

# WWD



## Bridget Foley's Diary

The New York Subway saviors.

Page 10



## At Work

Mark Connolly's second act.

Page 35



## Sight Seeing

A guide for a last-minute eclipse getaway.

Page 38

Fashion. Beauty. Business.



# Endless Summer

**A FREEWHEELING MIX OF LOOSE, LIGHT LAYERS POINT TO A LAID-BACK DIRECTION FOR THE SPRING SEASON AT THE LAS VEGAS TRADE SHOWS. FOR MORE FASHION AND A LOOK AT WHAT'S HAPPENING IN VEGAS, SEE PAGES 11 TO 34.**

Styled by ALEX BADIA and MAYTE ALLENDE  
Photographs by GABRIELA CELESTE

BUSINESS

## Luxury Eyes CEOs to Draw In Millennials

- WWD asked leading headhunters and consultants what are the key qualities required of the fashion ceo of tomorrow.

BY JOELLE DIDERICH WITH CONTRIBUTIONS FROM SAMANTHA CONTI AND WWD STAFF

**PARIS** – Faced with rapid evolutions in the retail and digital landscapes, luxury brands are looking to a new generation of leaders to help their organizations win the hearts – and wallets – of Millennial and Generation Z customers.

Executive search specialists said the profile of chief executive officers in fashion and retail is evolving, with expertise in merchandising and communications

CONTINUED ON PAGE 6

BUSINESS

## Andy Dunn's Digital Universe

- The Bonobos founder is said to be starting his search for Wal-Mart with online brands he identified in a blog post last year.

BY EVAN CLARK

**The digital natives** might have found their consolidator – and it's one of their own.

When Andy Dunn agreed in June to sell Bonobos to Wal-Mart Stores Inc. for \$310 million, he inked himself a deal to oversee the retailer's digitally native vertical brands, namely Bonobos and ModCloth.

That portfolio is expected to expand once the Bonobos deal closes in the third quarter and the list of potential candidates is long – 86 companies long, to be precise.

Last year, Dunn posted what he described as “The V-commerce Encyclopedia” to the blogging platform Medium. It listed 87 digitally focused companies (including Bonobos) that take goods from the factory directly to the consumer.

It's an alphabetical rundown of the sector that starts with lingerie player AdoreMe and includes sweatshirt company American Giant, belt company

CONTINUED ON PAGE 9

## Luxury Eyes CEOs To Woo Millennials

CONTINUED FROM PAGE 1

fast emerging as tickets to the top job, and companies looking to other sectors – from beauty to technology – to bring innovation.

And with growing numbers of Millennials rising through the corporate ranks, there is pressure on industry leaders to rethink the top-down management style of the past in favor of a more collaborative approach, corralling the talents of a digitally savvy generation in the service of their peers.

WWD asked leading headhunters and consultants what are the key qualities required of the fashion ceo of tomorrow.

**“It seems that what’s been working in the past no longer works now,”** said Caroline Pill, vice president, global executive search at the London office of Kirk Palmer Associates.

**“Today, more than ever, it’s important to have a charismatic leader who is able to bring a strategy, and a dream, to life – someone who will take people on a journey so that they feel engaged and part of the success story,”** she said.

The impetus behind the change is the Millennial consumer, which has become the holy grail of all luxury brands, said Valérie Radenac, founder of Paris-based brand consultancy VR Fashion Luxury Expertise.

**“You have to understand this group, which requires a strategic positioning at the top – and what we are seeing is a trend toward younger ceo’s. I think it’s a way of getting closer and better understanding of this new type of consumer that all the brands are now targeting,”** she said.

One of the principal characteristics of these younger consumers is that they care less about products than about brands and experiences. As a result, tomorrow’s fashion ceo has to be expert at creating a 360-degree brand universe, said Antoinette Lemens, founder and chairman of recruitment agency Lemensearch in Paris.

**“Today, the luxury industry is still very much into silos,”** she noted. **“The new ceo’s will have to break down those barriers and will have to do much more of a horizontal management than what’s been happening up to now.”**

Michael Boroian, president at Sterling International in Paris, said merchant skills and digital savvy have become key requirements for luxury brands looking to hire top brass.

**“In the past, they were looking for people who were strong on the functional side including understanding finance and administration, operations and production, logistics and the supply chain,”** he said. **“Now they’re looking for people who are also strong on the branding side, the product development knowledge.”**

Recent appointments are indicative of this shift. Headhunters cited the example of Cédric Charbit, who began his career as a buyer at French department store Printemps and was executive vice president product and marketing at Yves Saint Laurent before being named ceo of Balenciaga last October at the age of 39.

Emilie Rubinfeld was chief marketing officer at Carolina Herrera Ltd. before being promoted to president of the



company in January.

More recently, Marie-Sabine Leclercq went from head of international marketing and communications to ceo of luxury children’s wear retailer Bonpoint. She had previously held marketing and communications roles at companies including Longchamp, Louis Vuitton and L’Oréal.

