

---

# Деcонcтpуцтион 3.0

---

**Deconstruction 3.0:** *A study of a guerrilla attack from within the postmodern fashion system by the post-Soviet collective of Vetements*

---

Bachelor thesis presented by  
Adrian Woloszyk  
on 4<sup>th</sup> of January 2017

If you want to print this thesis, please do it double-sided.

Let us not overuse our environment and natural resources!

**Title:** Deconstruction 3.0: A study of a guerrilla attack from within the postmodern fashion system by the post-Soviet collective of Vetements

**Author:** Adrian Woloszyk

**Department:** Centre for Fashion Studies, Stockholm University

**Supervisor:** Sara Skillen

**Level:** Bachelor

**Presented:** Fall Semester 2016

## Abstract

The aim of this thesis “Deconstruction 3.0” is to show how the third wave of deconstruction in fashion is deconstructing the second [postmodern] French luxury fashion system. The deconstructionists of the post-Soviet collective – Demna and Guram Gvasalia, Gosha Rubchinskiy, and Lotta Volkova – question and deconstruct the established apparatus of the postmodern fashion system and its business model. With their business strategies and with help of demand by post-postmodern consumer culture proposed and predicted by Douglas B. Holt (2002), the post-Soviet collective constructs new business models and thus we are entering a post-postmodern fashion system.

I have used a twofold methodology from the disciplines of business administration and humanities. In the literature review, I have aimed to close gaps between different scholars and made a concluding section of the postmodern fashion system and its business model, a synthesis that lies in parallel with Peter Drucker’s (1957) thoughts on postmodern organisational theory. Through the empirics and analysis with help of Jacques Derrida’s (1972) concept of deconstruction, I propose, in the end, a dialectic model between the established postmodern apparatus and the new and diametrically opposed post-postmodern apparatus operated by the post-Soviet collective.

**Key words:** Deconstruction, Fashion system, Fashion business model, Luxury, Brand image, Brand heritage, Griffe, Post-Soviet, Slow fashion, Vetements, Gvasalia, Volkova.

## Acknowledgement

Thanks to Sara Skillen, for supervising and guiding me. Thanks to Peter Rodger, for language check. Thanks to Niklas Källberg, for being my biggest critic and supporter, and always pushing me forward. Lastly, thanks to my co-Slavique fashion partner in crime Ксения Рундин (Ksenia Rundin), for all our deep discussions about fashion and its implications of art and commerce.





# Table of Contents

<b>1. INTRODUCTION .....</b>	<b>6</b>
1.1. SHORT INTRODUCTION.....	6
1.2. AIMS AND QUESTIONS .....	6
1.3. EMPIRICAL SOURCES.....	6
1.4. METHODOLOGY .....	7
1.5. DISPOSITION AND CONTRIBUTION .....	9
1.6. THEORETICAL PERSPECTIVES.....	10
1.6.1. <i>Deconstruction and previous deconstruction of the Japanese and the Belgians</i> .....	10
1.6.2. <i>Postmodernity and post-postmodern consumer culture</i> .....	11
1.6.3. <i>Luxury according to C.J. Berry</i> .....	12
1.6.3. <i>Definition of brand image</i> .....	13
1.7. LITERATURE REVIEW .....	13
1.7.1. <i>The luxury fashion system and its business model</i> .....	14
1.6.2. <i>The fashion system according to Kawamura</i> .....	14
1.7.3. <i>The fashion system according to Grumbach, and Vinken</i> .....	16
1.7.4. <i>Luxury and business models according to Kapferer and Bastien</i> .....	17
1.7.5. <i>The fashion system according to Lantz</i> .....	18
1.7.7. <i>Discussion, analysis and conclusion on the postmodern luxury fashion system and its business model</i> .....	19
<b>2. ANALYSIS.....</b>	<b>21</b>
2.1. CONTEMPORARY DECONSTRUCTION: THE POST-SOVIET COLLECTIVE .....	21
2.2. ASSORTMENTS SUPPLIED ONLINE: THE CASES OF LYST.COM .....	22
2.2.1. <i>The postmodern companies' assortments</i> .....	22
2.2.2. <i>The post-Soviet collective's assortments</i> .....	23
2.3. THE LUXURY FASHION BRAND IMAGE OF THE POST-SOVIET COLLECTIVE.....	24
2.3.1. <i>The heritage of the kommunalka</i> .....	24
2.3.2. <i>The case of Lotta Volkova</i> .....	25
2.3.3. <i>The case of Vetements</i> .....	27
2.3.4. <i>The case of Gosha Rubchinskiy</i> .....	28
2.3.5. <i>Short conclusion and summary of brand image</i> .....	28
2.4. DECONSTRUCTION AND RECONSTRUCTION INTO THE POST-POSTMODERN ERA .....	29
2.4.1. <i>Why the fashion system needs change</i> .....	30
2.4.2. <i>The simplicity of supply and demand</i> .....	31
2.4.2.1. <i>The Gvasalia-brothers on supply</i> .....	31
2.4.2.2. <i>Demna on aversion to the established system, and about the product</i> .....	33
2.4.2.3. <i>Post-postmodern consumer demand</i> .....	35
2.4.3. <i>The collective on luxury and rarity</i> .....	37
2.4.4. <i>Financial and managerial aspects of Vetements</i> .....	39
<b>3. DISCUSSION.....</b>	<b>41</b>
3.1. PROPOSED MODEL .....	41
3.2. CONCLUSION .....	42
3.3. FURTHER RESEARCH .....	42
<b>LIST OF REFERENCES.....</b>	<b>44</b>
<b>APPENDIX.....</b>	<b>49</b>



# 1. Introduction

## 1.1. Short introduction

In this thesis, I investigate how the post-Soviet collective – Demna and Guram Gvasalia for Vetements, Gosha Rubchinskiy for his eponymous brand, and stylist Lotta Volkova – are deconstructing the French luxury fashion system. I am focusing on the system level, with a business emphasis, using business models and brand image to analyse the deconstruction. Previously, there have been two waves of aesthetic deconstruction, the Japanese and the Belgians. The principal difference between the first two waves and the third, contemporary one is that the new collective is deconstructing the second fashion system, thus resulting in a third fashion system. The first two waves only deconstructed the [brand] image, the visual [aesthetic] and the object (excluded in this thesis) but not the entire system, as the system has persisted and they are operating by its rules. I am proposing that the collective is the third evolution of deconstruction in fashion. I base my proposal on a duplex of aesthetics [brand image] and system, through an altered business model.

## 1.2. Aims and questions

The aim of this bachelor thesis is to show who the post-Soviet collective are and how they are deconstructing and reconstructing parts of the fashion system into a new era. The intentions of this thesis have relevance as the fashion system is in a state of coeval change in many ways.

- In what ways does the post-Soviet collective deconstruct the apparatus of the postmodern French luxury fashion system, with emphasis on business models?
  - What is the postmodern luxury fashion system and its business model?
  - Who are the post-Soviet collective?
  - In what ways are the collective deconstructing and reconstructing the established postmodern apparatus?

## 1.3. Empirical sources

For my primary sources, I have used the aggregated e-tailer Lyst.com, representing the supply side of the fashion system. Garments on Lyst.com were compared to catwalk compilations at SHOWstudio and Elle. I have also used Instagram, where the collective has posted different images themselves. For financial data that was included, I have used the Schweitzer site Moneyhouse [translated through Google translate], that provided business data on Vetements. I have investigated but excluded financial data that was provided through databases Amadeus

(via Stockholm School of Economics), and Orbis and Zephyr (via Stockholm University). Financial reports of Dior [Holding] and LVMH were provided through their respective websites. As secondary sources, I have used different news articles, from both business as well as more conventional fashion press. Business press includes, for example, *New York Times*, *Business of Fashion*, *Wall Street Journal*, and *Bloomberg*. More typical fashion publications include, for example, *Vogue*, *i-D*, and *Dazed & Confused*. For the whole list, see List of references at the end.

## 1.4. Methodology

Giorgio Riello discusses different branches of fashion research in his paper "The object of fashion: methodological approaches to the history of fashion". I am primarily in the branch that he defines as *fashion studies*, which is multidisciplinary and integrating and includes, for instance sociology. He argues that this branch presents stylised ideas of how fashion takes shape, how fashion penetrates the world by reproducing itself, and conditions the social and power relations between individuals and society. In this approach, the objects hold a subordinated position, especially compared to the *history of dress*.<sup>1</sup> Yuniya Kawamura argues in a similar way, where she, in her guiding book *Doing Research in Fashion and Dress*, explains that fashion studies may include the studies of dress, apparel, clothes, accessories, shoes, and cosmetics. Although, in her paradigm, "fashion" is a study of a concept, an idea, and a phenomenon rather than the study of clothing as an object.<sup>2</sup> I will explain her ideas further in the literature review. Thus, based on Riello and Kawamura's arguments, I see fashion as a concept and phenomenon that takes form socially through society, rather than examining the clothes as objects.

My method is twofold, with an epistemology of both business administration and humanities. As mentioned earlier, I study fashion as a system seeing the system as an organisational principle, and investigate the system's business models, where products are marketed to consumers. For this first part, my primary core is theories and literature from the business administrative research, with an emphasis on the areas of marketing and management (epistemology). The first core is interwoven with the second core of humanities epistemology,

---

<sup>1</sup> Giorgio Riello, "The object of fashion: methodological approaches to the history of fashion," *Journal of Aesthetics & Culture*, vol. (3) (2011): 2.

<sup>2</sup> Yuniya Kawamura, *Doing research in fashion and dress: an introduction to qualitative methods* (Oxford: Berg, 2011), 12.

with a focus on Jacques Derrida's concept of deconstruction. For the idea of luxury, I base my assumptions and have used discussion of the notions of C.J. Berry. I have also interwoven the brand image part with the humanities visual analysis method of Roland Barthes. By interweaving the business administrative epistemology with humanities, I believe I can generate a better understanding of fashion, as it in its peculiar nature is on the one hand business as well as being a cultural and visual phenomenon.

As I investigate, in this case, the consumer buying the brand image, I have chosen to use Barthes' method of "Rhetoric of the Image". I am in this case the customer buying the brand image. I have also chosen this way as it is the visual image that is sold as a brand to the consumer, within the field of fashion. In Barthes' method, one uses a threefold analytical technique: The linguistic message, the denoted image, and the connoted message. Barthes is also talking about anchoring, which "is a control, bearing a responsibility – in the face of the projective power of pictures – for the use of the message." This anchoring can often be mythical, where in the advertisement the mythical is portrayed as something more flattering, and in other cases, it can be ideological.<sup>3</sup> Note, Barthes as a methodological approach is highly subjective. Different methods, such as a survey with a bigger sample, could have been used for this part. Another potential method would be a group discussion with potential consumers, which I would recommend as the post-Soviet collective's brands easily could be misunderstood with a simple random sample, as their target customers are not the masses.

Quantitative methods have been used, using the Lyst.com cases as a primary source. Lyst.com is an aggregated e-tailer, and in the empirical part, I have descriptively shown the products supplied to the consumer. Products supplied in e-tail might differ from physical retail. I have also investigated different financial databases and financial reports, such as reports about Dior and LVMH, as they are the biggest companies in the French luxury fashion industry. The data was explored by investigating the figures and the written information provided in the reports. These financial data have been excluded in the analysis, as the reports were highly ambivalent and did not explicitly specify their figures. However, there were a vague indication of alignment between the financial data and the findings in both the literature review and the product assortment cases. The little financial information I have been able to find about the post-Soviet collective, as their business entities are newly established, has been included in the

---

<sup>3</sup> Roland Barthes, "Rhetoric of the Image" in *Image, Music, Text*. Ed. and trans. Stephen Heath (New York: Hill and Wang, 1977), 32-51, Digital version: <http://faculty.georgetown.edu/irvinem/theory/Barthes-Rhetoric-of-the-image-ex.pdf>

analysis and was not as vague as the previous mentioned financial data.

Regarding the second primary source, Instagram, I have used qualitative methods, analysing visual images that have been posted online from the collective themselves. I have chosen this platform as they by themselves control this digital distribution, but also because it is a new and highly relevant marketing tool for companies. Secondary sources have been used widely in the analysis. I have used both business articles, as well as fashion press. These articles gave me extensive information that also corresponds to my twofold methodology of fashion as both business and humanities. The articles correspond to the methodology as the business press mainly describes the business aspects, while the fashion press often discusses more humanities aspects through fashion as a cultural and visual phenomenon.

## **1.5. Disposition and contribution**

The thesis starts with an opening section where I discuss my aims, questions, empirics and methodology. From this section onward follows a theoretical discussion, where the core in my theoretical perspective is deconstruction proposed by Jacques Derrida. I use his concept in a new way within fashion studies since I have not found my use of his perspective anywhere else; thus I see this as one of the contributions of the thesis. In this segment, I also discuss postmodernity and post-postmodernity, where I use them as timeframes rather than abstract theoretical perspectives. The section finishes with a short description of luxury, in the view of C.J. Berry.

I have chosen a lengthier literature review, as there is no univocal model of the postmodern fashion system, which is fundamental for analysing the coeval deconstruction. In the review I start with discussing different scholars' views, that has different gaps. I synthesise their opinions to one unit of a postmodern fashion system, hence contributing to the research field. In the first section of the analysis, I am discussing whom the post-Soviet collective consists of, and why I have chosen to unify them. The next section in the analysis describes the supplied assortment of the collective, the supplied assortment of the postmodern fashion companies, and how these assortments differ. In the third section, I am showing how the collective is deconstructing the brand image, by proposing a new image within the system. The last section analyses more holistically deconstruction of the system, where the collective in different articles have expressed their opinions on the current system and their actions of changing it.

