Investing in the Creative Industries: FASHIONOMICS

Executive Summary
Investing in the Creative Industries: Fashionomics

With a view to building a prosperous Africa based on inclusive growth and sustainable development, the African Development Bank (AfDB) is working towards the African Union’s recently adopted Agenda 2063, aiming to leverage, among others, Africa’s strong cultural identity and common heritage and unleash the potential of its women and youth to position the continent as a strong and influential global player and partner.

The creative industries in Africa offer massive potential for continent-wide job and GDP growth. For instance, the textile and clothing sectors, comprising a majority of women in their workforce, together represent the second-largest sector in developing countries after agriculture. Additionally, there is great scope to hire more youth. The AfDB approaches the challenge of women and youth unemployment by supporting micro-, small and medium-sized enterprises (MSMEs) in the creative industries – such as fashion, food and film. By fostering value chain development, the Bank prioritises, among others, the agriculture and agroprocessing industries, given their potential for value addition and their close interactions with the textile, clothing and fashion industries.

The role of the creative industries in the African economy

Diversifying African economies and furthering regional integration are essential parts of the Bank’s ambition. With 13 million young Africans joining the labour market every year, the development of labour-intensive sectors is imperative for a stable and prosperous Africa. The ability of global value chains to create jobs as the result of new activities constitutes a formidable opportunity, resulting in new trade patterns for African countries. Such new activities, commonly referred to as ‘creative industries’, comprise emerging sectors such as the music, film, fashion, design and food industries. These industries use African culture and creativity as their unique selling point, both within and outside the continent, and are particularly attractive to large numbers of young people – skilled and unskilled. They both create economic benefits and become a vehicle to further African regional integration and identity for a more resilient continent.

The creative industries in Africa can play an important role in the continent’s economy by:

- Using African culture and creativity as a unique selling point
- Boosting productivity and structural transformation
- Creating jobs for women and youth (labour-intensive, generating more skilled and unskilled jobs)
- Generating local content, building MSMEs and developing skills
- Accelerating economic growth and industrialisation
- Enhancing regional integration and new trade patterns, and boosting exports.

The Fashionomics Initiative

The African Development Bank, under the leadership of the Office of the Special Envoy on Gender (SEOG), is supporting the growth of African MSMEs in the creative industries, notably the fashion, film and food value chains. By using technology as a driver for the development of the skills and capacity of African creative industries, the Bank aims to stimulate job creation on the continent, especially for women and youth. Guided by its belief that global and regional value chains are paramount to boosting inclusive growth, the AfDB’s Fashionomics Initiative in May 2015 during its annual general meetings to discuss ways to strengthen the global value chain of Africa’s fashion industry.

Fashion also offers tremendous scope for African countries to participate in regional and global integration. With Fashionomics, the AfDB assumes leadership in promoting investments in the fashion sector, increasing access to finance for entrepreneurs and incubating and accelerating start-ups.

Fashionomics and the High-5 Agenda

Drawing on its High-5 Agenda, the Bank is investing in high-growth sectors that have the potential to promote women’s economic empowerment and create 25 million jobs over the next decade. In this context, the creative industries offer massive potential for continent-wide job and GDP growth.

Power Africa

Sustainable energy is now part of the production equation; each industry has a role to play. The cotton, textile and fashion industries, and agribusinesses offer the possibility of renewable energy-powered businesses and green jobs, which is a large step towards sustainable development. Examples include: recycling of textile products, minimisation of toxic substances, alternatives for existing raw materials, waste reductions, energy use reductions, renewable energy, and consideration of the product life cycle.

Feed Africa

Close to 10% of the world’s cotton comes from Africa. However, most of this cotton is then taken to Asia for further manufacturing. Cotton production is widespread across the continent: 37 of the 54 African countries produce the crop, out of which 30 are exporters. However, the African continent accounts for only about 16% of the vast global textiles market, valued at $1.6 trillion in 2015, while Asia-Pacific accounts for almost 60%. The development of niche cotton markets offers brighter prospects for smallholders looking for fairer market returns. For instance, organic cotton has several benefits for African producers because it provides a premium price. Organic farming is also known to cover a broader range of crops, which particularly favours women farmers who are typically marginalised.

