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THE TEENAGE MARKET AND THE FASHION INDUSTRY
IN FRANCE AND IN THE UNITED STATES

A Project
Presented to the
Faculty of
California State University,
San Bernardino

In Partial Fulfillment
of the Requirements for the Degree
Master of Business Administration

by
Dorothée Cathy Aubert

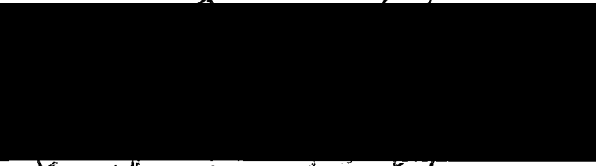
September 2002

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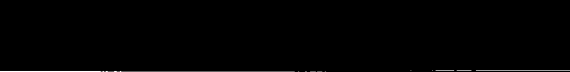
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by
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September 2002

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ABSTRACT

This project dealt with the teenage market in France and in the United States. Its aim was to provide the readers with an overview of this market and outline distribution and communication strategies that manufacturers and retailers can use to attract this market and make their business grow. Until a few years ago, the fashion industry did not pursue this market. In stores, most brands were dividing their clothes range into three categories: Women, Men and Kids. As a growing market with over 23 million teens in the US market and over 5.4 million in France, teenagers have an incredible spending power with \$ 100 billion dollars spent in 2000 in the USA and \$ 2.54 billion dollars spent in France. Now marketers are recognizing the teenage market as a huge potential for the future of their brands. As a result, fashion manufacturers and retailers are trying to multiply their efforts for this market.

To determine the strategies to implement, the market study provided a comprehensive analysis of the teenage market in France and in the United States and determined the important attributes of teenagers in their clothing purchase decisions. As it was found, teenagers value

attributes differently according to the benefits and expectations they have toward clothes.

This analysis helped to determine the distribution strategies which fashion industry businesses could employ and to aid in making sound projections regarding this market. Finally, the project sought to find out what changes companies in the fashion industry made to attract this market while still retaining its unique image. The project came to the conclusion that the best marketing communication strategies employed by manufacturers to attract the teenager market are television, radio and through print (magazines).

ACKNOWLEDGMENTS

The author would like to thank Dr Seitz for her precious help, and to also thank all the MBA professors.

DEDICATION

To my parents and my sister.

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CHAPTER ONE

BACKGROUND

Introduction

The aim of chapter one is to briefly define the project.

Purpose of the Project

The author exposed the growing and variable teenage market, and the fashion industry in France and in the United States. In the conclusion, the author presents recommendations to manufacturers and retailers to better organize their distribution and communication strategies in order to capture this market.

Project Scope

Becky Ebenkamp describes this phenomenon as "a tsunami of 'junior' shoppers coming down the avenue with wads of discretionary income" (1998, p. 22). The teenage market is so attractive that marketers are trying to figure out how to catch teenage attention. Moreover, even mass merchants such as Target, Kmart and Wal-Mart are trying to lure them away from malls and make them come into their stores for more than just CDs and cosmetics." But, it seems that marketers are having a hard time capturing this segment due to their lack of understanding

of this target market. Teenagers are no longer considered kids, but are also not yet considered adults. However, teenagers do want to be taken seriously and claim their status in dollars spent and brand loyalty. The study attempted to better understand teenagers and how the fashion companies could organize their distribution and communication strategies. Finally, the study compared teenagers in two countries: France, since Paris is still considered to be one of the capitals of the fashion industry (Remaury, 1998), and the United States as most brand names worn by teenagers, even in Europe, are American (Bertagnoli, 2001).

Significance of the Project

Due to teenagers growing voice and spending power, this study provided an overview of their shopping behavior. Companies both in and out of the fashion industry will be able to implement strategies, which build sales and brand loyalty in this market.

Limitations

The main limitation of this market study is that it looks at the teenage market as it is currently. Teenage attitudes and behaviors may change in the future so the

findings and recommendations apply to contemporary business practices only.

Definition of Terms

The following definitions were used in the report:

- Teenager: Most authors (Ebenkamp, Le Bigot, Magazine Publisher of American and De Oliviera et al) define a teenager as a person who is between 12 and 17 years old. However, for some others (Zello, Moses) a teenager could be a person between 12 and 19 years old;
- Fashion: the business of making and selling clothes and shoes, which are accepted, by a group of people at a particular time.

Organization of the Project

Five chapters form the project. The first chapter covers the purpose of the study and establishes the general outline. The second chapter brings in the literature review. It introduces the teenage market and shows its potential for marketers and as well as teenage expectations toward the fashion industry. The third chapter reveals the fashion industry and its current distributions strategies towards the teenage market. The fourth chapter introduces the communication strategies

used by fashion brands. Finally, the fifth chapter gives the findings and conclusions.

Methodology

Information used in this study came mainly from secondary sources. Most of the data analyzed came from marketing and advertising journals such as LSA, Revue des Marques, retail magazines such as DSN Retailing Today, newspapers such as the New York Times, Internet data bases such as www.magazine.org, surveys from the TRU, Teenage Marketing and Lifestyle, books and fashion magazines.

The population studied was the French and the American teenage markets. Finally, conclusions and personal recommendations were deducted from the findings.

CHAPTER TWO
TEENAGE MARKET AND THE FASHION
INDUSTRY

Chapter two introduces the teenage market and its potential in France and in the United States. Specific areas include teenagers' attitudes towards the fashion industry and the spending power which influence their purchasing behavior.

The Teenage Market: Definition

In order to identify this market, the elements characterizing the teenage market must be defined.

The research examined the following:

- Market size and money spent in selected countries such as the United States and France.
- Cultural differentiations in the teenage market which motivate marketers to apply different approaches to reach this market.
- Cultural unifiers: the elements which unify the teenage market around common desires and expectations, and
- Product attributes which influence teens in their purchase behaviors.

Given the above definition of a teenager as a young person between 12 and 17 years old, this market is very attractive for marketers because of its size. However, Moses (2000) defines teenagers as young people between 15 and 19 years old, which represents 560 million people world wide in 2000. The proportion of youth varies by country. In some countries, such as China and Brazil, the teenage market represents 25 percent of the population (Moses, 2000).

The teenage population is growing. For example, in the United States, the number of teenagers between 12 and 17 has increased from 21.9 million to 23 million in 2000 and is expected to reach 25.2 million in 2009. This segment has grown faster than either the 18-to-34 or the under-the-age-of-12 segments (Magazine Publisher of America, 2000). In France, there were already 5.435 million teens in 1997 and 31.3 million teens in the European community (Le Bigot, 1997).

Spending Power

The teen market is not only an attractive one due to its size but also due to its spending power. According to Moses (2000), the teenage market in the U.S. represented a market of \$100 billion in 2000. In France, the market

corresponds to 2.54 billion dollars and in the EC 184.2 billion dollars (Le Bigot, 1997). On the average, American teenagers spend up to 70 dollars per month whereas French teenagers only spend 30 dollars per month. The difference prevails because it is not customary for French teens to work outside of school as American do (Helaine, 2001). As a result, French teen spending is lower. However, in both countries, money spent represents a huge potential for retailers (Helaine, 2001).

Indeed among the countries with the highest amounts of teen spending is the United States which ranks 6th and France which ranks 10th (Moses, 2000). This is due to the high standard of living in these countries and the high proportion of youth in these countries.

According to a study conducted by Harris Interactive, American girls spend 75 percent of all dollars in clothing compared to 52 percent for boys (Tkacik, 2001). In France, the spending power for clothes is also relevant with purchases including jeans and athletics' products (Moses, 2000). French teenagers particularly admire those from the U.S. (Moses, 2000).

Teenagers' money originates primarily from parents and part time jobs (Magazine Publisher of America, 2000). Specifically, in the United States, "teen-agers" between

the ages of 14 and 17 earn about \$2,000 a year from baby-sitting and part-time jobs, according to the National Retail Federation (Magazine Publisher of America, 2000, p. 3). A recent survey conducted by Merrill Lynch found that 86 percent of American teens get money from their parents whenever they ask for it (Magazine Publisher of America, 2000). In France, teenagers generally do not work. Parents yield and purchase the desired clothes for their child. This phenomenon is described as the consumerist dictatorship of teenagers (Chartier, 2002).

