## **AMERICAN MARKETER**

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COLUMNS

## Why innovation often happens at the edge

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## By Ana Andjelic

The year is 1973, the place is Versailles, and five established French designers competed against five upstart U.S. designers in a fundraiser to renovate Versailles.

Who won?

If Robin Givhan, author of "The battle of Versailles," is to be believed, it was "the Americans who stunned the crowd that night – less with their craftsmanship than with their success in capturing the spirit of the modern woman through both their clothes and the pure energy they poured into the show."

Heady days

In 2015, it is not American designers that capture the zeitgeist.

The role of outsiders belongs to Hedi Slimane, J.W. Anderson and Olivier Rousteing. All of them come from the fringes of luxury fashion, either establishing their name via the urban, androgynous look in the case of Mr. Anderson, or being a virtual fashion unknown in case of Mr. Rousteing.

This year, as much as in 1973, it is usually the ones at the periphery of action that understand more clearly what the action is about.

Traditional tastemakers are faced with the innovation imperative: either nurture the relationship with innovators who disrupt your business or become obsolete.

Once cringe-worthy, the notion of connecting a luxury fashion brand with its wider digital and cultural ecosystem is now a matter of survival.

Balmain's Mr. Rousteing was very quick to capitalize on his survivalist instinct: each of his models have at least 10plus million followers on Instagram, and so do celebrities in the front row of his shows. Rihanna and Kanye are friends. North West is a customer.

Stuff that happens outside of the established structure and set of relationships in the luxury industry is the stuff that matters.

New behavior, new forms of value exchange think Cara's, Kendall's or Carly's massive social media followings and new players in the industry Joan Didion, Joni Mitchell and Iris Apfel do not play by the rules of the luxury industry that they are disrupting.

Instead, they are responding to the needs of those who may have been neglected or not served sufficiently well by this industry.

## Dial tone

By staying close to innovators, rule-breakers and trouble-makers, luxury brands can start to understand where the future of their industry is going, and be able to devise strategic and creative solutions for their own business so they do not get surprised when the next Farfetch or Hedi Slimane shows up at their doorstep.

There is more to it than survival, though.

By mimicking those who are disrupting the industry, luxury brands can actually stay competitive.

Established high-fashion brands are forced to dial-up their game when faced with the high convenience and immediacy and seamlessness of service that Farfetch, Net-A-Porter or Warby Parker provide.

These brands will be able to do it only after a long and hard navel-gazing, which should not be too difficult with all the self-obsession practice they have had.

What the luxury fashion industry can find hard is to start nurturing an internal culture of diverse thinking and of learning things with which they are not familiar or scared.

If they succeed in this, they will be able to create a stronger, adaptive, open organizational setting that is highly responsive to its environment.

DISRUPTIVE CREATIVE thinking requires an organization built for disruption.

The outcome of this can be an amazing, creative, perpetually fascinating world of luxury fashion that is able to selfdisrupt at any moment in time. And how refreshing would that be?

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