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Is Vera Wang extending too far with Zales collaboration?

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By KAYLA HUTZLER

Fashion house Vera Wang is participating in another collaboration with a mid-level brand, making experts question the brand's luxury status.



Vera Wang will be creating an engagement ring collection to be sold exclusively at Zales. Vera Wang has also collaborated with other campaigns that may seem less-then-luxury, such as David's Bridal and Kohl's department store.

"Well, [Vera Wang] is most identified with wedding gowns, and we are most identified with diamond jewelry and wedding engagement rings so it was a perfect match," said Roxane Barry, director of investor relations at Zales, Irving, TX.

"Vera Wang is a success story that resonates with us and we think it will resonate with our customers and our consultants," she said.

Engaged in new line

The Vera Wang Love collection will include diamond engagement rings, matching wedding bands and solitaire bridal jewelry.

The rings will feature Vera Wang Love logo engravings on the inside of the bands.

In addition, every engagement ring in the collection will feature a blue sapphire stone along with diamonds.

The most expensive rings will have 3-carat diamonds. The rings will be available in four different cuts, including round, princess, cushion and pear.

The collection comprises 50 different skews, with wedding bands starting at \$650 and engagement rings starting at \$1,999.

The collection will be available in about 500 stores across the United States and Puerto Rico in October 2011.

The release date was meant to coincide with holiday engagements, according to Zales.

The Vera Wang Love collection will be marketed through television, print and online ads, as well as being the focus of Zales' in-store displays.

The print ads will go out in November magazines, including InStyle, Harper's Bazaar, Vogue, Modern Bride and People.



Here comes the brand

This is not the first brand extension for Vera Wang.

The designer, who originally designed only wedding gowns, now has fragrance and beauty collections, an eyewear line, a footwear line, luggage and a home collection that includes matresses, bedding, china, crystal and silver.

For example, Vera Wang collaborated with Wedgwood to create a collection of fine-china dinnerware, giftware and crystal stemware for Valentine's Day (see story).

In addition, Vera Wang has done lower-priced collections for Kohls and David's Bridal (see story).

This many extensions could hurt the designer in the end.

"There are a number of dangers for any luxury brand to expand widely through licensing partnerships," said Pam Danziger, president of Unity Marketing, Stephens, PA. "Shoddy

products or inferior designs can wreak havoc on a brand's reputation."

Although this may serve as an image booster for Zales, some of Vera Wang's other collaborations with luxury brands could make this particular one hard to swallow.

"It's not as if they are breaking any new ground here given the extensive licensing that [Vera Wang] is currently involved with," said Ed Roach, a corporate brand consultant and founder of the Branding Experts, Leamington, Ontario.

"I think it will benefit both brands," he said.

"If they were coming straight from haute couture, there might be a case for harming their luxury brand."

However, if Vera Wang begins to get too spread out among different industries and product lines, further collaborations could be harmful to its luxury image.

For example, if Vera Wang were to put its name on a rubber duck, per Mr. Roach.

"I think brand extensions can harm the Vera Wang brand if they surrender to greed and put their name on anything that doesn't reflect their design and quality values," Mr. Roach said.

"So long as Vera Wang controls her brand exposure to relevance, then I believe it will grow more powerful," he said.

In addition, the collaboration could prove useful for gaining the attention of potential consumers that may be able to spend more when the economy stabilizes.

"Looks to me like she is aiming to expose her brand to more mass consumers and lead them upmarket to her luxe brands as their income and finances allow," Ms. Danziger said.

"Given where the U.S. economy is now, looking to do an instant replay of the depressing 2008 Christmas season, it is a smart move," she said.

Final Take

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