



UNIVERSIDADE CATÓLICA PORTUGUESA

# The Evolution of Streetwear

The newfound reality of Streetwear and its  
luxury-like management

Trabalho Final na modalidade de Dissertação  
apresentado à Universidade Católica Portuguesa  
para obtenção do grau de mestre em Marketing

por

Miguel Lobo de Macedo

sob orientação de  
Professora Doutora Joana César Machado

Universidade Católica, Faculdade de Economia e Gestão, Maio de 2015





# Acknowledgements

Máximo 1 página (facultativo)

# Abstract

**Purpose:** To explore the critical dimensions of successful streetwear brands and how they garner customers' attention, devotion and regard for the brand. Ultimately, the goal is to compare the anatomy of a streetwear brand to that of a luxury fashion brand and analyze the main differences and similarities between the two in order to understand how a streetwear brand, Supreme, operates in its niche market.

By using a case study approach, this study plans on analyzing the newfound reality of streetwear, the reasons for its unprecedented consumption and what the biggest brands in this industry do in order to appeal, constantly, to different crowds: the devoted followers and the fashion-driven consumers. With this in mind, the study intends to validate the relevancy of these streetwear labels in today's luxury fashion markets.

**Findings:** The aspirational consumer of today's streetwear will be the aspirational consumer of the eventual luxury market of tomorrow. I understand that there is still a lot to be studied within this streetwear industry but believe to have validated the importance of these brands in the purchasing intention of today's consumers, by deconstructing the brands.

Three important levels of analysis cement my study. The aspirational consumer of today, its intricate and complex need for approval within its tribes and the management instruments necessary to fulfill all his needs, intrinsic and extrinsic ones. The brands that do this now are what I define as streetwear powerhouses as they hold the power to influence every little detail of consumers' perceptions and tastes, maybe even more than luxury brands have influenced till this day.

**Keywords:** streetwear branding; luxury branding; brand management; consumer tribes

# Table of Contents

Agradecimentos .....	<b>Erro! Marcador não definido.</b>
Resumo .....	<b>Erro! Marcador não definido.</b>
Abstract.....	v
Índice.....	<b>Erro! Marcador não definido.</b>
Índice de Figuras.....	<b>Erro! Marcador não definido.</b>
Índice de Tabelas.....	<b>Erro! Marcador não definido.</b>
Introdução.....	<b>Erro! Marcador não definido.</b>
1. Introduction.....	<b>Erro! Marcador não definido.</b>
2. Theoretical Framework.....	<b>Erro! Marcador não definido.</b>
2.1 Origin of streetwear and the role of Stussy ...	<b>Erro! Marcador não definido.</b>
2.2 Aspirations .....	46
2.3 Tribal behavior.....	46
2.3 Luxury Management .....	46
Bibliografia .....	58
Anexos.....	<b>Erro! Marcador não definido.</b>
2.1 Origin of streetwear and the role of Stussy ...	<b>Erro! Marcador não definido.</b>
2.1.1 Subsubtítulo: secest eatem recus ut alit volupta ....	<b>Erro! Marcador não definido.</b>
2.1.1.1 Subsubsubtítulo: que culpariberit excepro endit remos .....	<b>Erro! Marcador não definido.</b>

# 1. Introduction

The streetwear market has been growing exponentially in the last 10 years. Although the market is witnessing the appearance of more and more small brands that do not really stand the test of time and current consumer quality requirements, there are certain powerhouses within the streetwear market that deserve to be acknowledged and respected as they paved the way for the industry's newcomers.

A recent report on the USA streetwear market points out some interesting values of the streetwear market and the luxury market: "In 2006, accounting firm Grant Thornton pegged urban apparel sales at \$58 billion. In 2011, the streetwear market was estimated by Reuters to have a value of \$60 billion USD. The streetwear industry valued at over \$70 billion USD for 2012 is likely closer to \$75 billion for 2013. The Global Sportswear Apparel Market, which includes surf and skate apparel, was valued at \$150 billion for 2013. The luxury goods market, fond of co-opting streetwear", meaning, taking inspiration from streetwear and from streetwear influences," is estimated to be worth \$290 billion (EU 230 billion euros) for 2014" (*in*, [weconnectedfashion.com](http://weconnectedfashion.com) "USA Streetwear Market Research", 2015).

When comparing streetwear with the luxury market, there is an obvious difference in worth. We should not forget that streetwear is still a recent market, it has been "accepted" worldwide only a few years ago and it was a very specific niche in the 80's and 90's. Since then, it has grown a lot. It is important to say that streetwear is influenced by luxury fashion in some of its designs and imagery but also in what regards brand management and marketing. "It wasn't just the aesthetics of high fashion brands that inspired

them. They also began to employ luxury-like strategies of exclusivity and scarcity to generate demand for their products”(in: [www.businessoffashion.com](http://www.businessoffashion.com), “Streetwear’s New Guard” 2014, July 27).

“Special products sometimes sold out the same day they were released, generating hype and eventually leading to the snaking lines often seen outside Supreme stores” as reported by business of fashion (in: [www.businessoffashion.com](http://www.businessoffashion.com), “Streetwear’s New Guard” 2014, July 27).

Every year it is possible to see the emergence of new fashion brands with a very intrinsically marked streetwear influence and, at the same time, more and more established fashion brands allow themselves to swim in the streetwear world selling pieces that are clearly influenced by streetwear. This is not surprising, as the continuous growth of streetwear significantly influenced the youth, and many new designers and designers-to-be spent their whole life drenched in streetwear and its sub-cultures. Thus, it is normal that they release pieces that bring a little of the inspiration of their own past and present. Although they clearly have a streetwear influence, it is blended with a “fashion forward design and a luxury-like positioning”(in: [www.businessoffashion.com](http://www.businessoffashion.com), “Streetwear’s New Guard” 2014, July 27). Examples of such brands are Virgil Abloh’s OFF-WHITE, Hood by Air, Pigalle, Marcello Burlon, Raf Simmons and Helmut Lang, to name a few.

Despite the economical crisis, when analyzing the luxury market, we are able to see that “the pursuit of luxury has been supported or sustained with affordable luxury and absolute luxury brands products making a huge comeback despite the economic crisis that is and has been experienced all over the world”(in: [www.reuters.com](http://www.reuters.com) “Luxury goods set for another record year”, 2011, 3 May). As reported by Reuters: “to help this positive situation for the luxury market the BRIC growth has had a very big impact as well accounting for, in 2012, \$5, 8 billion a week on luxury goods alone”(in: [www.reuters.com](http://www.reuters.com) “Luxury goods set

for another record year", 2011, 3 May). Reuters also reports that "U.S. teenagers aged 15-19 years old spend \$22 billion a year on fashion products"(in: [www.reuters.com](http://www.reuters.com): "Soletron targets \$60 Billion dollar streetwear market", 2011, 22 December). While this value does not incorporate mainly luxury products it does include what teenagers prefer and regard as luxury, streetwear, clothing and sneakers. The streetwear market does not target solely the teenagers aged 15-19. In fact, today, people that buy certain streetwear brands could go as high as 50 years old, and were born, or spent their teens, when the boom of streetwear first took place.

Brands like Supreme, Stussy and Bape remain relevant, year after year, and influence generations, from the 15 year old kids to the 35/40 year old fashion week die hards.

As long as the curve for the luxury market stays stagnant or growing, the streetwear market will accompany the rise at its own pace. It is actually possible to detect a very big growing streetwear culture in China and South Korea, that takes inspiration from United States, England and Japan. "This industry is the proverbial sleeping giant of the retail and e-commerce worlds"(in: [www.reuters.com](http://www.reuters.com): "Soletron targets \$60 Billion dollar streetwear market", 2011, 22 December), as stated by Shane Robinson from Soletron, a start-up backed by Adobe Systems Inc Chief Executive Bruce Chizen, that intends to become the online marketplace for streetwear and its "after-market" for overpriced limited edition re-selling.

There are two markets in this industry that make for very enticing predictions and projections and that, by themselves, offer a very lucrative view of the market. First of all these streetwear powerhouses are very high priced, their production is limited on purpose and the demand is high, very high. When the collection is made available there are lines that spread across two city blocks of people waiting for the possibility of getting something, this happens

especially at Supreme and Bape stores. The Japanese market is so profitable that Supreme opened six stores in Japan (three in Tokyo alone, one in Nagoya, one in Osaka, and one in Fukuoka), the US only has two stores (New York and Los Angeles) and there is only one in Europe (London). This means that the Asian market is a very big market for this so called niche, meaning that it will drive the industry even further. “The Supreme brand and its products soon became viable forms of creative expression, which in turn became catnip for a particular breed of male consumer hungry for that undefinable but high-quality cool, resounding most immediately with Japan” (*in*: Inside Supreme: “Anatomy of a global streetwear cult – Part 2” 2012, January 10) Also, James Jebbia, owner of Supreme states that, “we never purposefully went after a Japanese customer (...) It’s always been about that really picky New York customer, but I think that translates all over the world” (*in*: Inside Supreme: “Anatomy of a global streetwear cult – Part 2” 2012, January 10). “Japanese kids respect underground movements and have a good eye for it” (*in*: Inside Supreme: “Anatomy of a global streetwear cult – Part 1” 2012, January 10) says Aaron Bondaroff, an ex-employee of Supreme. Also, “the Japanese youth wanted everything American, however, by the early 1990’s they were helping pioneer the way to what Streetwear has become. Brands like BAPE and Real Mad Hectic became trendsetters by coming out with limited edition apparel, with background stories, and very high price points. These factors led to obsessive followings, where many claim Asia/Japan get all the great sneakers and apparel” (*in*: [www.mixologicity.com](http://www.mixologicity.com) “The Evolution of Streetwear”, 2012, September 8)

Nowadays the physical stores only account for a percentage of total sales. E-commerce is also a big part of these brands’ sales. The majority of the new streetwear brands are internet born and do not really have a physical representation of themselves (meaning, they do not own a store and are only sold on third party multi-brand stores). Supreme and Bape see their products

gone 15 minutes after the collection is available online. Everything that is highly regarded and/or perceived as very limited edition by the public will be “sold out” a few minutes after it is available. The number of streetwear fashion dedicated stores has been growing constantly over the past few years and it shows no signs of stopping. Though, the future for this complex industry is still uncertain. Even if the mainstream gives up on streetwear and moves on to others fads, tendencies or inspirations, there will forever be faithful followers of certain brands, for as long as the brands consistently manage their relationship with these consumers.

With this exponential growth, the market has changed, the roots may still be there but the brands and consumers are different. This study will try to understand how the most relevant streetwear brands operate. The streetwear brands that became highly regarded and wanted, and developed into more than simple skateboarding brands. They established, by themselves, a luxury like approach to the streetwear market.

