Fendi thriving thanks to evergreen product range centred on leather goods

By Dominique Muret  -  17 December 2021

Ethical furs, timeless ready-to-wear items with minimal assortment, and above all a predominance of leather products. This is the strategy that is enabling Fendi to boost its growth, according to a study carried out by Retviews, the data analysis solution devised by digital consulting firm Lectra. In the last few years, the long-established Italian luxury house, owned by LVMH since 2001, has cleverly and smoothly embarked on a transformation, constantly revitalising its allure and retaining a high ranking in the quarterly Lyst Index.
Fendi was founded in Rome in 1925 by Adele and Edoardo Fendi, owners of a handbag store and a fur workshop. The label made its reputation with leather and fur overcoats, which were notably given a contemporary update by the creations of Karl Lagerfeld, who designed Fendi's ready-to-wear line for over 50 years, proudly preserving the Roman label's tradition with exotic skins and fur.

Nearly a century later, the latter continues to have pride of place within Fendi’s product range, since 34% of its outdoor garments feature fur. In this product category, fur also allows Fendi to keep a price positioning that is decidedly higher than that of its competitors. According to the study, the average price of an outdoor garment by Fendi is €7,659, compared to €3,583 for Bottega Veneta, €2,607 for Balenciaga and €2,571 for Prada.

However, faced with an evolving market where fur's reputation has been severely dented, and with younger consumers that are much more concerned with animal welfare, Fendi has had to adapt. “Fur is still at the heart of [Fendi’s] DNA, and its know-how in this field remains unmatched in the industry. Nevertheless, Fendi is now placing great emphasis on ethical sourcing and on abiding by the highest ethical standards, notably by complying with the Furmark certification's criteria,” noted Retviews by Lectra in the study.

Retviews also pointed out that Fendi is “increasingly striving to reuse and transform vintage fur items,” as illustrated by the label’s new Creative Director Kim Jones, who took over in early 2021, in his collection for the Fall/Winter 2021-22.

The leather goods category is Fendi's other long-standing strategic asset, especially after Silvia Fendi Venturini, the daughter of Anna, one of the five Fendi sisters and the founders’ direct heirs, became involved with the label in 1994, taking charge of menswear and accessories. By creating the famous Baguette bag in 1997, Silvia propelled the label into a new dimension. Sold in more than 1 million units and constantly reinvented, the Baguette has earned its place in fashion history as the first it-bag. It was followed by other models that turned into best-sellers, like the Peekaboo and more recently the Fendi First.

According to Retviews, 40.9% of Fendi's assortment is devoted to leather goods, just a little less than Bottega Veneta’s, for which leather goods account for a 41.3% share of the assortment. They account for a 37.4% share at Balenciaga, for 35.2% at Prada and 25.3% at Gucci. Fendi features a very wide selection of fashion accessories, from small leather goods to tiny 'jewellery' bags, as well as much more affordable items like scarves and hats, so that the label’s price range is one of the broadest on the luxury market.

Fendi's prices extend from €250 to €35,000, as they do for Gucci and Bottega Veneta, while for Prada, which puts greater focus on a younger clientele, the maximum price is set significantly lower, at €9,500.

Fendi’s strategy, primarily hinging on timeless luxury items, enables it to have the industry’s slimmest assortment with 2,265 items, compared with 2,898 for Balenciaga, 3,610 for Bottega Veneta, 3,947 for Prada and 7,368 for...
Gucci, as shown in the Retviews by Lectra study.

An approach that does not prevent the Roman label from diversifying through targeted collaborations, in order to reach a younger, more directional clientèle. As with the recent ‘Fendace’ collection, designed jointly with Versace, or the collaboration with celebrity influencer Kim Kardashian and her brand Skims, or that with Fila in 2018.

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