

Finding ways to reconnect with young consumers

ILM Editor Isabella Griffiths speaks to Jörg Rausch, Managing Director of German leather repair and care specialist Lederzentrum, about the key changes his sector is facing, the future of leather care and why he supports image marketing that targets the next generation of consumers.



■ Jörg Rausch specialises in the care and restoration of leathers.

About Jörg Rausch

Born in 1963, Jörg Rausch spent much of his youth outside of his native Germany. He studied business in Bayreuth and Göttingen and made his first foray into the leather industry during an internship at a footwear manufacturer in Portugal. Following his studies, he joined a medical upholstery company which launched the Lederzentrum in 1995, and alongside co-owner Anthony Bogacki he became its shareholder and Managing Director shortly after.

ILM: What is the Lederzentrum ('Leather Centre') and what services do you offer?

Jörg Rausch: Initially, the business mainly focussed on leather repairs, whether that was on behalf of big insurers and their claims processing, or for saddlers, furniture sellers and manufacturers, museums, car dealerships and automotive suppliers to private customers. As we achieved great results in terms of leather repair, our network grew and moved into other countries and we started to sell our own care products, which we developed in-house. Twenty years later, we are now sending out more than 100,000 leather-care sets a year to customers around the world, for individual use to container-loads for large-scale companies. We not only distribute and sell a full range of products for the care, cleaning and repair of leathers, but we also still repair and train other leather repair providers around the world. We have built a reputation as experts and specialists in the field of leather.

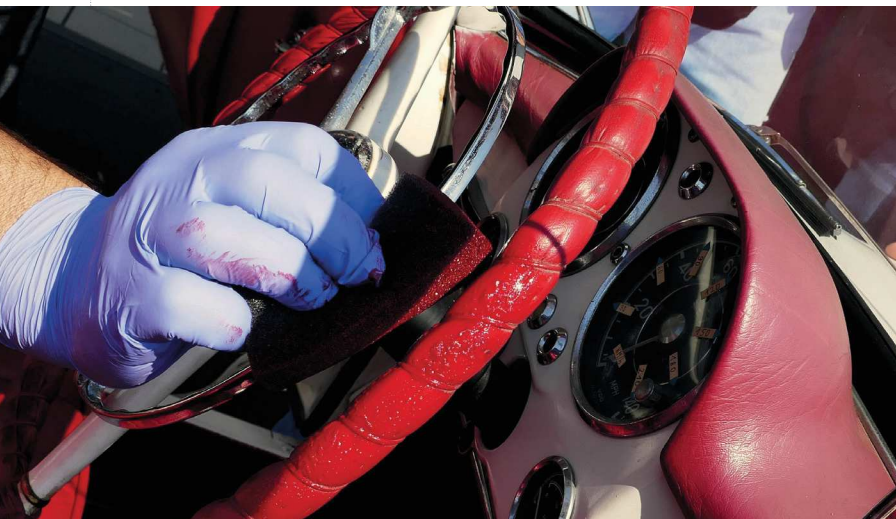
ILM: Is there still demand for leather repairs, or is it a dying trade?

JR: There is definitely still demand for leather repairs, but you have to differentiate between two different sectors of the market. When it comes to cheaper leathers, there is generally a lot less investment in maintenance and repair. Cheap shoes are no longer being taken to the cobblers and repaired, instead, they go straight in the bin if they break. Our business benefits, and continues to thrive, to a large degree from peoples' appreciation for luxury cars and interiors, and a big share of our clients is made up of the older generation which has never questioned the value of leather. Saddlers, car dealers, upholsterers and other service providers also still repair leather. I would say that suppliers of care products for shoes currently face bigger problems because young people just do not clean shoes anymore or buy leather shoes in the first place. Also, over the past decade or so, we have noticed a slow decrease in repairs of premium leather upholstery, which used to be a core part of our business. Again, this is because today's affluent people do not necessarily buy a leather sofa to the value of a small car anymore; it does not have the same status as in the past. That said, it is not all bad; we see a rising appreciation for vintage cars among consumers who are looking for a special leather patina and we are market leaders in the maintenance of patina leather in collector's cars.

ILM: What are the main changes in the industry that you have witnessed over the past few years?

