

GI Bulletin

2012

IN MEMORIAM Gloria Sachs



With an education steeped in the arts—a degree in fine arts from Skidmore College, studies in textile design at Cranbrook Academy of Art, instruction in painting with Fernand Léger in Paris and in architecture with Gió Ponti and Franco Albini in Italy — Gloria Sachs' life was one of beauty, accomplishment and richly deserved recognition and honors.

From her start as a model for Balenciaga and Balmain in Paris, Sachs went on to work as a textile designer and a retail fashion executive, rising to the position of fashion director at both Bloomingdale's and Saks Fifth Avenue. In the late 1950s, she founded the preteen clothing company Gloria Sachs Red Barn and in 1970 established her eponymous label known for luxurious sportswear and glamorous, sporty evening looks: subtle, fluid, simply cut shapes done in her beautiful, signature fabrics.

Credited as the “inventor” of Capris, the shorter pants commonly worn in Europe, which caught her visionary eye, she brought them to the United States where she named them after the enchanted isle where she had first seen them.

A consummate artist, throughout the years Gloria exhibited her paintings and sculpture at New York's Museum of Modern Art, Pratt Institute in Brooklyn, the Art Alliance of Philadelphia and the Art Institute of Chicago.

With honors that include the Saks Fifth Avenue Creator Award and the Woolknit Designer Award, Gloria was

named a member of the Economic Council for the City of New York—and according to the CFDA, Gloria was one of the first women invited to be a member of that group.

The past two decades found Gloria involved in the contemporary Chinese art scene and, at the time of her death, she was planning to spend a month in Shanghai where she hoped to help set up an exchange program between fashion design students in New York and China and to work on the establishment of a Fashion Group International region in Shanghai.

Sadly, Gloria Sachs passed away on March 12, at her home in Manhattan. She was 85 and is survived by her daughter, Nancy Sachs; her son, Charles; two sisters and three grandchildren.

A member of Fashion Group International for more than 50 years, Gloria remained active in the industry of which she was so proud. “Gloria was one of the first female designers to influence the way women dress,” said designer Stan Herman. “She was a perfectionist...she really loved fabric... her clothes were beautiful. She dressed women in a very elegant way.”

Gloria Sachs will be so missed by her family, her friends, her colleagues, her admirers...all those whose lives she touched with beauty, grace and style.

— Wendy D'Amico

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The era of social media continues to impact the business of beauty, and brands at all levels are testing the waters. On May 2, **Margaret Hayes**, president of Fashion Group International, welcomed attendees to the organization's annual Beauty Symposium, held at The New York Hilton Hotel. Titled, "Changing Lanes: New Model. New Distribution. New Beauty World." The presentation provided strategic approaches to an evolving retail economy, consumer values and key issues facing the industry today, not the least of which are social media and the impact of technology. The sold-out event was sponsored by *Self*, The Estée Lauder Cos. Inc. and Chic.TV.

Moderator **Karen Young**, CEO of The Young Group, introduced panelists **Laurie Black**, general merchandising manager and executive vice president of cosmetics at Nordstrom; **Mike Indursky**, president of Bliss; **Peter Lichtenthal**, president of Bumble and bumble, and **Jill Scalamandre**, chief marketing officer of Chrysallis, and introduced the opening presentation on Social Beauty by *Self* magazine's VP and publisher **Laura McEwen** and beauty director **Elaine D'Farley**, which provided an overview of the current state of digital media in the context of a community conversation.

The Roots of Social Beauty

"The idea of social beauty is not anything new," said McEwen, who pointed out that the idea of sharing information among a community of women was at its roots the very nature of women's community building and socialization. However, in the digital age, it is clear that social media has taken on new proportions.

"The age of social media is paramount and it is upon us," said McEwen. D'Farley supported the premise, noting that with the speed of change in the world today, it is essential to be nimble and flexible, inspire audience engagement and give brands a way to tell their story uniquely. "It's a platform to write your own script," said D'Farley, who highlighted *Self*'s "Drop 10 Challenge," which the magazine conducted via Facebook and Pinterest, to engage readers at various touch points and create an authentic conversation around exercise and healthy goals. "Social media is the new syndication," she said, intimating that in order to get through all the clutter, brands need to be especially creative, engage in partnerships and drive

traffic to their brands with unique opportunities. She heralded the arrival of the new wave of "Social Media Editors," now becoming a ubiquitous part of the landscape, and characterized the new online engagement, sharing photos with Instagram and Pinterest, for example, or providing "Like-Gates," for visitors, which provide exclusive content to those who "like" your Facebook page. These digital conversations contribute to a new path to what she termed "citizen journalism," allowing readers to weigh-in on product picks and preferences, in what is an evolving communications community with a range of technological tools at its disposal.

