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Stories that sell

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At the third Successful Branding Journey seminar held at HKDI on June 6th, I.T and POSH, two of Hong Kong's strongest design-based brand builders explained the secret of their success to SUMMER CAO.



chosen to integrate. The company puts emphasis on the whole by establishing I.T as a multi-label boutique brand; its DNA is created from its vibrant variety of labels.

"We want to send out messages and visual images of what I.T is really about," says Cheng. "We don't have active advertising campaigns for I.T, but we have been investing a lot in our biannual magazine, I.T Post."

In terms of the mature labels in the I.T circle, I.T Group's overall strategy is to complement the brand images that their headquarters have already established and interpret their existing brand DNA in a creative fashion to customers who are not yet familiar with them.

"We have a very tailor-made approach for each brand and for each season," Cheng reveals. "To give you an example, for Maison Martin Margiela, a brand that never does advertising, we held photo exhibitions for their AIDS tee, as well as creating local adaptations of the brand's products such as the Margiela mahjong set."

In contrast, I.T Group does invest in above-the-line advertising for their in-house label

divisions. For example, for b+ab I.T Group has been working with a cohort of local celebrities, and even asked Hong Kong starlet Angelababy to be their image girl and co-designer of some collections.

"When it comes to private labels, we go for volume," says Cheng. "We employ a mass-market approach, which means we need freestanding stores to express the brand's DNA. It's very difficult to present it with just two racks of clothes. Space, collections, visuals and music – we have to make everything count."

However, the mass-market approach does not imply that these private labels are positioned to compete with fast fashion brands. These brands are enjoying a rapid expansion in Hong Kong and have put pressure on various local brands and boutique shops.

"Every market has room for local brands and we don't see Hong Kong as an exception," remarks Cheng. "Consumers will still need quality garments, individual designs and better shop services."

It is this confidence, along with meticulous planning and efficient organisation in terms of branding that has made I.T Group a true fashion giant. Its offerings range from high-end luxury products to mass-market items, enabling it to attract fashion lovers of all levels and tastes. Careful planning and a demarcation of brand positions and market forces have become a reliable system for I.T



Back in 1988, I.T's forerunner, Green Peace, was a small 200 square-foot shop, serving a niche market by selling brands that were not readily available elsewhere in Hong Kong. Today, I.T is a publicly-listed fashion powerhouse that features the newest collections of the world's top brands, as well as designing its own eclectic range of fashion items via its in-house labels.

According to 2013 figures, the Hong Kong-based fashion conglomerate extends its tentacles across Mainland China, Taiwan, Macau, Thailand, the Philippines, Singapore, South Korea, France, England and Canada. It manages 760 stores, sells over 300 brands, and employs 6,300 people.

To facilitate the management of each brand, I.T categorises its extended family into two groups: Multi-label boutiques such as I.T, i.t, double-park, and etc! form one group while in-house label divisions such as

tout à coup, :CHOCOOLATE, b+ab and izzue create another. "It is like a complicated matrix," confides Deborah Cheng, Head of I.T Group's Marketing & Communications and Vice President of International Business for I.T Limited.

Furthermore, based on their price ranges and prestige, brands managed by the multi-label boutique group are further categorised into one of its four divisions. "If we have brands that are doing fashion weeks in Paris," says Cheng, "these are the brands that will sit together and they will all belong to one of the I.T boutiques." Therefore, each multi-label boutique division is able to form its own circle, with each circle needing different kinds and levels of support.

Each label sold at I.T boutiques has its own unique identity. To tackle the diversity of styles, prices, and pre-existing brand identities, I.T Group has



PHOTOS: I.T GROUP & POSH

OPPOSITE PAGE
I.T'S MINI CREAM SUIT
THIS PAGE FROM
TOP: I.T'S WHITE
CHOCOLATE;
I.T'S DEBORAH
CHENG



Group to achieve constant growth.

Just as certain styles suit certain people, a certain branding strategy does not suit every company. Unlike I.T Group, POSH, the renowned Hong Kong office furniture designer and manufacturer, has achieved success by utilising a charismatic and visionary leader who is a firm believer in being flexible and highly responsive to the market.

Holding a graduate degree in Architecture from Cambridge University, Eric Yim took over his father's furniture workshop and established POSH in 1992, after practicing as an architect for four years. Under his leadership, the company has developed a series of office furniture systems, and successfully mastered the contract office furniture market.

"We have retail stores but our primary sector of business is from contract," Yim says. "We propose office furniture solutions that will fit a certain company. We work with designers and architects to do space planning and provide comfortable workplace designs for customers."

Yim has also managed to partner with various

international companies such as Herman Miller, Samas, Trendway Corporation and FANTONI, and led POSH into various collaborations including dealership, manufacturing under license and co-design arrangements. With 1,200 employees, over 60 million US dollars in annual sales, and more than 30 franchise dealers, POSH was acquired by Herman Miller in 2012 after a 4-year alliance relationship.

"Obviously, they value what we could contribute during the alliance period," says Yim. "I believe it's our product range, which is well suited to Asia's market, and our established franchise network in China."

Yim believes that having been in the global market for 22 years, and in China for 16, POSH knows the needs of its customers better than some European or American companies. One of the examples he provides is that customers in Asia don't necessarily need a typical 12-year-warranty that Western markets require because the Asian market is so fast moving.

