

# TURKISH BRANDS

Every  
country  
is as rich  
as its  
brands.

# TM

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Vitali and Albert Hakko  
together in the grounds  
of Vakko's Merter site

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# "Fashion is Vakko"

## The Brand in Brief

The Vakko company, which began as a hat producer, was established by the brothers Vitali and Albert Hakko in 1938, with the aim of contributing to modernized clothing for Turkish women after the establishment of the new Turkish Republic in 1923. The brand name Vakko was coined by taking the "V" of Vitali and "A" of Albert and combining these two letters with the family surname.

Vitali Hakko, born in 1913, was 25 years old when Vakko was founded, and his brother was just 17. Vitali began his working life at the age of 16, at a fabric merchant's shop called Spiros in Mahmutpaşa, a famous shopping street in İstanbul. His job was to stand in the street and convince passers-by to enter the shop. Vitali never underestimated the importance of his job: he took his responsibilities very seriously and tried to fulfill them as best he could, believing that "business is business." His diligence, creativity and commitment to work shortly opened up new opportunities, and he subsequently began working at Kupidis, a shop in İstanbul whose owners had decided to produce ladies' hats. Vitali quickly learned the workings of the hat business, and decided to open his own hat shop after the completion of his military service. His entrepreneurship and yearning for new business projects was endless. He forecast new market developments well in advance, and made good use of the new opportunities that this gave him. After working in the hat business, Vitali moved into the scarf business. He insisted on printing the Vakko brand name on all scarves produced for the shop by subcontractors, as he had every confidence in his brand and believed in protecting its integrity. Shortly afterwards, however, he realized that the only way to maintain the brand's integrity was by controlling the production process and the product itself. At that time, branding was not used as a separate concept in Turkey. However, the young Vitali began by introducing quality standards for his scarves.

When this was not enough, he began attaching a metal seal to all Vakko scarves, and communicated the meaning of the seal to his customers through advertising. Interestingly, Vitali Hakko realized step by step what modern marketing books tell us today about brand building, merely by listening to his instincts and using his common sense. He opened Vakko's Beyoğlu branch in 1962, despite many attempts to dissuade him from this novel idea. The branch became Turkey's first multi-storey department store. Hakko, whose inner desires were still not satisfied, then moved his production site to Kurtuluş, İstanbul and later expanded his business to Merter. His aim was to democratize fashion by taking it to the masses, rather than limiting it to only a few who could afford it. Hakko saw fashion as synonymous with lifestyle, and moved beyond apparel to create a wide range of products from chocolate to perfume and home decorations as a means of establishing the Vakko style. In 2007 the Hakko family, led by second-generation CEO Cem Hakko, aims to create new sub-brands and sub-identities to move the Vakko brand into new territories, while still protecting its original name. As a result of these efforts, Vakko is acquiring new energy, has a trendy image and is creating word-of-mouth among a younger target audience. The Vakko company, born in 1938, continues to build its brand by both holding on to its heritage and developing a modern, fashionable image, through the incorporation of its inherited brand values into new projects and product lines, and by increasing the dynamism within the corporation.

## The Beginnings of the Vakko Brand

The young Vitali lived in Yedikule, İstanbul with his parents, older sister and younger brother, and started school at the French Catholic School in Kumkapı. His father worked for the French Compagnie du Chemin de Fer railroad company (in the Ottoman Empire, before the time of the Turkish Republic, the railroads were controlled by French companies). Following the declaration of the Turkish Republic in 1923, the management of the railroads was completely taken over by the Turkish State Railways, and the employment of non-Muslims in this new company was prohibited by law. Shortly afterwards, Vitali's father lost his job and moved to Ankara, and Vitali was forced to take on new responsibilities. He began working to make ends meet for the family, enabling his younger brother Albert to continue his education. At the age of 16, Vitali began working at a fabric merchant's shop called Spiros. Vitali recalls those days in his memoirs as follows:

Of course, I wasn't paid to just stand in front of the shop and bring in customers. I had to come in early, open the shutters and hang different types of fabric on a line. Then, every evening I would collect these fabrics and pile them up. Business was business. I always believed this. That, and that there was no distinction between small jobs and big ones. I still believe this. Within a very short period of time, I had started to enjoy my job. I was not just arranging the fabrics arbitrarily; I was putting them next to each other so that their colors and patterns went well together. My boss did not ask me to do it, mainly because the idea of such a harmony of color and pattern—in other words, the concept of coordinates—did not exist for him. To be honest, I was not aware of it either. I did not learn it from anybody. I just thought that was the way it had to be.... But the customers were paying attention to it. Even if they came to buy only one type of fabric, they were leaving the shop with two or three. I was learning the fabric business as well as the art of salesmanship.

(Vitali Hakko, *Hayatım Vakko, Orkide Matbaası, 1997, pp. 46-7*)

Then Vitali took a job as a salesman at Kupidis, a shop in the Grand Bazaar in İstanbul. He began arranging displays for the shop. He became so successful at this that other shopkeepers asked Vitali to do their displays as well. At that time, Mustafa Kemal Atatürk, the founder of the Turkish Republic, had brought in new reforms for Turkish men's and women's dress codes, and the modernization of Turkish women's dress had begun. The Kupidis shop, recognizing a growing demand, opened a new hat section and placed Vitali Hakko in charge of it. Hat sales quickly reached a volume that pleased the owners of Kupidis.

## The Creation of Şen Şapka: A Symbol of the Modern Turkish Woman

Vitali Hakko was called for military service three times. Upon his return he planned to open up his own shop, but he had no capital. He went into partnership with his brother-in-law Rafael Elhadeh, and contributed his sister Bella Hakko's dowry as their start-up capital. The two partners worked day and night at a shop rented in Sultanhamam, selling during the day what they were producing at night. Their company, Şen Şapka, made hats fashionable in Turkey in 1933 and popularized the wearing of hats among Turkish women. Vitali dreamed of becoming part of a new modern Turkey, supporting and contributing to the country's efforts towards westernization. His dream was shortly to become a reality.

## Şen Şapka and Brand Identity

In choosing the Şen Şapka brand name, Vitali Hakko was actually reflecting his own life philosophy. Hakko believed that people should be cheerful and have a positive outlook. In keeping with this optimism, Şen Şapka ("Happy Hats") aimed to bring color, elegance, beauty and a little novelty to everyday life. Having suffered, endured and sacrificed so much for so long during the wars, Turkish women deserved to be able to dress well and be graceful and chic.



The Şen  
Şapka  
logo  
(1937)

Şen Şapka very quickly became a household name in all Turkish cities, both large and small. Its products were distributed throughout Anatolia via fabric shops. The styles were completely original—while they could not be described exactly as a hat, they were not a turban either. As well as covering women's hair, they added color to their dress. Vitali Hakko recalls in his memoirs that sales of Şen Şapka hats spread to the four corners of Anatolia, and although it was wartime, he remembers being surprised when he saw many women wearing Şen Şapka hats at Konya train station in Central Anatolia during his travels.