The thesis ends with a discussion, where I propose a concluding dialectic model between the postmodern and post-postmodern fashion systems with their respective business models,

which are diametrically opposed to each other. I also discuss potential further research.

## 1.6. Theoretical perspectives

### 1.6.1. Deconstruction and previous deconstruction of the Japanese and the Belgians

Many scholars have discussed deconstruction within fashion studies, primarily on a design and object level. The origin of the concept deconstruction comes from Derrida in 1972, and was summarised by fashion scholar Ingrid Loschek as:

Deconstructivism is understood as a philosophical concept, a superdisciplinary scientific theory, and a tendency in art. As a philosophical concept, deconstructivism appeared for the first time around 1972 in connection with the work of the philosopher Jacques Derrida. According to Derrida, the process of deconstruction consists of first tentatively adopting a system of thought or construction in order to subsequently disclose its inconsistencies and failures in implementation. Deconstruction registers what is asserted in order to concentrate immediately on all the things that this assertion fails to state, omits and negates. Accordingly, it directs the focus towards what is not said. Deconstruction must proceed in different ways according to the object of its contemplation—literature, media, architecture or fashion; it cannot always be applied in the same manner. Deconstruction is intended not as a universal method, but as a flexible form of activity adapting to the relevant context.

However, it is possible to discern two fundamental applications: the first comprises reversal, for example of binary distinctions; the second involves a shift in the entire logic of something. If one were to come to a stop after the first motion, a new hierarchy would be reconstructed. For that reason, according to Derrida, the second motion of shift is absolutely necessary. In addition, a deconstruction is never actually completed, for new examples of binary logic will always emerge from it. [---] The deconstruction always represents a critical analysis of the origins, foundations and limits of our conceptual, theoretical and normative apparatus.<sup>4</sup>

Loschek describes that in fashion design the sense of deconstruction lies in the nonvisible construction which is made visible. In fashion design, this is denoted by seams and hemlines, where deconstructed clothes make these things visible. Traditional orders and conventions are discredited; thus aesthetic habits of body proportions and the standards of beauty are questioned. The first wave of deconstruction was implemented by the Japanese designers Rei Kawakubo of Comme des Garçons and Yohji Yamamoto in the 1980s. The Belgian designers Ann Demeulemeester and Martin Margiela were the successors with the second wave of

---

<sup>4</sup> Ingrid Loschek, "When Is Fashion Design?" [section 'Deconstructivism'] in *When Clothes Become Fashion: Design and Innovation Systems*. (Oxford: Berg, 2009), 173–204, *Bloomsbury Fashion Central*, Web, 28 Dec, 2016, <http://dx.doi.org.ezp.sub.su.se/10.2752/9781847883681/WHNCLOTHBECOMFASH0016>.

deconstruction in the 1990s. Loschek argues that Margiela is a programmatic fashion designer of deconstructivism, where he picks apart recycled clothes. "In this way, he shows the origin and the artificiality of the tailoring art as well as fashion's soul or lack of it."<sup>5</sup>

In conclusion, in fashion studies, deconstruction has been used in object-based research. My standpoint is, as we will see in this thesis, on a systemic level, close to Derrida's origin of [linguistic] systems, where the theoretical and normative apparatus of the fashion system is now deconstructed, rather than solely the design or the object.

### 1.6.2. Postmodernity and post-postmodern consumer culture

Postmodernity is a highly arguable definition, and it has no univocal nor fixed meaning.<sup>6</sup> Austrian Peter Drucker, PhD University of Frankfurt, management consultant and author, can be seen as the founder of modern management.<sup>7</sup> He wrote about postmodernity and forecasting in *Landmarks of Tomorrow* (1957). Drucker suggested that the transformation into the postmodern world happened between 1937 and 1957. This change, characterised in a shift to a conceptual world based on patterns, purposes and processes rather than the previous mechanical cause. He discussed the powerfulness of organising men of knowledge by high skills, for a joint effort and performance. This new world outlined four new realities that challenge the people of the free world: the emergence of educated society, economic development – international development –, the decline of the government – the nation state –, and the collapse of viability of non-Western cultures – the Eastern world.<sup>8</sup>

Douglas B. Holt in his research paper "Why Do Brands Cause Trouble? A Dialectical Theory of Consumer Culture and Branding" (2002) describes how brands at the time of his research paper were under attack by countercultural movements in the Western countries, which he predicted will give rise to post-postmodern branding paradigm as brands as citizen-artists.<sup>9</sup> Due to this movement, Holt predicts that according to what he termed the Post-Postmodern condition, brands will no longer be able to hide their commercial motives. To find authenticity consumers will look for brands that in a direct way contribute to their identity project based on

---

<sup>5</sup> Ingrid Loschek, "When Is Fashion Design?" [section 'Fashion and Deconstructivism'] in *When Clothes Become Fashion: Design and Innovation Systems*. (Oxford: Berg, 2009), 173–204, *Bloomsbury Fashion Central*, Web, 28 Dec, 2016, <http://dx.doi.org.ezp.sub.su.se/10.2752/9781847883681/WHNCLOTHBECOMFASH0016>.

<sup>6</sup> Yuniya Kawamura, *Doing research in fashion and dress*, 122.

<sup>7</sup> Steve Denning, "The Best Of Peter Drucker," *Forbes*, July 29, 2014, accessed November 20, 2016, <http://www.forbes.com/sites/stevedenning/2014/07/29/the-best-of-peter-drucker/#6973b1777ec9>.

<sup>8</sup> Peter Ferdinand Drucker, *Landmarks of tomorrow* (New York: Harper, 1959), 1-270.

<sup>9</sup> Douglas B Holt, "Why do brands cause trouble? A dialectical theory of consumer culture and branding," *Journal of Consumer Research*, 29 (1) (2002): 70.



originality and cultural relevance. Further, Holt predicts that "Brands that create worlds that strike consumers' imaginations, that inspire and provoke and stimulate, that help them interpret the world that surrounds them, will earn kudos and profits."<sup>10</sup> For further description of Holt's theory, see the corresponding section in the analysis. I have placed it in the analysis as his research only predicted post-postmodern consumer culture, and I combine some of his predictions with my empirics to come to a conclusion.

Rather than using postmodernity and post-postmodernity as philosophical and abstract concepts as analysing-tools, I am using these expressions as timeframes. However, we will see a deconstruction and change between these two periods, where it can be argued that we contemporarily are moving into a post-postmodern era.

### 1.6.3. Luxury according to C.J. Berry<sup>11</sup>

One of the most famous contemporary researchers on luxury is Professor Christopher J. Berry who has stated that luxury goods must be associated with expensiveness and rarity and have to be widely desirable. The product must also be included in one of the following four categories; otherwise, it cannot be considered as a luxury: *sustenance* in the form of food and drink, *shelter*, *clothing* and *leisure*. These categories are due to the relationship between need and desire, which is fundamental for these goods.<sup>12</sup> Thus, goods cannot be considered luxurious without this connection to human necessity.

Berry argues that dress and clothing on a superficial level are the need to protect ourselves, but the general explanation of the human need for clothing is the non-functional aspect of a symbolic character.<sup>13</sup> It is ornamentation and symbolism that constitute the role of clothing, where Berry refers to Anne Hollander's art and fashion studies book *Seeing Through Clothes*, which describes the historical function of the symbolism that garments have for humans. This role and meaning are generated through a concrete cultural setting.<sup>14</sup> Further on, Berry also believes that the category of luxury clothing is constituted by exquisite workmanship and high-

---

<sup>10</sup> Ibid., 87.

<sup>11</sup> This is a translation from my B-level thesis "Luxe Suédois: En studie om den diskreta svenska lyxen, genom en komparation av Palmgrens och Acne Studios" [*Luxe Suédois: A study of the discreet Swedish luxury, by comparison of Palmgren and Acne Studios*] co-written with Ksenia Rundin in the spring semester of 2016. I have done this because I consider it to be a good summary of C.J. Berry's view, and also to highlight my previous research on the topic of luxury.

<sup>12</sup> Christopher J. Berry, "Luxury Goods" in *The idea of luxury: a conceptual and historical investigation* (Cambridge: Cambridge University Press, 1994), 4-6.

<sup>13</sup> Ibid., 27-28.

<sup>14</sup> Ibid., 29.

quality textiles, which is encapsulated in *haute couture* and bespoke tailoring, where ownership of such goods conveys an exclusivity associated with power, wealth and taste.<sup>15</sup> Berry also refers to Pierre Bourdieu, who believes that there needs to be a distance created through luxury goods, where they lose their meaning if they become too widely attainable.<sup>16</sup>

In summary, luxury goods are an indulgence that have to be desirable and pleasurable. These goods also have to be easily substitutable. Berry exemplifies luxury with a Dior-dress which falls into the category of luxury.<sup>17</sup>

### 1.6.3. Definition of brand image

According to Management Study Guide, brand image is defined as:

**Brand image** is the current view of the customers about a brand. It can be defined as a unique bundle of associations within the minds of target customers. It signifies what the brand presently stands for. **It is a set of beliefs held about a specific brand.** In short, it is nothing but the consumers' perception about the product. It is the manner in which a specific brand is positioned in the market. Brand image conveys emotional value and not just a mental image. [---] Brand image is the overall impression in consumers' mind that is formed from all sources. [---] The idea behind brand image is that the consumer is not purchasing just the product/service but also the image associated with that product/service. Brand images should be positive, unique and instant. Brand images can be strengthened using brand communications like advertising, packaging, word of mouth publicity, other promotional tools, etc. [---] Brand image is actually brand content. [---] **To sum up, "Brand image" is the customer's net extract from the brand.**<sup>18</sup>

## 1.7. Literature review

In this section, I am presenting the core of my business administrative approach, by *marketing* and *management* epistemology and literature. There is no univocal model of fashion business models, and it is a broad description – see next part-section. There is also no univocal model of the postmodern fashion system. The conclusion, in the end, can be seen as a part of my theoretical perspective.

---

<sup>15</sup> Ibid., 30.

<sup>16</sup> Ibid., 31.

<sup>17</sup> Ibid., 40-42.

<sup>18</sup> Management Study Guide, "Brand Image – Meaning and Concept of Brand Image," *Management Study Guide*, no date, accessed November 10, 2016, <http://www.managementstudyguide.com/brand-image.htm>.

### 1.7.1. The luxury fashion system and its business model

In this thesis, I only investigate the fashion system within the luxury industry. Note that there is a hierarchy within the entire fashion system with everything from luxury and premium brands to the high street, labels such as River Island and Abercrombie & Fitch, to retail fast fashion giants, such as H&M, Uniqlo, GAP and Zara (Inditex Group). According to Erica Corbellini and Stefania Saviolo, professors in Business Administration at Bocconi, a business model is:

... a term that applies to a broad range of informal and formal descriptions used by enterprises to represent various aspects of their business... Like all models, it is a simplified description and representation of a complex real-world object, so we can define a business model as a simplified description of how a company does business and makes money without having to go into the details of all its strategies and processes. [---] There are a variety of business models in fashion and luxury industries.<sup>19</sup>

Corbellini and Saviolo argue that the value proposition within [luxury] fashion designer brands is related to the prestige and [brand] image of the designer name, and also high quality and accentuated seasonal product fashionability.<sup>20</sup> Within luxury brands, the value proposition is about timelessness, heritage and exclusivity. These brands compete in other product categories other than clothing, such as watches, cosmetics and leather goods.<sup>21</sup>

### 1.6.2. The fashion system according to Kawamura

According to Yuniya Kawamura in her book *Fashion-ology*, the French fashion system was constituted in 1868 with the *haute couture* designer Charles F. Worth. Kawamura argues that in modernity<sup>22</sup> began the creation of an institutionalized approach to fashion.<sup>23</sup> "A structural functional perspective of fashion includes the production, distribution and consumption of goods and services which are intimately related."<sup>24</sup> In other words, according to Kawamura fashion has a structured economic function in society, and is not purely the garment in itself.

"The function of myth is essentially cognitive, namely to account for the fundamental conceptual categories of the minds."<sup>25</sup> In other words, the myth is something intangible and is created in the mind of the consumer, a close description of the definition of brand image. The

---

<sup>19</sup> Erica Corbellini and Stefania Saviolo, *Managing fashion and luxury companies* (ETAS. [Milano]: ETAS, 2009), 121.

<sup>20</sup> Ibid., 123.

<sup>21</sup> Ibid., 125.

<sup>22</sup> I have put the timeframe here. Definition from Charles Baudelaire, who is credited with coining the term "modernity" (*modernité*) in his essay "The Painter of Modern Life" (1864).

<sup>23</sup> Yuniya Kawamura, *Fashion-ology: an introduction to fashion studies* (Oxford: Berg, 2005), 50 & 65.

<sup>24</sup> Ibid., 40.

