



## The CEO of Boohoo defends fast fashion and champions authentic marketing

WORDS AND IMAGES: GEOFF BROKATE

Rosso is a restaurant that was once a bank, in Manchester's former financial district. Despite Christmas being two months away, the building's grand domed exterior is wrapped in a huge golden bow, the interior decked out in tinsel and baubles. Carol Kane arrives on time looking tense, dressed in black with a leopard print sash. She looks around at the wedding-white interior. "I preferred it in here when the walls were red," she states. Sitting at her regular table, she starts to relax, confessing to feeling tired after a long week.

Kane, along with Mahmud Kamani, is the co-founder and joint CEO of online fashion e-tailer Boohoo. Created in 2006 at a time when established businesses were awkwardly trying to grapple with the shift into e-commerce,

Boohoo took a bold leap. "I think it was revolutionary the way we did things," Kane says. "There wasn't a model to follow." Boohoo became known for its rapid growth, in 2011 seeing revenue of £24m, which soared to £395m in 2018. Boasting 6.7 million active customers and shipping to 190 countries it has become an established brand, offering low prices for the youth market.

Kane orders some sparkling water, sharing small personal snippets like the weekend spa she has booked nearby and her recent discovery of yoga. Her small talk is at odds with the work-addicted businesswoman persona she has been given in the media; renowned for working 16-hour days and checking sales in the middle of the night. "It's true I don't think much of this work/life balance,"

she says. "I think if you enjoy what you are doing, you don't worry about it. When you stop enjoying it, it's time to do something else."

Was this the reason Boohoo just recently announced the imminent arrival of a new CEO, John Lyttle? Recruited from his role as executive of Primark, he will begin in March of next year. Kane explains that the difficult decision has been dictated by Boohoo's continual growth, owing to the 2017 opening of a menswear arm, as well as the purchase of PrettyLittleThing (founded by Kamani's sons, Umar, Adam and Samir), and Nasty Gal.

"John is a veteran in retail, he understands scalability better than we do so it's strategic." She adds that: "It's also about Mahmud and I enjoying the areas that we are really good at. I want to do

more of the creative stuff, steering the overriding vision of where the brand goes and how we get there."

The pair courted Lyttle for 12 months over dinners and coffee. "Mahmud and I talked about this for a very long time, and agreed that while we've got the energy and are so heavily invested in these brands – let's bring somebody in to help us run the business." The shift will mean that Kamani becomes group executive chairman while Kane takes on an executive director role. "This is our baby – we don't just put it into somebody's hands."

The waiter arrives and we agree on starters. Kane assures me that there's no rush, ordering the calamari and mushroom risotto.

With a career spanning three decades, Kane's rise in the fashion industry seems divided into two halves: Before

and after meeting Mahmud Kamani. Born in 1966 in the North of England to a working class family, she began a daily sketching habit at age four. While her dream was to become an artist she found herself opting for fashion illustration, landing a job as a designer in Hong Kong straight after graduating. She recalls that as a pivotal time, "Naivety got me through, whereas today I would really think about it quite a lot. But it was like, 'let's just do it. Why not?'"

In the early Nineties she began working for Kamani, who had a Manches-

**Rosso, a bank turned restaurant in Manchester's former financial district**



ter-based business selling garments to high street retailers. "Boy, have I never looked back," she says, her face lighting up. "He's a force." By the age of 28 she was a company director and together they became renowned for offering unfathomable turnaround times to the high street. Retailers were used to six-month lead times; Kamani and Kane were offering six weeks from design to delivery.

While traditional retailer thinking was centred around seasonality, Kane and Mahmud, through their sourcing experience in Asia, were always producing something new. They were creating 'fast fashion' long before it was a phrase.

In 2006 Kamani casually suggested starting an online store. Kane nonchalantly accepted. "He will tell you to this day that that is the reason we started. I just had absolute confidence that I could make it work. We had clothes, we knew the customer, all I had to do was to build a website. So we got a tech guy who happened to be in the building and we built our first website for £1500."

The biggest challenge for the business was to bring customers to the website. Without a storefront and the unlikelihood of someone stumbling across them via a search engine Kane opted for a traditional approach. "We behaved like a big brand and the customers perception was that we were more established than we were." Boohoo billboards started appearing everywhere; airports, London buses, motorways and magazines, which created customer trust.

The starters have come and gone. Soon our mains grace the table but we only pick at the food as we continue our conversation with pace. There were many retailers dragging the chain when adopting e-commerce, fashion outlets believed that customers wouldn't order clothes online because they couldn't try them on before buying. Kane looks assured as she dismisses this myth, "Try it on at home. What's the problem? I didn't see that as a barrier and who wants to go and undress and be very vulnerable in a changing room with those horrible mirrors that aren't very flattering!"

As shoppers' habits and patterns have gradually changed, the success of Amazon, Ebay and Google have driven

Rosso's  
Cannelloni  
di zucca



online shopping to levels that has heralded the demise of UK's high streets. A report recently released in the UK shows that 14 stores a day are closing down with fashion outlets particularly suffering. The game changer was the smartphone and social media with 75 per cent of Boohoo's traffic coming from mobile devices. In the last two years Boohoo has shifted their marketing strategy over to social media. "That's where our customers are. They want more authenticity. They want to see regular girls wearing the clothing. It's also about not using the skinny size zero models anymore. There's a whole movement away from that which can only be a good thing."

We skip dessert as I see Kane's energy start to dip. I tell her that I just have one more question. What was her response after Boohoo was named in UK Parliament last month as a major contributor to the effect fast fashion is having on the environment? I could see that this was still a fresh wound as she stiffens, replying with typically British pique, "I feel cross because I think that's their opinion and not fact."

Studies are showing that fast fashion is propagating a throwaway culture where clothes are discarded regularly to keep up with trends. Boohoo alone have 30,000 styles on their site at any one time. So while consumers benefit from more choice, hundreds of millions of tonnes of clothing a year ends up wasting away in landfill.

Parliament argued that Boohoo's £5 dresses encourage young consumers to buy then swiftly reject and replace with a new dress. Kane is quick to her own defence, stating, that the dress is a "marketing strategy to attract customers who will buy other things." She then adds rhetorically, "If you like something, does it matter how much it costs you?"

She shows me the frequency numbers from last year which show that customers return to shop at Boohoo 2.5 times a year.

Kane agrees that the effect fast fashion has on the environment needs to be understood and addressed but she warns that there isn't an overnight solution. "When it comes down to fibres and fabrics that is a big job. We can't do that alone, that's an industry movement. That's not one brand over another, we all need to come together." It is apparent to Kane that this issue is key to future proofing the business, "As far as I'm concerned there are always improvements to be made. We understand the culture of the consumer today is shifting towards that [environmental sustainability]. So of course as businesses we will follow through, otherwise we won't be here in 10 years time."

It's time to leave and as we put our coats on she tells me, "I believe you should always learn something, you should try and achieve something." When I ask of her main goal this year, perhaps anticipating a prize business insight: "It's to do a headstand in yoga, I've not managed an unassisted one yet," she declares. Evidently Kane is putting more life into her work balance, which isn't stopping her from taking risks. She acknowledges the waiting staff and steps out into a damp, grey Manchester afternoon.



## Rosso

### The Bill

#### Starters

Calamari Fritti	£12
Insalata Di Gorgonzola	£10

#### Mains

Risotto ai funghi porcini	£15
Cannelloni di zucca	£15

#### Drinks

Sparkling Water	£3
Still Water	£3

**TOTAL:** £58



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