

## **학술세미나 I**

# **섬유산업 기업간 전자상거래의 과제와 아이텍스타일의 기각**

**서 수 길((주) I-Textile, 대표이사)**

# **Discussion on B2B E-Commerce in Textile**

For 북식문화학회

i-textile.com Korea

December 9, 2000

## **DISCUSSION TOPICS**

- **WHAT IS B2B E-COMMERCE?**
- **WHAT ARE THE KEY LEARNINGS?**
- **OVERVIEW OF I-TEXTILE.COM**

## WHAT ARE THE TYPES OF B2B?

**ANY BUSINESS IS A CANDIDATE FOR B2B E-COMMERCE**

### MARKETPLACES

- Vertical : direct material, supply<-- i-textile
- Horizontal : buyer focused, service-oriented
- Specific : e-procurement, MRO, SCM, CRM

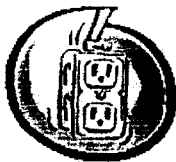


### ENABLERS

- Solution
- Services



### OTHER



**TRENDS: SERVICES AND SOLUTION**

## WHAT ARE THE KEY CHARACTERISTICS OF INTERNET FOR B2B?

**The key is information and self-reinforcing mechanism**



- Information (Richness and reach)
  - Global reach for sales and sourcing
  - Customer can access best practices in the global markets
  - You cannot do the whole process on your own
    - Value chain de-integration
    - Alliance critical



- Self-reinforcing
  - Initiated by online intermediary, but needed to be growing with self-reinforcing environment
  - Online company needs to be able to provide simple and unique value to the customers
  - Customers need to be incentivized to get into the system
  - Rationalize and automate the processes and communications

**• Scalability will be driven by these two characteristics**

## WHAT INTERNET CAN AND CANNOT DO FOR B2B?

### CAN

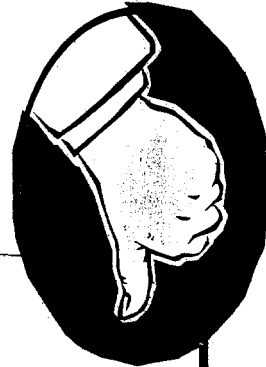
- Cost and time saving, if realized
- Knowledge on customers with customer database (-> CRM)
- ?



### CANNOT

- Deepen customer relationships\*
- Fundamentally change customer behaviors\*
- ?

\* Short term



## FACTORS DETERMINING LEVEL OF B2B ADOPTABILITY

- Sophistication level of the whole processes
  - How many layers in value chain? Steps needed to finished products
  - e.g. Depth of International involvement (cross-border, language, culture)
- Level of fragmentation and dominance
  - average transaction volume
  - price sensitivity
  - level of fluctuation
  - trends
- Industry-wide and international Standardization
  - eMP with critical mass can impose commercial standards
- intensity of human relationships in doing business
- Level of IT infra and culture in the industry

## A FEW MORE THOUGHTS...

### B2C vs. B2B

- Global aspect
- Customer relationship
  - Amazon vs. DMexchange
- Infra
  - ERP, SCM
- Personal

### ONLINE VS. OFFLINE

- Can one party can dominate the other?
- Less real business support vs. Cannibalization

## KEY QUESTIONS TO PONDER

- Will e-comm drive the fundamental change of paradigm?
  - Change the way of doing biz?
- Will e-comm be a support to offline incumbents (e.g. additional channel)?
- What will be the upcoming strategic move in b2b c-comm?
  - Alliances between the two forces
  - Alliances among onlines
  - Alliances among offlines

→ It will change many, if not all, with impact

## DISCUSSION TOPICS

- WHAT IS B2B E-COMMERCE?
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## WHAT ARE THE KSFs FOR B2B E-COMMERCE?(I)

- It is pretty clear for B2B: should be quantified in terms of \$
  - Always right questions-Whs?
    - "What" always important, but "why" and "how" are strategically more important.
  - Who should we serve?
  - What are their needs?
  - What can we we serve?
  - Why do they need us? Why are we unique?
  - How to create value to customers?
  - How the value creation can be sustainable?
  - How to make money?
- Existing businessmen reluctant to try online unless see-value online  
→ Why bother?