<sup>25</sup> Ibid., 43.

myth can be seen as brand heritage. The goods, garments in Kawamura's case, have added social, economic, cultural and symbolic capital<sup>26</sup> that transform the goods into luxury, elite, fashionable clothes.<sup>27</sup>

In chapters 4-6 in *Fashion-ology* Kawamura explains more deeply how the fashion system operates. She discusses various processes from the designer to the various gatekeepers, such as journalists and fashion magazine editors. These processes are built upon usage of promotion, such as fashion shows and advertisement. Often the end-consumer only consumes the visual aspect of high-fashion, as the produced tangible garment is only available to fewer than the image and the visual fashion production is.<sup>28</sup> Kawamura argues:

... fashion is not only about change, but an institutionalized, systematic change produced by those who are authorized to implement it. [...] There is a whole network of people involved in clothing production and fashion production. The tasks and individuals involved in clothing production are different from those in fashion production.<sup>29</sup>

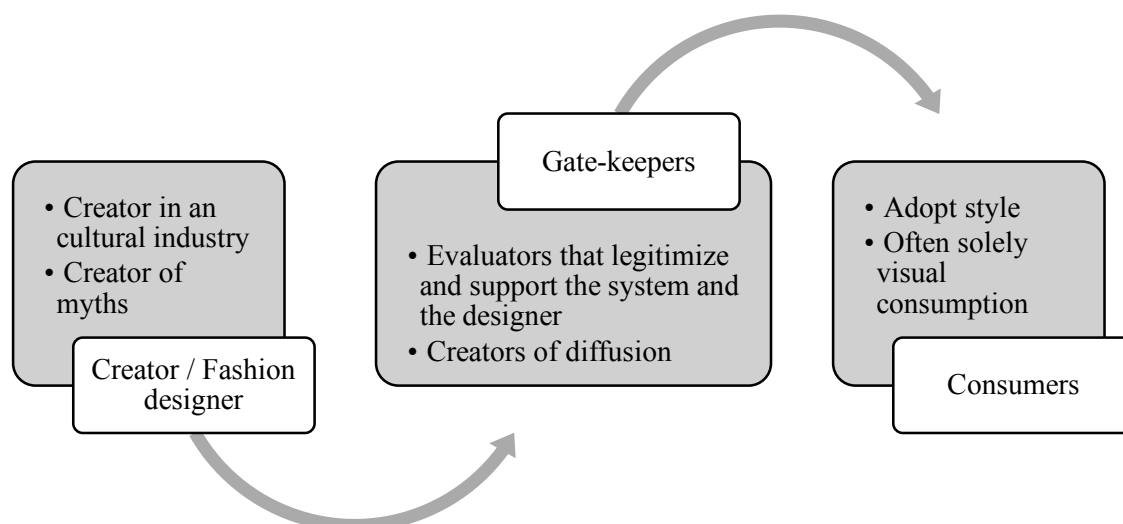


Fig. 1: Summary and presentation of the fashion system according to Kawamura.

I argue that her sociological approach to fashion has close connection to aspects of the business administration (epistemology): *management studies*, especially regarding the organisational aspects, as well as *marketing studies*, with an emphasis on network theory. Therefore, her approach is extra interesting within *business administrative studies*.

<sup>26</sup> These capitals are references to Bourdieu's ideas of different capitals, which the elites often hold.

<sup>27</sup> Yuniya Kawamura, *Fashion-ology*, 55.

<sup>28</sup> Ibid., 57-104.

<sup>29</sup> Ibid., 51.

### 1.7.3. The fashion system according to Grumbach, and Vinken

In *History of International Fashion* Didier Grumbach<sup>30</sup> provides a factual analysis of the French fashion system's development. Grumbach argues that after World War II, new legislations to protect and stimulate the *haute couture* business in Paris were ineffective. Therefore, the business needed new resources. Grumbach has identified that the start of this evolution of the established fashion system was the Christian Dior Business Model. In 1947 parallel with its *haute couture* "the New Look"-collection the house of Dior created a subsidiary for perfume. The corporation also opened a luxury ready-to-wear called "Dior New York" in New York in 1948. In 1950 the first license agreements started, which continued to be generated in even more product categories for an ever larger clientele base.<sup>31</sup> A license agreement is a contract between two parties where one produces goods after the other ones' trademark. These kind of democratising licensee strategies for diversification were the foundation of the postmodern fashion system. Further, Grumbach argues for this as being a brand management with subcategories under *haute couture* such as ready-to-wear and by-products. This brand management created a strong "marriage of couture and perfume", where Grumbach argues that this unique structure strengthened the entire industry.<sup>32</sup> In other words, there are synergies between different product categories.

According to Barbara Vinken in *Fashion Zeitgeist* the companies within the fashion system are operating on capitalisation of what she calls the *griffe*<sup>33</sup>. Vinken argues that Chanel is the only fashion house operating from the era of modernity, the 'century of fashion' according to her. It is the sale of the *griffe* that is the greatest source of profits, as licenses and royalties represent on average seven times the turnover of the clothes themselves. Vinken exemplifies this by stating that 68 percent of the turnover of Yves Saint Laurent comes from royalties.<sup>34</sup> Vinken states that "... the *griffe* is an absolute symbol for 'fashion' which, having become historical, is now able to sell this history better than it could sell fashion."<sup>35</sup>

---

<sup>30</sup> Grumbach co-founded Yves Saint Laurent in 1966 together with Yves Saint Laurent and Pierre Bergé. He is also Dean of the Professorial staff of the Institut Français de la Mode. In 1998 Grumbach was also elected to the highest institutions of French fashion, the *Fédération Française de la Couture, du Prêt-à-Porter des Couturiers et des Créateurs de Mode* and the *Chambre Syndicale de la Couture*. (Information from book-cover)

<sup>31</sup> Didier Grumbach, *History of international fashion* (Northampton: Interlink, 2014), 111-120.

<sup>32</sup> Ibid., 150-157.

<sup>33</sup> Vinken refers and uses Pierre Bourdieu in her analysis. Bourdieu means that the *griffe* can, for example, be seen as a label or designer, where he has analysed Courrèges through this concept.

<sup>34</sup> Barbara Vinken, *Fashion zeitgeist: trends and cycles in the fashion system* (Oxford: Berg, 2005), 81-83.

<sup>35</sup> Ibid., 83-84.

#### 1.7.4. Luxury and business models according to Kapferer and Bastien

Jean-Noël Kapferer and Vincent Bastien, professors in *Marketing* at HEC Paris, have discussed different aspects of luxury branding in their book *The Luxury Strategy*. They argue that there are two modes of luxury brand building: the history – a European approach to luxury –, and storytelling – an American approach to luxury. Both can be seen as a type of brand heritage. This luxury brand building can even be quantified in a dream equation, where the dream value is calculated. The dream lies both in the social dimension of class, where some have the money for the purchase, and the dimension of sensorial compression, in form of intrinsic pleasure.<sup>36</sup> Further, they argue for different business models within fashion luxury. The classical model is that of *haute couture* in France. The *haute couture* market has vanished according to them, and Chanel is probably the only brand left to balance the books [break-even regarding numbers].

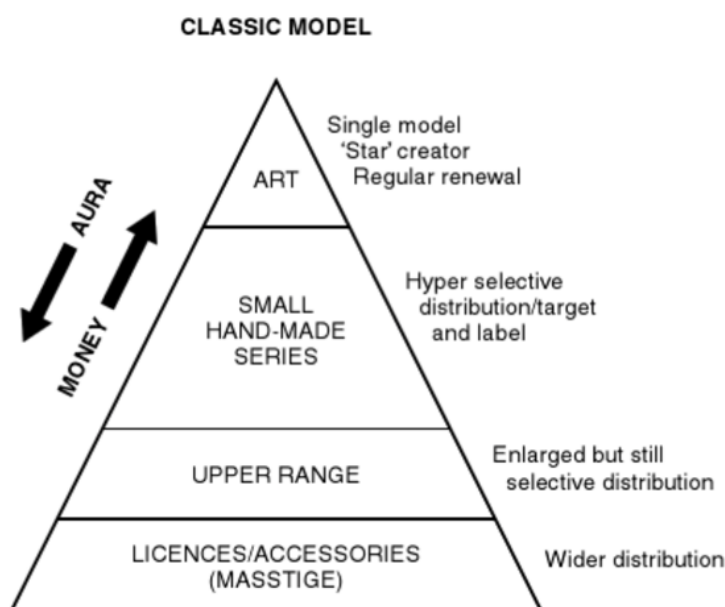


Fig. 2: The classical model [The pyramid business model]. Fig. 13.3 page 306 in book.

Kapferer and Bastien argue that the *haute couture* houses visualise sequential strata, with the *griffe* as the highest. It is expanding downwards from the rarest – often unique and handmade –, and the dream is continuously recreated and cascades down onto different products, such as glasses and perfumes.<sup>37</sup> In their book, they portray different, similar but adjusted, business models for various fashion and luxury brands. One of these is the Dior Pyramid, that “is characterized by a creative spring at the top of the pyramid in the person of John Galliano. The

<sup>36</sup> Jean-Noël Kapferer and Vincent Bastien, *The luxury strategy: break the rules of marketing to build luxury brands* (orig. 2009) (London: Kogan Page, 2012), 152-155.

<sup>37</sup> Ibid., 305-306.

bulk of its sales are made lower in the pyramid through accessories, the production of which is often outsourced.”<sup>38</sup>



Fig. 3: The Dior pyramid. Fig. 13.7 page 310 in book.

These kinds of strategies, through democratisation and globalisation, create problems for luxury brands as social stratification diminishes. If the product is too widely attainable it becomes *vulgarised*, a total loss of value. Kapferer and Bastien also argue that a luxury product needs to be rooted in a culture. If this product changes its production place, due to cost savings, it can solely be a premium product as it is in a cultural drift.<sup>39</sup>

### 1.7.5. The fashion system according to Lantz

Another scholar that has investigated the fashion system, with an emphasis on trends and also focusing on product strategies, is Jenny Lantz, PhD in *Management* from Stockholm School of Economics, and associated at the Centre for Fashion Studies at Stockholm University. In her book *Trendmakarna*<sup>40</sup> she argues that the luxury segment is managed by three big conglomerates<sup>41</sup>: LVMH, PPR<sup>42</sup> and Richemont. She argues that the most penetrated markets are the Italian, French and Japanese, and through the conglomerate's strong brands they can take advantage of *superior pricing power*. An interviewee states that the entry barriers for the luxury industry are high, in other words it is hard to enter. Other interviewees, business analysts, state that the *fashion risk* is small within the luxury fashion industry as the sales of pure fashion

<sup>38</sup> Ibid., 309.

<sup>39</sup> Ibid., 11-14.

<sup>40</sup> This book has been translated from Swedish into English. *The trendmakers*, ISBN 9781474259798, hardback.

<sup>41</sup> A large corporation formed by the merging of separate and diverse firms (Oxford Dictionary).

<sup>42</sup> Called Kering today.

clothing are relatively small.<sup>43</sup>

According to Lantz, many luxury brands have adopted a business model that resembles that of Louis Vuitton, where a large part of the sales come from carry-overs and evergreens, which are rarely on markdown, making their product risk significantly lower. In this way, the businesses manage the tension between consequence, in profits, and change in fashion. Lantz states that many of the pieces in the runway collections are not even produced, and many of the goods produced are made in limited editions.<sup>44</sup> In a lecture, Lantz also portrayed and described the assortment structure – big prominent part of this business model – in the luxury industry.<sup>45</sup>

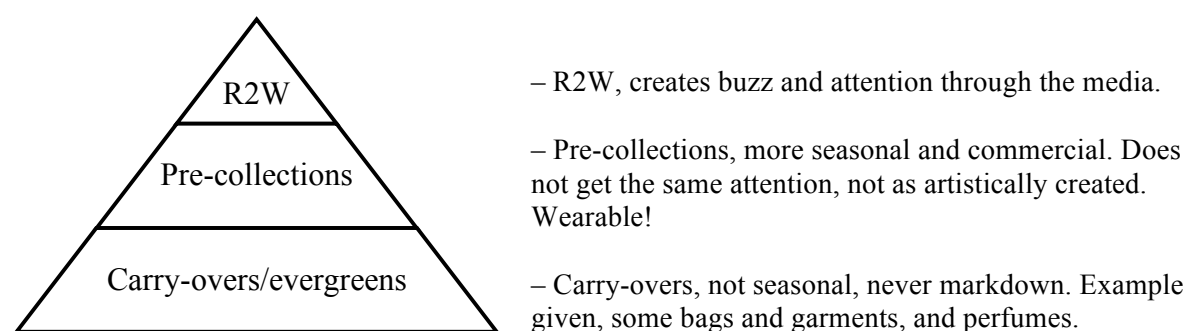


Fig.4: Assortment structure and hierarchy in the luxury fashion industry according to Lantz.

### 1.7.7. Discussion, analysis and conclusion on the postmodern luxury fashion system and its business model

In this section, I am synthesising and discussing the literature presented above. The production in the postmodern fashion system is visual, where only a few consumers, in the end, consume the high-end fashion clothes. Instead through various gate-keepers the visual production is created and consumed by the users. These strategies build strong brands, resulting in *superior pricing power*. This style of brand management is often organised through different democratised and *vulgarised* licenses that produce evergreens and began with the Dior Business Model in late 1940s. The companies capitalise on product categories other than clothing, through the *griffe*, an absolute symbol of ‘fashion’, that in this system foremost is created through buzz and attention in the media. The business models vary for different companies, but generally, the *haute couture*, as well as ready-to-wear clothes, are intangible by being only

<sup>43</sup> Jenny Lantz, *Trendmakarna: bakom kulisserna på den globala modeindustrin* (Stockholm: Atlas akademi, 2013), p 205-209.

