## Casos de Dirección Estratégica de la Empresa L.A. Guerras & J.E. Navas (eds) Thomson Reuters-Civitas, 2008, 4<sup>th</sup> edition Short cases

## CUSTO TAKES THE COLOUR OF BARCELONA TO CHILDREN'S CLOTHING

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Custo Barcelona was created by two brothers, Custo and David Dalmau, at the beginning of the 1980's after a lengthy journey which took them all over the world. Not only did they explore amazing new places on their travels but also discovered a previously unknown variety of artistic, cultural and philosophical forms of expression. One of the things which especially attracted their attention were the fashion styles from California, epitomised by the surfer look which they came across in the southern regions of the State and the psychedelic style of the north. They were immensely impressed by the innovative designs they found there, so full of colour, especially a style of T-shirt design which at that time did not exist in Spain.

Using this as an inspirational starting point they launched a brand bearing the name Custo Line. The Dalmau brothers set about learning everything they possibly could regarding different types of printing techniques and finishes, paying particular attention to the art of graphic design. Over time, their research into the use of colour and pattern developed into innovation, audacity and sophistication. Some time later the colourfully patterned T-shirts which identify Custo Barcelona were joined by other types of garments such as skirts, trousers and overcoats; thus producing complete collections. Custo Barcelona is currently considered to be a characteristic style in itself, which to a certain extent suggests a new way of looking at life.

Custo sales topped 80 million euro in 2012 with Europe firmly established as their main market at 30%, though still followed closely by the US where the designer has built up a faithful group of followers.

Custo Barcelona currently has collections of men's' clothing, women's clothing, swimwear and, since 2010, a complete collection for children. This is not simple clothing for children aged between 4 and 12 but rather "the adult collection made smaller" explains the firm. In this way the patterns, colours, textures and cut which are so characteristic of the brand are transferred just as they are to smaller sizes for children. Custo Growing is the brand launched by the designer to include these garments and it has already made itself a place on the market.

Custo Growing has received a lot of pampering from Custo and David Dalmau, and the project has grown as much and as quickly as do children. They propose a complete and extensive wardrobe, neither naïve nor childish, based upon garments and accessories which are full of colour and fantasy which kids will love, worked on to the finest detail and with the same thoroughness as with the garments in the adult collections. Their proposal focuses upon the essence of the Custo brand: vivid patterns, surprising materials, richness of detail, the style of the garments themselves, and adapts them to the peculiarities of a child's world. These garments are designed to withstand the tireless activity of children, their non-stop movement and crazy ideas. Garments which are also suitable to show off and which then, to the relief of parents, may all be machine washed even the footwear and ecological fur coats. Optimistic and positive in their way of thinking, enjoyment has an enormous part to play in their philosophy as does expressiveness, diversity and a desire to give children the chance to wear different, original clothes which are far from boring and quite unusual in the world of children's fashion.

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The collection will have a dedicated distribution channel given that it does not coincide totally with the adult line. This distribution network will however be a global one, as with Custo Barcelona. The person responsible for marketing Custo Growing highlights the fact that it will include dedicated corners in the more than 70 stores which Custo Barcelona has all around the world. Moreover, the first dedicated store has already been opened in Barcelona and there is an expansion project underway to include more dedicated stores and also a possible franchise model.

Custo Barcelona is fighting the crisis with imagination and new ideas. In addition to launching their first male fragrance, Blue Wind for Man, they have also organized a new competition open to all children who wish to participate, a follow up to the first competition organized by Custo in May 2012, "Design with Barbie", in which 12,000 young girls from all over Spain created their own proposals for the most famous doll in the world. The website <a href="www.visteabarbie.es">www.visteabarbie.es</a> featured advice from Custo and provided technical help for these very young designers, the winner being given the chance to make their own design in the firm's workshops.

In order to consolidate the Barbie/Custo Growing relationship the firm presented the capsule collection Barbie by Custo Growing for Summer 2013 in July 2012 at The Brandery Summer Edition where Barbie was recreated in the main fashion centres of the world (Barcelona, New York, Tokyo and San Paulo). Besides being home to the Capsule Collection the Barbie by Custo Growing stand also displayed an exclusive exhibition of Barbie dolls dressed by leading Spanish fashion magazines. Cosmopolitan, Elle, Glamour, Harper's Bazaar, Marie Claire, Neo2, S Moda, Tendencias and Woman each offered their own particular vision of the doll by designing a look to reflect the characteristic style of their own magazine. The exhibition also had on display a selection of Barbie dolls from past decades which perfectly illustrated how fashions have evolved over this period as well as illustrating the design tendencies of the last 50 years, a tribute to an industry which has always had a very special relationship with the famous doll.

Question: Identify and briefly explain the types of competitive and corporate growth strategies following Custo Barcelona, as well as the advantages and disadvantages of each.

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