This study aims to investigate what kind of luxury-like specificities a streetwear brand incorporates and how impactful the community around streetwear is to dictate streetwear consumers’ aspirations and needs.

In order to study this phenomena, we will follow a case study methodology as it allows to analyze a particular contemporary event and retrieve several insights that may help bring light on a new subject of contemporary importance. The data collected from documents and articles of dedicated websites and forums will be analyzed and compared to the insights from published papers and articles as well as dissertations. The information collected from the websites related with the streetwear market will provide a contemporary report of the market and its consumers. These data will be compared to the pre-existing research on the luxury management, brand tribes and luxury consumers.

Luxury consumers' behavior will be analyzed, so that we can understand the aspirations and needs of luxury consumers and the major influences on their purchase intentions and behaviors. Then the study will analyze the tribe involving the streetwear market. It will analyze the formation of the streetwear tribe in the 1980's and will try to bring insights on the way this tribe affects consumer needs, intentions and purchasing actions, trying to understand if the streetwear consumer is motivated by the needs, of belonging to the community, to obtain a social status and to be highly regarded within its community.

Further on, we will compare the management specificities of luxury brands and streetwear brands, by analyzing the case of Supreme and how it operates within the streetwear market. The study will try to clarify if this brand operates the same way as luxury brands do, and if it has the same effect on consumers.

Finally, this study will try to balance all the dimensions previously indicated and provide a detailed perspective on how the streetwear market operates and how impactful it will be in the future.

## 2. Theoretical Framework

Few studies explore streetwear and its culture and none delved into the growing proliferation of this industry's brands. As stated by Rajendran (2012, pg. 6) "few studies have explored the development of the youth culture, especially since consumers are typically under 25 years of age", and because the streetwear industry has only began growing in a worldwide scale in recent years. There was a need for a study that reported how these brands operate and that analyzed the behavior of its growing community of followers. Because this study compares the streetwear management and its consumer behaviour to the management of luxury brands and the behaviour of cult brands and their followers, there was a need to research these themes for fundamentation and for comparison. Also the aspirations and preferences for luxury brands needed to be examined in order to see if the consumers acted on the same impulses and emotional needs.

### 2.1 Origin of streetwear and the role of Stussy

It is very complex for one to define the origin and core of streetwear as well as its inherent street culture. There are many opinions on what it once was, its birth, the present and its future (*in: www.hypebot.com, 2012, July 26*).

Defining streetwear and street culture is not an easy task because of its complexity and mixtures of influence and cultures. If we analyze the words "street" and "culture" we can soon realize that it has, without question, to incorporate many sub-cultures that take form or expression "in the streets". Many people label streetwear as a product of hip hop which is not the most accurate definition but an outlet of representation. If anything, streetwear

originated from surf and skate (filled with a punk rock soundtrack) sub-cultures in the early 80's (*in: www.mixologicity.com "The Evolution of Streetwear, 2012, September 18*). The first big brand that came out of this niche is Stussy, who some believe is the originator of the streetwear we know today. Shaun Stussy, the owner of Stussy, the brand, first started combining fashion with art and a twist of his self-expression. In a do-it-yourself philosophy that saw several sub-cultures relate to it from surf and skate to hip hop, that brought even more exposure to the brand at the time due to its exponential growth within the youth. Still, Stussy was born from an underground movement and it continued to operate in that niche for a few years. Streetwear was a form of statement, something young people could use to differentiate and state their true selves, their ideas and beliefs.

Stussy was the first outlet of self-expression as a brand and it went on to influence other, now widely known brands such as Supreme. The evolution of streetwear has had a positive effect in the economy and all signs point to a growth throughout the next few years. Japan "has had business booms thanks to the style, and has trademark looks which are recognizable worldwide" (*in: www.mixologicity.com "The Evolution of Streetwear, 2012, September 18*). The tastes of the youth are a force to be reckoned with on the catwalk – both in high fashion shows, and the urban streets of metropolitans. Huge numbers of people find brands that are not even marketed heavily, creating the streetwear phenomenon that we live in today. "Streetwear enthusiasts still resist going mainstream, as consumers refuse to purchase from mainstream stores, and brand leaders try to maintain the exclusivity and D.I.Y. attitude of genuine streetwear" (*in: www.mixologicity.com "The Evolution of Streetwear, 2012, September 18*).

Nowadays there is a different dilemma that builds around the interrogation on the future of streetwear, some argue that streetwear, as we knew it, is dead,

others say it will adapt and continue to grow”(in: [www.tpostmag.com](http://www.tpostmag.com); issue 84).

The internet may have been one of the reasons why streetwear has lost its exclusivity and became more “mainstream”. And “mainstream” is a way of announcing the death of the culture. Kenta Goto, owner of the now defunct BRKNHOME, one of Canada’s premier labels of streetwear, says the “Internet has taken away some of the mystique and the underground factor”(in: [www.tpostmag.com](http://www.tpostmag.com); issue 84), and Hiroshi Fujiwara, known as a godfather of Harajuku fashion in Japan and a globally influential streetwear designer, believes “the information moves too quickly and anything new doesn’t get the proper time any more to grow organically” (in: [www.tpostmag.com](http://www.tpostmag.com); issue 84). Meaning that the underground movements did not translate well to the internet and so, lost its originality.

There is reason to believe that while the internet has “stolen” the originality from the underground movements by making them accessible to anyone anywhere on this planet, it also made possible for people to relate and/or find themselves in styles, cultures and beliefs they could never have experienced before. In a way, the internet served as a portal for the self-expression of youth, in general, and it also did make possible for brands to start pushing their ideas and designs to a sea of people.

Many brands were internet-born or, at least, benefited widely from the World Wide Web. Palace (London), Stampd LA (Los Angeles), Patta (Amsterdam), Filling Pieces (Amsterdam) and I Love Ugly (New Zealand), to name a few, were either born global through the internet or at least thrived because of it. Most of them don’t even have a physical store and remain only online or in third party multi-brand stores. If anything, the internet made possible for more brands to share what they do with the world and, at the same time, convert even more people to the sub-cultures, ideals and beliefs inherent to streetwear.

The only problem with this manifestation is that in the middle of the dispersion of culture, streetwear lost some of its meaning to just a fashion statement. Many new consumers don't really believe in a brand or get attached to any brand for what it represents, instead they buy the apparel that brings them instant recognition and social status, much similar to the effect that luxury brands have on people. This prompts the internet fashion-driven consumer to buy everything from a certain brand before it sells out. They do this knowing that the offer is limited and so, the after-market prices for a specific garment (at internet auctioneers such as eBay) will sky-rocket, tripling the value of a single piece of clothing. Because of acts like this the streetwear market is being questioned and at the same time consolidates the high ceiling for this industry in terms of market value and consumers' willingness to pay for premium goods.

## 2.2 Aspirations

There is a close relationship between psychological needs and goal pursuits. Consumers tend to idealize and chase goals that resonate with their most important psychological needs. Kasser and Ryan's (as stated by Truong, et al. 2010, pg. 346) state that all individuals pursue life goals and identified "seven universal aspirations", distinguishing them in "two broad classes of goals": extrinsic (financial success, social recognition and appealing appearance) and intrinsic goals (self-acceptance, affiliation, community feeling and physical fitness). In the context of this study, it is possible to infer that consumers will pursue both the intrinsic and extrinsic goals, because both the luxury items and the streetwear related items act within the personal satisfaction/enjoyment and the need of validation from others. Veblen (1899) (cited by Truong et al. 2010, pg.347) also suggests that the consumption can be based on the willingness to pay a premium price for an item, in order to be highly regarded as a more

prestigious person than others. Dholokia and Talukdar (2004 cited by Truong et al. 2010, pg.347) also add to this by saying that consumers have a tendency to “imitate the buying behavior” of the individuals within the group they want to belong, something that we can observe in the consumption of luxury products and in the streetwear market as well.

Dubois and Paternault (1995) (as cited by Prendergast and Phau, 2000, pg.125) developed a regression equation after analyzing answers by respondents to several questions about their buying habits, perceptions and their actions towards a set of 34 luxury brands. They called this equation, “dream formula”.

$$\text{DREAM} = -8.6 + 0.58\text{AWARENESS} - 0.59\text{PURCHASE}$$

They argue that if the awareness level of a brand as well as its purchasing variables is equal to zero, the aspirational value or dream value of a brand is negative; meaning that brands without previous promotion will not create desire in consumer’s mind and so the consumer will not desire nor aspire to own it.

On the other hand, consumers’ purchasing intentions will rise when the awareness of the consumer rises as well. They will only buy what they know exists and is well regarded by society, hence, their augmented awareness translating into an augmented purchasing intention.

Having said that, when there is an increase in purchases, (meaning, an increase of ownership of a specific brand’s products) consumers’ purchase intentions will decrease. When the brand stops being considered rare, consumers intentions of buying, will diminish, hence, the Rarity Principle. Veblen (1899) previously reported that one of the motivations for consumption

is an individual comparison that makes consumers want to distinguish themselves from the rest, especially from those in inferior social classes.

After consulting Phau and Prendergast (2000) and reading further more of Dubois and Paternault (1995) dream formula, I decided to try and incorporate another formula that could help explain the complex world of today's fashion notoriety in streetwear.

There is another, less refined, equation regarding the mathematical formula of hype (*in*: [www.fourpins.com](http://www.fourpins.com); "hype a mathematical equation" 2013, January 14). Hype in this context means, when everyone (consumers and the media) talks about a specific situation, in this case a product or brand that gathers a lot of attention.

$$\text{HYPE} = \text{NOTORIETY}(\text{MYSTERY} + \text{EXCLUSIVITY})$$

Although this is not an intellectual approach of any kind, it still holds value for today's streetwear market. "Hype isn't necessarily a good or bad thing, but it is perhaps the most powerful tool a brand in 2013 can use to move merchandise. In fact, no brand in 2013 can be successful without some amount of hype to prop them up" (*in*: [www.fourpins.com](http://www.fourpins.com); "hype a mathematical equation" 2013, January 14). The familiar variables in this equation are Notoriety and Exclusivity. Notoriety could easily translate to the Dubois and Paternault's (1995) take on awareness, as it reflects the amount of consumer perception about the brand from the consumer's perspective. What constitutes this notoriety is mystery about the brand, how it operates and its origins.