## Şen Şapka Partners with Faal Advertising Agency

Vitali Hakko did not stop with founding Şen Şapka. One day he met with Eli Acıman, the brother of Vitali's close friend Moiz Acıman. At that time, Eli had just returned from his military service and was looking for a new job. Vitali Hakko, for his part, believed that he needed to advertise, and was looking for ways to do this. In the end, Eli Acıman and Vitali Hakko joined with Mario Begiyan, a close friend of Acıman's, and formed Faal ("Active") Agency. They transformed a warehouse next to Şen Şapka in Selvili cul-de-sac into an office. Faal Agency's first client was Şen Şapka. Shortly afterwards, Vitali Hakko ended his partnership with the agency, but Vakko continued as a client of Eli Acıman's for many years until the mid-1970s, working first with Faal Agency, then with Yeni Agency, and subsequently with Manajans. As a result, Vakko is known as one of the first advertisers in the Turkish advertising industry. Even in those days, Vakko's advertisements spoke of quality, frequently-changing new models and customer satisfaction.



## The First Şen Şapka Advertisements

For **Eli Acıman**, Vitali Hakko always has a special place as his first client and Şen Şapka has a unique significance. In his biography, Acıman explains how he got his first Şen Şapka order and how he prepared his campaign:

I was astonished when I came out into the street. I had obtained an "order" but I did not know where to start. My Turkish was limited. Then I remembered my classmate Abdi Birol from St. Joseph's. I went to him directly, asking for his help. Then I wrote a text in French, which Abdi translated into Turkish. The real adventure started after that. I asked around and learned that first of all my copy needed to be transformed into wooden printing plates. I went to Babiali (İstanbul's Fleet Street) and was told to see the master of plates, Artin Boyacıyan at Paker Plate-House. Boyacıyan looked at me and saw a young lad who was talking about plates without having the faintest idea what a plate was. He said,

- There's an artist further down the street. Give him my regards and he will help you.

The artist's only tool was a pair of scissors. He was cutting out various letters and visuals from foreign magazines and making a layout. In five or ten minutes he had cut and pasted the layout before my eyes and handed it to me.

Years later, I have come to realize that he was my first art director! Afterwards, I went back to Boyacıyan, who prepared five palm-sized wooden plates. I requested an appointment with Vitali Hakko and went to see him the next day. I said,

- Here is your campaign!

As the plates were in reverse, it was impossible to understand what the campaign was about. Vitali Hakko took the plates from me and looked at them. Then he said,

- Very good! How much do I owe you?

I couldn't believe it. I don't know how, but without hesitation I said,

- I'll take 10%.

Then Vitali took a big key from his drawer, opened up his safe and took three fifty-lira notes which he put on the table saying,

- I had allocated a 1,500-lira budget for this campaign. This 150 lira is yours.▶

(Nil Baransel, *Eli Acıman*, Doğan Kitapçılık, 2003, pp. 25-6)



Eli Acıman with the Şen Şapka advertisement (Eli Acıman, p. 206). The advertisement earned Eli Acıman and Vitali Hakko the Special Prize at the first Kırmızı Press Advertising Awards for 2002-3, organized by Hürriyet newspaper.

This first important step for the Turkish advertising sector received special recognition at the first Kırmızı Press Advertising Awards for 2002-3 organized by Hürriyet newspaper, at which Vitali Hakko and Eli Acıman were awarded the Special Prize.

Vitali Hakko did not stop there. He imported caps made from rabbit fur and snakeskin handbags for ladies, both of which were a huge novelty for the Turkish consumers of the day. He advertised these products and achieved great sales success.

## The Birth of Vakko

One day in 1938, when Şen Şapka was in operation, an importer called Boncukçuyan brought a chest full of scarves to Vitali Hakko. The company distributed the scarves to shops in Anatolia and the stock was exhausted within a week. This experience told the Hakko family that the era of hats had come to an end and that there was going to be a great demand for scarves. In other words, distributing the scarves was a form of test marketing which highlighted the new market's potential. Years later, Vitali Hakko emphasized in his biography how consumer desires and his own instincts have played a major role in all his business decisions.

The family opened a new shop in Yeniciami and began selling scarves, handbags and belts. Just as Şen Şapka had quickly become a household name for hats, people soon began to associate the Vakko name with scarves. Vakko branded goods were again distributed in Anatolia through fabric shops.



Advertisements created by Faal Agency for rabbit fur caps and snakeskin handbags, which appeared in Cumhuriyet on November 8, 1944 and December 4, 1946 [Manajans/JWT archives]



Vakko

7



"Vakko Scarves are at Select Fabric Shops" (Faal Agency, in Cumhuriyet, July 17, 1947) [Manajans/JWT archives]

## The Importance of Brand Building from Day One

Although the concept of branding did not exist at the time, the Hakko family was very careful to incorporate the Vakko brand name in every scarf they produced. They put together a new collection of printed scarves with thirty different designs. Sales were modest, but Lion, a shop in Pera, gave a conditional order for five dozen scarves of each design, on the condition that the Vakko name did not appear on the scarves. Although Lion was an important shop, the family refused to forgo the Vakko brand. Then Vitali Hakko, who had always believed in the power of advertising, discovered that the owner of Lion, Max Helpern, was a loyal reader of the Journal d'Orient newspaper. Not long after, a series of Vakko advertisements began appearing in the paper...

A Şen Şapka advertisement in a 1942 edition of the Journal d'Orient (Faal Agency)



The advertisements worked and Lion agreed to sell Vakko-branded scarves. This was an important step for Turkish advertising and Turkish brands. Vakko scarves were produced by different subcontractors until the end of the Second World War.

## "Brand Integrity"

Vitali Hakko remained uneasy: he could not guarantee the quality of his scarves, which were produced on different sites and dyed in various workshops. How could he maintain consumer trust if silk tore apart or its colors faded or ran, or if the scarves shrank or sagged?

From the Journal d'Orient, December 11, 1950 [Manajans/JWT archives]

Hakko wanted first to be totally sure about his products, and then to give his guarantee of product quality to his customers. Vitali Hakko called this "brand integrity." There was only one way to achieve brand integrity: taking control of the entire production process.

The company built a new silk printing house on a piece of recently-acquired land in Kurtuluş, and opened it in February 1948 (Hayatım Vakko, p. 108). Before that time, silk was first exported from Bursa to France as a raw material and then, after processing, it was imported back to Turkey. Vakko, however, began processing Bursa silk and Anatolian cotton in its own factory and started selling finished goods. There were serious shortages of qualified personnel, as well difficulties in getting dye and chemicals and obtaining foreign currency, but sales were quite satisfactory. The entire Hakko family invested themselves in the company with first-day enthusiasm. Their overriding aim was to do better and better. Today, Cem Hakko describes this attitude by saying,

“In business, my father Mr. Vitali would always say, ‘Turkey comes first.’ I have grown up with that advice.”

