



The Fashion
CEO^s Agenda
2022

ISEM

Fashion Business School
UNIVERSIDAD DE NAVARRA

CONTENTS

1. BEING RELEVANT TO SURVIVE
Brand Relevance in Times of Turbulence: A Survival Kit
By Liora Arditti
2. THE RELEVANCE MATRIX
Brand, Product and People
By Pedro Mir
3. ENGAGING THE NEW POST-PANDEMIC
CONSUMER
Generation Shifts and New Traits in Fashion Consumption:
Customer Changes and Action Plans
By Simone Guercini
4. PHYGITAL ACCELERATION
Creating the New Hybrid Retail Experience
By Luis Lara
5. HIGH TECH, HIGH TOUCH
Acceleration, Reinvention and Focus:
The Enhanced Role of People in Retail Digital Transformation
By Luis Lara

6. FLEXIBILITY ACROSS THE BOARD

Beyond the Supply Chain: Building Flexible Companies

By María Martín-Montalvo

7. SOCIAL SUSTAINABILITY

Sustainability:

The Right Challenge at the Wrong Time for Fashion Brands?

By F. Javier Sardina

8. RESILIENCE

Building Bridges Towards Corporate Survival

By Joshua Williams

9. RADICAL CONSISTENCY

Consistency and Its Meaning in Post-pandemic Times

By Teresa Sádaba

10. BACK TO GLOBAL

The New Digital Globalization Imperative

By Luis Lara

11. LEADERSHIP THROUGH EDUCATION

Executive Education to Face New Challenges

By Lorenzo Cantoni

Dear CEO,

It's our pleasure to present the first edition of The Fashion CEO's Agenda, edited by ISEM Fashion Business School, University of Navarra. This is the first fashion business report produced by a business school, with the depth, rigor and impartiality provided by the Academic Faculty.

The fashion industry is inherently agile and changing, but it also needs reflection. ISEM Fashion Business School, a center of the University of Navarra, was established in 2001 as the first business school specializing in fashion in Spain, quickly rising to the top in multiple rankings. It was born with the objective of training professionals with negotiation and leadership skills to work in the fashion industry. Its mission is to professionalize the sector; to be a center of convergence between management and creativity.

Throughout these years, ISEM Fashion Business School has achieved a unique balance between specialized knowledge and practical experience, enhancing the dimension and richness in the professional development of those who drive, from relevant positions, the future of the fashion industry.

The Fashion CEO's Agenda 2022, in which our researchers analyze the key issues that will mark the fashion industry in that year, will help fashion companies' managers to quickly understand the most relevant issues and trends that they must get on top of, and provides some pointers in how to tackle them. Also, 20 company managers have been questioned to confirm those approaches.

This Agenda was born with the objective of being an annual report, from the omnichannel overview, taking into account all fashion sub-sectors (textile, footwear, leather goods, jewelry, perfumes and cosmetics, fashion optical industry, among others).

We published this first edition in 2022, with the hope that it will become a useful tool for decision-making in the fashion industry worldwide.

Sincerely,

Teresa Sádaba & Luis Lara
Co-editors of The Fashion CEO's Agenda 2022

1.

BEING RELEVANT TO SURVIVE

Brand Resilience in
Times of Turbulence:
A Survival Kit

Liora Arditti

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The branding world is going through a turbulent time, characterized by chaos and confusion. New developments advance incredibly rapidly, which means the survival of the fittest is key. Brands, though not human, do share some characteristics with humanity, forming relationships with consumers and stakeholders, building trust, reputation and recommendation. Research demonstrates that consumers look to brands not only to provide leadership during these tumultuous times, but also to help, assist and serve.



But what does this mean? How can brands overcome the challenges and changing customer expectations in the immediate future? Marketers need to adjust their approaches during the pandemic. Below are a few proposals on how to anticipate and respond to foreseen and unforeseen challenges and to survive (and possibly even thrive) in moments of uncertainty.

Create Brand Consistency Yet Be Flexible.

Acting fast is a must. Brands must grasp how the world is changing, while anticipating how they should adapt in order to continue to be relevant. Being consistent and true to purpose remains current today more than ever, effectively maintaining engagement within a multi-channel context. Brands not only need to be highly customer-centric; they need to create and offer products and services that are extremely relevant to customer needs AND be consistent to their true selves. Bending and stretching is not a death sentence, as long as brands pursue authenticity over perfection.

Brands Need Constant Reinvention.

Changing a name or logo, or creating a new campaign, does not imply brand reinvention. It is much more complex than that. Make an honest and in-depth assessment of the brand's capabilities.

Understand the “why” behind what you are doing so that consumers can make sense of it and can explain it to others.

No shortcut is sustainable; a reinvention must go deeper than what your consumer sees in pure design work ... it must take place at the core of your existence first, which will be sure to drive everything else. Assess and be realistic about what is worth reinventing at the time and what is worth moving away from for the time being. This requires focus, so that you can reframe rather than trying to do it all. Reinventing a brand requires research, creativity and resources. Successful brands revamp their brand periodically, 'in joy and in sorrow, in sickness and in health.'

