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MARKETING

## Money is a byproduct of doing something great: Frame co-founder

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Image courtesy of Frame

By SARAH JONES

SAN FRANCISCO Influencers can boost a fashion brand's awareness and appeal, but the most effective partnerships are organic rather than bought, according to panelists speaking at the Financial Times' Business of Luxury Summit.



Consumers can discern very quickly if something is contrived or gimmicky, and gifting influencers with free merchandise is typically not a strategy that pays off, as the blogger and her followers often cannot afford the luxury item being showcased. Instead, using real relationships with actual clientele allows brands to create a more authentic message.

"You can smell it pretty quickly as far as something that's sponsored," said James Quarles, global head of business and brand development at Instagram. "I think influencers can be really effective for tapping into insight or inspiration from a community.

"There are some brands who struggle with getting a digital identity, and you can source creative through influencers really effectively," he said. "I think where you run into problems is you believe that they are distribution, the network that they represent is actually a customer base. That's where you fall off foot, because it's typically not."

## Influential individuals

Lisa Marie Fernandez launched her eponymous swimwear line in 2009, seeing an opening in the market for neoprene swimsuits. It was picked up by retailers including Barneys New York, Lane Crawford and Net-A-Porter.

While her brand founding pre-dates the invention of Instagram, she says that if she were to launch today, she would still take the same product-first approach.

With her background as a fashion editor, she joined Instagram just to share photos, not thinking of its branding capabilities. Women decided on their own to post images of themselves wearing the swimwear, tagging the brand, creating organic user-generated content.

Miss Julia Roitfeld in her Leandra Denim Patchwork bikini.... @juliarestoinroitfeld #regram #lisamariefernandez #denimbikini #?

Denim label Frame had a similar origin story, with the co-founders deciding to focus on making the ideal skinny jean. Jens Grede and Eric Torstensson, who had created Wednesday Agency Group, came into the fashion design business having worked on building other brands.

A photo posted by lisamariefernandez (@lisamariefernandez) on May 7, 2016 at 11:03am PDT

Frame was less about making money and more about creative expression. While many around them said that their idea was not good, they stuck with it, creating a line matching the needs of their friends.

For instance, model Karlie Kloss mentioned in passing that Frame jeans were too short for her legs, inspiring a new style and a subsequent campaign.

If starting today, they say they would struggle to keep their business as lean as it is. Being independent has also opened up opportunities that they would not have if having to answer to stakeholders, such as their choice to have smaller margins to offer the equivalent of \$300 jeans for a price point of \$200.

Traditional image creation is a match for Instagram. Mr. Quarles, gave the advice to brands that they should strive to appear distinctive on the platform, finding a specific lens from which to document the world through imagery.

In addition to social media, a brand flagship store is important in showcasing DNA, creating a place to entertain and build community. Thor Equities' president and CEO Joseph Sitt gave the example of consumers trying to sneak

upstairs into a brand headquarters to experience, touch and feel, showing the interest in getting closer to a label via physical spaces.

The flagship does not need to be a giant store. Technology has opened up opportunities to reduce the amount of retail space without limiting the number of SKUs that can be purchased.

"I used to say that the size of the physical store more reflected the size of the ego of the head of the CEO than it did the amount of merchandise that needed to be fit inside of a box." Mr. Sitt said.

"You must have a physical presenceit's branding, it's advertising, it's experience, it's entertainment for the consumer, but you can do it in a much smaller box than people thought of before," he said. "And that's what I see a lot of the evolution going full circle from the supersize store for the supersize ego, all the way down to having something that's affordable, that can be a profit center and still give the experience."

This trend goes beyond brand boutiques. Bloomingdale's worked to achieve a slimmer, more efficient space when it renovated its Stanford Shopping Center store.



## Bloomingdale's Stanford store

The location in Palo Alto, CA became the smallest full-line Bloomingdale's in the brand's portfolio and set the template for future expansion. As technology continues to transform the shopping experience, many brands are finding that they can do more with less (see story).

## Measuring up

Snapchat may be gaining popularity, but its purpose and value for brands is very different from Instagram's.

Frame's founders say that with more social accounts and touchpoints, it is harder for brands to retain a singular image and clarity of message. Rather than joining all the social platforms just to have them, brands should instead wait until they know how to do use a social network in a way that is right for them.

Instagram's engagement rates are down, but Mr. Quarles said that it is not all about likes and actions.

Brands looking for metrics to determine the success of their social content would be better off looking at amount of time spent with the brand's posts. This is a better indicator of interest and purchase intent.

Trying to measure the final steps that led a consumer to a conversion is also unrepresentative of the purchase journey today, in which consumers likely hit many touchpoints before buying.

For instance, Mercedes-Benz USA invited fans to show off their personalities by packing their GLA models, or an equivalent space, with essential items and then snapping stylish photographs.

The automaker first invited photographers, graphic designers, explorers and other social influencers to pack a GLA reflecting their interests (see story).

This initiative spurred showroom visits, where consumers were met by the social media images in-store, connecting touchpoints along their path to purchase.

The most important thing is having a point of view.

"A lot of big brands analyze things to death and there's something to be said for old-school gut feel. And having a view and daring to go with it," said Mr. Grede. "In the end, that's what people respond to."

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