Fashion companies role out new app to find latest trends

By James Covert from New York Post
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Fashion focus groups — long a staple for retailers chasing the next hot trend — are finally going high-tech.

Big clothing chains like Abercrombie & Fitch, The Limited and David's Bridal increasingly are making use of computer software that helps merchants pinpoint the next hit styles.

The twist is that the program, designed by Pittsburgh-based First Insight, gets the job done by finding actual human shoppers who are good at picking winners, says Greg Petro, the firm's founder and CEO.

"It's about finding the people you need to listen to," Petro told The Post.

The software does this by blasting out online surveys to thousands of customers, showing them dresses, handbags and shoes, asking whether they like them and how much they'd pay for them.

First, shoppers typically grade looks from previous seasons. If they pick items that did, in fact, perform well, their verdicts on future fashions are watched closely.

The five-minute quizzes are fun to fill out, and they're completed 95 percent of the time. The result: a heap of data that are far more useful for merchants than corralling shoppers into a conference room, says Lois Huff, vice president of client insights and strategy at The Limited.

"There's a statistical rigor behind it," Huff says. "A traditional focus group might involve 20 or 30 or 40 people, but you have no insight into their ability to predict a winner or loser. Meanwhile, you're making decisions worth millions of dollars."

Indeed, Petro says his firm has managed to compile industry wide data that confirm and even quantify some old truisms among retail merchants.

"Men are 2.5 times more likely to pay more for a product they value than women," Petro said. "It's the first time you don't have to say anecdotally that men will pay more — it's grounded in stats and facts."