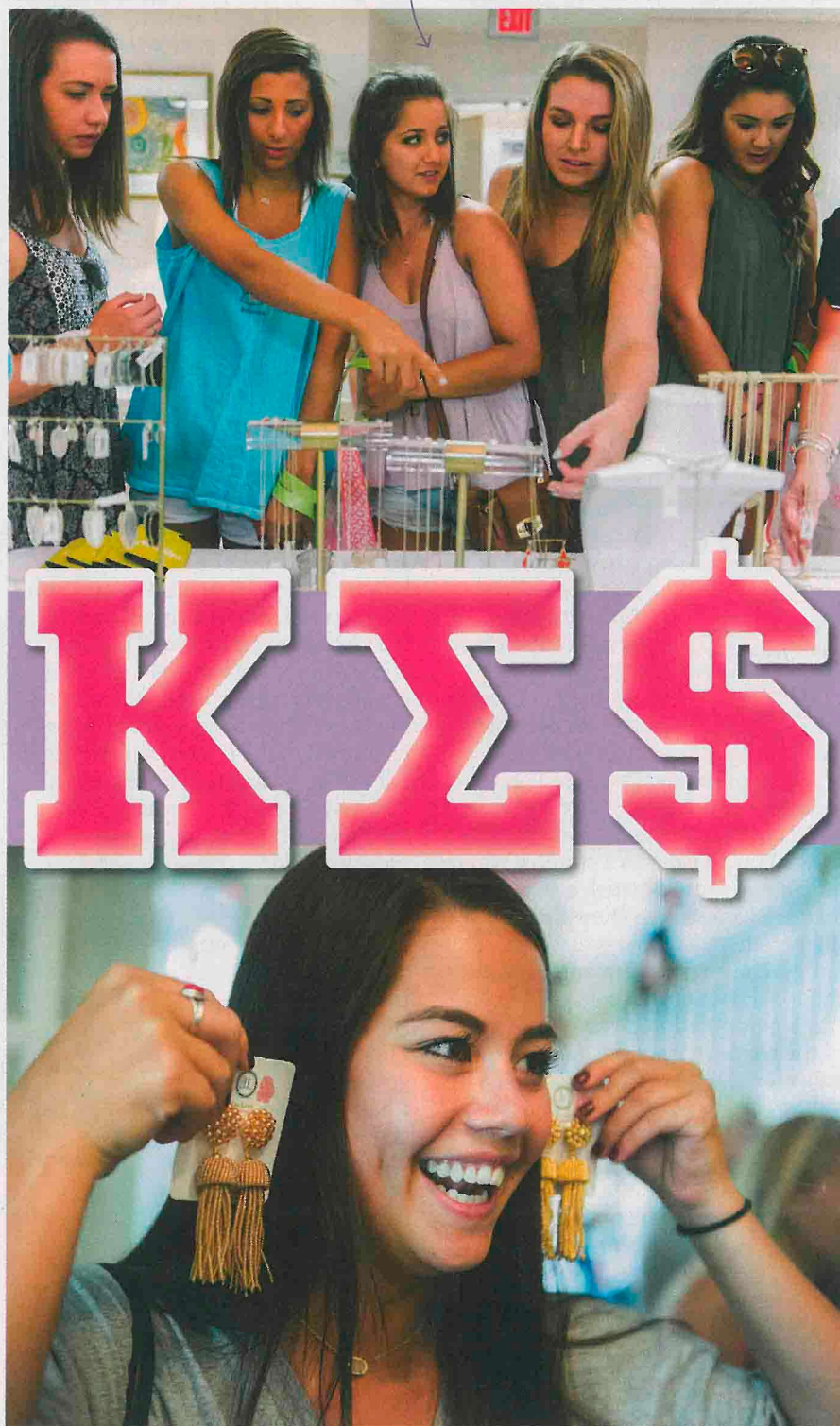


# Companies/ Industries

October 17 — October 23, 2016

Delta Zeta members  
browsing at a Kendra  
Scott trunk show



The Delta Zeta sorority house at the University of Tennessee at Knoxville is packed on a Friday in September. It's parents' weekend, and chapter members are milling about, many with their mothers in tow, to check out the clothing and jewelry on display, including sorority-branded apparel and baubles by **Kendra Scott** and **Lisi Lerch**.

In the parlor, Cheyanne Harrington greets a group of her sisters with hugs and squeals. The 20-year-old junior—tall, blond, and outfitted in a banana-yellow dress accented by a turquoise necklace and gold earrings—is the campus representative for Lisi Lerch, a 15-year-old jewelry company. Harrington has alerted all of sorority village, a total of 13 chapter houses and almost 650 young women, about her trunk show. She's selling tassel earrings and necklaces in cotton-candy pink, kiwi green, and other colors.

Harrington sidles up to one shopper who's trying to choose from several designs on display. "I don't think the metallic ones are like, *you*, you know?" she says, then points to a pair of pale white earrings. The student is persuaded. "Here you go, sweetie," Harrington says, handing back a credit card after ringing up the sale. "Now I want to take a picture of you for Snapchat."

Kendra Scott and Lisi Lerch are among the many brands, including **Lilly Pulitzer** and **Vineyard Vines**, that increasingly are focusing on sororities. Success with just one group of sisters can be like striking gold—members share a signature fashion sense, built around a cluster of products and brands to which they're loyal. The most popular items are ubiquitous along sorority row in Knoxville, or Ithaca, N.Y., or Williamsburg, Va.: **J.Crew** cardigans, **Lilly Pulitzer** shift dresses, **Longchamp** totes, **Tory Burch** ballet flats, **L.L.Bean** duck boots, and **Barbour** waxed jackets. Newer brands, such as apparel and accessories retailer **Southern Tide** and clothing and neckwear company **Southern Proper**, pop up, too.

