

COLUMNS

10 new trends in fashion retail

October 6, 2015



Tammy Smulders

By A LUXURY DAILY COLUMNIST

By **Tammy Smulders**

Subscribe to **Luxury Daily**
Plus: Just released
State of Luxury 2019 **Save \$246 ▶**

Since my March 17 [article](#) about key trends in luxury retail, we have seen multiple innovations in the world of luxury retail and previously nascent trends now taking shape.

In this fast-moving and rapidly changing fashion retail market, it is important for brands and retailers to keep their fingers on the pulse to stay fully relevant. What are some new trends that are starting to emerge in luxury and designer fashion retail?

1. Engagement retail: Customer engagement remains a priority for retailers, and this need is increasingly played out across the "trivergence of retail," which is a term I coined in [my previous article](#).

Retailers need to find new ways of engaging with customers in a way that benefits them across three broad themes: information, convenience and entertainment.

Engagement retail is about intuitively understanding the type of relationship that a customer wants to have at any given time and delivering on that need.

Through CRM programs, retailers are getting to know their customers' preferences, behavior and preferred products, and they will be more intuitive in how they engage.

For example, Harvey Nichols' new state-of-the-art loyalty application which completely replaces cards will offer ideas, surprises, products and secret sales based on customers' shopping and searching behavior.

2. Exhibitions for sale: Curated retail will go beyond the concept store into developing an offering around a single idea curated idea such as a museum show.

This trend is kicking off in Japan with shops such as Deuxieme Classe in Osaka, with its current Jane and Serge exhibition, and Birdhouse in Tokyo.

In New York's Chelsea district, Story is a retail concept that takes the viewpoint of a magazine and changes every four to eight weeks like a gallery, selling a rotating mix of items centered around a theme, such as "Home for the Holidays", "Love" and "Made in America."

3. Zoned leasing strategy: City centers will design their shopping neighborhoods to augment the trivergence.

After the accidental success of such streets as Lamb's Conduit Street for independent menswear, and the re-curated Mount Street/South Audley Street nexus, Covent Garden is taking a deliberate approach by designating King Street for contemporary luxury, Henrietta Street to be the menswear street and James Street for mid-market shopping.

4. On sale for the regular price: The U.K. Consumer Price Index has risen by 29 percent over the last decade but the RRP's for designer fashion are up nearly 60 percent over the same period. Can this be explained by the fact that in the United Kingdom, only 55 percent of designer goods are purchased at full retail price, while in the United States, it is only 33 percent?

In the U.K., it was reported that the number of high-street retailers on sale in June was double that of the previous year. The proliferation of discount designer sites such as The Outnet and Gilt, as well as regular markdowns by brands and retailers and the consumers' anticipation of such sales, has contributed to the discount culture, resulting in some consumers who will only shop a sale.

5. Social shopping: Social media will become the new storefront.

Already, style leaders are creating links from Instagram, Twitter and Pinterest to retail sites and taking commissions of 3 percent to 20 percent, depending on their profile and arrangements.

Social media superstars such as Chiara Ferragni (The Blonde Salad) are also paid between \$30,000 to \$50,000 to participate in or host brand events with luxury houses such as Louis Vuitton and Dior and is expected to earn US\$8 million this year.

Brands including Tiffany & Co., Burberry and Cole Haan have also taken to experimenting with shoppable Instagram, Pinterest and Twitter ads. Now, retailers are trying to start their own social media sites, as evidenced by Net-A-Porter's The Net Set.

6. Instant fashion recognition: In the future, street fashion will take on even more importance as new technology will make it possible to photograph any item of clothing, identify it and then buy it.

Cortexica, a U.S.-based provider of visual search and mobile image recognition for the retail fashion industry, was an early entrant into this field and has been billed as the Shazam for fashion.

Snap Fashion in the U.K., Style-Eyes from Ireland and Slyce in Canada are a few other startups developing this technology.

7. Fashion show's new role: The fashion show once an insider event for buyers and key journalists is becoming a media channel for the public at large.

Givenchy has set a new model with tickets open to the general public, the FROW lined with celebrities versus the fashion cognoscenti. Shows are invariably live streamed for all consumers, and consumers feel a part of the action.

The shows are no longer buying spectacles, but rather content channels for digital media.

8. Body versus fashion: Increasingly, personal style is moving away from the wardrobe.

Clothing is often becoming the side show to tattoos, multiple ear piercings, nose piercings and hair-dos.

It has been reported that 54 percent of millennials have a tattoo, non-earlobe piercing or non-traditional hair color.

Clothing is reduced as people turn to pared-back fashion from APC or COS to let their body fashion stand out.

9. Couture revival: Thanks to fast fashion, consumers can get the latest designer looks for a small fraction of the price.

The high-fashion customer has wanted to mix high and low for some time. Designer fashion will now attempt to widen the gap by starting to put their energies behind couture.

While some brands such as Saint Laurent are returning to couture as Yves Saint Laurent for the first time in a decade, others such as Viktor & Rolf and Jean Paul Gaultier have forgone ready-to-wear altogether in favor of couture.

10. Retailer-led communities: Retailers are quickly catching on to the fact that effective brand communities help build closer relationships between consumers and brands and create long term loyalty.

Retailers are quickly catching on to the fact that effective brand communities help build closer relationships between consumers and brands and create long-term loyalty.

Sephora has been a true pioneer, creating a complete customer ecosystem that is omnichannel, with different tiers of customers who can interact with peers, share tips and receive benefits based on their seniority in the Sephora community.

ASOS created its "#AsSeenOnMe" platform where its community of fashion enthusiasts can show off their ASOS purchases and buy products, effectively recognizing its customers as its best salespeople and brand ambassadors.

More luxury retailers will design innovative ways of creating a loyalty and advocacy through their own communities.

Tammy Smulders is managing partner of [Havas LuxHub](#) and [SCB Partners](#), London. Reach her at tammy.smulders@scbpartners.com.

© 2020 Napean LLC. All rights reserved.

Luxury Daily is published each business day. Thank you for reading us. Your [feedback](#) is welcome.