Teenagers have advantages unlike adults such as few expenses because they live and eat at home (Takick, 2001). As a result, their income is discretionary. Furthermore, the teenage market is ever changing. Teenage spending power stays quite constant and retailers specializing in teenagers are the most recession resistant (Takick, 2001).

Kaplan (1998) found that teenagers are even more willing to spend money since nearly one in seven of these teens (13 percent) have their own credit cards, and another 13 percent have credit cards in their parents' names.

Teenager Consumer Behavior

Consumer Unifiers: The Common Reasons why Teenagers Consume

The social environment for teens is evolving. Teenagers 12 and older are developing in a social environment in crisis (De Oliveira et al., 1998). Society is losing its values as well as its role models (De Oliveira et al., 1998). Hence, teenagers have adopted two kinds of behaviors: one group is afraid of being independent and continues to live with its family, while the other is trying to become more mature and claim its independence from the family core (De Oliveira et al., 1998). Since family structures have changed dramatically (i.e. families with less children, both parents working and single parent families), teenagers have been burdened with more responsibilities than before hence; they are able to purchase items by themselves and for themselves or their families (De Oliveira et al., 1998).

Marketers define this new trend as "kids growing older younger" or KGOY and are designing products and services for this segment (De Oliveira et al., 1998). Today, teens are informed shoppers who compare brands and prices prior to purchasing. According to Egérie Research Inc, a common attitude among teens is that being a

consumer is a way to affirm oneself, to build a new identity and to claim freedom of choice (De Oliveira et al., 1998). Consuming is also a way to mimic adults (De Oliveira et al., 1998). Moreover, purchases are symbolic and a means of aligning oneself with one's peers.

Fads, the strong desire for imitation and balanced judgment regarding the advantages and drawbacks of products, determine teenagers' preferences. Influence is received mainly from peers after the age of 12. According to De Oliveira (1998), marketers should speak to this three-dimensional market as the culminations of several teen profiles, which affect purchasing behavior:

1. Teens who act as buyers but are more or less influenced by their social environment,
2. Teens who behave as influencers or individuals ordering products, and
3. Teens who represent high potential and future brand loyal buyers.

The teenage years are a time of paradoxes. Individuals are leaving childhood to enter the adult world while their personalities develop. Since the 1950-1960's, teenagers developed their own cultures and made up their own languages and codes. Teenagers need to belong to

social groups or tribes to feel fulfilled (Auckenthaler et al., 1997).

According to the French magazine Revue Des Marques (Auckenthaler et al., 1997, p. 35), are identified within six social groups or "fashion tribes" in which teenagers switch according to their personality and envies:

1. The first is the "kitsch" group. This group still prefers to behave like children. Their child-like behavior is a denial of their responsibilities (Auckenthaler et al., 1997). Found among them are those who like colorful items and buy items which refer to Japanese "mangas", cartoon characters or any kind of childhood characters (Auckenthaler et al., 1997, p. 35).
2. "Revivers" are those who live in the 1970's. Among their favorite brand names, the second hand label Killiwatch and Diesel jeans. People who belong to this group relish anti-fashion statements (Auckenthaler et al., 1997, p. 35).
3. The "extreme" group includes the snowboarders, skaters and surfers. This group is more organized with obvious interests. It focuses on favorite places, brands and stars such as surf

champions. According to Jacobs and Teklits, analysts at Ladenberg, Thalmann & Co, these young people are more interested in being individuals and challenge themselves in activities like skateboarding, mountain biking, in-line skating and snowboarding (Faust, 1996). As a result, their fashion apparel is designed for, or at least inspired by extreme sports (Faust, 1996). Brand names such as Quicksilver, Oxbow and Billabong, which are specialized in the surf style are such brands favoured among this group. The last of the French Child Institute barometer ranks Quicksilver as the sixth preferred brand of the 11-17 years old (Guilto, 1999).

4. "The rappers" are less receptive to brands as long as a rap star does not wear them. Indeed, if a rap star wears a brand, this group will likely adopt it. This has been the case for brands such as Helly Hansen, Lacoste and Ralph Lauren (Auckenthaler et al., 1997).
5. Another social group is fond of computer technologies and prefer electronic accessories to clothing (Auckenthaler et al., 1997).

6. Finally, the 'in' crowd includes those who always want to be more brilliant, richer and more fashionable than anyone else. Design is very important in their clothing choice. This group like product guarantees or designers labels (Auckenthaler et al., 1997).

However, Martin-Bernard (2001) notes that teens change so quickly that it is impossible to predict future trends and classify this segment by tribes. Teenagers can be attracted to the 1980's style one day and move to the techno style another (Martin-Bernard, 2001). As a result, markets have turned to situational marketing where the offer adapts itself to the consumer (Martin-Bernard, 2001).

Consuming is perceived as a positive act for teenagers, but the reasons for purchasing differ from a few years ago. What is new attracts them, however teens' appreciation is short-lived as they need novelty in their lives (De Oliveira et al., 1998). Teenagers constitute a non-loyal and volatile market. They are looking for what is brand-new and fashionable and change as trends do (De Oliveira et al., 1998). This constitutes a threat for manufacturers and retailers who are reluctant to change and to cut production.

As culture influences product demand, teens could have different expectations. Yet, these differences tend to disappear due to global branding. As an example, brands like Nike, Benetton, and Levi's are trying to appeal to every teenager, regardless of race and culture, with universal messages such as Nike's "Just Do It" (Magazine Publisher of America, 2000). Teenagers all over the world have more and more common expectations due to instant communication, which is why brands such as Polo Ralph Lauren and Calvin Klein are just as popular in Europe as they are in the United States (Bertagnoli, 2001). Furthermore, since American retailing is located beyond its owned borders, difference of taste between France and the U.S. is minimized. "French teenagers look to the United States for their culture and fashion" according to Elisa Moses (2000, p. 123). That is why French and American teenagers expect the same attributes in the same kind of products.

Relevant Attributes for Teenage Purchase Decisions

Many attributes appeal to the teen market and the first one is the brand. The teen generation, also called the Generation Y, embodies the TV and advertising generation. In France, teenagers are very influential and

choose a brand as a symbol of belonging to a certain group. For example, Adidas and Nike could be associated to street tribes, Gap to the relax and chic style (Le Bigot, 1997).

Moreover, brand labels are very important. "According to Teen People Magazine, 70 percent of American teenagers say that brand names are important to them" (Magazine Publisher of America, 2000, p. 4). In France, the value of the brand is as important with 75 percent of teenagers buying clothes because of the brand name (Chartier, 2002). Like other consumers, teenagers will be loyal to a product but they will be more likely to change if they are not satisfied with the brand they purchased before. Loyalty does not have the same meaning for teenagers: loyalty only last six to eight months according to Susan Mernito from ACT.com (Magazine Publisher of America, 2000). Teenagers also care about the quality of the product associated with the brand name (Magazine Publisher of America, 2000).

Fashion Industry Values for Teenagers

Fashion Relevance for Teenagers

Teenagers are well known for creating new trends and their own world. The result of the 2000 French Edition of the socio-cultural and economic scale called the "teen

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generation" shows that teenagers' concerns for the fashion industry have increased (Le Bigot, 2000). Among French teenagers' ten favorite brand names, three were clothes brand names in 1995 and today the top ten includes Nike, Adidas, Reebok, Lacoste, Fila, Levi's, Quicksilver, Diesel, Sergio Tachini (Le Bigot, 2000). Fashion products are very popular among French and American teenagers. According to Moses's book, "French teens like worldwide fashion and look to the United States for their fashion and culture" (2000, p. 123). Nevertheless, French teenagers are less likely to shop than Americans (Moses, 2000).

According to Le Bigot (2000), fashion interest among teenagers could be explained by two reasons:

1. The fashion industry helps teenagers to find their identity, and
2. The fashion industry helps them to express their own values.

First, by adopting a type of look or appearance, the teenager emphasizes the representation he has of himself by showing or hiding body parts in transformation (Le Bigot, 2000). Hence, clothes are an important means of communication for teenagers. By buying their own clothes

and making their own choices, teenagers try to communicate who they are (Le Bigot, 2000).