<sup>44</sup> Ibid., 210.

<sup>45</sup> Jenny Lantz, “Modesystem: Den ekonomiska logiken,” [*Fashion systems: the economic logic*] Lecture (#5), course ‘Internationella modesystem’ [*International Fashion System*] from Stockholm University, February 26, 2016.



visual for the consumer. These businesses instead make profits on various tangible by-products, which are marketed through brand image of prestige and Western heritage.

Some could argue that these kinds of business models of dreams and by-products, such as perfume, have been used prior the Dior Business Model. However, the Dior Business Model and the rise of conglomerates – a structural and economic rationalisation – lies in line with Drucker's proposed systematic and organisational changes, which occurred simultaneously at the time. These changes were shaped by the joint effort and performance of highly skilled and educated [business] men. These skilled workers have built up the postmodern French fashion system and its business model, on the basis of trying to save the nation state with help of the non-viability of the non-Western cultures and the economic development.

As there is no univocal model of either the postmodern fashion system nor its business model, I have in this concluding section contributed to the field. I have deemed it necessary for my thesis to synthesise and develop this model, thus contributing to the development of the field. The scholars in the literature review have contributed to this area but with gaps; for example, both the research from Bocconi and HEC Paris use the *griffe* in their material, but do not explain it. I also need to explain and state the construction which is deconstructed in my empirics and analysis. I will in the next chapters discuss how this structured postmodern fashion system has been challenged and questioned by the post-Soviet collective and their knowledge of the operating [postmodern] system and their inherited culture.

## 2. Analysis

### 2.1. Contemporary deconstruction: The post-Soviet collective

In this beginning section of my core-analysis, I will unite and define the post-Soviet collective. I have had to do this union to be able to conduct my analysis, in this way, I am also contributing in the field, as they have not yet been collected together in academia and discussed as one unit. *The New York Times* has described Vetements' clothes as deconstruction, and other press have followed suit.<sup>46</sup> Vetements is designed by seven anonymous designers, except Demna Gvasalia who is the head designer and spokesperson. Demna is from Georgia, formerly part of the USSR, but was educated at the Royal Academy of Fine Arts, Antwerp. After his education, Demna became senior designer at both Louis Vuitton and Maison Martin Margiela. Demna is also artistic director of Balenciaga<sup>47</sup>, where François-Henri Pinault, the CEO of Kering (parent company) praised Demna as “a powerful emerging force in today's creative world.”<sup>48</sup>

Demna's younger brother Guram Gvasalia is the CEO of Vetements, which the brothers launched in 2014. Guram made the decision to show the collections during pre-seasons, instead of during the conventional runway show calendar for ready-to-wear. Guram received degrees in both Business and Law through German universities, the country that the brothers fled to with their family.<sup>49</sup> Guram also received a Master's degree in Fashion Management from London College of Fashion.<sup>50</sup>

Gosha Rubchinskiy, born in Russia, is the designer under his eponymous fashion brand founded in 2008. He is responsible for the collections and the design but is getting support from Adrian Joffe of Dover Street Market, with different management issues, such as production. Rubchinskiy's fashion design of post-Soviet youth culture has gained international recognition. Together with Demna and Lotta Volkova, Rubchinskiy has been credited with challenging the status quo around fashion design.<sup>51</sup>

Lotta Volkova, born in Vladivostok, Russia, is the in-house stylist of Vetements, Gosha

<sup>46</sup> Elizabeth Paton, “Who Is Demna Gvasalia, Balenciaga's New Designer?”, *The New York Times*, October 7, 2015, accessed November 17, 2016, <http://nyti.ms/1jNAhct>.

<sup>47</sup> Balenciaga is excluded in my thesis and research, due to the scopes of questions and pages. However, this could be seen as an attack on the fashion system from the collective.

<sup>48</sup> Imran Amed, “Demna Gvasalia,” *Business of Fashion*, no date, accessed October 31, 2016, <https://www.businessoffashion.com/community/people/demna-gvasalia>.

<sup>49</sup> Imran Amed, “Guram Gvasalia,” *Business of Fashion*, no date, accessed October 31, 2016, <https://www.businessoffashion.com/community/people/guram-gvasalia>.

<sup>50</sup> Alexandra Marshall, “The Cult of Vetements,” *The Wall Street Journal Magazine*, June 24, 2016, accessed October 31, 2016, <http://www.wsj.com/articles/the-cult-of-vetements-1466760601>.

<sup>51</sup> Imran Amed, “Gosha Rubchinskiy,” *Business of Fashion*, no date, accessed October 31, 2016, <https://www.businessoffashion.com/community/people/gosha-rubchinskiy-1>.

Rubchinskiy as well as Balenciaga. She studied art and design at London's Central Saint Martin. Volkova plays an integral part in developing the creative vision behind Vetements, Gosha Rubchinskiy and Balenciaga.<sup>52</sup>

I have grouped Demna, Guram, Gosha and Lotta together as one unit, although it is at the present moment somewhat unclear how close their relations are. Are they divided and in this way creating a movement, or are they actually really part of a cohesive and intentional unit? When considering the seven designers in Vetements, excluding Demna, the question arises: who are the other six designers? Guram? Gosha? Lotta? The people in this unit are often discussed between each other and by different journalists. They also do similar things questioning, and thus deconstructing, the fashion system in the same ways. Interesting to note is that the Gvasalia brothers and Volkova have received their training and education in the West. Gosha is the only one of the collective who is still operating from Russia, while the others are from the start a part of the Western fashion system and its establishment.

## 2.2. Assortments supplied online: the cases of Lyst.com<sup>53</sup>

### 2.2.1. The postmodern companies' assortments

Lyst.com is a congregated shopping-site with luxury designers and premium brands, as well as high street brands. "We partner with the world's greatest designers and stores to bring you the world of fashion in one place."<sup>54</sup> Through the site, one will be redirected, to brands' own sites or other online retailers. Although that Lyst.com is not the exhaustive supplied assortment, it is a good indication, particularly since specific sales figures are hard to acquire.

On investigating the site (2016-11-18, Appendix 1) I have collected some data. Through the site, we can see that Dior only supply 20% clothing and that the dominant category is accessories with 73% of total supply, with sunglasses and glasses as the principal objects in accessories. Only 1% was bags, hence as this is a significant category within the Dior Group they must use other distributions strategies for this category. Through the other LVMH brands Fendi, Givenchy and Loewe, we can see that the dominant categories are by-products rather than clothing. Celine provided mainly clothes, with 66% of the supplied items. The clothes of Celine were mostly basics, with products such as 'casual pants', miniskirts and underwear.

---

<sup>52</sup> Imran Amed, "Lotta Volkova," *Business of Fashion*, no date, accessed October 31, 2016, <https://www.businessoffashion.com/community/people/lotta-volkova>.

<sup>53</sup> Co-owned by the LVMH conglomerate but only minority shares, thus only ownership and no stewardship.

<sup>54</sup> Lyst Ltd, "Lyst | About," *Lyst.com*, no date, accessed November 13, 2016. <https://www.lyst.com/about>.

Both Maison Margiela and Alaïa had clothing as a dominant category, but also heavily relied on by-products. A closer investigation on Margiela and the collection revealed that it was not the ready-to-wear collection they were selling. I compared the coats, which were the most significant pieces in the fashion show of Margiela Womenswear F/W 2016 on Paris Fashion Week.<sup>55</sup> Comparing with the 71 coats listed on the Lyst.com-page, no coat was from the runway collection presented on Paris Fashion Week. Consequently, it can be seen that Margiela through this channel only supplies pre-collections and carry-overs to the end-customer, rather than ready-to-wear. Through the image and the *griffe* that their myth and image of deconstruction that the ready-to-wear runway shows create, they can capitalise on and sell other clothing than ready-to-wear in addition to by-products. When comparing the 242 clothing items of the Alaïa assortment on the Lyst.com-page, I could only see one dress and one top from the F/W 2016 runway.<sup>56</sup>

Note that Lyst.com does not sell, and therefore does not supply, the categories of perfume nor cosmetics, which are big sales categories for postmodern fashion brands. Also note, that supply, in this case, does not tell us anything about margins or sell-through of products. As a conclusion, these luxury fashion brands do not primarily supply clothing, and when they do, it does not appear to be from the runway collections of ready-to-wear. Instead their brand images, brand heritages and the *griffe* spill-over onto other by-product categories, which are dominantly supplied to the end-customer. Although this data does not give strong validation, it is in line and confirms the business models in the introductory chapter. The findings are aligned with assortments structures according to Lantz.

### 2.2.2. The post-Soviet collective's assortments

My data (2016-11-18, Appendix 1) shows that Vetements supply 87% clothing, and Gosha Rubchinskiy supply 64% clothing. In other words, compared to the postmodern fashion system they are supplying predominantly clothes. When I investigated the Lyst.com-site and went through the "designer" category, there were a lot more clothes provided by the collective. These clothes were out of stock / sold out. Especially for Rubchinskiy, there were a lot more clothes, and the division between clothing and shoes differed, a lot higher towards clothing. The most

---

<sup>55</sup> Nick Knight, "Collections [Paris Womenswear A/W 2016 Maison Margiela]," *SHOWstudio*, no date, accessed November 18, 2016,

[http://showstudio.com/collection/maison\\_margiela\\_paris\\_womenswear\\_a\\_w\\_2016/in:catwalk\\_photos](http://showstudio.com/collection/maison_margiela_paris_womenswear_a_w_2016/in:catwalk_photos).

<sup>56</sup> Danielle Odiamar, "Azzedine Alaïa Finally Presents Fall 2016 Ready-to-Wear Collection in Paris," *Elle*, April 3, 2016, accessed November 18, 2016, <http://www.elle.com/fashion/a35306/azzedine-alaia-rtw-fall-2016>.

surprising finding was that the collective supplied the clothes directly from the runways. By comparing clothes from Vetements R2W F/W 2016<sup>57</sup> and Gosha Rubchinskiy R2W F/W 2016<sup>58</sup> with garments on Lyst.com, all products on the site appeared to be from the runway show. Of course there might be some differences between runway and retail, but most of the key pieces were available on the site – either offered or sold out. This finding is compared to Margiela, where none of the coats from the ready-to-wear runway was supplied through [online] retailing.

In conclusion, Vetements and Gosha Rubchinskiy within the post-postmodern system essentially sells the clothes from the runway. Compared with the postmodern system examples which shows pieces only to create buzz for the intention of spill-over effects to by-products. In the post-postmodern system, the by-product is just a by-product and not the main product. By selling predominantly clothing instead of by-products, and directly to the consumer, the post-Soviet collective is questioning the apparatus and business models in the postmodern fashion system.

## 2.3. The luxury fashion brand image of the post-Soviet collective

I have chosen to use Barthes' method of "Rhetoric of the Image", since I am in this case the consumer receiving the brand image. In Barthes' method, one uses a threefold analytical technique: the linguistic message, the denoted image, and the connoted message. These messages are anchored through myths.<sup>59</sup> For the definition of brand image, see part 1.6.3. in the introduction. Although some might argue that the [brand] image that I will present has been provided before within the postmodern system – for example by Raf Simons in the 90s –, it has not been anything other than a Western appropriation of the East through the *Western gaze* performed by the *griffe*.

### 2.3.1. The heritage of the *kommunalka*

In the book *Designing the modern interior* there is a section by David Cowley about the Soviet *kommunalka*. "The *kommunalka* is a fascinating historical artefact: it remains both a symptom

---

<sup>57</sup> Nick Knight, "Collections [Paris Womenswear A/W 2016 Vetements]," *SHOWstudio*, no date, accessed November 18, 2016,

[http://showstudio.com/collection/vetements\\_paris\\_womenswear\\_a\\_w\\_2016/in:catwalk\\_photos](http://showstudio.com/collection/vetements_paris_womenswear_a_w_2016/in:catwalk_photos).

<sup>58</sup> Nick Knight, "Collections [Paris Menswear A/W 2016 Gosha Rubchinskiy]," *SHOWstudio*, no date, accessed November 18, 2016,

[http://showstudio.com/collection/gosha\\_rubchinskiy\\_paris\\_menswear\\_a\\_w\\_2016/in:catwalk\\_photos](http://showstudio.com/collection/gosha_rubchinskiy_paris_menswear_a_w_2016/in:catwalk_photos).

<sup>59</sup> Barthes, 32-51.

of the radical hopes and, in the event, the failure of the Soviet dream world.”<sup>60</sup> The *kommunalka* was an instrument with which the government tried to create a new collectivity through housing, diametrically opposed to the bourgeoisie conception of home as a private sphere. By 1989 one-quarter of the entire Soviet population lived in *komunalkii*.<sup>61</sup> Further in the text Cowley discusses how garbage was recycled: “...shortage turned citizens into skilled fixers of broken things, adept at the everyday arts of bricolage.”<sup>62</sup> The text also discusses how this dream world became trash: “Even before the end of the Soviet experiment in 1991, Kabakov sensed how this dream world could become a ruin; how the future could become the past; and how utopia could become trash.”<sup>63</sup>

Through my interpretation, this is the heritage that the post-Soviet collective as a brand image is portraying – as will be seen below. The utopia that became trash can now in the Western fashion system deconstruct the Westernized view; the East is no longer in juxtaposition to the West; the Western system is no longer a utopia, as it is now proved not to be sustainable; Soviet trash and reminiscence could be the new utopia. Therefore, I define this new brand image as *Kommunalka chic*. The image is the uplifting, and in this way chic, of something other than the Westernized, and it is reminiscence of the *kommunalka*-life.