Vitali and Albert Hakko giving a detailed presentation of their fabrics to buyers (Vakko 50. Yıl Kitabı)



The time had come to inform consumers that Vakko's scarves had quality standards and colors that did not run, through advertising.

Vakko did one further thing to protect its brand name: the company printed the Vakko name on every scarf, and also attached a metal Vakko seal. Again, this development was announced to consumers through advertising.



Advertisement for Vakko's permanent dye and product quality (Faal Agency, in Cumhuriyet, June 18, 1947) (Manajans/JWT archives)



Advertisement for Vakko's metal seal (Faal Agency, in Cumhuriyet, July 24, 1949) (Manajans/JWT archives)

## Creating Original Patterns

Having set up its own production process, Vakko was ready for the next major step. The company began by purchasing new patterns from abroad. They then moved on to producing their own designs, inspired by the patterns of the fabrics and kaftans of the Ottoman Empire which they brought up to date with a modern look. The company began using original patterns created by international and Turkish designers, thus continuing to add value to the Vakko brand. As Vitali Hakko stresses in his memoirs, if a brand is to be continuously successful, it should be creative at all times. For instance, in order to popularize the wearing of scarves, Vakko ran an advertisement which showed different ways of tying a scarf. (Years later, in the 1990s, this creative idea was turned into a TV advertisement which aired on various local TV channels across Anatolia.) Similarly, a linen-like new fabric called Freskofil was produced from Akala cotton, and the company ran advertisements saying that this fabric could be used for women's beachwear and men's summer shirts. In other words, Vakko's creativity knew no bounds, whether the company was showing innovative new ways to use existing products, or presenting new products to the market.

**Vakko**  
BAHAR YENİLİĞİ

koteni andıran... keten kadar sağlam...

**Freskofil**

Yeni "FRESKOFİL", Vakko konseptleri, uzmanlarca hazırlanmış... ve erkekler için de uygun özelliklere sahiptir. Hassas dokusu, FRESKOFİL'in diğer dokularından farklıdır. FRESKOFİL'in dokusu, keten ve gıyâ kıyafetleri ile ne kadar sağlam ve zarif elbiselerin kavuştuğundan dolayı, erkekler için de uygundur. FRESKOFİL'in dokusu, keten dokusuna benzerdir. FRESKOFİL'in dokusu, keten dokusuna benzerdir. FRESKOFİL'in dokusu, keten dokusuna benzerdir.

29 DESEN  
HER  
DİZİNDEN 12 CAZİP RENK

**Freskofil**

İÇERİ GELEN KUMAŞ MAĞAZALARINDA SATILIR

Memleketimizde yetişen ve dünya piyasalarında bile edilmiş olan meşhur AKALA pamuğu... tıra ve modern VAKKO fabrikasyon... son derece kaliteli, sağlam, rahat ve en güzel desenler... İyice Freskofil'i Freskofil'ın yeni başına keşfetmeye.

Vakko shows its creative side to consumers (Faal Agency, in Cumhuriyet, April 20, 1957) [Manajans/JWT archives]

Türkiyede 2.000.000 kadın

**Vakko**

eserlerine hayrandır

Türkiyede satışta çıkardığımız gün... Vakko, VAKKO eşarfları zarif desenleri ve solmaz renkleriyle, kadınlarımız arasında öyle bir rağbet görmüştür ki, bugün memleketimizin her tarafında esaretilen VAKKO ismini aramak bir adet haline gelmiştir. Hakiki VAKKO eşarflarında, kenarlarındaki madeni mührlerden başka, eşarfların desenleri arasında ayrıca başlı olarak VAKKO imzası bulunmaktadır.

Vakko advertises its market leadership (Faal Agency, in Cumhuriyet, November 16, 1953) [Manajans/JWT archives]

At that time, Vakko did not talk about market share. However, if we look back at Vakko's brand communication today, we can see that the company was continually building up consumer trust with simple, clear messages. For instance, as early as the 1940s and 1950s, Vakko was releasing advertisements stating that the company's total scarf sales had reached two million, and that four out of every five women owned a Vakko scarf.

## Vakko's First Fashion Show

Vakko held its first fashion show in 1955 in İstanbul. There were no experts in the field in Turkey in those days, and Vakko was helped by Turkish artists such as cartoonists and writers. In the years that followed, Vakko used expert national and international help for each of its annual fashion shows, in line with the company's belief that:



A photograph from one of Vakko's fashion shows in the 1970s

"if there is going to be fashion in a country, it should also be presented properly." The annual events were not only shows, but also a form of education. Therefore, in the 1970s Vakko collaborated with well-known Parisian fashion designers such as Chloé, Bernard Perris, Fouks and Cerruti.

## 1962: Turkey's First Multi-Storey Department Store Opens

Another turning point for Vakko came in 1962, when Vakko opened Turkey's first multi-storey department store in Pera, İstanbul. Vitali Hakko had been toying with the idea of a multi-storey department store, which was unheard of in Turkey at that time. He realized his dream within a short period of time, after overcoming numerous hurdles and disregarding all arguments against the idea. At the same time, Vakko held Turkey's first real end-of-season sale. Before this, sales were mostly used to sell factory seconds or out-of-fashion items. Vakko's innovation was to sell unsold, first-quality garments from the current season. Through Vakko's Beyoğlu store, customers became acquainted for the first time with things such as the regular end-of-season sale, the idea of returning unused items if they were not happy with their purchase afterwards, and fixed, non-negotiable pricing.

Vakko was closely watching changes taking place in Turkey. Observing that more women were joining the workforce, the company moved into the ready-made clothing business, emphasizing that ready-made garments could also be fashionable. Later on, Vakko's observations led the company into the menswear market.

## "Respect for the Customer"

Vitali Hakko constantly stresses the importance of customer relationships, adding that respect for customers has always been a core Vakko brand value. And he continues,

- Let me summarize it in four words: 'respect for the customer.' I always believe that the customer deserves the best and the most beautiful. I must show respect to the customer, so that I am also being respected. Mutual respect, mutual trust. ▶

(Hayatım Vakko, p. 60)

Vitali Hakko defines what he calls the "human factor" as follows:

- I have always felt very happy dealing with customers. ...Even today, whenever I visit one of our shops (as I do regularly), I closely watch our customers, trying to observe and understand their reactions and interests and what they like. Most of the time I cannot help talking to them and acting like a salesman. I make a note of their comments and criticisms and think about them. ▶

(Hayatım Vakko, p. 79)

Even today in Vakko jargon, customers are referred to as "friends." Today, all sales personnel carefully follow this basic Vakko principle, and so customers are welcomed in shops with a genuine interest and closeness, as friends.

