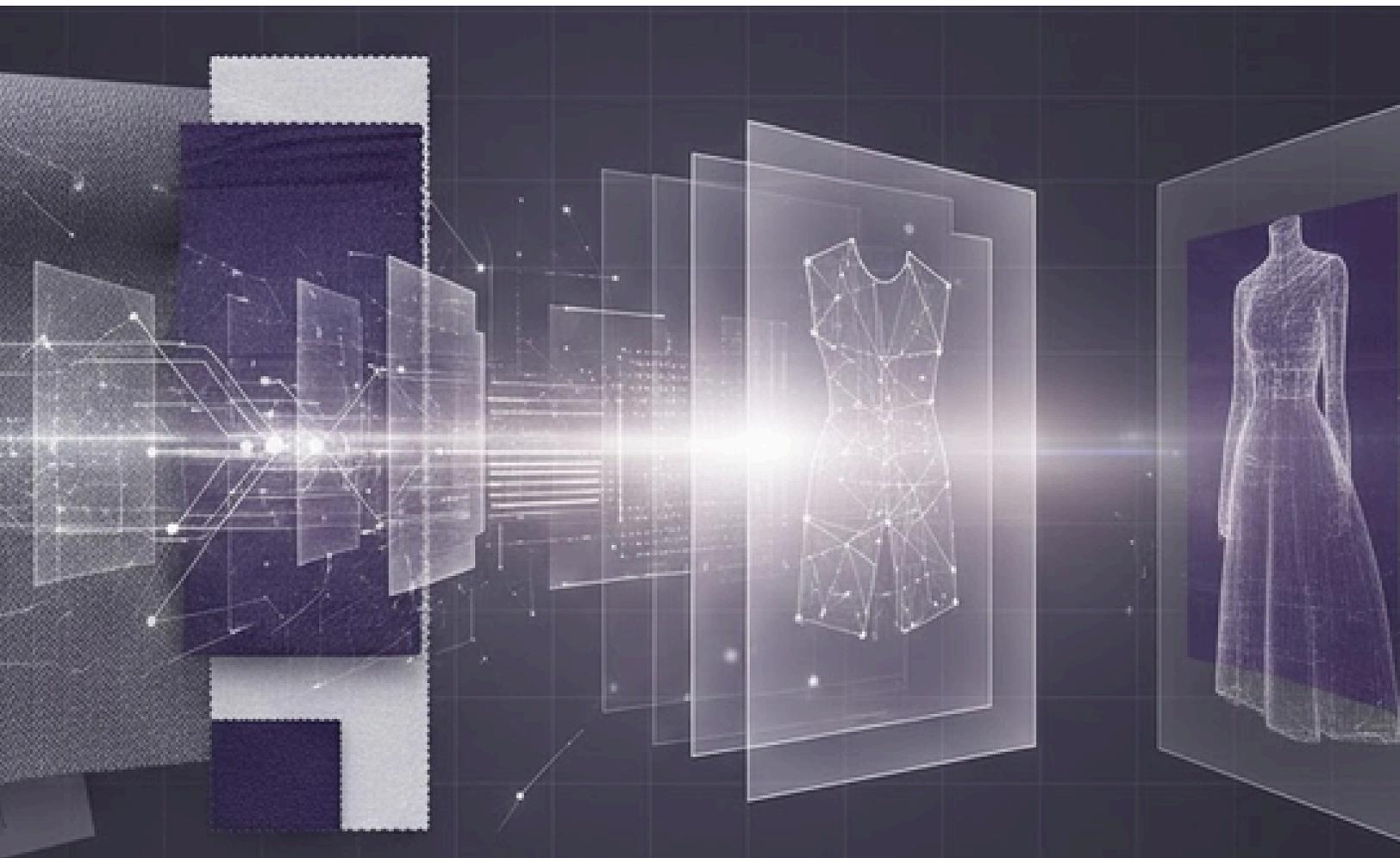




Rethinking Product Creation for Retail Success

A conversation with Paul Lennen and Liza Amlani on tackling overdevelopment, breaking silos, and driving retail success through process innovation.