Industrialise Africa

Africa currently accounts for just 1.9% of global manufacturing. There is an urgent need for Africa to rapidly industrialise and add value to everything that it produces, instead of exporting raw materials that make it susceptible to global price volatilities. The fashion industry is a case in point. Instead of exporting raw cotton, Africa needs to move to the top of the global value chain and produce garments targeted at the growing African and global consumer class.

Integrate Africa

Regional and continental policies need to support the creative industries in order for them to grow into viable economic sectors. A reliable, high-quality supply chain is currently non-existent within Africa, where a lot of inputs are being sourced from abroad. Strategic support and investment in local manufacturers may allow African producers to enter regional, continent-wide and global supply chains.

Improve the quality of life for African people

Building an industry requires investments in people’s skills and qualifications. Achieving high-quality production flexibility while raising productivity is only possible with a workforce that has the necessary skills. As governments become increasingly aware that apparel production offers large-scale employment opportunities, they need to translate this awareness into investments in their people. The continent’s arts and crafts industry has always been a key aspect of tourism revenue and exports but requires more financial support from the private and public sectors to reach a globally competitive level. They have untapped potential in terms of job creation, especially for women and youth.
Why develop Africa’s fashion industry?

The fashion industry holds considerable potential to motivate and bring change to some of the most disadvantaged people, especially women and youth, while advancing structural transformation. The textile, apparel and accessories (TA&A) industries have buyer-driven value chains characterised by:

- The production of components and assembly into final products, which is carried out by inter-firm networks on a global scale;
- Decentralised and globally dispersed production networks that are coordinated by lead firms that control activities that add value to products (design, branding);
- Outsourced, labour-intensive clothing and apparel production that has low start-up and fixed costs and requires simple technology, which encourages moves to low-cost developing countries;
- Significant buyer control of manufacturers through detailed product and production specifications.

The key shaping sourcing decisions of firms leading the industry are:

- Lead times and flexibility
- Non-manufacturing capabilities
- Consolidation of the supply base
- Compliance (labour and environmental standards).

Fashion retail is still at a very early stage in sub-Saharan Africa: ‘Africa’s retail environments are some of the toughest in the world, given that 95% of the landscape is still made up of traditional trade outlets.’

( Nielsen, 2016, Africa’s Prospects, Macro Environment, Business, Consumer and Retail Outlook Indicators, Edition 2, February 2016.)

Figure 1: Successful cases in the apparel sector in sub-Saharan Africa

<table>
<thead>
<tr>
<th>Country</th>
<th>Apparel exports</th>
<th>Percentage of world exports</th>
<th>Approx. no. of apparel factories</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mauritius</td>
<td>761.3</td>
<td>0.17%</td>
<td>174</td>
</tr>
<tr>
<td>South Africa</td>
<td>502.9</td>
<td>0.11%</td>
<td>450</td>
</tr>
<tr>
<td>Lesotho</td>
<td>471.9</td>
<td>0.11%</td>
<td>43</td>
</tr>
<tr>
<td>Madagascar</td>
<td>381.1</td>
<td>0.08%</td>
<td>71</td>
</tr>
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<td>0.06%</td>
<td>22</td>
</tr>
<tr>
<td>Botswana</td>
<td>72.4</td>
<td>0.02%</td>
<td>≈10</td>
</tr>
<tr>
<td>Swaziland</td>
<td>52.8</td>
<td>0.01%</td>
<td>≈18</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>36.5</td>
<td>0.01%</td>
<td>66</td>
</tr>
<tr>
<td>Tanzania</td>
<td>17</td>
<td>0.004%</td>
<td>22</td>
</tr>
<tr>
<td>Malawi</td>
<td>10.6</td>
<td>0.002%</td>
<td>&lt;10</td>
</tr>
<tr>
<td>Total</td>
<td>2,531.5</td>
<td>0.55%</td>
<td></td>
</tr>
</tbody>
</table>


Figure 2: The top 10 apparel exporting countries in Africa

<table>
<thead>
<tr>
<th>Country</th>
<th>Apparel exports 2013: US$ million</th>
<th>Percentage of world apparel exports</th>
<th>Approx. no. of apparel factories</th>
</tr>
</thead>
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<td></td>
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</tbody>
</table>


Today, ten countries (all of them located in Eastern and Southern Africa) see some US$ 2.5 billion in apparel exports from sub-Saharan Africa, representing only 0.55% of world apparel exports.