## WHAT ARE THE KSFs FOR B2B E-COMMERCE?(II)

**Key Question : HOW TO CREAT VALUE? (as usual)**

**Key issue is building clear value proposition**

- **KISS = Keep It Simple and Simpler**
- **Convey a simple and simple message to the customers first to capture the online migrations**

**Complicated is fast moving and changing environment**

**Nothing fixed**

**Deal with any potential partners for win-win**

**Overall, there are two ways for online to create value against offline**

- **Something new**
  - that has not been provided offline
- **Someway different**
  - that is more efficient or convenient than offline

## WHAT ARE THE KSFs FOR B2B E-COMMERCE?(III)



### Drivers for success of e-marketplace

**Price**



**Quality**



**Cost/Time savings**

- Convenience



**Reliability**

- Earn the credibility from newcomers



**VAS**

- Practically attractive information and services uniquely available online

## **WHAT ARE THE LESSONS?**

- **Nobody knows**
  - However rapidly changing trends in the markets
  
- **China will ....**
  
- **Internet and IT should be new paradigm to replace Chaebol paradigm for Korea**
  - We don't know we can
  - What could be alternatives?

## **DISCUSSION TOPICS**

- **WHAT IS B2B E-COMMERCE?**
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- **OVERVIEW OF I-TEXTILE.COM**



**Note :** 여러분의 이해를 위해 회사소개 자료를 첨부합니다. 4개월 정도 지난 정보이니 이미 한 **generation**이 지난 것이므로 참고로만 보세요.

**OVERVIEW OF I-TEXTILE.COM**

**MAIN BUSINESS LINE:**  
International online trading of fabrics, yarn, and other textile products

**MAJOR MILESTONES**

- 9/99: Company founded
- 1/00: Soft launch of excess stock service
- 2/00: i-textile.com Korea founded
- 3/00: Launch of exchange platform
- 4/00: Launch of Korean language service
- 7/00: US\$5M investment from Softbank
- 7/00: Launch of local yarn trading service in Korea

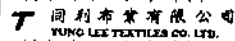
**SHAREHOLDERS**



SOFTBANK VENTURES KOREA



ASIA INFORMATION RESOURCES



TUNG LEE TEXTILES CO. LTD.

TUNG LEE (textile trading company with 20+ years of trading history)

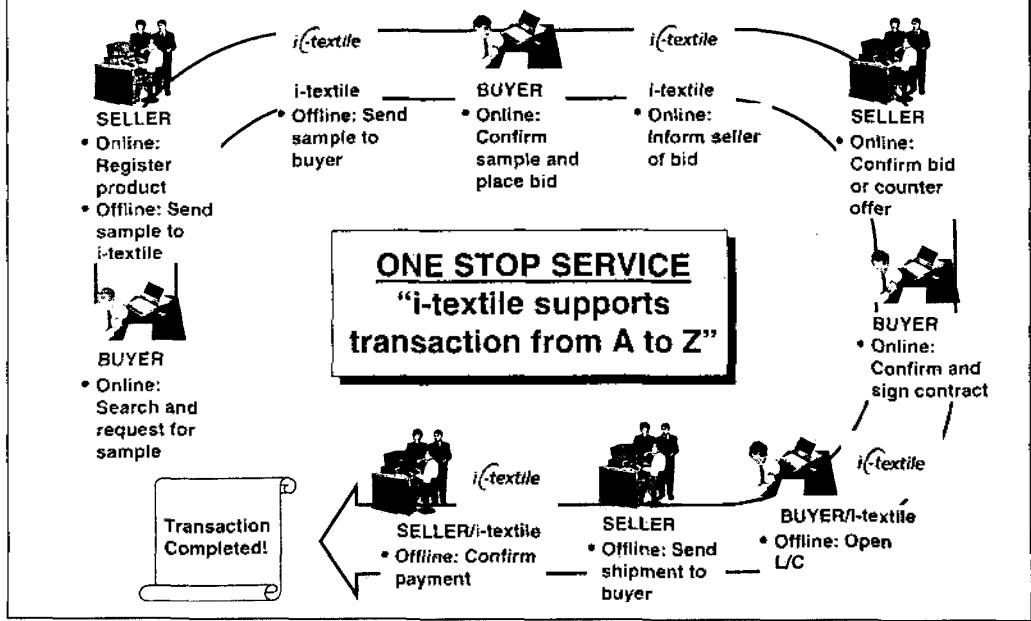
**PERFORMANCE**  
(as of 7/00)

- Membership: 3,500 textile buyers and sellers
- Products: over 5,000 woven and knitted fabrics
- Sales: US\$1.5M completed since launch of service

