

WWD

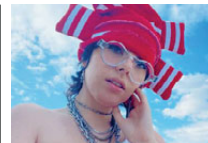
Fashion. Beauty. Business.



Matches' Moves

Matchesfashion has tapped two senior executives and prepares to hit the road.

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Green People

A chat with Agustina Panzoni of Depop, a rising star in the sustainable space.

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Remembering Galella

Famed paparazzi Ron Galella, who battled everyone from Jackie O to Marlon Brando, has died at age 91.

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The Mark Moment

While the main action on Monday night may have been at The Met, scores of the celebrities — like newlyweds Nicola Peltz and Brooklyn Beckham in Valentino — got all dolled up at the Mark Hotel and even did a run-through of their Met moment. Pucker up. *For more, see pages 12 to 14.*

PHOTOGRAPH BY MASATO ONODA

BEAUTY

Lauder Shares Fall on Outlook

- Despite a strong quarter, Lauder saw its shares fall sharply as it slashed its sales projection due to fears about China.

BY ALLISON COLLINS AND JAMES MANSO

The Estée Lauder Cos. posted another quarter of strong growth, but saw its shares dive on Tuesday after it sharply revised its outlook downward on concerns over the ongoing COVID-19 lockdowns in China.

Lauder decreased its financial outlook for fiscal 2022. Last quarter, the company projected a sales increase of between 13 and 16 percent for fiscal 2022, but on Tuesday it cut that growth forecast in half and is now projecting sales will increase by between 7 and 9 percent.

The Lauder stock dropped as much as
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EXCLUSIVE

Miu Miu CEO on 'Super High Visibility'

- Miu Miu CEO Benedetta Petruzzo discussed the evolution and potential of the brand as ads photographed by Tyrone Lebon bow on May 5.

BY LUISA ZARGANI

MILAN — It's a "super high visibility" moment for Miu Miu, and, according to chief executive officer Benedetta Petruzzo, this was achieved "not by chance, but it's been spontaneous."

The latest quarterly Lyst Index showed that Miu Miu's viral midriff-baring miniskirt generated a 400 percent increase in searches over the past three months and the look, paired with a short crop top, has been photographed on the likes of Zendaya on Interview magazine and Nicole Kidman on the cover of Vanity Fair — and it even has its own Instagram account, @miumiuset.

"This is a moment of transformation for the brand, which is bearing fruits and there is still so much we can do," Petruzzo told WWD in an exclusive interview. "We

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HERE AND BELOW:
Sydney Sweeney in
Miu Miu's new Wander
bag campaign.

Miu Miu CEO on 'Super High Visibility'

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said Miu Miu is central to the group's growth during Capital Markets Day [in November]. The idea is to continue on this journey and play a different role in terms of positioning and be even more agile.

"We are very strong with Gen Z and Millennials, and this allows us to show that we are a relevant brand because those are the consumers of the future. We want to be a brand that is balanced and resilient but also able to respond to these unspoken needs of this consumer of the future with an agility which is best in class."

Petruzzo noted that the spring 2022 collection "left an important mark; it's been extremely successful not only commercially but also in terms of engagement."

She acknowledged that "the miniskirt and crop top have become standout fashion statements and went viral. Miu Miu is the place where Mrs. [Miuccia] Prada is completely herself, it's always been like that and now it's just more visible."

Shifting the attention to another core category, on Thursday, the brand will unveil its first ad campaign dedicated to a statement bag, the Miu Wander, photographed by Tyrone Lebon and fronted by Sydney Sweeney, of "Euphoria" fame, who has often turned to the Italian brand for the red carpet. Most recently, she attended the Independent Spirit Awards wearing a floral dark gray dress by Miu Miu.

"There is a renewed focus on the bags, and for us, it's going back to the core. For the Prada Group, leather goods have always been central to business. We are investing in this category because we believe in sustaining it as it is vital to our growth strategy," Petruzzo explained.

While she could not provide a precise category breakdown by brand, as per company policy, Petruzzo said leather goods is "the second most important category after ready-to-wear and this will not change for Miu Miu. We share [with Prada] a strong leadership in design shown in strong and consistent growth in rtw, which accounts for almost half of Miu Miu sales."

