

# ROYAL GOLD

*How the Duchess of Cambridge is boosting local and international designers' brand awareness and bank accounts.*

'The Kate Effect' or the 'Duchess Effect' is a term coined by media referring to the effect that the Duchess of Cambridge, Kate Middleton, has on the world around her and more specifically the fashion industry. Despite many industries being affected by this phenomenon, it would seem that the fashion industry in particular is reaping the benefits, with many news outlets reporting that the 'Kate Effect' has boosted the UK economy by US\$1 billion with some even as high as \$2 billion.

This could be facilitated by the technological and social media development, with websites and apps launched since the couple's engagement announcement in November 2010 wearing the royal blue Issa wrap dress. The dress was later reproduced in maternity sizing and rumours suggested that the brand almost went bankrupt due to the overwhelming demand for it; brand representatives later dismissed this. Websites created show outfits Kate wears with links to the designers and where consumers can get their own slice of the royal pie.

Angela Kelly has been appointed the Duchess' style advisor, previously the Queen's personal dresser, and the world has seen Kate's style effortlessly segue from High Street princess to regal couture and back again. The subtle but most significant change to her wardrobe being the hemline growing three inches, with conservative coats being her new sartorial staple.

However, this transition into more formal attire hasn't seen Kate lose her thrifty streak, recycling a red Luisa Spagnoli suit in Christchurch and a navy Rebecca Taylor suit at the Royal New Zealand Police College during her royal tour of New Zealand.

After wearing Taylor's 'Sparkle Tweed' skirt suit for a 2012 engagement in London, the Duchess has been a fan of the New Zealand designer, however, the UK based designer admits that seeing Kate wearing it in her home country of New Zealand, "was really quite moving for me".

"When I was young, I remember my family and I gathering to see Diana in front of the same airport. It brought back so many memories."

Taylor is a self-professed Kate fan and was overwhelmed with excitement when she first heard the news. The 'Sparkle Tweed' suit retails for US\$450 and promptly sold out in 30 minutes at Neiman Marcus, causing Taylor to re-issue the suit due to popular demand. Whilst the suit is not available anymore, Taylor offers similar styles to those eager to replicate the look.

"People around the world really pay attention to what she's doing and what she's wearing, so it is wonderful exposure



for us." The royal tour also saw the Duchess flying the flag for British designers such as Alexander McQueen, Jenny Packham, LK Bennett and up and coming brand Me + Em.

Me + Em founder Clare Hornby said she was shocked when she learned that the Duchess had worn their humble £48 top.

"I was ecstatic. There is no better endorsement for a womenswear business than seeing the Duchess of Cambridge in one of your pieces."

The top sold out by 9am, but thankfully, the designer had another delivery on the way and was able to supply the demand that then went on to sell out before close of business. Along with sales, the brand's exposure has also rocketed.

"The biggest impact it has on a business like ours is the brand exposure at an international level. Our site traffic increased by over 1000 per cent and a high volume of orders came in from New Zealand, Australia and Singapore.

"As a British royal who is constantly in the spotlight both home and abroad, the Duchess has the ability to influence the personal style of millions of women and has become a real international trendsetter."

The fact that Kate effortlessly glides from £48 top to a £1200 Emelia Wickstead dress is a testament to her charm and innate ability to make women everywhere feel as though they can emulate her sophisticated look.

Christine O'Brien, editor of the popular What Would Kate Do website said the Duchess of Cambridge has a gift for balancing style, trend and protocol while remaining timeless and elegant. Royal watchers are trying to replicate dresses she wore ten years ago, while also lusting for the trends she wears today.

"The Duchess has proven to be a huge influence on the fashion industry, with British brands becoming so successful that they can branch into international markets."

It seems that Kate is able to impact consumer spend no matter what end of the spectrum the garment is, including everyday jeans. James Lesley, co-owner of Trilogy where Kate buys much of her denim noted that they always have a great reaction any time that she buys and wears garments from Trilogy, like her Hudson Jeans.

"However, the worldwide exposure after the wedding has meant we have seen nothing like this and the demand is ten times bigger than ever."

Denim guru Donna Ida agreed, saying that J Brand 811 are always a popular style but she witnessed a rise in sales after the Duchess was spotted wearing them.

"The Goldsign Passion are a boot cut style which have also



proved popular and we now only have two pairs left. These are more classic styles rather fashion jeans, so we would always have good stocks of these, although we have reviewed our orders following Kate Middleton being spotted wearing them. The Minnie Rose Shawl was so popular we got calls from the UK and the US, with the specific colour she was wearing, selling out within the day and others proving just as popular.”

August 2013 marked another milestone for ‘The Kate Effect’ when the family portrait was released. This time, UK brand Seraphine was thrown into the spotlight with the Duchess donning the brand’s fuchsia Jolene dress. The brand’s profit quadrupled in the past year and posted a £1.1m profit up from £0.25m profit in 2012.

Turnover also increased by a whopping 60 per cent. Creative director Chelsey Oliver, attributed the majority of the gain to the Duchess, stating, “We were the only specialist maternity retailers that were seen to be dressing her during her pregnancy, which put us on the map. The fuchsia Jolene dress was the really big cherry on the cake but we benefited from the overall message about who we were to the Duchess of Cambridge.”

Founder of Seraphine Cecile Reinaud, believes that Kate’s likeability and personality are behind her pulling power when it comes to influencing consumers.

“The Kate Effect has proved time and time again to be a powerful force in fashion – young women want to emulate

her elegant style, and when she chooses pieces from accessible high street brands over expensive designer labels, this desire becomes attainable.”

Although the trend has certainly spurred business in the UK, it has also had an adverse effect towards certain high-end brands. Knock off products in just the jewellery and accessory market was worth nearly US\$10 million in 2012 alone.

It is now also suggested that the ‘Kate Effect’ is exaggerated and it is really due to the fact that she wears styles that have previously sold out and wears clothes that are from season’s past meaning any hopes that consumers had to replicate her look were long gone.

Business was more likely boosted by US reality television stars, according to designer Roland Mouret.

CEO of Whistles Jane Shepherdson agreed when asked about the cream blouse chosen for an official engagement portrait that was more than two years old.

“It didn’t do anything for sales. We do short runs. By the time you see pictures of Kate, we’ve probably sold out anyway.”

Shepherdson went on to say that the Duchess was “a great advert, but no more than that”.

All critique aside, ‘The Kate Effect’ certainly has been witnessed by everyone around the globe and puts the Duchess in more of a business opportunity light for designers and has helped clothing brands, big and small, rustle up a royal profit.