## 1968: Vakko's Merter Factory Opens

When the factory in Kurtuluş became too small for the company's operations, the Hakko family began looking for a new site. Finally, despite various bureaucratic delays, they purchased a plot of 40,000 square meters at Merter, and built a 20,000-square-meter factory on it. At the time, the factory was one of its kind: until then, it was uncommon to see the entire production process take place in one integrated plant. **Project planning was undertaken by Textile Administration in Zurich, Switzerland, and the textile plant that was built set an example to the world.**

## The Own Brand Comes First

Vakko continued brand communication on a regular basis. By now the company was working with Manajans advertising agency. Vakko announced the year's fashion on one hand, and on the other stated that "Vakko is the current fashion in textiles and in ready-made garments."

Over the years, Vakko established itself as a well-known Turkish brand. After this, the company used the power of its established name to begin distributing international brands. In other words, Vakko chose the more difficult path of creating its own brand first. **Then, with the value created in Turkey, Vakko was in an advantageous position to establish relations with distributors.**

The second Vakko shop opened in Ankara in 1973, and a shop in İzmir began operating in 1979. At September 2006, Vakko had a total of 148 sales points spread throughout Turkey. Today, the Vakko brand name is present in Turkey in cities such as İstanbul, Ankara, İzmir, İzmit, Adana, Bursa, Konya, Mersin, Antalya, Diyarbakır and Trabzon, and also in other countries such as Germany and the United Arab Emirates.

## The Vakko Brand and Maya Agency

According to Bülent Korman, who has worked with the Vakko brand since 1977 in different roles, since the mid-1970s Vakko has worked with Ferit Edgü and Ege Ernar (who formed Maya Agency after leaving Manajans), and then with Ferit Edgü at DATA Agency. **Both Eli Acıman and Ferit Edgü have contributed a great deal to Vakko branding; the slogan "Fashion is Vakko," which for many years has been used more like an extension of the Vakko brand name, belongs to Ferit Edgü.** Edgü continues to support the Vakko brand in many different areas such as in fashion shows, art galleries, and in choosing the new logo, wherever he is needed. Vitali Hakko has an incredible gift for finding the right people for the right job and gives them full responsibility. When he discovers that he has found the right person, he never lets them go. For instance, one day Vitali met Necla Seyhun, a journalist who was doing an interview with him. He realized that she was quite knowledgeable about textiles, and persuaded her to join Vakko. Seyhun subsequently became a leading designer at Vakko and worked with the company for many years. Bülent Korman adds that people who work for Vakko become more or less "like a member of the family," and contribute according to their areas of expertise.

## Vakko and Era Advertising Agency

**Bülent Korman** established his own boutique advertising agency, Era, in 1977. At that time, Eli Acıman and Ferit Edgü recommended Korman to Vitali, and the company handed over responsibility for the Vakko brand to Korman. Although his professional relationship with the company has evolved over the last 29 years, at 2006 Korman was still fulfilling his responsibilities as brand communication advisor. During his time with the company, Korman has become like a family member, looking after the Vakko brand and its advertising.



Bülent Korman with Vitali Hakko

Vakko is actually a master of printed fabric,»

says **Bülent Korman**, adding,

Vakko's most important characteristic is its ability to follow current trends, and to feel future trends long before they arrive. Vakko made the transition to ready-made garments in Turkey in the 1970s, well in advance. After starting out with scarves, ties and shirts, the company moved on to dominate the entire fashion business. Actually, Vakko moved beyond apparel to create a new way of living, delivering the message that the way one dresses reflects one's lifestyle. This is how Vakko became a fashion leader. The way the Vakko brand developed over the years is a reflection of the development of modern Turkey.»

Era continued to use the slogan "Fashion is Vakko," and endeavored to make the brand a "symbol of prestige" for a wide group of consumers through the use of television, which was establishing itself as a new medium in Turkey at that time. In the 1980s, Vakko's main aim was to bring fashion to the masses. **As a result, the company moved into different market sectors long before the competition, expanding into areas such as perfume, chocolate and interior design.**



"A Vakko Scarf" (Era Agency)



Press advertisement for Father's Day (Era Agency)



Press advertisement for Mother's Day (Era Agency)

"A Vakko scarf.  
This year scarves  
are in fashion.  
Fashion is Vakko."



Images  
from the  
Vakko  
commercial  
which won  
the 1985  
Best TV  
Advertisement  
Award from  
TRT  
(Era Agency)

Era's commercial for Vakko scarves received the 1985 Best TV Advertisement Award from TRT. Scarves flow gracefully across the screen as a voice-over says,

"A Vakko scarf. This year scarves are in fashion. Fashion is Vakko."



## The Positioning of the Vakko Brand

Vakko aims to create a brand which is high quality, which reflects current fashion trends, and which can compete with the best European brands. The key to success in the ready-made clothing business is not to produce a large number of garments with similar design, but instead to create a modern, stylish collection. In other words, the aim is to spread "haute couture" fashion and bring it to a larger audience. Vakko adopts this positioning for its brand without compromise. And in the end, it is the Vakko brand that triumphs. Continuous and lasting communication also win Vakko a clear place in the mind of the consumer. In later years, Vakko was not adversely affected or threatened by the arrival of international brands in Turkey, and felt no need to reposition itself. Bülent Korman created the slogan "Every country has brands to be proud of" at this time. The slogan is still widely used today. Cem Hakko described Vakko's positioning in relation to foreign brands at a press conference conducted on September 20, 2006 as follows:

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- Foreign brands are not just the products that we sell in our stores: they are our competitors. Because we are, first and foremost, a fashion designer. This is the most basic understanding that sets us apart as a fashion brand from other department stores. ▶
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## The "Anatolian Sun" and Atatürk's 100th Birthday Celebrations

UNESCO declared 1981 to be Atatürk Year, in honor of Atatürk's 100th birthday. The centenary was therefore going to be celebrated both nationally and internationally, and the Celebration Committee asked Vakko to organize a show. Vakko's art advisor Ferit Edgü, inspired by Mustafa Kemal Atatürk's words "We are the natural inheritance of all civilizations that lived on this land," wrote the script for the show, which he called "Anatolian Sun."