Loyalty Will Never Die.

Consumers are generally open to trying a new brand, and even making a brand switch. Competition is everywhere. Brands face challenges to their loyalty on an ongoing basis. Today's definition of customer loyalty has evolved to comprise all the engagement dimensions a customer has with a brand, ranging from social media to instore experiences and online visits. Customers demand more from brands and are willing to hand on information in exchange for 'value'.

Ensure your brand is not 'a moment in time', but 'happens over time', no matter what other changes may come.

The Fundamental Role of People

People are core. It is not only about being consumer-centered, but also about being people-centric too, propelling the creative careers of staff, which will

undoubtedly result in stronger brands for consumers. No matter how big or small, a brand needs to be nurtured and looked after. Train people to ensure quality and consistency, to connect brand vision to business strategy and, furthermore, to cultivate, promote and share brand values.

You need the right brand team to place the brand both front and center, to really live the brand.

Do not be satisfied ... ever! Reinventing the brand is not a one-time thing. Brands need to sweat over the details, while simultaneously sketching out a route towards a long-term vision. You need to have the skill to revolutionize the brand often; this is a survival necessity.

In these volatile and uncertain times, it will be the brands that have the confidence to make decisive and bold moves that create a true impact.

2.

THE RELEVANCE
MATRIX:
BRAND, PRODUCT
AND PEOPLE



Pedro Mir

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In 2021, more than ever, CEO's must take a close look at their portfolios and intangible assets to carry out a diagnosis about how they fit into the present context, effectively reviewing their businesses, which can only survive with dynamic and resilient strategies. Consumers are bombarded by brand messages and, on the one hand, they know how to ignore those that are not for them; on the other, they also love their best brands.

The key is creating loyalty by doing things that other brands don't do, such as delivering the right message and boosting the product specs to the limit.

One question we must ask is whether corporate strategy is trying to boost the good side of the company? If the answer is 'yes', the next question would be: is this clearly shown through brand and positioning? As Theresa Forman (McMillan, CMO) stated when she was asked about brand purpose: "Purpose-driven marketing is great when it works... But the risks are that it's not always effective and, as result, may harm your brand- or at least not get the intended results you are looking for". The concept itself is misguided since purpose should not be part of a marketing strategy.

The concept of brand relevance appears to be reviewed by marketers and C-suite executives in their strategies.

But how to define relevance from a marketing perspective? Some experts talk about the customer's predisposition towards or preference for a brand, and this is one way to measure a brand's success: a relevant brand means consumers will be prepared to pay more for it or will be able to demand greater loyalty on the part of the consumer.. The brand is not only different to others, but emotionally important and personally relevant to the target.

Brand relevance is about brand attraction, and this influences the customer's decision-making process

The challenge that marketers face is how to keep building bonds that generate emotional and irrational attachment to a brand, especially when that brand has been more focused in the past on building differentiation than relevance. So, the concept of relevance seems to seek a meaningful position through personal engagement and emotional importance.

Relevance was a hot pre-pandemic topic when the boom of DNVB (digitally vertical native brands) and the commoditization of some categories (that based their strategies on reasonable quality affordable products) raised a flag at marketing departments, based on the consumer question: 'why buy a brand?'

Consumer insight now pivots around a more concerned type of consumption, one embedded in the new-generation demand for products that are more reliable, trustworthy and honest.

Consumers are also asking corporations what their role in the community is, why they exist and how they serve the world. That is why companies and their CMO's have to re-think how they can connect promises with the product, services and experiences they deliver, based on a clear sense, a purpose. This is homework they cannot avoid, especially if these aspects have not been defined in the past. This is a

unique moment for marketers to review their brand strategies and reconsider their marketing messages in order to boost their relevance, understanding this approach as a form of recognition that will permit long-term success.

The question they must address is as follows: what are our core values and how do we translate them into actions?

Within this scenario, companies must: re-purpose and find empathy with the brand message; re- confirm consumer insight & (??) trends (by conducting interviews, surveys or gathering megatrends at this critical moment); make the necessary adjustments to ensure the brand is connecting with new consumer desires; and understand the main pain points by offering a meaningful solution, in combination with a pan-channel sales strategy initiated during the pandemic period. In 1979 Jerome McCarthy defined the marketing mix and abbreviated it as the 4 P's. Later on, in 1987 Judd introduced the additional 'P' of people as a new variable.

The human factor in an organization can only be built through trust, which has to be shared across the board within the organization,

because it affects everyone, including stakeholders both inside and outside the company.

Trust is the result of more human management implemented through authentic and empathic leadership, ensuring that words effectively match actions. So now is the moment to build brand value within the inner organization, with brand trust closing the gap between what we say and what we do, effectively delivering a congruent experience. However, this commitment should be firm and honest and, in order to accomplish this, the brand must demonstrate a greater degree of humanity and transparency, and it must show that it keeps its promises.

