

IB355 MANAGING FASHION AND LUXURY COMPANIES

IES Abroad Milan

DESCRIPTION:

The course provides an overview of the fashion system and an in-depth understanding of the strategic, organizational and managerial characteristics of fashion and design-based companies, both in the high end and in the mass market.

Brand Management in fashion and luxury industries is the art and the science of creating the 'dream factor': the aim is making people buy products not because they need them but because they desire them; in this way companies may achieve both an increase of the profitability and revenues in the short term and of the brand equity in the long term. The methodology behind can be successfully transferred to other industries too.

From this perspective, the course aims at providing the participants the skills for managing key business processes in fashion and luxury companies in a context undergoing a radical evolution.

Course objectives can be synthesized as follows:

- to get acquainted with the concepts of fashion, fashion cycle, fashion and luxury;
- to learn about the main landmarks in the development of fashion and luxury companies and how the greatest international designers, brands and countries (France, Italy, US) influenced the current global fashion system;
- to analyze the main business strategies and business models in fashion (luxury brands, fashion designers, premium brands, fast fashion retailers);
- to understand seasonal strategies at the level of product, distribution and communication;
- to understand the peculiarities of growth strategies in fashion and design-based companies with a specific focus on brand extension.

The learning process is facilitated through stimulating teaching methods such as case histories, guest speakers and field projects, taking advantage from being located in a leading fashion centre as Milan.

CREDITS: 3

CONTACT HOURS: 45

COURSE SCHEDULE:

Group 1: Tuesday – Thursday from 9 – 10:40 am / Aula Verdi

Group 2: Tuesday – Thursdays from 10:55 am – 12: 35 pm / Aula Verdi

Field trips schedule to be reconfirmed

Please note that classrooms can change for certain lectures (always check the syllabus)

INSTRUCTORS:

Donatella Zappieri, Luxury Goods Strategic Consultant - donatella.zappieri@gmail.com

Nicola Guerini, General Manager of the Milano Fashion Institute - nicola.guerini@unibocconi.it

Cynthia Farhat, Bespoke Luxury Goods Strategic Consultant - cynthiafarhat@gmail.com

LANGUAGE OF INSTRUCTION: English

PREREQUISITES: One basic course in business strategy or marketing is required

METHOD OF PRESENTATION: the course focuses on three different learning methodologies: in-class lectures, to introduce the theoretical insights and features of the "fashion & luxury" industries; team projects, which will give the opportunity to apply concepts learned in class in a real case study; and finally field studies, which allow students to gain hands-on experience with the particularities of the "Italian Fashion System" and its dominant Representatives.

REQUIRED WORK AND FORM OF ASSESSMENT:

- Midterm exam: 20 %



- Group project: 25%
- Final exam 40%
- Class participation: 10 %
- Assignments (Field Report: Fashion Tour) : 5 %

Participation

Students are expected to come to class prepared and to make thoughtful contributions to class discussion.

Midterm

The midterm will consist of short answer questions or multiple choices based on the learning outcomes of the first half of the course – i.e., country of origin effect; the history of Italian , French and American fashion and design; the basics of marketing and branding; the design process and retail environment.

Group Project (3-4 people per group)

A precise briefing on the group project will be provided during the course. Students will work through a detailed analysis of a fashion brand composed of two parts. In the first part, the focus will be on the positioning thanks to the analysis of its brand identity through the main components of the product, retail, and communication identities. In the second part, students will be required to give an answer to a research question on a particular managerial/strategic topic concerning the same brand.

Final Exam

The final exam will consist of two essay questions related to topics covered in the second part of the syllabus – i.e. the main drivers for fashion and luxury consumption; stylistic identity and product development; image identity and communication; retail identity and distribution, the jewelry and watches business models and one question based on case history presented by guest speakers. Students will be required to be brief and to the point: one page maximum for each question.

LEARNING OUTCOMES:

Upon completing the course, students will be able to gain a thorough knowledge of the business logic in fashion and luxury industries. They will also be given a key to understanding professional roles such as business unit/brand manager, licensing manager, area manager, retail manager, merchandising manager and communication manager. Yet, all roles will share a common understanding and vision about the culture of excellence, a result oriented creativity and a sensitivity for aesthetics and market trends.