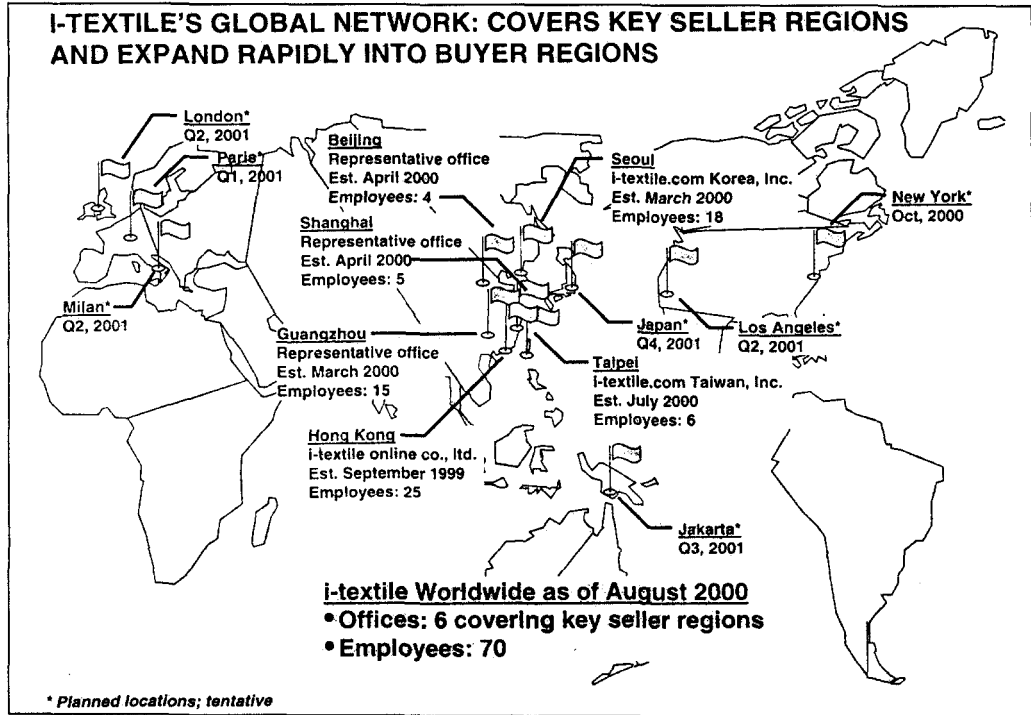
• First to establish a global platform

• First to offer one-stop trading service

**I-TEXTILE'S BUSINESS MODEL: ENABLE ACTUAL TRANSACTION THROUGH ONE STOP SERVICE**



**I-TEXTILE'S GLOBAL NETWORK: COVERS KEY SELLER REGIONS AND EXPAND RAPIDLY INTO BUYER REGIONS**



## I-TEXTILE MANAGEMENT TEAM: COMBINE TEXTILE TRADING, VENTURE EXPERIENCE, AND MANAGEMENT TALENTS

지주회사 주 멤버	역할	프로파일 요약
Ben Mok	• 홍콩 공동대표	• McKinsey 홍콩사무소 Senior Consultant • Merrill Lynch 및 Swire Group 근무 • MIT MBA; Oxford 전산학 학사 석사
Wing Chan	• 홍콩 공동대표	• McKinsey 홍콩사무소 Senior Engagement Manager • Citibank, Manager • MIT MBA; Cambridge 정보공학 학사
Wonsik Choi	• 한국 공동대표	• McKinsey 서울사무소 Engagement Manager • Allied Signal (미), 니일론 방사 담당 Senior Engineer • Wharton MBA, Princeton 기계항공공학 학사
Kevin Seo	• 한국 공동대표	• Boston Consulting Group, 시카고/서울 사무소 팀장 • 국방과학연구소, 연구원 • Wharton MBA, 서울대 항공우주공학 학사
Andrew Fung	• 중국 대표	• New China Hong Kong Limited, 파트너 • Kellogg MBA, Chinese University of Hong Kong 전산학 학사
Edwin Mok	• 정무이사/CFO	• 섬유트레이딩 회사, 이사 • CPA with Coopers & Lybrand
Min Ng	• 영업담당 부사장	• 의류회사, General Manager • City & Guild Clothing Study, 전문 감사
Ernest Ho	• CTO	• Hong Kong Telecomm, E-comm 담당 Project Manager • 12년 이상의 IT 경력
Eric Wong	• Technology Consultant	• Asia Information Resources, Technology Director • 15년 이상의 IT 경력 및 5년여의 섬유산업 IT 경력