The most important thing for teenagers is to be recognized by their peers and by others in society (Le Bigot, 2000). Through fashion, teenagers will build their identity up to their adulthood and will be able to communicate with other teenagers through signs and codes in their appearance (Le Bigot, 2000) and subsequently, they will be able to share feelings and emotions such as in the case of skaters and surfers (Le Bigot, 2000).

Regarding how much teens spend on clothing in the United-States, 19 percent of teens' savings are directed to clothing purchases. In France, clothing purchases are high too with 824 million of dollars spent in 1999 for girls only (Lelièvre, 2000).

Feeling Sexy and Attractive

Girls are loyal to brands that enhance their image among their peers and appeal to what excites them as individuals. Girls want to find clothes which lets them look at their best, whereas, boys want to be in the trend (Le Blanc, 1999).

As a result, brands such as LEI jeans or Levi's offer a wide range of products for teenagers according to their body shape (height, weight, hips, waist...) that

emphasizes certain parts of the body. Indeed the appearance and the look are very important as teenagers are at the age of emerging sexuality (LeBlanc, 1999).

Teenagers also look for recognition among their peers by dressing similarly to pop stars. As an example, teenage girls purchase similar gowns for their proms as the one worn by Gwyneth Paltrow at the Oscar awards ceremony (Thomas, 1999).

Attributes Important for Teenagers in the Clothes Purchasing Decision

The Meaning of Brand Name

The brand name is important in teenagers' purchase decisions. The brand has to be well known and trendy to be purchased. Like all people, teenagers will be loyal if the brand name lives up to its promise (Magazine Publisher of America, 2000). Also, the brand is relevant as it allows teenagers to identify themselves as a group (Bourdon, 2002). By conformism or by taste, girls in particular are more brand-loyal than boys. One out of four girls do not jump from brand to brand when buying jeans according to 1998 Primedia Oper National (Magazine Publisher of America, 2000). The brands teens are seeking include Mossimo, Lucky, Jnco, Quicksilver, Dr. Martens, Calvin

Klein, Joe Boxer, Guess, Levi's, Reactor, Fossil and XOXO (Faust, 1996).

Quality

Quality is an important attribute for teens. As a result, most manufacturers are conscious that they have to reinforce the quality of their product if they want to develop brand loyalty among customers (Magazine Publisher of America, 2000).

Style and Collections

Teenagers are looking for brand names which follow current trends. The Zandl group, an American youth marketing consulting firm, say that today's teenagers have little patience for brands that stay static (Magazine Publisher of America, 2000). As fashion is not everlasting, teenagers expect designers to update their product lines. Hence, every month brands are coming up with new designs to drive sales and ensure long-term profitability. Teenagers want to follow trends and want to see the same models as those made for fashion shows (Le Blanc, 1999). As a result, teenage brands imitate those of famous designers. For example, brands such as Morgan and Kookai in France have copied designer collections to gain market share (Carré, 1997).

Price

Price is not a top priority for teens but rather style and quality. Hence, they do not mind buying brands at the full price. According to Kathy Karagin, director of marketing for Gadzooks, "They don't want the item on sale" (Faust, 1996, pp. B12).

But at the same time, teenagers like inexpensive and affordable clothes because they can buy more. As a result they spend a lot in discount stores (Magazine Publisher of America, 2000). In France, like in the U.S., teenage girls like to buy clothes per pound (Levrière, 2000).

Inexpensive clothes especially attract teen girls because they can replenish their wardrobes often. "They want something new every week," said Ireland (Ebenkamp, 1998, p. 25).

Originality

Teenagers like to be different so they like to buy clothes that are unique and novel. Teenagers like clothes that nobody else is wearing (Helliker, 1998). Diesel jeans have understood these attributes. As a result, Diesel jeans have created original clothes sold only in their shops in the U.S. (Helliker, 1998).

Cool

Cool and expensive are usually synonymous regarding trendy clothes for teens. According to a new survey by the Zandl Group of New York City, the top-ten list of coolest teen apparel and footwear brands is dominated by high visibility, high-priced brands (Magazine Publisher of America, 2000). Seventy-three percent of teens say that Nike is cool, 67 percent say the same for Tommy Hilfiger, 59 percent for Calvin Klein, and 50 percent for Oakley (Heubusch, 1997).

What is cool is precipitated by what appears on TV and especially on MTV. According to Jacobs and Teklits, analysts at Ladenberg, Thalmann & Co, "MTV has become this generation's mantra and occupies the unique position of arbiter of taste" (Faust, 1996, pp. B14). MTV even has a weekly fashion report (Faust, 1996).

Color

Teenagers have a need to feel distinctive and color is a start. According to Ilana Yuz, "you start being an individual by changing the color, then you slowly progress until you are a senior at high school" (LeBlanc, 1999, p. 6).

The Purchase

The beginning of the school year is always the best time for purchases and parents participate in dressing their teens for back to school (Marriott, 1997). According to a survey by American Express, "parents spend an average of \$307 dollars per child preparing them to go back to school" (Marriott, 1997, pp. B7). Furthermore, "teens will kick in an extra \$89 dollars, bringing the total bill to approximately \$396 dollars", the survey said (Marriott, 1997, pp. B7)

Summary

The research presented indicates that the teenage market has a great potential for manufacturers and retailers not only because of its growing size but also because of its growing spending power. The opportunity for fashion industry manufacturers and retailers is high as fashion remains one of teenagers' favorite interests. Fashion allows teens to communicate, to identify with themselves and to expresses their own values. However to succeed and penetrate the market, manufacturers and retailers will have to take into account teenagers' expectations in terms of salient attributes and values. In their purchase decisions, teenagers look at several

attributes such as brand name, quality, style, price, the originality, the coolness of clothes and colors. The strategic issues, which arise from this analysis, are that manufacturers and retailers will have to face:

- A changing and evolving market and
- A very segmented market with all its tribes

CHAPTER THREE

DISTRIBUTION STRATEGIES

This chapter focuses on manufacturers and retailers current distribution strategies. It demonstrates the industry segmentation and how each is trying to adapt to this growing market according to teenagers' characteristics and needs.

Presentation of the Clothing Industry Environment

The teen retail industry is growing because of teens' increasing demand for clothes. Teens are often pictured as "addicted to clothes" (Takick, 2001, p. 23). With this increasing demand, new entrants are trying to penetrate the market but are finding it very competitive. Indeed the market is particularly divided and there is no dominant leader (Lelièvre, 2000). As a result, retailers have to struggle and be inventive if they want to enter the teenage market. Furthermore, as seen in chapter two, teenagers are always changing, so maintaining leadership in the industry is a challenge. It is even harder for retailers such as department stores or discount stores, which do not specialize in this market (Goldman, 1999).

Organization of the Teen Clothing Industry

The fashion industry is divided into three categories: Haute Couture, Ready-to-wear and industrial clothing (Arnaud, 1996). Currently, ready-to-wear is not targeting the teenage market; however, in certain areas of the U.S. and France, teenagers are becoming more interested in luxury apparel and accessories. In reality, the industrial clothing industry is the only category which targets the needs of teenagers.

Ready-to-wear Luxury Brands

More and more luxury brands are targeting teenagers indirectly. Even if the market share represented by teenagers is small, luxury designers not only see the opportunity to expand their markets but also to cultivate their next wave of customers (La Ferla, 2000). According to Lester Rand, president of the Rand Youth Poll, only eight percent of American teenagers can spend more than \$200 dollars a week on clothes (La Ferla, 2000). But this market share is big enough to generate interest.

As described in chapter two, teenagers care a lot about brand names and quality. Furthermore, through their clothing purchases, teenagers expect to have recognition from their peers. Luxury brands respond to these needs.

With limited access to luxury products, the happy few gain the respect of their peers. However, most teenagers start with small budget clothes and yet like to purchase accessories by Vuitton, Gucci or Prada (Telfizian, 2000). The access to luxury brands is primarily encouraged by affluent parents concerned about fashion and ready to please their child, whatever the price. These teenagers live primarily in big cities such as Miami and New York (La Ferla, 2000).

