

# Technological Disruption in Fashion Industry: A Quasi-Experimental Analysis

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## **Abstract**

Technological innovation is fundamental for organizations' growth. Yet what we witness often is that incumbents repeatedly stumble and fall, and entrants rise to prominence. We examine whether entrants gain on incumbents in the fashion markets as they are in high tech markets, comparing US (Los Angeles) and UK (London). We employ a multi-method including quasi experiment analysis of market data and a cultural survey of managers. Our preliminary results show that entrants are gaining on incumbents, and this is sharper in US than in UK. Data show the Covid-19 pandemic accelerates the treatment of the entrant effect, due to lack of legacies in US. However, while a higher gain emerges in apparel and sportswear in US, several luxury brands show an increase in market share mainly in UK, due to brand heritage and desirability. Data show three traits characterizing a successful internal culture of innovation: resilience, future thinking, being purposeful.

**Subject Areas:** *Cross-cultural and International Marketing, Diffusion of Innovations, Marketing Strategy*

**Track:** Marketing Strategy & Theory