

Individuality: The New Brand Focus

By Cate T. Corcoran

Betting that exclusivity is the new luxury, companies are experimenting with more ways to produce custom clothing and shoes at off-the-rack prices.

Two of the newest entrants are businesses based entirely on the custom idea: Lori Coulter TrueMeasure, a swimwear maker based in St. Louis, and Selve, a German footwear maker with stores in Munich and London. Both firms use 3-D scanners to measure customers.

In addition, Steve Madden, the trendy shoe company based in Long Island City, N.Y., in February became the first women's dress shoe company to offer design-your-own shoe styles over the Internet.

Since Levi's introduced its now-discontinued Personal Pair jeans in 1995, more than a dozen fashion companies have tried mass customization, so named because it combines advanced technology with factory production, instead of old-fashioned craftsmanship, to make something unique yet affordable.

Companies that have given it a whirl include Lands' End, Tommy Hilfinger, Target, Ralph Lauren, J.C. Penney, Nike, Timberland, Atelier Avocado, Dolzer, Timbuk2, Zazzle and Brooks Brothers, which is offering men's made-to-order shirts online starting at \$110.

Coulter got the idea to start a custom swimwear business when she was in business school studying how new technology was changing the industry. When she went home for the holidays, her mother, who taught fashion design in the extension program at St. Louis University, complained that she couldn't find a bathing suit for a cruise.

"If you can just do a swimsuit line, it would be a gold mine," she recalls her mother saying.

Since opening in September 2004, Coulter has fitted more than 800 women and made in excess of 3,000 garments. The company has staged trunk shows with a traveling scanner from TC2 in Houston, Chicago and Cincinnati. Coulter is looking to partner with specialty retailers to set up seasonal shops within shops around the country, and plans to open the first one in January. She eventually would like to open a few flagships and expand into other areas, such as lingerie. In five to 10 years, TrueMeasure could grow into a \$100 million business, she estimated.

A fitting and design consultation takes 20 to 30 minutes and is similar to a spa experience, Coulter said. A suit costs \$185, and the fit is guaranteed with a 30-day return policy. The customer chooses from 25 fabrics and a variety of necklines, leg and trim options, in addition to various styles such as bikinis, tanks and tankinis. As many as one million combinations are possible, and the company can accommodate women who are different sizes on the top and bottom or who have long or short torsos. With certain styles, it's possible to alter how high the neckline hits.

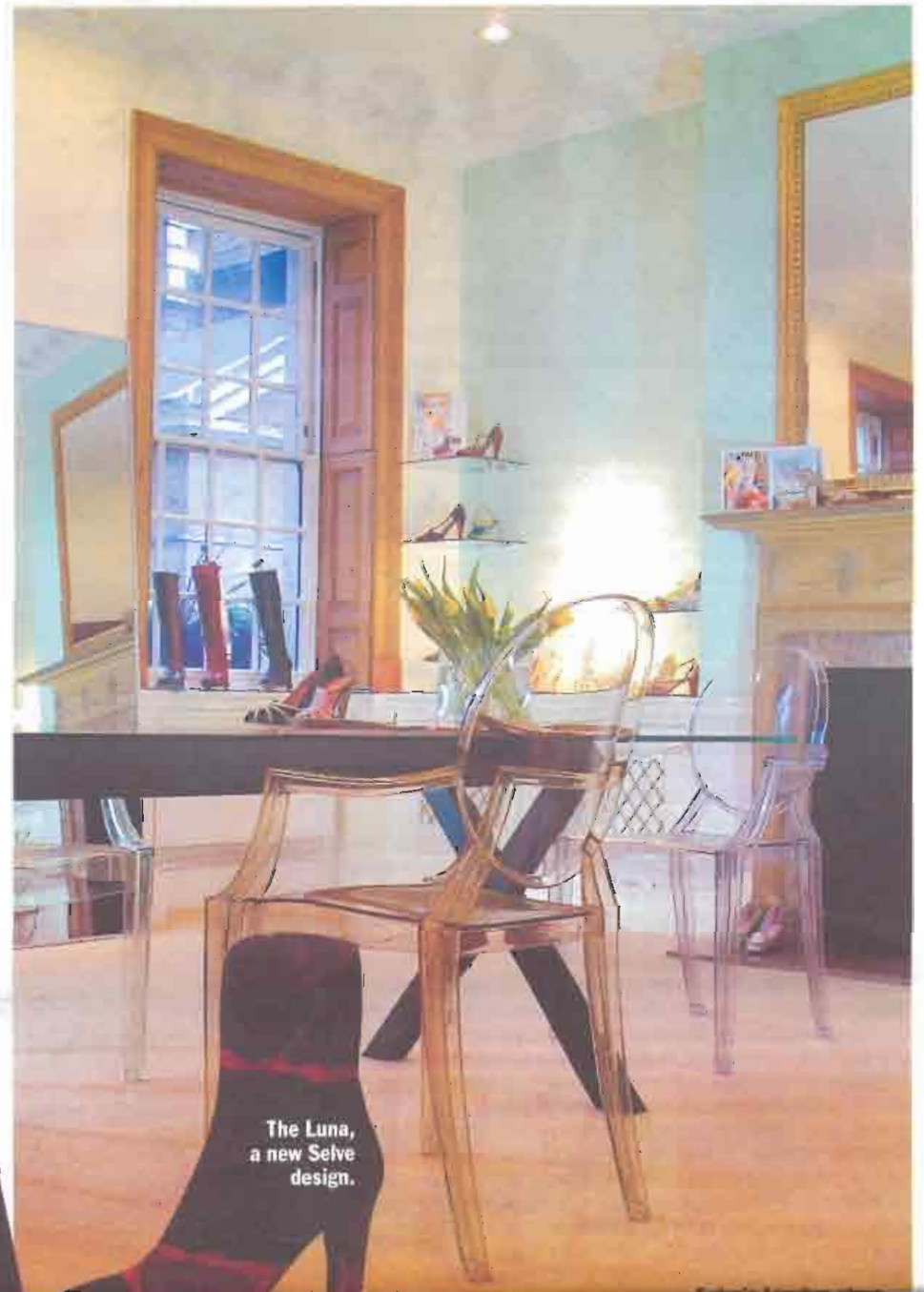
An individual pattern is created using OptiTex Ltd.'s Modulate made-to-measure software and is transmitted electronically to be sewn in a factory in Long Island City. The customer receives the suit four to six weeks later, and may come in for a final fitting and adjustment.

