

UNIT 1 Assignment Video Transcript: Geoffrey B. Small® Co. video from Cengage Publishing (2014).

[Music]

>> Geoffrey B. Small: The idea is that you need to give the customer something they need and need badly enough, that they're willing to give you money for it.

[Music]

My name is Geoffrey B. Small. I'm a fashion designer and recently, I've become an activist for environmental causes and civil rights causes. But that's secondary. I've always like clothes, ever since I was a kid. And I always drew pictures, and at a certain point in my life, things came together and I started working for a small store selling jeans. That was the beginning of my career. Later I learned how to make the clothes myself and eventually started a company. I spent 10 years of my life learning how to become a competent tailor, and then we had a second period where we got into some very extreme, avant garde design. We started showing our work in Paris and we were one of the first Americans, certainly the first avant garde designer, from America to show in Paris. And then the third period, I moved to Italy and started to work in Italy and make all of my stuff here. [Music] We create the collection, we build it in Italy, and we come up to Paris and present it to the world fashion market during the designer weeks. We've been doing this for 75 collections. [Music] In terms of pure design of clothes at the world level, it's Paris, it's the top, it's the World Series of Fashion, it's the Formula One. If you're a designer with those kinds of aspirations and a passion for that kind of work and that level of work, then you can't be anywhere else. We're in a field that normally you do a lot of marketing, you know? It's fashion. But we take an old fashioned view about it. I don't like the word "marketing." I think it's more important that you just focus on great product and great service, value to the customer, and communicating with the customer honestly. [Music] When the customer sees a fashion designer that actually is concerned about the environment, and actually takes his company and does something about it, then we get a lot of environmentally-concerned customers and that group is growing. When they come down to a choice between buying from this brand or that brand they say, "But I know that brand is also concerned in doing something about other things that I'm concerned with in my life. Well I'm going to give my money to that brand." And that's where we want to be in terms of position. We want to do more than just supply clothes to people. We also want to play a role in the community in which we live in, which includes our customers and ourselves and we want to try to play a positive role in that. And our sales are going up. [Music] There was a time, 50 years ago when you know, things that were perfect and made by machine, they were new and exciting. They were things that people hadn't seen before. That was a novelty. Now that's changed. Things that are perfectly made by machine are everywhere. They don't interest anybody; they have nothing special to them, they have no personality, there's nothing of character. And there's no value to them. You can get it anywhere and the customers

right now are screaming for something that's personal, something special, something that has a bond between one human being and another. That's been taken out; it's been taken out of fashion completely, for decades out of clothes. Nobody knows who made the clothes for them. People making the clothes don't know who it was made for, so when we re-insert the human element, there's a visceral response from the customers. They love it, they buy it, they pay for it. So we found that the more hand work we bring in, the more we sell our stuff. [Music] What we do is create a product that has a high price in the beginning, but it might last you 25–30 years. By the time you divide it over the number of years, it's cheaper than Target. Clothes are the only things that touch your skin 24/7. You live in them. We don't have problems selling our work. We do have problems making enough of it to supply the demand that we have right now in the world with the clientele. And I think we're setting the example for other companies to "Stop trying to cheat the customer, stop trying to cut costs all the time. Put some money into your product, put some money into your people in service, and give your customer something that really has value and the customer will respond and everybody will be happy in the end." So, we pay more for people, we pay more for research, we pay more for quality, anything that costs me more but it gives me a better product that I can show my customer. "Look, we spent more for this because it gives you this. Instead of something that's going to last you a year, this is going to last you 25." That works. That's where the money is. It's not in cutting down and trying to cheat the customer with making yourself a better margin and then sneaking by with a cheaper material. That's what they're doing all over the place. We found that we do the opposite and it seems risky at first, but once you get used to it and see the results, now you show me two fabrics, one costs three times more than the other, I'm going to be nervous about buying the cheaper one. That's the one I'm going to lose on. The one that costs more, that's better, that's where the money is. That's going to make me money. And so I think that's a big change in thinking, in terms of managerial decisions. We have to re-educate a lot of consumers right now, because what they think is cheap is not cheap at all. It's the most expensive thing they can possibly be doing. And that's part of what corporate advertising has done. It's made people unaware of what they're really spending their money on and what things are really costing them. The biggest challenge now is not to compromise. The biggest challenge is not to try to make things any faster, not to try to make more of them, but to focus on one piece at a time and make it the absolute best it can be. That's the challenge, because the pressure is to hurry up and make more. The pressure is to do all these different things and that's what I, as a designer, the first 20 years of my career, I used to buckle that pressure. I made a compromise. We did certain things. Now, we don't. Now, we don't care how long it takes. We don't care what it costs. What we care about is it's the very, very best it can possibly be when it's done, and that when the customer gets it, they get the very, very best. Even if they had to wait, an extra 6 months for it, 10 years later, they won't even remember those six months. But they'll be remembering constantly in their mind, how great this coat is or how great this suit is. That's what you've got to deliver. You've got to deliver great value and you've got to deliver the very, very best. That's what business has to do today.

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