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Cartier CEO at LEF retail panel: Big believer in longer internships

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Representatives from Chanel, Carolina Herrera, Cartier, Van Cleef & Arpels and Luxury Daily at a Luxury Education Foundation panel July 21 with New York's Columbia Business School on retail internships

By STAFF REPORTS

NEW YORK Senior executives from Cartier, Carolina Herrera and Chanel as well as a former intern at Van Cleef & Arpels stressed the importance of retail internships at a Luxury Education Foundation luncheon panel July 21 titled "From Retail Internships to the C-Suite" and addressed to graduating MBAs from Columbia Business School.

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The lineup comprised Mercedes Abramo, president/CEO of Cartier North America; Francois Kress, president/CEO of Carolina Herrera; Lauren Aviram, associate director for client engagement and service at Chanel; and Sylvette Sein, former retail CRM intern at Van Cleef & Arpels. LEF president and Columbia luxury lecturer Ketty Maisonrouge, as host, welcomed all, and Mickey Alam Khan, editor in chief of event sponsor Luxury Daily, moderated. Excerpts from the conversation:

Cartier's Mercedes Abramo: I've had direct experience in retail and am an endorser of retail internships. Retail continues to change dramatically and change more rapidly than ever before. At Cartier, we ask ourselves, "How do we touch our clients at every touch point at a very high level?" We have to think from the client in.

We have had an ecommerce subsidiary for five years. We see people trying on in the boutique and buying online. Desktop-to-mobile has grown leaps and bounds from last year.

Carolina Herrera's Francois Kress: We do not have ecommerce yet at Carolina Herrera. The most important thing is to facilitate access to the product. Previously, you didn't have access through digital research channels as we have today. Now, you have to give a stronger reason for people to come into the stores.

The shift to online has been drastic. Clients are shopping 50 percent online now. That was unthinkable a few years ago. You can expect some [retail store] closures going forward.

On internships

Cartier's Ms. Abramo: Luxury internships give you knowledge of inside workings of the company. We are requiring some existing teams to spend one to two years in retail. We want to let people know that retail is a career and a tier at Cartier. Lots of our leadership is expected to spend time in the retail store.

Carolina Herrera's Mr. Kress: At Carolina Herrera, we offer internships. We do not have a specific MBA internship.

How do we keep being relevant with a luxury product, which requires a slower selling ceremony? We need people who understand all channels of distribution.



From left to right: Lauren Aviram, Francois Kress, Mercedes Abramo, Sylvette Sein and Mickey Alam Khan

On what should people expect to learn when exposed to a retail internship

Cartier's Ms. Abramo: I'm a big believer in longer internships, for about six to nine months after you graduate. We have interns who also move around and spend some time in retail, time in corporate and other areas, giving them a 360-degree perspective.

If it's for a summer internship, we hope it opens your eyes to the retail industry. You see what clients are asking for and are able to give valuable feedback to our team about product decisions, what's working and what's not.

Chanel's Lauren Aviram: My path was a little different because I started in digital and fashion marketing and then went to retail. I wanted to immerse myself in a store and see how it works. I thought to myself, "I'm seeing things I was pretty much blind to before."

Van Cleef & Arpels' Sylvette Sein: During my internship at Van Cleef, I spent one day per week in the store. You see first-hand the process.

On a concrete example of one quality or lesson these executives have learned from their retail internship

Cartier's Ms. Abramo: I learned a lesson early on that I think about every day: "How to manage people" and "How to interact with people." It is the same whether you are working with a client at the retail level or people you work with every day.

Luxury Daily's Mickey Alam Khan: Yes, you have to manage up, down and sideways.

Carolina Herrera's Mr. Kress: Salespeople are there to sell products to people that don't really need them and don't really want to pay such a high price. You have to keep people excited about their jobs, too, and get them to like you. One of my best experiences was being confined to a store.

Chanel's Ms. Aviram: There is a huge range of skill sets in a store. Everyone's role is important to make things run. It was an eye-opening experience for me. People management is important. How much time is spent managing people, coaching and motivating?



The 2016 graduating MBA class from Columbia Business School attending the retail internship panel session in

On given the pace of change in the retail world, influenced by digital, what are the skills of the future you require?