IES Abroad Milan Attendance Policy

Regular class attendance is mandatory. IES Abroad Milano allows a maximum of **TWO (2)** non-penalized absences per course before the final course grade is penalized. This margin is specifically intended to cover absences arising from unavoidable and unexpected events or emergencies, including those related to health, as well as expected absences arising from events like religious holidays or family visits.

Each absence beyond these two non-penalized ones will automatically result in a penalty of 2 percentage points off the final grade.

SEVEN (7) absences per course will result in a failing grade (the two non-penalized absences included).

Please note that this rule does not apply to exams: failure to attend an exam will automatically result in an F grade on that exam. Absence on the date of other scheduled presentations or quizzes does not entitle a student to recover/reschedule such tests.

CONTENT:

Week	Content	Readings / Deliverables
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	<p>Lesson 1 - 11 Feb Course introduction - Defining fashion and luxury</p> <p><i>Instructor:</i> Donatella Zappieri and Nicola Guerini</p>	<p>Corbellini, Saviolo, <i>Managing Fashion and Luxury Companies</i>, Chapter 1: 1.1; 1.2 Davis, <i>Fashion, Culture, and Identity</i>.</p> <p>Objectives: Familiarize yourself with the course subject. Understand the difference between fashion and luxury.</p>
	<p>Lesson 2 – 13 Feb Brand management in fashion</p> <p><i>Instructor:</i> Donatella Zappieri</p>	<p>Jean Noel Kapferer, <i>How Luxury Brands Can Grow Yet Remain Rare</i> Harriet Posner, <i>Marketing Fashion</i></p> <p>Objectives: Set the basis of marketing and branding strategy. Lean the fundamentals for branding</p>
<p>9 -10:40 La Cordata, Sala Auditorium Via San Vittore, 49, 20123 Milano MI</p> <p>10:55 – 12: 35 Usual classroom</p>	<p>Lesson 3– 18 Feb Jewelry business models</p> <p><i>Instructor:</i> Donatella Zappieri</p>	<p>Alba Cappellieri, <i>Jewelry Now</i></p> <p>Objectives: Gain an initial understanding of the jewelry universe, with examples of business models, categories, market, gems and consumers</p>
<p>Afternoon PALAZZO REALE</p>	<p><i>Lesson 4 – VCA visit</i> 18 Feb @ 17:00 - (Session 9-10:40) 18 Feb @18:00 - (Session 10:55 – 12:35)</p> <p><i>Instructor:</i> Cynthia Farhat</p>	<p>Objectives: Discover the Van Cleef & Arpels: Time, Nature, Love exhibition held at Palazzo Reale. View more than 400 jewelry creations, watches and precious objects</p>
	<p>Lesson 5 – 20 Feb French great couturiers and luxury conglomerates</p> <p><i>Instructor:</i> Nicola Guerini</p>	<p>Corbellini, Saviolo, <i>Managing Fashion and Luxury Companies</i>, Chapter 9: 9.1; 9.2</p> <p>UchéOkonkwo, <i>Luxury Fashion Branding</i></p> <p>Objectives: Learn about the concept of country branding and how the business models of the greatest French coutouries have evolved from workshops into conglomerates.</p>
	<p>Lesson 6– 25 Feb The Italian model: from designers to vertical integration</p> <p><i>Instructor:</i> Nicola Guerini</p>	<p>Corbellini, Saviolo, <i>Managing Fashion and Luxury Companies</i>, Chapter 7: 7.2</p> <p>Objectives: Learn about the concept of country branding and how the business models of the greatest Italian designers have evolved from pure designers to vertically integrated companies.</p>

