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Fashion

Online fashion studies arrive in Italy

By Eric Sylvers

MILAN

It took time, but Italian fashion companies have come to recognize the potential of online sales and now one of the country's most highly regarded universities is stepping in to train a new breed of managers for that growing industry.

In November the business school at Milan's Politecnico University, called MIP, will inaugurate Italy's first master's degree program aimed at creating specialists in online fashion sales. Thirty to 40 students are expected in the first class.

Italian fashion companies are supporting the academic effort. Yoox Group, a multi-brand Internet retailer that pioneered the sale of fashion products online, has helped develop the program and will provide three scholarships. Giorgio Armani will provide a scholarship and offer students work experience at Emporio Armani's online store.

Many of the labels that have defined Italian fashion in recent decades have lagged behind their peers in France, the United States and other countries in the move to online sales. Versace, for example, still has no online sales presence for fashion and until late last year, when Armani made its entire Emporio

Armani collection available online, the company sold only a small portion of its collections over the Internet.

Italian companies had been hesitant to sell online for fear of damaging their brands and, with a global customer base, loathe to deal with the complexities of payment, shipping and returns in multiple countries. But avoiding the Internet became less of an option as the auction site eBay and store and specialty sites began selling their clothing.

"Several years ago it was not the right timing for the Italian fashion companies because they were still growing strongly and they had other priorities, like China," said Federico Marchetti, founder and chief executive of Yoox, which is based in Bologna and has 250 employees. "That has changed and Yoox's job now is to help the Italian brands catch up with the Americans."

In Italy itself, the country's infrastructure problems have contributed to the problem. Only about 17 percent of Italians have broadband access, the lowest level in Western Europe, according to the European Competitive Telecommunications Association.

"In Italy, we can find people who know about fashion — that's easy — but they don't know anything about the Internet," Marchetti said. "The people who know about the Internet don't know anything about fashion. Finding

people who are competent in both areas is very, very difficult."

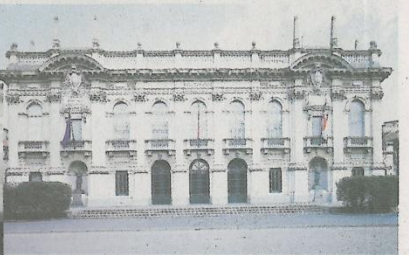
But fashion is not the country's only laggard. Italian companies in general have been slow to convert to online shopping, tallying total sales of just €5.3 billion, or \$7.5 billion, in 2007, according to a study by a research institute at MIP headed by Alessandro Perego. A professor of logistics and supply chain management, Perego also is the director of the new e-fashion degree. Three percent of those 2007 sales came from all types of clothing and shoes.

In comparison, France totaled €16 billion in online sales last year. Germany totaled €30 billion and Britain, €50 billion.

Although clothing sales are still a minor part of Italy's already limited online sales, they are the fastest growing sector and are forecast by Perego's researchers to speed up as more companies move onto or expand online.

Internet fashion sales are still too small to have a considerable effect on Italy's overall growth — the economy contracted in the second quarter and many analysts expect the same for this one, especially in light of the worldwide financial turmoil. But Perego sees online sales as a future growth driver that can also help stimulate other parts of the economy.

"Fashion companies can't train their



Corrado Crisciani, Ufficio Orientamento Politecnico di Milano
The online site for the new master's degree in fashion e-commerce, left, to be based at the business school of Milan's Politecnico university, above.

people fast enough and they need employees who can come in already with the skills," Perego said. "Every time a new site opens, there is a need for people with these skills and there is nobody to fill the jobs. We saw the market need and have moved to try and fill the void with this master's."

Students in the e-fashion program will study at the university from November to April and then be placed in internships that will run at least until October 2009. In Italy, undergraduate studies are almost entirely paid for by the government, but master's degree students must cover their own fees. Still, Perego said MIP was having no trouble finding students ready to pay

the €15,500, or \$22,435, for the program. Applications were due Sept. 15.

While there are some less specific programs, including courses in marketing and communications directed to the fashion industry at Bocconi University in Milan, there is no other degree in Italy with the same fashion e-commerce focus.

"The Web will become increasingly important to fashion brands and designers," Armani said in an e-mail. "Education is vital in the fashion industry. The point of getting involved in an academic degree in this way is to approach the sector in an ambitious, curious and open-minded way."

Armani would not say how much of

his company's €1.6 billion in sales during 2007 came online. But he said his Internet presence has become important not only for the business it generates, but because it allows the brand to expand beyond customers with a store near where they live or travel.

The master's students will study logistics, accounting, marketing, communications, store management and business planning, and will be taught by Politecnico professors and fashion industry executives. A good command of English is obligatory and starting with next year's course some classes will be taught in English. The program may eventually be entirely in English, Perego said.