3.

ENGAGING THE
NEW
POST-PANDEMIC
CONSUMER

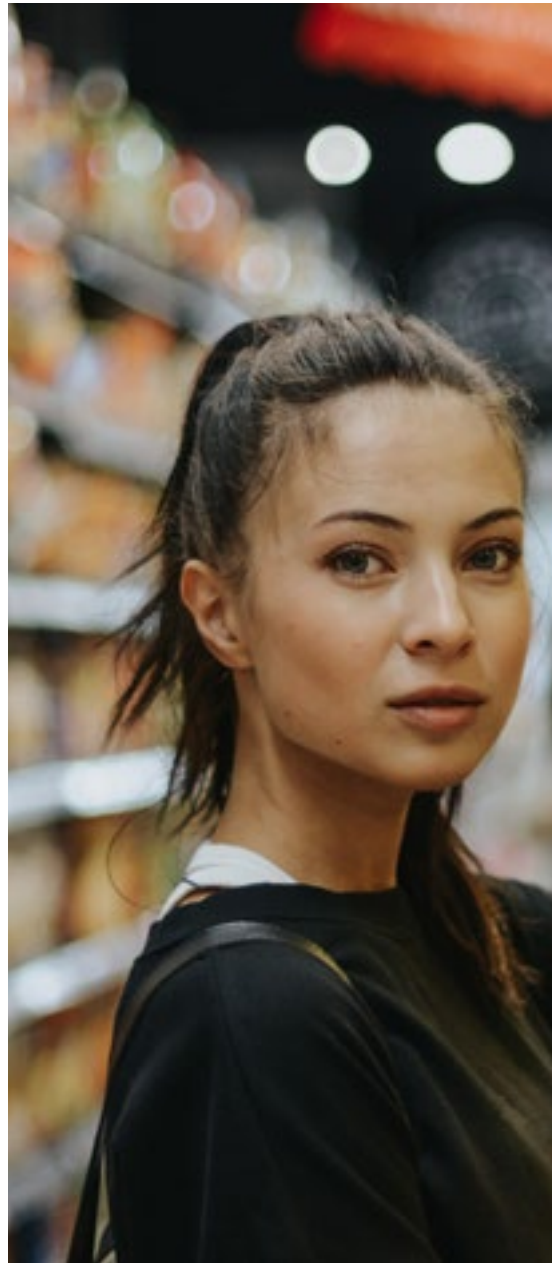
Generation Shifts and New Traits in
Fashion Consumption -
Customer Changes and Action Plans

Simone Guercini

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The pandemic and its economic effects have been widely debated in recent months. Certainly, one of the most discussed aspects has been the acceleration of various trends that were already underway, among which the issues of digitization and sustainability are of particular importance. The pandemic has impacted different generations in different ways, but it has also tended, in some respects, to make experiences converge. To cite one example, we might point to the fact that the use of technologies has spread to older generations.

As Paul Valéry, reknown French philosopher and poet, has stated, the future is no longer what it once was, to the point in which a return to normal is often referred to as the “new normal”. This is especially significant for the new generation, which, in fact, is the architect (albeit not alone) of accelerating trends in terms of both digitization and sustainability.



Fashion consumption has been impacted by the pandemic in a very significant way from various points of view. In the first place, for consumers, experiencing fashion has been put at risk by the closure of public places and social gatherings, such as pubs, restaurants, public events, etc. Social distancing may, therefore, have affected motivations regarding fashion consumption. Second, the closure of shops has taken away the possibility of experiencing the “home” of the fashion brand, the context in which you can see the products, but also the contents of the brand in terms of communication and, therefore, of image.

Companies have attempted to press the restart button by developing online activities that can still develop customer engagement.

An example of this is the spread and development of gaming initiatives, with different characteristics, ranging from pure entertainment to the attempt to develop tutorials or to fuel interest in product matching and testing. The closures and social distancing imposed by the need to contain the pandemic have pushed companies to develop the Internet channel, not only because it is always accessible, but also in order to reduce uncertainty regarding the actual duration of the pandemic and its long-term effects. Business of Fashion reports estimate that by 2025 the volume of fashion e-commerce should double compared to today, so its weight in terms of overall business should grow enormously, especially when we consider that the industry as a whole will present significantly lower growth rates.

Digitalization affects not only the relationship between clothing brands and consumers, but also the relationship between suppliers

and customers in the fashion business markets.

Within the field of fashion, the difficulty in holding trade fairs has led members of the industry to seek alternative solutions, developing events such as those encompassed by the expression “digital fair”. The customer journey and the weight of the physical component have changed compared to the digital experience during the different stages of the customer journey, with probably definitive effects, since a large volume of consumers have now developed an online purchasing habit. However, this does not mean the future of fashion is solely digital, because consumer trends have tended to grow back very quickly where the effects of the pandemic have been alleviated.