Introduction

In a recent episode of The Sourcing Exchange, host Paul Lennen was joined by Liza Amlani, Principal of Retail Strategy Group and a two-time author, for an in-depth discussion on the state of the retail industry. Their conversation explored the critical challenges and opportunities facing brands today, from overdevelopment and operational silos to the future of product creation. Focusing on themes of sourcing, supply chain efficiency, and business transformation, Liza provided insights drawn from her extensive experience as a merchant and consultant, highlighting a path forward through process innovation and a renewed focus on materials.

Paul opened the conversation by introducing Liza, describing her as a passionate fashion professional with a multi-faceted career spanning roles as a merchant, author, consultant, and founder. Paul noted his fascination with the many hats Liza wears, suggesting this broad experience provides a unique umbrella view of the industry that is difficult to attain when immersed within a single brand.

Liza shared her background, identifying herself as the Principal of Retail Strategy Group and formerly a merchant for over two decades with significant experience in private label product development. She explained that her firm, Retail Strategy Group, partners with global brands and retailers to install materials-first operating models, accelerate speed to market, and sharpen product decisions across categories from apparel to luxury. The group also works with retail technology platforms to help them understand better practices.

Paul asked where Liza draws most of her fresh thinking and inspiration from—her research, client work, or other commitments. Liza responded that it is aligned with her observations from past industry roles, now enhanced by an outside point of view across the entire retail end-to-end process. She contrasted this with the typical experience of working within a specific function. In some of her previous roles, including her time as a head of buying, it wasn't necessary to have a deep understanding of sourcing or materials. Now, with a wider perspective, she can clearly see how decisions made at the merchant level ultimately impact outcomes on the factory floor.

NRF Recognition and Industry Voice

Liza mentioned her recent recognition for the second time as an NRF (National Retail Federation) Retail Top Voice. When Paul enquired about the credentials that led to the award, Liza explained that NRF evaluates global retail experts who are making a difference in the conversation around fashion retail and technology. She believed her specific focus on how retailers can find efficiencies in product creation was a key differentiator. She stated, “For me, that was my spotlight because nobody's really talking about it.”

Another factor she identified as a competitive edge was her background as a former merchant. “We don’t see that a lot in the expert space,” Liza remarked, adding that this experience allows her to relate directly to the challenges faced by many retailers.

The Core Challenges: Overdevelopment and Retail Silos

The conversation shifted to the primary challenges confronting the retail sector. Liza pointed to findings from a recent survey and report her group launched with Lectra, which found that overdevelopment was the number one challenge that retail executives highlighted. She clarified this referred to the overdevelopment of both materials and products.

Closely related was the second most common issue identified in the report: retail silos. Liza observed that retailers today often work in siloed functions, where teams are incentivised to focus only on their own goals and deadlines rather than the broader business objectives. Paul concurred, sharing an anecdote from 2022 when his firm explored bringing brands and suppliers closer together. The feedback from retailers was that they first needed to solve the challenge of getting their own internal teams—design, buying, product development, and planning—to work well together.

A Materials-First Approach to Product Creation

When Paul asked for potential solutions to overcome these silos, Liza introduced a core concept from her book, *The Material Life*, which focuses on product creation process innovation. The key, she suggested, is breaking down silos by elevating teams that are generally service providers into partners.

She elaborated on this by describing the typical concept-to-market calendar, where materials and sourcing teams are often in service to design and merchandising. The process usually flows from seasonal strategy to a design brief, a line plan, and then design sketches. Liza proposed an alternative model where materials and sourcing teams are elevated into a collaborative partnership with design. In this model, the process might begin with a materials brief instead of a design brief. This brief would detail new, innovative, foundational, and on-hand materials.

By starting with a materials-first standpoint, Liza argued, design and merchant teams begin to see product creation through a different lens. This collaboration significantly reduces excessive and unnecessary overdevelopments around materials because materials are in the room from the start. The central idea, she explained, is that how we create product matters more than what we're creating. Paul connected this concept to the term fabric-forward, noting the distinct difference between brands that adopt this approach and those that do not.