Dubois and Paternault (1995) mention the Rarity Principle, as explained above, and we can assume that this principle complements perfectly this hype equation. The Rarity Principle is translatable to this equation's exclusivity and the exclusivity has an impact in the notoriety (awareness). The thing about this

model is that it perfectly fits the streetwear market as well as the luxury market. In order for a product to be highly regarded and talked about (hype), it has to be backed with a certain amount of awareness. This awareness (as stated by Dubois and Paternault, 1995) may lead to even more consumer purchase intentions. The thing is Dubois and Paternault (1995) believe that an increasing amount of purchases will actually diminish the aspiration of a brand, because it will no longer have that Rarity Principle and so no longer make the consumer as unique and highly regarded as he/she would aspire. That is why the exclusivity and the mystery help balance the awareness and the actual purchases of a branded product.

### 2.3 Tribal behavior

The studies of Moutinho, Dionisio and Leal (2007) were consulted in order to understand how cult and tribal behaviors work within the context of sport, more specifically, surf. Moutinho et al. (2007) developed a study for the surf industry in which they reflected on the imposing cult-like manifestations surrounding surfers and “surf-fans” (people who don’t surf but want to be perceived as connected to the surf lifestyle). Also, because it is a different world than the luxury market it was important to see to what extent the emotional needs remained the same, only in a different industry.

This study was relevant due to the fact that surf is in the origin of streetwear itself and in the origin of the first real brand that embodied the streetwear sub-cultures.

Moutinho et al. (2007, pg. 669) cited Atkin (2004) when comparing cults in sports to a kind of membership that the consumers were part of. Atkin (2004) said that these memberships, cults or tribes tend to make the individuals feel more at ease by surrounding themselves with other individuals that share the

same values and opinions. Also, Stussy was a derivative of surf. Brody (1979, cited by Moutinho et al. 2007, pg 670) placed the analytical focus on symbols but he did agree that, in regard to sports, the behavior of its followers was deemed almost religious, like, a cult. Also, Percy and Taylor (1991) (cited by Moutinho et al. 2007, pg. 670) add that, when analyzing the sport of football, fans had what they call “meaningful artifacts” that extended to the places they frequented, the food and drinks of their preference and also, the clothes they wore. What drives the members of a sport to replicate the shared values and preferences of the club is a “need of belonging and acceptance, within a group” (Moutinho et al. 2007, pg. 670).

## 2.4 Definition of luxury brands and products

Before analyzing the management specificities of luxury brands, we should first define what luxury is and what constitutes a luxury brand.

The word “luxury” derives from the Latin *luxatio*, meaning distance: “luxury is an enormous distance” (Kapferer, 2008, pg. 96). Kapferer also believes that “there is a discontinuity between premium and luxury” (Kapferer, 2008, pg. 96).

Premium brands may include some of the characteristics found on luxury brands but, as Kapferer (2008) notes, there is a great distance separating premium from luxury, as he states that “admittedly there is a little of luxury’s ingredients in these brands (better quality, selective distribution, emotive value), but luxury is elsewhere” (Kapferer, 2008, pg. 96). Kapferer then lists several characteristics that a brand should have in order to be considered a luxury brand.

The first concept of luxury is, according to Kapferer (2008, pg. 96) a brand that “gives prominence to the beauty of the object and the excellence and uniqueness of the product, more so than all the other types”. Kapferer (2008,pg.

96) also states that “the brand most representative of this type of luxury is Rolls-Royce, but Cartier and Hermès also show these characteristics.”

Additionally, this author mentions another important concept of luxury. He believes that “the second concept of luxury in the world exalts creativity, the sensuality of the products” (Kapferer, 2008,pg. 96). The luxury “prototypes” of these luxury concepts are Gucci, Boss and J-P Gaultier”. Hence, creativity is a very distinctive characteristic that differentiates a luxury brand from a premium or a lower-categorized brand.

Other important characteristics of luxury brands, according to Kapferer (2008, pg. 96), are “timelessness” and “international reputation”. The author believes that “The third vision of luxury values timelessness and international reputation more than any other facets. Its symbols are Porsche, with its immutable design, Vuitton and Dunhill.

The last concept referred by Kapferer (2008,pg. 96), but not the less important one, is “rarity”. Kapferer (2008) believes that rarity attached to the possession and consumption of a brand is fundamental for the perception of that brand as a luxurious one.

These are the four main characteristics that Kapferer views as fundamental for a luxury brand to be acclaimed as such. This work of Kapferer (2008) can also relate to the work of Heine (2011). The latter follows Kapferer’s view on the subject only in a slightly different way. “Luxury products have more than necessary and ordinary characteristics compared to other products of their category, which include their relatively high level of price, quality, aesthetics, rarity, extraordinariness, and symbolic meaning” (Heine, 2011, pg. 41). The author adds that “consumers perceive that luxury products have six major characteristics” and that “luxury brands are regarded as images in the minds of consumers that comprise associations about a high level of price, quality,

aesthetics, rarity, extraordinariness and a high degree of non-functional associations” (Heine, 2011, pg. 41).

Heine (2011, pg. 58) describes each individual characteristic of luxury brands. Starting with price, Heine (2011, pg. 58) believes that a luxury brand should offer “products which belong to the most expensive products of their category”, but adds that “nowadays there is even a zone of price overlap between premium and entry-level luxury products, which makes it impossible to rely merely on this criterion for differentiating luxury from non-luxury products. This perspective can be related to the opinion of Kapferer and Bastien (2009, pg. 43) when they state that “increasing the price does not automatically turn a premium into a luxury product”. Heine (2011, pg. 58) then focuses on quality, and says that a luxury brand must focus on offering “everlasting top-of-the-line products, which will not be disposed of even after a long utilization or defect, but rather repaired and which often even gain in value over time. The author also deconstructs all the pieces that are valuable to the definition of luxury-like quality. Following, each one of these dimensions will be presented.

- Expertise of manufacturer[JCM1]

Consumers believe that these manufacturers are “leading experts with a strong “creative power” in their area of excellence” (Mutscheller, 1992, p. 222, cited by Heine, 201, pg.59). The manufacturers are also believed to have technical (“long time experience and focus on R&D”) and stylistic competence (“highly talented designers associated with the brands and a great sense of taste and aesthetics”)(Heine, 2011, pg.59).

- Manufacturing complexity

Heine cites Lasslop (2002, p. 331) in order to explain that “the manufacturing of a luxury product requires considerable effort, which often includes handcraft and a lot of time”.

- Material and components

Heine cites two authors that perfectly describe the aspects of materials and components in the perception of quality by the consumer. The material is a key characteristic of luxury products and one of the most important criteria that respondents use to judge the value of a product. "In contrast to materials such as plastics, there are materials that are generally associated with a higher value in an inter-categorical comparison such as gold, silver or diamonds" (Schmitz-Maibauer 1976, p. 232, cited by Heine, 2011 pg.59). However, "these associations and the minimum requirements for materials depend on the product category. For instance, in an intra-categorical comparison, silver might be an adequate material for the luxury segment of cutlery, but the minimum requirement for luxury watches is rather gold or platinum" (Kisabaka 2001, p. 85, cited by Heine, 2011 pg.59).

- Construction and function principle

Heine (2011) believes that the construction and function principle is seen "as a pre-requisite for durability" (Heine, 2011, pg.59). Also it should be taken into consideration that these principles also reflect themselves as "a pre-requisite for comfortability and functionality" (Heine, 2011, pg.59).

- Workmanship

This category reflects the attention to perfectionism that a luxury product should require. Heine (2011, pg.59) also states that "however, some luxury products also feature some "planned imperfections" as a result of handmade manufacturing, which do not reduce, but rather prove the quality of these products.

- Features

Heine believes that special features have to be a part of the luxury items. They have to be better, than the ordinary product. "Luxury products offer more features than ordinary products, but only if they are desired by the target group and do not reduce product usability" (Heine, 2011, pg.59).

- Service

Heine (2011, pg.60) cites Kapferer and Bastien (2009, pg.312) to perfectly describe this category when he writes that luxury products “must have a strong human content [. . .] with services rendered by a human to another human” and that “excellent service covers the purchase experience and the (after-sales) customer relationship management”.

- Durability and value

Heine (2011, pg.61) reports that “consumers expect that a luxury product is of high and long-lasting value, which could result from superior materials, manufacturing efforts or sophisticated construction and function principles”. Heine also cites authors such as Lasslop (2002, p. 342) and Kisabaka (2001, p. 95) when he writes that “durability covers the aspiration of luxury product manufacturers to create everlasting products, which will not be disposed of even after long periods of utilization or defect, but will rather be repaired and even appreciate in value over time”.

- Functionality and performance

Heine (2011, pg.61) believes that luxury products should “do their job better” than ordinary products of the same category due to their “high level of performance”.

All these characteristics affect or impact the perception of quality by the consumer. When the consumer decides to purchase a luxury product he/she may be looking for significant differences in any of this “sub-characteristics” or at least these characteristics will certainly make a difference on the product’s experience.

Regarding aesthetics, Heine (2011, pg. 58) believes that aesthetics play a major part in the way the brand portrays itself, “whenever and wherever the brand is seen, it embodies a world of beauty and elegance.”

Aesthetics are perceived, by respondents selected by Heine, as a distinct characteristic of luxury products. This also relates to Kapferer and Bastien (2009, pg. 314) when the authors say that “money is not enough to define luxury products” and that money “is not a measure of taste”. Luxury products have to be more than just the high price tag that they have.

Heine (2011, pg.58) also believes that rarity plays a very important role in a luxury brand and its products. Without rarity or the sense of rarity the brand would acquire a rather common and or ordinary feel. Heine cites Kisabaka (2001,pg. 96) when saying that “luxury products are by definition not ordinary, but rather a rarity”. One of the respondents explained: “I was the only one with this bag - and that adds a great additional value.” Another respondent argued: “I have already had this bag for a year and now everyone is walking around with one - so I'm going to get rid of it soon”. In order to ensure rarity, Heine (2011, pg. 58) states that luxury companies often limit their production and individualize their products.

Luxury brands must make sure they are unique in the sense that they have “a mind and style of their own and its products offer a “kick” and surprise with the “expected unexpected” Heine (2011, pg. 58). This is the author’s way of saying that “the extraordinariness of a luxury product often results, only, from a different design or construction principle. “

Ultimately, Heine (2011, pg. 58) believes that a luxury brand has to become a symbol or that, at least, it has to have some sort of symbolism or symbolic meaning associated. Heine (2011, pg. 58) states that “symbolic meaning can be conveyed through product design or with specific product information, for instance by indicating that a famous movie star recommends the product”. Heine also adds that “there is no other product category with a similar relevance of symbolic benefits, which often even exceeds its functional benefits”.

Heine (2011, pg. 50) then divides the luxury brands (based on other works by Esteve and Hieu-Dess, 2005) in four types of levels and offers examples of each level. Following we will describe each level.