Why develop Africa’s fashion industry?
How Fashionomics can help develop the sector

The sub-Saharan Africa apparel sector presents big challenges that are common to the different countries:
- Textile production facilities are missing in most of the countries as they require more investment than apparel/clothing facilities;
- Small-scale producers and designers cannot access industrial production from customised/unique to retail setup;
- Skills shortage and lack of industry-specific training facilities;
- Constrained access to financing for entrepreneurs and SMEs;
- Limited local and regional input suppliers and export companies;
- Coping with changing end-market requirements (seasonality, costs, quality, volume, deliveries, styles, lead times), making skills and flexibility increasingly important;
- Lack of institutional and government support to the sector in many sub-Saharan Africa countries;
- Relationship with Asian investors and buyers: many agents;
- The need to develop intra-African exports and markets;
- Limited access to information, including trends, buyers, market data;
- Regulatory issues (tariffs) and exchange rates affect exports;
- Poor infrastructure – water, waste, energy, ports, roads, customs.

At the same time, there are significant opportunities in the sub-Saharan Africa textile and apparel sector that Fashionomics can help to pursue:
- Increased productivity through training;
- Access to cheaper labour in sub-Saharan Africa vs increasing wages in China and South-East Asia;
- Access to untapped local and regional markets for fashion, apparel and accessories;
- Integration in international value chains by addressing aspects of competitiveness;
- Attracting global buyers to increase exports, replicating successful models in sub-Saharan Africa;
- Working with national and regional institutions to develop the skill sets that the industry requires;
- Brand building, with Africa as a fashion hub: ‘African fashion for African people’.

The Fashionomics platform could contribute to improving women’s financial inclusion in the fashion sector in Africa through:
- Education and training on business and financial matters adapted to the sector;
- The provision of market information;
- The provision of access to markets and suppliers;
- The promotion of entrepreneurial activities;
- The channelling of funding to entrepreneurs and SMEs/MSMEs.

Why develop Africa’s fashion industry?

The Fashionomics initiative intends to contribute to the African fashion sector by:
- Increasing transparency in the sector and providing market information;
- Ensuring financing for entrepreneurs and SMEs;
- Increasing productivity;
- Developing skills and providing training tools;
- Putting suppliers and buyers in touch;
- Generating more intra-African business.

In order to achieve these objectives, the AfDB is developing a new online platform. The Feasibility Study will analyse the viability of such a platform, identifying the key success factors and defining a clear roadmap for the platform’s implementation.

Note: Côte d’Ivoire added by the consultant
Source: AfDB, 2013, Opportunities for Private Sector Development in Loincloth: Clothing and Textile value chains; International Trade Centre; consultant’s own analysis.

Figure 3: How Fashionomics can help develop the sector

<table>
<thead>
<tr>
<th>Governments</th>
<th>Textile and apparel suppliers</th>
<th>Large apparel groups</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foster the development of local suppliers, entrepreneurs and regional value chains</td>
<td>Improve productivity (new equipment and training)</td>
<td>Evaluate Africa as strategic option, thinking long-term</td>
</tr>
<tr>
<td>Ensure access to low-cost financing</td>
<td>Upgrade and diversify product portfolio</td>
<td>Pilot test sourcing from African countries</td>
</tr>
<tr>
<td>Build a more conducive business climate</td>
<td>Establish long-term partnerships with buyers</td>
<td>Proactively support supplier capacity building</td>
</tr>
<tr>
<td>Buy from locally owned companies</td>
<td>Integrate backward and forward*</td>
<td>Ensure social and environmental standards</td>
</tr>
</tbody>
</table>

* Backward and forward integration are two types of strategic vertical integration initiatives that companies may perform to reduce risks and interdependencies between external business partners. In backward integration, a company in its value chain acquires suppliers. In forward integration, the same company may acquire distributors or commercialisation partners.