## I-TEXTILE'S STRATEGIC AND OPERATIONAL PARTNERS: ALLY WITH WORLDCLASS PARTNERS TO PROVIDE SUPERIOR SERVICE

### PARTNERS

- TUNG LEE
- ASIA INFORMATION RESOURCES
- CHINESE MANUFACTURERS OF HK (equivalent to KOTRA)
- HUTCHISON PORTSNPORTAL.COM (a Hutchison Port Holdings company with global transportation network)
- SGS, ITS, STR
- AXA
- Ensign, Hellman, Speedmark Group
- DBS Kwong On Bank
- Design Council

### NATURE OF PARTNERSHIP

- Operation
- IT, China business development
- Promotion and marketing
- Transportation
- Quality assurance
- Insurance
- Freight forwarding and logistics
- Electronic payment
- Merchandising and marketing



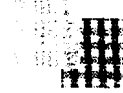
**I-TEXTILE OFFERS ONLINE AND OFFLINE SUPPORT ENSURE TRANSACTION GETS COMPLETED**

**Posting products**



You can create detailed product specs for your products directly online, or you can provide information to our Trade Management Center and let them help you post the products

**Handling swatches**



We will request you to submit 1-2 yards of samples for swatch production. Upon request from buyers, i-textile's Trade Management Center will send the swatch samples to them FREE of charge

**Handling lab-dips**



All requests for lab-dips from buyers will be forwarded to you through the i-textile platform, and you just need to submit lab-dip results to us

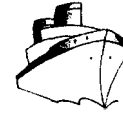
**Negotiating prices**



All requests for quotation or counter-offers on prices will be forwarded to you through the i-textile online platform, or by fax and email

You can confirm the contract if you agree with the terms, or you can submit another counter-offer. All these can be done online or offline with the help of i-textile's merchandisers

**Fulfilling orders**



After confirming the contract, you can leverage i-textile's online logistics management platform and multiple trade partners for fulfillment

판매업체 및 구매업체는 I-TEXTILE을 이용함으로써 명확하며 구체적인 혜택을 누릴 수 있음.

판매업체



“어떻게 하면 신규 시장을 개척할까? 또 남은 재고는 어떻게 처리할 수 있을까?”

구매업체



“어떻게 하면 원하는 상품들 보다 싸고 빠르게 조달적이면서도 믿을 수 있는 방법으로 구매할 수 있을까?”

**I-textile을 통한 고민의 해결**



- 전세계 구매업체를 대상으로 한 상품의 무료 홍보
- 신상품부터 재고상품에 이르기까지 전 상품에 걸친 판매 공간의 제공 (예: 머천다이즈링 공간, 경매 서비스 등)
- 구매자와의 신규 거래 시 i-textile의 브랜드와 신용도의 공유 및 활용
- 전통적 거래 전반에 걸친 비효율성과 복잡성의 해소

**I-textile을 통한 고민의 해결**



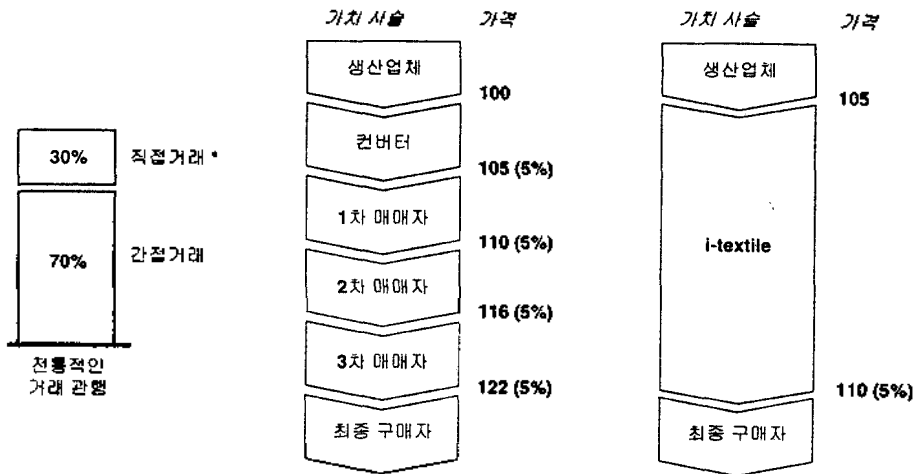
- 전세계 30,000 이상의 상품들 대상으로 한 One stop 검색
- 상품 확인을 위한 offline 전 과정에 걸친 지원 (예: 견본제공, 명색 가공 샘플 제공, 아트 샘플 제공)
- 신속하고 다양한 입찰 및 가격 협상
- 실시간 주문 및 배송 상황 확인
- 명확한 사후 판매 서비스 (i.e. 클레임 처리)