- Entry-level luxury brands: As these brands rank just above the premium segment on the lowest luxury level, they are not even generally recognized as members of the luxury segment. Representative brands include Hugo Boss and Mercedes ( Heine,2011, pg. 50).
- Medium-level luxury brands: These brands are widely recognized as members of the luxury segment, but are a step behind the forefront of luxury. Examples include Dolce & Gabbana, Escada and Moschino (Heine, 2011, pg. 50).
- Top-level luxury brands: These brands are established beyond doubt as leading luxury brands. Examples include Armani, Cartier and Louis Vuitton ( Heine, 2011, pg. 50).
- Elite-level luxury brands: As niche brands in the top of the top segment, these brands determine the benchmark of the best quality and highest exclusivity within their category (Heine, 2011, pg. 50). They target those who “do not just possess the necessary financial resources but also a “culture intellectuelle” (Lombard 1989, p. 16).

Fionda and Moore (2009) also define luxury fashion brands although they do refer to heritage as an impactful characteristic. Their study tries to portray the anatomy of a luxury fashion brand and they do define the important characteristics as being, brand signature, premium price, exclusivity, heritage, luxury environment and experience and, culture (Fionda and Moore, 2009, pg. 357).

When describing the importance of brand signature, Fionda and Moore (2009, pg. 357) say that companies recognize the importance of a design team as they “raise and punctuate the fashion element of the brand” (citing an unnamed

company). They believe that “brand signature and iconic products as the “designers style”, “handwriting”, or the “brand DNA” are inherent to the luxury fashion brand” and also that “In a number of cases, the iconic products have close connections to their heritage”.

Fionda and Moore (2009, pg. 357) also realize that the “importance of price was clearly identified by all of the respondents as a means of developing the luxury status of the brand. Price reflected the “handmade product and quality attribute” while also suggesting “the element of exclusivity of a product, as high price creates a barrier of entry”. At the same time recognizing that “a number of cases employed strategies to increase exclusivity, including limited edition products and ranges, and strategic alliances or partnerships”. This last quotation also points to the question of exclusivity also referenced by Fionda and Moore (2009, pg. 357) as an important characteristic of a luxury brand.

The authors mention heritage as a forth characteristic and say that “all the case companies have interesting histories and they all highlight the importance of remaining faithful to the historic positioning” (Fionda and Moore, 2009, pg. 357). At this point we would like to refer to Kapferer (2008, pg. 97), who states that “the only real success is commercial, yet there are many roads to this destination. An examination of ‘new luxury’ brands such as Ralph Lauren, Calvin Klein and DKNY proves that it is possible to become an overnight success in the luxury market without the long pedigree of a Christian Dior, Chanel or Givenchy. True, these newer brands have not yet demonstrated their ability to endure and survive beyond the death of their founders, but their commercial success is evidence of their attractiveness to customers the world over.”

Maybe heritage has an impact when determining the level of luxury brand in the 4 levels proposed by Heine (2011). Maybe a brand with a deeper heritage has a better chance of being considered an elite-level luxury brand and a brand

with an invented “story” or background may only be reaching the entry-level of luxury brands.

Fionda and Moore (2009) also consider the luxury environment and the experience as imperative for the luxury brand, as well as the culture within this luxury brand. They cite a company’s unidentified Chief Executive who says this “is an important part of what the consumer is paying for”, and that the store also “provides an insight into the personality and soul of the company”. The culture has an impact on the consumer experience in the sense that “the culture of a brand refers to the expertise behind the brand”. Because of this, it is important to “have the right people working internally to create the brand, from management to staff on the shop floor” (Fionda and Moore, 2009, pg.358).

## 2.5 Luxury management

This analysis centers on the original article by Kapferer and Bastien (2008) in which the authors highlight the “specificity of luxury management” and underline the existence of seven different dimensions other than the twelve concepts the authors deem necessary. Some of them do not apply to the streetwear market and so were left from this comparison.

This study was important, because it supports the idea that streetwear brands have a “luxury-like” management specificity more than the simple exclusivity or rarity principles that were previously thought to dictate the success of the streetwear brands studied. Also the article allowed to confirm the idea that some streetwear brands, not only, act as luxury brands but that they might actually be future luxury fashion brands, even having the possibility of being stronger brands due to the tribal following that precedes them. This article also helped to clarify the concept of luxury which, as Kapferer and Bastien (2008, pg. 312) state, “one is amazed by the recent profusion of concepts:

trading-up, new luxury, mass luxury, masstige, opuluxe, hyper-luxury, luxury fashion and so on”.

The findings of this study tend to reflect and entwine concepts by various authors that serve as validation for the streetwear market management and the analysis of its consumers’ behavior.

The first concept presented by Kapferer and Bastien (2008, pg. 314) is “Luxury as a Badge: Luxury for others” where the authors reflect on the brand as a distinction factor in society.

Kapferer and Bastien (2008, pg.314) state that luxury is a social marker and that everyone in a democratic regime has the possibility to use any of its components to define themselves socially as they wish, within their own financial means. Having said that, Kapferer and Bastien (2008, pg.314) also believe that money is not enough to define luxury goods, it only measures the wealth of the buyer, it is not a measure of taste hence the need for a luxury brand to first encode social distinction. “Luxury converts the raw material that is money into a culturally sophisticated product that is social stratification” (2008, pg.314).

Apart from money and the social distinction, Kapferer and Bastien (2008) reflect on the need for a luxury product or brand to have “a very strong personal and hedonistic component” (Kapferer and Bastien, 2008, pg.314).

Kapferer and Bastien (2008) highlight that luxury cannot dictate or impose a paradigm for consumers to follow, instead, it (luxury) has to have a personal and hedonistic component, meaning that it should never conflict with the way you interpret your personal style, taste or decide what to do with the product you purchase.

Another factor that should be taken into account as an intrinsic quality or characteristic of a luxury product is, “timelessness”. The fashion in luxury cannot have “deadlines”.

Kapferer and Bastien (2008, pg.315) say that “fashion is intimately tied to the ebb and flow of time” referring to the works by Okongwo (2007) and Tungate (2004). They support this by stating that “luxury aims for timelessness: the great classics represent a high share of the sales of a luxury brand, whereas last year’s fashion has little value and can be bought on sale on the internet.

Kapferer and Bastien (2008, pg. 316) also suggest that a luxury brand should “forget about brand positioning” and so “worship brand identity”.

They support the idea that a luxury brand should not be defined by analytical data, market studies or surveys and that it should simply portray “authenticity, psychological and social depth” to create “close bonds with the psyche of clients who will be seduced by this identity” (Kapferer and Bastien, 2008, pg.316)

They do have a point in the sense that by forming this superior identity and acting superior, brands will distinguish themselves from other simple fashion brands. I regard this as an extension of what they said previously about luxury fashion and classical timelessness. A brand that is dependent on surveys to form images of itself will also need surveys and other data in order to create ephemeral collections that will not endure the test of time.

A luxury brand should not compare itself to competitors and so, should be only a representation of itself. Kapferer and Bastien (2008, pg. 316) continue by saying that “the luxury brand should tell a story, its own story, be it real, as for Coco Chanel, or completely invented from scratch as for Ralph Lauren”.

Kapferer and Bastien (2008, pg.318) say that “the luxury brand is something that has to be earned” and that, “the greater the inaccessibility the greater the desire. This translates exactly to what Supreme does and is one more aspect that the brand takes from luxury management and applies, perfectly, in the streetwear market. Kapferer and Bastien, (2008, pg. 318) say that “the absence of rarity leads to immediate dissipation of desire, and so does the disappearance

of the waiting time that sustains luxury". They clearly stand by the creation of shortages in product in order to improve the sense of rarity and to implement, in the consumer, an extra desire to own a product.

In order to maintain or augment the dream, Kapferer and Bastien (2008, pg. 319) believe that "the role of advertising is not to sell" also adding that "in Luxury, advertising aims exclusively at recreating the dream. (...) the dream is permanently eroded by sales growth and media. (...) for the desire engine to work, the tank must be refilled with dream."

They go as far as to say that a luxury brand should actually advertise to those whom the brand is not targeting (Kapferer and Bastien, 2008, pg.319) for the simple reason that, if in luxury, "somebody is looking at somebody else and fails to recognize the brand of his watch, and to have an idea of the price that goes with it, part of its value is lost. It is essential to spread brand and worth awareness far beyond the target group. I guess one of the best examples is the Rolex. Recognized by many as a luxury asset and worn by only a few. All of this concepts lead to the continuous increase of a luxury items prices "in order to increase demand"( Kapferer and Bastien, 2008,pg.319).

For Kapferer and Bastien (2008) a luxury brand has to have two policies regarding pricing. Firstly the brand has to position itself higher. "A reasonable price is a price that appeals to reason, and therefore to comparison" (Kapferer and Bastien, 2008, pg.319). The authors also state that by increasing prices" the brand loses "the bad customers" and becomes "dazzlingly attractive to people who would previously not have given you a second glance". Although they state this, they also point out that it would be ridiculous to "believe all luxury means is being the most expensive in the market", that "would not create much loyalty"

Secondly, Kapferer and Bastien (2008 pg. 320) believe that, for a status brand, it is important to include more affordable products" in addition to the high prices

items the brand already sells. This will make it possible for the aspirational consumer to own a portion of the dream, even if it is a “Louis Vuitton key holder as \$150).

With these different components, Kapferer and Bastien believe luxury brands can stay relevant and with good business, especially in times of economical crisis. They also state that “luxury purchases have two facets: indulging in ones’s pleasure (luxury for self) and demonstration of success (luxury for others). The luxury for others will not paly a very big part in Europe and USA within the economical crisis. Instead, brands will seize this phase to “regain balance, beauty and attractiveness” (Kapferer and Bastien, 2008, pg.321)

### 3. Research Methodology

The streetwear exists, at least, since the 1980's and has gone through an evolutionary phase. The market has become more dominant, wider and imitated. The exclusivity, although still present and impactful, is not as determinant in a market taken over by the internet. Thus, it is relevant to investigate and understand the evolution of streetwear and how some of its brands may even transcend those of the luxury market

This study aims to deeply understand the evolution of streetwear. In order to do so, the history of streetwear and its influences were carefully investigated and various opinions were collected from dedicated websites and also books focusing on this industry's brands.

The brands analyzed have outgrown their beginnings and represent more, today, than they did at their origin as just skate shops. Moreover, this study tried to compare the luxury market and its specificities with the streetwear market, and luxury brands with streetwear brands, in order to better understand if there are communalities between both.

To accomplish this purpose, a few research questions were developed in order to guide the research process.

- Why is the streetwear market so relevant?
- What characterizes a luxury brand?
- What drives consumers to form purchasing intentions and makes them actually buy luxury goods?
- How important is the tribe for streetwear brand consumers
- How are luxury brands managed?
- Do streetwear brands follow a luxury-like approach?