Chanel's Ms. Aviram: For skills, it's the ability to connect the dots. To understand how you can convey these big-picture ideas to the stores in a meaningful way. Also communication: there is so much reliance on communication at the store level. I think it's also important to have an open-mind, an upbeat attitude and humility is essential.

Carolina Herrera's Mr. Kress: We are appealing to beauty and luxury it's not a need. There needs to be a level of passion, for beauty and well-made craftsmanship. Our products are not changing. We are making them the same way we did 100 years ago.

Cartier's Ms. Abramo: I think you need critical thinking to make assessments and recommendations. And you need a balance of heritage and risk-taking. We need to balance a 170-year-old history with stretching the organization to move forward. I think you also need communication skills, oral, written.

On the path from A to C to become the head of a global brand?

Cartier's Ms. Abramo: Learning about everything. Having a direct responsibility for a P&L. You need that. It can help to also have exposure in marketing, finance and communications. At the end of the day, we are a business and making money is the goal. You have to have a passion for what you are selling to inspire others.

Carolina Herrera's Mr. Kress: If I were cynical, "Right place at right time." I think you need to show gradually success stories. Before someone gives you a P&L and you can call your own shots, you need to build gradually. Today, it's more about building from inside. It's no longer about bringing someone in from another industry.

On how technology and analytics have changed the way the panelists view talent

Cartier's Ms. Abramo: We are wrestling with "Where does technology fit in the Cartier retail store?" Technology can also play a part behind the scenes, where the customer doesn't see it, but it makes a more seamless experience for the client and reduces the waiting time for the customer.

Luxury Daily's Mr. Alam Khan told about his good experience when taking his watch into the Cartier boutique to be fixed and receiving a text message saying "Your watch is ready." He liked that and said "Just because you are a luxury brand doesn't mean you can't use SMS."

Cartier's Ms. Abramo: Yes, we are giving customers that choice. They can opt in and most customers do.



From left to right: Lauren Aviram, Francois Kress, Mercedes Abramo, Sylvette Sein and Mickey Alam Khan

On whether ecommerce is more important for marketing than sales as an image issue

Cartier's Ms. Abramo: We started ecommerce as both a communications platform and a complementary option for client service, to reach more clients. What is the threshold? We've tested and we find it depends upon geography and culture. If there isn't a Cartier boutique nearby, they are more likely to buy online. For culture, it depends how developed the ecommerce culture is in that country.

There is also the counterfeit and resale side of the industry. But, the problem is if you are not there, people don't realize if you are an authorized retailer.

On the risk of losing exclusivity

Cartier's Ms. Abramo: It's a balance because the definition of exclusivity is changing. It's a fine line between what

we think the customer wants and what the client is telling us they want.

Luxury Daily's Mr. Alam Khan: The language of this next generation is digital.

On price calibration among global markets

Carolina Herrera's Mr. Kress: There is a differential you have to maintain. But with global shipping, you have to keep it within reason.

On whether price is the only factor that plays a role in determining which pieces Cartier sells online

Cartier's Ms. Abramo: We think about "Can we tell that story well online?" Do we have the narrative?

On South Africa and Africa being a target of luxury brands

LEF's Ms. Maisonrouge: South Africa is a huge market for startups. And they are doing it better than the Chinese because they are staying true to their heritage.

LEF PR representative Sarah Gargano: Recent article by Bill Gates on LinkedIn said that Africa points to incredible potential because it is the world's youngest continent.

On the one piece of advice the panelists would give to students trying to get into luxury

Chanel's Ms. Aviram: Having humility, being open-minded and willing to try a new experience. As an MBA, we sometimes get a bad rap. Demonstrate you are willing to learn. Once people realize how valuable you are, it will be smoother sailing."

Carolina Herrera's Mr. Kress: Love beautiful things. If you are not willing to get your hands dirty, go launch an app or into finance.

Cartier's Ms. Abramo: Be open to new things. As an MBA, I didn't want to be thought of as above it and you have to get your hands dirty, so I was operational and open and closed the stores among other daily tasks. I fell in love with retail and I stuck with it. Also, I think someone has to have strategic and critical thinking skills and not be afraid to work.

Van Cleef & Arpels' Ms. Sein: I'm going to shamelessly plug Ketty's class. I've taken both and learned so much. Now, going to Tiffany, I'm headed to spend six months in retail.