VMD(Visual Merchandizing) Strategy Analysis for Revitalizing Web Fashion Star shop

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Abstract

This study aims at providing comprehensive data which would be helpful to establish a web shopping mall by analyzing the structure of web fashion star shops which have recently emerged as a result of advances in digital technology and communication. For the purpose of analyzing VMD strategy used in web fashion star shop, we adopt both of the documental and empirical research methods, based on which we examine the concept of E-commerce and current business situation of web fashion star shop industry, and then analyze the main page, product category page and product detail page in a star shop featured by a male pop star within a web shopping mall.

According to our analysis of the structure of web fashion star shop, in case of open market, a banner with star’s image on it leads to star shop when people click on the link of the banner, and in case of independent mall, they show each star’s unique style in the main page. Product category page is linked to each product detail page which presents items of various fashion coordinates, satisfying needs of consumers to follow star’s trendy fashion sense.

Key Words : On-line Shopping Mall, VMD, Star Shop, Pop Singer

I. Introduction

Internet environment called world wide web opened the way for an individual to join e-commerce market, previously dominated by corporate firms, by changing the focus of internet from text to image. According to the announcement of National Statistical Office in 2006, total volume of domestic e-commerce transactions exceeded 400 trillion while the business environment of web shopping mall worsened. Web shopping mall is one of the areas of e-commerce which is highly impacted by real consumer sentiment. It suggests that web fashion shopping malls have difficulty creating profit margin in face of growing competition.

Since 2000, there has been a change in the landscape of male garment market, as men increasingly become fashion-conscious and care...
about their appearance like women under the influence of social change caused by media.

In the first half of 2007, as men’s coordination market came to rise as an unexploited niche, the competition peaked. However, market segmentation developed too fast before the market entered a mature stage, driving some brands out of the market in the process. This current situation in the industry requires market participants to establish a differentiation strategy about their concept, item, diversification of distribution channel, and so on. At this juncture, for the development of men’s coordination market, it is necessary to explore various ways how to promote products to build a differentiated shopping mall. Particularly, VMD strategy is considered very important to run a web shopping mall where customers make their purchasing decision through visual communication.

This study aims at providing VMD strategy data which can be used to establish a competitive web shopping mall by analyzing the feature of fashion product images and the structure of web fashion star shop, which have emerged as a result of advances in digital and communication technology.

We will employ documental and empirical research methods together. In documental research, we examine the concept of electronic commerce and the current business situation of web fashion star shop industry, by consulting domestic and overseas publications, theses, fashion magazines, and news reports related to fashion industry. In empirical research, we analyze VMD strategy used to run a web shopping mall, by assaying the main page, product category page, and product detail page in a web fashion star shop featured by a male pop star.

The scope of this research is limited only to web fashion star shop. The objects of this study are also limited to star shops of online sales in G-market and Auction and the ones run by male pop stars among the highest 40 ranking web fashion star shops in www.rankey.com and www.e-runesang.com, two major online shopping mall rating agencies.

II. Theoretical Background

1. The Concept of E-Commerce

Electronic Commerce is a series of commercial actions including all the transactions conducted in cyberspace and other actions which support above transactions, and thus it can be defined as "electronizing and exchanging all the information in the business process in open network." This is a comprehensive concept to cover EDI(Electronic Data Interchange), CALS(Commerce At Light Speed, CB(cyber business) : EDI means exchanging all kinds of documents or data using electronic device, in order to reduce errors and expenses resulting from dealing with paper documents in business deal : CALS means electronizing the whole activities throughout the full cycle of product such as design, development, production, sale, maintenance and disposal, and ultimately electronizing the whole domestic and overseas industrial activities.