Examples of costumes created for the "Anatolian Sun" show

©Nükhet Vardar

Die Schönen der Ballnacht lassen sich im kommenden Fasching von Suleika inspirieren. »Türkisch« wird groß geschrieben

# Märchenmode aus Istanbul

Mitten im Winter, auch noch spät am Abend, ging in Wien die Sonne von Anatolien auf. In einer Super-Modenschau, garniert mit einer Multimedia-Show, zeigte die Türkei ihre dekorativsten Modelle. Danach zog die Truppe von 16 internationalen Mannequins weiter nach Paris und von da in alle europäischen Metropolen. Das Besondere an dieser Mode: eine glückliche Kombi-

nation von historischen Vorbildern mit den neuesten Modetrends aus Paris und Rom. Osmanische, byzantinische Einflüsse zeichnen ihre Blütenranken und geometrischen Motive auf lange und kurze Tuniken, weite Umhänge und Flatterkleider. Die werden über den seit 5000 Jahren immer wieder aktuellen weiten Bundhosen, Marke Scheherezade, getragen. Dazu großer Schmuck aus Messingplättchen für Kopf, Arme, Stirn und als Ohrgehänge. Die Kleider sind aus reiner Seide oder Baumwolle, handbemalt und bestickt und — immer Einzelmodelle. (In Wien bekommt man sie bei Vakkko.) Wir zeigen heute einige der originellsten — als Anregung für Sie, für Ihren ganz persönlichen Fasching. Vielleicht passen einige Modelle zu Ihrem Typ und inspirieren Sie ein wenig. Egal, ob Sie meinen, daß diese Kleider besser zum Opernball passen oder zum Gschnas.

H. Goppingerberger



Links: Schalvar — so heißen diese weiten Bundhosen im Suleika-Look. Sie sind die Basis für orientalische Kleider. Darüber ein Kaffan aus hauchdünner Seide. Die Ärmel sind mit Gold- und Silberleder bestickt. Oben: Nach alten byzantinischen Vorbildern wurde dieser Kopfschmuck aus Messing gefertigt. Dazu weite Umhänge, die nichts von der Figur sehen lassen. Unsere Models trugen darunter weiße und rote Tuniken, supermini, mit Plättchen in Gold und Silber bestickt (Foto rechts). Das Material ist reine Seide oder feine Baumwolle. Paris zeigt heuer solche Mini-Balkkleider

Oben: Tunika-Kleid mit Schleppe und Seilenschlitz bis zu den Hüften. Bunte Stickerei, osmanische Ornamente. Links: Der Umhang ist handbemalt und bestickt

The "Anatolian Sun" show received extensive coverage in the foreign press (Vakkko Kurumsal Kimlik Kitabi, 2006, p. 11)

Following the script, Necla Seyhun designed and presented costumes with seven different themes, each symbolizing one of the Hittite, Greek, Roman, Byzantine, Seljuk, Ottoman and modern Turkish periods. Bernard Trux and Norbert Schmidt worked on music and staging. This fashion and arts show was performed in İstanbul, Ankara and İzmir, and was also repeated in Rome, Vienna, Brussels, Paris and London. The show was the fulfillment of the dream of the young Vitali Hakko, who always wanted to contribute to modern Turkey and represent his country both nationally and internationally. The 1980s were a time of economic and political unrest in Turkey. At precisely this time, the "Anatolian Sun" rose over the country and lightened the atmosphere.

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## An Entire Family Together

The Vakko brand, which had been created and nurtured by Freda, Vitali and Albert Hakko along with Bella and Rafael Elhadef, became even stronger as the second generation joined the company. For example, Bela and Rafael Elhadef's son Alberto worked hard to develop Vakko's Beyoğlu store. Cem Hakko, the son of Ketty and Vitali, created Vakkorama in 1982 and Power FM in 1992, and expanded both businesses. Cem Hakko also headed the company's Executive Committee between 1998 and 2006, and has been Board Chairman of Vakko Holding PLC since 2006. Similarly, Vivet and Albert Hakko's son Jeff Hakko is Deputy Chairman of the Board. Ketty and Vitali Hakko's daughter Sima Lodrig is working actively in Vakko's decoration and gifts department.

## Cem Hakko and the Birth of Vakkorama: Realizing What One Believes In

Cem Hakko began working at Vakko in 1982 and became President of the company's Executive Committee in 1998, after the company was listed on the İstanbul Stock Exchange. He is currently Chairman of the company's Board of Directors. [Hakko](#) explains how he joined the management of the company as follows:

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- I had just completed my university degree and returned to Turkey. Mr. Vitali wanted to employ me but at the same time he did not want to put the Vakko brand name at risk. Therefore I think he made a wise move in giving me total responsibility for the new Vakkorama project. If Vakkorama had not succeeded, our loss would not have been irrevocable. On the other hand, if we were successful he would have first-hand evidence of my understanding of business and how I conduct it. Alongside my work at Vakkorama, I had to learn the production process at Vakko. In my early years, I worked in different departments such as printing, ready-made garments and accounting. ▶
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**This was the beginning of Vakkorama. From the outset, Cem Hakko had been thinking of creating an environment in which young people could meet and share their ideas about fashion, sports and the arts.** He went one step further in wanting to address people who saw art and sport as part of their lifestyle. From this grew the idea of Vakkorama Gym. Every Wednesday between 4 p.m. and 8 p.m., sales stopped and a guest speaker would talk about a topic related to culture or the arts, or there would be a performance. Vakko was building a living brand by creating a place where youth met and spent time together. The birth of Vakkorama marked an important step for Vakko. It meant that Vakko could reach out to a younger generation, and its product life cycle expanded.



## Vakko's First Fifty Years

Vakko's first logo was created in 1938. Later on, at the time of the opening of Vakko's Beyoğlu store in 1962, the company chose a new logo in a contest. The company used the slogan "Vakko is the fashion in textiles and ready-made garments," and later "Vakko, fashion is a whole."

1988 marked Vakko's fiftieth anniversary. The company wanted to celebrate in style, but also realized that they needed to be very careful. Although it is important to be a stable and a well-known brand, in a sector such as fashion, where everything is constantly changing and developing, it is also crucial to be modern and up-to-date. Therefore the company needed to combine the trust that fifty years in business had inspired in its customers with innovation, beauty and aesthetics. The brand also had to protect its values for the fifty years ahead.

That same year, world-famous British designer Sir Terence Conran and his company Conran Design worked for six months on a new corporate identity for Vakko. The new logo was adopted shortly afterwards. Certain elements of the previous design were retained, and the V and A of Vitali and Albert were intertwined and placed in the centre of the new design. The font face, however, was changed. The logo was a meaningful symbol of the company's spirit and how it operated. Vakko celebrated its first fifty years as a company "saluting its next fifty years."



The first Vakko logo (1938)



The logo in the 1960s



©Nükhet Varda VAKKO

Vakko's current logo, designed in 1988 by Sir Terence Conran

## The Vakko Identity

When asked for the reason behind Vakko's continued success since 1938, Cem Hakko replies without hesitation:

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◀ devotion in every sense. ▶

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He points out that they have never compromised Vitali's basic tenet **"for better quality, we can produce more expensively,"** and adds that from the very start, Vakko has never been just a "job" for the family. The family have invested their whole lives in the business.