Source: AfDB, 2013, Opportunities for Private Sector Development in Loincloth: Clothing and Textile value chains; International Trade Centre; consultant’s own analysis.

Figure 4: Differences among African countries’ apparel sectors

African apparel sourcing opportunity framework

- Western African countries are the worst positioned to compete globally as apparel producers
- Eastern African countries (including the islands) are better positioned: Ethiopia is on the list of top destinations for global apparel buyers for the first time (this list is led by Bangladesh and Vietnam)
- Export levels are still very low and mainly composed of basic clothing (t-shirts, trousers)

Note: Côte d’Ivoire added by the consultant
What is already being done?

Building up the creative industries in Tunisia
An AfDB study showed the cultural sector could create 14,000 jobs. Another AfDB study identified three areas for Tunisia to focus on for future growth of the sector: tourism near valuable cultural sites, during local festivals and at Saharan destinations; the film industry; and digital capabilities.

Presidential directive to revive the cotton, textile and garment sector in Nigeria
The cotton, textile and garment sector used to be the largest employer after the government, with over 175 mills at its peak in the 1980s. Today it has a mere 30 companies operating. The new policy is a component of the National Industrial Revolution Plan, designed to address the challenges in the entire value chain, from cotton production to fashion designing.

Revamping the textile industry in Angola
The Angolan government has been proactively courting Japanese help as it seeks to rebuild a vibrant textile and clothing sector, which was damaged during the country’s civil war (1975–2002). The first project has been the rehabilitation of a textile factory to produce denim and knitwear products, aiming to supply 2 million t-shirts, 2 million polo shirts and 6 million metres of denim a year.

Woodstock creative hub in South Africa
This seaside hive of creativity started when the government funded a business incubator in 2000. Low costs and nearness to the airport and all parts of Cape Town helped turn this once dilapidated area into a booming centre for cutting-edge developments in the arts, food and crafts.

H&M in Ethiopia
In 2013, Swedish clothing retailer H&M started sourcing from Ethiopian garment producers. The company set up offices in Addis Ababa to be close to suppliers. H&M ‘made in Ethiopia’ illustrates a buyer-driven chain where retailers retain control over their supplier’s production. Suppliers are also responsible for shipping the final product to the end market.

Hawassa industrial park in Ethiopia
The Hawassa industrial park will offer 37 factory units dedicated solely to the textile and apparel sector. Six local companies and 15 textile and apparel companies from the USA, China, India and Sri Lanka have started operations in the park, which is expected to create 60,000 jobs and an export value of US$ 1 billion.

Head start for fashion designers in Kenya
A total of 40 promising fashion designers selected in a competition set up by Kenya’s Equity Bank – Design Your Destiny – underwent financial training. Upon graduation, they will get access to financing in a KES 100 million seed fund Equity Bank has put in place to strengthen the country’s fashion chain, from agriculture to spinners and fabric traders.

Designers and small-scale manufactures benefit from loans in Kenya
The Meridadi Business credit facility from Equity Bank Kenya offers loans ranging from KES 50,000 to KES 1 million to help designers and small-scale manufacturers tap into opportunities offered by global apparel value chains.

Apparel value chain in Mauritius
Mauritius made the apparel and textile sector a focus of its development strategy to raise apparel exports to the EU and the USA. Employment quadrupled to 80,000 in just eight years through the setting up of export-processing zones and favourable tax treatment.

Mauritius aims to raise its manufacturing status
The Mauritian textile and apparel industry has established a solid reputation over the years as a manufacturer of high-tech, high-end clothing. The sector already comprises some 250 apparel companies employing more than 44,000 staff and accounts for around 55% of total exports. Europe, the USA and South Africa remain the country’s biggest markets, and Mauritius is currently on a mission to showcase its credentials with the UK market.

