Brand promotion out of a falling market



Building brand awareness for a new fabric is never an easy task, even for the largest multi-nationals with a stable of existing brands. Chief among the difficulties lies the consideration that you must promote the product both to the garment specifier and to the wider public. Not both at once, necessarily, but however it's done it demands a long-term commitment, and it's very expensive. It would be fair to say that very few Asian manufacturers (outside Japan) have had much success in achieving this. So Thailand's Nan Yang Textile Group's efforts to promote its Dry-Tech product should be instructive.

Dry-Tech is a relatively recent entry in the 'wicking' fabric business, but its parentage is well established. The Nan Yang Textile Group, founded in 1950, is one of Thailand's largest fabric and garment producers: a vertically integrated concern that gets involved in various types of activity, from joint ventures with cotton growers through to manufacturing its own brand knitted garments - which are sold into the domestic market. At the time of writing the only field it is not represented in is its own retail stores, but even that may be due to change. Presently, in Thailand, it is in an educative partnership with one of the world's leading sports and leisure-wear brands in retailing. (The existing shops are in the partner's name.)

What sets Dry-Tech apart from other moisture absorbency fabrics is that it uses a 100 percent natural cotton yarn on the outer layer of a double layer product. Hence the natural cotton 'feel' that the company is banking on to appeal to both commercial and end-user buyers.

The cotton layer is knitted with a polyester fibre as the second layer. The final process involves a special chemical application. The polyester fabric absorbs body moisture and wicks it into the outer, cotton, layer. Dry-Tech points to studies demonstrating that its fabrics can release 70 percent of their moisture in 45 minutes: whereas plain cotton would release only 50 percent over the same time span. It can be used in various fabric structures, such as jacquard or yarn dyed stripe.

Promoting the process to the fabric specifiers of the world's leading sportswear brands has already begun. This is not so difficult since Nan Yang already manufacture for many of them anyway: so a relationship exists.

There has already been one big success, but



the 'success' has done nothing to promote the brand name. A leading sportswear company (the same as Nan Yang is in partnership with on the retail venture) uses Dry-Tech extensively in a recently introduced line. Trouble is, it does not appear under the name, but as the customer's own products.

That, of course, highlights one of the problems. Why should your customers promote your brand for you? Especially when they can highlight it as their own. The only way around that difficulty is to ensure such a high level of public awareness that the customers believe it is in their interest to do so.

To the general public the effort to build brand recognition will begin in south-east Asia. In fact some preliminary test promotion has been running in Hong Kong for the past couple of years. The logic is that south-east Asia experiences hot weather and high humidity throughout the year, so its applications beyond performance wear, such as leisure wear and underwear, give it a broader market.

Dry-Tech's marketing team concede that although the Nan Yang Group is big, it is not realistic to take on the competition in the form of huge multi-nationals 'head on'. So moves into America and Europe will come later. But the campaign to introduce the product to the end-user public is now being laid. In the US an additional problem has arisen in a dispute over the Dry-Tech name itself. Another name was suggested, and rejected. The search continues.

There have been other successes. Some clothing brands do carry the label already. Marks & Spencer in the UK is one, while Nautica will carry it in some of its 2002 range. One method being examined is to co-operate with lesser known clothing brands, themselves anxious to build brand recognition, where the two brands could be promoted together: the costs shared.

There are practical problems. Dry-Tech is often used for lightweight garments like T-shirts, or running vests. The weight of an extra tag - not much in itself, but in addition to the garment label and the store tag - could pull on the garment. One idea being floated is to incorporate the logo on to the garment care label.

Ultimately, educating the end user is a 'must'. The fact is that the fabric is relatively costly to make. At the moment the brand's marketing people say the only way they can convince garment specifiers to use it is by cutting into margins. In the end though the garment manufacturer themselves must be convinced that the end-buyer, the public, will pay a little extra for a garment with the Dry-Tech label.

Some end-user awareness promotion is under way, and a few trial advertisements (in fact for the past couple of years) have been running in Hong Kong, on the MTR (underground rail system) and in the hugely popular Next magazine. Brand conscious Hong Kong, which is where the company's international sales office is based, will act as a test market.

First, there is the need to establish the basic, 'vanilla-flavoured', Dry-Tech. Then, to maintain public interest the brand has to be developed further. Variants can be introduced - for example Dry-Tech Plus. Actually, 'Plus' versions exist already. There are Dry-tech Thermal and Dry-Tech UV, plus an anti-bacterial variant, and Dry-Tech Stretch, a fabric that allows for stretch without elastane, is due for Spring 2002.

Sales of these specials are small at the moment, but the company seem satisfied with the overall sales picture . In terms of percentage growth Dry-Tech has done well since being launched in 1999. Sales grew threefold in 2000, and were expected to double again in 2001. Percentage increases on their own mean little, of course, but actual figures are not yet available.

Still, it would seem to be a promising start. And the Nan Yang Textile Group seems to be the sort of enterprise prepared to take a long-term view. Despite the region's economic woes - which date back to the Asian Crisis of 1997 - it is untypical of many large manufacturers in that it has no plans to set up a factory in China. Instead, and again untypical of many others busy 'downsizing', the company is presently investing heavily in both new plant and equipment throughout the group. A new 50,000 spindle loom was recently added which boosted capacity by about two and a half times, while a rolling programme of equipment up-grading is underway at the group's major dyeing facility.

Nan Yang Textile evidently take Dry-Tech seriously. Its hope is that others, in both the trade and the general public, will do so too. But to get from here to there is going to take time, and will not be cheap. Watch this space.

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