Panelist Perspectives

Moderator Karen Young noted the changing technological environment, saying that access to products and services has increased exponentially and become more sophisticated. She noted that the era of Instagram, "I Can Stream," Zipcar, Twitter and more have made the concept of the DVD rental a dinosaur!

Mike Indursky said, "Not long ago, you did some great advertising and promotion, but now media consumption has changed. There are flash-sale sites, social media and blogs. The consumer outnumbers us and has the ability to tell our story differently. While we're trying to figure this environment out, everyone else is, too. It's a bunch of roulette wheels going around and there's no right answer. At Bliss, we have some guidelines, including the fact that strengthening the core of your brand is most important. Make sure everyone speaks in one voice to avoid distortion of your message, and work the message of the brand into everything you do."

An abundance of media outlets make it difficult to choose, added Indursky, noting that it is important to select the means of communication that works for you. "The world doesn't need another shampoo, it needs a different story," he said. "Doing things differently is the most important. Always challenge convention," he said.



From left: Caroline Pieper-Vogt, president of The Scent Marketing Institute; Laurie Black, GMM/EVP Cosmetics, Nordstrom; Peter Lichtenthal, president, Bumble & bumble; Karen Young, CEO, The Young Group; Mike Indursky, president, Bliss; Jill Scalamandre, CMO, Chrysallis; Laura McEwen, VP & publisher, *Self*; Elaine D'Farley, beauty director, *Self*.

Jill Scalamandre cited Strivectin as an example of reinvention, as it evolved from a stretch-mark cream to a clinical/pharma antiaging brand. "The consumer for Strivectin wanted efficacious stuff. She didn't want to pay for gold stamping," she said. "This brand is reaching a broad spectrum. It goes from Ulta to QVC and Costco. It goes where the consumer is shopping," she said. Chrysallis, which acquired the brand in 2009, knew that "this was a brand that was going after the 'Botox alternative' audience," said Scalamandre, "We knew we had to get the product right." Scalamandre knew the Strivectin brand needed to keep the DNA of its clinical roots, but with a modern look and feel. "We changed the advertising and communication...and went on to talk with consumers via awareness engagement and keeping the consumer loyal by knowing how she ticked. Since there are so many ways to reach her, we found that the predominantly 'self-made woman' audience, who liked to read news magazines, could be reached through *Time* magazine. It stood out from the clutter," said Scalamandre. She credited Stephen Denny's book, *Killing Giants*, with providing strategies to help smaller brands topple giants, stand up to industry Goliaths and essentially hijack the consumer with an array of tactics, including events, sampling, e-mail targeting and in-store approaches. "With every tactic you use today, there is an online



Moderator
Karen Young,
CEO, The Young Group



Event Chair
Caroline Pieper-Vogt,
president, The Scent
Marketing Institute

and offline component. Using both effectively helped us zero in on our consumer," she said.

Peter Lichtenthal discussed the evolution of what started as a New York City salon in 1977, and has built on its original pillars, valuing hair styling products and education, to become a leading force in the salon world, with 97 percent of its product business sold to salons. Bumble and bumble joined The Estée Lauder Companies in 2000 and was fully integrated in 2006. "In 2008, when we faced a changing economy and growing social and digital world, we found that the consumer was increasingly seeking more information," Lichtenthal said. "We had 2,300 salons and we looked at the market and decided that we broke precedent with our role as a salon and could do it again. We decided we could reach consumers by partnering with Sephora and behaving as a professional brand. Our lane-changing moment with Sephora afforded us a network for clients to locate Bb. Salons around the country and enabled Sephora clients to go to the salon network, get a card for a free blow dry, and break down barriers between salon brands and retail brands. Win in the lane you're going to while succeeding in your original lane," said Lichtenthal. This was key for Bumble and bumble, which he said increased sales after the Sephora launch, and now not only brings the products to the shelf, but the salon process to the clients.

Customer Service

"The customer is changing all the time," said Laurie Black. "We're focused on customer-centric services and have created an inverse pyramid to address the changing Nordstrom customer. We have the customer at the top of the pyramid, sales in the middle and management at the bottom. Many things our customers are telling us are not in line with what our salespeople are thinking. So, we're getting everyone in line with what our customer wants.

Featured members in this issue "Our customer wants to shop different ways, and it's always changing. Some days she wants beauty expert advice, and sometimes she wants the branded beauty advisor, or the fragrance advisor. We're looking at ways to change the way we offer brands on the floor. We offer samples to improve the shopping experience and have a whole team engaged in that. The customer also wants to shop online. This is a customer who wants to shop the store the way she wants, so we're working to customize the experience," said Black.

