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PRODUCT AND BRAND MANAGEMENT

Week 3

W3 - Content

Product and Brand Management

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Complexity in Fashion

Introduction to the Concept of Complexity in Fashion

Fashion has some peculiar characteristics that make it unique and complex:

> Seasonality

> Variety of styles, occasions of use, sizes

> A short product cycle and a long industrial pipeline

> High number of activities and people involved

Complexity in Fashion

Luxury VS Fashion in Product Development

Luxury	Fashion
> Most of the products are non seasonal	> Most of the products are seasonal
> no (or very limited) sales, no discounts	> sales and discounts
> Product lifecycle much longer	> Business driven by season and there are different collections in one season (pre-collection, flash, cruise…)
> High presence of icon products and carry overs in particular in leather goods	> High presence of seasonal models

Trends

Seasonal Collections

Fashion brands propose new collections every season according to what seasonal trends will be

Trends might last just a season, or even less named as **fad**, or last for many years becoming a **classic**

Usually for every trend that gets acceptance there is an opposite trend in the following seasons

From straightforward dresses of the early 1940s to the feminine shapes of Dior's post-war New Look

From the bold colors, jewelry, and exaggerated shapes of the 1980s, to the minimalist of the '90s

Trends

Trends in the Past

The textile industry was used to envision fashion trends almost three years before the fashion collection entered the store

For decades there has been a consensus in the fashion pipeline among

> trend forecasters

> textile producers (yarns and fabrics)

> fashion designers

> opinion makers (fashion editors)

> retailers

> about trends in terms of colors, shapes, materials

Trends

Trends Today

Social media has opened up fashion to other influencers, bloggers first

Speed, combined with cheap prices and the 24-hour accessibility of online shopping, makes it easy for today's consumers to scout and also create new trends

Instead of a trickle down process from the textile pipeline and fashion designers to the street, a bottom up process, from the street up to the catwalk and a trickle across phenomenon, a trend spreads horizontally within different socioeconomic groups at the same time

Fashion bloggers

http://www.style.com/ ; http://www.thesartorialist.com/ ; http://www.manrepeller.com/ ; http://www.garancedore.fr/ ; http://www.theblondesalad.com/

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Stylistic Identity

Stylistic Identity

Most brands follow the same trends but eventually they look different as they interpret trends through their own style

Stylistic identity is made up of some aesthetic elements including the brand logo, colors, fabrics, patterns, details, lines and the shape of a piece that make a brand unique.

> Bottega Veneta's intrecciato woven leather and the knot,
> Missoni's zigzag pattern on colorful knitwear,
> Céline contemporary minimalism with couture-like finishing.

Not only ready-to-wear designer but also medium and premium brands have their unique style
> The Gap, American classic with a twist
> Zara, collection very cool and very refined

Stylistic Identity

Role of Heritage & Country of Origin

The country of origin is a strong source of inspiration for fashion brands:

> the Sicilian baroque for Dolce & Gabbana

> the Milanese fog for the "greige" shades of Giorgio Armani

> The bold style recalling the Italian "Calabria" region for Versace

> the American East Coast style and native Americans for Ralph Lauren

> Canada for Dsquared2

Country of origin in luxury is also associated to made-in and a special know how, as in the case of brands such as:

> Tod's

> Bottega Veneta

> Salvatore Ferragamo

Stylistic Identity

Icon Products

They are usually historical products embodying the brand heritage and which became timeless best sellers present in every collection:

> the Kelly bag of Hermès
> the business jacket for Giorgio Armani
> the Chanel 2.55 Purse
> the trench for Burberry
> the D-bag for Tod's
> the Wayfarer for Ray-Ban
> the Vara shoe for Salvatore Ferragamo
> The 501 for Levi's

Iconic models are seasonally reinterpreted often in collaboration with

> department stores
> bloggers
> celebrities

Stylistic Identity

The Seasonal Collection

In fashion the collection represents the brand seasonal offer, a set of products grouped according to different criteria

