

CRK Advertising's Michael Calman:

How Calvin Klein uses print as its image medium

TV's fine for beer, but print's the thing when an image of fashion sophistication is the goal, says Klein's agency chairman

BY ROBERT HOGAN
Consulting editor

Breakthrough advertising can be defined two ways: as any advertising that breaks through the gathering commercial clutter, or as advertising that represents a radical departure in the way commercial messages are conceived and expressed. Few would argue that advertising for Calvin Klein apparel and accessories has been anything but breakthrough by either definition. From Brooke Shields' languorous acrobatics in a hugging pair of Calvin Klein jeans to

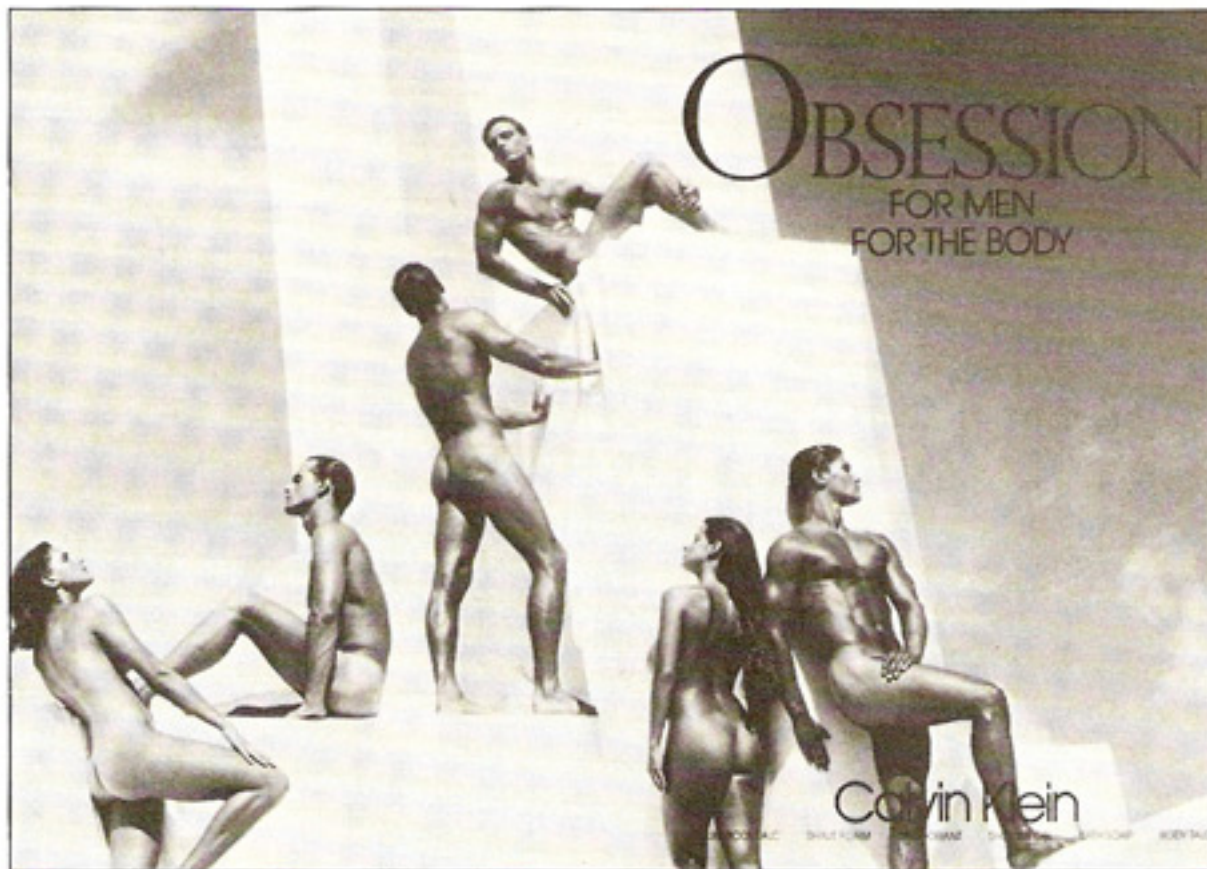


Wendy Barrows

the titillating tangle a trois for Obsession, this bold advertising has achieved what most advertising only aspires to: precipitous sales success and top-of-mind notoriety. Like it or not, it has become the best-known print in America today, according to Video Storyboard Tests, Inc.'s quarterly print surveys.