In a narrow sense, e-commerce means real time commodity transactions through the web shopping mall in the internet : in a broad sense
it includes transactions with consumers as well as relevant activities of all parties involved in the transactions such as provider, financial institution, government agency, transportation entity, and so on. Internet served as a momentum to emphasize the importance of e-commerce and the emerge of web ushered in a new era. Now there are many efforts to use internet commercially, instead of regarding it as mere means for study and research. E-commerce has developed various e-commerce systems, starting from EFT (Electronic Funds Transfer) in 1970s, CRM (Customer Relationship Management) to KM (knowledge management) in 2000s. The development of e-commerce is based on technological advances such as PC (Personal Computer, 1981), LAN (1983), C/S (Client-Server) system (1983), TCP/IP, World Wide Web (1992), etc. With the prospect that wireless internet will dominate the future internet, there are mounting interest in mobile-commerce.

2. Star Marketing and E-Commerce

Star marketing is a marketing strategy to capitalize on stars’ popularity in product, service, event and social welfare service. It uses their charisma which inspires admirations in fans, that is, their commercial potentials. It intends to enhance the corporate image through a star entertainer who has high name recognition among the public in the area of sports, movie, broadcasting, etc. In a broad sense, it also includes the marketing which involves a popular star who is famous nationwide or worldwide, regardless of their fields of activity.

Especially because pop stars appear on a splendid stage, people tend to have more fantasy about their fashion and appearance than about those of any other entertainers. Therefore, fans show an intense desire for projective identification with and imitation of pop stars. These traits boost a pop star’s celebrity and company can use their fantastic and illusive images in sales promotion. The boom of star marketing is mainly caused by highly developed media, which reports the life of celebrities on a real time basis. Recently, for satisfying appetite for wannabe celebrities, online shopping malls featured by Hollywood stars are burgeoning.

The beginning of online star shop was triggered by G-market, which employed Lee Hyo Ri, the famous Korean female pop star, as its exclusive model and opened ‘Hyori-shop’ to sell her fashion item at stage in July 2005. With around 23,000 visitors, ‘G market star shop’ started smoothly on its opening day, and then it recorded about 126,000 visitors in Aug. 17th, which showed a drastic 446% increase of visitors just within 8 days. G market’s total sales jumped more than 40% and total number of visitors tripled after opening the shop.

The reason why stars join online fashion business is not only because they can make profits through it, but also because star shop can be used as an indirect means to promote their activities. Media needs star to attract the attention of readers or viewers, and star also needs media to ensure more popularity. In this aspect, star shop can have more powerful influence than any other media and its potential can become inestimable especially when the shopping mall is accessible by unspecified mass of people.

3. Current Situation in the Web Fashion Star Shop Industry

According to Makeshop, the nation’s largest
solution firm in Korea with monthly sales hovering over 70 billion, successful shopping mall items are all fashion items. Now the best items that account for more than 30% of shopping malls in Makeshop are also of fashion and about a half of the new start-ups take fashion as their main item. Fashion shopping mall is becoming the main stream in the whole internet shopping mall industry.

Meanwhile, G-market and Auction are two major players in the e-commerce industry, given that their combined total volume of transactions exceeds 3 trillion in the first part of 2007. Particularly, according to the analysis carried out by 'Overture Korea(CEO Kim James Woo)', the internet search marketing business, 'there was sharp increase notably in shopping malls run by star him/herself in online shopping industry and related keywords ranked high in search engine.', which shows well the influence of web fashion star shop on society. <Table 1> presents the results of studying the current situation of male pop star’s star shops in G-market and Auction, and those among the top 40 shopping malls ranked by www.rankey.com and www.e-runesang.com, two major online shopping mall rating agencies.