> price

> occasion of use

> product typologies and categories

Historically, the "collection" comes from French *haute couture* where the *couturier* usually presented a limited series of completely new models every six months, Spring-Summer and Autumn-Winter (or Fall-Winter)

Stylistic Identity

The Seasonal Collection Timing

Modern collections are the result of a **mix of models**:
> Totally renewed from one season to the next
> **Carried over** with small changes
> **Iconic** models

This mix between **seasonal** and **continuative** items in each collection changes depends on the positioning of the brand (Luxury, Premium, Fast Fashion, Sportswear, …)

A fashion company starts working on the collection three to twelve months before the presentation to retail clients and usually works on three seasonal collections at the same time (results of past collection, merchandising the current collection, designing the next collection)

Fast fashion retailers are much faster in terms of time to market!!!

Stylistic Identity

Fashion Collections Scheduling

	Traditional Fashion Model	Fast Fashion
Time to Market	**3/12** months	Up to **2** weeks
Number of Collections (per year)	**2** main collections (SS-AW) **/ 6** (i.e. pre-collections, cruise)	Up to **24** (2 each month)

The Product Development Process

Fashion Product Development Process: Roles and Activities

Brand Manager, Merchandiser, Commercial Network	Design Director, Product Designers	Product Managers and Suppliers	Sales Force

1.Collection Planning → **2.Collection Creation** → **3.Sampling** → **Collection Presentation**



1.Collection Planning	2.Collection Creation	3.Sampling
> Past season performace analysis (sell-in and sell-out)	> Defining overall inspiration for the collection	> Prototyping
> Collection briefing presentation and discussion	> Developing collection themes and products	> Materials purchased
	> Collection checks	> Sample collection production
	> Collection freeze	> Color card
		> Pricing

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Dsquared2

Dsquared2

Best case for the stylistic identity of a fashion designer brand



Bottega Veneta

Bottega Veneta

Best case for the stylistic identity of a luxury brand



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Product VS Brand Strategy

Relation between Product and Brand Strategy

In fashion and luxury industries branding is key in order to deliver tangible and intangible benefits to the consumer

Fashion and luxury can be considered symbol-intensive industries:
we buy products not only for
what the product does,
but mainly for
what the product stands for,
for its symbolic meaning.

Product VS Brand Strategy

Brand Strategy

In any industry the brand is a promise made to the customer about certain benefits

Benefits can be :
Functional or tangible
> Performance
> Safety
> Durability

Emotional or intangible
> Status
> Fun
> Pleasure
> Coolness

We will investigate this second level of meaning, emotional benefits delivering symbolic meaning to brands and products

Read the article | *Brand with a Soul* by Stefania Saviolo

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Product VS Brand Strategy

Different Kinds of Benefits Delivered on the Marketplace
According to the reinterpretation of a scale proposed by Aaker emotional benefits can be segmented into:

> **Auto-directed benefits** respond to a need for personal gratification of the individual. You can identify this category of benefits if you can answer the question "**when I buy or use this brand I feel...**"

> **Hetero-directed benefits** meet the need of the customer to express its personality in a social context. They answer the question "**when I buy or use this brand I am…**" This is typical in the field of fashion and luxury brands. Louis Vuitton is a status symbol and, as like most luxury goods, expresses a "social license", making those who own it appear "successful"

> A third category of benefits are **Social benefits**, that allow the person to express, more than just individual aspects of his or her personality, the belonging to a certain lifestyle, responding to the human need of self-actualization, feeling part of a community, a group or a part of society sharing common attitudes, opinions and interests. The answers the question "**when I buy or use this brand, the types of people I relate to are…**"

Read Aaker's article about Benefits |
https://www.scribd.com/doc/54790167/Aaker-Beyond-Functional-Benefits-1

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Product VS Brand Strategy

A Classification of Luxury and Fashion Brands by Benefits and Product Scope

Luxury and fashion brands can be classified according to the type of benefits offered to the customer and their product scope in terms of number of market segments or range of product categories