Creating new jobs in the textile industry in Madagascar
The AfDB is investing close to US$ 10 million to support the textile industry in Madagascar through the Investing Promotion Support Project (PAPI). PAPI will support and build the capacities of MSMEs operating in the textile sector, especially women and youth supported by the Textile Sector Promotion Support Fund (FAPST). The project will also include a feasibility study on the establishment of a Textile Special Economic Zone (SEZ).
**Snapshot: Fashionomics potential in Côte d’Ivoire and Ethiopia**

### Key aspects of the TA&A industry’s value chain in Côte d’Ivoire and Ethiopia

<table>
<thead>
<tr>
<th>Country</th>
<th>Côte d’Ivoire</th>
<th>Ethiopia</th>
</tr>
</thead>
</table>
| **General** | • Industry dominated by a single group  
• High degree of informality and low levels of government support  
• 71% of companies export  
• 80% of entrepreneurs are women  
• 65% have fewer than 10 employees  
• Mainly exports to Burkina Faso, France, Mali and Gabon | • Many industry players  
• Sector marked as strategic by the government, with strong institutional support  
• 63% of companies export  
• 80% of entrepreneurs are women  
• 36% have more than 500 employees  
• Mainly exports to the USA and Europe |
| **Inputs** | • Raw materials are expensive, especially wax and textiles overall  
• Imported fabrics are gaining a greater presence, especially in the informal sector  
• Some designers try to combine different raw materials to avoid expensive wax suppliers  
• Low levels of government and institutional support  
• Cotton textile manufacturers are inexistent  
• Cotton and leather are the main raw materials produced; there can problems with the quality of the local cotton and leather  
• Other synthetic fibres and acrylic yarns are used to a limited extent  
• Productivity of textile mills is low  
• Practically non-existent connection between textile mills and garment manufacturing | |
| **Marketing** | • Real estate is very expensive in Abidjan, not allowing many firms to operate through their own stores  
• Facebook is the preferred tool to promote the business  
• Many companies do not even have a website ('Facebook is more direct and cheaper')  
• Given the small size of the companies, owners are typically the marketing officers  
• Smaller firms sometimes have their own stores  
• Facebook is stated as a key marketing tool (although not as much as in Côte d’Ivoire)  
• Institutional support is allowing for the effective promotion of the sector at international levels  
• Some firms are not very professional and are working with high levels of unused capacity | |
| **Distribution** | • 71% of the companies interviewed export, mainly focused on Western African countries  
• Since the companies are very small, it is difficult for them to grow, industrialise and export  
• Some companies organise events or small trade shows, which seem to be very frequent, even across countries in Western Africa  
• 63% of the companies interviewed export  
• Firms sell through traditional channels: wholesalers and export houses  
• Some larger firms trade directly with international brands  
• Domestic demand is increasing | |
| **Payment** | • Companies typically work with banks  
• Payments are usually made in cash  
• Credit card use is not very extensive  
• E-commerce is starting, with some relevant companies like Jumia, but online payments are inexistent  
• Suppliers are stronger than manufacturers and require rigid payment conditions  
• Payments are typically made in cash by smaller firms and bank transfers by larger firms  
• Credit card use is not very extensive  
• E-commerce and online payments are inexistent  
• Working capital is strongly needed in the industry  
• Entrepreneurs and fashion companies have difficulty accessing bank financing and microcredits |
Main challenges for the Fashionomics platform based on data from Côte d’Ivoire and Ethiopia

- The banking system is not very developed in either pilot country: Ethiopia has more branches and accounts per person and Côte d’Ivoire has more ATMs and banks. The microfinance sector is developing in both countries but it does not play a relevant role in the sector today in either country.
- Use of banking services: Ethiopian SMEs use banking services more (more accounts and loans). Women are constrained in their access to finance in sub-Saharan Africa and Ethiopia according to data available.
- Access to credit is very difficult in both countries, even worse than the sub-Saharan Africa average; therefore, most of the fashion SMEs and entrepreneurs in both countries use their own funds to finance their companies (69%).
- Overall, banks and microfinance institutions do not appreciate the TA&A sector due to its lack of stable cash flows, the risks involved and the perception of informality. Requested guarantees and financing requirements to finance in both countries are the main constraints in both countries compared to sub-Saharan Africa averages.
- The platform can be a powerful tool to contribute to women’s financial inclusion in sub-Saharan Africa.
- The need to add physical space to their businesses is a strong constraint for the SMEs and entrepreneurs in both countries but it does not play a relevant role in the sector today in either country.
- There are strong gender differences in information and communications technology (ICT) usage in Africa. African women face structural constraints regarding education, income, assets and limited access to financial resources and education. Such constraints tend to push women into the informal sector and this fact is reflected in Internet usage. In Ethiopia, 3.2% of woman-owned businesses use a mobile connection for business purposes, a number that compares to 46.4% for those owned by men.

