

MARKETING

Creative talents must work in concert with CEOs, says Tiffany's Reed Krakoff

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Tiffany & Co.'s Blue Box. Image credit: Tiffany & Co.

By JEN KING

BRUSSELS Brands' inner workings have long been split between two individuals a creative talent and a business-minded executive but who should control the power?

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During a panel discussion, "Who's Got the Power?" at the New York Times' International Luxury Conference Nov. 14, two executives, a chief artistic officer and a CEO, discussed how the corporate-creative relationship is changing. Historically, luxury's heritage houses were founded by a single creative driven by their passion to create a specific category good, but increasingly, it became too much for one individual to juggle the responsibilities and expectations of today's environment.

"For a luxury brand, if you think about the origins of luxury, its people, passionate about luggage or jewelry, [the founders] made all the decisions," said Sonu Shivdasani, founder and CEO of **Soneva**, a experiential hospitality brand in Thailand and The Maldives.

"If you think of Steve Jobs at Apple, recently, he had a huge say on how things work," he said. "Success is built by consistency throughout.

"Luxury is not about making compromises. Of course, lots of people [feel] that to be successful you need lots of talent, but that can be very damaging."

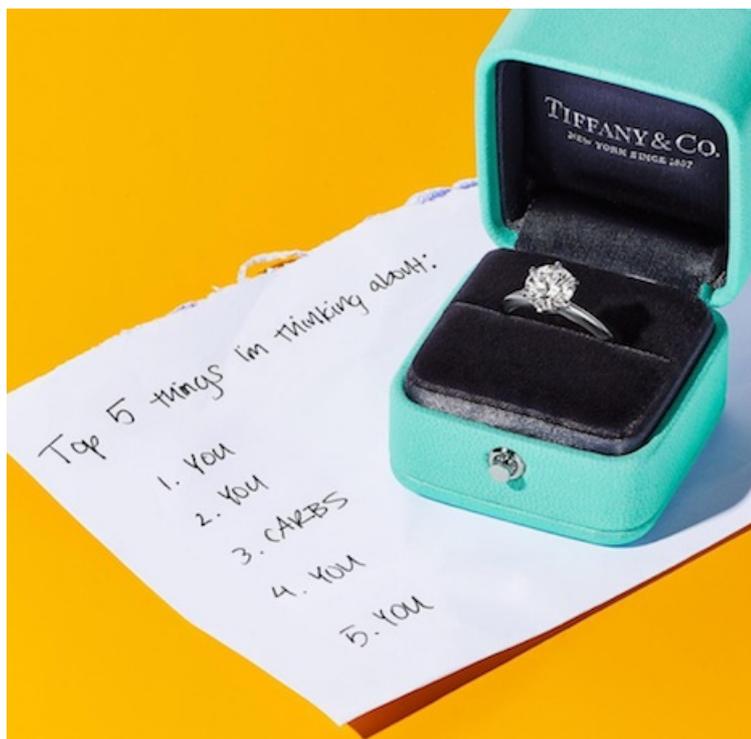
Two minds, one goal

Though it is common to still see a single creative leading the charge of a brand, it is becoming more rare as the corporate creative relationship has evolved.

By embracing the left-brain, right-brain collaboration between creative- and business-minded individuals, brands can see more success.

Tiffany & Co.'s Reed Krakoff, the brand's first chief artistic officer ([see story](#)), explained that up until his appointment, Tiffany had long been organized in a certain way.

About a year ago, Tiffany's design, architecture, PR and marketing were all headed up by the chief executive, who also balanced the business functions of the brand.



As chief artistic director at Tiffany Reed Krakoff oversees design, architecture, PR and marketing. Image credit: Tiffany

Now, Mr. Krakoff heads the creative side of the business and works in concert with the CEO's leadership. As chief artistic officer, Mr. Krakoff's title is a creative catchall and he finds that it is much easier for one person to manage than different department heads.

When asked by session moderator, Elizabeth Paton, European styles correspondent at The New York Times, what is driving the shift, Mr. Krakoff compared today to 20 years ago.

Two decades ago, creatives were in the design role, while others ran the business end of a brand, but around the mid-1990s, the creative director concept became more commonplace. Now, Mr. Krakoff feels, the industry is somewhere in the middle and the "designer in a tower" no longer exists.

Mr. Krakoff feels that this link between creativity and business is more about the competitive nature of the landscape and its fast pace. With intense competition, executives must be able to play on the creative and business side.

Doing so allows for collaboration and an understanding of the needs of both business aspects for the best of the brand.

Continuous learning

Concerns of talent have plagued luxury, but education can ensure that brands can continuously source qualified individuals that have an understanding of both the creative and business silos of a brand.

Traditionally, a student graduates from university and begins working, with many not continuing their education beyond a certain point.

But, due to the left-brain, right-brain collaboration and necessity of today's business, especially in luxury, there needs to be a balance of continuous learning. Now, it is not uncommon for a creative director to hold a MBA or a CEO who has taken design courses.

In luxury in particular, many groups and brands have teamed with universities to ensure well-rounded talent can be sourced effectively through educational initiatives. These programs cater to both the creative and corporate aspects of the luxury business.

Italian fashion label Giorgio Armani, for example, is lending its support to emerging design talent with the creation of a collegiate competition.

In collaboration with the British Fashion Council, the New Bond project will see students vie for a prize that includes

the chance to have their creations produced for Emporio Armani. Armani's competition is open to those studying at any school within the BFC Colleges Council network, which includes Central Saint Martins, London College of Fashion and the Royal College of Art ([see story](#)).

Also, ecommerce player Yoox Net-A-Porter Group inked partnerships with Italy's Bologna Business School and SDA Bocconi University ([see story](#)) to prepare graduates for the increasingly digital fashion industry.

The partnerships seek to pool participating institutions' collective expertise to help train managerial candidates for digital business positions such as Web analyst, Web marketing specialist, specialist in Big Data, ecommerce manager or site manager ([see story](#)).

Programs such as Yoox Net-A-Porter's and Armani's, among countless others, can help the creative and corporate sides of a brand with mutual understanding.

"The creative side and corporate side has to have an overlap," said Tiffany's Mr. Krakoff.

"There has to be a respect and an understanding from the creative and corporate sides," he said. "[As a creative,] I need to understand stock price and all those fun things, but [the corporate side] also needs to understand product development and marketing investments."

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