



The best materials and fine craftsmanship, but not all consumers understand why quality shoes cost more.

CREDIT: GDS/CONSTANCE TILLMANN

Quality manufacturing using, preserving and passing on traditional skills and craftsmanship is an important focus for small, serious footwear firms in Europe and elsewhere. But it looks as though this commitment to making a quality product may not be enough for companies to succeed in today's market.

Why good shoes cost more

Consumers in most parts of the world are content to buy shoes if the look and the price are right, paying little or no attention to the quality of the materials the shoes are made from or the levels of skill or craftsmanship that have gone into their manufacture. This is the argument retail groups use for filling their shelves with shoes from China, Vietnam, Bangladesh, India, Pakistan, Myanmar, Cambodia, Indonesia and other countries where the cost of manufacturing is comparatively low.

Brands stand to gain

Whether it's true or not, there is a clear challenge here of how best to explain to shoppers why some shoes cost more, often only a little more, than those sourced in large volumes from the lowest-cost origins. Whose responsibility is it to tell this story, to explain why, sometimes, it's worth paying a little extra? Whoever else is involved in communicating why some shoes are worth more, the manufacturers and brands themselves clearly have the greatest responsibility as it is they who will gain the most from standing out from the crowd.

The director of the GDS exhibition, Kirstin Deutelmöser, has said that traditional manufacturing companies are often completely focused on making high quality shoes and, in her opinion, spend too little time and effort on communicating to

retailers and consumers about why their products are worth something extra. "There are people in Europe who could afford to spend more on shoes and to buy high quality footwear from these traditional manufacturers," she says, "but do not do so because they cannot see the difference between these shoes and cheaper ones imported from lower-cost countries."

She argues that for too long, higher-end manufacturers and their suppliers have assumed that the quality of their collections would speak for itself and that there was no need for them to explain why a shoe made in Italy, Spain or Portugal from superior materials offers better value for money.

"I love the shoes these companies make," Ms Deutelmöser says, "and I don't like the term 'brand-building', but you do need to do that. So we are working hard to help these companies build up their public relations, improve their communications efforts so that more consumers will understand why higher quality shoes cost more."

China appeal

More widely, this debate is part of a battle to keep footwear manufacture alive in developed economies such as those in many parts of western Europe and North America. For traditional manufacturers engaging in this battle, the main



No easy answer. Pentland Group creative director, Katie Greenyer (centre), with footwear design students from the University of Northampton.

CREDIT: WTP



Footwear brands have a responsibility to counter the message of large retail groups, that consumers only care about looks and price. CREDIT: GDS/CONSTANCE TILLMANN



GDS director, Kirstin Deutmoser, speaking at the March 2013 edition of the event. She says smaller footwear brands need to make a case for their more expensive shoes. CREDIT: GDS/CONSTANCE TILLMANN

tactic is their focus on producing high quality shoes with high design content, using the finest materials available. This is perfectly commendable and, in important consumer markets, especially China, the right shoes from the right brand are fetching eye-watering prices at retail, often hundreds of dollars per pair more than they would sell for in the country of origin.

Some brands, including small ones, are working hard to secure a slice of this appetising cake, but others, as Ms Deutmoser suggests, seem to prefer to hold back, perhaps believing they are too small to launch themselves onto the global market, or perhaps not knowing how to go about it.

In spite of what they say, retail groups must know perfectly well the difference in quality between shoes they source in, say, Spain or Italy, and those they buy in bulk from low-cost mass-manufacturing countries in Asia. If they remain quiet about these differences, it could be because, at retail in the European Union or North America, the mark-up on the cheaper shoes from lower-cost origins can reach 1000% or more. What the large retail groups are doing, in effect, is to take advantage of most consumers knowing little better than to care only about the look and the price of the shoes. And if the consumers lack understanding of why quality materials and traditional manufacturing values make a difference, it is for shoe manufacturers rather than large retailers to explain that they can offer better value for consumers' money. They need to keep their commitment to quality, but also to speak up more about how they do what they do.

Small company conundrum

The creative director of Pentland Group, parent company of footwear brands including Berghaus, Brasher, Ted Baker, Hunter, Kickers, Lacoste and KangaROOS, says she does not know how small, serious, product-focused footwear companies can solve the dichotomy of raising their profile in the market without compromising on their values.

Katie Greenyer, who was a designer at Christian Lacroix and at Red or Dead before its acquisition by Pentland in the mid-1990s, explained at a conference called The World at Your Feet in Northampton, held in March, that it was only after she began working across the whole portfolio of Pentland that she "started to understand branding and what brands are about".

She says she understands the importance of the point Kirstin Deutmoser makes about the need for smaller footwear firms to communicate better about their products instead of relying on the quality of their shoes to make the link. However, Ms Greenyer says she can suggest no magic formula for achieving that.

Lucky break

"I completely understand the question, but I'm afraid I do not know the answer," she says. "Half of it is luck, having the right design at the right time and getting the right pair of feet wearing your shoes. It's certainly not just about the product, unfortunately. You can come up with what you think is the best thing you've ever designed and it can still be a flop."

She describes as "a horrid Catch 22" the problem of being unable to attract enough attention in the market because you cannot achieve sales, and being unable to achieve sales because the market does not know you. She adds that she is proud of a policy at Pentland, which began life as the Liverpool Shoe Company in 1932, to invest in small companies and help them get off the ground.

"It's so difficult," she explains. "I have a lot of very good friends who are footwear designers and I know some who have had to give up running their own brands and go back to being freelance. And it's such a shame. People put their life savings into starting their own company, and they make lovely products only to find that buyers from retail chains will not take a risk on them. It's so hard and so frustrating."