In part, summarizing the above, we can highlight the following trends, which characterize the present context of consumption and the fashion business:

- accelerated digitalization of the purchasing process, based on an approach that takes into account consumer needs and business initiatives (such as gaming);
- greater effective importance of sustainability, not only environmental but also social and economic (the triple bottom line);
- uncertainty as an underlying current, not only for businesses but also for consumers;
- appreciation of the market capitalization of fashion luxury companies, probably due to a leverage effect of profitability that overcomes the depressed effect of sales;

- the stress of the fashion and luxury fashion consumption at a time of social distancing

- fashion and luxury fashion consumption at a time of social distancing

The use of gaming is aimed at generating engagement and, sometimes, at developing a digital experience of the brand, its culture and its products.

Emblematic is the case of the multi-brand luxury fashion online store Luisa Via Roma (LVR), which developed the Mod4 initiative, aimed at a wide audience (for the moment mainly women) in order to acquire information on their price and provide suggestions for the management of their purchases. Sustainability is another topic of great importance, in addition to that of digitalization, and demonstrates how complementary goods such as safety devices can become a key factor.

Decisive in supporting the community, of which one the producer is a part, includes the addition to that of digitization, and demonstrates how complementary goods such as safety devices are crucial.

4.

PHYGITAL ACCELERATION

Creating the New
Hybrid Retail Experience



Luis Lara

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A great silent revolution is underway. The pandemic has accelerated the digital transformation of customers and many brands have lagged behind on their “digitalization roadmaps.” This has led to the emergence of a new generation of connected consumers (“Generation C”), which goes beyond Generations X, Y, Z, ...) and who set the pace of consumption. What implications does this silent revolution have for CEOs’ agendas? Does physical retail have a future in the era of always-on consumers? Clearly yes. What this revolution represents is a changing of the guard: from retail that adds no value to retail that does, and that is also fun.

Physical retail is going to be more important than ever

CEOs just have to change the way they think; they must understand that the backbone that allows the brand to connect with the consumer is digital, be it with our physical stores or with eCommerce. What brands are once again growing strongly after years of over-saturation? For example, the brands known as DNVB or “Digitally Native Vertical Brands”, which use a direct-to-market model (DTC - “Direct to Consumer”). These include international brands such as Warby Parker, Bonobos, Allbirds, Away, ... and many others in Spain and other countries that are growing rapidly. What can we learn from them?

DNVB understand that their main mission, from day one, is to connect with their customers, regardless of the way in which they do so, whether it be digital or physical.

This makes them tremendously flexible and resilient in a situation such as the one we are currently experiencing. However, this DTC concept is not something that is especially new: “Direct-to-Consumer” is another way of referring to the traditional path that brands have followed with their network of stores: maintaining contact with the end consumers who come to their stores. physical stores. But, over time, many of these brands have lost that contact and now we could re-establish it by joining both worlds, the physical and the digital, effectively creating true hybrid experiences.

As part of this revolution, the CEO's agenda must prioritize the idea of accelerating innovation in retail through platforms that combine physical and digital retail and that banish boring retail that adds no value. Through this new approach, both digital native brands and traditional products can reach the "Generation C" consumer.



The last station of retail, Connected, must generate content from an editorial point of view, as if it were a magazine; it must continually change as if it were an art gallery or a theatre performance, serving as a space for identification and connection with the community in which it is located and, all this, to sell more and for longer, effectively boosting engagement and customer lifetime value (CLTV).

Stores will be living laboratories, constantly evolving, and changing to create unexpected opportunities for customers, where the ratio of experiences per square meter is much more important than

sales per square meter.

The agenda of CEOs must include the priority of evolving towards Connected Commerce, in which it is recognized that technology is the factor that connects all points of sale, physical and digital, and where sales assistants have tools that enable them to fully understand the customers they are talking to. C-Commerce means that companies will have to work on the eight pillars of C-Commerce to obtain the highest scores in the evaluation that customers:

- Customer
- Community
- Content.
- Curation
- Customization
- Convenience
- Culture
- Circular

The 8Cs of Connected Commerce



5.

HIGH TECH, HIGH TOUCH

Acceleration, Reinvention and Focus:
The Enhanced Role of People in
Retail Digital Transformation

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For many companies in the fashion business, the post-pandemic scenario has entailed the need to accelerate their integration plans regarding their digital and physical assets, based on three main work agendas that all CEOs have on their desks:

First, the acceleration of e-commerce: online sales have accelerated by more than 50% for the fashion business at an aggregate level, with higher like-for-like online increases for many brands.

Second, as a complement to the above, the need to reinvent physical assets to adapt them to the expectations of new consumers. Many brands have discovered the importance of physical points of sale thanks to the rise in services, such as the ease of collection in store (BOPIS, buy online, pick-up in store), in addition to the others associated with the omnichannel.

