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IN-STORE

Harrods bridges generational gap with youth-oriented in-store festival

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By TRICIA CARR

London-based retailer Harrods is looking to target younger consumers and increase instore transactions by creating a series of events that culminate in a fashion and music festival this weekend.



The retailer is incorporating youth-oriented brands and festival music for The Harrods Festival of Fun to encourage male and female consumers to try on apparel, beauty products and accessories in its Way In, Designer Studio and Men's Denim Lab departments. Harrods has been focusing many of its efforts on the younger demographic in London, making it a win-win for the brand as its efforts will probably not deter the older generations from visiting the store.

"Brands have discovered that collaborations are an effective tool to engage their customer," said Chris Ramey, president of Affluent Insights, Miami. "This event targets younger customers, but the concept of collaborations transcends all ages and price points.

"By including many brands, Harrods provided the opportunity to influence brand apostles across several categories," she said. "This is a hip and fun event that will create new customers for most of the brands including Harrods."

Mr. Ramey is not affiliated with Harrods, but agreed to comment as an industry expert.

Harrods was not available for comment before press deadline.

Music festival

Harrods is nodding to Britain's festival season and inviting young people into its store by showcasing its lower price-point brands such as Minkpink, Wildfox and Marc by Marc Jacobs.

In addition, the retailer is offering a limited-edition music playlist available on CD or on music play Web site Spotify. The tracks include classic festival music and party-appropriate hits by artists such as The Temper Trap and Local Natives.

The CD is cased with a cover by illustrator Sandrine Pagnoux.

The first in-store event is tomorrow at noon. Australian brand Minkpink will provide nail technicians to give complimentary manicures with every purchase from the brand.

Faith Connexion, a new label at Harrods for the fall/winter 2012 season, will serve custom cupcakes.

Beauty brand Eylure will be raising awareness for its Hed Kandi and Katy Perry eyelash ranges and by offering complimentary application with each purchase.

Denim label J Brand is bringing in a photo booth to stand in Harrods' young fashion section Way In. This will help shoppers see which denim looks best on their body.

The festival music 1-4 p.m. on Saturday will be sponsored by sunglasses brand Ray-Ban. Music will play from a record store pop-up display and shoppers can request songs.

From 4-6 p.m. festival music by Spanish DJ Gala Gonzalez will be hosted in the retailer's Designer Studio section.

The next day July 22, U.S.-based denim brand True Religion will hold a photoshoot for consumers and Marc by Marc Jacobs will provide an instant photo booth.

Also, denim brand Diesel will be serving beer and hosting DJ Crispin Dior, who played at the wedding of the Duke and Duchess of Cambridge, 1-4 p.m. in the men's Denim Lab.

Later on, Britain's Channel 4 television presenter Jameela Jamil will play a DJ set for accessories label Folli Follie 5:30-8 p.m.

Harrods is raising awareness for its in-store events and custom playlist via social media channels and likely reaching out to young people locally in London.

"Facebook and Twitter are broad-based media that likely touch most of Harrods' targeted customers," Mr. Ramey said. "In-store must reinforce the online and social marketing or risk falling flat.

"Online is an imperative because it is an integral part of its best customers' lifestyle," he said.



Harrods retail location

Who's who?

Harrods has been catering to young demographics with its in-store initiatives this year.

For example, the retailer is engaging active consumers with an in-store sports challenge and Twitter contest in partnership with Nike centered on the sneaker brand's new movement measuring technology.

Harrods installed a Nike+ Interactive Space that can be seen from its ground-floor windows. Consumers can participate by competing with friends and sharing challenge results with Harrods via Twitter for the chance to win a pair of Nike+ trainers (see story).

In addition, it is extending its Harrods Rewards program by installing a new membership for children and parents called Mini Harrods offering exclusive in-store events, contests and benefits that is launching with a Twitter scavenger hunt.

Mini Harrods will introduce a new line of benefits for the retailer in conjunction with the opening of the Toy Kingdom this month (see story).

While it is a good idea for Harrods to create brand affinity among young people, it risks alienating its long-time customers if it continues to develop too many in-store events centered on youth culture.

Harrods is likely concentrating on the younger demographic, so its brand reputation stays alive for generations to come.

"There is nothing here that is over-the-top, potentially offensive or a risk to the brand," Mr. Ramey said. "Furthermore, it is likely targeting the children of its best clients.

"Baby boomers do not digest millennial marketing and visa versa, and even if they did, they understand that marketing to their children is different," he said.

In addition, if Harrods wants to create repeat business from the festival attendees, it should be sure that each brand engages consumers on a one-to-one basis.

"Events can be the genesis for a long and profitable relationship, but they can just as easily turn out to be just another go-to event where the sponsors get lost in the best prospects' personal sense of entitlement," Mr. Ramey said.

"The brands must have a set process with very specific instructions for each employee to ensure their investment," he said. "Anyone can have a party – it is leveraging the outcomes that define a successful event."

Final Take

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