In France, the teenage market is controversial since it attracts those not only from the cities and but also from the suburbs, where insecurity, delinquency and unemployment reign (Bourdon, 2002). In the French suburbs, teens are often ghettoised, hence not accepted by teenagers from the bourgeoisie in cities (Bourdon, 2002). As a result, French teenagers from the suburbs are attracted by brands such as Versace, Hugo Boss and DKNY (Bourdon, 2002). One of the challenges for the luxury brands will be to attract the "good segment" of teenagers (Bourdon, 2002, p. 30).

Industrial Clothing

Industrial clothing is very diverse. Three segments exist in the industrial clothing industry: the

medium-priced segment, the lower-priced specialty stores and the discount stores.

The medium-priced apparel is sold in specialized stores such as Gap, Guess and Bebe in the US and Kookai and Morgan in France. Medium-priced manufacturers attract teenagers mainly by their brand name and reputation. However, medium-priced manufacturers are attracting fewer teenagers because of their uniformity and lack of creativity (Lelièvre, 2000). Teen retailers, such as Quicksilver, have also suffered lately from competition from low-priced retailers such as discount stores, thrift shops and surplus stores, since trendiness and style is more important than price in teens' purchase decisions (Lelièvre, 2000).

Low-priced specialty stores are those which sell in huge quantities such as Jennyfer in France, and surplus stores in the U.S. (Lelièvre, 2000). France and the U.S. have seen the number of industrial clothing brands grow in response to the demand for novelty.

Discount stores such as supermarkets and specialized discount stores include Mervyns and Target in the USA and Auchan and Monoprix in France (Sommier, 2000). In France, the competition among new specialized chains has been so high that discount stores no longer target teenagers

(Garnier et al., 2001). Such stores have tried for years to prove their competitive advantage with an emphasis on price; but trendiness and style are what is important to teens (Sommier, 2000). Discount stores offer a weak emphasis on style, hence lose their marketing efficiency with consumers and suffer from the perception that their brands are ordinary (Sommier, 2000). Consequently, French supermarkets and discount stores have decided that the teenage market share is too small to pursue and prefer to focus on other segments, such as women's wear (Garnier et al., 2001).

On the other hand, in the US, discount stores target teens, but are having a hard time. According to Goldman (1999), discounters are beginners with teenagers and do not know them as well as other specialty retail stores do.

The industrial clothing industry's primary characteristic is its opportunity for teenage segmentation. Mass marketing is progressively disappearing in favor of targeted segments, especially teens (Facenda, 2000). Several industrial clothing firms have chosen to reorganize their structure by focusing on teenagers with the creation of new stores, concepts or new brands (Facenda, 2000). However targeting is sharper and competition is tougher at the same time (Garnier et al.,

2001). As teenagers expect to be treated like adults, Abercrombie and Fitch recently introduced stores for adolescents that mimic stores for their older brothers and sisters (Scardino, 2002). At the same time, Wet Seal Inc. has expanded its labels to include brands targeted for teenagers such as Limbo lounge (Scardino, 2002).

In France, Pimkie, a medium priced store had to open a new shop called "No boys" that focuses on teenagers between 10 and 15 years old (Garnier et al., 2001). Teenagers desire attention and it is accomplished by creating specially designed brands that suit their clothing needs and taste. Finally, manufacturers have created their own specialty fashion stores concentrating on style and price since they have learned that too many choices and trends lessen the image of their brands (Sommier, 2000).

The creation of new labels and niche segments is challenging manufacturers because they want to avoid cannibalizing their existing brands. Limited Inc, an American retailer learned this lesson in 1990, when Limited and Limited Express divisions (the teenage label) ended up targeting the same customer (Scardino, 2002).

Other manufacturers want to ensure that the brand is not changing. Gap Inc experienced a loss in sales when it

started to design untraditional clothes for teenagers sold in its new store, Old Navy (Colliver, 2002). This strategy resulted in a loss of \$34.2 million dollars for the fourth quarter of 2001 (Colliver, 2002). According to Geri Splieler, a retail analyst with Gartner Inc "Gap was never trendy, Gap was very traditional" (Colliver, 2002, pp. B1). Gap made some strategy errors by following the trends of Old Navy's youth segment, which resulted in the cannibalization of the Gap brand. Gap tried to diversify its products with "ubertrendy" clothes such as brightly colored leather jackets and super low-rise, belly-baring jeans (Colliver, 2002). But, it did not succeed and this has alienated their core customers and their namesake has suffered. As a consequence, Gap had to overhaul its marketing strategy (Colliver, 2002) and refocus on its traditional basics in their stores and in Old Navy outlets with a low-priced strategy targeting mainly teenagers. Banana Republic, another Gap franchise, targets graduates and young workers (Stoughton, 1999). This new strategy's goal will be to develop store concepts targeting customers as they evolve and change their wardrobes (Stoughton, 1999).

The second characteristic of the industrial clothing industry is that it strives for differentiation (Scardino,

2002). Retailers have therefore tried to create their own style and uniqueness. Abercrombie & Fitch provides athletic-inspired sportswear (Scardino, 2002), American Eagle produces the same kind of products but differentiates itself with a footwear collection and lower prices (Scardino, 2002), and Pacific Sunwear emphasizes its association with the extreme sports and offers clothing associated with snowboarders, surfers and skaters (Scardino, 2002). Such manufacturers and retailers are differentiating themselves according to the various portraits of teenagers described in chapter two.

Strategies Implemented by the Different Segmentation of the Teen Retail Industry

Luxury Brands Strategies

Luxury brands attract teenagers through the name more than for any other attributes. Hence, luxury brands have implemented special strategies to attract teenagers. For example, Burberry's, the prestigious English brand, has transformed its brand image by modifying the name. It gave up its "'s" to become Burberry and at the same time, the firm tried to create a special fashion collection for teenagers, designed in Spain under the name "Field" for the European market (Telfizian, 2000). The new brand is

more affordable for teenagers with prices lower than the original brand (Demon, 2002).

Luxury brands attract both suburban teens with the multiplication of retail locations in the area, and teens from the bourgeoisie by showing clean, white and handsome girls and boys in their advertising (Bourdon, 2002).

Strategies for the Medium Price Segment

Medium-priced retailers work at visual merchandising and pricing to prevent themselves from looking like other retailers. Given this, several factors are involved in the patronage and purchase decisions of teenagers.

The Atmosphere and the Decoration of the Store. Brand name and presentation constitute retailers' main competitive advantage. As a result, retailers have modified the atmosphere and product assortments of their stores in favor of a musically-oriented atmosphere (Sommier, 2000). Teenagers enjoy music and it corresponds to their personality, so many stores try to attract young people with music or music videos. According to the New World study from Moses' book, "91 percent of the American teenagers listen to music" and music helps to increase sales (Moses, 2000, p. 120). Furthermore, "Music is definitely a point of differentiation", says Betsey Mc Laughlin, chief executive officer of Hot Topic (Scardino,

2000). Brands and stores targeting teenagers emphasize music in their environment as a differentiation strategy. Diesel, Levi's and Nike use electronics with video walls and surround-sound music in their stores (Moses, 2000). With its new concept stores for teenagers, called "No Boys", Pimkie has also tried to be original and seduce teenagers with interiors that look like night clubs whitened with the light of day and animated by young disc jockeys to create more ambiance (Garnier, 2000).

Every high-tech technique, such as music videos, stroboscopes and sono with high volume, has been used by retailers to lure teenagers. In the USA, stores such as Gadzook offer a lively environment with neon lights and a portion of a Volkswagen Beetle in its stores (Faust, 1996). The purpose of all these in-store effects is that the stores be perceived as "in" places and that their merchandise assortments be perceived as cool (Moses, 2000).

Some stores, such as Mango and Zara in France, use size to attract teenagers. In the U.S., Nike opened a store in Chicago that attracts more than 3 million people every year and has revolutionized shopping with an entertainment atmosphere called "fun shopping" which resembles amusement parks (Sommier, 2000, p. 123).