Third, consequently, there is a need to focus investment in two key areas: technology and people. We might say “High tech, high touch”: the more technology we use, the more we need to invest in people. Technological progress

is forcing us to rethink our organizations and to hire and train the right people by investing in technology that optimizes the physical and digital integration capabilities that are key to differentiation in fashion.

It would be a mistake for CEOs to think that new technologies must be deployed only in the digital channels. This is the time of experiences, sensations, emotional connections. And all this goes beyond introducing interactive digital displays in stores, contactless payments, adding digital functionality to changing rooms, or empowering customers using in-store apps.

The next frontier consists of improving the in-store experience for customers and employees

As the role and operation of stores have changed, so has the role of salespeople. During the periods of lockdown in 2020, many store employees have worked primarily from home, focusing on online clientele, and providing customer service. The technology that allows them to stay digitally connected with their customers is key for brands to maintain the necessary brand engagement. It is crucial for companies to invest in technology that allows their sales assistants to focus on the customer and work more efficiently, being true representatives of the brand, leaving behind the role of passive sales assistants, merely dispatching products and placing them on the shelves.

Technology, for example through RFID

and mobile devices, allows salespeople to focus their time on the customer, achieving engagement and gaining insights, instead of spending most of the day on mindless processes that can be eliminated, simplified or automated. Additionally, store employees must now be equipped to work on fulfillment tasks, as stores play a larger role in shipping orders placed online.

In the fashion industry
it is impossible to
succeed if we do not
like people: We are
100% dependent on
them.

The best product, brand, technology, supplier, etc., will get us nowhere if our teams are not up to the challenges we are facing in four areas:

- Selection. Let's avoid clones; people who think the same way can lead to disaster. Let's look for people who think different.

- Training and education. They will be the number one priority during 2022. The profound transformation that we are facing requires a priority to invest.

- Promotion is the future. Companies must increase investment in their own business schools to make sure that they can grow faster.

- Motivation. We must win the employees' hearts and minds. Only with passion will we differ and achieve the company's goals.

6.

FLEXIBILITY
ACROSS THE
BOARD

Beyond the Supply Chain:
Building Flexible Companies

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Now more than ever, companies must continue to pursue their traditional goal of achieving a business model that is “lean” and flexible.

conveying this idea to the value chain in the strongest possible terms to bring about an optimum positioning vis-à-vis their competitors, effectively gaining agility and a sense of anticipation.

This flexibility can be incorporated into the value chain based on two main perspectives:

On the one hand, flexibility must be understood as a search for a sense of balance regarding the localization of production, deciding between the “push” and “pull” model. This will help us to minimize weaknesses and achieve the perfect equilibrium in terms of global sourcing. It is essential to understand the needs of your product, channel or business approach by choosing the appropriate production model and achieving the perfect mix.

On the other hand, flexibility should be conceived as the capacity to integrate suppliers as a key part of our companies, thus enabling us to skip various steps in the production process, avoiding constant duplication, since manufacturers are the ones who know the process the best. Trusting in the supplier’s ability makes it possible to eliminate various production stages and achieve the degree of flexibility desired, bringing us closer to customers

Within the current and somewhat troubled context for the fashion industry, incorporating a sense of flexibility within the value chain as part of the primordial objectives of companies’ strategic plans would appear to be impossible.

Companies and their human teams perceive the sense of rigidity caused by the drop in sales, with sales being the main “driver” that permits change and movement. This seizing-up is not only reflected in financial terms, but also from a psychological point of view. Furthermore, product teams that have been unable to embark on the search for new opportunities have lost their sense of agility, something that is now being noticed in fashion collections: the consumer finds few new developments, with clothing items from previous seasons being presented as new ideas.

and catering more effectively to their demands.

Defining a strategy that incorporates these two forms of flexibility within the value chain will endow your business approach with a sense of coherence and enable you to differentiate your brand, constantly improving your product and all its attributes.

All this will require large doses of confidence, hard work and independence on the part of our teams when it comes to taking decisions, which means you must give them the corresponding tools and encourage them not to simply conform to the way in which things have always been done, forcing them to break the mold and renew the value chain at your company.

When all is said and done, in times of uncertainty a degree of creative flexibility is the best way in which we can adapt to new circumstances.



7.

SOCIAL SUSTAINABILITY

*Sustainability:
The Right Challenge at the Wrong
Time for Fashion Brands?*

F. Javier Sardina

New Sustainable Tools for Pharma and Bio Research
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Maximizing sustainability in the fashion business is a multifaceted challenge that must be addressed in a very short timeframe and at a time when brands are rather ill-equipped to face it.

Over the last decade or so, fashion has become a service industry that caters to the (almost) unfathomable whims of ever-more informed consumers.

What used to be a manufacturing industry has transformed itself into something more akin to an entertainment industry, providing feel-good experiences, social group inclusion, personal expression, and differentiation to customers, who have become the center towards which all the activities of brands gravitate.