The **product scope** might be **narrow** or **wide** and it depends on the number of categories served by the brand:

> age

> gender

> price range

> product categories, such as shoes, apparel

> occasions of use

According to the kind of benefit offered and competitive scope brands can acquire a different identity:

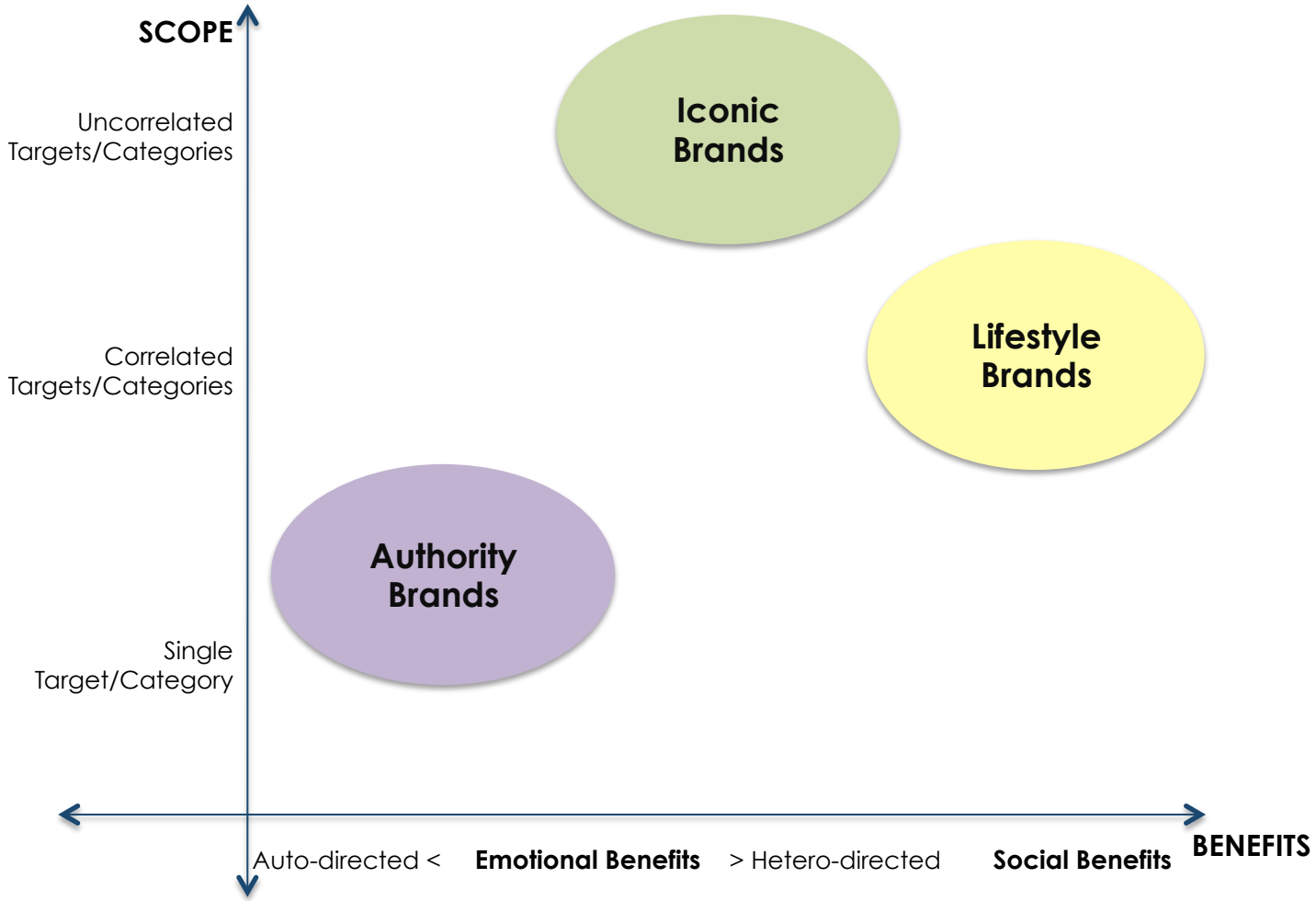
> Authority

> Iconic

> Lifestyle

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Product VS Brand Strategy



Source | Marazza A., Saviolo S., "Lifestyle Brands. A guide to Aspirational Marketing", Palgrave 2013