"At Bliss, we're a high-touch business," said Indursky, "and we're listening to the concerns of our customers. If they have an issue, we ask them to tell it to us on Facebook to keep us aware of what their interests are." Lichtenthal said, "It all begins with 'What do we stand for?' and how we translate that to all channels. We're at Sephora, Blue Mercury, Space NK, Bloomingdale's and Sephora.fr, so we've done a lot of research about the brand and its distribution. If you're in a channel, you have to play by that channel's rules and translate that into how to win in that channel and translate the 'high touch' into that medium."

Scalamandre noted that each channel has its role, for example, to educate and bring awareness on QVC, touch and feel with consumers in the department stores, and to offer varied sizes. For example, in specialty stores like Ulta, they offer smaller sizes; in department stores, larger sizes.

Black said, "Our buying teams are always connected to what our customer wants and we're looking at new brands all the time. At the same time, we're growing the existing brands, so we're managing both." Indursky concurred, "You have to have ways to work together on all the products. With Bliss, its spa, retail and spa services: We have all the parts of the business linked up."

Asked what keeps him up at night, Indursky responded, "Every day is a street fight when you've got a small business. You throw a lot of punches and you also take a lot of punches," he said.

Scalamandre noted the importance of deciding how you can do more with less and choosing the right vehicles to accomplish your goals. "The irony," said

Young, "is that having enough budget is still no guarantee you'll be doing the right thing."

Black said, "We are kept motivated by wanting to keep our customer happy," and Young noted that this entails searching for the "news in the noise" to find out what really works among the numerous offerings available today.

Lichtenthal said, "We speak differently to our clients in our salons. For example, our uptown salons offer individual color stations, and with our downtown salons, the younger customers prefer a communal table approach. We make sure our salons show diversity depending on the psychographic needs of the customer." Scalamandre agreed, "Knowing and marketing to the needs of the consumer is more important than the age group, so much is psychographic-related."

—Nancy Jeffries

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RTW COLLECTIONS

TREND OVERVIEW

Margaret Hayes, president of The Fashion Group International, extended greetings to a packed house at New York's Time-Life Building, on Tuesday, April 10, in attendance for the popular seasonal roundup of the latest runway successes from the fashion capitals of the world. Hayes welcomed a panel of industry experts, including **Cindy-Weber Cleary**, fashion director at *InStyle* magazine, **Stephanie Solomon**, VP and fashion director at Bloomingdale's, **Sarah Brown**, beauty director at *Vogue*, **Linda Fargo**, SVP at Bergdorf Goodman, and **Nicole Phelps**, executive editor of Style.com. Hayes thanked **Marylou Luther** for her expert editing, script and narration of the Trend Overview, and welcomed special guest moderator **Stefano Tonchi**, editor in chief of *W Magazine* and creator and former editor of *T: The New York Times Style Magazine*. Hayes also acknowledged the support of the event's sponsors, MAC, LIM College, Ecco Domani Wines of Italy and Fekkai.

In her unique, inimitable style, Marylou Luther took attendees to the runways of Milan, London, Paris and New York with a locomotive metaphor to keep everyone on track. Fashion standouts were grouped into several categories, with Puttin' on the Glitz the runaway lead. Said Luther, "Marc Jacobs tracked the season on the Louis Vuitton Express," while Ralph Lauren upped the ante with a "Downton Abbey" interpretation, and Donna Karan traveled incognito, making it fashionable to cover up with a little mystery.

Bejeweled and Gold-Gilded

According to Luther, designers are creating styles for the one-percenters, that is, clothing that sends a message of abundance, with fur-trimmed (real or faux), bejeweled and richly brocaded and vibrant pairings. Their preoccupation with wealth and status, however, is offset by options from those with a bent for discretion in dressing, offering hope and options that allow room for modern expression with higher necklines, protective coloration, tattoo-hiding sleeves, and just-below-the-knee hemlines. Minis and short skirts are still in vogue, but they are often worn over pants, generally narrow and high-waisted.

There's a lot of glitz and gold, with jewelry ranging from big brooches and pant cuffs, which according to Prada mean bigger is better, and clutch and cuff bag and jewelry combinations from Chanel. Jeweled jackets from Prada, faceted jewels from Chanel, Sarah Burton's tulle sprinkled with embroidered dandelions for McQueen and Don O'Neill's goddess dresses for Theia featuring burnt sequins and crumpled pearls show jewels squarely in the spotlight.



ALEXANDER WANG



MICHAEL KORS



RALPH LAUREN



LANVIN



CREATURES OF THE WIND

Color and Taking Cover

Color tonalities, hot flashes of color clashes, color blocking and whites for winter, as well as oxblood, teal, amethyst and emerald bring jewel tones back to the runway, with such proponents as Vera Wang, Hermès and Valentino showing striking variations. Black stays in the picture, Luther noted, and leathers are having a moment, both as total garments or as components with fabric or fur.