<table>
<thead>
<tr>
<th>Classification</th>
<th>Job</th>
<th>Name</th>
<th>Number of malls</th>
</tr>
</thead>
<tbody>
<tr>
<td>G-Market</td>
<td>pop singer</td>
<td>Gain, Kim Hyeon Jeong, Alex, Wanted&amp;Lee Jeong, Lee Gi Chan, Jamila, Jeon Hye Bin, Lee Hye Young, Typhoon, SES</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>talent</td>
<td>Kim Seung Hyun, Jeong Sia, Kim Young Ae, Kim Young Gun, Jo Hye Young, Choi Wan Jeong, Lee Yu Ri, Kim Cheong, Park Ye Jin, So Yoo Jin, Lee Seung Woo</td>
<td>11</td>
</tr>
<tr>
<td></td>
<td>child model</td>
<td>Kim Dong Hyun, Sin Sol, Sin Yoon Hwan, Jeong Seo Yeon, Choi Hyung Joo, Hwang Do Yeon</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>fashion model</td>
<td>Lee Do Young, Ryu Jae Do, Lee Un, Hong Jin Gyeong</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>gagman</td>
<td>Park Gyeong Rim, Park Mi Seon, Park Soo Hong</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>actor</td>
<td>Sin Hyun Joon, Lee Hye Eun, Go Ho Gyeong</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>VJ</td>
<td>Park Young Rin</td>
<td>1</td>
</tr>
<tr>
<td>Auction</td>
<td>pop singer</td>
<td>Hwang Hye Young, Lee Hye Young, Lee Gi Chan</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>talent</td>
<td>Park Tam Hee, Go Ho Gyeong, So Yoo Jn, Jeong Da Hye, Park Ye Jin</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>super model</td>
<td>Kwon Eun Jin</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>gagman</td>
<td>Gang Joo Hee, Park Soo Hong, Park Gyeong Rim</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>actor</td>
<td>Lee Eun</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
<td><strong>51</strong></td>
</tr>
</tbody>
</table>
III. Web Fashion Starshop

1. Type of Web Fashion Starshop

1) Star Model Shop : Web shopping-mall for sale various products able to derive from star

Star model is a typical star marketing to make good use of relation between media and star to marketing and the model of web fashion starshop is different from common model from the point that star’s fame is regarded more importantly than any other sales strategy.

Star model shop, placed as leading style of web fashion starshop, starting from ‘Hyori Shop’ of G-market is selling various products able to derive from star as well as fashion items by appointing star as model. At that time ‘Hyori Shop’ opened in 2006, G-market stimulated people’s mind to long for and follow her fashion style for sales by showing herself with products and when she released the 2nd album ‘Get Ya’ in the same year, G-market carried out marketing that supplied her fashion and music with her music video and got excellent results.

2) Star Brand Shop : Web shopping-mall for sale product by making star

Star brand shop is advanced style from star model shop and makes and sells product by making star him/her/self become a brand. As a differentiation factor to lead people’s choice in the market, brand has such an advantage that product with star’s image can be differentiated as special one among similar line. Generally, in case of star brand shop, brand positioning for brand launching is accomplished by star’s image, different from that of other star. Star brand shop is highly positively valued in such regard that star can create new earning with his/her own brand and business can gain long term sales using star.

3) Star Designer Shop : Web shopping-mall for sale that, star is designed product

Now more and more stars tend to open and manage star designer shop in which they personally designed products, rather than just used their name or image for advertising : Lee Hye Young became the heroine of mythology of success by winning billion won sales just in opening day at home shopping broadcasting sales after registering ‘Missing Dorothy’, the brand she had joined the design, as legal corporation in Mar. 2006 and got annual ten billion won sales and more through online clothing brand. The reason why pop singers take active part in fashion business among performers is their much interest in it, because they can create various image proper for planning, unlike actors who should make certain character suitable for their cast so their fashion is understood to have popular influence.

2. Composition of Web Fashion Star Shop

Web page that forms web shopping mall is made with HTML(Hyper Text Markup Language) and all the pages to form shopping mall are called product page, which is broadly classified into main page, category page, product detail page and each page should be designed to lead consumers to access easily and respond to their action promptly : product page is usually composed of design, product image(picture), text and category : especially, web fashion shopping mall needs to have special graphic user interface differentiated from common shopping mall that sells other industrial products,
from the point that it should appeal to consumers’ emotion to induce their purchase; at that time the point to be more considered is that web shopping mall should be necessarily done by VMD, contrary to actual store; unlike other homepage, the purpose of web shopping mall is to sell products so it should compose product pages taking account of VP(Visual Presentation), PP(Point of sale Presentation), IP(Item Presentation).