This study used a case study research strategy since this seemed the most appropriate strategy given the purpose of the study.

A case study research strategy excels in bringing us insights on complex issues or objects. This method can add experience and strengthen previous research. Yin, (1984, pg.23) defines the case study research method “as an empirical inquiry that investigates a contemporary phenomenon within its real-life context; when the boundaries between phenomenon and context are not clearly evident; and in which multiple sources of evidence are used”.

We selected Supreme as a case study due to the relevance of the brand among the streetwear culture, also, Stussy was studied due to its impact in this market in terms of tribe formation within streetwear. The origins of Supreme are rooted on the skate culture of New York in the 1990's and they still, after 20 years, sell the New York lifestyle with the attitude that cemented the brand. Due to the exponential growth or “massification” of the streetwear market, Supreme grew even further to the point that the label could be seen in the skate parks of New York and, at the same time, at the New York fashion week. I grew up as very big fan of Supreme, but in recent years I became more interested in what they do to capture the attention of their different consumers and how the brand is able to make people wait in line for days just to be able to buy something (whatever is not, sold out). How does a skate brand manage to have a luxury-like effect on consumers? This question as well as the the incredible long queues of apple-like cult devoted consumers riddled me for quite some time.

Although Supreme is the most focal case study in this analysis, we also analyzed Stussy regarding the cult/tribe manifestation and origin within the streetwear market as this was the first very big streetwear brand.

Regarding the data collection methods used, this study fits in the descriptive category proposed by Yin (1984, pg4) when he states: “descriptive case studies set to describe the natural phenomena which occur within the data in question”. This case study, due to schedule and accessibility problems to potential interviewees, is cemented on evidence from documents and archival records and so this qualitative data is built upon a well revised and analyzed literature. Yin (1984, pg. 83) states that “evidence for case studies may come from six sources: documents, archival records, interviews, direct observation, participant observation and physical artifacts”. Regarding documentation, the author also states that “except for studies of preliterate societies, documentary information is likely to be relevant to every case topic. This type of information can take many forms and should be the object of explicit data collection”, also, it might be collected from “formal studies on evaluations of the same “site” under study, newspaper clippings and other articles appearing in the mass media or in community newsletters.” (Yin, 1984, pg.85). The author also states (1984, pg. 87) that, “because of their overall value, documents play an explicit role in any data collection in doing case studies” also, “the most important use of documents is to corroborate and augment evidence from other sources” This study used a literature analysis to form the base arguments and comparisons between the streetwear and luxury industries. Hence, in this study, there was the need to use secondary data, and essentially a detail oriented literature review. The research developed by Rajendran (2012) was particularly relevant and allowed to make the comparisons, throughout the study.

In order to establish comparisons between the streetwear and the luxury management characteristics, data was collected from previous research, documents and articles which analyze the luxury market, cult and tribe behaviors, as well as the aspirations and emotional needs of luxury goods

consumers. In-depth research was necessary in order to establish the context, origin and development of streetwear. This research was possible due to the consultation of online articles and interviews focusing on the streetwear market. The purpose of acquiring data from several online interviews, articles and dissertations consulted, allowed this study to incorporate insights of some of this industry's professionals, but also from academic researchers. These insights then propelled the comparisons and analysis between streetwear and luxury in the dimensions presented below.

In order to compare streetwear and luxury markets, we needed to understand what makes consumers buy luxury goods or what influences their buying intentions. Therefore, it was critical to analyze consumer's aspirations, values and emotional needs in the context of the luxury market.

## 4. Findings

### 4.1 Profile: Supreme

Supreme was founded by James Jebbia who had, previous to 1994, served as store manager at both Union and Stussy in New York.

James Jebbia first had the idea of opening a store (with no specific target or positioning in mind). This idea came to him when Shawn Stussy told James that, because Stussy was becoming a bigger and more available brand, he was planning to leave the company. Because of that, James Jebbia then decided to open a skate dedicated store as he was really into the culture, the designs and philosophy of skateboarding and also because he realized that there was not a good skate shop that really catered to the demanding skateboard market in the downtown area of New York, at that time. He was also driven to open a skate store as his friends were skateboarders and knew how the market operated. Nowadays, Supreme has developed a strong group of followers and is “an embodiment of the downtown New York culture” Rajendran (2012 pg. 4).

“The store was able to become the holy grail of high youth street culture by curating a mix of the city’s iconography – fashion, music, celebrity and politics within its walls and then instantly sledge-hammering the city’s high-low playing field (*in: Inside Supreme: “Anatomy of a global streetwear cult – Part 2”* 2012, January 10).

In the past, “owning a piece of clothing with the red Supreme logo on it was like a more authentic “I LOVE NY” T-shirt, a tourist token that instantly made you feel a part of a certain downtown New York ethos” (*in: Inside Supreme: “Anatomy of a global streetwear cult – Part 2”* 2012, January 10), this was the lifestyle that Supreme sold and still sells, the essence of the “cool” New Yorker.

The main thing about Supreme's garments is the fact that they transpire and reflect an everyday style for men, from the 15-45 age segments. Everyone will find something that will fit his style. "More importantly, they assuage the fears many men who have come of age alongside the store have about wanting to look grown up – or appropriate – while still being true to their core aesthetic values"(in: Inside Supreme: "Anatomy of a global streetwear cult – Part 2" 2012, January 10).

James Jebbia believes that the word that best describes their focus or orientation is quality. He believes that quality should be the utmost recognizable characteristic of Supreme. "If fashion and award shows have any teachable moments, it's that cool doesn't last on the fickle world stage. Quality does"(in: Inside Supreme: "Anatomy of a global streetwear cult – Part 2" 2012, January 10).

## 4.2 Consumers aspirations

After reading Phau and Prendergast (2000) as well as their citations on Dubois and Pasternault's (1995) dream formula, we tried to transport their conclusions and compare them with a different formula that would fit today's complex world of streetwear fashion notoriety.

By analyzing the "Dream" formula by Dubois and Pasternault (1995), we tried to incorporate "new" updated variables that influence consumer in the world of today. These variables were mystery, exclusivity and hype. With hype being similar to notoriety and exclusivity fitting the idea of "the rarity principle", the mystery variable was the only really new variable that influences exclusivity, notoriety and the consumers' purchase intentions.

Supreme plays with the mystery variable in the best way, perhaps, better than any brand. When talking about mystery, Supreme is one of the most mysterious of brands. No one ever knows what is coming out, what their influences will be

and very little is known about the owner and his designers and their studio. Supreme is a riddle in the sense that one wonders where they will go from one collection to the other, where will they get their inspirations from and what their next collaboration will be. This mystery factor keeps Supreme fans and non-fans on the lookout for what's coming next. Add to this the exclusivity (Rarity Principle) for what Supreme is known for, having only limited quantities of their product every season and never a mass production of the garments.

That way no one buys Supreme by chance, they buy it because they managed to get familiar with the brand and because they make everything they can to get a product of this particular brand, even if this means camping out for days in front of the store (*in: www.highsnobiety.com; "Supreme London opening, the queue", "2011, September 23*).

Supreme has become wildly more popular in the last 10 years because of the awareness it received when more and more musicians started wearing the brand, either because they bought it or because they were sponsored by Supreme. The genius behind this overflow of awareness is that it did not ruin the brand, the purchase intentions grew bigger, the aspirations grew bigger and no one seemed to lose interest in the brand. Because of the internet, as mentioned in the Literature Review, the streetwear underground culture, was somewhat exposed, and this generated a greater, wider, circle of people with access and information on mysterious brands like Supreme. Despite this growing number of purchases, consumers still fight their way to the store every now and then to get at least something with the Supreme logo. I believe this clearly confirms the equity of the brand and the perceived value by the consumers. Without a doubt, the majority of the consumers, now, buy Supreme garments in order to fulfill their emotional and social needs (and they will go to great lengths to do so). No luxury brand has this "power" over consumers,

which was in part, achieved by balancing the mystery and the exclusivity of the brand. This resulted in eventually more awareness and purchase intentions without diminishing the dream effect, consumers' aspirations of owning something by Supreme and the hype surrounding the brand.

### 4.3 Stussy and streetwear brand tribes

One cannot talk about streetwear and tribes without mentioning the very brand that started it all.

Stussy started in the early 80's and was founded by Shawn Stussy. Shawn was a known surfboard shaper with punk rock inspired styles and artworks that would often be present on the boards he would craft. A few years later Shawn Stussy sold his part of the company to his then business partner, Frank Sinatra, Jr. (non-related to the singer/entertainer). Despite being sold, the brand, remained with its roots intact but with a bigger, less exclusive, audience.

Inspired in California, where it was born, Shawn Stussy took the company from a west coast surf inspired artistic brand to "a purveyor of downtown cool" (in: [www.complex.com](http://www.complex.com) "The oral history of Stussy: part 1; 2012, December 18) and an influencer of the youth culture. In fact it was Stussy that influenced many of the next generations of brands as it still does to this day.

This brand was born in an underground movement directly associated with a do-it-yourself philosophy that quickly stood-out from the rest of the brands at that time due to a very specific mixture of influences and a very distinctive imagery. Because it presented something fresh and was supported by a foundation of beliefs, ideas and visions, shared by the youth it was targeting, Stussy quickly became something of a tribe, a symbol of exclusivity and a social group of its own.

Shawn Stussy knew that he was creating a very particular audience or fan base that looked for almost exclusive t-shirt designs.

What Veblen (1899, as cited by Phau and Prendergast, 2000, pg.124) said was applicable at that time and still is today. People compare each other every day and want to distinguish themselves from the majority or do not want to be confused with other social classes. In streetwear, at the time, it was not that much about different social classes but instead, social groups. They wanted to fit in within a group of people that shared the same values. Wearing a Stussy t-shirt was like a membership card in to a group.

It is important to add that because Stussy was a surf brand, in a sport with an ever-growing fan base, it could instantly become part of a club/tribe and so become part of its preferences. As cited by Moutinho et al. (2007, pg. 670), Percy and Taylor (1991) say that, when analyzing the sport of football, fans had what they call “meaningful artifacts” that extended to the places they frequented, the food and drinks of their preference and also, the clothes they wore. With Stussy it was the same thing, it was a brand with an almost instant cult/tribe status, for two reasons. Firstly, Stussy, as we saw earlier, was born within the surf/skate and punk-rock communities so it already was a part of something. Adding to this fact, Shawn Stussy was already known and respected in that community as a shaper of “cool” surfboards. Secondly, everything Shawn did was deemed “cool”, because of his very own personal vision of art and clothing. This meant that there was perceived quality by its direct consumers and, that the community as a whole shared the values towards the brand making it “cool” to wear something by Stussy.

If you were part of the community and did not have anything by Stussy it would not take much time until you did. This happens “due to the need of belonging and acceptance, within a group” (Moutinho et al.2007, pg. 671).

