

Feature Article

Brands branching out

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National Geographic, JCB, Jeep and Pepsi. We all know the brand names - and that's what marketing maestros are counting on with a spate of new fashion lines that cash in on their parent product's pedigree. Tania Casselle looks at how some of the brand owners are managing the move into apparel.

Virgin Brides, Samsonite's Black Label, Cosmopolitan and Elle fashion, and Barbie girlswear have already blazed a trail for brands branching out into apparel. Other household names jumping on the brand-wagon include National Geographic, Swiss Army Knife, JCB, Jeep, Pepsi, Mountain Dew, Royal Ascot, The Discovery Channel, Mini, Juicy Fruit and Dell.

"Apparel offers marketers the chance to make a very personal and intimate statement about their brand," says Scott Spring, manager in Kurt Salmon Associate's Strategy Practice. "Michael Wolff of the UK's Fourth Room design group has noted that brands have two roles: they are a reflection of who we think we are to the outside world, and simultaneously a statement to ourselves of who we want to be. This is especially true of the clothes we wear."

"For brand owners the primary motivation used to be extending brand awareness. Now everyone is looking at it for additional revenue streams," observes John Parham, division president of New York brand strategy firm Parham Santana, who was involved with the Discovery Channel Quest range of outdoor apparel, to be launched next spring in partnership with Woolrich.



MINI MotoringGear

"It's so incredibly difficult to build a brand from scratch, and the power of licensing is tremendous brand equity that you can extend into the apparel arena," says Parham, who states that the brand extension phenomenon is not going to go away. "It's too compelling and manufacturers are very interested in signing up to be licensees of these new brands."

Mature brands - fresh fashion



Pepsi young men's apparel

Soft drinks giant the Pepsi-Cola Company is certainly seizing the day with this spring's launch of two young men's apparel ranges under its Mountain Dew and Pepsi brand names, both licensed to US manufacturer AmeriCo.

Pepsi retails exclusively at Wal-Mart, offering "Think outside the can" styling. Mountain Dew plays the active lifestyle/extreme sports angle under the tag line "Proceed without caution." Clever marketing of the Mountain Dew range includes a mini-CD distributed through retailers and as a hangtag on selected apparel. The CD offers 'alternative' entertainment and an interactive component allows AmeriCo to update the content of the disc when the user is online. The consumer answers some questions about their interests, and

AmeriCo receives invaluable data on their customer base.

"Marketing innovations like this give us a competitive edge with a very tough consumer," said Eli Harari, president and CEO of AmeriCo. "Young men involved in alternative sports are the fastest growing demographic, but they are hard to reach and even harder to impress. The Mountain Dew disc is a tremendous way to build an on-going relationship with our target audience, while adding an additional lifestyle experience to our apparel."

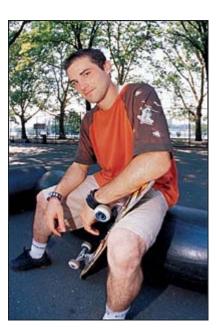
JCB's spring 2002 collection is backed by ads in trend magazines The Face, i-D, Arena Homme Plus and Vogue – all a glamorous world away from JC Bamford's core product area of digger trucks. The JCB apparel initiative is clearly on a roll – while the launch licensee Easy International Brands continues to provide support on admin and logistics, an in-house division has been established to handle design, development, procurement, sales and marketing. Moreover, JCB is touting new design director Sean Moore's background in luxury denimwear for DKNY, Ralph Lauren and Calvin Klein as instrumental in shaping what the company calls a "heritage experience" in jeans, skirts, cardigans, duffle coats and vintage T's.

Gritty authenticity is a vital merchandising element for brands such as JCB and Caterpillar boots, and National Geographic promises a similarly rugged experience with a range of high performance outdoor gear for men and women, debuted last February at MAGIC.

"Who better to offer input and advice on its direction than our own team of internationally renowned writers, photographers and scientific explorers?" asks John Dumbacher, senior vice president of licensing for National Geographic, promising that garments will be field-tested by explorers to lend authenticity to the brand.

Also trading on its tough 'n' ready roots is Victorinox Apparel menswear, launched by Swiss Army brands in 2001. Currently selling in the US and Canada, including the Swiss Army Soho flagship store in New York, plus Bloomingdale's, Nordstrom, Macy's East, and Saks Fifth Avenue, the brand may soon expand into other geographies.