This evolution has had two unintended consequences for brands:

the physical products of fashion and their manufacturing processes have been displaced from center stage towards the outer rims of the industry's awareness, the quality of the items being the most noticeable casualty of this process, a shift regarding the kind of knowledge that is desirable to have in-house has occurred, and technologically savvy people have been displaced by business-, data- and operations-oriented personnel

These two trends have coincided in time with a push towards lighter structures at fashion brands, focused mostly on brand positioning, the distribution channels and heightened customer experiences, and less on product and manufacturing.



However, sustainability, at least as envisaged by the European Union in its Green Pact, Circular Economy Strategy and Strategy for Textiles, is predicated on a more traditional, industrial view of businesses, focused on resources, technology, processes, and material and energy balances.

Of all the operations involved in a fashion product lifecycle, the technological and chemical processes carried out by the manufacturing side of the business are the ones that generate the most negative impacts regarding sustainability

Thus, brands should reposition the product and its manufacture closer to the center of their actions to adapt to the circularity-focused regulatory framework created by the EU. This would be a major conceptual shift for most brands. Are they well prepared for this challenge?

For some time now, fashion brands have been outsourcing most of their sustainability

programs to a myriad of unconnected organizations and consultancy firms,

Most of these organizations belong the environmental activism movement, and most of them are specialized in a narrow aspect of sustainability. This has frequently resulted in programs biased heavily towards certain issues, disregarding others that have an equal or greater impact. Why?

It is mainly because the creation of strong internal sustainability departments, capable of generating a holistic approach towards sustainability and of leading balanced, thorough strategic programs, is still a pending task at most brands. These departments are focused on product and manufacturing, constituting technology and process-savvy teams under another name. Given the depletion of personnel with experience in these areas that the brands have witnessed over the last decade, is it any surprise that most of them find it difficult to perceive their importance and to create and populate such departments from within? Hardly.

In the coming years, the pressure to fill this specialized knowledge vacuum at fashion brands will be high and the competition to hire outstanding leaders and thinkers in this area will be fierce. CEOs should act decisively to avoid being stranded in an externalized sustainability services purgatory.

8.

RESILIENCE

Building Bridges Towards
Corporate Survival

Joshua Williams

Founder of Fashion Consort | Assistant Professor
Parsons School of Design - The New School

The Covid-19 pandemic led to a moment of reckoning for executive leaders in the fashion industry. Beset by immediate supply chain issues early in 2020 and then store closures due to lockdowns in the spring, executives were forced to adapt quickly. Those who had strong brand foundations in place, along with trust from their employees, were able to weather the storm. In some cases, these companies even benefitted from the acceleration of longer-term strategies and planned innovations. Brands who were struggling before the pandemic, found themselves in an even more precarious situation. And for many this meant bringing an already moribund situation to an accelerated demise.

The truth is that the fashion industry had already reached a high level of market saturation before the pandemic.

This surplus of goods was facilitated by new technologies, globalization and ease to market. Customers have never had more products and services (all more or less the same) to choose from. And so, the pandemic, like the so-called “retail

apocalypse” that preceded it, has had a culling effect—largely of the milquetoast middle market that still hasn’t found a raison d’être. This isn’t to say that brands on the fringes of the market, for example high-luxury and fast-fashion brands, haven’t also been affected, simply that they have benefitted from clear price differentiation.

However, it’s not all just about product and price anymore. And the fashion executives who took a wider view of the crises and the opportunities available were the ones who were most likely to succeed, especially within the following seven areas:

1. Vulnerability+Trust: Leaders who were open and honest about the crisis with their employees and customers were most likely to be trusted by their employees and customers, developing a sense of reciprocity. Leaders who listen are the ones who are best able to learn and adapt.

2. Vision + Transparency: Leaders who communicated a strong vision that resonated with employees and customers were in the best position to retain both during a crisis. And this vision had to be tempered with reality and transparency. In a crisis, there is a tendency to want to protect others from the pain, but too often this just adds to the problem and causes general distrust.

3. Authentic, Integrated Values: Leaders who understood that values are more than a marketing slogan were able to turn these values into deeper engagement. Besides Covid-19, 2020 was also the year of great political turmoil, featuring an acknowledgment of racial inequality and economic hardship. And companies that weren’t leading by example, were quickly called out and eliminated.



4. Omni-Channel Strategy: Leaders who understood the complexity of a true omni-channel business, meaning the very real hybridization and overlap of the digital and physical space, were able to engage customers and build sales quicker. This meant rethinking brick & mortar locations for pick-up only or for repurposing employees.

5. Supply Chain Visibility: Leaders who had complete visibility of their supply chain were able to see and address logistics issues quicker. And companies who had built into their system a mixed portfolio of partners across geographic locations, from sourcing to production, were able to activate alternatives quicker, in some cases benefitting local businesses.

6. Data-Driven: Leaders who adopted cross-channel data analytics at their businesses were able to identify problems and opportunities more quickly. In some cases, this meant pivoting to new product categories such as PPE (personal protective equipment), redistributing inventory and even opening new stores.