Stussy even made things more desirable when he started a line of custom made Stussy Varsity jackets to those who directly belonged to the family of Stussy. Designers, photographers, store managers all had this special-made,

incredibly rare Stussy jacket with the family member's name stitched on the front and, on the back, the phrase: International Stussy Tribe. By doing this, Shawn created a higher social group inside of an already existing social group. What happens is that Stussy clearly created a club of his own, his own tribe and everyone who was not in it would certainly want to be a part of it. Dholakia and Talukdar (2004) believed that due to the existence of aspirational reference groups (Stussy World Tribe) the consumers would have a tendency to imitate their members, in shopping habits, and general tastes, because of their desire to belong.

Stussy, despite becoming more widely accessible, has still maintained its core. They present different collections within the same brand; some of them are more exclusive than others. It is a way to maintain the aura of the brand intact and not to turn it into a mass market fashion label.

Supreme and Bape also have a tribe of their own, but we believe that, in order to analyze the power of a tribe brand within the streetwear industry, Stussy would be the ideal brand, because it was the first big brand of the genre and the first to actually start a tribe.

These three brands could be considered as tribal brands in the sense that they stand above the products they offer. Although they have their own functional value in terms of high quality, design, fashion, vision and beliefs, their value, at least in this modern era of streetwear, "resides in the ability to capture an exclusive significance in the mind of pre-existing consumers and possible future consumers" (Moutinho et al. 2007). The logo is more than the t-shirt it is printed on. It means so much more to the consumer even though the quality of the t-shirt is actually better than most.

It is also possible to point out that, because of the new reality of streetwear prompted by the emerging use and immense wingspan of the internet over the last 10 years, most of these brands, and especially Stussy, Supreme and Bape

have developed “brand communities”. Muniz & O’Guinn (2000) define these “brand communities” as being less ephemeral (each of these brands has been at the top of their game for 20 years at least), less geographically limited (thanks to the internet everyone, everywhere can be a fan of the sub-cultures behind these brands as well as followers and consumers of said brands) and, ultimately, more explicitly commercial (which we were able to confirm with the Dream formula, as soon as a brand awareness starts augmenting)

All that was previously discussed till this point was of great importance because it helped identify the traits of the consumers within the streetwear niche. Cult and tribal behaviors had a very impactful presence in the preferences and purchasing intentions within the streetwear market. As analyzed in the Literature Review, luxury consumers need to belong to a certain level of society, and have aspirations to be someone they currently are not. They fill these needs and insecurities with brands, or at least they buy them in search of comfort and security. The same thing happens with the cults or tribes that surround streetwear and its brands. The streetwear consumer is someone that pays a lot of attention to the way he/she presents himself/herself. They buy certain clothes and certain brands in order to represent themselves (as they might share the values and culture of the brands), but also because the members of the tribe (that he/she is a part of or wants to be a part of) all wear that specific brand. Streetwear consumer (in terms of generalization) may want as much attention and respect as the luxury consumer only in a smaller more exclusive niche.

What Stussy did, by stimulating the slow creation of the brand tribe was exactly that. He wanted to have a group of people that shared the same tastes, values and vision. This meant that the brand inside the tribe would benefit greatly from the shared interests, aspirations and needs within its members. That also meant the brand would be able to implement, within the group, any sort of

style or product by impacting the more acknowledged members of that group. Everyone else would follow their “leaders”. If we analyze the concept behind the International Stussy Tribe we may conclude that it was a way of influencing the aspirations of the rest of the tribe, the consumers.

By doing this analysis, we do believe that the difference between both types of consumers is that the tribe affects consumer behavior because it “pressures” him/her to buy. Also, the main target of some streetwear brands are young people, an age group highly influenced by its reference groups, and this means that, for them, brands have a very high symbolic value.

The comparison between the aspirations and needs of the luxury consumers and the streetwear/tribalist consumers, allowed us to understand that a tribal following plus a luxury-like management of streetwear brands could help develop a powerful brand within the market.

## 4.4 The specificities of Streetwear Management

### 4.4.1 The power of an insignia

After studying what Kapferer and Bastien (2008) said about luxury brands, and the fact that the price of the luxury items does not translate into social distinction, we then decided to analyze if Supreme follows the rules of luxury management indicated by Kapferer and Bastien. The objective is to see how a streetwear brand like Supreme operates. Following the specificities of luxury management indicated by Kapferer and Bastien we then analyzed what constitutes a luxury brand, also to see what the communalities are between a luxury brand and Supreme in their characteristics and “modus operandi”.

At the very beginning, Supreme encoded its social distinction. Aaron Bondaroff, now a partner at OHWOW – a contemporary art gallery, publisher and producer of special projects, used to work at Supreme’s first store on Lafayette Street, NY. He recalls the following: “I was a drop out and graduated from a skate shop. I was lucky at the time because it was kind of a shut-door policy (...) it wasn’t easy in the beginning, even if you worked for the company it didn’t mean you were accepted automatically”( Bondaroff, Supreme, 2010, pg.20). He adds by saying: “The social club wasn’t so inviting, though, and had a lot of attitude. We made the rules and ran a business that was very successful. (...) In the early days it was like, come in, don’t touch: you can look with your eyes but not with your hands” Aaron Bondaroff, Supreme, 2010, pg.20).

What Aaron Bondaroff means when recalling these events is that, at its origin, Supreme already encoded social distinction in its brand. Not everyone could be accepted, it was a very restricted club, “shut-door policy”. Those who belonged to that social club were the ones that dictated whether you were in or out, and if you were out, you’d want to be in. If not, everyone could go to the store and buy what they felt like it. Only those within a very special club got to wear the Supreme badge giving it more power and representation, something that money couldn’t buy, a kind of acceptance and respect. The Supreme insignia meant you were “special” and deemed “cool”. It still does, but not in the same way. Nowadays, the brand is more accessible to the “common mortal” still, wearing the brand’s logo will tell a whole lot about who you may be, what your interests are and how “cool” you may actually be.

#### 4.4.2. Personal and hedonistic component

When analyzing the hedonistic component that Kapferer and Bastien mentioned as another rule for a luxury brand, one has to analyze two very distinct ways in which Supreme deals with its customers. In a way, Supreme “controls” if consumers are going to wear their brand. Although this may be true, Supreme also creates ways to resonate directly with its target.

If a brand does not guide the individual through what the brand believes is its physical representation, then, the brand might be condemned to fail if people with completely different styles start adopting pieces of its garments and using it “out of context”. This might take the brand down, as the brand followers start seeing other social groups that they “despise” wearing the same clothes as them. That might make them want to abandon said brand because it did not control its target. That is why we believe Supreme had this very rigid “shut-door policy” which allowed them to select who “deserved” to be in the club. Nowadays it isn’t that much controllable, but because of the exclusivity and the “Rarity Principle” Supreme manages to target its niche while pleasing a wider audience. We believe these “restrictions” were relevant to build Supreme, as a cult brand

Having said this, we do believe that the brand has to hold and intrinsic hedonistic value to the consumer, because if it does not represent more than a logo it will not resist the test of time and/or the next fad. Because Supreme made that badge so meaningful and hard to get, it gave consumers substance. Also, they realized that, with that symbol, comes so much more than recognition. Supreme was like an art gallery you could skate into and that sold wearable and “skatable” pieces of art as Glenn O’Brien from GQ magazine writes: “I also noticed that there was something going on here about art. It was pretty obvious in the tee that bore photos of Shawn Mortensen shot of the Zapatistas in Mexico.(...) There was a Mark Gonzalez mural above the shirts

and there were a lot of skateboards for sale which were not exactly what you'd expect, like the Larry Clark decks with images from *Tulsa*. It turns out there were also decks from Rammelzee, Kaws, Peter Saville (...) Richard Prince, Jeff Koons, Christopher Wool, and Damien Hirst" (Glenn O'Brien in "Supreme", 2009). Erin Magee, production manager and designer for Supreme, writes: "Supreme isn't there to make things cooler, or jump on the bandwagon when things are getting hot. (...) It's more like an educational thing. There are certain things we like and so we do collaborations with them. For example; who knew about George Condo before he did the Kanye album cover? We had him for our skate decks" (cited from Rajendran, 2012, pg. 21). Also, Supreme was and still is a symbol of New York. Everyone that buys Supreme is buying a little of the spirit of New York, its attitude and lifestyle.

For the reasons stated above, we believe that Supreme transcended its symbol. It wasn't just a symbol and no one, at the time, could wear it just because it was a fad. It meant something for those who sold it and it had to mean something to the consumer who bought it.

#### 4.4.3. Streetwear and generalized fashion

In what respects "timelessness" (Kapferer and Bastien, 2008, pg.315) and its impact in dictating the luxury character of a product, one wonders how it applies to streetwear. Because some of these brands pay very much attention to detail, design, inspiration and style, every product that Supreme (or Bape) sells respects the utmost quality and relevance. Of course some pieces are better than others, but in general nothing is made with the intention of following a trend or being less than an instant classic. (as previously stated by Erin Magee cited from Rajendran, 2012, pg. 21). As a matter of fact, a quick eBay search could point the reader to Supreme garments from a collection of 3 years ago, being re-sold, today, at least by the double of its original price. Heine (2011) cites Lasslop

(2002, p. 342) and Kisabaka (2001, pg. 95) when he writes that luxury brands should “create everlasting products, which will not be disposed of even after long periods of utilization or defect, but will rather be repaired and even appreciate in value over time”. This is exactly the case for Supreme’s products. Because they are of limited quantity and because the brand will never release the same product twice, every single garment doubles and even triples its value once it comes off the shelves. Also, collaborations between Supreme and other brands have an instant impact in the customer’s value perceptions. In the case of Supreme, the collaborations are made always to add value to the garments. Nike for sneakers, because they manufacture quality sneakers or even The North Face for outdoor jackets and parkas because the brand is famous for the quality of their garments in that segment. These are a few examples of the collaborations Supreme is part of.

James Jebbia states that “the main reason behind the short runs (limited production) is that “we don’t want to get stuck with stuff that nobody wants. Aside from the most obvious items, in most cases we don’t know how something will sell, so I tend to take a cautious approach, rather than be overly optimistic” (James Jebbia, “Supreme”pg.31). Obviously this is a good way to legitimize the controlled environment of the brand and its exclusivity but it also allows the brand (Supreme) to explicitly separate itself from a common fashion brand.

