Additional Case Studies

Chapter 4

Rohan and Innovation

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In the late 1970s, Rohan (www.rohan.co.uk) was born and entered the outdoor clothing market, which at the time was characterized by its use of traditional materials (cotton or wool) and styles. The founders of Rohan felt that there was a gap in the market because wool can be uncomfortable and most natural fabrics take a long time to dry. They were keen to use fabrics that were water-proof; this had been made possible with the recent development coatings that made clothing water resistant. Yet, while rucksacks benefitted from the innovation of companies such as Karrimor and Berghaus, there was no corresponding innovation for clothing.

An example of the type of product for which the company would become famous was the Rohan 'Olfio', a hi-tech arran sweater. It weighed under 600 grammes, was windproof, lightweight, dried very quickly, with a small pack size and had zipped pockets.

Rohan's approach to marketing was as quirky as its clothing. At an outdoor trade fair Rohan drew attention by restricting access to its stand, which was by invitation only. People in the trade felt this was a very risky approach and ran the risk of being seen as being overconfident (of trade interest).

There was, however, a good reason for this marketing reticence. The founders, Paul and Sarah Howcroft did not want demand to outstrip their ability to cater for it. In addition Sarah and Paul were still funding the business largely from cash-flow. Fabric and manufacturing had to be paid for up front, and pay-back came only when retailers decided to settle their accounts.

Another reason for the company's offhand approach to the trade lay in the early reaction they had had from the outdoor trade – which had been sceptical. Some retailers were prepared to take the risk and enthusiastically adopted what they considered to be a revolution in outdoor clothing. They understood the idea, and bought-in not just to the clothing, but to

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the whole new concept of high performance outdoor clothing. It was these people who were invited to the stand.

Marketing was not the only challenge, more fundamental were the early production problems. The idea of such clothing for children was an obvious one but firstly there was the high skill level needed to make micro Bags. Some of the features on the adult products could be quite complicated and having to negotiate a large industrial sewing machine in a very small area of fabric (for children) could be quite difficult. The company found the required skill level in manufacturing plants around England but the production costs meant that the price of children's trousers were not a lot less than the adult equivalent. Another problem was that although mum and dad may have been converts to Rohan, the benefits of quick drying, windproof and small pack size meant much less to children under 10.

By the mid-Eighties, Rohan was coming to the attention of a wider public. It also became popular amongst exploration and adventure celebrities, people such as John Blashford-Snell, the founder Operation Raleigh.

It was also around this time that Sarah and Paul were able to source their products from UK manufacturers who could produce consistent levels of quality. The growing public interest and ability to manufacture in larger quantities meant that the company was able to consider higher profile consumer advertising. Rohan's advertising in the specialist outdoor press had been just as idiosyncratic as their exhibition appearances – this approach was used for their first mainstream media campaign. Rohan's full colour, full-page advert in the Sunday Times magazine showed a tin of Coke, open one end, with a pair of Rohan Bags (trousers) stuffed inside – and above it, the headline: "Rohan can". At the bottom of the ad was a small coupon inviting readers to send for a catalogue. It was a risky approach by a small relatively unknown company, would readers understand what was being sold and what was special about it? By the end of the week after the Sunday Times was published, the company had generated over five thousand catalogue requests – a surprisingly large number for a new venture.

Source

Sarah Howcroft, co-founder Rohan and founder Rohantime (rohantime.com).