There's also a hefty dose of Militaria, with khakis, epaulets, navy peacoats, uniform looks and chain mail making their marks on the runways. "Manning Up" heralds the man's influence in women's wear, and vice versa, with Paul Smith's impeccably tailored blazers, Donna Karan's dandy looks, Hermès' gauchos and Isabel Marant's cowboy shirts. Coats made a strong statement on the runways, with large, capacious clutch coats, flowing capes, contrasting lapels, piping and belted styles, while jackets featured color, architectural shapes, blazers and kimono styles.

There was fur on skirts and vests, scarves, shoes and bags, making it a head-to-toe statement. Goat, fox and coyote were among the longhaired favorites, while sheared mink, nutria and beaver were also part of the mix. Fur sleeves on non-fur jackets and coats were also part of the mixed-media looks, which included a Mallorcan tablecloth fabric mixed with satins and leather.

Prints featured reality looks, stained glass, geometrics, landscapes and animal prints. There were even some art prints by Hieronymus Bosch, and a bouquet of florals. Fabrics ranged from brocades for day and night, blue velvet by Balmain, oxblood velvet by Kenzo, lace overlays by Kors, gold embroidered leather by Lauren and ample tweeds. Plaids appeared with kilts, intarsias and bias cutting, and shearlings made a strong statement alongside nubby knits, pants, jumpsuits and three-piece suits.

The little black dress is still big; peplums appear on dresses and belts, and slits have become fashion's latest erogenous zone. Accessories is a strong category, with Stephanie Solomon, saying, "The accessory business is driving retail now." Crocheted or bejeweled collars, chokers, statement necklaces, brooches and knitted scarves secured with kilt pins are big boons in the accessory business.

Spats and riding boots, doctor bags, colored bags, huge fur bags, framed bags and foldovers, as well as decorative clutches are also strong in the accessory category. In beauty and hair, cropped bangs, à la Rooney Mara in *The Girl With the Dragon Tattoo*, are setting a beauty trend. Her pale skin, wine-colored lips and dark brown hair have been captured and interpreted on all the runways. In addition, brown hair rules, braids remain big and smudgy black eyeliner and orange eye shadow created distinctive looks on the runway. Also popular in beauty were icy white accents for eyes, red lips and disappearing lips that created a neutral palette for the face.

Best bets, according to Luther, are leather, jewellery, gold, reflective materials, oversize looks, equestrian styles, mixed media, coats, color, knits, bags, booties, evening shoes and the military look.

The Panelist's Perspective

Stefano Tonchi opened the panel discussion with a look at the success of Prada's structure and prints, contradictions in the shows, important looks that ranged from minimalist to maximum, and an overall season that brought together richness, extravagance and individuality. He asked the panelists to answer from their hearts when assessing their favorite collections of the season.

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Stefano Tonchi, moderator, editor in chief of *W* Magazine and creator and former editor of *T: The New York Times Style Magazine*.



From left: Nicole Phelps, executive editor, *Style.com.*, Linda Fargo, SVP, Bergdorf Goodman, Sarah Brown, beauty director, *Vogue*, Stephanie Solomon, VP, fashion director, Bloomingdale's, Cindy Weber Cleary, fashion director, *InStyle* magazine.



Marylou Luther

Cindy Weber-Cleary cited Jil Sander for her modern collection. Stephanie Solomon named Derek Lam and Marc Jacobs in Paris, and Sarah Brown picked Marc Jacobs in New York—particularly for his ideas about shape and layering. Linda Fargo acknowledged McQueen's show, while Nicole Phelps, who also checked Sarah Burton for McQueen, mentioned Joseph Altuzarra's collection in New York, as well as Bottega Veneta, in Milan, for offering incredible Red Carpet options.

In responding to Tonchi's question about the differences between the shows in the various fashion capitals, Fargo noted that the culture of innovation was alive and well in New York. "There are a lot of veterans in New York in the industry who step up to mentor young designers. You really don't get that as much in Europe. Europe is a world of heritage. New York is supporting innovation and there is also a price variable that enhances accessibility."

Solomon, addressing fashion culture, said, "The old guard definitely affects the younger consumer, as well as young designers. The appointment of Raf Simons to a house like Dior is a badge of achievement. What really makes me excited is watching designers, from Raf Simons and Proenza Schouler to Rag & Bone, and watching them grow. I see a shift happening that is changing the way women are dressing today," she said, noting that Simons started the color-blocking concept. "This is a shift in terms of fashion culture," she said.

