

COLUMNS

## Fast fashion: How modern retailers can keep pace with big brands

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*Zara's fast on its feet. Image courtesy of Zara*

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By [Brandon Levey](#)

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When it comes to shipping, service, and even production, millennials like things fast.

The immediacy of the Internet has engendered a sense of see-now, buy-now in consumers of everything from household appliances to luxury products. Most retailers are struggling to keep pace.

### More runway

For luxury brands, the very art that motivates designers to create clothing is threatened when a 9-12 month planning period simply will not cut it against brands such as Zara or H&M that can churn out off-the-runway looks in mere weeks.

As Alber Elbaz, former artistic director at Lanvin, said, "We designers, we started as couturiers, with dreams, with intuition, with feeling. We became creative directors, so we have to create, but mostly direct. And now we have to become image-makers, creating a buzz, making sure that it looks good in the pictures."

The job behind the runway has been forced to evolve as consumers want haute couture looks as soon as they lay eyes on the pictures that Mr. Elbaz mentions.

For retailers to meet this customer demand, they must act quickly.

A few years ago, companies such as J.C. Penney, Kohl's and Macy's took tips from top fast-fashion retailer Zara and cut their delivery times by more than half by coordinating production and streamlining the supply chain.

Another advantage Zara has and shares with fellow fast fashion leader H&M is close proximity to its production facility, which is key to quick turnaround.

Unlike many United States companies that manufacture goods in Asia, the closeness allows for speedy shipping and shorter lead times.

But for the vast majority of small and mid-sized retailers who cannot complete 52 product cycles per year, what can be done to avoid getting run over by fast fashion?

## Transparency

We have all heard rumblings of the dangers and ethical questions posed by fast fashion.

The tragic collapse of Rana Plaza in Bangladesh, in which more than 1,100 garment workers died, is just one example of the poor working conditions for which certain producers of fast fashion are notorious.

If a business avoids fast fashion because of ethical reasons, it is important to tell that story it can make the difference for a lot of consumers.

Amanda Bopp, director of client leadership at dunnhumby, said, "Transparency, a trend marked by increased customer interest in how goods are made, is a value retailers can leverage to compete effectively.

"If retailers can tell stories around product quality and craftsmanship, they can differentiate their goods relative to product sold in fast fashion outlets," she said. "This not only highlights a value proposition, but also allows customers to feel good about making perceived responsible choices."

Since 38 percent of millennials who spend \$600 billion per year will switch brands if a company is found to have bad business practices, transparency is a key component of staying relevant as a brand.

## Agility

Today, consumers want speed.

Tomorrow, there will be new demands for retailers to meet.

The only way to keep up with these evolving demands is to have supply chain agility and operational flexibility that allows you to meet whatever expectations consumers dream up next.

It is unrealistic to think small and midsize retailers can go toe to toe with fast fashion behemoths such as Zara in every facet of running a business. But some areas might be easier than others.

Even if you do not have the capacity to design and churn out new products weekly, make sure you provide lightning-speed shipping and an omnichannel experience.

## Accurate planning

One of the reasons that Zara has been so successful is because merchandise arrives quickly, creating demand and ensuring fast turnover. It does not replenish sold-out products, but replaces these styles with new looks, reducing the need for markdowns.

While this is not a model most retailers can adopt, it shows how well Zara understands its sales velocity, sell-through rate and cycle time metrics any retailer can track with the proper systems in place and then use for valuable data.

Consider a software solution that enables you to centralize data from all your sales channels as well as your warehouses so you can be sure it is accurate and up-to-date, allowing for informed, collaborative and actionable business decisions.

PUT SIMPLY, the average retailer cannot churn out new styles as quickly as their customer might like.

Many luxury brands are hurting and designers are leaving because they are trying to compete with a system that compromises the art or ethics they stand for, while most others simply do not have the infrastructure to play the fast fashion game.

While this trend is popular now, a retailer that is focused on a customer-centric culture, is technology-forward, and has organized systems in place to run an efficient business can defy the trend to remain relevant, no matter what the future of fashion brings.



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