Information and communications technology use in Africa

There are strong gender differences in information and communications technology (ICT) usage in Africa. African women face structural constraints regarding education, income, assets and limited access to financial resources and education. Such constraints tend to push women into the informal sector and this fact is reflected in Internet usage. In Ethiopia, 3.2% of woman-owned businesses use a mobile connection for business purposes, a number that compares to 46.4% for those owned by men.
In Ethiopia and Côte d’Ivoire, Internet usage is influenced by how the telecoms markets are set up. In Ethiopia, Ethio Telecom, a state-owned company, holds a monopoly on telecommunications. In Côte d’Ivoire, the telecommunication market, which is regulated by the Autorité de Régulation des Télécommunications/ TIC de Côte d’Ivoire (ARTCI), is highly liberated and there are currently six telecom operators: Côte d’Ivoire Telecom, Comium, Greenwich, Moov, MTN Côte d’Ivoire and Orange Côte d’Ivoire. The differences in the regulatory environment between the two countries mean that mobile telephone subscriptions in Côte d’Ivoire are above the African average, while those in Ethiopia are below the African average.

However, Africans in general tend to use the Internet mainly for email and to search for information. In terms of social media, Facebook has become the most widely used platform on the continent and is the main marketing tool used by fashion entrepreneurs and MSMEs to promote their businesses. Women use Facebook even more than men (46.2% vs 33.3%).

The African continent remains the region with the lowest e-Commerce penetration: in 2013, Africa and the Middle East accounted for only 2.2% of global business-to-business e-Commerce. The future of e-Commerce in sub-Saharan Africa is promising, but it is still underdeveloped.

The key challenges faced are the deployment of a system to support international payments, the development of cross-border initiatives, the establishment of financial regulations, and the gaining of consumer trust.
The goal of the Fashionomics platform is to enable African women and youth designers to create and grow their businesses. The specific objectives of the platform are four-fold: (i) increase access to markets; (ii) increase access to finance; (iii) provide mentorship and networking opportunities; and (iv) develop the skills of the target group. The platform will, among other things, facilitate access to finance, not only by connecting designers with commercial banks and established investors but also by tapping into alternative financing channels, such as crowdfunding mechanisms, and linking them to angel and venture capital investors.

Figure 11: Potential platform users and stakeholders

<table>
<thead>
<tr>
<th>Value chain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raw material</td>
</tr>
<tr>
<td>Textile companies</td>
</tr>
<tr>
<td>Garment manufacturers</td>
</tr>
<tr>
<td>Branded apparel and trading companies</td>
</tr>
<tr>
<td>Retailers</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Activities and types of companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural fibres, man-made fibres, imports</td>
</tr>
<tr>
<td>Spinning, weaving, knitting, dyeing, printing, finishing</td>
</tr>
<tr>
<td>Public, private and handloom firms</td>
</tr>
<tr>
<td>Marketing, wholesaling, trading companies, overseas buying houses, brand name apparel companies</td>
</tr>
<tr>
<td>Sales to end customers, Department stores, Specialty stores</td>
</tr>
<tr>
<td>Small retailers in markets, e-commerce, Mass merchandise chains</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Role of MSMEs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Potential for women’s development</td>
</tr>
</tbody>
</table>

Source: Consultant’s analysis.

Figure 12: Technical development of the platform

- Search engine optimisation (SEO) friendly
- User-generated content
- English and French
- Create social media channels
- Pictures: copyright issues
- Develop new features

- Operating requires dedicated team (2-3 people)
- Generating revenue very difficult and requires sales mindset
- Content is king (user-generated content is key)

- In both languages
- All initial features
- Receive feedback
- Workshops
- Desktop/mobile
- Loading/weight
- Fixing issues
- Developing missing features
- Adjusting content and working to potential users

- Informing stakeholders
- Creating new content
- Sharing info

Source: Consultant’s analysis.