Although *Kommunalka chic* is diametrically opposed to the luxury image of the Western postmodern era, this image is paradoxically a highly luxurious image. Firstly, as the clothing which creates this image is expensive and rare – the rarity shown further in the thesis. Secondly, it creates a strong desire. This image is in a wide manner desirable, as the image is selling and creating significant demand. This demand is shown by how their products are selling and goes out of stock, both through discussion of the news articles – seen later – and the Lyst.com-cases.

### 2.3.2. The case of Lotta Volkova

As mentioned earlier, Volkova is a stylist and plays an integral part in developing the creative vision behind Vetements, Gosha Rubchinskiy and Balenciaga.<sup>64</sup> She is very prone to social media, particularly Instagram, saying “It gives you the opportunity to reach out to anybody you

---

<sup>60</sup> David Cowley, “The Dark Side of the Modern Home: Ilya Kabakov and Gregor Schneider’s ruins” in *Designing the modern interior: from the Victorians to today*, ed. Penny Spark (Oxford: Berg, 2009), 236.

<sup>61</sup> Ibid., 235-240.

<sup>62</sup> Ibid., 239.

<sup>63</sup> Ibid., p. 240.

<sup>64</sup> Imran Amed, “Lotta Volkova”.

want.”<sup>65</sup> She also proclaims that they are not selling a dream, and instead she says that they produce clothes that they and their friends would like to wear. Volkova also explains that her agenda and interest is about what is real and true, stating “I am taking the side of different cultures and am mixing subcultural codes rather than just being glossy and glam.”<sup>66</sup> Hence, she – possibly the most important player and influencer as a stylist – is creating a brand image aimed at the consumer, trying to sell and influence an image of reality and subculture, rather than a dream.

In picture 1 (see Appendix 2) there are a few linguistic messages. Firstly, Volkova has put her location with the Instagram-function, to Vladivostok in Russia, in Cyrillic script – used in Russia and the former-USSR. Secondly, she has tagged some fellow Russian in the picture and used the tagline “Vladivostok2000”. 2000 may refer to some reminiscence of the past, of her adolescence in this town in 2000. The denoted image shows Lotta, a visually ordinary Russian girl, although she is an extraordinary stylist creating the *fashion zeitgeist* of this decade. She is standing in a small square between a tree and a trash-can, surrounded by cars. The lighting is quite bad, and the lamp posts are lit; hence it has to be by evening or night this picture is taken. Volkova is distinctly wearing a Balenciaga-coat<sup>67</sup>, with a high price-tag, and under the coat she is wearing one of the well-known Vetements-hoodies, which has a price-tag of around €7-900 at Lyst.com.

In picture 2 (see Appendix 2) she firstly, once again, has added the same location in the same way. The second linguistic message is “#jetlaggedandburried in soviet textiles”. In this way, reality is expressed both in the way of trivial and undesirable jetlag, and the everyday life of referring to [post-]Soviet textiles. The denoted image shows a *selfie* of Lotta in an unpolished and tired way. She seems to have no make-up, but paradoxically her nails are on point; red, polished, and bedazzled. Volkova lies in an eclectic bricolage of different typical Soviet bedding. She is wearing a Gosha Rubchinskiy t-shirt, in Cyrillic script.

The connoted message in both these pictures is a reminiscence of Soviet, and a reality of Russia. Lotta tells us about her heritage and her reality. By using scenery, property, and text such as her hometown in Cyrillic script, Volkova is anchoring her past and her cultural heritage

---

<sup>65</sup> Jina Khayyer, “Lotta Volkova: ‘There Are No Subcultures Anymore. It’s About The Remix.’” *Business of Fashion*, July 14, 2016, accessed October 31, 2016, <https://www.businessoffashion.com/articles/creative-class/lotta-volkova-there-are-no-subcultures-remix-stylist-vetements-balenciaga>.

<sup>66</sup> Ibid.

<sup>67</sup> The use of fashion design from an old established fashion house in this way might be seen as another deconstruction and attack on the fashion system. I will not go deeper in this as I have had to exclude Balenciaga for narrowing my scope down.

into both her visual images [pictures], but also to the clothes. Additionally, by putting herself in these fashion images, she is lifting the ordinary. As a stylist, her visual ideas will spill-over to the brands she is working with. Volkova is connecting, linking and anchoring the fashion and the clothing to Russia, and in this way creating new myths in the fashion system. This brand image is an oxymoron, as fashion once was only Western. Now the clothes and the cues of the East, the reminiscence, the portraits of ordinariness, can be shown and sold through the Western fashion system. In this way, she is deconstructing and questioning the apparatus of the visual and the brand image of the Western fashion companies in the fashion system.

The brand images she creates rely on the ordinary, the Soviet heritage, and the mix of these together with the Western. This image is opposed to the brand image, of [Western] history and storytelling, and the dream factor that can be calculated, proposed by Kapferer and Bastien. By putting herself in the pictures, she not only lifts the ordinary but shows Russian people through a *gaze* other than the Western. Russian models and notions that have previously been used from postmodern companies have been an uplifting and dream portrayed by and catered to a *Western gaze* through creating a brand image to different Western consumers. Instead, Volkova now uses an Eastern gaze to show and sell her version of Russia by establishing this new brand image, where Russian ordinariness rather than a Russian dream is sold.

### 2.3.3. The case of Vetements

Since Lotta Volkova is the stylist she takes a big part in the visual work done at Vetements. Many of her visual ideas and the brand image portrayed by her own work can also be seen in the visual communication and brand image of Vetements. In picture 3 (see Appendix 2) there is no linguistic message, more than accrediting and linking to people involved in the making of the visual image. The denoted image shows a quite cute but ordinary girl; I would say she is Russian from her features. She is set in a quite rough and ravaged background; is the setting a ruin or accommodation? The girl is clothed in Vetements from head to toe, with an oversized hoodie under a T-shirt with Metallica print. The connoted message in this part is showing quite ruined and everyday Russian living. The ruin connotes the heritage of the Soviet, where some letdown buildings from the past are still used as accommodation. By not using a Russian supermodel to portray the brand image, the dream factor used by Western postmodern companies is neglected. Instead Demna Gvasalia, through Volkova – who often casts models – portrays an ordinariness that is linked to Russia by this girl. The Metallica t-shirt connotes heavily to youth subcultures of the 80s and 90s in Soviet-Russia, the reminiscence of this time.



In picture 4 (see Appendix 2) the linguistic message through the hashtag tells us that this is the collaboration between Vetements and the brand Reebok. The denoted image shows a quite rough and tarnished man, that also by his features I would say is a Russian. The man is set on a background filled with graffiti. He is clothed in a red tracksuit with a noticeable Reebok-logo. In the picture, one can also see parts of the Vetements-logo, in the form of a textual logo on the socks. The collaborative shoes contain graffiti, and the man is also holding what seems to be a phone or some digital device. The connoted message tells about a Russian underground and in a way a cast-off subculture, through the setting, the man, and his clothing, for example, the brands used and the track suiting. In this way, the brand image lifts the ordinary and marginalised Russian life. The colouring of the tracksuit connotes the Soviet heritage, as red is the colour of socialism and Soviet.

As a conclusion, both visual pictures portrays a brand image of ordinariness and Soviet heritage. Vetements is selling the image of *Kommunalka chic*. By not selling a Westernized brand image, Vetements are questioning and deconstructing the established image of the postmodern fashion system.

#### 2.3.4. The case of Gosha Rubchinskiy

Rubchinskiy interestingly uses a different strategy for promotion on Instagram than the rest of the collective. During my research process since mid-October 2016, he has uploaded different pictures but deleted and changed them, and used different numbers of pictures. The currently latest and only picture on his Instagram is picture 5 (see Appendix 2), and the most significant is the linguistic message by “The main news- Kaliningrad in January. The rest is lies!!!” Under this message in English, he is stating the same in Russian in Cyrillic script. The denoted image shows a young man’s hand, embraced by a bracelet. The young man, or boy, is clothed in tracksuit pants or some other loose kind of pants. The connoted message here, through the message of Kaliningrad, Russia, is about Russia. The adolescent man – who is Gosha’s target customer –, his clothing and accessories are anchored to Russia and its heritage. In this way, through this medium, Gosha is selling the brand image of *Kommunalka chic*, where in this picture he is predominantly and forcefully doing it by a linguistic message.

#### 2.3.5. Short conclusion and summary of brand image

As a summary, the post-Soviet collective is by the marketing medium of Instagram selling the brand image of *Kommunalka chic*, which represents a pragmatic reality rather than a dream.

The image also represents Russia and is the reminiscence of Soviet. In this way they are selling a brand heritage of East, rather than West. By using this medium, they are also in greater control of their messages and how the products are placed, without the interference of external gatekeepers. The collective is communicating directly with the end-consumer. Through these business strategies, the collective is questioning the apparatus of the postmodern fashion system, hence deconstructing and reconstructing.

## 2.4. Deconstruction and reconstruction into the post-postmodern era

Kawamura explains that “Fashion is a luxury and is considered trivial, frivolous and fun.” Hence, fashion has not been observed in the ‘real news’ pages.<sup>68</sup> As evident by my material collection for this thesis, this is not the case anymore. Vetements appears on ‘real news’ pages in the *Wall Street Journal* and other economic press. There is also an entirely new business press dedicated to fashion named *Business of Fashion*, which is founded and run by Imran Amed, a Harvard MBA graduate and alumni of McKinsey & Co – one of the global big four management consultancy agencies.<sup>69</sup>

In an introduction to the beginning of 2016 and the printed issue of *BoF*, Amed talks about how the fashion system is at a breaking point and that it is in a phase of new operating models. One of these models involves a focus on the consumer, and another is a more product-focused approach. Vetements is one example of this happening with a product-focused approach, he believes. Amed predicts that “2016 will be the year of creative destruction in fashion. We need to destroy what we have, in order to reset, refocus and rebuild.”<sup>70</sup>

Half a year later in July Tim Blanks, editor-at-large of *BoF*, called Vetements a Trojan Horse.<sup>71</sup> The same month *The New York Times* called Vetements a “guerrilla collective cum fashion label,” which disrupts and assaults the status quo.<sup>72</sup> What we see is a guerrilla attack, a Trojan horse, within the postmodern fashion system, which now through the collective is

---

<sup>68</sup> Yuniya Kawamura, *Fashion-ology*, 79.

<sup>69</sup> Imran Amed, “Imran Amed,” *Business of Fashion*, no date, accessed November 8, 2016, <https://www.businessoffashion.com/about/imran-amed>.

<sup>70</sup> Imran Amed, “BoF’s Latest Print Issue: ‘The New World Order,’” *Business of Fashion*, January 27, 2016, accessed October 31, 2016, <https://www.businessoffashion.com/articles/editors-letter/welcome-to-the-new-world-order>.

<sup>71</sup> Tim Blanks, “The Genius of Vetements,” *Business of Fashion*, July 4, 2016, accessed October 31, 2016, <https://www.businessoffashion.com/articles/fashion-show-review/the-genius-of-the-vetements-demna-gvasalia>.

<sup>72</sup> Matthew Schneier, “Vetements Brings Its Brand of Disruption to Couture,” *The New York Times*, July 1, 2016, accessed October 31, 2016, <http://nyti.ms/298DNJS>.

disrupted, deconstructed, and changing. From a marketing point-of-view, this can be seen as guerrilla marketing, which according to Investopedia is defined as:

A marketing tactic in which a company uses surprise and/or unconventional interactions in order to promote a product or service. Guerrilla marketing is different than traditional marketing in that it often relies on personal interaction and has a smaller budget, and it focuses on smaller groups of promoters that are responsible for getting the word out in a particular location rather than on wide-spread media campaigns.<sup>73</sup>

I argue that the collective is using guerrilla marketing by penetrating the fashion system from within, whilst from the start having been a part of the establishment. In this way, they have in a cheap way been able to exploit promoters within the industry and thus, by this tactic, they deconstruct and change the system from within.

#### 2.4.1. Why the fashion system needs change

The journalist Alexander Fury argues in *The New York Times* that the rules of fashion are created by the industry: the editors, the designers, and the corporations who fund the entire system. “Fashion enjoys the status quo. It sells clothes, it makes money.”<sup>74</sup> As we have seen in this thesis, these corporations do not primarily sell clothes. Further, Fury argues that the clothes have been overshadowed by financial finagling and designer wrangling. “There is a glut of clothing at every price point, especially in high fashion, where labels proliferate and multiple seasons (spring, prefall, winter, resort, capsules galore) concurrently jostle to justify a seemingly endless influx of clothing.” Fury argues that people have stopped buying clothes [or at least the items provided by these brands]; hence large conglomerates have begun to see their profits decrease. The designers are also fleeing after a few short seasons in these fashion houses. The plenitude of brands are exposed to an instable luxury market, and now they are trying to close the gaps between runway and retail.<sup>75</sup>

The financial business news platform *Bloomberg* reported that LVMH is no longer willing to acquire the [over exposed] brand Michael Kors, which has seen a drop in share price after disappointing earnings. *Bloomberg* also reported that LVMH in a rare disposal – as they otherwise only acquire or merge brands – sold their shares in Donna Karan International and the Marc by Marc Jacobs brand. *Bloomberg* further reported that the accessories segment – of

---

<sup>73</sup> InterActiveCorp, “Guerrilla Marketing Definition,” *Investopedia*, no date, accessed November 17, 2016, <http://www.investopedia.com/terms/g/guerrilla-marketing.asp>.

