young, white, and underweight with "low levels of diversity in body size, ethnicity and age," (Freitas, Jordan, Hughes, & de Freitas, 2018). With this lack of versatility to the public eye, many groups are excluded from merchandise, meaning that target markets are specific and minuscule. A common brand extension that has led fashion brands to outstanding success is the addition of a plus-size or petite-size subline. More research was conducted only one year after this study, and according to

Mrs. Joiner Broadening DEI Through Brand Image will Provide a New Market Edge a business journal from the University of Pennsylvania "plus-size clothing is the fastest-growing segment in apparel and accounts for more than \$21 billion," (Knowledge at Wharton, 2019). Many brands such as Walmart, Target, Amazon, Nordstrom, Anthropologie, J. Crew, Forever21, etc. have extended through a plus-size subline and each has seen an increase in sales and overall success. Without altering the original merchandise produced by each company, they were all able to include a new customer base by expanding apparel. Incorporating DEI has led to success in all companies, even reaching outside of the fashion industry. The leading global toy company, Mattel, which released brands such as Hot Wheels and American Doll decided to expand the Barbie brand and include diversity. A new Barbie doll was released in a detachable wheelchair, which aimed to include individuals with disabilities. According to Forbes Magazine, "the approach was so successful that it is now baked into the design and development of all Mattel brands," (Forbes Post, 2023). With companies outside of the fashion industry adapting to customer needs, the world of fashion will soon be left behind if brands choose to not incorporate the same changes. DEI is much more than a trend, and businesses within the fashion industry that choose to take the extra steps to include versatility will then have the opportunity to reach markets that competing brands cannot.

IV. CONCLUSION:

Broadening DEI through public image and advertisement will increase a company's competition "niche" and provide a new market edge. The fashion industry needs to understand that this is not a trending method used to increase sales, but a detrimental factor in increasing a

Lilly Robertson

Business of Fashion

2023 November, 20

Mrs. Joiner

Broadening DEI Through Brand Image will Provide a New Market Edge

brand's customer base. It is by making diversity, equity, and inclusion a priority for

advertisement and apparel that companies can expand their merchandise and accelerate success.

V. DEFINITIONS:

DEI: Diversity, equity, and inclusion.

Niche: A specialized section within an area of a specific market.

VI. BIBLIOGRAPHY:

Cavusoglu, L., & Atik, D. (2023). Extending the diversity conversation: Fashion consumption experiences of underrepresented and underserved women. Journal of Consumer Affairs, 57(1), 387–417. https://doi-org.ezproxy.una.edu/10.1111/joca.12504

Faren Karimkhan (2023) Ethics in Fashion and Gucci's Blackface Sweater;

Will the Fashion Industry Finally Learn from Its Mistakes?, Journal of Media Ethics,

38:2, 123-125, DOI: 10.1080/23736992.2023.2194289

https://doi.org/10.1080/23736992.2023.2194289

Freitas, C., Jordan, H., Hughes, E. K., & de Freitas, C. (2018). Body image diversity in the

7

Broadening DEI Through Brand Image will Provide a New Market Edge

media: A content analysis of women's fashion magazines. Health Promotion Journal of

Australia, 29(3), 251–256. https://research-ebsco-

com.ezproxy.una.edu/linkprocessor/plink?id=5443eb91-72f1-35b9-b083-c3f728b1a997

Guardian News and Media. (2012, April 3). Could small be the new big for the fashion industry?. The Guardian. https://www.theguardian.com/sustainable-business/blog/fashion-industry-trends-innovation-small-business

Knowledge at Wharton. (2019, July 17). Why major brands are becoming more size inclusive.

https://knowledge.wharton.upenn.edu/podcast/knowledge-at-wharton-podcast/major-brands-plus-size-clothing/

Magnusdottir, A. (2022, October 12). The time is now for Diversity In Fashion. Forbes.

https://www.forbes.com/sites/aslaugmagnusdottir/2020/11/17/the-time-is-now-for-diversity-in-fashion/?sh=232794786dc2

Post, C. (2023, October 18). How dei led to a new Barbie and outdoor apparel for every body.

Forbes. https://www.forbes.com/sites/corinnepost/2023/07/05/how-dei-led-new-barbie-outdoor-apparel-every-body/?sh=7949f93c48d0

Lilly Robertson
Business of Fashion
2023 November, 20
Mrs. Joiner
Broadening DEI Through Brand Image will Provide a New Market Edge

Team, B. C. (2023, May 23). Protecting fashion's dei efforts during market disruption. The

Business of Fashion. https://www.businessoffashion.com/articles/workplace-talent/fashion-dei-diversity-equity-inclusion-progress-panel-recruitment-retention-jamie-gill-outsiders-perspective/

The New York Times. (2021, March 4). The fashion world promised more diversity. here's what we found. The New York Times. https://www.nytimes.com/2021/03/04/style/Black-representation-fashion.html