On the web shopping mall, main page show visual shopping mall image. Category page show product for sale and product detail page present product information. So main page conforms to VP, category page to PP and product detail page to IP in VMD side: the organization and color of each page should consider consumers’ visual movement and especially, product detail page should provide concrete information about product to visitors to induce them to buy even if can’t touch it actually.

3. VMD Strategy of Web Fashion Star Shop

1) Main Page

Layout should be able to supply visitors visual satisfaction and convenience for use by creating beautiful shape and style beyond simple technological side; it should build effective GUI with such graphic elements as graphic, letters, icon, color highly harmonized.

Layout of starshop main page in G-market and Auction is composed as new one in main page of them, that is, not independent mall but open styled shop in integrated mall and it arranged star image with product icon together or as text with category(Fig. 1,2) to be linked with each star shop.
<Fig. 3> Main page of Mong the shop
(http://www.mongtheshop.com/)

<Fig. 4> Main page of Sweething
(http://sweething.co.kr/)

<Fig. 5> Main page of Vintageny
(http://www.vintageny.co.kr/)
Color of product page is planned by whole concept of shopping mall: Fig. 6 is main page of 'Alex shop' of Alex, the member ofClazziquai(note:singer-song writer group) and it's designed to tell gentle and soft image, suitable for its item formal suit and casual wear using light gray and pale yellow: soft color indicates that star's image can be the very concept of shopping mall by combining comfortable and modest image of fashion product with Alex's musical image.

Fig. 6 is main page of 'Lee Gi Chan Shop' that edits such various items as deep blue jacket, navy pants, white running shoes just like the image of magazine on white background and sky blue text to show fashion goods image and coordination image at first glance: white background helps many images joined together. On the other hand, 'Wanted&Lee Jeong Shop' and 'Typhoon Shop' are designed to appeal star's image strongly rather than fashion product image with black&white Fig. 8, 9. And 'Wanted
M’ is designed to link with men’s & women’s wear separately by making intro-page that arranged icons of products photographed with gray background just like baduk (note: Korean chess) board, on white background <Fig. 10>.

<Fig. 8> main page of Wanted & Lee jeong shop
(http://www.gmarket.co.kr/challenge/neo_starshop/starshop_theme.asp?starshop_no=334)

<Fig. 9> main page of Typhoon shop
(http://www.gmarket.co.kr/challenge/neo_goods/goods.asp?goodscode=128924491)

<Fig. 10> main page of WantedM
(http://www.wantedm.com/)
2) Product Category Page

Product composition of web fashion shopping mall is decided by category, which is the method to arrange products and should be considered in user interface respect to help user find things easily and quickly; it should be decided at planning stage of shopping mall building so it’s very difficult to change the composition of category after setting it appropriate for the entire concept of web shopping mall and before renewing the design of shopping mall. Generally, the category of shopping mall helps visitors find and search things, classified into such items as jacket, jumper, coat, casual shirts, T-shirts, cardigan, sweater, vest, jeans, sun glasses, spectacle frame, belt, shoes, running shoes. Also, nowadays it has a tendency to equip various accessories with clothes because people can follow star’s fashion sense and expect the trend through his/her image in star shop.

Icon of product category page is key element to link with each detailed page. Fig. 11 is the animation icon of product image of ‘Wanted&Lee Jeong Shop’ which moves and changes at 0.1 sec intervals; clicking this icon links with detailed product image user can see concrete information about it as well as buying guide. On the other hand, ‘Mong the Shop’ managed by MC Mong expresses his casual and humorous image fully to product icon by using black line on white background and vivid colored illustration Fig. 12.

