

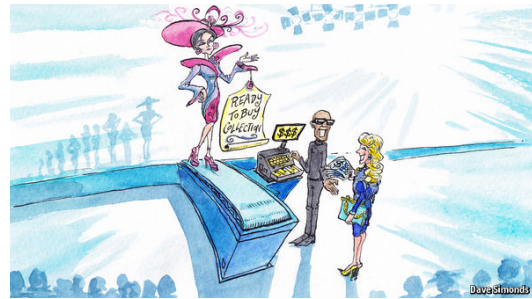
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Fashion retailing Passé

The fashion industry grapples with bad timing

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NEW YORK CITY has just begun its sacred rites of retail. For its fashion week, which started on September 7th, tents go up, guests emerge from black cars, models sulk down catwalks and the wealthy and celebrated clap in unison. The point of all this is for designers to declare what will be “in” next spring. But for much of fashion retail, it is increasingly clear that something is out of place.



For a sense of the problem, consider what happens when the week-long schedule of shows ends. Designers start making the clothes that retailers have ordered, with delivery scheduled four to six months later. But consumers see collections online instantly. “Fast fashion” shops such as Zara, which is part of Spain’s Inditex, rapidly produce clothes “inspired” by what appeared on the runway. When the originals arrive in stores, they feel tired.

This has produced clear winners and losers. The world’s two biggest clothes retailers are now Inditex and TJX, according to Euromonitor, a research firm. TJX buys excess inventory of brand-name clothes and resells them at low prices. Traditional department stores, meanwhile, are struggling, partly because outdated frocks and coats languish on racks and then have to be sold at a discount.

The challenge is widely understood. Now the industry is finally starting to deal with it. In March the Council of Fashion Designers of America (CFDA) and the Boston Consulting Group suggested alternatives to the current, slow retail cycle, some of which have been championed by fashionistas. A small band of designers are testing new business models this week in New York, or plan to at fashion week in London later in the month. The idea is to show clothes and sell them at the same time. It may seem obvious, but the shift is not easy for designers, suppliers, fashion magazines and retailers that have worked for so long around the old calendar. Most designers are sticking to it, with minor adjustments. During February’s fashion week in New York, for example, Michael Kors and Tory Burch showed only a very few looks that were available immediately.

Others are going further. On September 7th Tom Ford staged not a “spring” runway show, as is customary, but a party streamed live online, featuring clothes from his autumn 2016 collection that are available for sale now. Rebecca Minkoff, another designer, will present her collection on the street outside her Manhattan store, with guests invited to shop for the runway looks immediately. Because retailers have already decided which of its clothes to stock, the fashion show can promote specific items to boost their sales. It becomes a more closely co-ordinated activity, says Uri Minkoff, the company’s chief executive.

British designers are adapting, too. Burberry’s show in September will for the first time present only clothes that are available immediately. The company has pulled its entire fashion-design process forward by about six months, with clothes conceived, samples produced and presentations to editors and retailers all concluded much earlier. The catwalk event will not be a business event for the garment trade but a marketing event for consumers.

But old habits die hard. The CFDA is exploring whether retailers might stock more clothes when people like wearing them. But many stores and designers still expect them to buy fur coats in July. And some in the industry are sceptical. Pascal Morand, who oversees Paris’s fashion week, approves of selling clothes that consumers can wear now. But he also worries about designers listening too much to what people want. “Consumers favour incremental innovation,” he says, whereas the most exciting designs defy the norm and are often adopted by consumers only gradually.

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