Leadership's Role in Driving Change

Paul observed that shifting an organisation towards a materials-first or fabric-first model is a significant undertaking that requires momentum and engagement, suggesting it nearly needs C-suite engagement to instigate the change.

Liza agreed, stating, "It has to be a leadership initiative." She explained that the costs associated with excessive overdevelopment early in the process are not typically tracked in a way that makes them visible to merchants. Because the vendor often absorbs these initial costs, there is little incentive to limit development. However, Liza pointed out that these costs do appear as chargebacks that are visible to the CFO and finance department, though they are not usually categorised as a product creation or overdevelopment line item.

The challenge, she continued, is that leadership is often not in the weeds of the concept-to-market process. To secure investment in process innovation, leaders must understand how these unnecessary developments create downstream consequences. As Liza detailed, they impact time to market, we impact cost of the garment or the product, we impact margins and of course we impact profitability. When the issue is framed in these terms, leadership becomes more engaged. It has to start with leadership and they have to look under the hood, she concluded.

NRF 2026: Takeaways on Returns and Circularity

The discussion turned to the recent NRF conference. Liza, who attended as a speaker and retail voice, shared her experience from a new part of the show called NRF Rev. This event, which focused on reverse logistics, sustainability, and circularity, featured a format of keynote sessions interspersed with round-table discussions. Liza led three of these discussions.

A key topic was that returns are not just an operations problem, that it truly was a product creation problem. She noted the presence of brands, retailers, non-profits, and solution providers in these discussions. Drawing on her role on the board of Goodwill, she connected the idea of circularity strategy to managing returns and even physical sampling waste. The goal, she explained, is to find ways to use everything being developed and returned by bringing it back into the full-price cycle.

Ultimately, Liza summarised the main takeaway: the real fix is how do we prevent returns in the first place? The answer, she believes, comes back to innovating the way products are created, whether through enabling textile-to-textile recycling or by reducing returns altogether by creating products closer to market.

The Complexity of Returns and Fit

Paul observed that he had heard from multiple retailers that fit was the number one reason for returns. Liza affirmed this but highlighted the complexity of the issue. Even if fit is the identified challenge, she said, we don't have enough details when we're getting the return from the customer to impact how we are updating the pattern, the fit or even the fabric.

The problems are multi-layered. Reason codes for returns may not be detailed or accurate enough. Distribution centre staff may not understand how to sort returned products effectively. Furthermore, Liza mentioned the growing issue of fraud in returns, where customers may not be returning the correct product.

To illustrate the need for specific feedback, she shared an example of a client whose bestselling men's trousers started seeing a high volume of returns. The company couldn't figure out why until the merchant team went to the sales floor and spoke directly to customers, who told them the pockets weren't deep enough. This level of specific, category-relevant detail is necessary, but Liza cautioned against having too many reason codes, which could overwhelm customers and staff.

Balancing Technology and Human Insight in Fit

Paul suggested that solving the returns data problem seems like a good opportunity for an AI startup. Liza agreed there is potential but emphasised the need to balance tech and touch. An AI solution could help identify optimal reason codes or validate them using images, but you still need that human touch to make sure that the technology understands what the current process is.

She then delved into how the traditional fit process itself contributes to the problem. During proto-review sessions, merchants and designers often use the same fit model season after season. That is our typical size 8, she explained. However, these professional fit models are often tall and do not represent the typical customer. We're looking at our customer and we're fitting that customer into a certain size of fit model, which is not reality, Liza stated.

Another area for improvement is what she termed fit intent. When building a line plan, teams are not always thinking about how a garment is intended to fit. This concept should inform the creation of size scales and size blocks. Liza pointed to the denim category as a leader in the fit intent space, given the variety of styles and fits. By bringing fit intent into the beginning of the product creation process, brands could build better fit blocks and invest in fit models that more accurately represent their actual customers.