Consultant and headhunter Karen Harvey, who predicted the rise of the “Marketing King” in a 2013 column for WWD, said she continues to believe in that profile because such executives live and breathe a “consumer-centric” approach encompassing digital and exalting consumer engagement and an “end-to-end” business viewpoint.

**“I don’t think many people in fashion really understand what the consumer journey is and what it means, and that’s part of the serious challenge now for many brands and retailers,”** said Harvey, ceo of Karen Harvey Consulting Group.

Going forward, the luxury boss also “really has to understand the power of creativity. I don’t think it’s really about product anymore the way it used to be. It’s about total brand engagement. The days of being pure merchant, pure product are over. You need to create a total brand experience,” she said.

**In that context, collaboration is key, according to Pill. “The new ceo knows how to engage with the designer and provide him the trust and tools needed to make him or her – and, in turn, the company – shine. They have to partner with them,”** she said.

One such example is Guram Gvasalia, who within three years has managed to rapidly expand Vetements – the brand

designed by his brother Demna – thanks in part to a clever use of social media like Instagram, where the brand has 1.9 million followers.

Gvasalia closely tracks the page’s data, reflecting the growing importance of numbers in tracking potential consumers.

**“Data, data, data – brands need a ceo who is going to back up their strategy with hard facts. Especially in the U.S., the wholesale model has slowly been replaced by the direct-to-consumer model where the middle man has been eliminated,”** Pill said.

**“That is where data comes in and becomes essential. How do you leverage your consumer insights? How do you create product that is relevant and in line with the wants of the new consumer who is savvy and often over-solicited, especially online?”** she asked.

Harvey acknowledged that fashion harbors few such talents as the industry “hasn’t groomed its marketing talent to be consumer-centric.”

For that reason, she said sectors that are adjacent to fashion – beauty, food and pure-play digital companies among them – can be fertile hunting grounds. So-called hybrid talents that have worked in fashion and more consumer-centric industries can also fit the profile.

Those who have made the jump from beauty include Patrice Louvet, former group president, global beauty at Procter & Gamble Co., who took over in May as president and ceo of Ralph Lauren Corp.

Véronique Gabai-Pinsky, former global brand president of the Estée Lauder Cos. Inc.’s Aramis and Designer Fragrances, BeautyBank and IdeaBank, was appointed president of Vera Wang Group last year.

**“The beauty industry is much more aware of digital transformation, I think, because it’s a consumer product,”** Lemens noted. **“There, it is a much wider scope because the consumer is from different backgrounds.”**

As online retail makes the luxury world accessible to greater numbers, it too needs to adopt a more democratic

KEY			
	Merchandising		Teamwork
	Communication		Creativity
	Storytelling		Data
	Branding		Digital

approach, she added.

**“You need to be able to open up as well in your way of working so that you’re not just addressing that small target group that you were doing before. It’s a much wider scope and very international as well, so you’ve got to have an international vision of what you’re doing,”** Lemens said.

In Harvey’s view, a recent rash of “mash-ups” between luxury brands and streetwear – with Louis Vuitton and Supreme but one example – reflect an effort to make luxury “less precious, more accessible and more fun.”

She suggested that the luxury or fashion dream – if it’s too theatrical or highfalutin – can ring hollow with today’s consumers, especially fickle Millennials.

**“Dreams that don’t seem real make them feel like something isn’t authentic versus something they want to engage with – and that’s the disconnect,”** she said. **“That end-to-end connection a consumer wants with a brand has to match their values.”**

Management needs to accommodate a similar yen for experiences among the rising talents within luxury firms, who may hold the keys to their digital transformation.

**“If you don’t leave them free rein, they won’t stay,”** Lemens said. **“They don’t work for you, they work with you. And so the management is going to have to think differently to what they have been doing up to now.”**

This represents less of a threat to a ceo than it does to middle management, but it does create an additional leadership challenge, she noted.

**“It’s not just taking on these young people, it’s getting the middle management to understand them and to adapt and to be ready to accept them, because they are impatient, they want to give their opinions all the time, they want to create change, they want to make a difference, they’re not used to going through the different channels – they want to do everything at once,”** Lemens said.

**“They’ve got to be able to bring these people on board, manage them, but manage them horizontally – not vertically – and make sure that the people who are in place manage to work with them – and that is tough,”** she noted.

Others agreed that a good ceo should not feel threatened by those who master skills he doesn’t have, but instead surround himself with a team of complementary talents.

**“Teams need an orchestra conductor who knows how to play all the instruments, although they don’t have to be expert at playing them. It’s important for the ceo to lead on strategic vision, but also to know his or her limitations and to delegate to experts,”** Pill said.

**“As we have seen, especially with first-time ceo’s, their areas of expertise can vary and it is important they surround themselves with people who complement their skills. The new ceo should know what he or she doesn’t know, and it is important to be a good judge of talent.”**

**“They cannot be afraid to hire people who are stronger than they are in certain disciplines so as to create a ‘dream team.’ No one wants a one-man show or a micro-manager,”** she said.

**“I don’t think many people in fashion really understand what the consumer journey is and what it means....”**

– KAREN HARVEY, KAREN HARVEY CONSULTING GROUP.