If some retail shops play music for more appeal to teenagers, some shops, such as the American teenage retailer Wet Seal, have been more imaginative by creating their own video network (Montgomery, 2002). According to the retailer, this video network makes the brands seem cooler to teenagers. The idea is to create special programming with exclusive interviews of "celebrities at red carpet events" and tips from Glamour Magazine fashion editor (Montgomery, 2002, p. 1). Wet Seal marketing affirms that the marketing concept is unique and that it is working (Montgomery, 2002). Since the concept was only introduced in March, it is hard to already determine the result on sales. However, Wet Seal plans to continue with it along with plans to create its own TV game and its own music album (Montgomery, 2002).

In addition to differentiating themselves from other stores with the use of games, some are introducing contests. In France, stores have contests on Saturdays and Wednesdays when teenagers are out of class (Garnier et al., 2000). These games and contests include chewing-gum bubble competitions, dance competitions and some karaoke singing (Garnier et al., 2000). According to Durand, "Nowadays stores for teenagers offer much more than a

store, it is a meeting point between fashion, music and street art" (2001, p. 15).

Stores Structure. Store organization is also relevant to the success of pursuing the teenage market. "No Boys", reorganized all stores and added more details such as vending machines, Internet access and huge fitting rooms so that girls could try on clothes with friends (Garnier, 2000). Everything is done to create a cozy atmosphere so that girls can come in groups. The space between each area is made larger to allow girls to shop with friends (Eliez, 2001).

The Product Range. The products offered in stores correspond to teenagers' expectations. Sizes, for instance, have adapted to today's teenagers. Kids brands now stop at size 12 (Faivre D'Arcier, 2002) with teens brands sizing smaller than misses or young men (Eliez, 2001). Teenage girls no longer want to be considered as little girls, but want to wear the same clothes as their older sister (Eliez, 2001). As a result fashion retailers have created the same styles but in smaller sizes (Eliez, 2001).

At the same time, teenage clothing retailers have tried to attract teenagers by expanding their merchandise mix with items such as gadgets, room decorations, teddy

bears, candles, make-up and accessories which increase the added value of the brand and store (Garnier, 2000). Tammy, the medium-priced teenage store of ETAM has done the same thing (Eliez, 2001). This diversification strategy also corresponds to a desire to create brand loyalty among teenagers (Martin-Bernard, 2001) while building multiple sales.

Customer Service. Teenagers want sales people who understand them. As a result, many stores employ young employees 30-years-old and under. "No Boys" employees, for example, are young and are required to use the "vous", the French formal form of the pronoun you (Eliez, 2001). In other stores, employees are recruited according to the style and personality which resemble their target market. Hot Topic's employees often wear blue hair or are body pierced (Scardino, 2002). Teenagers want to be treated as adults and French stores behave in this way. As a result, medium-priced stores stress the freedom of shopping in their shop. For example, Pimkie's stores have a large amount of products in open stores without security guards at the entrance (Eliez, 2001).

Collections Variety. Due to the desire for trendy apparel, retailers have had to multiply their collections. Most middle-priced retailers are well organized with

suppliers online to stay current with market trends. This reduces the risk of manufacturing errors and offers an opportunity to react more rapidly to market needs (Sommier, 2002). In these types of middle-priced stores, merchandise turnover is so high that it pushes consumers to buy a lot of merchandise now for fear that it will no longer be available later (Sommier, 2002). Zara, the Spanish brand implemented in France and in New York offers a new collection every two months in order to incite their customers to come in more often (Sommier, 2002). Zara, produces an average of 15 new products per day and distributes to its stores two to three times a week (Sommier, 2002). H&M, the Swedish retailer, also in France and New York, introduces one new product every day (Sommier, 2002).

The Limited Inc. knows the importance it of having what is in fashion in its stores when its hot (Berner, 1998). Those who do not recognize and practice this policy are at a competitive disadvantage. Gap, for example, with its unchanging strategy tried the same look each season and fell behind with teens (Michel, 2002). Designs were behind the times because there was a nine-month lapse between the design and the manufacturing, compared to one month for H&M. Moreover, Gap delivered to stores every six

weeks compared to twice weekly or everyday for others (Michel, 2002).

Furthermore, retailers not only update their collections but they try to closely follow trend evolution. Abercrombie and Fitch, for example, has a design team in New York to monitor trends but the company uses "scout teams" on campus to report what students are wearing (Nannery, 2000).

Overall, "in order to be appealing to teenagers, manufacturers need to put forward specific products, make them grow without making them look like to their parents, and update the offerings continuously without losing quality or authenticity" (Durand, 2000, p. 15).

Low-Priced Segment Strategy

Low-priced manufacturers and retailers strategy is different. Low prices and being trendy are their competitive advantages. In France and in the U.S., the low-price retailers' goal is to sell as many clothes and different models as possible in a kind of unfriendly environment (Lelièvre, 2000). Jennyfer is designed as "the anti-concept store" (Lelièvre, 2000, p. 136). Quality is not what this retailer emphasizes but rather the quantity and coolness of its merchandise assortments. The notion of profusion is important at this age (Lelièvre, 2000, p.

136). Furthermore, these kinds of companies try to be more reactive to customer needs. Jennyfer tries to react in real time. All data concerning each purchase at the shop is immediately recorded and analysed at headquarters (Lelièvre, 2000). Low-priced retailers' strategy is not to present fashion collections but rather to update products continuously.

Discount Store Strategy

It is very difficult for discount stores to attract teenagers because they have an old fashioned image (Scherer, 2002). In France, discounters have given up on selling to this segment and concentrate on other segments such as women (Garnier et al., 2001). In fact, teenagers hang out in supermarkets and discount stores much more for cosmetics than for clothes (Garnier et al., 2001).

According to Arun Jain, marketing professor at the State University of New York at Buffalo, "the typical teenager does not want to be seen near a Kmart" (Scherer, 2002, p. 1). A few discount stores in the U.S., such as Target and Mervyn's, have succeeded in reaching the teenage market but Kmart and Sears are still struggling. According to Wendy Liebmann, President of New York-based WSL Strategic Retail, mass merchants have difficulty presenting a pleasing atmosphere to teens between housewares and

consumer electronics (as cited in Ebenkamp, 1998). "It's not the clothes so much as the atmosphere," Liebmann said (as cited in Ebenkamp, 1998, p 28).

Mervyn's strategy for attracting teenagers is to attract the mothers too. On the other hand, Target is trying to reach brand-conscious shoppers such as teenagers and stealing sales from Mervyn's (Goldman, 1999). Target has succeeded in responding to some of the main attributes important to teenagers, such as colors and style. "Target has created an image as a cool store" (Scherer et al., 2002, p. 1). Furthermore, Target's commercials show hip-hop groups wearing colorful clothes and as a result captured the teenage market (Scherer et al., 2002). If Kmart wants to succeed with teens, it will have to change its collection and also the conception of its stores (Scherer et al., 2002). It will also need to reduce its inventory (Scherer et al., 2002).

Distribution Environment

Malls

Malls appear to be the most frequented places patronized by teenagers in the U.S. Malls are trying to fill vacancies with trendier retailers and see the value of teen-oriented stores. "Teenagers make 40 percent more

trips to shopping malls, spend more time there and frequent more stores than all consumers combined," according to Teen People (Magazine Publisher of America, 2000, p. 5). Indeed in a period of one month, 61.2 percent of teens have been to malls compared to 27.5 percent who have been to department stores, 23.4 percent to discount department stores and 11.9 percent to specialty stores (Magazine Publisher of America, 2000). As an example, "teen girls spend nearly four hours per week there on the average" (Ebenkamp, 1998, p 22).

In France, teenagers like to shop in "commercial galleries" which are smaller than malls (Lelièvre, 2000). Malls are not as prevalent in Europe as in the U.S., but this is only the beginning (Franck, 2001). Commercial galleries concentrate currently on downtown and offer all the favourite boutiques and chains that appeal to French teenagers such as Jennyfer, Gap, H&M, Zara (Lelièvre, 2000).