<p>FIELD TRIP</p>	<p>Lesson 7 ARMANI SILOS</p> <p><i>Instructor: Cynthia Farhat</i></p>	<p>Objectives: Overview of Armani’s collections and universe plus the brand’s pertinence to Italian and international fashion</p>
	<p>Lesson 8- 27 Feb The role of stylistic identity and product development in brand positioning</p> <p><i>Instructor: Donatella Zappieri</i></p>	<p>Corbellini, Saviolo, Managing Fashion and Luxury Companies, Chapter 3: 3.3</p> <p>Objectives: Learn about the concept of evolution of national fashion systems and how the business models of the greatest American designers have evolved and internationalized.</p>
	<p>Lesson 9 – 3 March The American Model</p> <p><i>Instructor: Nicola Guerini</i></p>	<p>Corbellini, Saviolo, Managing Fashion and Luxury Companies, Chapter 8</p> <p>Objectives: Learn about the concept of country branding and how the business models of the greatest American designers have evolved from sportswear companies to licensing giants.</p>
<p>9 -10:40 Cattolica, G.016 MARIA IMMACOLATA</p> <p>10:55 – 12: 35 Usual classroom</p>	<p>Lesson 10 – 5 March Luxury in the digital era</p> <p><i>Instructor: Cynthia Farhat</i></p>	<p>Objectives: Has the Digital Era Changed the Luxury Game for Good? Is it possible to grow an exclusive brand in the digital world?</p>
	<p>Lesson 11 - 12 March Midterm</p>	
	<p>Lesson 12 – 17 March Brand Identity Continued and Launch of the group assignment.</p> <p><i>Instructor: Nicola Guerini</i></p>	<p>Corbellini, Saviolo, Managing Fashion and Luxury Companies, Chapter 11: 11.1 – 11.4</p> <p>Objectives: Identify a brand’s DNA and strategies for preserving it. Analyze brand identity models, and understand differentiation strategies</p>
	<p>Lesson 13 - 19 March Fashion & Luxury Business Models</p> <p><i>Instructor: Nicola Guerini</i></p>	<p>Objectives: Understand the phenomenology of business models and the relationship between strategic positioning and corporate strategy.</p>
<p>9 – 10:40 La Cordata, Sala Auditorium</p> <p>10:55 – 12: 35</p>	<p>Lesson 14– 24 March Sustainable Fashion</p> <p><i>Instructor: Erica Corbellini</i></p>	<p>Objectives: Identify how sustainability concerns are shaping fashion and luxury businesses</p>

Usual classroom	(Guest speaker)	
9 – 10:40 Cattolica, B.013 – AULA 013 10:55 – 12: 35 Usual classroom	Lesson 15- 26 March The Luxury Watch Industry <i>Instructor: Donatella Zappieri</i>	Robert G. Cooper and Scott Edgett, <i>Successful Product Innovation</i> Objectives: Understand how the jewellery and watches industry are conceived and their segmentations
4:50 pm to 6:30 pm (9 – 10:40) 6:45 pm to 8:25 pm (10:55 – 12: 35)	Lesson 16 - 26 March afternoon Group assignment intermediate tutorship <i>Instructor: Nicola Guerini</i>	<u>Students are kindly required to bring their computers to class (at least 1 per group).</u> Objectives: Workshop with group; meet with instructor to discuss project development and receive feedback.
	Lesson 17- 31 March The Retail Environment <i>Instructor: Donatella Zappieri</i>	Corbellini, Saviolo, <i>Managing Fashion and Luxury Companies</i> , Chapter 1: 1.1; 1.2 Davis, <i>Fashion, Culture, and Identity</i> . Objectives: Discuss retail from a general point of view. Go deeply into the difference of distribution channels
9 – 10:40 BASILICA DI SANT'AMBROGIO – SALA SAN SATIRO 10:55 – 12: 35 Usual classroom	Lesson 18– 16 April Fashion Professions and the Job Market. How to Get into the Fashion Industry <i>Instructor: Nicola Guerini</i>	Objectives: Understand the different managerial and creative roles in the fashion industry. Identify the best job search steps for a career in fashion
5:00PM - ALL BASILICA DI SANT'AMBROGIO – SALA SAN SATIRO	Lesson 19- 16 April @ 5PM CRM / OMNICHANNEL <i>Instructor: Donatella Lorato plus guest speaker</i>	Objectives: Discuss the omnichannel journey and the role of data integration in competitive positioning and winning over the technology-savvy customer.
FRIDAY	Lesson 20- 17 April - FRIDAY Project Work Final Presentation <i>Instructor: Nicola Guerini</i>	Objectives: Identify how brands differentiate strategically, analyze sources of competitive advantage
	Lesson 21 - 21 April Product Development in Fashion <i>Instructor: Donatella Zappieri</i>	Harriet Posner, <i>Marketing Fashion</i> Objectives: Outline the process behind a fashion collection, from ideation to products