Phelps noted the wealth of media outlets that are now interested in fashion. She said, "Everyone from *People*, to the blogs, to *The New York Times*, as well as everyone sitting on this panel, is interested in fashion. People are eager to discover new talent," she said. Brown added, "At *Vogue*

we're trying to support the young designers and we recognize that they may be creative designers, but not necessarily the best business people, so we try to help and support them by giving them a chance in the market."

Weber-Cleary said, "Among celebrities, you have to be really fearless to take risks, like Tilda Swinton. Because celebrities are so scrutinized, they often take a safe route," in response to the comment that the Red Carpet can often be boring. All agreed, however, that the Red Carpet still drives sales. "People are influenced by what celebrities wear, but, thank God, that is not the only influence," she said.

Solomon added, "As a culture of fashion, Bloomingdale's is a theatre. The young girls shopping in the store today are influenced by Lady Gaga and Nicki Minaj. That's what I miss in fashion. Look at Marc Jacobs' show, which was wild and crazy. I love that the new icons are influencing fashion. Even Madonna, at age 53, is telling girls to throw caution to the wind."

Does Beauty Start On The Street or On The Runway?

"Furthermore, makeup artists and hair stylists, like Pat McGrath and Guido, are becoming widely recognized for their work," said Brown. Brown cited the "Rooney effect," with cropped bangs and pale skin, as well as the new dip-dye hair looks that came from the "cool girls" on the street. She noted that London's hair salon, called Bleach, had a strong impact on creating this look. "Makeup artists are also becoming more recognized, with makeup artists like Pat McGrath and hairstylists, like Guido, becoming widely recognized for their work," said Brown.

"Fashion used to be an insider's world," said Fargo. "But it has become a huge world, much like sports," she said. Tonchi agreed, "Like many sports fans who are couch potatoes, there are now fashion fans searching the Internet, like Web potatoes," he said jokingly. Phelps noted that there are new retail models forming, and Weber-Cleary added that she does think that women get fatigued from the abundance of fashion choices. "As an editor, I need to edit and endorse certain trends. *InStyle* has a very grounded voice and I try to select the trends that will resonate with our audience," she said. Solomon said the editors know how to edit down, for example, the Edwardian trend. "It is not just dressing up pretty, there's a responsibility to your readers," she said.

Wins from the show, according to the panelists, were coats and the military statement, coats as a way to differentiate yourself, said Brown, citing Burberry as a favorite, for an investment piece, and the new beauty take on brown hair. Brown said, "Buy a box of brown hair dye. The idea of the brunette, very glossy and expensive, is a strong trend this year." While Solomon noted that the accessory business is driving retail, Tonchi added, "If you want to bejewel yourself, you'll buy a necklace, not a coat. This is a very big trend at *W* magazine."

—Nancy Jeffries

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It was a full house on March 20th for FGI's annual retail symposium and luncheon, a C-level summit co-hosted by The Robin Report to examine the convergence of art and science at retail. Titled "The Jobsian Era is Upon Us," the seminar was led by **Robin Lewis**, CEO of the Robin Report, who moderated panelists **Martine Reardon**, CMO of Macy's; **Steve Sadove**, CEO of Saks Inc.; and **Richard Dickson**, president and CEO of branded business at The Jones Group, in an examination of how they are innovating and integrating technology and creativity to elevate the consumer experience both online and in store.

In a smart flip, lunch was pushed to after the presentation, allowing attendees on a tight schedule to eat and run without missing the meat and potatoes. Another change-up in keeping with the theme: Lewis introduced Yorn, a feedback tool that works with mobile devices to allow the audience to post questions and comments in real-time, replacing (or supplementing) the old index-cards-placed-on-the-tables method.

"Steve Jobs didn't create it, but he helped define the new science and art of retail," said Lewis, jumping right in to the discussion, pointing out that the innovation and approach to retail at Apple Stores continues to lead in sales per square foot, with an average of \$6,000 per square foot—more than Tiffany's, to give some perspective.

"The irony," Lewis was quick to point out, "is that the brick and mortar stores are now one-upping the pure-play online retailers, using the same technologies to enhance the in-store experience." Now, he said, the e-commerce players will have to open their own stores in order to compete—to add the "touchy-feely" component that the digital experience lacks—and pointed to the fact that Amazon, the Goliath of Internet selling, is looking to open stores in the not-too-distant future.

Lewis opened up the discussion by asking each panelist to talk about how the art of retail is converging with science and technology in their businesses.

"The most important word today is *omnichannel*," said Steve Sadove, pointing out that the goal for retail has moved beyond multichannel in order to reach the customer and meet the constantly evolving demand.

Sadove said a key way that Saks strives to be truly customer-centric—that is, reach her wherever she wants to be reached—is by culling data from across all channels and looking at who is shopping, and how and why. One surprise, Sadove said, is that they assumed their "diamond-level customer" was primarily shopping in-store. But the data showed that that customer was actually shopping on-line. "You have to shift your marketing," he said. "For the marketing department, buyers and tech, it's a transformational time for all."