Cem Hakko stresses that when they were creating new brands that made Vakko grow, their first priority was not commercial gain, even though subsequently they were commercially very successful. One of the best examples of this is Power FM. Although Power FM broadcasts only foreign music, within a short period of time it had become one of the top five most listened-to radio stations. The total time allocated for commercial breaks was fixed and advertising rates were standard. Although some of Power FM's competitors were selling airtime for what amounted to 5% of Power FM's ratecard prices, the station gave no additional discounts to any advertisers. In the end, advertisers saw the added value delivered by Power FM and willingly paid higher rates for their commercials to be aired on the station. Forgoing higher sales in the short term led to a much more profitable business that eventually generated higher revenues. **This is similar to what Vitali Hakko did when he opened Vakko's Beyoğlu store in 1962, as he hung the message "There Is No Bargaining in This Shop" and right next to it "Sold Goods Can Be Refunded" on the shop wall. His attitude gave consumers the message that Vakko created additional values for them, and that there was a price attached.**

Over the years, new brands in the Vakko family have carried a consistent message which causes no confusion in the consumer's mind. This is probably one of the basic principles of how to build a strong brand.

A second important point that Cem Hakko makes concerns professional brand management. Just as market realities made it necessary to move from Şen Şapka to the Vakko brand, in the 1980s new brands such as Vakkorama, Power FM and Double You were added to the list without hesitation, in order to keep the Vakko brand young and dynamic. New business areas and brands lead to synergy within the Vakko group, thus strengthening the Vakko brand.

The third success factor relates to production: the brand owner should produce his own goods or manufacture with third-party experts, as Vakko does. In this way it becomes possible to control production. Using this approach gives Vakko a manufacturing flexibility that allows it to adapt to the fast-changing desires and wishes of the market. Cem Hakko states that the company has the means to change a collection in 24 hours, if necessary. This flexibility gives the Vakko brand an important advantage in the fast-moving fashion business. As Cem Hakko explains,

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◀ We continue producing garments for the season until mid-November. In other words, we supply goods in the season for the current season. Other manufacturers generally need to decide eight months in advance about their products for the coming season, then they have to order accordingly and start producing. And then they have to keep their fingers crossed that their sales will be as they have forecast. ▶

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## Vakko and Ultra Agency

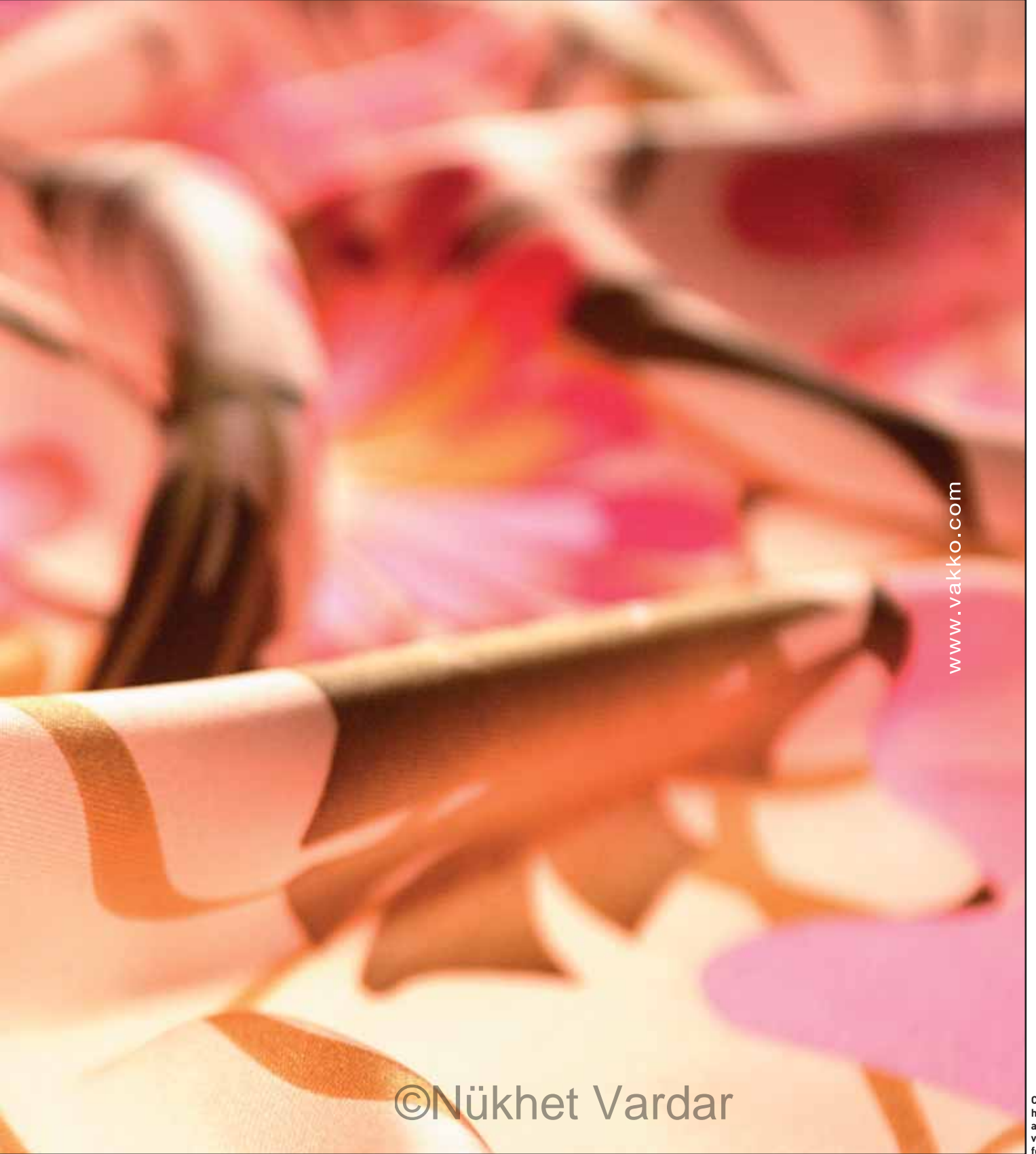
Vakko decided to work with Ultra Agency in 1998. Faruk Kaptan, co-chairman of Ultra, begins by saying that their collaboration began at a time when Vakko had decided to rejuvenate the brand. Kaptan adds that like other brands with a heritage, Vakko believed that it needed to keep the brand current and alive. With these aims in mind, all garments, collections and designs were reviewed. Kaptan continues,

“We had to share this rejuvenation of the brand with the younger generation, without letting go of our core customer base. Therefore we ran an advertising campaign which featured young and popular artists such as Duygu Dikmenođlu, Sema ŐimŐek and Tan Sađtürk. We used the Vakko logo like a garment label. Although the campaign was mainly for the press, we also made use of outdoor advertising, which was not used much by fashion brands back then. It was because we wanted to move the brand closer to its consumers and decrease the distance between the consumer and the so-called luxury brand image. Our approach is still the same today. Vakko is a brand that is constantly competing with itself. We work with the world’s top models, such as Jessica Stam, Louise Pederson, Rianne Ten Hakken, Tyson Ballou, Frankie Rayder, and recently Gisele Bűndchen. And for the 2006 Spring-Summer season, well-known actor Olivier Martinez was our Vakko man.”