Figure 13: Fashionomics platform structure

Potential structure of the Fashionomics platform (phase 1)

<table>
<thead>
<tr>
<th>News</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sector news for Africa (edited by the manager)</td>
</tr>
<tr>
<td>Blogs from users</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Training</th>
</tr>
</thead>
<tbody>
<tr>
<td>List of fashion schools, universities and academies</td>
</tr>
<tr>
<td>Tutorials/online courses</td>
</tr>
<tr>
<td>Other educational materials/specific training*</td>
</tr>
<tr>
<td>Business templates</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sector organisation and information</th>
</tr>
</thead>
<tbody>
<tr>
<td>List of companies</td>
</tr>
<tr>
<td>List of fashion associations</td>
</tr>
<tr>
<td>Information on the sector</td>
</tr>
<tr>
<td>Job opportunities</td>
</tr>
<tr>
<td>Research reports</td>
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<td>Events, fairs</td>
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<td>Business opportunities</td>
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<td>List of financiers, investors, other</td>
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<tr>
<th>Communication</th>
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<tbody>
<tr>
<td>Public forum</td>
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<tr>
<td>Link to Facebook profiles: blog, products</td>
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<tr>
<td>Facebook login?</td>
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<tr>
<td>Bulletin board</td>
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* How to export, financial courses, intellectual property issues, environmental, health and safety, logistics, marketing and sales, entrepreneurship, etc.

Source: Consultant’s analysis.

News

Content will allow organic traffic (unpaid traffic from search engines such as Google, Yahoo, AOL, etc.) to grow and maintain the position in the search engines for determined keywords. The platform will include content from:

- The administrators of the platform
- User-generated content through blogs available for entrepreneurs and companies.

Training

Education and training are crucial to the development of the industry in Africa. The platform will therefore include education-related content, such as:

- List of fashion schools, universities and academies, including programmes available and requisites to enrol in these programmes;
- Tutorials and online courses related to design and manufacturing of clothing and accessories;
- Other training for entrepreneurs in the fashion and textile industry;
- Business templates that will ease the professionalisation of entrepreneurs in the industry;
- Other specialised training resources related to other relevant issues, such as:
  - Intellectual property rights
  - Transport and logistics
  - Financial education
  - Entrepreneurship
  - Environment, health and safety in the industry.

Sector organisation and information

The platform will serve as a meeting point where professionals can access general and specialised industry information on the African continent. The goal is to equip entrepreneurs and other professionals with the necessary tools to further develop their businesses and create more employment. This section will include:

- A list of companies operating in the sector, classified by their operating activity, including contact data and a general description of their activities;
- A list of national and regional associations that help professionals, including contact data and a general description of their activities;
- General information available for the sector in each of the countries, for example, number of companies operating in each country, average number of employees, average revenue of the companies, etc.
• Job opportunities at fashion and textile companies, as posted by the companies and through the market and job market places (Indeed, LinkedIn, Indeed, local online job sites, etc.) where opportunities are also posted.

• A list of research reports conducted by trustworthy third parties, including by donors, advisory firms, research institutions, etc.

• A database of events and fairs that would be attractive to entrepreneurs, where they can sell their products or generate business leads.

• Business opportunities generated from other companies using the platform.

• Other directories as needed and as would add value for professionals in the industry, including specialised issues such as Intellectual property rights, transport and logistics, financial institutions, angel investors, private equity investors, crowdfunding platforms and environment, health and safety in the industry.

Communication

The platform will contain a public forum where professionals will be able to interact on selected topics. Additionally, the whole platform will be linked to Facebook as it is the most used social media tool on the continent.

Showroom

Each company and entrepreneur will have a section on the platform to showcase their products in order to generate business leads. Consumers will be able to contact entrepreneurs and companies regarding their products. For the second phase of the project, the platform will include the option of allowing consumers to buy the products and have them delivered at home. The implementation of this feature requires a future analysis of its feasibility in the African context over a 2-3 year period.

This section has to be tested in order to find out how many resources its operation will require. Other potential problems may emanate from this, such as intellectual property rights and the need for homogeneous quality for the images of products.