There are more than 3,200 undergraduate sorority chapters on more

► Sororities are a lucrative market for fashion brands

► "It's a natural, human thing to want to belong"



## Get the Look!

than 600 college campuses that are part of the National Panhellenic Conference, an umbrella organization of 26 U.S. sororities. The chapters have a total of about 400,000 active members and welcome more than 100,000 initiates each year.

Once a brand is picked up by a sorority, it spreads among the members, and then to other houses, even to other college campuses. "There's comfort in looking the same," says Jennifer Baumgartner, a clinical psychologist and author of *You Are What You Wear: What Your Clothes Reveal About You*. "It's a natural, human thing to want to belong, and one way we do that is to wear the same clothing."

The sorority sisters also are seen as having sway over other women, including their moms, who look to them for fashion guidance. "They influence the purchase behavior of other consumers," says Jeff Fromm, co-author of *Marketing to Millennials*. "Older consumers get their fashion clues from people who are considered more fashionable."

Setting trends within the sisterhood and beyond is what jewelry designer Lerch is banking on. "It's built-in fashion camaraderie," she says. "It spreads like wildfire."

Growing up on the Eastern Shore of Maryland, Lerch and her family went to Triple Crown horse races, bastions of preppy American style. They attended polo matches in the Hamptons and steeplechases in Virginia. Fancy hats are a necessity at such events, so, after a brief career on Wall Street, Lerch started selling a line with her name on them. When she found herself spending more time in jewelry supply stores on the same block as the millineries in New York's garment district, she started making necklaces. "I was selling so much more jewelry than the hats," Lerch says. She went national with her jewelry business in 2013.



Barbour jacket \$399



L.L.Bean boots \$209



J.Crew cardigan \$85



Longchamp tote \$145

This year, Lerch will reach \$1 million in sales for the first time, she says. Sales have more than tripled each year since she started the business, and it's now profitable, she says.

Jewelry designer Scott founded her eponymous brand in 2002. Sales were \$1.7 million when she opened her first shop in Austin in 2010; today there are 48 stores across the U.S. The company expects \$200 million in revenue this year.

Scott's signature items—delicate gold and silver necklaces, earrings, and ring sets—are sold at her own stores and **Bloomingdale's** and **Nordstrom** department stores. She attributes her success, in part, to her pursuit of college followers. Early on she teamed with sororities to host trunk shows and other events. Soon big chunks of the crowds at college football games were wearing Kendra Scott earrings in the home team's colors. As her customer base expands, Scott isn't abandoning the sorority shopper. In Memphis in early September, as the school year was getting started, the company took an Airstream trailer filled with merchandise to the headquarters of the Chi Omega sorority.

Campus reps such as Harrington are key to the sorority strategy. Across

the country, they sell everything from Apple iPhones to Rockstar energy drinks. Victoria's Secret Pink and Rent the Runway, which rents designer apparel and accessories, boast about the networks of reps they employ at colleges and universities in job postings on their websites.

Lerch's search for new college reps starts each August. Her team sends e-mail appeals to potential candidates and also relies on Instagram and Snapchat to spread the message that the company is hiring. Typically, campus reps who host a trunk show or open a booth at an event will get a cut of the sales. The share depends on the company; at Lisi Lerch, it's 20 percent.

This is Harrington's third gig representing a brand. Previously, she'd worked with accessories label **Neely by VNB**, which sold items specifically chosen for college students, and resort wear retailer **Hiho Caribbean**.

Selling merchandise is only a small part of the job. Harrington often includes the brand she works for on her food, travel, and fashion blog and posts photos on Instagram and Snapchat. She hands out Lisi Lerch stickers at football tailgates and talks up the label. The work isn't just about earning money, she says—Harrington wants to parlay the gigs into something bigger. She hopes one day to work for a high-powered New York public-relations firm.

"I'm blaming Cheyanne if my mom says anything about it," one Delta Zeta shopper says as she sorts through

### College Spenders

In the fall of 2015, of the almost

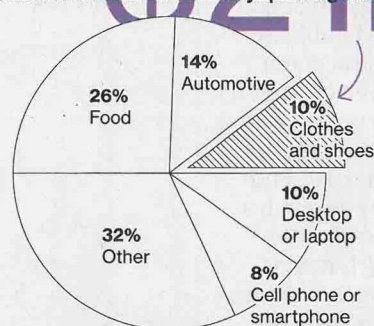
**24m**

undergraduates enrolled at U.S. colleges and universities,\*\*

**56%**

were women

Estimated student discretionary spending in 2015\*



**40%**

Share of college students with at least one credit card

**2.9**

Times per month the average student visits a clothing store

◀ the handful of Lisi Lerch necklaces and earrings she just bought. Another sorority sister, her mother by her side, picks up an orange necklace. "How much are these?" she asks. "Seventy-eight dollars," Harrington says. The customer sighs, and Harrington throws in a discount. "Mom!" the girl pleads. "Twenty percent off!" —Kim Bhasin

**The bottom line** The 400,000 active sorority members in the U.S. are a desirable market for brands such as Kendra Scott and Lilly Pulitzer.