Using Customer Insights to Innovate Upstream

Paul raised the topic of new technologies like body scanning, 3D design tools, and digital avatars that allow customers to see products on their own images. He questioned whether these tools are being applied at scale to change businesses remarkably.

Liza responded that she has not seen this happen yet, primarily because many of these solutions are designed for the customer to use to fit their body shape into sizes that have already been developed by the brand. The crucial step, she argued, is to take those insights and bring them back into the product creation process. Technology could be used to analyse this data, identifying the most common body shapes for a given size and informing adjustments to fit blocks. This would help brands create products that better match what customers are actually buying and keeping.

Factory-Floor Visibility and Material Integrity

The conversation highlighted the disconnect between decision-making and production reality. Liza noted that merchants, like designers, are involved in product development decisions but do not always visit the factory floor or see how materials are tested. When a merchant makes a late-stage change to a fabric, print, or colour—often for valid, customer-driven reasons—they may not realise the full consequences. Such changes affect material development timelines, vendor negotiations for capacity, and the ability to meet delivery deadlines.

Liza also pointed out that “while materials undergo rigorous testing, once it's constructed and on garment, I think there's a lot of shortcuts being taken.” This lack of cross-functional visibility and understanding reinforces the operational silos that hamper efficiency. Paul remarked on how Liza's examples touched on five or six different functions, underscoring the need for better orchestration across the business.

Comparing Footwear and Apparel Development

Paul brought up footwear as an industry that seems to place a heavy investment in materials, noting that product development teams often seek chemists and scientists. He asked why this level of scientific thinking is less common in apparel.

Liza identified two major differences. First, the development timeline for footwear is significantly longer, at 90 to 100 weeks compared to around 52 weeks for apparel. Second, footwear creation is a lot more complex than apparel. Components like the lasts—the forms on which shoes are constructed—represent a huge investment for brands. Getting the foundation of a footwear style right is critical due to the high expense.

Furthermore, the textile used in footwear, particularly the upper, often requires innovation to meet specific performance metrics, necessitating more testing. How innovative that material is, is directly related to the performance of that product, Liza explained. In contrast, the cost of creating apparel is much lower, which often leads to a higher number of SKUs and more products being developed. Consequently, apparel brands tend to face greater challenges with excess inventory and inventory management. This, she argued, is why tackling overdevelopment in apparel will directly have positive outcomes.

The Waste of Duplicate Development

Reiterating the theme of overdevelopment, Liza shared an anecdote from her time leading a materials workstream at a large brand in the USA. She described what she saw as mind-blowing—the amount of waste generated from designing and developing materials that already existed in the company's materials library. This wasted time, she stressed, directly impacts time-to-market and product cost.

Paul reinforced this point from his own perspective, noting that materials account for approximately 60% of product cost, are the primary source of carbon emissions in the industry, and are the key to unlocking speed through pre-positioning. Despite this, he observed, materials are often the stone last turned. Liza agreed, calling it an underrated trigger to improve your supply chain process.

Multi-Track Calendars and Assortment Planning

As a final key unlock, Liza discussed innovating the assortment planning process by implementing multi-track calendars. She questioned the logic of a linear calendar where all products are created in the same way. Not all product is equal, she stated, so why should it be created in the same way?

She proposed organising the assortment into different lanes, each with its own creation timeline. For example, a seasonless track could be created entirely digitally using digital materials. Her book, she mentioned, includes guidance on how to create a digital material library with a smaller investment than many might think. Other tracks could include a fashion or seasonal track and a fast track for reactive, closer-to-market capsules. Planning the assortment with these different tracks allows for greater flexibility and efficiency.

Conclusion

Focusing on materials may require new habits and deeper collaboration, but the payoff is undeniable: faster decisions, cleaner assortments, and smarter use of resources.

Liza encourages leaders to look beneath the surface of their organisations—review creation calendars, examine how teams collaborate, and identify where silos slow progress. True transformation begins with this internal audit. By rethinking how products are created, not just what is created, brands can unlock lasting impact across efficiency, sustainability, and profit.