Glenn O’Brien writes that Supreme “(...) makes things to last, not to be consumed and cast aside. Its clothes have a great style and flash but are also designed for utility, economy (because they last longer) and longevity”, and he says that “There was something about the thought, care and quality that went into the clothes that reminded me of Hermès of Paris. Supreme was obviously intended to be the very best of what it was”(Glenn O’Brien, “Supreme” pg.9). These statements together with the detailed sense of Supreme’s own style and

representation of the New York lifestyle make for very unique pieces of clothing and art that push away the potential connection to that of a simple fashion brand. The consumer knows this, he also knows that Supreme merchandise is very exclusive and hard to get, contrarily to a normal fashion brand. A week after the release of a collection everything is sold out (at least the majority of things) and by that time, the garments can already be seen, on eBay and other auction or e-commerce websites, re-selling for triple of what they cost. It is normal to see a \$50 t-shirt re-selling for \$150 ten minutes after it is sold out in stores, both the physical and online representations of the brand. So, for this reason, Supreme and Bape (which also puts the same effort on its clothing and has the same effect on consumers) are completely away from the labeling of a simple fashion or skate brand that can be bought on sale on the internet.

#### 4.4.4. Contradicting the marketing theories

“Forget about “brand positioning”, worship brand identity.” Kapferer and Bastien (2008, pg. 316). Kapferer and Bastien believe that “in consumer marketing, at the heart of every brand strategy, you will find the concept of positioning. James Jebbia actually planned his positioning when he first began Supreme, and it makes perfect sense: “A lot of guys who I worked with skated and there didn’t seem to be a good skate shop left in the city. (...) They had all closed by the time we opened. I wanted it to be strictly skate because you really couldn’t buy skate products and hard goods in downtown New York at the time” (James Jebbia, “Supreme” 2010, pg. 26). They also specialized on selling exclusive goods further on, Rajendran (2012, pg.22) reports that during the boom of sneaker collecting in the late 1990’s and early 2000’s “Jebbia would send his buyers for buying trips out to Europe (...) to scour sneaker stores for country-exclusive pairs that were being supplied to the European market.” He

complements this with a statement by C.Gibbs (Rajendran, 2012, pg.22), owner and buyer for contemporary/luxury streetwear boutique Union LA: “(...) we would hit up a big retailer like footlocker, find a pair of Nike dunks that were being made exclusively for France or England, and buy out the whole stock”. Supreme was born to be supreme, special and unique, hence the constant attention to detail when it came to garnering the most exclusive and high-quality products available for its target.

What Kapferer and Bastien (2008) believe is, that “every classic brand has to specify its positioning vis-à-vis a set of competitors it has chosen”. In a very uncommon interview James Jebbia (Inside Supreme: “Anatomy of a global streetwear cult – Part 2”, 2012), states that “all the magazines, if they’re being nice, just think we’re some cool little skate shop doing kick flips downtown (...) They always write the same thing over and over again.” James Jebbia prefers the definitions of Glenn O’Brien who wrote an article on Vogue “comparing the persnickety shopping habits of the uppity uptown women who peruse the racks at Chanel’s boutique on East 57<sup>th</sup> Street and the baggy-pants, bed-head boys who wait in line for hours at time to shop at Supreme in SoHo. (Inside Supreme: “Anatomy of a global streetwear cult – Part 2”. 2012).

James Jebbia regards his brand as more than a skate label but rather a small fashion house more similar to agnès B or A.P.C. In an interview (Clark Magazine – Interview with Angelo Baque of Supreme”2010) Angelo Baque, Supreme’s Marketing Director, stated that “the purpose of the collaboration is to realize products that we usually don’t carry out by ourselves. With A.P.C. it was a special project for the similar mentality and philosophy we have with the brand. Anyone who knows New York and SoHo will know that the two shops are within walking distance even if they serve a different type of clientele. Over the past 4 years, the distance between our customers has been decreasing: every day I could see kids wearing A.P.C. jeans and a Supreme jacket, or vice versa.”

All these, are statements that help specify the kind of “league” Supreme views itself in. Supreme makes a statement by continuously showing a spontaneous identity. They are genuine and that is the representation of how a luxury brand acts. (Kapferer and Bastien, 2008) support by saying “luxury is the expression of a taste, of a creative identity, of the intrinsic passion of a creator: luxury makes the bald statement, - this is what I am - and not - that depends -”. Although Supreme may have started as small skateshopt in downtown New York, they always primed for quality and design. Supreme was indeed born supreme and that has been their goal since it started in 1994.

#### 4.4.5. Make it difficult for clients to buy

Kapferer and Bastien believe that “luxury is a consequence of meritocracy”, and that “in order to preserve its status the brand must always dominate the client” (Kapferer and Bastien, 2008, pg.318). A certain distance should be maintained, also, maintaining an aura of mystery. We saw previously that mystery was one of the variables that helped define notoriety (awareness) when we analyzed the mathematical equation of hype. Mystery is actually important in the way the brand conducts itself, and Supreme does that better than anyone else. James Jebbia (Inside Supreme: “Anatomy of a global streetwear cult – Part 2”. 2012), says “for us, the way that we do it is by letting the product speak for itself. Instead of putting time and effort speaking on the process of how we get the collection done, our energy goes into presentation.

Kapferer and Bastien (2008, pg.318) stand by the idea that “to preserve (its) status, the brand must always dominate its client”. We can say that (as previously analyzed) Supreme actually made it very difficult for clients to buy. Nowadays it is easier to get a Supreme product, but it is still very restricted when compared to the rest of the fashion brands. This actually helps to create

the hype around the brand, its awareness, and obviously it allows the maintenance of exclusivity (the Rarity Principle). Rajendran (2012, pg. 2) also presents this information when he states that “with only eight flagships stores around the world, including New York, Los Angeles, London and Japan, accessibility to the brand is limited. In order to restrict access to its apparel and merchandise, only seven other retailers carry Supreme NY accounts. Its unique approach to customer management and service has forged a reputation, over the years, that is widespread and well known. “Both stores in New York and in Los Angeles have been known for the extremely poor and crass customer service. The low level of tolerance for those unaware with in-store rules – no unfolding, stock is in the back, limited questions, and a get-in-and-get-out policy” (Rajendran, 2012, pg. 2).

Kapferer and Bastien (2008, pg. 318) support this by saying that “to create this obstacle to immediate consumption, it should always be necessary to wait for a luxury product”.

Supreme goes further on the concept of not treating clients as equals, as Aaron Bondaroff reports: “come in, don’t touch, you can look with your eyes but not with your hands. It was a crazy way to sell garments but the customer learned the deal” (“Supreme” 2010,pg. 20).

Angelo Baque (Clark Magazine – Interview with Angelo Baque of Supreme”2010) states that “Right now Supreme is accessible to all and within everybody’s reach, but in 1998 there were only a few people from the skate scene and downtown that knew the brand. So if you were looking for something made by Supreme, you had to go to the store and it was like playing with fire for that period. Now, there are a lot of people wearing Supreme because of the web. You don’t have to move to NY or Los Angeles to get the information you need about it.”

Nowadays things do not happen to be as difficult as they were during the 1990's, but customers can still be denied a purchase because the sales associates regard him/her as not deserving to wear Supreme.

#### 4.4.6. The role of advertising is not to sell

Supreme acts in two ways regarding its advertising and communication. First of all, the style editorials and lookbooks with magazines or websites that project the brand have to respect what they believe is the brand's vision of the collection and how it is supposed to be worn. Rajendran (2012, pg.23) states that "the brand typically uses models who are sometimes sales associates or affiliates of the brand. (...) the brand portrays its products and models as everyday consumers without extreme fashion depictions". Supreme is authentic and because of that, its communication will give you a glimpse of their simplicity, their target and their influences. This is kind of a no-frills presentation, they do not want to be more than they are, they are not snob nor do they want to be perceived as such. This is what they sell. This depiction is similar to that of Apple's products. They focus on the simplicity. The minimalism in the surroundings of the product, capturing the focus of the consumer to the product and where it is supposed to be worn, the influence and the "habitat". That is why Supreme depicts their editorials and/or lookbooks either on the streets or with the help of fellow photographer Terry Richardson shooting the models in a white backdrop.

Supreme also has been a sponsor of musicians and skateboarders that portray the kind of image they have of themselves. Also, these sponsorships help create a dream in the minds of the musicians' followers. That happened recently with the hip-hop group OFWGKTA (Odd Future Wolfgang Kill Them All) that had a rise in popularity and in which the musicians wore and rapped

about the brand. These sponsorships also help the brand maintain relevancy within the sub-cultures of street culture that have an impact on the way people dress. By doing this, they manage to find young promising talent and present them the same way they did when inviting artists to adorn their skateboards.

#### 4.4.7. Raising prices to increase demand

By browsing the book of Supreme published by Rizzoli (2010), it is possible to gather some information about the first prices practiced by the brand regarding their sweatshirt collections. "When we did a sweatshirt, we embroidered our logo really well and we used a high-quality, heavyweight sweatshirt – it would retail for around \$68 while other skate sweatshirts would only be around \$48." Said James Jebbia ("Supreme" 2010, pg. 31). "People noticed and appreciated the difference in the quality and fit of ours, though, and seemed to like them."

If we head over to the website, in present days, Supreme sweatshirts retail at about \$150-\$190. Kapferer and Bastien (2008, pg.319) state that "a reasonable price is a price that appeals to reason, and therefore to comparison. (...) recalling our second imperative, (...), luxury is "superlative" not comparative. To be reasonable is also to reduce the object to its tangible dimension and to deny the intangible. By increasing prices, you lose the bad customers, but now you suddenly become dazzlingly attractive to people who would previously not have given you a second glance." Also, "it would be wrong, ridiculous, to believe that all luxury means is being the most expensive in the market. First, it attracts the segment of luxury buyers for whom luxury means showing one's richness: this does not create much loyalty, for pricing can always be imitated." (Kapferer and Bastien, 2008. pg. 319).

Supreme follows this principle, they do not want to be worn by insignia chasers filled with need of, only, recognition. They want consumers that have a certain

affection, regard and respect for the brand and what it represents. Obviously they will always have people who buy their brand just to flaunt the logo as a badge of “fashionismo”, but through its marketing strategy, the products and the way the brand conducts itself aims to sell to those who follow the brand and see it as a reflection of their own selves or of what they aim to be. In addition to this the philosophy of not treating consumers as equals tries to combat, in a way, this situation.

Kapferer and Bastien (2008. pg. 319) also state that, “for a status brand, it is important for the range of product, which are mostly out of reach, to include more affordable products, provided that such items live up to the brand and are significantly more expensive than equivalent products from other sources”. Supreme does that by offering simpler accessories from sunglasses to hats, from keychains to skateboards. With the skateboards the company also makes it possible for the consumer to own a piece of art by a renowned artist or by an artist that is going to be renowned, at a smaller more convenient price. An outlet that makes it possible for the consumer to skate with the product or to expose it on a wall as the art piece it is. That is why they have always invested in artists to place their work on Supreme’s skateboards, as mentioned previously by Glenn O’Brien and Erin Magee. This is also part of stimulating consumer aspirations. If they cannot afford one of the more expensive products in the store they can always take a piece of Supreme with them despite the little money they might have. It is also an intelligent way to guarantee that the consumer always leaves the store with a product of any kind.