"We allow women to express themselves and indulge their inner fashion designer," Coulter said. "Our goal is to help women be more comfortable, confident and beautiful in swimwear."

The simple, elegant designs are aimed at 30- to 55-year-old women who look for classic styles at upscale stores and often buy in multiples for trips.

Customers tend to fall into two types, she said: a true fashion customer who wants to create a unique suit, and a customer who is more image and body conscious. The average sale rings up at \$280, which might include an \$85 cover-up.

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The Luna, a new Selve design.

Now that the company is familiar with the characteristics of the stretch fabrics it uses, the system's accuracy rate is high and redos are infrequent, Coulter said.

TrueMeasure and Selve are unusual in that they scan the customer in person and offer a truly custom fit and almost limitless design options. More typically, brands have had success with online configurators that let customers color a sneaker or style a dress shirt, as at Nike ID and Lands' End.

"Consumers really like it," said Sucharita Mulpuru, an analyst who covers e-commerce at Forrester Research Inc., of Cambridge, Mass. "It's a fantastic margin driver for e-tailers because consumers are willing to pay extra."

At Lands' End, custom shoppers increase their annual spend by 39 percent and also have a 34 percent higher re-order rate than the company's other Internet customers. Timberland's online conversion rate rose 100 percent after the company introduced build-your-own boots. As of 2004, Forrester said, 24 percent of online shoppers had bought a custom product online, up from 23 percent the year earlier.

Rich Internet media has enabled customers to immediately see what something will look like, and that unique ability of the online channel also lets people visualize paint colors, furniture and cars online before they buy, Mulpuru added.

Selve has found it cannot keep up with demand for its shoes, so it is purposefully keeping a low profile while it hunts for a dedicated factory.

"We've proved there's a huge potential market for this concept," said Karen MacIntyre, who runs the company's London shop under license. (Claudia Kieserling founded the Munich-based firm and retail shop about three years ago.) She estimated that the London branch has scanned almost 1,000 customers. But it's been difficult for the company's Italian factory to switch back and forth between batch production for its ready-to-wear customers and making unique shoes for Selve, MacIntyre said. "It requires very different mind-sets. You have to really stop and think about what you're doing, and the fact that there are so many colors and variations means you have to be very switched on in terms of quality control."

Prices are comparable with designer footwear, but far less expensive than traditional custom shoes. Selve keeps prices low by using software to automatically create a custom last by combining the lasts in its pattern library based on the customer's



A classic Lori Coulter swimsuit.

One possible look from the Steve Madden shoe configurator.

hand with a tape measure. Then the client tries on several sample shoes to determine how loose or tight she likes her fit. After the shoes are made, which usually takes six to eight weeks, the customer comes back and Selve fits the shoes even more precisely by stretching them where necessary for comfort.

Most of the company's customers have problems finding shoes that fit because of narrow ankles, bunions or unusual sizes, MacIntyre said. As a result, the number of repeat customers is high.

"Once people find it works, they're so thrilled," she said. "Most are disenfranchised from the high street, so if it works, they love you forever."

MacIntyre said there is a certain amount of risk involved in selling anything custom, but with an understanding of fit and material issues, Selve has reduced its error rate to less than 2 percent.

At Steve Madden, the focus is on the fun of playing with different materials and colors rather than a bespoke fit, although the large range of sizes offered (from 4 to 12) means fashion is available to customers whose options are normally more limited. The company is offering three heel styles with 19 styles of upper and a variety of colors and materials for various parts of the shoe, including rope, cork, metallic leathers and patent in unusual shades such as parrot green.

"It's fun and exciting," said Steve Madden, creative and design chief. The company's Internet business is doing well, although not only because of the custom shoe program, he added. The custom shoes are made in China and, because of the services offered by carriers such as FedEx and DHL, are flown in bulk to the U.S., where the shipments are broken up and each pair is sent by ground delivery to the customer. The extra cost of air shipment is not material because returns and exchanges are not allowed, said Jeff Silverman, chief executive officer of Steve Madden Direct.

"When you let the customer get that involved with the brand, it can only be good for the brand," Silverman said.

Selve's London store.

measurements, rather than making a last from scratch the old-fashioned way. Whereas traditional custom shoes start at about 1,200 pounds, or almost \$2,300 at current exchange, Selve's shoes range from 250 pounds, or \$475, to 295 pounds, or \$560. Ankle boots are 325 pounds, or \$620, and knee-high boots are 450 pounds, or \$860.

First, the customer places her foot in a small scanner, which measures it in five places. For knee-high boots, the customer's calves are measured by