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# The cure to one of retail's biggest problems isn't as simple as it sounds

Krystina Gustafson | @KrystinaGustafs

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Getty Images

Models walk the runway at Rebecca Minkoff's Spring 2017 fashion show at The Grove in Los Angeles on February 4, 2017.

It sounds like the perfect solution to one of retail's biggest problems.

If consumers grow bored with runway fashions by the time they hit stores, and wait to buy miniskirts when the weather turns warm, brands

should adjust their calendars to bring shoppers merchandise when they want it.

Yet as the third season of "see now, wear now" winds down at New York Fashion Week, evidence is mounting that the decades-long tradition of showing fall collections in the spring will be tough to shake.

The traditional business model was created to give department store buyers adequate time to place their orders, but it's becoming obsolete thanks to social media and pressure from fast fashion retailers like Zara.

Despite the self-reported success at brands like Rebecca Minkoff and Tommy Hilfiger — backed up by third-party data provided to CNBC — the number of labels showing in-season fashions remains minuscule.

Some of the biggest challenges to this model include reconfiguring where and how products are made, coordinating with third-party retailers like department stores and maintaining designers' creativity.

"It is a big commitment to sort of switch your organization around," Uri Minkoff, co-founder and CEO of Rebecca Minkoff, told CNBC.

The crux of "see now, wear now" rests on showing products closer to when consumers want to wear them. But it hasn't solved every nuance of Fashion Week's misaligned calendar.

Although the model allows designers to show their spring merchandise five months later than usual, it still fails to match up with how customers shop, said Vincent Quan, an associate professor at New York's Fashion Institute of Technology. Case in point: As several designers showed their spring wares last week, snow was piling up in New York.

"That still is not necessarily congruent with the weather and when consumers are actually physically buying the merchandise," Quan told CNBC.

Things get even more complicated for labels that sell their merchandise through third-party retailers. Because department store buyers often ask designers to tweak the styles they show on the runway, it's important for the two parties to start working with together earlier in the process.

That dynamic led to **Kate Spade's** decision to simultaneously show its spring and fall lines. While one floor streamed an edited version of the spring collection to consumers, buyers could walk through the brand's new fall presentation on a separate floor.

"It's still a necessary part of our business," said Deborah Lloyd, Kate Spade's chief creative officer.



Cindy Ord | Getty Images for kate spade

Kate Spade Chief Creative Officer Deborah Lloyd (C) poses with models wearing the label's Fall 2017 collection at the Russian Tea Room on February 10, 2017, in New York City.

Designer Rebecca Minkoff has struck a similar balance. Although shoppers first see the brand's new fashions during its runway shows, it meets with third-party merchants three to five months ahead of time. Their feedback helps Minkoff determine which products they're interested in, and how much of a certain piece it should manufacture.

"It really becomes a collaborative effort," Uri Minkoff said.

Things are a bit easier for direct-to-consumer labels like Thakoon. Because that brand doesn't sell its merchandise through third-party retailers, Thakoon Panichgul said he's able to start the design process earlier. Then, he simply puts the product away until the appropriate time.