All advertising for Calvin Klein products and licensees is created and placed by CRK Advertising, the in-house agency established in 1980 and

chaired by 35-year-old Michael Calman. For Calman, it was a short, but rather winding road that led to this enviable position. After securing his MBA from New York University, Calman found himself at Germaine Monteil Cosmetiques as a marketing analyst and "the only man in the place," he says. After that, he went to American Home Products' Boyle-Midway division to work as a brand manager for such illustrious household goods as Easy-On spray



"Breakthrough" advertising has become a Calvin Klein trademark, and this recent ad for men's Obsession, which the company launched in 1986, is no exception. "The ad makes a bold statement," understates Calman.

starch and Old English furniture polish—a far cry from Obsession and Calvin Klein underwear.

Following his hitch at AHP, Calman opted for the agency side and Scali, McCabe, Sloves, where he was an account person on a variety of assignments, including Buckingham Liquors, Beech-Nut and GAF. While he was there, Calvin Klein became an account at the agency, and Calman was its account supervisor. He must have done something very right, because when Klein decided to go in-house in November 1980, he asked Calman to go with him and set the operation up—no small compliment for a then 28-year-old making his way up the layered ranks of the agency business.

Today, CRK handles some \$16 million in media billings, much of it in print. [The company's print spending rose from \$4.5 million in 1984, to \$8.3 million in 1985 and to \$9.2 million in 1987, according to INSIDE PRINT's estimate.] Broadcast spending is confined to the company's Obsession brand.

Working directly with Calvin Klein himself, Calman has been able to gain a unique, insider's view of the fashion business not possible from either client or agency side alone. We spoke with him about advertising in this elusive, fascinating industry at the agency's New York City offices.

IP: If there is any one campaign that made Calvin Klein a household name, which was it?

Calman: First, you've got to realize that Calvin Klein became a fashion leader among affluent women, 25 years old and older, with his collection line long before he was known to the general public. Then the company went through a redefining of its market position, and its objective became rapid growth. To achieve that, we had to branch out beyond the women's collection. So we geared up to expand into high-volume apparel and accessories, the first being jeans. Advertising was key, and the campaign that put us on the map, broadly speaking, was the Brooke Shields campaign, a print and TV effort. That was the fall of 1980. We spent heavily against it, and the creative was outstanding. Awareness and sales skyrocketed. Sales went from \$70 million to in excess of \$200 million in an 18-month period.

IP: What were the respective roles of print and TV?

Calman: Television and print launched simultaneously. TV gave us the immediacy, no question about it, but the print, too, was running very heavily, because we believed then—and do now—that print is the image vehicle for us. We used print to communicate in a very emotional, one-on-one level with our key customers.

Back then, TV comprised 70 percent of the spending. Then the jeans category exploded, with about 20 competitors in TV alone. It became a big blur, and part of the prestige appeal of the line was diluted. Here's a case where TV was dramatically successful for the category in the short term, but I think the long term, as evidenced by the last five years, has proved that the category has actually stagnated. It's been flat, and we've maintained our number one position via share increases instead of category expansion. But I think this shows that sometimes TV can be overused. Now, we're using 100 percent print in the jeans division.

IP: As far as your use of print for jeans was concerned, was it a broad-scale, dual-audience effort?

Calman: Oh, yes. Part of the redefining of our market position was going from the narrow-reach, fashion books—*Vogue*, *Harper's Bazaar* and *W*, for example—to dual-audience, lifestyle, personality-oriented kinds of books like *People*, *Rolling Stone* and *Cosmopolitan*. We still targeted within them, but we were taking a comparatively mass approach with jeans.

IP: When you first went to a 100 percent print effort, how did the licensees feel?

Calman: Jeans is now a company-owned division, but back when we began redistributing our media, the licensees saw it as a practical measure. Growth was leveling off, so we just didn't have the same availability of marketing dollars. We felt, if given a choice, we should concentrate on our key medium, which was print. We just couldn't justify the expense of keeping up national pressure on TV. Everybody accepted that thinking.

IP: You say national, but you must have tremendous pockets of strength in the metropolitan areas.

Calman: Definitely. Fashion is very much the top 10 markets in the country—very A&B county. In fact, that's one of the reasons we are going with print. We can buy our national overlay, but then we'll add a lot of regional publications. We'll buy a few good city magazines, and where we don't feel the city book is as strong, we'll buy regional editions of national magazines, as long as they

can satisfy our positioning requirements.

IP: Is positioning the problem some people claim it is with regional editions?

Calman: We feel strongly that if we can't come to some long-term agreement on positioning, we don't place the order. It requires a lot of time, and it's one of the reasons we're an in-house operation. A lot of agencies just won't spend the necessary amount of time getting good positioning versus the amount of revenue they're going to get. With regionals, there are banks, but they're at form breaks, which means they will be at the front and the back of the book. You've got a good shot at the front, and, depending on how they lay the book out, you can be opposite editorial. If you're strong in the marketplace and a good negotiator, that's the way you can go.

And generally, they print these regional forms in advance of their closings, so it's not that the magazine has a production time crunch. But you have to be flexible in terms of your timing. If you give a magazine the flexibility of a couple of weeks, front or back, from your optimum timing, then your positioning needs should be able to be met.

