

COMMERCE

## Strong retail partnerships rely on mutual goals, consumer activation strategies

April 22, 2016



*Anya Hindmarch Yes sticker*

By JEN KING

SEOUL, South Korea Brands looking to grow their business into new markets must choose a franchise partner carefully, making sure that both parties' end goals align, said accessories designer Anya Hindmarch at the Cond Nast International Luxury Conference.

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On April 20 during the "Pop Goes the Handbag" session, Ms. Hindmarch discussed the challenges and opportunities of entering the Asian retail market, a region her namesake brand has seen great success in. From the get-go, Ms. Hindmarch learned two important lessons in setting up business in Asia: pay close attention to quality control and learn to adapt to the local market, trusting the advice dispensed by franchise partners.

"It takes a very great deal of effort, from both sides, and in fact, energy directly from the mother ship into the territory is absolutely vital," said Anya Hindmarch, founder/CEO of [Anya Hindmarch](#). "We talk a lot about taught ropes, the tight ropes, that join the main company in London to the office locally.

"It's really imperative to work with your partners if you're running [stores] with them," she said. "Of course, there are two agendas to fulfill.

"The agenda of your partner who understandably wants to make as much money in the time of contract as possible, and your agenda where you want to look after the brand for the long term. It's trying to navigate that route and get the most for both parties."

### Got it in the bag

Anya Hindmarch first entered the Asian market in 1990, when the brand still operated all aspects of design, fulfillment and other business processes itself from a warehouse in London. Japanese department store Isetan placed an order for furniture-shaped handbags with gold legs.

At the time of order, Ms. Hindmarch was unprepared to answer the questions regarding quality control and other manufacturing aspects. Transparency, now the industry's most thrown around buzz word, was key to entering the Japanese market efficiently as Asian consumers are highly discerning and care a great deal about quality.

Four years later, Anya Hindmarch entered Hong Kong with a standalone boutique with a European feel, despite locals advising against the idea. Eventually, Ms. Hindmarch explained, citing the city's humidity and utilities cost involved in operating a standalone shop, the brand learned to adapt to the local marketplace, opting to shutter the

boutique to open a storefront at the Landmark shopping center.

In the years since learning market-based lessons, Anya Hindmarch has grown and entered the Asian region more deeply. Across Asia, Anya Hindmarch operates 23 stores, mixed between shop-in-shops at third party retailers and standalone boutiques.



*Anya Hindmarch's Crisp clutch*

During the Conde Nast International Luxury Conference, Ms. Hindmarch shared with delegates in attendance that the brand has entered a wholesale partnership with South Korea's Shinsegae International, one of the country's largest retail operators.

Together with Sinsegae, Anya Hindmarch plans to increase retail distribution in South Korea beginning with the fall 2016 collection. The partnership will also lead to six boutique openings within the next five years.

Per [WWD](#), Anya Hindmarch first entered South Korea in November 2014 at Boon the Shop, a multibrand retailer owned by Shinsegae.



*Anya Hindmarch Counterculture handbag, with leather stickers*

Similarly, in fall 2015, Anya Hindmarch entered a franchise agreement with Etoile Group to establish a retail footprint in the Middle East.

Anya Hindmarch's terms with Etoile Group will see the establishment of stores and concessions in the Middle East, beginning in Abu Dhabi, United Arab Emirates. When entering into an unfamiliar market, it is helpful and important for brands to partner with a local entity that has an understanding of the culture and consumer sentiment ([see story](#)).

#### Activation plan

Once a retail presence is established in a given market the consumer must become the focus of a brand's strategy.

Ms. Hindmarch cited a number of her brand's activation strategies supported by consumer engagement tactics. Her

first example went back to fall/winter 2014 during London Fashion Week for Anya Hindmarch's Counterculture collection.

The brand set up a temporary mini-mart-themed boutique on London's Mount Street.

A nod to the Counterculture collection, which included cereal box inspired totes and shoulder bags designed to look like metallic potato chip bags, the store resembled a classic convenience store. Showcasing fashion in an unconventional manner makes shopping more of an experience for consumers ([see story](#)).



*Anya Hindmarch Mini Mart*

Anya Hindmarch's creative concept pushed real-life products that melded high low elements to play with the collection's iconography. Touring international fashion weeks and staging pop-ups at department stores such as Paris' Collette furthered the effort.

Another example of consumer activation in the market was Anya Hindmarch's Service Station, first held at the parking garage of British department store Selfridges' flagship.

The pop-up brought to life Anya Hindmarch's fall/winter 2015 Diversion collection of leather goods and accessories and was inspired by British road signage using a petrol station theme. Visitors were able to purchase items from the collection as well as exclusives such as personalized construction jackets, bumper stickers and air fresheners, among other goods befitting of the theme ([see story](#)).



*Anya Hindmarch's Diversions collection*

Anya Hindmarch later brought the pop-up to Isetan and Barneys New York in Los Angeles. Activation in various markets allowed the accessories label to play with its retail formula and strengthen the ties it has with its wholesale partners.

For the Asian market, Ms. Hindmarch noted that this direct, targeted marketing strategy, reliant on the concept's idea, counts more so than elsewhere in the world.

"In Asia, ideas count more than ever in my experience," Ms. Hindmarch said. "In Asia, in South Korea especially, it is a very sophisticated customer.

"They are very well-versed in what is hot," she said. "They are well travel, they are well read and they will pay for the quality, they understand how things are made.

"[South Korean consumers] are also very open to wearing the more runway end of the product spectrum, which is music to my ears."

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