7. Technology As a Tool: Leaders who understood that technology is a tool, rather than a means unto itself, were more likely to have substantive solutions in place to withstand the pandemic, including touchless payment systems, cross-channel ordering systems and AR capabilities.

These seven principles will continue to be an important consideration for leaders as the world emerges from the worst of the pandemic. However, the executive mindset must now pivot from crisis mode and pandemic-specific adaptations to future-thinking strategies. After all, there has been a profound shift in the way in which we engage throughout the world—and it will continue to shift. Fashion leadership will demand recognition of these changes and the ability to meaningfully and constantly adapt.

9.

RADICAL CONSISTENCY

Consistency and Its Meaning in
Post-pandemic Times



Teresa Sádaba

Dean
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The pandemic has accelerated many trends that were in motion in the fashion world prior to the crisis: digitalization, new consumer behaviors, a sustainability-based approach ... Another major trend is the increasing consumer demand for fashion companies to demonstrate a sense of social commitment, what has been labelled “social justice”.

Companies cannot be neutral actors in society.

The time when profit and earnings were the only goal has now passed. As CSR has evolved, companies have acquired a responsibility among their stakeholders. That is why having a “purpose” at a company is now one of the main drivers, given that reputation is key in terms of engaging employees, customers, suppliers, and investors.

For fashion companies this new trend is something of a survival issue. Fashion has evolved at such a rapid pace, with

so many garments in the stores and so many items in consumers’ wardrobes, that fashion has become more of a commodity than a meaningful product. In this respect, having a purpose or a cause to embrace, constitutes a way of recovering the traditional and symbolic use of fashion. Following Susan B. Kaiser (1990), fashion symbolizes the meaning of an object in relation to its societal presence.

Fashion connections with social and individual meanings constitute the very core of fashion.

In search of this purpose, some fashion brands and fashion CEOs have endorsed different issues, such as the examples of Chanel or Dior and their feminist T-shirts and claims (“We should all be feminists” S/S 2017 Dior), or “Cancel Brexit” in the case of Katherine Hamnett.

The Black Lives Matter movement has been a trigger for many brands. Following Nike’s support for the football quarterback, Colin Kaepernick, and the protests surrounding George Floyd’s death, many fashion brands have adopted a position through their social media accounts regarding racism and the civil rights debate.

However, following these burgeoning days of antiracist statements, some brands, even Nike, have started to experience problems with employees or citizens saying that their public commitment was not honest, since they sustained internally “toxic work environments”. Everlane, Away and Reformation

faced serious reputation crises because of these accusations, with some CEOs stepping down.

The values of honesty and fair play are becoming more and more important to consumers.

Moral: the time for company purpose is also a time for radical consistency. It is true that the social media playground is sometimes a noisy place, one where authentic and solid messages are slated. Any fake accusation can be blown out of proportion and become a crisis. But the only protection companies have is their consistency. In a complex environment, more than ever, appearance and reality must really go hand by hand. That is why one of the biggest issues on the CEO's agenda consists of the company's reputation safe-keeping.



10.

BACK TO GLOBAL

The New Digital Globalization
Imperative



Luis Lara

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The crisis that originated in 2020 has demonstrated the great vulnerability of the fashion sector, this being one of the most globalized industries. This applies from the point of view of demand, as companies serve a global client in many local markets, which have witnessed serious travel problems and a halt to tourist flows; it also applies from the supply perspective, due to the dependence of the fashion sector on global supply chains, especially in relation to the most basic products, focusing in particular on countries such as China, Vietnam and Bangladesh.

Some authors have suggested that the fashion sector has taken a step back from globalization.

The pandemic presents a unique opportunity to rethink and reset

companies at all levels, going beyond the supply chain itself:

- On the one hand, from the point of view of the supply chain, CEOs have been forced to recognize the importance of the word “flexibility” over recent seasons and have been obliged to implement a massive restructuring of their supply chains: they have sought a way to bring production and supply closer to end users, “localizing” or “regionalizing” their supply chains.

- On the other hand, from the point of view of demand, with tourism stagnant and national markets subjected to unprecedented economic pressures, the connection with local customers has once again become vitally important. However, it would be a mistake to think that the temporary decrease in travel and the difficulties in maintaining a global value chain will mean a return to a local world. In this world of ours, with connected global consumers, a global perspective is essential in order to succeed in local markets.

What can you do to continue promoting our companies on the global market in a 2022?