IP: How have your markets changed over the last few years?

Calman: The apparel industry is very fragmented. There are over 5,000 apparel manufacturers, so to achieve significant growth, we felt we had to expand in terms of products, to go broader. You have to weigh that against how well you'll be able to maintain your image. We have looked into the dual-audience markets for growth, like jeans, underwear, hosiery, fragrance, footwear, eyewear. Parts of our lines are still very up-market, but the larger volume is targeted toward the middle-to upper-middle-class purchasers—categories that are affordable in more of a mass sense. A person who cannot afford our collection silk blouses, for instance, could afford blouses out of our classics line, which is a bridge between sportswear and the collection. Underwear and jeans are both very low out of pocket, so that anyone can have the very best in designer labels for under \$50. That's where we see our volume coming from. Basically, what you do is take packaged-

goods, volume thinking and apply a little marketing finesse to it. In essence, we're mass marketers of a prestige product. You can achieve a lot of growth this way, and through international, which we're just starting to develop now. That's the next major area of expansion.

IP: What about the foreign designer labels—are they a factor here?

Calman: Not really; not in our markets. In fact, we feel American

“Print is our number one image communicator. We launch everything in print and then add TV”

designers are becoming more important internationally. This will contribute to our successful expansion. We've gotten good editorial support from international fashion magazines, and a lot of foreigners are coming into New York, buying designer label clothing and taking it back with them.

IP: Is your business filtering out of the top 10 markets?

Calman: Very slowly. As the major stores expand beyond the top 10 markets, yes, to some degree our business will follow. But it's been a slow trick-

ling. Certainly, with jeans, underwear and fragrance, you'll see that more. But in the high-end, fashion clothing, it's still top 10.

IP: Are men really becoming more fashion conscious, or is that more hype than reality?

Calman: It's really happening. The consciousness level has increased dramatically here among men, but it still has a long way to go. Part of the proof is there aren't that many men's books with strong fashion coverage, and the ones that are aren't that big in terms of circulation. If we want to reach men in a big way with jeans, for example, we have to add the general interest, dual-audience books. The fashion books are very important because they reach the opinion leaders, but in terms of numbers, we also need the dual-audience books.

IP: Men are hard to reach in general, so what do you do?

Calman: We need more TV in the mix to reach them—sports programming, specifically—but it's very expensive. Billboards and bus stop shelters, too, are important. But after *Esquire*, *Gentlemen's Quarterly*, *M* and *Sports Illustrated*, there just aren't many options in print.

IP: What about the business magazines?

Calman: You can reach men with



A visual standout, this ad for Calvin Klein's Sport line ran in color as part of a three-page, primarily black-and-white foldout in Vogue and Harper's Bazaar.



To make designer labels available to the mass market, each of Calvin Klein's lines targets a slightly different customer. For example, *Classifications* reaches a younger, broader audience than the more upscale *Collection* line.



them, but there might be an environment problem. The editorial product is superb, but I'm not sure the reader is in a fashion mode when reading those books. It may be all right for watch advertising, and perhaps some accessories and fragrance, but for apparel, I'm just not sure I'd be comfortable in the environment. I think we're better off surrounded by editorial that is read primarily for entertainment, rather than for hard information.

IP: Is it safe to say, then, that you weigh editorial compatibility heavily in your media selection decision?

Calman: Absolutely. You look at the women's fashion books, and the ads are 70 to 80 percent of the books. But the editorial environment is key, here. We want readers to be in a frame of mind that is conducive to shopping our products. These books are used both for editorial fashion guidance and as shopping guides. We also utilize avant-garde publications such as *Interview* and *Details* for reinforcing exposure to fashion trendsetters.

IP: But with all the ads for fashion items in these magazines, aren't you asking a lot from your creative to make it stand out?

Calman: Sure. But our creative has been very strong over the years. And the positioning becomes critical. There is so much clutter in the advertising marketplace—TV, print, outdoor; we're inundated with commercial messages. So we use prime positioning not just to reach our con-

sumers, but for trade reasons, too. Even if our consumers are reading a magazine cover-to-cover, the trade probably isn't. They're picking up the fashion books—certainly top management is—scanning them to find out who's doing what. Therefore you need a highly visible position to get them.

I don't believe in merchandising schedules to the trade; I don't think these are paid attention to. I think the most meaningful way to reach them in this business is through your consumer advertising. Let them see what you're doing to reach their customers in a natural way.

You have to target both your positioning and how you buy your print with the trade in mind. We want to be opposite the lead fashion edit, and where we can't get adjacencies, we'll go with a spread. We want the best shot we can get. As I have said, our feeling is that if you can't get a great position, you don't go into the book.

