



**PHASE ONE:**     DATA COMPILATION OF PARTICIPANTS and ASEAN REGION

Perhaps the most important tool to be developed; this information will be used in every aspect of the marketing plan both intra-regionally as well as on an international basis forming the cornerstone of all your promotions.

The DATA to be collected will be integrated into the WEBSITE and should include:

- Profile of the apparel/textile complex in each participating country as well as a description of any FTA's, preference treatments, etc. with any foreign market
- Overview of the major trade associations for each country and for the ASEAN group
- Description of the ACE project and USAID
- Manufacturer profiles of each company (from fiber, yarn, fabric, trims, etc to CMT and/or Full package vertical manufacturers of finished apparel, home textiles, etc).\*
- Information on any local and/or international trade show participations, summits, etc
- Description of intra-regional product exchanges (Competitiveness corridors) for Sourcing executives
- Information and/or links to regional buying offices and/or agents
- Information on design studios, schools, etc
- Mention of major international brands and retailers manufacturing product in the region

## **PHASE 2: ASEAN BRANDING**

A “Brand” or Logo for the promotion of the region must be considered and its use determined (i.e. will the logo/brand be used only for the apparel/textile industry or for general promotion of the region including travel, consumer goods, corporate investment, etc?).

Textile/apparel specific brand/logos to consider:

ASEAN TEX HUB

APPAREL SOURCE ASEAN

SOURCE ASEAN\* (we will use this brand for the purposes of this report referring to “SA”)  
ASEAN: THE SOURCE!

MAKE IT IN ASEAN!

ASEAN FASHION SOURCE

Again, this is an important choice as it must translate, be understandable internationally, short and yet convey the essence of the industry which includes fabric, home fashions, and apparel.

## **PHASE 3: WEBSITE CREATION, END USE AND PROMOTION**

Once your data is compiled and your brand selected, you can move forward on the creation of an integral website which should include functions such as:

- Search for manufacturer by product category, country
- Search for regional market news (i.e. updates on country laws/customs, shipping, new factory creation or factory closures, etc)
- Links to all country trade websites
- Link to ACE project website

- Calendar of regional and international events having ASEAN participation

In order to create a complete list of functions, your web designer will need to have a profile of your end user. We suggest the following:

INTRA-REGIONAL END USERS:

- Manufacturers will be using this site to find regional providers of complimentary products to complete their supply chain (i.e. A CMT factory of men's pants might search for a regional manufacturer of cotton twill fabric or buttons, etc.)
- Companies will use the site for updates on the industry news within the region, trade show information, news on conferences, buyer visits, etc.

Take a look at what some other countries/regions are producing for their manufacturers:

- Enterprise Mauritius: <http://www.enterprisemauritius.biz/>

They do an excellent "newsletter": TEXTILE INTELLIGENCE which is linked via their principal website.

- AEPC India: <http://www.aepcindia.com/portal/index.asp>

Website of the Apparel Export Promotion Council of India. Again, they have a link to their monthly newsletter/magazine: APPAREL INDIA

- Southern Africa Global Competitiveness Hub (in conjunction with USAID): <http://www.satradehub.org/>

Again, they link to a news publication "INSIDE AFRICAN TRADE"

INTERNATIONAL END USERS:

- Directors of Sourcing (apparel and home textiles) will use the site to obtain information on factories, suppliers, intra-regional exchanges and news
- Product Development and fabric buyers should access the website for information on manufacturers of trims, fabrics as well as for information on local design teams, trim resources, trends
- Journalists will use the site as a launch pad for research on the region and links to various trade associations, government agencies, etc...

In order to maximize the use of the website, grow the content and develop it into a true marketing tool, the launch of the site should be promoted both regionally and internationally.