**I-TEXTILE** 은 전통적인 거래 과정에서는 달성될 수 없는 명확하고, 새로운 부가가치를 창출할 수 있음

개념적

전통적인 OFFLINE 의 거래 과정

I-TEXTILE 의 ONLINE 거래과정



• 전체 가치 중 유통이 차지하는 비율: 14%

• 전체 가치 중 유통이 차지하는 비율: 5%  
• 기존의 거래 과정에서 새롭게 창출되는 가치의 비율: 9%

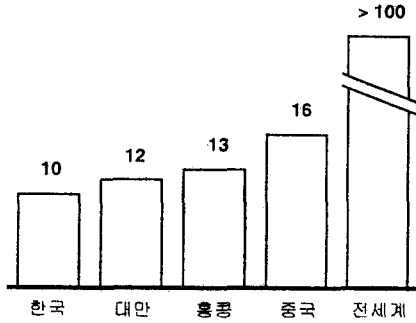
\* 생산업체로부터 최종 구매자로의 직접 거래

**섬유 B2B 마켓플레이스는 국제무역거래를 지원할 수 있어야 함**

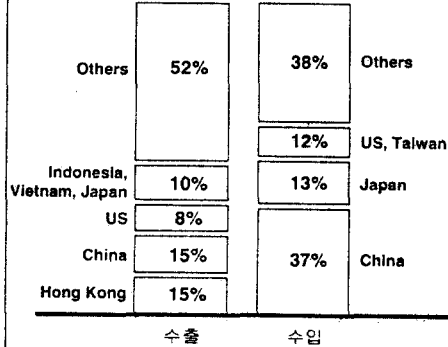
섬유 국제 무역거래시장은 매우적으로 큰 규모임

한국은 홍콩, 중국, 미국, 대만 및 일본 등의 많은 국가들과 거래를 하고있음

국가별 섬유수출물량 (원단의 예) 1998, US\$ Billions

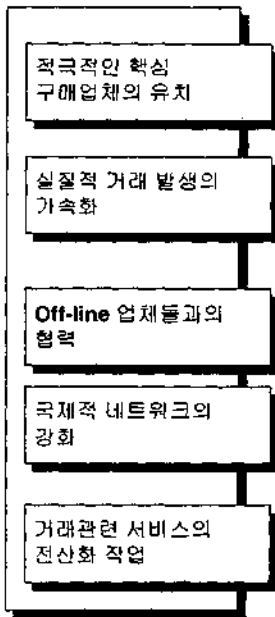


한국의 상대 국가별 수출입 비율 (원단, 1998)



한국 섬유산업은 원재료의 1/3을 수입에 의존하고 원제품의 2/3를 수출하는 무역의 편향 산업으로서 성공적인 섬유 B2B 마켓플레이스를 구축하기 위해서는 국제무역의 실제 지원이 필수적임

미래의 성장을 위한 I-TEXTILE 의 전략적 방향



Our strategic directions

- **전략적인 구매자 유치 추진**
  - 한 규모의, 국제적인 의류회사와의 거래 추진 (예, Gap, Ralph Lauren, 등)
  - 구매자 기반을 가진 외국의 섬유 B2B 업체들과의 전략적 제휴 추진
- **실질적인 거래 속진을 위한 지속적인 노력**
  - 상품조치에서 상품 클레임 등 거래 전 과정에 걸친 On-line 화와 자동화 추진
  - 실거래 발생을 위한 적극적으로 선동적인 상품 홍보 (예: 머천다이징, 각종 전시회 참여)
- **현존하는 off-line 업체들과의 시너지 창출**
  - Off-line 업체들과의 상호 보완적인 차원의 전략적 제휴 방안 모색
  - 거대 Off-line 업체를 위한 "agency approach"의 추진
- **국제적 네트워크와 협력의 강화**
  - 올해 내 주요 섬유 구매 국가내의 사무소 개설 (예: 미국 및 유럽 지사 설립)
  - 국가간 TMC 사이의 협력과 업무 효율성의 지속적인 개선
- **지속적인 IT 자원의 개발과 개선 추진**
  - 전자 구매 시스템, 보험 및 배송 자원을 위한 광범위한 IT 솔루션의 개발 추진
  - 섬유업체를 대상으로 한 IT 컨설팅 추진