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Product VS Brand Strategy

Authority Brands

Authority | *the power to influence others, especially because of one's commanding manners or one's recognized knowledge about something*

Oxford Dictionary

These brands are considered as a real authority in their business

They have a narrow scope (specialised) and they often focus on patents, innovation and distinctive styles or products, and are enriched by experiential product benefits auto-directed

> Loro Piana

These are brands that have the power to influence and persuade by virtue of their particular expertise

By adopting these brands you feel reassured and gratified, a benefit that goes beyond the functional aspect

Product VS Brand Strategy

An Authority Brand: Loro Piana

Loro Piana is an Italian company established in 1924 and acquired in 2013 by the French group LVMH. The brand is considered as an authority in the best textile raw materials and high performing garments

Cashmere

Top Western manufacturer of cashmere and baby cashmere thanks to direct relationships with government agencies in China and our fully owned operation in Mongolia

Extra-Fine Merino Wools

Single top purchaser of extra-fine wools auctioned in Australia and New Zealand

Vicuña

Exclusive right to reintroduce this fiber into the world market from 1994: this endangered species was saved from extinction

Watch the Loro Piana's video | http://www.loropiana.com/flash.html#/lang:en/our_story Vicuna ; http://www.loropiana.com/flash.html#/lang:en/panel:section/vicuna ; http://www.loropiana.com/flash.html#/lang:en/panel:section/baby-cashmere

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Woolmark

An Authority Brand: Woolmark

Australian Wool Innovation Limited, the owner of the Woolmark company and brand, is a not for profit enterprise driving the research development and marketing of the Australian wool industry.

Owned by 29,000 Australian wool growers Woolmark invests along the global supply chain for Australian Merino Wool from wool growers to manufacturers, fashion designers, retailers and final consumer to promote Merino's position as the premier natural fiber. Merino wool is natural, biodegradable, renewable, comfortable, healthy.

Thus, the Woolmark brand acts as authority providing consumer with the guaranteed fiber content and an assurance of quality

In fact the Woolmark symbol is applied only to products which meet the Woolmark Company's quality assurance program for wool textile Products

The Woolmark company undertakes targeted marketing campaigns across several market segments, kidswear, sportswear, designer fashion, each inspired by Merino's natural benefits

LINK VIDEO

Watch the video now! Remember to click **PLAY** in the bottom left of the browser's window.

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Product VS Brand Strategy

Iconic Brands

Icon | *an important and enduring symbol, one who is the object of great attention and devotion, an idol*
Oxford Dictionary

Iconic Brands are like religious signs and personalities. They become the carriers of universal values and stories that they express through a wide range of products characterised by instantly recognisable and iconic codes

This happened for the French luxury brands such as:
> Hermès
> Chanel
> Cartier

Icons are timeless and it takes time to create an icon

Fashion brands become iconic when they are able to move beyond fashion by consolidating the iconic elements that have made them successful over time in products, communication and in-store.
> Bottega Veneta

Product VS Brand Strategy

Lifestyle Brands

Lifestyle | *the way a person, or a group, lives*
Oxford Dictionary

A lifestyle includes
> patterns of social relations
> consumption
> entertainment
> dressing styles

Lifestyle brand is a brand that clearly and deeply represents an individual or a group:
> the way of living
> the way he/she wants to look to the other people

If you are very interested in this topic, we recommend the book by Stefania Saviolo on Lifestyle Brands | https://www.amazon.com/Lifestyle-Brands-Guide-Aspirational-Marketing/dp/1137285923

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