<sup>74</sup> Alexander Fury, “These Two Guys Are Changing How We Think About Fashion,” *The New York Times Style Magazine*, April 11, 2016, accessed October 20, 2016, <http://nyti.ms/23odiJL>.

<sup>75</sup> Alexander Fury, “These Two Guys Are Changing How We Think About Fashion”.

shoes, gloves and bags – is losing appeal, as US imports have declined.<sup>76</sup>

In conclusion, the market strategies in the postmodern fashion system do not work anymore as consumer demand and sales have decreased. The former system and its business models do not work. As we will see later in the thesis, there are consumer movements, proposed by Holt, that are tired of being exposed to different postmodern branding. I argue one such postmodern branding strategy is all these seasons and collections in the fashion system, which in the end are not even supplied to the customers. The demand for accessories, that instead of fashion clothing are provided, have fallen. Consequently, the system needs a change, as even LVMH is realising, by the disposals, that their own business model does not work anymore.

## 2.4.2. The simplicity of supply and demand

### 2.4.2.1. *The Gvasalia-brothers on supply*

At a talk with Sarah Mower at The Royal Institution, Guram Gvasalia proclaims that the fashion system and the fashion business has forgotten, or neglected, the simplicity of supply and demand. Guram describes how:

There's a basic model you learn in business school. It's called supply meets demand. There are two curves and the point where they intersect is how much you are suppose to produce. It always feels like everyone is ignoring this very simple thing. Because if something goes on sale, it means it was overproduced. We are always trying to change the supply curve, making it just a little bit less than the demand curve, to make sure that you sell out. It is always better to sell one piece less to a store and to be sold out than to sell one piece extra and to go on sale. Because once you go on sale, there's no going back.<sup>77</sup>

In an interview with *Wall Street Journal*, Guram tells that it was Demna's frustration with what he saw as the fashion industry's excess after his years as a senior designer at Louis Vuitton and Maison Martin Margiela.<sup>78</sup> Demna confirms this frustration in an article with *Dazed*, where he tells that Vetements started by banding together different people dissatisfied with their work at luxury brands.<sup>79</sup> Further in the *WSJ* article Guram describes how they deliberately limit distribution to retailers, and that they believe that too many clothes are bad for the environment

---

<sup>76</sup> Shelly Banjo and Andrea Felsted, "LVMH Doesn't Need What Michael Kors Is Selling," *Bloomberg*, November 14, 2016, accessed November 18, 2016, <https://www.bloomberg.com/gadfly/articles/2016-11-14/lvmh-michael-kors-deal-rumors-the-wrong-bag>.

<sup>77</sup> Osman Ahmed, "The Gvasalia Effect," *IGranary*, March 28, 2016, accessed October 31, 2016, <http://lgranary.com/interviews/the-gvasalia-effect/>.

<sup>78</sup> Alexandra Marshall, "The Cult of Vetements".

<sup>79</sup> Kin Woo, "vetements in lithuania," *Dazed Digital*, The spring 2016 issue, accessed October 31, 2016, <http://www.dazeddigital.com/fashion/article/30149/1/vetements-lithuania-andrew-miksys-demna-gvasalia-lotta-volkova>.

as well as for the soul. Vetements also changes the show schedule and are moving themselves within the traditional R2W calendar from March and October to January and July. Through this strategy, they are abstaining from the pre-collections, and this gives them more time on the retail shelves. Vetements argues that by doing this, they are avoiding oversaturating the market. "You're now on the shelf for six months instead of two before going on sale," Guram explains.<sup>80</sup>

"You don't need an extra shirt – it's your ego that needs an extra shirt," Guram argues.<sup>81</sup> With this statement and their practical way of limiting distribution, they are making an activist statement. As discussed in the introductory chapter, with reference to Berry, the need for clothing for humans is decoration rather than protection. By reducing supply in quantity and only producing, and therefore supplying, twice a year instead of four times a year, Guram is using the capitalist system and its logic to slow their pace down within the fashion system.

The collective also collaborates with different brands, such as Reebok, Brioni, Champion, Eastpak, as well as persistent collaborations over multiple seasons, as with denim [Levi's] and sweatshirts. Guram tells that the distribution and production vary according to different company's capabilities. He also explains that the high prices are due to expenses like higher-quality cotton, and other typical costs, such as overhead costs of European production and international shipping. Guram criticises:

People don't consider the fact that the hoodie that they go and buy for \$50 is produced in 50,000-piece runs, and I do a few hundred; and they do it in different factories. No one wants to know where clothes come from[.]<sup>82</sup>

In an interview in *BoF* Marjan Eggers, owner and buyer of seminal boutique Louis in Antwerp supports Vetements' statement on quality. Eggers believes that their clothes will appeal to her loyal client base of "women who look for items of remarkable quality that are wearable and distinctive."<sup>83</sup> I argue that by these co-branding collections through high-quality production, Vetements lifts the ordinary garment into an extraordinary garment. The once socially and economically exploiting goods now become produced within European borders in smaller quantities to higher quality, and so become luxury goods. In Guram's talk with Mower on why Vetements is not cheap, and on the production, he once again makes an activist point, and highly criticises the whole notion of fashion:

---

<sup>80</sup> Alexandra Marshall, "The Cult of Vetements".

<sup>81</sup> Ibid.

<sup>82</sup> Ibid.

<sup>83</sup> Siska Lyssens, "Vetements Stays Focused on the Clothes," *Business of Fashion*, May 13, 2014, accessed October 31, 2016, <https://www.businessoffashion.com/articles/spotlight/spotlight-vetements-stays-focused-clothes>.

It is nicer when people save up. They can buy this one piece that they cherish for a longer time, rather than spending money on clothes every week that they throw away afterwards. The whole idea is to limit the production, having less pieces and making sure that people who buy these pieces can cherish it for a longer time. It's moving away from this idea of *fashion fashion*, to this idea of *slow fashion*.<sup>84</sup>

On this notion, Demna has also made a statement in an interview with *The New York Times*, where he describes how there has to be continuity between seasons and that you have to cherish and use the clothes that you love. In the interview, Demna tells:

I write the seasons on the labels of all the clothes at Vetements, for example, and the sales people at the beginning said: "Oh you can't do this, people won't want to wear it the year after." No, they will.<sup>85</sup>

In a unique manner, the Gvasalia brothers put caps on the number of items for each supplier. Guram tells to Mower that "Barney's asked us what the minimum for the order was. And I said: there's no minimum, but there's a maximum. And they said that no one ever speaks about maximum."<sup>86</sup>

In conclusion, the collective supply at a slower pace for ensuring a longer timeframe on the shelves. The supply is done through, inter alia, different co-productions with other brands, which Guram argues that the quality is of higher quality and production is within European borders. This approach was started by the people at Vetements' aversion towards their previous working experiences from different luxury brands. In this way, the Gvasalia brothers are deconstructing the whole concept, idea and apparatus of supply within the postmodern fashion system. In the post-postmodern fashion system, we are moving towards a *slower fashion* with fewer but more cherished and more luxurious pieces.

#### 2.4.2.2. *Demna on aversion to the established system, and about the product*

In an interview with Imran Amed for *BoF* Demna speaks in depth about his thoughts on the industry and about the product, and how this led him to co-create Vetements. For Demna the core is the garment as a product, and that it has to be wearable and play a part in somebody's wardrobe. He tells that he left his work at Margiela "because Margiela, for me, wasn't really a luxury product, it was more investigative fashion rather than about the product itself."<sup>87</sup> Also,

---

<sup>84</sup> Osman Ahmed, "The Gvasalia Effect".

<sup>85</sup> Alexander Fury, "These Two Guys Are Changing How We Think About Fashion".

<sup>86</sup> Osman Ahmed, "The Gvasalia Effect".

<sup>87</sup> Imran Amed, "Demna Gvasalia Reveals Vetements' Plan to Disrupt the Fashion System," February 5, 2016, accessed October 31, 2016, <https://www.businessoffashion.com/articles/intelligence/demna-gvasalia-reveals-vetements-plan-to-disrupt-the-fashion-system>.

Demna states that at Margiela it was all about the concept, that needed to change every season to make a certain statement. During his work for Louis Vuitton Demna says that it was about the product and clothes, but not those he wanted to see. He believes that the biggest compliment for a designer is to see people wearing the clothes not only to be seen in a fashion book. Demna says that Vetements is about reality, and not a fairy-tale [dream].

In the *BoF* article Demna also discusses that relationship between creativity and commerce in his previous companies and that the relationship is not working, saying “I think they are very separated, yet they are very dependent on each other, because the commercial vision needs to pay for the creative vision’s existence, in a way.”<sup>88</sup> Demna furthermore talks about and condemns the pace of the whole industry, thus the system:

The whole industry runs so fast because we need to deliver something new to the store every two weeks so the client isn’t bored. They don’t want to wait for six months, so we have the pre-collection, the pre-pre-collection, and the main collection, which nobody is buying, so it all just ends up on a sales rack.<sup>89</sup>

The system described by Demna is fast and consists of many different seasons throughout the year, consisting of clothes no one in the end buys. He believes there is a gap between the creativity and the business of fashion and that this system is currently non-functioning:

The whole system just doesn’t work anymore. This whole vicious circle turns and turns at a very fast speed and kills both the creativity and the business. Most of them survive on making bags and perfume at the end of the day. Ready-to-wear, which is the platform and the base of fashion, is really in the shadow today, with a few exceptions.<sup>90</sup>

It was this pace and soullessness that made the team behind Vetements start their project, and with help from Guram they combined creativity with business, such as production and connection with buyers. Vetements main focus is the customer and the pieces they actually want to wear. Demna explains:

Well, basically the frustration was with the cycle. The creative cycle that didn’t really coincide at all with the production side, and the demands and the number of pieces that we had to make. The pieces became kind of soulless, you know, because they had to be made, but didn’t really have a reason to be. [---] Our idea was to make things that we really felt confident about and wanted to see people wear.<sup>91</sup>

Although they supply other product categories than solely garments, Demna tells in a video-interview for French *Vogue* that clothing, as the company name Vetements means in French, is

---

<sup>88</sup> Ibid.

<sup>89</sup> Ibid.

<sup>90</sup> Ibid.

<sup>91</sup> Ibid.

the core of their business and that jewellery is not necessary and that they only did it because they could.<sup>92</sup> Consequently, Vetements sells clothing as the main product, and the by-products are nothing other than by-products. In conclusion, Demna argues that they started Vetements as a reaction against the current system, where clothes are mass-produced and non-selling. He states that the only reason these companies are surviving is on by-products, such as bags and perfumes. Demna's vision is to produce, that is to say supply, real clothes that people want to buy and wear. He intends to provide these clothes at a slower pace than previously. The Gvasalia brothers with their team are closing the gap between creativity and business, and the gap between runway and customer. In this way, he is questioning the whole French fashion system. This deconstruction is particularly connected to Kawamura, who argues that the fashion production and clothing production is separated, and Lantz who argues that ready-to-wear is predominantly for gatekeeper's buzz.

#### *2.4.2.3. Post-postmodern consumer demand*

For there to be a supply and commerce, there has to be a demand. Douglas B. Holt in his research paper describes how brands at the time of his research paper were under attack by countercultural movements in Western countries, something he predicted would give rise to a post-postmodern branding paradigm with brands as citizen-artists.<sup>93</sup> In the postmodern contradiction number four, peeling away the brand veneer, Holt argues that the anti-branding movement increasingly will demand that the companies need to reveal their agendas and operations to gain authenticity. "The internet has become a powerful vehicle for the viral dissemination of the backstage activities of corporations."<sup>94</sup>

Due to this movement, Holt predicts that, according to what he termed the Post-Postmodern condition, brands will no longer be able to hide their commercial motives. To find authenticity consumers will look for brands that in a direct way contribute to their identity project based on originality and cultural relevance. Further, Holt predicts that "Brands that create worlds that strike consumers' imaginations, that inspire and provoke and stimulate, that help them interpret the world that surrounds them, will earn kudos and profits."<sup>95</sup> He also argues for that these consumers will differ in how they make use of branded expressive culture. These

---

<sup>92</sup> Jennifer Neyt, "Interview: Demna Gvasalia at Vêtements," *Vogue Paris: Postcards*, March 7, 2015, accessed November 1, 2016, <http://en.vogue.fr/fashion-videos/postcards/videos/fwah2015-interview-de-demna-gvasalia-chef-vtements/9836>.

<sup>93</sup> Holt, 70.

<sup>94</sup> Ibid., 86.

<sup>95</sup> Ibid., 87.



consumers will be like ravenous chameleons, and where Holst believes that brands attending to this segment will use micro-targeting and engage in consumers' DIY [Do It Yourself] cultivation.<sup>96</sup> In summary, the post-postmodern consumer as predicted by Holt will be increasingly demanding, due to the information revolution of the internet, where brands who answer these consumers will gain authenticity by being transparent and engaging in the consumer's culture.