Discount Stores

Among retail stores, discount stores are also very popular in the U.S. According to Channel One Networks, New York, "the nation's 11 million teenage girls - defined by the company as ages 12-17 - make 41 million trips to discount stores per week." (Ebenkamp, 1998, p. 23). That

is more visits than to department stores (32 million) but less than trips to the mall (56 million) (Ebenkamp, 1998). In France, the trend is not to purchase at discounters but rather to purchase at cheap stores where clothes are in abundance, such as at Pimkie stores (Levrière, 2000).

Internet

Since teenagers are growing up on the net, the Internet is also a new source for consumption (Magazine Publisher of America, 2000). A number of specialty retail stores such as Abercrombie& Fitch, JCrew and Gap have

Table 1. What Teens do on the Internet

Activities	Percentage for	
	boys	girls
Check out web sites	66%	62%
Do research for school	53	69
Chat	50	58
E-Mail	47	58
Play games	37	33
Download pictures	41	29
Check out sites ob AOL/ Prodigy	22	25
Buy stuff	4	4

(Percentage of teens saying they do activities while online, Source TRU, teenage marketing and lifestyle study, 1998)

created their own web sites as an alternative for shopping (Connelly, 2001). Some retailers operate only on the web such as Delia.com in the US market (Connelly, 2001). However In France, Internet shopping is very limited.

Computers are prevalent among American teenagers. As many as 70 percent of American teenagers have a computer at home (Zollo, 1999), but they do not buy by online. Only 4 percent actually make purchases (Table 1). Reasons for these low numbers include the need for credit cards, which teens do not have, as well as parent anxiety about security on the web. In the U.S., "web retailing is still in its infancy" (Connelly, 1999, p. 26); however, in reality, most web retailing sites for teenagers make more money with advertising than in product sales. In fact, Connelly reports that the mall will remain the prime destination for teens as it is a place where they can get out of the house and see friends (Connelly, 1999).

Shopping on the web is also hard because teenagers can not try anything on, so they frequently limit themselves to accessories and other items where size is not important (Connelly, 1999). Shopping is a social act, and "is something teenagers do with their friends" (Connelly, 1999, p. 26). Furthermore, teenagers like to

"hunt", and buying on the web does not provide the fun they experience in stores (Connelly, 1999).

Teens do not like to be treated like kids but at the same time it is a difficult situation because they do not have direct access to credit cards. As a result, marketers have developed new ways to let kids shop online without their parents' permission. The solution is to create an account on the web with money in it and let teenagers decide how they want to spend it (Connelly, 1999).

Catalogs

Another way of distributing teen apparel is through catalogs. JC Penney created a new catalog in 1999 for teenagers under the name of "Noise", a name found appealing to young people. Already two better-known teen catalogs exist in the U.S: Zoe and Just Nikki (Zello, 1999). In France, teenage girls read and buy through such catalogs as Les 3 Suisses and La Redoute, for each devotes special pages to this market (Lelièvre, 2000). In France, the catalog teenage market is huge and companies have understood that teens catch on quickly with new trends (Garnier et al., 2001). Consequently, catalogs try to position themselves between teens and adults (Garnier et al., 2001). Catalog strategy is to mix brand name clothing with style (Garnier et al., 2001). However reaching

teenagers with catalogs is very hard because of the need for a credit card and check, payments options for which teenagers must ask their parents.

Department Stores

Department stores have also tried to attract teenagers, but have stopped because of a lack of profitability. Marketing departments have tried to react in pursuing this market for their stores by being more attentive to teenagers' needs (Eliez, 2001). As a result, some department stores have reorganized their entire teens apparel department. Le Printemps Haussmann in Paris has reorganized its store and has created a space called Miss Code, targeting the 15-25 year-olds (Eliez, 2001).

Department stores have tried to answer question of the teens' ambiguity, of still belonging to the childhood universe as well as to the adult world. Miss Code is described by the marketing department of Le Printemps as a girl who hesitates between little girls' play and the envy of seduction (Eliez, 2001). That is why the new floor of Le Printemps is reserved to teenagers and provides a mix between the brands from their childhood such as Petit Bateau and the trendiest French brand for teens such as Lulu de Castagnette and Miss SIXTY (Eliez, 2001).

In the U.S, department stores have suffered from the flight of teenagers to specialty stores. "Twenty years ago, teens bought most of their clothes at department stores. But along came specialty retailers such as Gap Inc., Abercrombie & Fitch Co., Wet Seal Inc. and American Eagle Outfitters Inc" which have taken market share from department stores (Berner, 1998, pp. B1).

Teenagers have left department stores, because they no longer want to shop where their parents buy their clothes. They find department stores too old-fashioned and think that they do not offer them as many choices as specialty retailers (Berner, 1998). However, some department stores, such as Saks Fifth Avenue and Macys are trying to develop some specific areas for teens and develop their choice of brands. Macys for example, sells Fubu, jeans by LEI, Paris Blues, and Mudd as well as nightclub clothes by Xoxo (Berner, 1998). Furthermore, American department stores emphasize the ambiance, and Macy's has invested in a sound system to appear cooler (Berner, 1998).

With a floor reserved for teenagers, Le Printemps department stores has created a small department called my "beautiful superette" which reflects the teenager

contradictions, with many kid and adult products such as Hello Kitty gadgets and funny underwear (Eliez, 2001).

Finally, department stores are offering cards to customers with special discounts on some clothes on special days. Le Printemps in Paris offers the Miss Code card (Miller, 2001)

Summary

Different strategies have been implemented by the fashion manufacturers and retailers. These strategies respond to teen's expectations in terms of attributes and values. Luxury brands emphasize a brand image strategy while medium-priced retailers and manufacturers focus on a differentiation strategy by creating special atmospheres in stores and diversified merchandise mix. Finally, the low-priced segment focus on the price and the renewal of their collections while discounters try to change their brand image and merchandise mix.

Regarding the retail environment, malls are preferred in the U.S to online retailing, catalogs or department stores, for they play a social role. Department stores have an old-fashioned image and online retailing and catalogs present some payments issues. In France, malls

are replaced by "commercial galleries" which look smaller than malls.

Nevertheless, if manufacturers have adapted their distribution strategies, they also need to adapt their communication strategies.

CHAPTER FOUR:

COMMUNICATION STRATEGIES

To better understand how fashion brands try to attract teenagers, it is important to determine what media teenagers use to obtain information. French teens are significantly less likely to admit that they are influenced by advertising with 11 percent versus 28 percent worldwide (Moses, 2000). However, for U.S. teenagers' exposure to commercials starts early and the response to advertising is great at the local level (Moses, 2000).

Media Choice

1. According to Peter Zollo, "teens are not only big media users but also big fans" (1999, p. 66). However, teens use the media in different ways compared to adults; therefore it is important to determine which media vehicles will elicit the greatest response.

Table 2. Advertising Media to which Teens pay most
Attention

Source	Percent
Cable TV	54
Magazines	53
Radio	50
Before movies	48
Broadcast TV	35

Percentage of teenagers citing source when asked, "Which advertising do you pay attention to the most?" in the U.S. (Source: TRU Teenage Marketing & Lifestyle Study, 1998)

Table 3 shows that teens recommend marketers to use radio for advertising whereas Table 2 shows that they pay more attention to TV. There is a gap between media vehicles which capture teenagers' attention, and the best media vehicles effective in teen advertising.

Radio

Ninety-five percent of American teenagers listen to the radio. According to table 3, the radio is the most recommended media vehicle according to American teens (Zello, 1999). In Europe, the trend is the same, 90 percent of the 10-14 year-olds and 76 percent of the 15-18 year-olds listen to the radio (De Oliveria et al., 1998).

Radio is a useful medium for the fashion industry because it is

Table 3. Recommended Media Vehicles by Teenagers

Source	Percent
Radio	55
Cable TV	50
Magazines	39
Before movies at theatre	29
In school	26
Broadcast TV	24
Through The Mail	23
Internet/online services	21
Billboards	15
Sponsored events	15
Before rented video	12
Newspapers	9

Percentage of teens-recommended media as effective in reaching teens, (Source: TRU Teenage Marketing & Lifestyle Study, 1998).

able to target teenagers according to their genders, race and activities by the station format. According to Zello (1999), music preference is linked to a lifestyle, and a particular way to dress or to behave (Zello, 1999).