	<p>Lesson 22– 23 April Brand Extension</p> <p><i>Instructor:</i> Donatella Zappieri</p>	<p><i>Objectives: Identify how a brand can move from one product category into strategic brand extension and licensing</i></p>
	<p>Lesson 23 Final Exam - TBD</p>	

REQUIRED READINGS:

- Cappellieri, Alba. *Jewelry Now: Art, Fashion, Design*. Milan: Mondadori Electa, 2011.
- Corbellini, Saviolo, *Managing Fashion and Luxury Companies*, Milan: Rizzoli Etas, 2009.
- Corbellini, Saviolo, *History and Phenomenology of Fashion*, SDA Bocconi paper
- Davis, Fred. *Fashion, Culture, and Identity*, Chicago: University of Chicago Press, 1994.
- *Managing creativity and the creative process for symbol intensive brands*, S. Saviolo ed., Milan: EGEA, 2016
- Kapferer, Jean-Noël, *How Luxury Brands Can Grow Yet Remain Rare*. London: Kogan Page, 2015.
- Kapferer, Jean-Noël and Vincent Bastien. *The Luxury Strategy: Break the Rules of Marketing to Build Luxury Brands*. London: Kogan Page Publishers, 2012.
- Sonnet Stanfill, *The Glamour of Italian Fashion since 1945*. London: V&A Publishing, 2014.
- Steele, V., *Fashion, Italian style*, New Haven, CT: Yale University Press, 2003.
- Posner, Harriet. *Marketing Fashion*, London: Laurence King Publishing, 2015.

SUGGESTED READINGS:

Cooper, Edgett, *Successful Product Innovation: A Collection of Our Best*, Product Development Institute Inc., 2009.

Kapferer, Bastien, *The Luxury Strategy: Break the Rules of Marketing to Build Luxury Brands*, London: Kogan Page, 2012.

Silverstein, Michael J. and Neil Fiske, *Trading Up: The New American Luxury*, Ann Arbor: The University of Michigan Press, 2003.

Tungate, Mark, *Fashion Brands: Branding Style from Armani to Zara*, London: Kogan Page, 2008.

Uché Okonkwo, *Luxury Fashion Branding*, London: Palgrave MacMillan, 2016.

SUGGESTED ONLINE SOURCES:

–www.businessoffashion.com

–www.fashionmagazine.it

–www.nytimes.com/pages/fashion/index.html

–www.pambianconews.com

–www.style.com

–www.wwd.com

INSTRUCTOR BIOS:

Nicola Guerini is General Manager of Milano Fashion Institute, the Interuniversity Consortium founded by Bocconi University, Politecnico of Milan and Catholica University in 2007. He specializes in the fields of Corporate Strategy, Entrepreneurship and Business Planning and in the Management of the Fashion Companies, for which he is currently involved in related undergraduate and graduate courses at Bocconi University. He also teaches executive Master's courses at SDA Bocconi in Cross-Cultural Management. Among his recent publications are Varacca Capello P, Guerini N, Misani N, Ravasi D: "The Italian Fashion Industry in 2010" (ECCH, 2012). He is currently an advisor for Italian and international companies in the luxury and lifestyle industry, with a focus on start-up of new businesses, and Member of the Board of Panelists for the Intesa Sanpaolo Start-up Initiative Fashion & Design Tech.

Donatella Zappieri is a Luxury Goods Strategic Consultant with over 20 years of experience in the field of jewelry marketing and brand management. She was a brand manager, PR manager, and design director for major brands including Pomellato, Gianni Carità, and Swarovski. Since January 2010, she has been an independent Art Director and Luxury Goods Strategic Consultant, focusing on medium and high-end brands. She teaches design at Haute Ecole Art and Design in Geneva and regularly lectures at Domus Academy, Politecnico, IULM and SDA Bocconi. Donatella is the Director of the Master in Luxury Marketing at Créa Geneva.

Cynthia Farhat specializes in luxury goods consulting and has developed an international career focused on luxury-oriented marketing, communications, PR, CRM, and retail. She holds a Masters in Fashion, Experience Design from SDA Bocconi University. She has held positions in Lebanon, Dubai, and Milan in marketing management, communications, PR and project management in multinationals luxury brands such as Miele and the Richemont Group, with which she continues to collaborate regularly for PR and strategic market activation in maisons including Piaget, Serapian and Christofle.