IP: If many readers are "shopping the book" in these fashion magazines, and advertising is running at some 70 to 80 percent of total pages, how important, then, is the magazines' editorial?

Calman: Extremely important. The fashion opinion leaders rely on it, and everyone in our business is after them. I would much rather have the editorial adjacency in a *Vogue* or *Harper's Bazaar* opposite the lead fashion article than just be forward

with no concern for adjacency.

I'm not saying that the advertiser who winds up in one of the ad banks is wasting his or her money, because the reader will likely go page by page and get some value out of all of the ads. But I think it diminishes your chances of being seen, especially by the trade.

Of course, there aren't that many adjacencies available when just a third of the book is editorial. One way around this is to use portfolios to gain attention—running consecutive pages of your products from different fashion categories. Print offers the ability to run with heavier stock, to do inserts and things like that. You don't get those options in television.

IP: Do you feel that print is a better medium than TV for communicating image?

Calman: Absolutely. We launch everything in print first and then add the TV. Print is by far our number one image communicator. TV is used more as a media vehicle for us than a creative one. Viewers can only spend seconds with your commercial; they can spend as long as they want with print ads. Also in print, you get the editorial environment, which is consistent throughout a magazine. You don't get that in TV, where the environment changes, show by show, on each station. There really is no consistent editorial environment. When the program changes, so does the mood.

IP: The beer and soft drink advertisers would probably feel just the opposite—that TV is the only image medium for them. Do you think they are missing the boat?

Calman: We're talking about a different level of sophistication. With beverages, they need the action of TV. It's a younger, visually oriented consumer, and there is such a parity product situation that they need the technical aspects that TV can bring. Product excitement can be communicated very well in TV. And then there's trade pressure in other categories, where they won't support you unless you're heavily into TV.

But in fashion, you have a sophistication to consider. And print allows you to communicate it better.

IP: What about newspapers to communicate image?

Calman: Newspapers are wonderful,

but I'm still skeptical of them for us. First, they have a very short shelf life. Reproduction is still a problem for us. And, with a few exceptions, the small amount of fashion coverage they do, in general, doesn't enhance their credibility as a fashion medium. I might consider them in a product launch, but I've got so many alternatives in magazines, I don't feel they are critical.

I also think that the retail orientation of newspapers is a problem for advertisers like us. It creates a very price-minded environment, as far as readers are concerned, with all the promotions and sales running in them. And most of the co-op that is run is in the store's image, not the manufacturer's. An institutional ad from a fashion advertiser might get diluted by these other images.

Now, maybe they could be a good choice to reach men. *The Wall Street Journal*, for instance. You've got the business editorial dilemma to consider again, but reaching men is so difficult that I would consider the big newspapers—*The Journal*, *The*

New York Times—especially for accessories like watches. Maybe for menswear, too, if the cost is right. **IP:** How important is the fashion press in this business?

Calman: They are extremely important, both in magazines and major market newspapers, especially for

“To stand out from the clutter, positioning is critical. We use prime positioning to reach our consumers and the trade”

your higher-end product lines. If you get a very strong review for your fall collection, that will affect your jeans, hosiery and other businesses, too.

IP: Are you big users of research?

Calman: We go by instinct when it comes to the actual advertising. But we look at a lot of media and usage research—Simmons, MRI, Monroe Mendelson. We look at these for

directional purposes, because I think the methodology is shaky. We're not that interested in total readership. Most of the research out there has to be looked at with a grain of salt.

When it comes to copy research, we don't use it because our advertising doesn't have much in the way of copy. Even with our TV advertising, the copy isn't really related to specific sales messages. And in my experience, copy research has often been used for political reasons—to support the agency's or client's position.

But for usage and awareness tracking, research is very valuable.

IP: What do you look at in measuring the effects of your advertising?

Calman: Primarily, we look at three things: the levels of publicity, awareness and, of course, sales.

Sometimes, you know quite early on when a campaign is working, as with our launch of *Obsession* in the first quarter of 1985. We had spreads with scented inserts scheduled for March books, some of which hit the newsstands in February before we had distribution. People were going into many stores asking for the product before it was on the shelf. Based on this experience, when we launched men's *Obsession*, we went with a six-month print campaign prior to adding the television.

Scent strips are very important to us in print. We can do national sampling very effectively. They are especially good with men's fragrances, because men don't like to walk into a store and get sprayed. And they serve as a direct response mechanism, in terms of generating immediate sales.

IP: What would you say is the biggest challenge facing you in the near future?

Calman: From a print media standpoint, I would say it is ad positioning—how to keep coming up with new adjacencies, new ways to stand out. We would like the chance to work more closely with magazines in developing new editorial adjacencies.

As far as the company is concerned, we have successfully entered virtually every major market segment in the business. And we are looking toward developing the international side of our business. It will be a big challenge to continue the kind of rapid growth to which we have grown accustomed. □