Moreover, another radio advantage is that it follows the

teenagers everywhere, at home or in their cars. According to Deb Esayins, manager of a local radio station, advertisers and brand managers often put radio aside. However, this medium is very effective in reaching teenagers (Zello, 1999).

Magazines

Magazines are the second recommended medium by teens with 39 percent (Table 3); it is also the second medium to which teens pay attention with 53 percent (table 2). Magazines is the medium which is more relevant for teenage girls than boys for they are high purchasers of teen magazines such as Teen, Seventeen and YM. They can find the latest trends, or the latest key questions and answers that guide their lives, from boys to fashion (Zello, 1999). Moreover, "girls also "shop" print ads and editorial fashion photos as if they were a catalog" (Zello, 1999). "Advertisers who want to put ads in a magazine will benefit from a welcomed environment as American teenage girls expect to see designers' latest styles" (Zello, 1999, p. 84). Teenage boys, on the contrary, do not have magazines written just for them, they just read specialized magazines in sports, music and games.

Teen magazines that contain the word teen face a problem as teens do not want to be identified to young people, hence they do not pay much attention to teen magazines. They prefer those targeting adults or older people such as Glamour, Cosmopolitan and Vogue. However, a new trend appears to be growing with magazines that are distributed in France and in the U.S. such as Elle Girl in France and Vogue for teens in the U.S. (Helaine, 2001). These magazines' goals are to attract teenage girls by being less juvenile and offering 60 percent of the editorial content on fashion and beauty (Shrager, 2001).

Broadcast TV

"Teens spend more time watching TV than other media" (Zello, 1999, p. 79). With the exception of MTV, most networks target adults or children, with limited broadcasting directed to teens. The best way for brands to target teenagers is to advertise on shows which teens watch such as Dawson's Creek and 7th Heaven (Zello, 1999). Finally, the best channel for teenage advertising would be MTV, as it is the teens most-watched cable network (Zello, 1999). On Saturdays, NBC transforms into TNBC with programs and advertising directed to teens. A possible strategy for teens, which is currently used by children cartoons, is integrating the product through the program.

Moreover, by knowing the celebrities whom teens follow closely, these individuals could make guest appearances during teen programs.

Internet

According to Peter Zello, teens say that online advertising does not catch their attention, but at the same time, they must be unconscious of the impact of the advertising. "Ninety percent of teenagers say that the Internet is 'in'" (Zello, 1999, p. 87). As a result, their attitude towards the Internet is very positive. However, Zello (1999) underscores that only 39 percent of both African-American and Latino teens have access to the Internet compared to white teens and that access is primarily income-driven. Hence, banners would not be a viable means for reaching at-risk teen minorities.

Movies

Apparels manufacturers for teenagers are working with movie studios to introduce their brands (D'Orio, 1999). Movie companies benefit because this reduces their budget. Agreements such as these give brands more exposure and make them a fashionable commodity to the teenage market (D'Orio, 1999). Therefore, Tommy jeans has been linked to the movie "the Faculty" and J Crew's clothing has been worn on the show Dawson's Creek. As teens enjoy going to

movies and watching TV programs with which they identify, promoting a brand in a movie or in a TV program is a good way to reach them (D'Orio, 1999).

How does Each Segment Organize its Communication?

Luxury Brands

Luxury brands do not particularly communicate toward teenagers. However, since the creation of Teen Vogue, such brands as Versace, DKNY and Ralph Lauren have allocated greater advertising dollars to these magazines (Shrager, 2001). Furthermore, luxury brands such as Burberry also try to be more appealing to the teenagers by using the cool and young image of Kate Moss in its advertising in order to revitalize its brand image. With this advertising, the brand has cultivated a "rebellious image", which is attractive to young people (Telfizian, 2000).

Middle-Priced Manufacturers

Middle-priced brand names have enough dollars heavily spent on TV, magazines or outdoor advertising.

Some of the most famous brands such as Levi's, Gap and American Eagle advertise primarily on TV. American Eagle, for example, has promoted its image on ESPN, Comedy Central and MTV, with total frequency up to 600 times to

reach up to 80 percent of customers (Scardino, 2002). At the same time, many specialized chains have increased their advertising in magazines or on billboards (Sommier, 2000).

Sponsorship such as soccer games and basketball games are also heavily used to promote to teenagers and especially for sportswear brands such as Adidas and Puma (Riou, 1999)

Low-Priced Manufacturers

The main media used by these manufacturers are the Internet and the sponsorship of top model competitions (Lelièvre, 2000). Such brands expect that both style and low prices will encourage mouth-to-mouth communication (Lelièvre, 2000).

Discount

To conquer the teenage market, U.S. discounters have advertised heavily on TV or on radio. Mervyn's, for example, increased its TV advertising spending by \$20 million dollars and its radio advertising by \$10 million dollars (Goldman, 1999). The primary objective among discounters is to transform their low-price image to a cool image. For Mervyn's, the most effective campaign has involved images of youngsters laughing and playing (Goldman, 1999). Target's TV campaigns using young people

enjoying themselves with up-beat music created a cool image and an increase in sales (Goldman, 1999).

Department Stores

Department stores advertise in a multitude of media vehicles. For example, "Saks Fifth Avenue has nearly tripled its radio and TV ad spending for teens, including, for the first time, ads on MTV" (Berner, 1998).

At the same time, Saks Fifth Avenue chains have sent out 14-page catalogs and CDs to recent customers from their teen's department who have used the store credit card for payment (Berner, 1998).

What do Teenagers Expect from Advertising

Table 4. Important to Teens when Advertising

Source	Percent
Be funny	57
Be honest	54
Be clear	46
Don't try to hard to be cool	44
Don't use sex to sell	35
Show something important	32
Use people of their age	32

Source: TRU Teenage Marketing & Lifestyle Study, 1998)

Teenagers seem to have several expectations from marketers regarding advertisements: to be funny at 57 percent, be honest at 54 percent and be clear at 46 percent (table 4). Marketers will have to consider this in teenager advertising.

Fashion Retailers Advertising to Teenagers

Differentiation

The best advertising for teenagers is that which breaks all the traditional norms of advertising and of society (Riou, 1999). One of the best examples is the advertising for Diesel Jeans (Riou, 1999). At the time Diesel did its advertising, Levi's was still first in market share and Diesel had two choices: imitate Levi's by using the latest fashionable music or develop an advertising execution never used previously. Diesel chose the second solution. Diesel advertising's goal is to use famous characters of each countries and put them into unusual situations. For the U.S. audience, the ad started with a western background and a handsome hero wearing Diesel jeans who is supposed to kill the bad guy in front of him. Instead of the classic scenario, the handsome guy is killed by the bad guy. As a result, Diesel chose deliberately to surprise its audience with an unexpected

scenario. While most competitors' ads such as Lee Cooper and Lois Jeans emphasize the superiority of their products, Diesel put down the image of its jeans (Riou, 1999). This campaign was the beginning of a new trend in advertising in general, and especially towards teenagers. According to Nicolas Riou (1999, p. 59), "the brand plays with its consumers" and tries to be close to them, giving the impression that they speak the same language. The message also entertains consumers with humor and thus increasing the relationship between the brand and the consumer (Riou, 1999).

Fashion advertising often comes from the difference between the brand image and the universe, which continues to promote it (Riou, 1999). Helly Hansen, a brand that came from the name of a sailing boat, continues to promote the image of sailing even if it is advertised in a rap magazine.

Advertising today tries to entertain consumers more than persuading them when it comes to apparel brands. It tries to create original ads and original techniques, which get the attention of the target market. What is most important for advertisers is to develop a strong brand image (Riou, 1999).

Renewal

Changing advertising regularly is a must with teens because they become easily bored. Hence, advertisers need to change their ads often. Levi's is one who understood this concept for years and instead of doing one ad per year it has multiplied the number of ads produced with two to three ads per year and a different tone each time (Riou, 1999).