Most importantly, your web designer will have to maximize the number of hits the site will receive via various search engines. For instance, if an internet user launches a search on GOOGLE.COM for any of the following key terms, the SOURCE ASEAN site should be among the first 5 hits:

- Apparel + ASEAN
- Apparel + any of the individual country names (apparel + Vietnam)
- Home textiles + ASEAN or any of the individual countries
- Sourcing + apparel (or clothing or fashion)
- Sourcing + ASEAN or any of the countries
- Apparel + production (or manufacturing)

**In order to make end-users aware of the site, the following promotions can be considered:**

**INTRA-REGIONALLY PROMOTION:**

- E-blasts by all trade associations in each country to all members
- E-blasts to all companies, associations, schools, buying offices, etc. mentioned on the site
- Press Announcement of the site in all major business sections of all newspapers (both public as well as any industry specific) in each country

**INTERNATIONALLY:**

- Inform all embassies of each country world wide and enlist their services in announcing the site to the business and professional press in their countries (Question: Do your Embassies/Commercial Services meet in key countries to promote ASEAN as a region?)
- Web Banner Ads linking to your site from the following key “web publication” sites such as :
  1. [www.just-style.com](http://www.just-style.com)
  2. [www.wwd.com](http://www.wwd.com)
  3. [www.apparelnews.com](http://www.apparelnews.com)
  4. [www.dnr.com](http://www.dnr.com)
  5. [www.journaldutextile.com](http://www.journaldutextile.com)
  6. [www.apparelmag.com](http://www.apparelmag.com)
  7. [www.Fashionmag.com](http://www.Fashionmag.com)
  8. [www.fibre2fashion.com](http://www.fibre2fashion.com)

#### **PHASE 4: SOURCE ASEAN TRADE SHOW and SUMMIT**

The SOURCE IT event which has taken place over the course of several years in Hong Kong should be used as the launching pad for a new and revised event which will hopefully be a strong intra-ASEAN marketing tool but could also be expanded to include international attendees in future years.

#### **OVERALL CONCEPT: INTRA ASEAN**

The objective is to create a mid size trade show with exhibitors from all ASEAN nations presenting their production capabilities and/or end user products. All of the exhibitors are potential “clients” of one-and-other as they will complete trade corridors and supply chain links which will allow them to offer Full package services to international apparel and/or home textile sourcing executives.

#### **Exhibiting companies would be producers of the following:**

- Fiber, yarn, textiles
- Trims (i.e. lace, elastic , buttons, appliqués, embroidery services, etc)
- Service providers (i.e. shipping companies, testing companies, SA NGO’s, etc)
- Buying offices or branches of international buying offices/agents

#### **Attendees would include:**

- Representatives of medium to large size manufacturers of finished consumer goods (i.e. apparel, accessories, home textiles)
- Regional press
- Regional branded apparel and/or home textile companies
- Regional fabric buyers and/or product development staff

The event should take place in a central location such as Bangkok, Singapore, etc on an annual basis and include an educational/seminar aspect targeting both exhibitors and attendees.

Seminars could center on presentations by international speakers (or local speakers) and focus subjects ranging from:

- Social Accountability
- New supply chain and product development technologies
- International sourcing executives presenting their view of the challenges and benefits of sourcing from the region and offering their suggestions for future trade development
- How to improve worker education and productivity
- Global Sourcing and the competitive edge
- Updates on trade negotiations

We would suggest that the event take place over a minimum of 2-3 days depending upon the number of exhibitors and whether or not a seminar or summit is attached to the event.

*ORGANIZATION OF THE EVENT:*

The event should be organized by an official committee put in place by the ASEAN group and perhaps overseen by a member of the ACE program for the first session. Decisions and implementation of the following would be the responsibility of the group:

- Event location and space
- Timing /date
- Booth design and costs
- Promotional vehicles (i.e. ads, email blasts, etc) to attract both exhibitors and attendees
- Refreshments, handouts, floral, etc...

An outside consultant might be considered for the organization of a Summit or seminar series if International participation is desired.

*FUTURE EXPANSION OF EVENT:*

This type of event could easily evolve to the international level if correctly timed and promoted. This would involve expanding the exhibitor base to include the major mid to large size factories of finished goods. Promotion of the event would have to be international using many of the tools that will be outlined in this report.

In addition, this type of event could become the basis for a SA pavilion (again, expanding the exhibitor base to include finished product factories) in several major international trade shows to be discussed below.

**PHASE 5: *ASEAN Market Newsletter***

Alongside the website, the group may want to consider producing an Apparel/Textile ASEAN quarterly newsletter to be emailed to major sourcing directors internationally. An excellent example of this type of promotion is currently being produced by various regions/countries for use both internally and internationally.

