

ERICA CORBELLINI - STEFANIA SAVIOLO

Managing Fashion and Luxury Companies



Rizzoli ETAS

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From Erica to Tancredi and Zoe

From Stefania to Isa and Giorgio

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in collaboration with *Leandré D'Souza*

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Foreword

Renzo Rosso *

Fashion is inspiration, creativity and intuition. But it is also organization, strategy and management. These two apparently contrasting sets of elements have to come together to ensure the success of a business idea.

The current scene presents new challenges, such as the increasing sophistication of consumers, the constant need to innovate, the importance of attaining specific critical masses in order to meet growing investment requirements in retailing and communication, the micro-segmentation of the market, hyper-competition, and brand management, just to mention a few.

It is increasingly difficult to find professionals in the fashion industry that are capable of “managing creativity”, that means leading creativity without impeding or deforming it. Firms and managers have to know how to innovate, breaking free from competitive rules while still remaining loyal to the core values of their brand. The fashion market is in a constant state of excitement, the consumer constantly wants new stimuli, and it is up to the actors in the industry to create and maintain a relationship with their own target.

* President and Founder of Diesel.

A fashion firm always works in a circle. Any decision, any action undertaken, has decisive consequences on brand and corporate image. Let us take the example of retail directly managed by the firm. This affects only one functional department of the firm, retailing, but how can one forget the overall effects in terms of brand image, let alone business organization? Production, logistics, information-gathering, reporting, and communication at the retail level all have to operate effectively and efficiently in order to maintain overall consistency.

There is another key point that should not be forgotten, the enlarged concept of communication. In the past one hardly talked about advertising, and the product was the focus of all the company's efforts. In the 1980s, and above all in the 1990s, communication became a key success factor in the fashion world. Today, communication does not just mean advertising or public relations. An advertisement (whether on press or on television) no longer has a rational motivation ("to inform and persuade") as much as an emotional content ("to seduce"). Communication means working with the new technologies (from the Internet to videogames), and above all expressing the corporate philosophy in every way, not only through business communication but also through shop windows, direct marketing, and customer service.

The brand has to be created, managed, sustained and protected. A brand is much more than a simple logo for a fashion firm. It evokes values, atmospheres, benefits that can never be ignored. This list of tangible and intangible factors attracts the consumer and ensures his loyalty. It ensures an economic advantage and represents a genuine weapon in the fight against competitors. It is also vital for the firm's growth (if not for its survival as well).

The clients of fashion products often do not have national limits or national taste. Thinking internationally, but at the same time respecting diversity among markets is another key success factor within an industry that is becoming global. A book like this helps to analyze and understand the complexity and potential of the fashion system. But it is only a start. I strongly believe in learning by doing. Making mistakes does not matter to me; it is reaction time that makes the difference. This is why I let my managers make mistakes. This way they will develop the necessary antibodies for what is increasingly a daily fight.

Foreword

*Federico Marchetti**

When I was invited to write this foreword, the first thing I asked myself was – What’s an Internet entrepreneur like me doing in a book about fashion and luxury? When I thought a bit more about the question’s context, I discovered some answers that centre on three key points: 1) my own experiences; 2) the centrality of “the store” for brands; 3) the brand as a digital form.

I founded YOOX in 2000, and since then have been something of a liaison, a sort of simultaneous translator, between the world of Internet and Fashion. I honestly feel closer to Fashion than the Internet in many ways through my interests, background, passions, culture, and language and although I shouldn’t admit it, my relationship with technology is not a particularly close one. I find it fascinating of course, but there are times when I can’t stand it, and I dive back into the past with all things vintage.

Above all however, I’m an entrepreneur who has managed to explain the opportunities and the beauty of Internet in simple terms to fashion, luxury and design brands. The Internet is what’s driving brands towards New Luxury: accessible from everywhere yet always

* Founder and CEO of YOOX Group.