- CEOs must guide their companies towards rediscovering their mission: the global consumer seeks purpose in this world of uncertainty. You must stay true to the values of the company and not so much to your value proposition, especially if we see that it has lost strength in a market that is in the throes of complete transformation,

- Companies must go global to win locally and go local to win globally. Despite the local shift in consumer focus, the reality is that companies with a global ambition and phygital footprint are winning

- At the same time, we can say that “all business is local” in the new digital world as global companies must win in the local markets if they want to progress in the brave new post-pandemic world

- The digital change must be accelerated. The way to reach many markets is no longer “physical first”, but “digital first”: in many markets it is better to enter with an online sales format and consider entering physical channels to the extent that these fit

- It is important to re-evaluate your company’s digital positioning, increase opportunities, invest in marketing and find solid collaborating partners in order to achieve the international growth goals that you have set yourselves,

- You must leverage our international ambition to advance the company’s social impact goals as consumers develop a greater sense of those goals as we emerge from the crisis

- You should take this opportunity to re-imagine what the lifecycle of fashion should look like in terms of speed, overproduction, consumption and support for the communities in which it is sold and produced.

- You should look for global niches. Our customers are looking for more and more niche brands, and the mainstream brands do not usually cover the wide range of tastes, preferences, looks, etc. Digitization is not about reaching the masses, but about reaching each customer. From mass markets to niche or even individual markets.

Strategically, summarizing all the above, it is imperative for the CEO’s Agenda for 2022 to include the idea of actively managing business opportunities and rapidly selecting winning segments, markets and channel combinations.

Internationalization is a process that requires reflection: in what markets, with what strategy, with what competitive advantages, with what people, with what business plan, with what partners, etc.



11.

LEADERSHIP
THROUGH
EDUCATION

*Executive Education to Face
New Challenges*

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Leaders should be well educated and, in turn, should be educators themselves. We might illustrate this challenge, particularly relevant nowadays, through the image of routers. Those pieces of hardware that enable effective and efficient data flows on the Internet. In fact, the very term 'router' derives, through a long itinerary, from the Latin expression "via rupta", indicating the act of opening up a passage in a complex and even hostile environment.

- First, like routers, leaders should route information: the right information to the right people. The challenge is particularly important because of information overload, a context in which the quantity of information is not at all accompanied by similar quality levels. Gathering, analyzing and evaluating information, which should eventually lead to relevant knowledge and managerial decisions, is a major mission of a leader.

- Second, leaders should route people: selecting and guiding them, ensuring they can move confidently, even within a pandemic.

- Third, nowadays leaders should also route technologies. Digital transformation means not

only implementing technologies but ensuring needed digital skills and managing data. It entails orchestrating everything and everyone in the best possible way, effectively adopting (and rejecting) technologies, not based on mere technological merits or short-term waves, but on clearly defined business goals. This right way of doing things when it comes to knowledge, people and technologies, even if complex and difficult, is at the very core of fashion.

In fact, fashion comes from French "façon", which in turns is linked to the Latin "facere" ("to do"), and indicates the way things should be done, the way experts - leaders - do them.

Fashion executive education should summarize all these elements: preparing to operate in a highly complex environment (via rupta); having the right knowledge and ability to deal with (big) data; dealing with people and being able to help them grow; and managing technologies in an era of change. In fact, they must do all this during the very change of an era.

Three further words might help us gain a rounder view of executive education today.

The first one is listening. A few lines above, I referred to the act of orchestrating. Orchestra directors do a very strange and fascinating job: they do not play any instrument nor produce any sound. Rather, they are placed in the best position to listen to all the instruments and to see all the players. Hence, they are in a position to lead them.

Only if you listen to questions you are able to provide good, relevant - even wise - answers. In Latin, "to answer" is "respondeo". And this is the second word: responsibility.

The third one refers to the ability to steer a safe route, even in troubled waters. In Ancient times, this ability was linked to the virtue of fortitude: being able to reach a difficult destination in order to obtain some good (bonum arduum). A major component of this was known as “sustinere” (“to endure”, “to be resilient”): being able to withstand pressure, being able to last. Nowadays, the word might be sustainability. Executive education should address this aspect.



ACKNOWLEDGEMENTS

The Fashion CEO's Agenda intends to contribute every year to shaking up the industry and transmitting the need to reflect and, above all, act on the key issues the CEOs are facing. This study is the result of hours of work, analysis and conversations with the main voices in the industry and academia. We are fortunate to be surrounded by brilliant minds and industry experts who generously shared their perspectives during conversations and interviews who have fed our reflection and helped us to form our point of view to make this analysis better.

We are especially grateful to the CEOs and professionals in the industry who have taken part in this inquiry and to those who have had the opportunity to review parts of this text and give their feedback. Thank you for your ideas, inspiration, criticism and, above all, the encouragement to bring this Agenda to light.

We would like to thank the members of ISEM Fashion Business School who have played an instrumental role in creating this document for their contribution to the research, analysis and documentation. We also want to recognize the work done by the members of the faculty of the Business Schools and Universities that have cooperated in this study..

In addition, in this first edition of the Fashion CEO's Agenda we also want to make a special mention of Spanish fashion industry because they have created a worldwide "school" with global brands present with stores in the main shopping centers and main streets of the world and with their global digital platforms.

Thank you to all of you!



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