**NOTE:** Please refer to partial list provided in PHASE 3

Distribution of the Newsletter could be via multiple ‘media’ including:

- Link on the SA website
- Opt – in Email registration
- Link via all banner advertisements for all SA trade fair participation
- Mention in all print advertisements, advertorials and/or editorials appearing in international and regional print media

## **PHASE 6: INTERNATIONAL TRADE FAIRS – SA PAVILIONS**

Sourcing has become a new focus of many international apparel trade shows over the course of the last five years. Several major shows now include Sourcing areas and/or have created sister events. Depending upon the show, the exhibitor base can include apparel factories (CMT and Full package), fabric and trim manufacturers, machinery, fabric print studios, service providers, etc.

Fabric and trim shows also are marketing tools for some of the ASEAN manufacturers as are branded apparel trade shows presenting fashion brands from around the world. In this report, we focus on sourcing and fabric trade shows in the U.S. and Europe. Information on branded shows or Home Textile events can be provided upon request.

As mentioned in PHASE 4, a SOURCE ASEAN pavilion should be developed and integrated in to select trade events internationally.

***NOTE:*** \* A list and brief description of the key events to be considered in North America and Europe is attached to this report.

***NOTE:*** Extensive calendars of apparel and trade events worldwide can be found on numerous websites including:

- [www.fibre2fashion.com](http://www.fibre2fashion.com)
- [www.just-style.com](http://www.just-style.com)
- [www.wwd.com](http://www.wwd.com)

### **PROMOTIONS TO CONSIDER FOR ALL TRADE SHOWS:**

In addition to a presence at the show(s), the group must consider the following pre-show promotions:

- Email blasts to a targeted database of potential clients (2 months and one month prior to show dates)
- Telemarketing to database (selected contacts) – beginning immediately following first e-blast and continuing until one week prior to the event. This must be conducted by an apparel sourcing expert based in the U.S. who is capable of having sourcing conversations. Just leaving a message saying “come see our group at....) does not end in solid results!

- Profiles of the industry in DVD format for distribution on-show site as well as for mailing pre-show
- Advertisement in the following publications and/or via banner ads on their websites:

### U.S.A.:

- Women's Wear Daily (Sourcing Horizons Supplement) (Fairchild Publications) [www.wwd.com](http://www.wwd.com)
- Daily News Record (Fairchild Publications – devoted to men's wear industry – the Sourcing Horizon's Supplement is also distributed in this publication) [www.dnr.com](http://www.dnr.com)
- Apparel News ([www.apparelnews.com](http://www.apparelnews.com))
- Apparel Magazine ([www.apparelmag.com](http://www.apparelmag.com)) Distributed both in print and on-line
- Twist ([www.twist-international.com](http://www.twist-international.com)) A new publication (or updated version of an existing publication) focusing on the fabric and yarn industries

### EUROPE:

- Pinker Moda (Spain)
- Textilwirtschaft (Germany)
- Journal du Textile (France)
- Fashion Daily (France)
- Drapers Record (UK)
- Interselection Fair Guide (France)

- Develop an on-site promotion in conjunction with the organizer or another service provider to attract visitors to your pavilions (i.e. be nominated as the Focus Region for one session, host a cocktail reception, show directory promotions such as advertising on covers, bookmark inserts, etc.), video presentations of the industry in a central hall or location – the possibilities are endless according to budgets
  
- Negotiate a seminar presentation if the show has a special event or seminar series. This seminar must not be a presentation only of overviews by the group's Ministers, Ambassadors and/or trade group directors but include a panel of speakers from the U.S./European industry who have worked in the group's region and can speak to the benefits of sourcing from the countries involved. A small press conference should be organized in conjunction with this seminar.
  
- Informational kiosks - If your organisation does not have the funding to participate in all events, another option is to create informational kiosks at all key events in order to guarantee the following:
  - SA message will be present even if in a less “visual” capacity
  
  - SA can commence promotions quickly prior to committing to major square footage, negotiating with show organizers, campaigning to attract exhibitors, and developing major promotional and advertising campaigns, etc.

Informational kiosks should be:

- Large enough to insure a presence (i.e. 18 sq meters or 200 sq. ft)
- Staffed by industry people and not by local embassy or trade commission staff having no in-depth knowledge of the apparel/textile industry complex
- Able to present samples of a wide range of the types of products being produced in the region
- Providing access to factory profiles, trade regulations, shipping and logistical information, etc... in an on-line format and in DVDs that can be taken away by the visitor

**REALISTIC RESULTS/ MANAGING EXHIBITOR EXPECTATIONS:**

Trade shows internationally serve two functions depending upon the nature of the exhibitors.