"It's what we call 'mis-match'," Yim says. "If



PHOTOS: I.T GROUP & POSH



customers use a product for only five years, you don't need to develop products that can pass a durability test which is the equivalent of 12 years use. I'm not saying that products have to be of second-class quality, but you don't need to over-engineer a product."

In fact, according to Yim, at the heart of POSH's strong brand identity is quality. This is achieved not only by thorough market research but also by a quick response to research findings.

"We are much more flexible and agile compared to multi-national listed companies," Yim says. "Their design procedures could be so rigid that it takes three to five years to do research and get approval. By the time they launch the product, the market needs might have already changed."

Brand positioning and character are other key elements that constitute good branding strategies. In order to succeed, Yim's recommendation is to "be what you are and do what you love."


"You can try to position yourself, but in the end branding is the perception of your customer," Yim says. "If you try to fabricate your company to be an environmentally friendly company, it will be difficult if it's not in your genes. So it's more about how you want to do things naturally. That leads to the character of your brand."

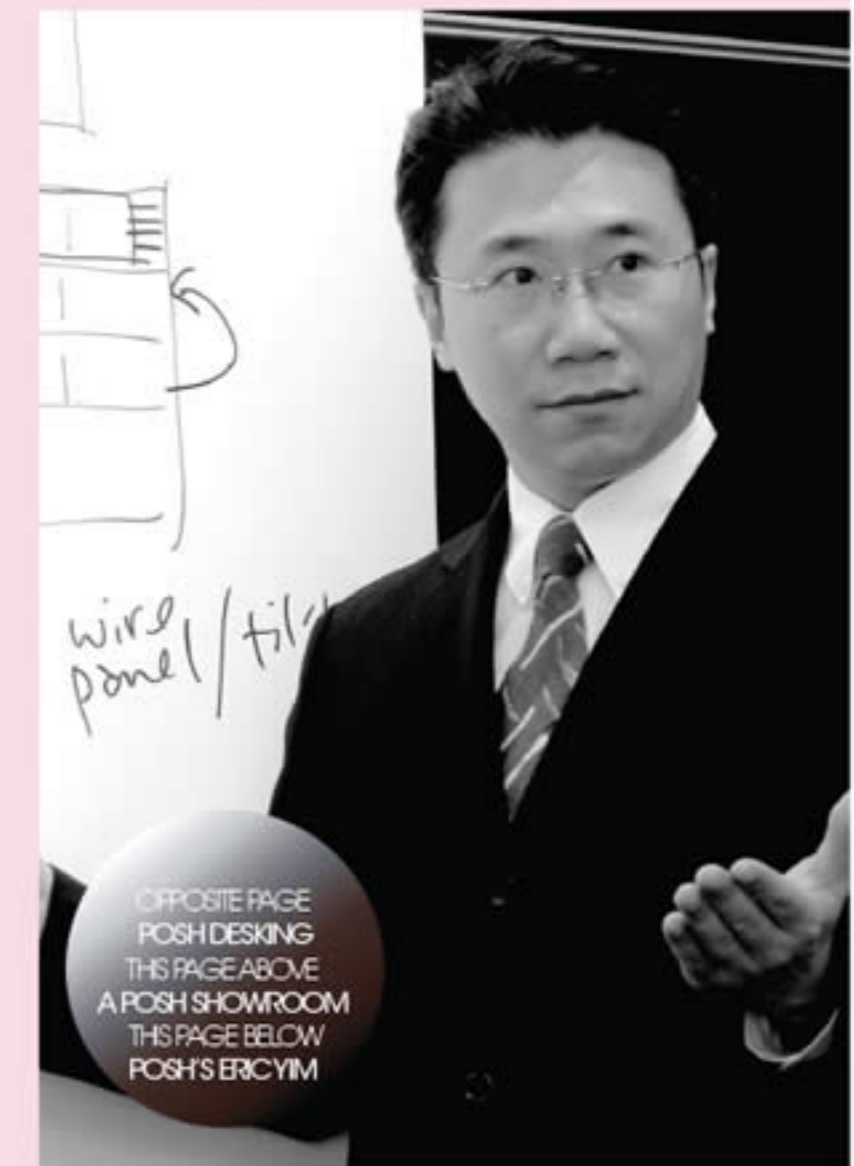
POSH's tagline is "better design, better environment", and both goals are what Yim has set out to accomplish, and they are ingrained in the company's green credentials, design principles and brand identity.

"A brand is basically what it does," Yim says. "To care about the environment is not just about using environmentally friendly material, but also keeping in mind the end of product life, and how it will be disposed. If you don't design for a product to be disposed of easily, even if it is made of environmentally friendly material, no one will actually bother to dismantle it, and it will only go to the landfills."

Yim has the luxury of being able to lead the company precisely in the direction of his creative

vision, generating a tangible brand identity: "I've been running this company not as a businessman, but as an architect," Yim says. "So not everything is from a commercial point of view, and sometimes financial managers might not like it. It is not a real business mind that's running the company. This actually makes us different from the other companies. This is probably how we have made POSH so successful."

A brand's efficacy may be determined by the killer commercial application of a corporate giant, or the creative vision of a family-owned company, but we see from the success of these two design businesses that, despite the rapid evolution of their markets, flexibility and stability are both prerequisites for success. Ultimately, the key to good branding is to create true value based on passion and commitment. 



OPPOSITE PAGE
POSH DESKING
THIS PAGE ABOVE
A POSH SHOWROOM
THIS PAGE BELOW
POSH'S ERIC YIM