Martine Reardon pointed to the motto of Macy's first woman manager, coined in 1866, "Be everywhere, do everything and never fail to amaze the customer," underscoring the point that as much as things change, they stay the same in retail. Macy's also studies data closely to understand where the customer is shopping. "The data is a myth buster," she said. "She's not just online or in-store. We are putting our focus on the ones doing both, and are trying to transform all."

Reardon said they use data to understand preferences and the choices the customer makes on line or in-store. "They used to be two very separate businesses, but they are now seamless."

As both a retailer and a wholesaler, Jones Group has a unique perspective, said Richard Dickson. "We sell a lot of stuff," he said. Recently, the company has put new focus on developing distinct brand identities for its many businesses, shifting the emphasis away from categories. "Language and messages are very different across brands," he said, pointing to the example of Rachel Roy versus Easy Spirit. "Rachel Roy sees lots of Facebook interaction with customers, but there's not so much with the Easy Spirit customer. On the other hand, the Easy Spirit customer is much more likely to purchase online." One customer wants a purchase to be smooth, easy and perhaps cut a trip to the mall out of her busy schedule. For the other, social interaction is a big driver—Facebook allows her to communicate directly with the brand but also with her peers, but a trip to the mall and the in-store experience is part of the satisfaction of the purchase.

Lewis then steered the conversation to research: How did each of the businesses represented use research tools to analyze and understand the customer, and how do they use technology connect with them and compel them to the store or site.

Sadove said Saks, like Macy's, uses data to understand who is cross-shopping, and to understand and tap into her behaviors with "data-driven customization." He explained that they try to use every tool available to communicate—social media, e-mail, local media: "Everything is metric and can be counted, measured and analyzed—that's what's so exciting," he said.



Above, from left: Marie Claire's Nancy Cardone, Richard Dickson, president & CEO branded businesses, The Jones Group, Inc., Stephen I. Sadove, CEO, Saks Inc., Robin Lewis, CEO, The Robin Report.



Martine Reardon, chief marketing officer, Macy's

Dickson said it's "all about relationships. Millennials, Gen X, Baby Boomers: They are widely different. And the amount of information we have is daunting—even paralyzing." He said at a certain point, you just need to jump in, and start acting on the information rather than worry about the best way. Especially because the ways to target the customer are constantly changing.

So, Lewis asked, "Is the technology ahead of our ability to use it? Are we playing a game of catch-up?" Reardon believes that while the technology is moving very, very quickly, it all goes back to the consumer. "The challenge is to stay local," she said, describing direct-mail programs with thousands of variations to target local markets and customers. She said one of the biggest challenges is buying the best, most pertinent merchandise mix for each store, but still enable the customer to get what she wants in whichever door she is shopping. "We use 'search and send' technology to help her find what she wants and complete the transaction."

Looking to the "art of retail" versus technology, Lewis asked the panelists to address the human side of the equation. "Once you connect, how do you compel her to act?" he asked.

Reardon pointed to Macy's *Fashion Star* project—the reality show in which designers vying for the title create styles for each episode, and winning designs are available either in-store the next day—or even online, immediately after the show airs. "There's an element of discovery, and we can also get the brand out. At first, it wasn't even about the commerce aspect, but that came later—it was not about 'How much business can we do'—it's probably a pretty small piece in the grand scheme—but about engaging the customer," she said.

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What do Lady Gaga, Diet Coke and Pampers have in common? They're all on Facebook. Lady Gaga is the second-most "liked" living artist on the social-media site (behind rapper Eminem) with nearly 50 million fans on her page. Diet Coke has 1.8 million Facebook fans and Pampers, just over 1 million. Clearly, people want to engage with brands online—pop stars and consumer goods alike.

Alex Romanovich, speaking at the FGI CONNECT: Social Media in Fashion and Retail Seminar on March 7, emphasized that no brand can afford to pass up the opportunity to drive sales online. Romanovich is the founder and chief marketer of Social2B International, a company that specializes in advising enterprise clients on social media in order to help them build an appropriate social infrastructure. He argues that social media and e-commerce strategies are no longer just beneficial, but essential for growth. A recent Shop.org study (online retail experts who provide reports and analysis on a variety of industry issues including sales, consumer shopping trends and retailers' marketing plans) showed that 58 percent of U.S. adults follow six retailers on average on Facebook, and 28 percent of Facebook's 800-plus million users have purchased something online via the site. Another study, by Forrester Research, found that the social-commerce market generated \$5 billion in sales in 2011; this number is expected to increase to \$30 billion by 2015.