**SOURCING EVENTS:**

Manufacturers, sub contractors or vertical factory exhibitors participating in fabric and sourcing trade shows should never expect to “write business” during the event. These shows are meeting places where exhibitors present the capabilities of factories, promote the various services their firms can provide (i.e. fully vertical? Design team? Packaging and labelling? Etc). The exhibitor’s goal is to obtain requests for samples from potential clients.

After the show, follow-up is all important with samples being sent immediately, organizing sourcing directors visits to the factory and/or return trips to the U.S. for additional meetings in the client’s headquarters.

As regards branded exhibitors, you can expect to take orders during the show but only if your prices are landed in the local currency and you have a very specific set of directives to help small to medium size stores import your goods. Remember, many independent retailers do not import but rather depend upon importers and agents. You can expect to meet multi-brand agents during the show with which you can discuss the potential of your brand and possibly negotiate a test period in their showrooms.

**PHASE 7: SPECIAL BUYER TOUR / SUMMIT IN THE REGION**

Major buyers and sourcing directors as well as VPs of International trade for North American brands and retailers should be invited to join a junket style trip to the participating countries to be scheduled in conjunction with an informational summit/SA trade show in the region (i.e. Seminars or Forums with speakers presenting their views on the challenges and benefits of sourcing in the region, the logistics of the region, the “product corridors” available, etc) to accomplish the following:

- Meetings with the officials at the government and trade level
- Visits to A and B+ level firms
- Meetings with local buying offices/agents

This type of trip could be sponsored by a trade group from the U.S. such as USA ITA and/or the AAFA who will work with your local consultant. These organizations have major memberships from all aspects of the apparel and textile industry both in the U.S. as well as Canada. The client group or the individual participating countries should also consider taking “Associate Membership” status in these organizations where it is offered (see PHASE 9).

### **PHASE 8: TARGET MARKET SPECIAL EVENT**

#### **REGIONAL STAND ALONE TRADE EVENT IN KEY CITIES and/or TRADE FORUM:**

Many individual countries and regional groups have held stand alone trade events and/or trade summits in the U.S. with a great variation in the results. Our firm has produced two such events in New York (2001 and 2005) both of which were successful:

- SAATEX (Southern African Apparel and Textile show): 43 exhibitors (all apparel factories) from the AGOA (Sub Saharan African) trade group. This was held to launch the AGOA trade bill.
- BANGLADESH KNITWEAR TRADE SHOW (funded by the Bangladesh Knitwear Manufacturers Assoc and a U.S. trade “aid” organization). We were subcontractors on this event and responsible for partial B2B attendance.

#### **Other countries have hosted such events:**

- Sri Lanka (very poor result)
- Turkey (some sessions were successful while others were not – they have ended this program)
- India Leather Apparel (very little success)
- Morocco (poor result)

The ASEAN group could consider a promotion of this type due to the present interest in trade with certain members of the group (Cambodia, Vietnam, Laos, etc). In order to develop a potentially successful event outside of an existing trade show, the following criteria must be met:

- A minimum of 50 exhibiting firms from the supply chain (mainly fabric and apparel producers). The higher the number of exhibitors, the more likely that potential clients will leave their offices to visit the fair and/or travel to the location
- The exhibitors must be at a B level minimum in order to participate or, if C level, must have strong relationships with major players in the region (i.e. a C level fabric manufacturer could be considered if they are supplying to A and B level finished goods manufacturers)
- The dates must be selected carefully taking into consideration existing trade events (i.e. trade shows, market weeks, etc) worldwide!
- The event must be conceived at least 8 months prior to launch with heavy promotion beginning no later than 3 months prior to the event.
- Again, an informational seminar program and/or trade forum should be developed to “add value” to the event
- The event should attempt to have a “partnership” or “sponsorship” link to several major U.S. trade associations and apparel industry “service” providers such as:
  1. USA ITA (U.S. Assoc. Of Importers Of Textile And Apparel)
  2. AAFA (American Apparel and Footwear Association)
  3. Cotton Inc (part of the very powerful Cotton trade group)
  4. Bureau Veritas
  5. SGS Intl
  6. Woolmark