There was a pre-launch of the Miu

Wander in fabric for spring 2022, but the official introduction of the bag is for fall and in leather, in two sizes.

"This bag, in particular, was important to us. It is part of our product strategy not only to be immediate and break the rules, but to connect with the younger crowd meaningfully and consistently reworking our iconic products," Petruzzo said. "This is a clean, modern hobo design in our iconic matelassé and pillowy touch, it is core to Miu Miu's identity and reflects a key craftsmanship of the brand."

"We reworked it giving a new perspective and a new attitude that is very recognizable and part of our DNA. It's feminine, sophisticated and decorative yet functional and easy to wear for daily use. Its name indulges our curiosity to explore, underlining a sense of freedom that is part of the Miu Miu identity."

The campaign was styled by Lotta Volkova and the creative direction was by Lina Kutsovskaia (BeGood Studios), who worked with Lebon also on the spring campaign, and this time drew inspiration from Tamara de Lempicka's powerful portraits.

"Miu Miu has always been built around creativity. The relationship with art as an inspiration is very natural, plus the concept of reworking the existing with a new attitude is very important in terms of strategy and it is also reflected in this new campaign," observed Petruzzo.



introduced in 2011, Petruzzo said "this idea of giving women [who are] part of our community the possibility to speak freely about femininity, vanity and emancipation without any framework, just through their point of view is still very relevant and I find it very powerful and authentic. I think the pandemic forced the market to be very authentic. Consumers are more critical and this is a competitive advantage for Miu Miu. We may not have explored all opportunities, but we've always been authentic and this is a key success factor."

She noted that this is a complex market and that "the most interesting part of this job is that we play in a market that is always evolving. The Gen Z customer is interested in looking behind the brand to understand what moves it to do something. I am interested in what is going to be the future, to be agile to serve the unspoken needs of the future customers in the best possible way and to stay relevant for those future customers but in a real and authentic way."

Petruzzo believes consumers "want more, they don't ask about status, they want inspiration and to connect to the brand, they want social impact. And this is what we want to do with Miu Miu, where women's empowerment is at the core of our identity. We proudly say we are a feminist brand that stands for freedom and emancipation."

She touted Miu Miu's positive turnaround, leveraging the brand's "key elements and strong potential. We have invested in brand awareness and our strong website traffic, plus being in the Lyst Index, are symbolic but important. Nine million followers on Instagram and 1.4 million on Weibo are not only numbers — it's a huge base for the size of a brand like ours."

The executive also pointed to the success of the brand's Upcycled by Miu Miu initiative and collaboration with Levi's.

"Upcycled by Miu Miu was just a first project related to sustainability and we continued it with Levi's; and there will be more to meaningfully connect with consumers. Collaborations are not new but they are new to Miu Miu and they have been super successful. The collaboration with New Balance marked an acceleration in terms of accessories, too," she said. "We will use those kind of projects that are authentic and true to expand the 'Miu Miu club.'"

Being "younger" than most of its direct competitors, turning 30 next year, Miu Miu is "still in a growing phase," she said. "In 2021, we saw Asia, and the Middle East grow strongly. There is an acceleration in the U.S., and in the West in general, with a great performance of full price sales, and I believe there is still a potential to tap. The bigger you are, the easier it is to balance the markets and be more resilient."

At the end of 2021, Miu Miu had 151 stores, which Petruzzo characterized as "a good network," and she said she "would focus the attention on the existing stores, renovating them and making sure to optimize the product presentation and guarantee a more attractive shopping experience."

In terms of distribution, "there will not be huge changes. Retail is 89 percent of our business, and we will continue to connect more clearly with final consumers and work with the best players to get to a larger audience. The store and our site remain the center of the growth and the touchpoints where we can have a meaningful conversation especially with the younger consumer. The store is not only a point of sale but an accelerator of the brand, an experience center to deliver a playful and engaging client journey. The club is a community center for ideas, conversation and women empowerment and it is key in our distribution strategy."