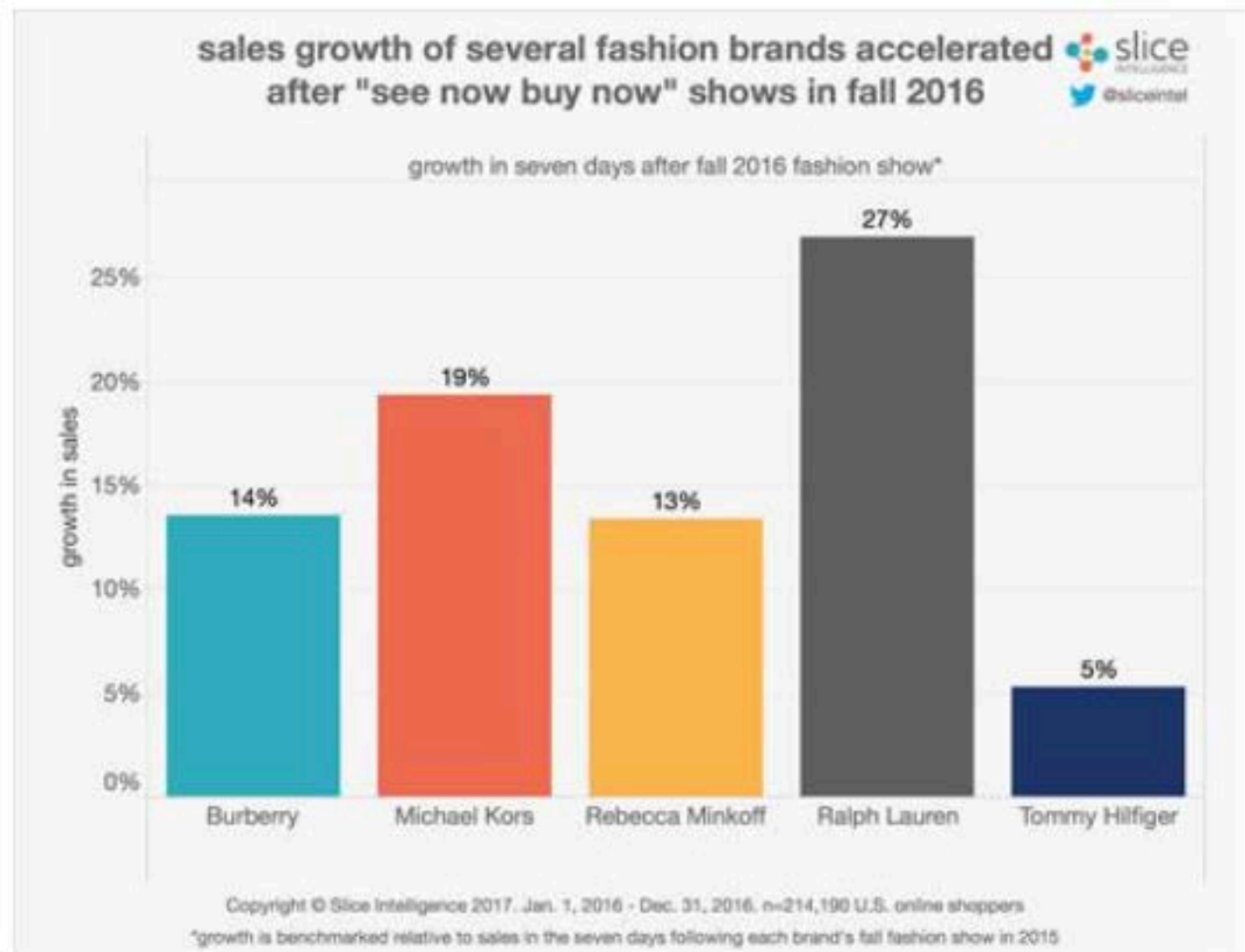
Yet any brand changing their fashion schedule has to deal with some ripple effects in their supply chains. As part of its efforts to bring new styles to market faster, [Xcel Brands](#), whose portfolio includes Isaac Mizrahi and Judith Ripka, has eliminated some of the time that was being wasted in the approval process.

By bringing members of its factories' technical teams from Asia to New York and working with department stores that have dedicated merchants and planners to its brands, Xcel is able to bring designs from sketch to the selling floor in about six weeks.

"There was a moment in time when control over margins shifted from retailers to consumers. That happened because of technology," CEO Robert D'Loren told CNBC. "We looked at it and said, by its nature ... there's going to be a disconnect with production cycles."



So far, the "see now, wear now" model seems to be boosting brands' top lines. Third-party data provided by Slice Intelligence show an uptick in online sales during the week that followed five companies' "see now, wear now" shows last fall. (Slice pulled its data from nearly 215,000 receipts.) Those gains were greater than the growth four of those brands experienced during the entire year, Slice noted. (Tommy Hilfiger was the exception.)



While Uri Minkoff agreed there is an outsized uplift immediately following his brand's shows, year-over-year sales at the design house were nonetheless up 128 percent leading into its third "see now, wear

now" show. In the days following that outing, the brand's online sales jumped another 64 percent year over year, Minkoff said.

"That, I think, was a really phenomenal experience for us," he said.

Not only that, but the initial spike in demand helps the company gauge which items will be its best sellers during the season, Minkoff said.

Yet even if the business model proves successful, it still has its critics. They include designers like Nicole Miller, who argue that it stifles the creative process and puts too much emphasis on sales. That's one reason ultra-luxury brands are expected to by and large sit out the experiment — at least for the time being.

"Craftsmanship and uniqueness and creativity takes time," said Hana Ben-Shabat, a partner in A.T. Kearney's retail practice. "You can't just make something and make it available right away."