

By Steve Chang, Partner

Fashionista Vera Wang recently announced plans to mingle with the masses, and you have to wonder how sullied her skirt hems will become in the process. The masses, in this instance, are shoppers at the Kohl's retail chain, where Wang, best known for glamorous, high-end bridal gowns (think: Mariah Carey, Jennifer Lopez, and Avril Lavigne), promises to provide an exclusive line of clothing and handbags.

This is not Wang's first effort to broaden the base of her brand's appeal. Earlier this year, she and Serta inked a deal for Wang to design, manufacture, and market the Vera Wang Collection of mattress sets. On the surface, that may appear as jarring as the Wang/Kohl's alliance, but Serta's luxury connotations actually dovetail well with Wang's positioning. Moreover, the strategy makes sense, given Wang's intimate knowledge of the important considerations made by a bride and groom in planning a shared home.

With the Very Vera by Vera Wang line at Kohl's, the designer will be following a well-trod path. Martha Stewart has made stylish home fashion accessible to the masses with her merchandising deal at Kmart. Similarly, celebrated architect Michael Graves and fashion designer Isaac Mizrahi have expanded their brands' reach while also helping Target deliver strong on its own promise of value that also succeeds in being trendy.

In reaching out to the mainstream through this particular deal, Wang risks incurring very real damage

to her brand that may not have been the case with others who've adopted the same strategy.

First, there's the potential for brand conflict, as the high-culture trappings of Vera Wang may be inconsistent with the brand image of Kohl's. Unlike a luxury retailer such as Neiman Marcus—or even a mid-level player like Target or even JCPenney—Kohl's doesn't really have a distinctive apparel positioning. The strength of Wang's brand lies in her adherence to cutting-edge fashion—and to the allure and mystique associated with a fairy-tale wedding, something that (ideally, at least) is a once-in-a-lifetime event. These things could prove incongruous with Kohl's proposition of everyday brands for everyday occasions.

A second risk to Wang's brand image may be the challenges of effectively delivering a consistent store experience that matches the implicit promise of the Very Vera brand. Even though the line will be more casual than Wang's ultra-chic wedding designs, customers may still come with some expectation of the kind of service and personal attention that the Wang name conjures. Kohl's self-service model may end up disappointing those expectations, or tarnishing customers' images of exclusivity with its mass-market appeal. And if the chain begins discounting the line, or merchandising it next to the \$9.99 fire sale items, Wang's brand could be watered down still further.

These risks underscore the perils of the increasingly popular ploy of brand extension. Too often, a brand's

handlers implement extensions without a true understanding of just how far a name can (and should) be stretched.

In the case of Very Vera, the integrity of the Vera Wang name could have been protected more effectively if the new line were not so closely associated with the old one. Better insulation of the original brand can be critical. It can often help mitigate the potential hazards associated with moving into markets with extensions that promise different benefits than the flagship name.

In some cases, companies can use sub-brands and endorsement strategies to strike that delicate balance between these two sides. Levi Strauss, for example, launched its Signature line of jeans to make better inroads into the mass market. Putting some distance between its core brand and the new venture—intended exclusively for value-driven retailers like Wal-Mart and Kmart—reduced the risk of cannibalization and of tarnishing the all-important master brand.

So why even risk it? The fact is that the mass market, due to its sheer size and the high-volume sales it promises, is very attractive to many higher-end brands that want to grow. However, success requires a deft negotiation of that foggy zone between mass appeal and the key brand's equity and distinctiveness.

With her merchandising foray with Kohl's, Wang stands to make a lot of money in the short-term. The more important concern, however, is what the move may do to the chic of the original name. The fact is, Very Vera could end up making Wang very sorry.

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