"The Victorinox Original Swiss Army Knife not only has practical value for people but a strong emotional attachment," says Jeff Turner, president of Swiss Army Brands, citing a 92 per cent recognition factor for the cross and shield logo. "The differentiator between this product and others on the market is the unique way in which the designers have worked with technical fabrics and the way they have created ultra stylish sportswear at an incredible price point. Brand loyalty only stays constant when the products consistently deliver."



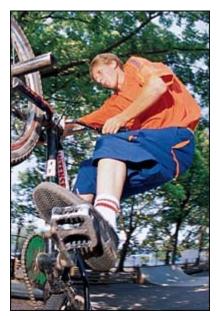
Mountain Dew

The collection focuses on top-level fabrics and multi-purpose styling. The branding itself is discreet.

"The idea behind the subtle logo treatments reflects the sophistication of our customer," says Turner. "We have been able to create and maintain the identity of the brand without hitting people over the head with it. We have our iconic pieces where the Swiss cross is prominently integrated into the design. Other than that, the identity is there but in subtle ways. There may be logo embroidery on a shirt pocket, a small Victorinox cross and shield patch on a sleeve, and brand identity within the garment."

Household names taking advantage of the current retro/nostalgia trend include Wrigley's Juicy Fruit branded clothing to be sold in the UK's Top Shop and Debenhams, and Mini MotoringGear, which draws upon the 1960s pop culture appeal and signature two-tone colour scheme of the Mini Cooper car. Mini's upbeat "Let's Motor" message is translated into chamois jackets and T's with zip-off sleeves that allow the shirt to be worn "in seven different ways depending on the sunshine-o-meter."

Meanwhile the John Lennon licensed collection of men's and women's wear is building an audience in the UK with pieces featuring



Mountain Dew

Lennon artworks, writings and self-portraits of the man himself.

Taking the trend even further, Club Med is making a bid for the fragrance market by teaming with Coty to launch "My Ocean" scent, described by chairman and CEO Philippe Bourguignon as: "An evocative and cosmetic version of the Club Med experience for everyday life that encompasses all aspects of the sea, sun and fun in a bottle." At \$18 a bottle, it's a bargain compared to visiting a resort.

Strategic steps to branching out

"Stage one is understanding what this brand means and how it offers a new point of view that the retailer doesn't already have," advises Parham Santana's John Parham. "A lot of brand owners are leveraging the brand through displays and merchandising. The risk is that the brand just doesn't translate - that it's too literal a translation or too blatant if it's just a logo slap. If Discovery wanted to move into lace nightgowns, for example, that would be a disconnect!"

"It's easy to find manufacturers willing to make the product," adds Scott Spring of KSA. "Product development costs are relatively low, and distribution channels are often willing to take the chance on something new. The main challenge is getting the execution right - to be successful the marketer must locate the right partners.

"Key elements include creating a truly differentiated offer. The logo isn't enough, the consumer needs to see and feel the whole story, implying the need for well-done shop-in-shop concept. Distribution must be carefully controlled and managed. Other keys to success include focus - pick either men's or women's, don't start with both - and patience. Apparel brands aren't built overnight - especially if you've spent the past 50 years telling consumers you're all about suitcases.

"Consumers have such strong connotations with some brands, that it can be very difficult for brands to reach very far beyond their core," continues Spring. "Gerber babyfood in the US licensed their name in the US for babywear for a long time. They built a small business but never sold any significant volume of apparel. Consumers associated the brand with the very young baby on the label, meaning that few mothers would choose to put their 'grown up' six month old child in Gerber clothes. Additionally, the brand was sold in supermarkets, which didn't exactly lend the brand any warm and fuzzy images."

"You must be able to translate the brand into other products," agrees Antonia Cuming, international marketing manager for The Licensing Company, which manages Cosmopolitan's swimwear, lingerie and accessories, Royal Ascot's men's accessories and ladies' hats, and Jeep's 'high performance wearables' due later this year in Europe.

"Sometimes a client will have an idea about a product they want to go into and we have to say sorry, but we know that won't work!" concludes Cuming. "People have to be very honest with themselves, look at the core brand and accept whether it has strong brand values and spontaneous brand awareness."

By Tania Casselle 12 Jul 2002