Humor

Teenagers respond to humor (Riou, 1999). Levi's uses humor as one of its execution styles in advertising. One of the best examples was the ad called "At the chemist's". A teenage boy went to the pharmacy to buy some condoms under the probing eyes of the owner. At the end of the day, the teen goes to his girl friend's house to pick her up for a date. Her father opens the door and he realises that the individual he bought the condoms from was the same person (Riou, 1999). Levi's created completely different ads such as those with Kung Fu, Far West, Quakers and the Mermaids, with no link between them. The advertising goal was to be trendy and entertain consumers (Riou, 1999); however, all ads maintained the values of the brand, such as originality, seduction, liberty, rebellion and youth (Riou, 1999).

Be Clear

With the objective to attract, teen brands try to increase the quality of their ads while building a market relationship. Teenagers today are very educated and expect a lot from the quality of advertising (Riou, 1999).

Brands try to be cool and follow teenagers' music (Riou, 1999). Levi's used the singer SHAGGY and his hit "Boombatsic" from the movie soundtrack "Clayman" to appeal to teenagers (Riou, 1999). According to Nicolas Riou (1999), the mechanism is simple, music is one of the three interests of young people. It reveals their identity and is reflective of their times. In the U.S., Americans understand this concept better than the French, as many teen-directed ads for new movies promote the soundtrack as much as the movie (Riou, 1999, p 65).

At the same time, marketers need to be close to the audience they are targeting. Calvin Klein, with his "in-your face" ad campaign has succeeded in reaching the teenage market. The ads depict real kids in real situations (Moses, 2000). According to Moses (2000, p 167), "teenagers responded to the imagery of true-to-life non-models". Teens responded positively to the campaign even if it has been judged too provocative (Moses, 2000). The message was simple, it was that "teens would look sexy in

Calvin Klein jeans" (Moses, 2000, p. 167). From a marketing perspective, the brand was responding to teens' expectations through its honesty (Moses, 2000). The message corresponded more to teens than the country club imagery of the Ralph Lauren campaign (Moses, 2000). A brand has to participate in the growth of teens with such slogan as "CK BE YOURSELF?," "Body and soul with Morgan" (Riou, 1999).

Shock

Shocking advertisements are also of interests to teens. For example, Abercrombie and Fitch's advertising tends to be controversial (Scardino, 2002). One ad that created a high shock value was the printing of drink recipes in its catalog. Instead of losing sales, it helped the brand to establish itself in the minds of the youth and drove sales (Scardino, 2002). Subsequently according to Gallanis, (2000), good advertisements for teenagers are often the ones hated by parents.

Endorsers

The use of stars as endorsers encourages many teenagers to buy products. Retailers and manufacturers are now turning to celebrities to appeal to teens. For example, Sears and Levi's co-sponsored teen-diva Christina Aguilera's Canadian and US. Athletic apparel companies

were the first ones to use actors, musicians or athletes in their commercials (Bronson, 2000). Nike, for example, chose Michael Jordan and Adidas in France used the soccer player Cantona. The choice of star endorsers is based on the similarity between the brand's personality and that of the endorser. In the case of Cantona, the image of a rebel and non-conformist was associated to Adidas (Riou, 1999).

Summary

The best media vehicles to promote teenage fashion brands appear to be the radio, since teens enjoy listening to music, magazines for teenage girls and television. Each segment allocates its budget differently to the most efficient media vehicles: luxury brands emphasise fashion-magazine advertising, middle-priced manufacturers spend heavily on TV, magazines and outdoors advertising, low-priced manufacturers prefer less expensive media vehicles such as the Internet or sponsorship, discounters spend on TV and on the radio, and finally department stores choose to spend more on TV and radio.

Furthermore, to attract this market, marketers will have to be more creative in their advertising and use means such as humour or star endorsers, be clear and renew often.

CHAPTER FIVE

RECOMMENDATIONS

Introduction

Chapter five presents recommendations for attracting the teenage market as well as distribution and communication strategies which fashion manufacturers and retailers may implement to drive sales in the market place.

Recommendations

The recommendations resulting from this analysis are as following:

The Luxury Segment

Chapter three shows that teenagers are more concerned about the brand name and its social value than in price. Nevertheless, luxury brands are now developing secondary brands at lower prices to attract teenagers. But, regarding the above, if luxury brands want to maintain their high image, brands should not lower their prices. In fact, what makes luxury brands attractive to teenagers is their brand image and their limited accessibility. Lowering prices will reduce the target market to teenagers and will diminish the attractiveness of the brand. Therefore the best strategy for luxury brands to attract

teenagers might be to consider developing more accessories. This strategy might not push away the core customers of luxury brands.

Furthermore, luxury brands advertising should be primarily done through fashion magazines such as Teen Vogue. At the same time, TV commercials could reinforced the brand image and attract teens to buy the brand. Finally, the use of young endorsers such as models or actors could help attract this market without changing the brand image but in developing a closer relationship with teens.

Medium-Priced Segment

Medium-priced brands are highly competitive. As a result, medium-priced manufacturers should be more reactive to teenagers' needs. Whereas the attraction for luxury brands comes from the name and the social recognition of the product, the attraction to medium-priced brands is linked to the brand personality. As a result, medium-priced brands should differentiate their brand name around a unique concept and style. Teenagers expect a brand to be original and unique. The product itself is secondary.

For retailers the use of music and a store atmosphere represent key elements to create a unique image that

appeals to teens. As teenagers come to find clothes corresponding to their personality, shops might consider expanding their merchandise mix to include accessories, music, decorations and candles. Moreover, medium-priced brands should be online with their suppliers to better adapt to changing trends among teens.

Additionally, the ad message should be clear and original in order to attract teens. The product is not the main concern but rather the style and personality of the brand. As a result, the product should not be at the center of the advertising. Furthermore, the advertising should emphasize the unexpected to drive the popularity of the brand. A media mix including radio and TV should be used to attract the teenage market for it can enhance the brand personality and it is used extensively by this group.

Manufactures and retailers should consider sponsoring events and employ the Internet to promote awareness and word-of-mouth communication.

The Lower-Priced Segment

The success of this segment comes from its low prices and a word-of-mouth communication. For this segment, prices should remain low to satisfy teens desire to update their wardrobes often. Lower-priced brand retailers do not

have to improve their shop atmosphere for their main attribute is price. Teenagers expect to buy many clothes at a small price. As a result, the low-priced segment barely advertises. This segment should closely follow the trends which teens appreciate and in order to increase awareness they should develop programs in cooperation with local schools. Such manufacturers and retailers might also consider developing websites, as the costs are meaningless compared to TV and radio commercials. However, the message will have to be clear and simple with an emphasis on choice.

Discounters

In France the teenager market is not a priority, however in the U.S, the potential for discounters is enormous. To succeed, discounters will have to modify their brand image. Discount stores are often unfriendly and perceived as non-trendy by teenagers. Furthermore, teens are reluctant to be seen in discount stores.

The best way to attract teenagers would be to create a special area for them and where there would be a broad production mix that includes clothing, CDs, DVDs, cosmetics and shoes. Discounters might consider hiring young designers to develop collections, which are trendy but also low-cost. Discounters such as Target should try

to communicate their coolness and include teenagers in their advertising message.

Retail Environment

Globally, the retail environment has to be more attractive to capture the teenage market. Teenagers have deserted most department stores, but to reverse this trend stores should restructure their junior departments with more space and trendier brands. Department stores should create a special environment, which appeals to teens with activities such as games, vending machines and videos. Discount cards for teenagers for special occasions would help department stores to reinforce their loyalty. Furthermore, department stores should broaden their media mix to include advertisements on local radio stations. Finally, employing special events just for teens can build patronage and store loyalty.

Summary

The teenage fashion industry is a growing market in France and in the United States. Each segment of the fashion industry is trying to attract this growing market. Teens, like adults, have different expectations for products regarding brand positioning. The best strategies to adopt by each segment will be the ones, which

correspond best to teenager needs and expectations. This will result in a profound transformation of the retail environment and of the communication and distribution strategies for fashion brands. To maintain its brand image strategy, luxury brands might maintain high prices and develop more accessories in their collections. The middle-priced segment should emphasize its differentiation strategy and create original advertising for TV and radio media. The low-priced segment might focus on price and the choice in stores and maintain a limited communication strategy. Discounters should change their image and create more convivial atmosphere in their stores. Finally, department stores should create departments dedicated to teenagers with trendy brand names and other product mix.

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