3) Product Detail Page

Product Detail Page is to make customer decide buying finally so it should give prominence to purchase factor; open market and specialized shopping mall as G-market and Auction are uploading representative product image, summary information, detailed product

<table>
<thead>
<tr>
<th>Starshop</th>
<th>Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alex</td>
<td>women’s wear/underwear, men’s wear/suit/underwear, women’s shoes men’s shoes/fashion shoes, bag/wallet/seasonal accessory</td>
</tr>
<tr>
<td>Wanted&amp;Lee Jeong</td>
<td>women’s wear/underwear, men’s wear/suit/underwear, women’s shoes men’s shoes/fashion shoes, bag/wallet/seasonal accessory</td>
</tr>
<tr>
<td>Lee Gi Chan</td>
<td>jewelry/watch/sunglasses, sports wear/running shoes, men’s wear/suit/underwear, bag/wallet/seasonal accessory</td>
</tr>
<tr>
<td>Typhoon</td>
<td>jewelry/watch/sunglasses, men’s wear/suit/underwear, women’s shoes men’s shoes/fashion shoes, bag/wallet/seasonal accessory</td>
</tr>
<tr>
<td>Mong the Shop</td>
<td>style, blacksecret, outer, hoody, Y-shirt, T-shirt, pants, bag &amp; acc, sale, event, mutishop, remember</td>
</tr>
<tr>
<td>Sweething</td>
<td>T-shirt, glass, culture</td>
</tr>
<tr>
<td>Vintageny</td>
<td>outer, all tee, shirts, knit, pants, bag, shoes, belt, cap, acc, sale</td>
</tr>
<tr>
<td>Wanted M</td>
<td>outer, top, pants, acc</td>
</tr>
</tbody>
</table>
<Fig. 11> item icon of Wanted & Lee Jeong shop

<Fig. 12> item icon of Mong the shop
(http://www.mongtheshop.com/)

<Fig. 13> detailed product page of Vintageny shop
(http://www.vintageny.co.kr/)
image, service policy guide, product review and estimation for detailed page composition.

Fig. 13 is the detailed page of ‘Vintageny’ which uses deep blue text and icon with white background for clear image of product and also uses lower icon to show coordinated products. Stars of web fashion star shop can be valued fashionista by showing their refined and totally coordinated image in detailed page after forming category to sell related goods through various coordination, that is to say, appointing star as a
model in detailed page may lead customers to have interest in and buy it. <Fig. 14> is the detailed page of ‘Lee Gi Chan Shop’ that coordinates white T-shirts and little fitted shirts with washed jean. Meanwhile, pop singer in star shop would use his/her appearance on stage as product image, which is the example that applies the mutual relation between media and star (more appearing in media, it proves more popular) to marketing <Fig. 15>.

With web shopping malls increasing and their competition getting keener, they came to try to make more sensitive and sensuous product image and star in web fashion starshop is growing an important factor to satisfy sensuous and sensitive sides of product image.

IV. Conclusion and Suggestion

Pop stars seen often in digital media are fashion leaders who guide and create new trends. They are considered a vogue icon who creates new fashion style as well as a fashion leader who rapidly disseminates new trend. Media gives a fantastic image to a star, and induces the public to admire their fashion and imitate it. Recently, a lot of star entertainers enter and want to enter into web fashion starshop, which emerged as the new fashion business model and also serves as digital media. However, there is little, if any, available data about web star shop, let alone academic research. Therefore, this study aims at providing data for referential use in the area of web shopping mall, through theoretical examination of web fashion star shop and analysis of each feature of main page, product category page, and product detail page which constitute product pages of web fashion star shop.

As we can see, the structure of the main page in web fashion star shop is simpler than in any other ordinary shopping malls. The colors used are blue, while, and gray like other ordinary shopping malls.

Other ordinary shopping malls specialize either in a woman’s dress or in a man’s dress, while web fashion star shop usually deals with both of them. The reason seems that the fan of a certain star is not limited to only male or only female.

According to our analysis of the structure of web fashion star shop, in case of open market, a banner with star’s image on it leads to star shop when people click on the link of the banner, and in case of independent mall, they show each star’s unique style in the main page. Product category page is linked to each product detail page which presents items of various fashion coordinates, satisfying needs of consumers to follow star’s trendy fashion sense.

These days, web shopping mall has the characteristics of visual media which focuses on image in conveying information based on the web. Also it repositions itself as an enjoyable space of entertainment as well as a space for commodity transactions for digital generation. Because of those reasons, there is a boom in star marketing in web shopping mall and it is expected that the efforts to commercialize the star fashion will be continued.
Reference


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