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[www.vakko.com](http://www.vakko.com)

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**Vakko**

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Color  
harmony has  
always been  
very important  
for Vakko

Faruk Kaptan emphasizes that one of Vakko's basic principles is "We, as Vakko, exist for you," and that this philosophy is reflected in all Vakko communications. Vakko continued its branding activity over the years with innovative techniques and surprises. The Vakko store in Suadiye, İstanbul, for example, was given an extravagant opening in 1997. A hundred-year-old mansion was restored and connected to the ultra-modern new shop via a glass tunnel:

Vakko, while presenting the new and the modern, also protects and preserves the old and dear.

On December 15 and 16, 2005, Vakko opened five different concept stores on İstanbul's fashionable Abdi İpekçi shopping street in Nişantaşı. The inaugurations involved not just the stores but also some 200 violinists who gave a street concert to the entire shopping neighborhood. Everything was planned down to the last detail, including the provision of artificial snow. The Vakko brand continues to surprise its consumers by constantly creating excitement about the brand and maintaining a genuine consumer-brand bond.



The opening of Vakko's Nişantaşı store, December 2005



Vakko's Shoes & Bags store

## New Brands in the Vakko Group

As we have seen, Vakko began as a scarf producer, moved into women's fashions after opening its Beyoğlu store in 1962, and then moved into menswear. In 1982 the creation of Vakkorama took the Vakko product portfolio to another level. Vakkorama expanded and, with the help of different collections, established a modern, trendy image. Following on from this, Vakko created V2K to reflect the latest New York fashions and designer brands that are worn by the stars. In 2004, the company launched Vakkorama H2O for men's beachwear fashions, and within a short period of time, eight Vakkorama H2O shops had opened in Turkey's most popular summer resorts.

Another innovative and creative new menswear brand was born as economic crisis hit Turkey in 2001. "W" ("Double You") was chosen as the brand name. The Double You line caters for the casual and businesswear needs of younger professionals with an active lifestyle. The brand name was inspired by the web craze of the new century, and is also evocative of the original Vakko brand.



VAKKO



©Nihat Vardar

The Power Group 

The designs of  
Vakko scarves  
reflect the  
latest trends





**VAKKORAMA V2K**  
NEW YORK

ANNA SUI // BETSEY JOHNSON > VIVIENNE WESTWOOD // L-A-M-B (GWEN STEFANIE) > SWEETFACE BY JLO > ELEY KISHIMOTO // NANETTE LEPORE > PLENTY // REBECCA TAYLOR  
// SEAN COMBS BY PUFF DADDY // TRACY REESE // COREY LYNN CALTER // TRINA TURK > SASS & BIDÉ > STITCH'S JEANS > ROCK & REPUBLIC // J BRAND // JAMES JEANS > JOE'S JEANS //  
TRUE RELIGION > SIWY DENIM // PEOPLE FOR PEACE // HABITUAL // EARNEST SEWN // CHIP & PEPPER // CALMA AND ROCK // ANTIK DENIM > AG JEANS // HOLLYWOOD SHOES // TAVERNITI SO...

Vakkorama  
V2K  
advertising  
campaign  
for Spring-  
Summer 2006  
(Ultra Agency)

©Nükhet Vardar

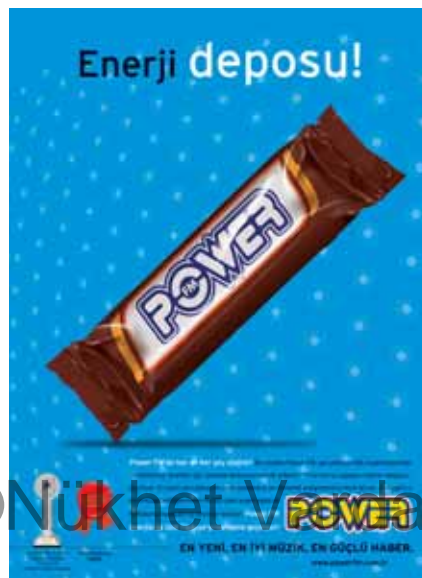
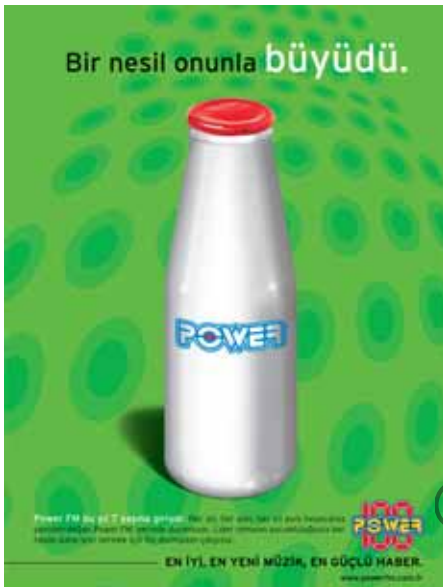
Vakko combined style with a taste of life in 1989 with the release of Vakko Superfine chocolate, offering another of life's pleasures to its customers. 1990 saw the company entering the perfume business, launching "Katia" for women, "V de Vakko" for men and "Piu Piu" for children.

In 1992, Power FM hit the airwaves. The project was personally led by Cem Hakko, which enabled the group to enter the media business. Over the years, Power FM became an umbrella brand name which regroups "Power XL", "PowerTürk" and "PowerTürk TV". And in 2006 the company launched Power Club, Turkey's first legal digital music platform. The site featured 110,000 Turkish songs and reached 300,000 users within its first four months.

"Espace by Vakko" was created in 1998 to cater for special functions and gatherings. Vakko Wedding was established in 2001 solely for selling bridal wear.

Vakko Wedding and the world-famous wedding dress company Pronovias Fashion Group will begin selling in Nişantaşı, İstanbul in 2007. Vakko's brand expansion has continued with the creation of Vakko Dekor, which uses the Ottoman Empire's 700-year heritage in textiles and arts to create curtain fabrics, upholstery and a wide range of accessories with original designs. The Turkish Republic's Presidential Residence and the Turkish Prime Minister's Office were both decorated by Vakko Dekor. Vakko also used its expertise in yacht decoration to launch "Cruise by Vakko."