Firstly, this can be seen in the example of Vetements with their business transparency, where Guram holds a significant role by not only describing their business agenda but also transparency in supply and production. Secondly, the predictions of consumer information and DIY cultivation can be seen through the collective. In an interview with *BoF*, Volkova proclaims that the most important power-player in the fashion industry today is the consumer. In the same interview, she talks about the importance of social media, especially Instagram, where information is immediate and constant, and where there is a remix of a lot of cultural references. She also says that what is catered to the consumer is great quality material by saying "We are not selling a dream or a piece of art. It has to be a product that is well made. It has to be a product that talks to different types of customers."<sup>97</sup> The same idea of reality is argued by Guram in his talk with Mower.<sup>98</sup>

Demna has the same view, where he – together with the journalist Alexander Fury and also Alessandro Michele at Gucci – argues in the *NYT* interview for a kind of pragmatism with the abolishment of the previous predominant "total look" by the hegemonic designer. Instead, the garments should be seen as individual entities, where reality, choice, and freedom of the consumer should be incorporated into these garments. Demna states that individuality and practicality of the garment and the consumer are important things. He also states that the consumer is individualistic and make her own choices, as the consumer does not want to look like a campaign picture.<sup>99</sup> In this way, the consumers can be co-producers. In an interview with *i-D*, the Gvasalia brothers, just as Volkova, argue for the impact of the Internet and social media, and the information flow and the speed of these. In the interview Demna says:

I think the Cultural Revolution is on its way. [---] The new generation of kids have their own concepts and principles, and they're strong because they're so informed. I think they're quite intellectual. My generation was probably quite retarded compared to them...

---

<sup>96</sup> Ibid., 87.

<sup>97</sup> Jina Khayyer, "Lotta Volkova: 'There Are No Subcultures Anymore. It's About The Remix.'"

<sup>98</sup> London College of Fashion, "VETEMENTS – making and breaking the rules," *Pigeons & Peacocks*, March 2016, accessed November 17, 2016, <http://www.pigeonsandpeacocks.com/2016/03/vetements-making-breaking-rules>.

<sup>99</sup> Alexander Fury, "These Two Guys Are Changing How We Think About Fashion".

the MySpace generation[.]<sup>100</sup>

Regarding the informative fashion consumer, *BoF* has the same vision as the post-Soviet collective, where in a summary of *BoF*'s (first) annual fashion report of the fashion industry 2017 – coproduced with McKinsey & Co. – they argue that consumers are getting ever better informed and demanding.<sup>101</sup> In conclusion, the predictions of Holt seem to be in line with the case of Vetements. Consumers are ever more demanding and informed, and choose this brand because it has authenticity by being transparent and a citizen-artist, through letting consumers be co-producers. In this way, the demand by the new consumer cultural movement has gained momentum for Vetements and their supply. The collective, together with the consumers, deconstruct the role of the consumer within the fashion system. Compared to the postmodern system with the consumers' role in adoption of style and visual consumption, argued by Kawamura, the role has now changed to a pragmatic co-production of style, where the clothes also should be tangibly and corporeally worn.

#### 2.4.3. The collective on luxury and rarity

In his talk with Mower, Guram also talked about luxury, where he discourages the established notion of luxury and criticised the strategies of, for example, Louis Vuitton. The quote below has also in parts been requoted in British *Vogue*.<sup>102</sup>

Luxury was always something that was scarce. Today, I don't consider Louis Vuitton to be a luxury brand – yes, the quality is luxury, but if you can go to the store and get whatever you want, it's not luxury. For us, the important thing is that we don't restock and once you come to the showroom, it's the only chance you're going to have to place an order. Once it's sold out, it's sold out. We had hoodies from the first season that sold out super quickly and we had thousands of requests to make the hoodies again. If we were to, we would probably be able to make a million in a day. It's out of respect to the people that bought them first that we don't.<sup>103</sup>

In this way Guram makes luxury once again scarce, something unique and rare. He is once again making these goods undemocratic; thus these goods are not *vulgarised*. This is achieved, as explained earlier, by meeting supply and demand, with no markdowns. Also by putting caps

---

<sup>100</sup> Anders Christian Madsen, "vetements nation," *i-D*, June 7, 2016, accessed November 17, 2016, [https://i-d.vice.com/en\\_us/article/vetements-nation?curator=FashionREDEF](https://i-d.vice.com/en_us/article/vetements-nation?curator=FashionREDEF).

<sup>101</sup> BOF TEAM, "The State of Fashion 2017: Download the Report," *Business of Fashion*, December 2, 2016, accessed December 3, 2016, <https://www.businessoffashion.com/articles/news-analysis/the-state-of-fashion-2017>.

<sup>102</sup> Scarlett Conlon, "Vetements CEO On Limiting Luxury," *British Vogue*, April 5, 2016, accessed November 17, 2016, <http://www.vogue.co.uk/article/guram-gvasalia-vetements-luxury-supply-demand-interview>.

<sup>103</sup> Osman Ahmed, "The Gvasalia Effect".

on the supply to distributors, and decreasing the total supply given. In this way, I propose Guram again creates Veblen-goods within the fashion system. Thorstein Veblen is a canonical scholar within fashion studies, where he suggested that in the modernity the fashion trickled-down through the social strata, by *conspicuous consumption* of the upper strata.<sup>104</sup> A Veblen-good is a unique good, that goes against the wide notion of supply and demand. The rarity furthermore creates an increased demand [desire]. Veblen-good can be defined as:

A good for which demand increases as the price increases, because of its exclusive nature and appeal as a status symbol. [---] Veblen goods contradict the basic law of demand – which states that quantity demanded has an inverse relationship with price – because of their snob appeal. If the price of a coveted and expensive product is increased, it may actually enhance its appeal to the status-conscious, since it is now further out of reach for the hoi polloi. But if the price of such a product is lowered, its snob appeal may diminish resulting in it being shunned by status-conscious consumers, while at the same time still being too expensive for the mass market. Overall demand would therefore decline with lower prices, instead of increasing.<sup>105</sup>

Although Gosha Rubchinskiy cannot really be defined as luxury, as he is not expensive enough, he still uses the high-end French luxury fashion system to sell his goods, such as showing on the ready-to-wear runways. While his clothes are affordable in comparison to Vetements, he is a premium brand with a higher target price than regular retail, and he uses many of the same strategies as the Gvasalia brothers. Rubchinskiy has various financing and business support from Adrian Joffe of Comme des Garçons; nevertheless, Rubchinskiy insists that the number of stocks and suppliers are capped despite the many stores that want to carry his eponymous brand. One reason for the pricing strategy, with lower prices than Vetements, is that Rubchinskiy wishes his adolescent devotees to be able to buy his clothes.<sup>106</sup> Though Rubchinskiy is affordable, he is using the same strategy as the Gvasalia brothers for rarity, hence creating desire and increased demand.

While Volkova is described only as a stylist, she does not produce the clothes *per se*, but she plays a creative role in the whole creation. Although she has not directly spoken about the rarity of the clothes, she has spoken about rarity and its importance. In an interview with *Dazed*, she tells an anecdote from her rearing in 90s post-Soviet Russia, where information from sources such as magazines and books was hard to acquire. Volkova states that “You had to

---

<sup>104</sup> Thorstein Veblen, “Conspicuous Consumption” from *The Theory of the Leisure Class* (1899), in *The rise of fashion: a reader*, ed. Daniel L. Purdy (Minneapolis: University of Minnesota Press, 2004), 262-278.

<sup>105</sup> InterActiveCorp, “Veblen Good Definition,” *Investopedia*, no date, accessed December 4, 2016, <http://www.investopedia.com/terms/v/veblen-good.asp>

<sup>106</sup> Charlie Porter, “Gosha Rubchinskiy: ‘My brand is above the system,’” *Financial Times*, June 10, 2016, accessed October 31, 2016, <https://www.ft.com/content/d88f2c5a-ffed-11e5-99cb-83242733f755>.

literally search the whole town to find a bookshop that stocked these magazines! But I look at it in a positive way. You know, it wasn't too available so it made you really want it.”<sup>107</sup>

In conclusion, the whole post-Soviet collective is conducting a strategy of rarity. To make something rare means creating a shortage of supply, which will lead to a desire and increased demand. In this way, Vetements as a high priced luxury brand are questioning and deconstructing the apparatus of the established postmodern luxury fashion system. Instead of producing and selling *vulgarised* and widely attainable objects that are too democratised, they put caps on both production and distribution. By doing so, Vetements once again create Veblen-goods within the luxury fashion system. Although Rubchinskiy is only a premium brand, I believe this strategy is one of the reasons why he has gained such momentum. The idea and reason why they have implemented this strategy lie in their upbringing in the USSR, where, as expressed by Volkova, things were rare and made you want them.

#### 4.4.4. Financial and managerial aspects of Vetements

In only two years Vetements has seen a tremendous success and rapid growth. In *The New York Times*, Guram cites that their revenues are already eight figures, in other words between 10 and 99 million, and I would presume that the currency has to be in euros. Guram further tells how the company has grown from four people in a bedroom to 25 people in a studio, which is already outgrowing them. He also tells how they are fending off external acquisition and investment offers.<sup>108</sup> Their sovereignty is something that has been appreciated by fashion people, for example, Angelo Flaccavento has expressed in *BoF*: “Being such a rarity, one hopes [Demna] Gvasalia stays underground for a little longer, otherwise he may be swallowed by the system.”<sup>109</sup>

I have not been able to find any annual reports for Vetements, as it seems that they established as a legal entity this year, 2016. The “VETEMENTS GROUP AG” has its enterprise in Zürich, Switzerland with commercial registration number: CHE-130.729.448.<sup>110</sup> Through translated – Google translate – information by Moneyhouse, Schweitzer management company collecting business data, such as commercial registers, I could acquire some more information

---

<sup>107</sup> Kin Woo, “vetements in lithuania”.

<sup>108</sup> Matthew Schneier, “Vetements Brings Its Brand of Disruption to Couture”.

<sup>109</sup> Angelo Flaccavento, “Vetements: Whiffs From the Underground,” *Business of Fashion*, October 2, 2015, accessed October 31, 2016, <https://www.businessoffashion.com/articles/fashion-show-review/vetements-whiffs-from-the-underground>.

<sup>110</sup> Vetements Group AG, “Vetements [Contact Us],” *Vetements Website*, no date, accessed November 20, <http://vetementswebsite.com>.

about the financial aspects of Vetements (See Appendix 3). The site states that Guram Gvasalia is the chair person, hence owner, with 1,000 shares on an equity capital of 100,000 Swiss francs<sup>111</sup>. The company was declared on June 1, 2016, and it can acquire, charge, dispose and manage property in Germany and abroad. It may also provide financing for own or third party accounts, as well as guarantees for subsidiaries and third parties.<sup>112</sup>

Consequently, it is still a reasonably small company, but with the huge demand and the experienced fast exponential sales growth the company can become much bigger. It is a group establishment, so it has the ability to grow into multiple different companies, as subsidiaries and third parties [license agreements]. Through this, Vetements can adopt the logic of the postmodern fashion system.

---

<sup>111</sup> On 2016-11-20, 16.20, through XE.com:

1 CHF = 0.934805 EUR; 100,000 CHF = 93,482.06 EUR

<sup>112</sup> Moneyhouse AG, "VETEMENTS GROUP AG Zürich," *Moneyhouse*, no date – newest message June 17 2016, accessed November 20, 2016, <https://www.moneyhouse.ch/de/company/vetements-group-ag-4436898641>.

### 3. Discussion

#### 3.1. Proposed model

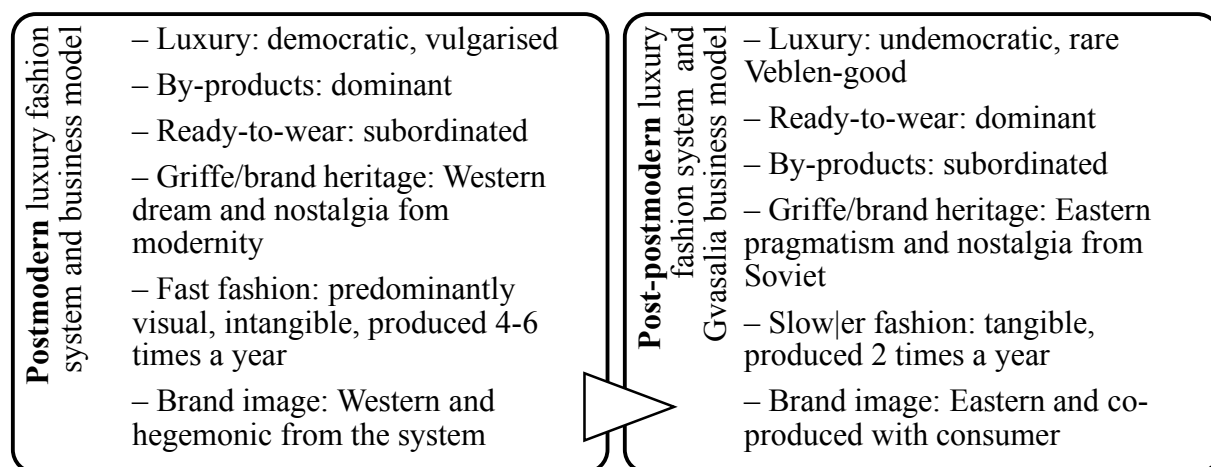


Fig. 5: Proposed model for post-postmodern fashion system through dialectic deconstruction of the postmodern fashion system by the Gvasalia business model.