Romanovich explained that the Internet and social technology act as enablers for the marketing tools and activities utilized by companies. He compared this to a funnel that starts with awareness of content creation and branding. As the funnel narrows, consideration is the next stage in which companies target, engage and incentivize potential customers. Once the consumer is aware and engaged, the next step is conversion. And finally, at the narrowest part of the funnel, and therefore the smallest group, is the loyalty bracket. This refers to repeat customers and brand advocates.

The most common social tactics deployed by brands are:

- Ratings and Reviews
- Microblogs and landing pages (i.e. Twitter, Pinterest)
- Social recommendations
- Company blogs
- Client-generated comments
- Product sharing on social sites
- Social shopping aggregator sites (deal sites like Groupon)
- Ability to engage open APIs (Application Program Interface)

According to Romanovich, ratings and reviews are the most important social-media tactics; they provide measurable information as people volunteer critiques and share experiences, acting as "citizen shoppers." The success of a campaign can be measured in a detailed way. Trillions of bytes of data can be analyzed. For example, Facebook allows brands to survey, poll and feed back the results to their followers. The estimated value of one review shared on Facebook is \$15.72. Romanovich also mentioned that there are companies marketing the option to purchase friends (on Facebook) for approximately seventy cents to one dollar each. But, he warned, while thousands of friends or fans on a page may look impressive and may fool people for a while, it's imperative to be authentic and transparent. The consumer is intelligent and will eventually see through the veneer. That will cause a loss of loyalty toward the product and/or brand.

Because blogs, instant messaging, Facebook, Twitter and other social platforms have become a way of life, Romanovich said, the integration of the real world and social world will only escalate. In fact, social applications, games, local deals and mobile technologies are driving new addictive behaviors. And it's not just the tweeting tweens or the message obsessed Millennials who caught the fever—the trend includes Baby Boomers and Generation X.

Romanovich said the U.S. has led the way, but social media is a global phenomenon. With a worldwide audience, companies should want to engage.

—**Stacy Lomman**

Contributing Writer, tamarastacy@aol.com

Saks is also participating with *Fashion Star* (H & M is the third retailer involved), and Sadove acknowledged that it isn't an obvious tack for the upscale retailer, but said they did it "for the surprise of it. And to bring in a different customer base." He said it's like a 10-hour commercial for the store, with pieces Saks offered online selling out by 9:30 the morning after the first show, and those shoppers also purchased other products once they were on the Saks site.

Winding up, Lewis pointed to the fact that—after seasons of warning traditional retailers to watch their backs—brick and mortar stores now seem to have the competitive edge, having learned from their online competition how to use technology to enhance the shopping experience and increase sales, but also maximize their experience with service and personalized attention that go beyond data mining. Opening up the panel to audience questions showed off the Yorn technology, with questions displayed on a screen on stage.

The event was generously sponsored by Cotton Inc., Me-Ality, *Marie Claire*, Kurt Salmon and Master Card.

—**Katie Kretschmer**

Editor / Contributing Writer, Katinker@mac.com

IN MEMORIAM



Alden Clanahan, a member of Fashion Group International, Dallas, passed away unexpectedly in his sleep on February 5th, 2012.

Alden began his career of more than 20 years with the Dallas Market Center as a freelance designer, became a DMC associate and rose to the position of vice president of trend direction and design.

Admired and respected for his imagination and the extraordinary design aesthetic reflected in DMC's events and displays, Alden's sense of vision and creative leadership benchmark Dallas Market Center as a testament to ideas and inspiration.

Alden Clanahan will be sorely missed by his colleagues, friends and his fellow members at Fashion Group.



Tucker Robbins



Katharine L'Heureux



Keith Recker



Amy Chender



John Patrick

(photos by Steve Lars © 2012)

FGI's Frontliner, Sustainability that Doesn't Crunch: Getting to Green



Furniture designer **Tucker Robbins** hosted FGI's Frontliner on sustainability in celebration of Earth Day in his beautifully furnished gallery at the New York Design Center on April 19. It was a perfect setting to kick off a conversation about sustainable practices: a light-filled space furnished with pieces designed by Robbins, who draws inspiration from the past and travels the world to buy his wood in tropical jungles. His love of trees and wood is apparent in each hand-crafted furniture piece.

On the panel sat a collegial group of industry experts who have made sustainability a key part of their business: **Amy Chender**, COO and director of social responsibility at ABC Carpet & Home; **Katharine L'Heureux**, founder of Kahina Giving Beauty; **John Patrick**, designer of John Patrick for Organic; and **Tucker Robbins**. **Keith Recker**, editor in chief of *Hand/Eye* magazine, a print and online publication that discusses the intersections between art, craft, design, philanthropy and enlightened consumption, was moderator.