When we investigate the expansion of the Vakko brand, we realize that these new brands and their sub-brands actually strengthen the main Vakko brand by delivering the messages of "good quality", "good service" and "good life" to Vakko customers. Although at first glance perfume, chocolate and the media may seem to be quite diverse businesses amongst themselves, when we look more closely we can see that they are all efficient tools for reaching younger Vakko customers, giving them direct and indirect messages about enjoying life.

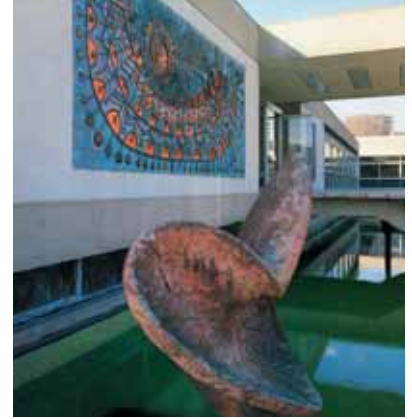


## Vakko: "Where Art Meets Fashion"

The Vakko brand has been integrated with different forms of art since its early days. As an example, one day the well-known Turkish artist Bedri Rahmi Eyübođlu visited the company's Kurtuluş site and suggested that Vakko print some of his artwork on their scarves. Vakko accepted this novel suggestion, and from that time received positive contributions from Eyübođlu.

Particularly after the Vakko site moved to Merter, the company became more heavily involved in the arts. Today a cement decoupage by Bedri Rahmi Eyübođlu standing at the entrance to the Merter factory, ceramic panels by Jale Yılmabaşar on two sides of the entrance to the office building and a metal sculpture by Şadi Çalık make the site look more like an art gallery than a production facility. Further works by Turkish artists such as Eren Eyübođlu, İlhan Koman, Hasan Kavruk, Haluk Tezonar and Mustafa Pilevneli are also situated in important parts of the production site.

Well-known Turkish artist Bedri Rahmi Eyübođlu with his sculpture at Vakko (Vakko 50. Yıl Kitabı)



"My life: Vakko", Turkey's first and only fashion museum



Vakko's "My life: Vakko" fashion museum houses Vakko's first hats and scarves and the company's collection of caftans and djellabas (a type of hooded caftan, mostly worn in North Africa), whose motifs were inspired by dowry chest needlework, as well as Vakko's 50th Anniversary Collection, prepared in 1988. The museum's collection also includes scarves reproducing the work of artists such as Abidin Dino, Burhan Doğançay, Sabri Berkel and Fikret Mualla, the Anatolian Blue and Anatolian Sun Collections, and Vakko advertisements from 1942 to 1972.

## The Vakko Brand as Lifestyle

Vakko makes good use of every opportunity to integrate fashion with arts and sport, as the company believes that its mission is to create a new lifestyle. Therefore Vakko can often be found organizing and giving financial support to activities that address its target market. Examples of this include Vakkorama's annual "Vakkorama Snowman" skiing contest in Uludağ, Bursa, and the Vakko Golf Cup, which is organized every year at Kemer Golf & Country Club.

Similarly, Vakko organized the first Vakko Bosphorus Sailing Cup in June 2005. This was combined with the Vakko Odyssee Cannes-Istanbul race in 2006 to create a major international event. In 2006, 123 sailboards and 979 national and international contestants came together for the biggest sailing contest both in Turkey and on the Bosphorus. The race from Cannes had been running for 12 years previously, and in 2006 the itinerary was extended to Istanbul. The Cup received extensive coverage in the sports media, and was also broadcast on Eurosport.



Vakko Board Chairman Cem Hakko announced at a press conference on September 20, 2006 that the Vakko management will be ready to move to their newly-built headquarters on a 10,000-square-meter site in Nakkaştepe, İstanbul in 2007. At the same time, production will move to a site equipped with the latest technology on 18,000 square meters of land in Esenyurt, İstanbul.

Vakko also announced that they will be celebrating 2006 as an export year. The number of new Vakko shops that were opened in autumn 2006 has also been a good indicator of Vakko's pioneering and entrepreneurial spirit. In 2006 alone the group opened five new Vakko stores, two Vakko Scarf-Shirt-Tie Boutiques, two Vakko Discount shops, eleven Vakko Corner shops, five Double You shops, two Double You Corner shops, two Vakkorama stores, three Vakkorama V2K shops and one Vakkorama H2O shop, together with Vakko and Double You showrooms in Germany. These, along with distribution in fifteen El Corte Inglés Shops in Spain, mean that 48 new purchase points were created between November 2005 and November 2006. Cem Hakko's clear statement that

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the target is 100 shops in three years

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sets the company's course for the near future.

2006 has also been a particularly important year for Vakko as the company decided to close their Beyoğlu store, which had become a symbol of the brand over the years since 1962. Vakko's "friends," it seemed, were no longer coming to Beyoğlu to shop. Vakko decided to follow its customers, announcing its decision by thanking its "friends" in its usual unique way. Subsequently new Vakko and Vakkorama V2K stores were opened in Kanyon, an elegant new shopping mall in İstanbul.

It seems that the agenda for Vakko's management and marketing department will continue to focus on innovation and how to surprise their customers. One surprise was announced in 2006: the young fashion talent Zac Posen is joining forces with Vakko. Posen has adapted his own collection and accessories for Vakko, and the new designs began selling in Vakko stores in August 2006.

Whenever we look at a prestigious event, organization or happening, the Vakko signature is immediately noticeable. Examples include the decoration of the Turkish Republic's Presidential Residence, a dinner party given in honor of former USA President Bill Clinton at Yıldız Şale Palace, and the gifts that were presented upon the departure of another former President and First Lady of the USA, George and Barbara Bush. We are forever encountering the Vakko brand, and for a good reason: with 200 different designs, eight types and 1,600 different garments that it brings to market every season, the company probably has the world's largest fashion collection at the close of 2006. It is clear that Vakko, since its birth in 1938, stands before us in a most dignified manner, representing Turkey both nationally and internationally at the most senior level.

September 2006

Updated November 2006

### **Vakko Product Portfolio**

- Vakko Kadın (Vakko Woman)
- Vakko Erkek (Vakko Man)
- Zac Posen @ Vakko
- Vakko Couture
- Vakko Shoes & Bags
- Vakko Wedding
- Vakko Eşarp - Kravat - G mlek  
(Vakko Scarf-Tie-Shirt)
- Vakko Espace by Sky
- Vakko Katia
- Vakko Piu Piu
- Vakko Dekor (Vakko Decor)
- Vakko  ikolata (Vakko Chocolate)
- Vakko Cruise (Cruise by Vakko)

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- Bülent Korman
- Neslihan Sadıkođlu

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