**PHASE 9: NURTURE RELATIONSHIPS WITH FOREIGN. TRADE GROUPS**

As the industry for apparel sourcing is basically controlled by a relatively small number of firms ( international retailers of private label, branded merchandisers and Private Label Development firms), it will become increasingly important to form and nurture relationships with overseas trade groups supportive of imports. Some groups for the ASEAN committee to consider establishing relationships with include:

*U.S. Association of Importers of Textile and Apparel (USAITA)*

[www.usaita.com](http://www.usaita.com)

Directors: Ms. Laura Jones and Ms. Julie Hughes

USA ITA was the first U.S. trade association to actively support the off-shore manufacturing process and was established by many major importers ( major brands, retailers and PL developers in the U.S. as well as several international firms such as Li & Fung, H&M, Inditex, etc) who continue as the organisations central members.

This organization holds many seminar meetings throughout the year across the U.S. and also hosts a very important annual meeting in New York City. USA ITA is heavily involved in the negotiation of all Free Trade Agreements, with U.S. Customs and Border Control as well as with the most important National Shipping and Brokers Association in the U.S. In addition, on occasion, USA ITA organizes market trips for key members to global regions of special interest for apparel sourcing.

I will be attending their annual conference in early Nov. 08 and obtain information regarding associate memberships and/or foreign group memberships.

*The American Apparel and Footwear Association (AAFA)*

<http://www.apparelandfootwear.org/>

President: Mr. Kevin Burke

The AAFA's original mandate was to protect the U.S. made fabric/apparel industry and was, therefore, protectionist in nature. As most apparel and fabric sourcing has shifted overseas, this trade group has evolved and is increasingly supporting Free Trade initiatives.

AAFA's membership tends to be diverse and to include U.S. fabric mills, equipment manufacturers, etc in addition to some powerful apparel brands and retailers. As is the case with USA ITA, they are very powerful in Washington D.C. and involved in negotiations of various FTA's, trade preferences, etc and also host very important educational meetings and a major annual event.

They have various councils or committees which meet on a regular basis to discuss industry updates and propose action/events. One such council is SOURCING.

*International Apparel Federation*

<http://www.iafnet.com/>

The IAF is the leading trade association grouping the global industry together for the improvement of the supply chain, the advancement of global trade initiatives, the advancement of education, social accountability, new technologies, partnerships, etc

The members of this organisation include National trade associations from around the world, individual apparel companies (retailers and brands), educational institutions, etc.

Each year, the IAF organizes an industry specific major conference (location changes yearly and is taken around the globe) to address pertinent and timely situations affecting the industry as a whole.

Although several of the ASEAN nations may be members under their individual country trade groups ( GMAC-Cambodia , API – Indonesia and VITAS – Vietnam), it would be important for the ASEAN committee to entertain membership in this organization and to participate by sending delegates to certain key events throughout the year, lobbying to host the event in an ASEAN country, etc.

This is an excellent opportunity to network with your peers from other international trade groups and to meet with CEO's, Sourcing executives, International trade experts, etc.

## **CONCLUSIONS:**

Creating a marketing strategy for any one country, trade association or regional group will depend upon the “marketability” of the client at any given time. At this very volatile time in the history of the textile/apparel industry, the ASEAN group offers several points of interest to major potential clients due to the growing sourcing of product in member states such as Vietnam which has recently become the 2<sup>nd</sup> most important exporter of apparel to the United States topped only by China!

The world is over factoryed especially in the apparel market and many factories will disappear if they do not upgrade their technology and the education of their workforce, upgrade their social and environmental accountability and form trading hubs that offer their clients “one stop” sourcing options.

In addition to the marketing options presented in this report, we must stress that the ASEAN group should have a permanent presence in target markets either in the form of an apparel consulting expert or in the form of their own trade/informational offices in order to guarantee:

- Ongoing contacts with potential clients and updating of executive changes
- Distribution of SA information and promotion of the website
- Participation in major trade events and trade association meetings

Intra-ASEAN marketing must be put in place quickly and brought to a highly professional level prior to launching any major international strategy as this will be the key to interest in the region for both local and international partners.