



## FLIPPED STUDIO “SUCCESSFUL INNOVATOR” - NOVA

Project No. 2020-1-LT01-KA227-ADU-094751

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### The A.G.B. Company SpA: how fashion reacted to the crisis through innovation

**Creator of the good practice, country:** A.G.B. Company SpA, Italy

**Sector:** Design & Fashion

**Type of business / employment:** Private company

#### Achievements in CCS before the Pandemic

The A.G.B. Company SpA, founded in 1998 in Naples by Antonio, Giuseppe and Bruno Montefusco, albeit young, they boast a consolidated experience in the clothing and accessories sector, gained in the most important international markets, thanks to the historic family activity that has been a protagonist for over eighty years.

Since its inception, the property's gaze and attention has been directed to the future. While continuing, in fact, the family tradition linked to the artisan production of leather gloves, the company begins to take its first steps in the world of kids clothing production, a sector in which it has made its mark in just a short time and in which it has been successfully operating for over 25 years.

Since 2005, it is the exclusive worldwide licensee for the brand Harmont & Blaine's 0-16 year-old Junior collections.

Always attentive to market developments, in 2011 the AGB Company launched an important investment plan aimed at developing "Harmont & Blaine Junior" direct retail in the main shopping malls throughout the country.

The fashion sector was certainly among the most affected by the pandemic, in addition to the restrictions which generated long periods of closure of the activities, the lack of opportunities for use has further contributed to the reduction in consumption.



## Challenges faced during the Pandemic and innovative solutions to overcome them

The Covid-19 pandemic has unfortunately hit the sector hard, in fact in 2020, fashion sales dropped by an average of 43.4%. However, some resilient businesses have reacted and are looking to the future. Compared to the sector average, the A.G.B. Company SpA managed to contain the drop in sales and turnover. To bridge the gap with their customers, the company have quickly activated a series of services, including the possibility for the customer to have a dedicated sales consultant, to buy from the comfort of home and to receive everything directly from the point of sale at home. The pandemic gave an important boost to the whole sector for the development of digital strategies. It anticipated actions that probably in the pre-pandemic period each company planned to 18/36 months. The Covid-19 emergency has "forced" everyone to work better and faster on digital development plans.

## Conditions for the innovativeness and success

Today the company is engaged in an even more complex, innovative and compelling challenge: **omnichannel**, a type of retail which integrates the different methods of shopping available to consumers (e.g. online, in a physical shop, or by phone).

They are working on the implementation of an innovative strategy aimed at a bigger integration between the physical store (off-line) and online stores, with the aim of putting customers at the center and making them live an increasingly pleasant shopping experience. In line with the new strategy, an important topic is the creation of increasingly captivating and innovative social content, capable of involving the customer.

These are complex processes, and although the online share has grown double-digit in 2020, it has only partially contributed to making up for what was lost with the closures of physical stores.

Digitization, as anticipated, will cover all aspects of integration between e-commerce and physical stores, even if the sensations and emotions that human contact and therefore, the so-called "traditional" shopping can transmit in store will never completely be replaced. The company will have more and more digitized stores with more and more customer services.

As the vaccination campaign progresses, the managers of the company expect a major rebound in the coming months.

However, being aware that the medium-long term growth passes through digital and sustainability, they will invest a lot on these two issues in the coming years, without neglecting the centrality of their retail project, which will also be adapted to the new needs of consumers.

**Source:** <https://www.crosshub.it/Come-la-moda-reagisce-al-Covid-digitale-e-sostenibilit-sono-le-chiavi-per-superare-la-crisi-e-guardare-al-futuro>



### Self-reflection questions

- What lessons have you learned from this story?
- How will you use the lessons learned for your career progression?
- Were you inspired by the story? If so, what aspects of the story inspired you? If not, please explain why?

**This good practice story is prepared by CESIE**