JR: 20 years ago the leather sector was still thriving and most people saw leather as an aspirational, high-quality, durable product. We first noticed a change in attitudes following Peta's protests ■

against fur and fur farming, although at first these did not affect the leather sector very much. At the same time, we saw a marked drop in the price of leather goods; everything from leather shoes to leather furniture became more affordable, and in the end even leather interiors in cars had hit the mainstream. Leather was getting cheaper, and cheaper leathers were also of an inferior quality. Add to this frequent media reports about Chrome VI and “the poison we wear on our skin” or portrayals of terrible conditions in leather production units in Asia, and leather was increasingly talked and written about for the wrong reasons. The next wave of negative publicity was initiated by vegetarians and vegans. Now there is a dichotomy between older people who remain pro-leather, and the new, younger generations who do not see leather as desirable and valuable, but rather as unethical and alien. They do not aspire to owning a nice leather sofa or a genuine leather jacket. They do not care whether it is made from synthetics as long as it is cheap, attractive and on-trend. The consequences for the leather industry are obvious; demand for raw hides and leather products is down. Currently, this has not had a huge effect on our business - yet. But we too have to play our part, alongside the whole leather industry, to turn around the negative image of leather, so that it has a future.



■ Restoring patina on vintage cars remains a growth area for the business.

ILM: What, in your opinion, has caused this? Has the leather industry failed to react in time?

JR: I think greed was the main culprit, at first at least, rather than complacency. Tanners and manufacturers wanted to sell as much leather as possible, and with advanced technology, they were able to use the parts of hides that would have previously been discarded, which led to more leather on the market but a decline in both price and quality. Suddenly, instead of leather interiors being restricted to a Rolls-Royce or Ferrari, you could get them in a standard VW, too. This was exacerbated by the emergence of cheaper, synthetic materials.

I do not think it was so much about sticking the head in the sand, rather an unfortunate race to the bottom which has resulted in a new generation which no longer appreciates leather. I feel it is a case of Pandora's Box being opened; artificial materials and cheap leathers were introduced, and now we cannot go back to just producing high-quality, premium leathers, as there is too much polarisation and competition in the market. And leather has paid the price.

ILM: How can the negative image of leather be turned around?

JR: Everyone can do something. It is important that everyone gets involved. Currently, the leather industry is in a kind of nervous defence state; we are trying to fend off adversaries who are using their so-called love for animals as a mechanism to destabilise the leather industry with false information and stoke peoples'

prejudices and fears. We need to get out of this defensiveness; not every single attack against us needs to be proven wrong in great, technical detail or argued over. Of course, you have to have a constructive and neutral debate but, at the end of the day, it boils down to the fact that we need to inspire a new-found enthusiasm for leather among consumers. We need to find great idols and (role) models who wear leather with pride and effortlessly showcase the benefits of leather. We should be proud of leather and wear it, use it with our heads held high and communicate in that way.

We need to support overarching campaigns such as Leather Naturally, so that we regain control of the public argument. The time when we did not need marketing and leather spoke for itself is over. Those who work in the industry and earn their bread and butter from leather need to actively fly the flag for our industry. By now, even sceptics must have realised that remaining passive is not an option and will drive us further towards the cliff edge. This realisation is painful, especially for those who have spent their whole working life in the leather industry, but anger and hurt are not the right conditions to turn-around the image-crisis. Instead, we need courage, strength and financial support of those who know modern marketing and are able to implement it.

ILM: Where do you stand in the alternative 'leather' debate?

JR: Leather is durable, natural, flexible, adjustable, breathable and all-round a beautiful material. Alternative materials might be cheaper, but they are not adequate when you compare them within the parameters of quality and durability. Good leathers are always better than good fake 'leathers', and even bad leathers are better than bad fakes. In-house we have reviewed and handled most of these new alternative materials, from pineapple leaf through mushroom through apple to wine 'leather' and many other variants which claim to be like leather without containing any animal parts. They may be on-trend and hyped right now, but they either have significant drawbacks, which completely disqualify them as a viable alternative to genuine leather, or they are synthetics at the core and have only been coated with bio-waste products such as those from the apple juice industry to give them a natural effect and to make them more marketable.

While we need to take all competition seriously and cannot be complacent, the pro-leather arguments are so obvious. It is strange that some consumers prefer artificial leather that is labelled as 'vegan' over the real thing. At the same time, these very same consumers condemn plastic waste in the Himalayas and microplastics in the seas. You will not find micro leather particles in the Himalayas and fish do not die from ingesting leather.

ILM: Do you think the leather industry can recover from its current crisis?

JR: I do not know whether we have reached the lowest point in terms of leather's negative image yet. But it would be wrong to wait until the next generation goes one step further and refuses to wear or touch the skin of dead animals altogether. Then we will have really lost the battle. We need to act and react now, so that the reputation of leather can be saved.

Communication with the young generation is key, for sure. Almost all decision-makers in the leather industry are of an advanced age. They are not glued to their mobiles and they do not get their information from online social media outlets. But this is where the influencers of the next generation are hanging out, and this is where any form of marketing has to start. We do not need to preach to the converted via traditional news and media channels. We need to find ways to reach young people and connect where there has been a fundamental disconnect. Only then will we have a chance to change the narrative and effect a different mindset. ■