

Fashion designers

## Strutting their stuff

MILAN

The purpose of fashion shows is changing. Now everyone can watch

FOR fashion buyers and editors, New York Fashion Week, which opens on February 12th, marks the beginning of their twice-yearly, month-long tour of the world's main shows. London, Milan and Paris come next; and in the autumn they repeat the circuit.

Lots of aspiring fashion hubs in emerging markets, from Shanghai to Mumbai, are also staging lavish shows. With a 10- to 15-minute catwalk display costing up to a few million dollars, some industry commentators wonder if there are better ways for fashion brands to spend their marketing budgets than parading their wares at more and more shows. Yet, for now at least, they remain central to the business of flogging posh frocks.

Fashion houses take part in them for two reasons. First, because buyers from department stores and other retailers are in the audience, ready to sign contracts if they like what they see. Second, as a broader brand-building exercise, to convince consumers that a label is still at the cutting edge. In recent years, the second of these motives has become more central.

That is largely because luxury brands have been cutting out the middlemen in their distribution chains. More than 80% of the shoes, bags and other products bearing the Prada label are now sold in its own shops, compared with about 50% a decade ago. For Burberry, the share has grown from less than 40% to more than 70% over the same period. So the fashion shows have become less about selling the latest collection to other retailers' buyers, and more about communicating the brand's image to a wider public.

Fashions change faster than they used to: brands can no longer get by with just two collections a year. They launch new ranges more frequently, often staging their own publicity events. But the main fashion shows are still the image-burnishing flagships of a more diffuse promotional effort.

Franca Sozzani, the editor of *Vogue Italia*, says little has changed in the staging of the main shows. But digital technology and social media are making them more accessible to the public. Most are now live-streamed online. As with book publishing (see Schumpeter), this means there are now legions of fashion "influencers", with big followings on Twitter, Instagram and Pinterest. A recent survey of the luxury industry by the Boston Consulting Group (BCG) concluded that word of mouth over-

took magazines last year as the biggest influence on consumers' purchase decisions.

Burberry has led the way: it was one of the first to live-stream its displays, and last September it became the first to use Twitter's "buy" function, allowing consumers to purchase items straight off the catwalk. Streaming also helps the fashion firms gather information on fans: Marc Jacobs, an American designer, has used it to capture e-mail addresses, by getting devotees to register in advance for live-streams in return for a chance to win tickets to shows.

The luxury industry in the 1990s was defined by the rise of global brands. The 2000s were all about those brands taking control of the retail "experience" offered to customers. The BCG report posits that in the coming decade, the industry will focus on getting to know individual customers. Fashion shows are part of that model. ■