#### 4.4.8. The anatomy of a luxury brand

According to the research by Heine (2011), Kapferer and Bastien (2008) and Fionda and Moore (2008) it is possible to identify a set of characteristics that all authors point out as luxury qualifying characteristics. Price, heritage, aesthetics, rarity, quality, symbolism all contribute to the categorization of a brand as a luxurious one.

We this study we never intended, with this study, to categorize Supreme (the main brand in analysis) as a luxury brand. Our intention has always been to explain how Supreme operates in its niche market. The luxury-like approach goes beyond the ordinary limited production (rarity), instead it seems that Supreme actually behaves more as a luxury brand than imagined. The brand implements tactics similar to those applied by luxury brands, and gives attention to luxury-like characteristics. Although, it is possible to say that they do not completely fulfil the utmost exquisite levels of each characteristic. This means that we can only consider that a brand like Supreme a premium brand, not a luxury one. We do not believe that Supreme regards itself as a luxury brand. Supreme offers the New York lifestyle, a style different from the rest of the streetwear brands in the market. Because Supreme is so special and particular, it embodies its own aesthetic and inspires upcoming brands. It is a reference in the same way Ralph Lauren is, with its timeless pieces always attractive and classic. Supreme has grown to become very strong over the past twenty years and so carved a place of its own, not comparable to any other brand. Because of that, “whenever and wherever the brand is seen, it embodies a world of beauty and elegance” (Heine, 2011, pg. 58) very characteristic to none other than, Supreme.

At the end of all this analysis by quoting James Jebbia (“Supreme”, 2010, pg. 37) in a perfect description of how Supreme operates within the streetwear market and of the high-standards they live by:

“We work very hard to make everything look effortless”

## 5. Conclusion

With this study we intended to analyze the strengths of the most well established Streetwear brand, Supreme. Few other studies have analyzed this industry in detail, and we believe that it is worth analyzing its consumers and brands, since they have been growing more and more every year. Also, it is important to note that the aspirational streetwear consumers of today may be the aspirational luxury consumers of tomorrow.

When comparing the value of the streetwear market and of the luxury market, we can easily see that the streetwear market does not even compare to the luxury one, as previously expected. We should focus not on how the market looks today but, instead, on how it will look a few years from now. Streetwear has about twenty years old of true commercial growth, that makes it a newborn market, when compared to the luxury market. The ceiling is very high for this niche market, and its consumers are some of the most aspirational consumers of today. They are both heavily influenced by the opinions of others and by the values shared by their reference groups, they look constantly for approval on Facebook, Instagram and other social networks they are in. They hold great value for any kind of brand, and should be of interest to all of the big luxury conglomerates.

Our findings led us to believe that the tribes within streetwear are real and have grown exponentially, and that the brands like Supreme, Stussy and Bape, are capitalizing on that.

We mentioned in the beginning that we were trying to confirm the idea that some streetwear brands are much more than just fashion brands for teens. I believe I was able to show that they hold more complexity and anthropological assessment of these targets than one could imagine. That is one of the sides of

James Jebbia, anthropologist, he does not study how the market is today, by observing his surroundings he predicts what the market will be in the future. He observes his consumers, their opinions and values and then delivers something that resonates both with the brand and the consumer. The article by Kapferer and Bastien (2008) is the biggest foundation for our arguments, in the sense that it specifies what true luxury management involves or should involve and because it fits perfectly with Supreme's own brand management. The detailed comparison I decided to do only proved that some of these streetwear brands are much more than simple luxury-like labels, based on exclusivity and limited editions alone. I hope my dissertation helps validate that these brands are more than just simple skateboard brands and that although premium, some may even, one day, be considered to be "entry-level luxury brands" (Heine, 2011).

The luxury brands of today stand on a level of their own, a position that they conquered and that relies heavily on heritage, exquisite quality, distinct aesthetics and very symbolic representations. If we look back and study where this heritage comes from, we will come to the conclusion that these brands have accompanied a certain type of aspirational consumers, and that they invest heavily on maintaining the dream in their minds. What happens with streetwear brands is that they also have their own heritage, a more recent one, but one that is legitimate and has accompanied a good part of today's 15 to 50 year old consumers.

Heritage is not the only component that concedes the level of luxury to a brand or product. As we were able to see, there are many factors that characterize a luxury brand. Price and rarity do not automatically transpire luxury. On the other hand, a combination of expertise, unparalleled quality, aesthetics, symbolism and workmanship will transform a brand into a low, mid or high level luxury brand. We should not consider a streetwear brand like Supreme to

be a luxury brand, at least not regarding today's standards. The intention was to show that brands like Supreme, Bape, Stussy and other renowned brands are more than just simple "skateboard related companies". In fact, the study tried to explain that these brands actually have an impact on a relevant part of today's youth, and may be viewed by some of their target consumers as luxury. Streetwear brands should no longer be dismissed as "kids play" when compared to, at least, premium brands. We have to recognize that brands like the ones we analyzed here are growing every day and that they are not just for kids, as there are many adults as committed to these brands as fifteen year-old kids.

With this dissertation we wanted to confirm that this streetwear market may evolve and mutate as well as its consumers. For that particular reason we witness, today, the debut of more and more high-fashion designers with very strong streetwear influences. They grew up in this movement and it is only normal that they pass on their own heritage through their work.

We believe that we are also witnessing the birth of a new type of aspirational consumers, as previously stated. These consumers rely heavily on the perception of others and have a strong need for acceptance and belonging. The tribes they aspire to be a part of, dictate, in a way, their behavior and who they desire to be. We decided to study these consumers, because I strongly believe that they helped shape the growth of streetwear, and so, are one of the main stimuli to the growth of this market.

All the concepts analyzed throughout this dissertation are essential to the understanding of what streetwear brands are like, and how they developed into streetwear powerhouses, in control of the market, and also to understand its consumers and the evolution of both. We believe the main objective of this study, to understand how some streetwear brands operate, has been achieved, and that the finding of this study may bring more deserved acknowledgment to

brands like Supreme and give important insights regarding the management of streetwear brands..

## 6. Limitations and future research

Due to the lack of theoretical studies and articles about the streetwear niche and its audience, we believe this analysis may suffer from some limitations.

This study could have been fortified with the inquiry of both streetwear professionals and streetwear consumers around the world from ages 15-50. This inquiry would have helped us have an even better insight on how the brand operates as well as how the consumers are driven to some brands. However, the intention was to generate discussion and further research on this matter as there is not much research on such a contemporary subjects that grows exponentially every year. It would be very interesting to have an insight on how streetwear consumers regard the brands that they buy. Also, it would be important to evaluate the importance that their social tribes or clubs have when they decide to purchase any kind streetwear related item. In terms of heritage analysis, it would be relevant to understand what the consumers regard as the origins of the complex background of streetwear.

Market data tells a lot about an industry, and, so, it would be important to determine how much the consumers spend in the streetwear market in order to understand what they value more.

Extending this research to other components of the streetwear sub-culture would be very relevant, as Streetwear holds many niches within its very own niche. It would be important to deconstruct streetwear, and see how every sub-culture inspires each other, their tribal members and their different aspirations and tastes.

# Bibliography

Chang, E. (2010, April 27) **“Clark Magazine – Interview with Angelo Baque of Supreme”**

Fionda, A.M. and Moore, C.M. (2008). **“Journal of Brand Management”**. 16, pp347-363. Doi:10.1057/bm.2008.45

Fisher, D. (2011, September 23) **“Supreme London Opening – The Queue”**. Retrieved from <http://www.highsnobiety.com/2011/09/23/supreme-london-opening-the-queue/>

Haywood, A. (2012, January) **“Inside Supreme: “Anatomy of a global streetwear cult – Part 1”**. in: Bussiness of Fashion. Retrieved from: <http://www.businessoffashion.com/2012/01/inside-supreme-anatomy-of-a-global-streetwear-cult-%E2%80%94-part-i.html>

Haywood, A. (2012, January) **“Inside Supreme Anatomy of a global streetwear cult – Part 2”**. in: Bussiness of Fashion. Retrieved from: <http://www.businessoffashion.com/2012/01/inside-supreme-anatomy-of-a-global-streetwear-cult-%E2%80%94-part-ii.html>

Jebbia.J. (2010). **“Supreme”**. 1st Ed. New York: Rizzoli

Kapferer, J. (2008). **“The New Strategic Brand Management – creating and sustaining brand equity long term”**. 4th Ed. London: Kogan Page

King, M. (2013, January 6) **“Global luxury goods market to be worth \$376 billion by 2017”**, retrieved from <https://uk.finance.yahoo.com/news/global-luxury-goods-market-worth-000000423.html>

Klaus, H. (2011). **“The Concept of Luxury Brands” – Part 1 of serial publication “Luxury Brand Management”**. Technische Universität Berlin.

Lim, W.M., Ting, D.H., Khoo, P.T., Wong, W.Y. (2012)- **“Management & Marketing Challenges for the Knowledge Society”**. Vol. 7, No 2, pp.209-220

Moutinho, L., Dionisio, P., Leal, C. (2007). **“Surf Tribal behaviour: a sports marketing application”**. Marketing Intelligence & Planning Vol.25 No.7. pp(668-690)

Niedzwiecka, P. (no date) **“Streetwear is Fucken Dead”**. Issue No.84 retrieved from <https://www.tpostmag.com/issue/streetwear-is-fucken-dead/>

Rajendran, M. (2012), **“The development of streetwear and the role of New York City, London and Supreme NY”**. Theses and dissertations. Paper 924

Roll, M. (2006) **“Asian brand strategy: How Asia builds strong brands”**, Palgrave Macmillan, New York

Sarkar, A. (2011). **“Romancing with a brand: a conceptual analysis of romantic consumer brand relationship”**, Management & Marketing, Vol.6, No.1, pp.79-94

Truong, Y., McColl, R., Kitchen, P.J. (2010) **“Uncovering the relationships between aspirations and luxury brand preference”**. Journal of Product & Brand Management: Emerald Article. Vol.19 Iss5 pp.346-355

Twitchell, J.B. (2012), **“Living it up:our love affair with luxury”**, Columbia University Press, New York

Yin, R.K. (1984) **“Case Study Research Design Methods”**. Sage Publications

(No author), (2012, September 12) **“The Evolution of Stretwear”** Mixologi. Retrieved from <http://mixologicity.com/the-evolution-of-streetwear/>