The event, which focused on how the current conversation around sustainability has to start with the environment, how people and planet are inextricably intertwined, and how this unbreakable link needs to include social and environmental aspects in the discussion, provided attendees with a world view of

how all of us in the chain from manufacturer to designer, from beauty entrepreneur to retailer, must work together to bring the needs of the people and planet into harmony. Patrick told the audience "I think that consumers buy products because they're beautiful. It's up to the manufacturers designers to do

the correct thing. People are always surprised to hear that I think Chanel is a sustainable business. It's sustainable because it's made in France, using European fabrics, the workers are all paid fairly, the garments are long-lasting—people keep them forever!"

Chender noted that ABC Carpet & Home provides lots of education for the consumer: Signage is prominently displayed, stories are written about the products to help consumers become engaged in the stories behind the brands. The company has made a key investment in quality products that are sustainable. "If you buy a quality sustainable mattress, you'll have it for 20 years! People don't think that way any longer," she said.

"Quality means efficacy. People who buy beauty products will pay a bit more if it works," L'Heureux said, and added that when she went to Morocco, she spoke to the Berber women about how she could be of help. She found out that the women needed goats, and that they're now using the wool from the goats to create rugs that have provided an additional source of income for the women.

"Be fair and kind to our world around us," Tucker Robbins exclaimed. "The economy is shaky. Get back to reality, do things that save the earth. People forget that we can get by with less." As a former monk turned furniture designer, Tucker ironically lived with almost no furniture for close to ten years. As a world traveler, he now looks to improve the carbon footprint each step of the way.

In closing, Recker reinforced that there must be a higher purpose to business. Value needs to be placed on hand-made, we need to understand the value of people to enterprise, and, ultimately to work for change through a process of reflection and continual improvement.

— **Mitria Di Giacomo**

Contributing Writer / Director of Special Events
& Brand Development, FGI
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Moderator; Keith Recker, editor in chief of *Hand/Eye* magazine



Guests at the Tucker Robbins Gallery for FGI's Frontliner, Sustainability that Doesn't Crunch: Getting to Green

Laurie Black	Mike Indursky	Marylou Luther	Keith Recker	Jill Scalamandre
Nancy Cardone	Robin Lewis	Laura McEwen	Tucker Robbins	Cindy Weber- Cleary
Richard Dickson	Katharine L'Heureux	John Patrick	Steve Sadove	Karen Young
Linda Fargo	Peter Lichtenthal	Caroline Pieper-Vogt	Stephanie Solomon	

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Emma Ancelle
Lisa Arbetter
Rebecca Beard
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Jacqueline Bloom*
James Broadbent
Elina Bromberg
Stephen Burrows
Kristan R. Carrizales
Kanika Chadda*
Carla Chalmers
Suma Chander
Sarah Chianese
Emily Cohn
Dana E. Cooper
GiGi Downs
Dwayne Dunlevy*
Anna Lundback Dyhr
Melanie Fascitelli
John Favreau
Jennifer Fox*
Alexandra Fritsch-Gil
Rochele Gloor*
Diana Good
Jenny Gorenstein
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Anna Gulick
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Julia Hawkins
Mike Indursky
Kerry Kinney
Magdalena Klasnja*
Colette Komm
Katharine L'Heureux
Ji Yun Lee
Frederick Magner
Cheryl Mainland
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Sebastian Masmela*
Erika Dalya Massaquoi
James McCara
Brigid Merriman
Stephen Millikin
Jeffrey Molinaro
Sarah Ogden
Aaron Owen
Cheryl Palacios
Elizabetta Papuckoska
John Patrick
Connie Pirrone
Keith Recker
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Cynthia Rose

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Nancy Sachs
Norma Sepenuk*
Casey Sharbaugh*
Sarah Shirley
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Ashlen Snellen*
Simon Spurr
Elizabeth Uss
Harika Ustaoglu
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Katherine Wadhams
Christina Wallace
Lisa Walters
Katy Wang
Deborah Weinberg
Stephanie Winston
Wolkoff
Sandra Yang
Ammara Yaqub
Kelley Young*

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Amy Bailey*
Mina Hernandez*
Shanon Park
Deborah Poland
Katie Rausch*
Erin Southards

Atlanta

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Melissa Murdock
Shaunell Robinson*
Staci Schaffman
Erin White*

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Ron Ranere

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Lori Castle
Ashley Cebulka
Val Enquist
Soteria Kontis
Gail Salomon
Stacy Smallwood
Anna Summers*

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Samantha Rosati
Turie Von Tungeln*

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Camila Restrepo
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Cindy Fischler*
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Josephine Maduagwu*
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Carlos Zuniga

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Caroline Corey
Brittinn Karaffa
Brooke Rinehart
Pimtheera Rojanavongse
Fallene Wells*

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Maria Alberto
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