

## WWD MILESTONES

## A Global Portal to the Brand

By DAVID LIPKE

THIS MONTH, Tommy Bahama took a big leap forward in its global expansion strategy by launching e-commerce in 108 countries.

The company partnered in the initiative with FiftyOne Global Ecommerce, which specializes in expanding retailers' e-commerce capabilities to overseas markets. Previously, Tommy Bahama delivered orders only to the U.S. and Canada. But in just the past couple of weeks, orders have flowed in from Australia, New Zealand, Great Britain, Germany, Ireland, Japan and Norway, to name a few.

The move complements an offline international expansion plan that saw new Tommy Bahama stores open in Macau and Singapore this year, with additional units slated for Hong Kong, Tokyo and other markets.

"We know through our analytics that there is an appetite out there online for Tommy Bahama," said Lisa Atwood, senior vice president of e-commerce at the Seattle-based company. FiftyOne's technology and service gives international customers tailored landing pages and automatic local currency conversions at checkout, including all landed cost calculations for each market. Tommy Bahama is charging a flat \$19.99 delivery fee to any of the 108 countries.

The international online foray comes as e-commerce emerges as one of the biggest growth areas for the brand, since its online store launched in October 2007. Online sales contributed 8 percent of Tommy Bahama's total sales of \$452.2 million in fiscal 2011. (Brick-and-mortar stores contributed 47 percent of total sales and restaurants 12 percent, with the remainder coming from wholesale operations.)

At any one time, there are about 6,000 Tommy Bahama styles and color options available on the e-commerce site.

"Unlike retail, we have unlimited real estate online so we tend to buy the breadth of every color available in a shirt, whereas a [traditional] store might have a different philosophy," said Atwood. "Online customers tend to want to hear about new arrivals and see a lot of variety in colors. The new arrivals are always one of the most viewed assortments on our site."

The e-commerce division encompasses about 35 employees, segmented into planning and merchandising, creative, strategy and product management, development and production teams. All e-tail orders are fulfilled through Tommy Bahama's distribution facility in Auburn, Wash., the same center that services the company's own stores and wholesale accounts.

Last July, Tommy Bahama launched a ratings and review feature for each product online, using a scale of one to five pineapples. The tool has some risks for the brand, as consumers can write about what they like



E-commerce expanded to 108 countries.

as well as dislike, about a particular product — but it gives designers and merchandisers valuable feedback. What's more, shoppers who click and read the reviews are 240 percent more likely to make a purchase than those who don't, said Atwood. The review feature was developed in partnership with Bazaarvoice, a leading provider of social media applications for retail sites.

"Our biggest challenge is how fast technology is moving," she added of the myriad elements that could be incorporated into the site. "We're constantly chasing that and prioritizing what is appropriate for the brand, making sure we get the appropriate return on investment and maintaining a focused road map of what we want to accomplish."

E-mail marketing is a key driver of traffic to the site. The company sends out two to three e-mails a week to various subsets of its database, a cadence that increases during the holidays and before Father's Day — which is known at Tommy Bahama as "a second Christmas."

"Whatever product category is featured in the e-mail becomes the number-one item that day," noted Atwood. Lifestyle-oriented e-mails, without a direct sales pitch, are sent out occasionally — such as quarterly messages with seasonal cocktail recipes, which dovetail with the brand's relaxation ethos.

Also driving traffic is search engine marketing, which is handled by Elite SEM on behalf of Tommy Bahama. Key search terms that the brand has found effective to bid for include men's big and tall apparel categories and women's swimwear.

The Web site sells all categories of Tommy Bahama merchandise, including licensed product like beach chairs, coolers and housewares. A few licensed categories like indoor furniture, indoor and outdoor

fabrics, ceiling fans and indoor rugs, are not sold directly on the site but are linked to licensee sites.

Apart from its commerce component, the Tommy Bahama site also serves as a portal to the brand and the brand experience — a key element of Tommy Bahama's evocative island-inspired appeal.