For such an online platform to be economically sustainable, it needs first to generate a relevant volume of traffic (visitors). Several marketing actions are crucial to increasing traffic, especially during the first years (safari-up phase). The marketing strategy includes the following actions:

a) Email marketing: In order to carry out this action, the manager of the online platform will hire an email marketing provider. The action involves sending email alerts or newsletters with the latest content generated on the platform. These emails will enhance the relationship with the potential users.

b) Social media and content sharing: It is foreseen that the platform's manager and users will share content through social media channels. Facebook, which is the most popular social media network in Africa, will play an important role in this activity. Additionally, other social media platforms, such as LinkedIn or Twitter, could be used.

c) Events: The platform's administrator could conduct events and workshops to share the platform with potential users and explain the platform's benefits. Such a promotional strategy, which involves face-to-face contact, would have more impact during the first years when most of the potential users do not know the platform. It will also be important at the beginning to test the platform and successfully launch it with media support.

d) Partnerships: The signing of partnerships with associations, schools, universities and government organisations, among others, will help attract visitors and to have a better understanding of the needs of stakeholders in the fashion and textile sector. Such partnerships could therefore originate business ideas derived from the investigations of these needs.

e) Content marketing: This action is the most important in the long term. It consists of the constant creation of new content by the administrator and the users. This is also important in fuelling other marketing actions, such as email marketing and social media.

The Fashionomics platform could contribute to:

• Enhancing youth employment in Africa through initiatives such as promoting entrepreneurial activities; fostering business opportunities; advertising job opportunities; developing skills; and channelling funding from the Bank’s new Youth Investment Facility for industrialisation purposes.

• Enhancing job opportunities for unskilled labour as the largest number of jobs can be created in those positions that do not require strong education or experience levels. There are many of these in a typical mid- to large-size TA&A business, for example positions such as hand sewers, sewing machine operators, garment presses, quality controllers, fabric and apparel patternmakers, tailors, dressmakers and custom sewers.

• Enhancing job creation in the design and creativity fields, which typically include a large entrepreneurship component. Africa presents solid societal entrepreneurship values and the TA&A sector is typically a sector where entrepreneurs can spread, helping to create more jobs. The platform will need to cover entrepreneurial activities and services to have larger impact on job creation.

• Enhancing opportunities for pan-African cooperation by partnering with schools, educational centres and academia, including through the provision of tutorials, short courses and educational materials. Understanding of intellectual property rights, including through disclaimers on intellectual property rights, especially when showcasing products, the provision of useful content on specialised education and training on intellectual property protection, regulations and procedures for intellectual property issues, interesting contacts, and best examples or practices on intellectual property issues in the TA&A sector.

• The provision of information on transport and logistics issues related to the TA&A industry, such as export costs hampering intra-African commerce, infrastructure, easy logistics and cheap energy, export regulations and procedures, specialised education and training on logistics related to the fashion industry, contacts of transport suppliers, intra-entrepreneur contacts for individual shipments, and potential agreements with airlines for smaller intra-African shipments.

• A greater understanding of environmental, health and safety issues in the TA&A industry, especially in textile and garment manufacturing, including how the industry deals with environmental, health and safety (EHS) issues. The platform can also contribute to better EHS practices in the industry through specialised training and courses, compiling best practices, EHS regulations, useful contacts and direct communication.

Other best practices and lessons learned that can be applied to the Fashionomics platform include:

• A section for job opportunities;

• Affordable online training courses, which may help finance the platform and serve the public since training is a demanded product;

• Selling business templates, which may help professionalise the sector and provide extra revenues to the platform;

• Knowledge of fairs and events taking place in Africa, which will help professionals with their businesses; sponsored events may generate extra revenues;

• Collecting market reports and making them available to platform users, which can help generate traffic;

• Connecting sellers and buyers, which may be a first step before having a full-scale marketplace.

• Important economic and social factors justify supporting the African TA&A industries as they have a profound effect on income, export volumes and employment, as well as on the relevance of women’s employment in the sector (78% of all employees in Ethiopian garment manufacturing companies are women) and the ripple effects of this situation (these women are typically breadwinners to families with 5-6 members).
To visit our FASHIONOMICS platform prototype, please contact:
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