"There's a shop and we have to hit a sales forecast and I have to manage [profit and loss], but the site goes beyond just the store. It's an experience," explained Atwood. "We entertain and engage the customer who wants to live the life of the brand. It's all-encompassing and we describe the site as a window to the brand."

To that end, the Web site is turned over completely every month: every page on the site is updated and refreshed. The Web site is the largest user of Tommy Bahama's creative assets and imagery.

The Tommy Bahama lifestyle and brand image are promoted on a section of the site called "Live the Life," which encourages customers to "Make life one long weekend." On those pages, browsers can find instructional videos on hula dancing, recipes from the Tommy Bahama restaurants and video diaries of the brand's photo shoots in sunny locales like Belize and Miami. There's also an official Tommy Bahama "rumologist," Jack Terry, who pens a blog about the tropical liquor.

Marketing promotions run on the site, enhancing the brand's off-duty appeal. This past Father's Day, customers could enter a contest by sending in their favorite remembrances and photos of Major League Baseball teams that are part of Tommy Bahama's MLB collection.

Describing the integrated approach and interactive components, Atwood said, "Our end goal is to engage our guests and inspire them to come shop."

## The Sporting Life

By CHRISTINA SILVESTRI

TOMMY BAHAMA IS on its game.

In 2009, the lifestyle brand best known for its men's casual apparel broke into the sports scene with special edition woven shirts tied to the World Series. The shirts turned out to be a home run — 500 quickly sold out — leading Tommy Bahama to deepen its relationship with Major League Baseball and seek sports partnerships beyond the diamond.

"These associations with sports teams and events have really struck a chord with our customer and have brought us new customers as well," said Mark Jensen, Tommy Bahama's manager of sports marketing.

Since its initial foray, the company has introduced an average of six to eight limited-edition baseball shirt styles annually. Priced at \$250 and featuring team logos, the shirts have numbered labels and come with certificates of authenticity.

This baseball season, there were shirts for the New York Yankees, Detroit Tigers and Texas Rangers, as well as an All-Star Game variety released in May. A Fenway Park shirt to celebrate the historic ballpark's centennial started selling in April. The number of shirts produced per team averages around 500.

"We started with teams that we felt our customer was most familiar with and we select new teams each year," said Jensen. "Our goal is to [ultimately] produce a collector's edition shirt for each team in the MLB."

Tommy Bahama isn't just sticking to limited-edition baseball shirts, though. It has expanded its baseball repertoire into a larger assortment of MLB-themed sportswear for all 30 teams, including knit track jackets, sweaters, polo and camp shirts. The sportswear retails from \$118 to \$175, and is carried at Nordstrom, Lord & Taylor and other specialty stores.

The success of its baseball apparel convinced Tommy Bahama executives

that it could have a bigger presence at baseball stadiums. It opened the first 250-square-foot in-stadium Tommy Bahama store this year at Yankee Stadium. The shop also has a bar that serves signature Tommy Bahama cocktails. Tommy Bahama also sells its team sportswear at stadium shops across the country such as AT&T Park in San Francisco, Wrigley Field in Chicago, Coors Field in Denver, Citizens Bank Park in



A shirt for the MLB tie-in.

Philadelphia and Nationals Field in Washington.

Executives declined to reveal the revenues generated from its sports tie-ins, but the company has deemed them valuable enough to pursue opportunities in a number of sports.

"We use sports sponsorships primarily as a marketing tool in an upscale environment," said Jensen. "By sponsoring in this manner, we get to collaborate with each sponsor instead of merely advertising with them."

The brand has outfitted Professional Golfers' Association players, notably George McNeill, Ken Duke and Tom Lehman.

The brand also sponsors a series of charity golf events from Florida to California to Hawaii.

It created a custom collection for last year's Transpac Yacht Race in Long Beach, Calif., and anticipates doing so again in 2013.

Tommy Bahama next plans to develop products for the Stand Up World Tour's Huntington Beach Pro's paddle surfing competition in October.



The Transpac yacht team.