In the **postmodern luxury fashion system**, the business models have in agreement with Drucker been constructed by Western high-skilled labour, such as business managers. An overview of the system and the business models has been shown and discussed in the literature review. The postmodern fashion companies make money off of the Westernized dream *griffe* that has spilt over onto by-products. By these strategies luxury has become democratic by being too widely attainable, thus *vulgarised*. Instead of producing tangible clothes, this system produces visual clothes to the consumer in a rapid speed of four to six times a year.

By questioning this system and the business model, I argue that by the post-Soviet collective and the Gvasalia business model we are entering into a **post-postmodern luxury fashion system**. The post-Soviet collective consists of Demna and Guram Gvasalia, Lotta Volkova and Gosha Rubchinskiy. They are unified as an entity as they have similar backgrounds, and especially because they do similar things to question, and thus deconstruct the established (postmodern) fashion system. The post-Soviet collective is questioning the whole apparatus and has gotten help from post-postmodern consumer culture proposed by Holt. In this new system clothes in the form of ready-to-wear is dominant, as it is catered tangibly to the consumers. The dream factor has been abolished, as the brand image portrays an Eastern pragmatism and nostalgia from Soviet. The fashion is now produced at a slower pace of twice a year and is encouraging consumers to be co-producers. By putting caps and making products rare, the collective is once again producing undemocratic Veblen-goods within the fashion system. By-products are just by-products and not the main supply to consumers. These two systems and their respectively business models are diametrically opposed to each other.

### 3.2. Conclusion

The luxury fashion system in modernity – mid 19<sup>th</sup> century onwards – is exhibited and created around *haute couture*. During the postmodern era – late 1940s onwards – there has been a systematic capitalisation on luxury and its notion, through the *griffe*, which is a reminiscence of history and modernity when fashion clothing portrait true luxury as a rarity. By systematic business models, the *griffe* has spilt over to other product categories rather than clothing, such as leather goods and perfume.

In the present time, the post-postmodern time, the post-Soviet collective questions, deconstructs and reconstructs the system from within, with a particular notion of luxury and business models. The brand image of *Kommunalka chic* is contrary to the established image in the postmodern era, and the reminisces and the dream of the Western history and heritage, in other words, the *griffe*. The production system of both the visual and the business is altered. Instead of *vulgarisation*, the collective lifts the ordinary garment into an extraordinary and luxurious object through new modes of co-production. The collective also alters the supply and demand, with proximity to modernity through once again creating Veblen-goods within the production of clothing. A new system and era of *slower* and more luxurious fashion clothing is created as the collective's business model are questioning the postmodern apparatus. The new business model has been received well by consumers, as the collective's clothes are sold out, and they have gained significant momentum in a short time.

To end with Vinken's argument once again: "... the *griffe* is an absolute symbol for 'fashion' which, having become historical, is now able to sell this history better than it could sell fashion."<sup>113</sup> Apparently the new *griffe* through the post-Soviet myth of *Kommunalka chic* is an absolute symbol for 'fashion' which, having become contemporary, is now able to sell fashion as well as it can sell history. Hopefully, the post-Soviet collective will not be swallowed by the postmodern system.

### 3.3. Further research

For potential further research, I propose more profound analyses of the collective's changes through business models, as it may show other facets or how their business model evolves. Within the systemic framework, one could also investigate how, argue about, and problematize the collectives' changes of the fashion system, for example, the gate-keepers' roles. Or

---

<sup>113</sup> Vinken, 83-84.

construct an object-based analysis of the collectives' clothes and aesthetics, which can be compared with previous research and analysis of the Japanese and the Belgian deconstructions. For example, how Vetements deconstructs Levi's jeans. Levi's was highly rare and precious in the Soviet time, for example, Angela Merkel has spoken for the U.S. Congress in 2009 about how she as an adolescent girl dreamed about jeans and that the garment is one reason why she is pro free-trade.

Will this new business model designed and implemented by the post-Soviet collective be adopted by postmodern fashion companies? And will the whole fashion cycle of visually produced clothes slow down, and subsequent slow down the copying and cycles in the fast fashion system? Indications of consumer's shift and pragmatism can also be discussed and seen through the case of Alessandro Michele at Gucci. Finally, who is the end-customer buying Vetements' high priced garments? And through a deeper view into a consumer cultural perspective, how are the end-consumers influencing the Vetements brand?



## List of references

---

### Printed books

Berry, Christopher J. "Luxury Goods" in *The idea of luxury: a conceptual and historical investigation*, 3-42. Cambridge: Cambridge University Press, 1994.

Corbellini, Erica and Saviolo, Stefania. *Managing fashion and luxury companies*. ETAS. [Milano]: ETAS, 2009.

Cowley, David. "The Dark Side of the Modern Home: Ilya Kabakov and Gregor Schneider's ruins" in *Designing the modern interior: from the Victorians to today*, 233-248. Ed. Penny Spark. Oxford: Berg, 2009.

Drucker, Peter Ferdinand. *Landmarks of tomorrow*. New York: Harper, 1959.

Grumbach, Didier. *History of international fashion*. Northampton: Interlink, 2014.

Kapferer, Jean-Noël & Bastien, Vincent. *The luxury strategy: break the rules of marketing to build luxury brands*. Orig. 2009. London: Kogan Page, 2012.

Kawamura, Yuniya. *Doing research in fashion and dress: an introduction to qualitative methods*. Oxford: Berg, 2011.

Kawamura, Yuniya. *Fashion-ology: an introduction to fashion studies*. Oxford: Berg, 2005.

Lantz, Jenny. *Trendmakarna: bakom kulisserna på den globala modeindustrin*. Stockholm: Atlas akademi, 2013.

Veblen, Thorstein. "Conspicuous Consumption" from *The Theory of the Leisure Class* (1899), in *The rise of fashion: a reader*, 262-278. Ed. Daniel L. Purdy. Minneapolis: University of Minnesota Press, 2004.

Vinken, Barbara. *Fashion zeitgeist: trends and cycles in the fashion system*. Oxford: Berg, 2005.

### Journals and digital text

Barthes, Roland. "Rhetoric of the Image" in *Image, Music, Text*. Ed. and trans. Stephen

Heath. New York: Hill and Wang, 1977. 32-51. Digital version:  
<http://faculty.georgetown.edu/irvinem/theory/Barthes-Rhetoric-of-the-image-ex.pdf>.

Holt, Douglas B. "Why do brands cause trouble? A dialectical theory of consumer culture and branding." *Journal of Consumer Research*. Vol. 29. Vol. 1, 2002: 70-90.

Loschek, Ingrid. "When Is Fashion Design?" [section 'Deconstructivism'] in *When Clothes Become Fashion: Design and Innovation Systems*. Oxford: Berg, 2009. 173–204. *Bloomsbury Fashion Central*. Web. 28 Dec. 2016.  
<http://dx.doi.org.ezp.sub.su.se/10.2752/9781847883681/WHNCLOTHBECOMFASH0016>.

Loschek, Ingrid. "When Is Fashion Design?" [section 'Fashion and Deconstructivism'] in *When Clothes Become Fashion: Design and Innovation Systems*. Oxford: Berg, 2009. 173–204. *Bloomsbury Fashion Central*. Web. 28 Dec. 2016.  
<http://dx.doi.org.ezp.sub.su.se/10.2752/9781847883681/WHNCLOTHBECOMFASH0016>.

Riello, Giorgio. "The object of fashion: methodological approaches to the history of fashion." *Journal of Aesthetics & Culture*. Vol. 3, 2011.

## Lectures

Lantz, Jenny. "Modesystem: Den ekonomiska logiken." [*Fashion systems: the economic logic*] Lecture (#5), course Internationella modesystem [*International Fashion System*] from Stockholm University. February 26, 2016.

## Digital articles

Ahmed, Osman. "The Gvasalia Effect." *I Granary*. March 28, 2016. Accessed October 31, 2016. <http://igranary.com/interviews/the-gvasalia-effect/>.

Amed, Imran, "Demna Gvasalia Reveals Vetements' Plan to Disrupt the Fashion System." February 5, 2016. Accessed October 31, 2016.  
<https://www.businessoffashion.com/articles/intelligence/demna-gvasalia-reveals-vetements-plan-to-disrupt-the-fashion-system>.

Amed, Imran. "BoF's Latest Print Issue: 'The New World Order.'" *Business of Fashion*. January 27, 2016. Accessed October 31, 2016.  
<https://www.businessoffashion.com/articles/editors-letter/welcome-to-the-new-world-order>.

Banjo, Shelly and Felsted, Andrea. "LVMH Doesn't Need What Michael Kors Is Selling." *Bloomberg*. November 14, 2016. Accessed November 18, 2016.  
<https://www.bloomberg.com/gadfly/articles/2016-11-14/lvmh-michael-kors-deal-rumors-the-wrong-bag>.

Blanks, Tim. "The Genius of Vetements." *Business of Fashion*. July 4, 2016. Accessed October 31, 2016. <https://www.businessoffashion.com/articles/fashion-show-review/the-genius-of-the-vetements-demna-gvasalia>.

BOF TEAM. "The State of Fashion 2017: Download the Report." *Business of Fashion*. December 2, 2016. Accessed December 3, 2016.  
<https://www.businessoffashion.com/articles/news-analysis/the-state-of-fashion-2017>.

Conlon, Scarlett. "Vetements CEO On Limiting Luxury." *British Vogue*. April 5, 2016. Accessed November 17, 2016. <http://www.vogue.co.uk/article/guram-gvasalia-vetements-luxury-supply-demand-interview>.

Denning, Steve. "The Best Of Peter Drucker." *Forbes*. July 29, 2014. Accessed November 20, 2016. <http://www.forbes.com/sites/stevedenning/2014/07/29/the-best-of-peter-drucker/#6973b1777ec9>.

Flaccavento, Angelo. "Vetements: Whiffs From the Underground." *Business of Fashion*. October 2, 2015. Accessed October 31, 2016. <https://www.businessoffashion.com/articles/fashion-show-review/vetements-whiffs-from-the-underground>.

Fury, Alexander. "These Two Guys Are Changing How We Think About Fashion." *The New York Times Style Magazine*. April 11, 2016. Accessed October 20, 2016. <http://nyti.ms/23odiJL>.

Khayyer, Jina. "Lotta Volkova: 'There Are No Subcultures Anymore. It's About The Remix.'" *Business of Fashion*. July 14, 2016. Accessed October 31, 2016. <https://www.businessoffashion.com/articles/creative-class/lotta-volkova-there-are-no-subcultures-remix-stylist-vetements-balenciaga>.

London College of Fashion. "VETEMENTS – making and breaking the rules." *Pigeons & Peacocks*. March 2016. Accessed November 17, 2016. <http://www.pigeonsandpeacocks.com/2016/03/vetements-making-breaking-rules>.

Lyssens, Siska. "Vetements Stays Focused on the Clothes." *Business of Fashion*. May 13, 2014. Accessed October 31, 2016. <https://www.businessoffashion.com/articles/spotlight/spotlight-vetements-stays-focused-clothes>.

Madsen, Anders Christian. "vetements nation." *i-D*. June 7, 2016. Accessed November 17, 2016. [https://i-d.vice.com/en\\_us/article/vetements-nation?curator=FashionREDEF](https://i-d.vice.com/en_us/article/vetements-nation?curator=FashionREDEF).

Marshall, Alexandra. "The Cult of Vetements." *The Wall Street Journal Magazine*. June 24, 2016. Accessed October 31, 2016, <http://www.wsj.com/articles/the-cult-of-vetements-1466760601>.

Odiamar, Danielle. "Azzedine Alaïa Finally Presents Fall 2016 Ready-to-Wear Collection in Paris." *Elle*. April 3, 2016. Accessed November 18, 2016. <http://www.elle.com/fashion/a35306/azzedine-alaia-rtw-fall-2016/>.

Paton, Elizabeth. "Who Is Demna Gvasalia, Balenciagas's New Designer?" *The New York Times*. October 7, 2015. Accessed November 17, 2016. <http://nyti.ms/1jNAhct>.

Porter, Charlie. "Gosha Rubchinskiy: 'My brand is above the system.'" *Financial Times*. June 10, 2016. Accessed October 31, 2016. <https://www.ft.com/content/d88f2c5a-ffed-11e5-99cb-83242733f755>.

Schneier, Matthew. "Vetements Brings Its Brand of Disruption to Couture." *The New York Times*, July 1, 2016. Accessed October 31, 2016. <http://nyti.ms/298DNJS>.

Woo, Kin. "vetements in lithuania." *Dazed Digital*. The spring 2016 issue. Accessed October 31, 2016. <http://www.dazeddigital.com/fashion/article/30149/1/vetements-lithuania-andrew-miksyt-demna-gvasalia-lotta-volkova>.

## Webpages

Amed, Imran. "Demna Gvasalia." *Business of Fashion*. No date. Accessed October 31, 2016. <https://www.businessoffashion.com/community/people/demna-gvasalia>.

Amed, Imran. "Gosha Rubchinskiy." *Business of Fashion*. No date. Accessed October 31, 2016. <https://www.businessoffashion.com/community/people/gosha-rubchinskiy-1>.

Amed, Imran. "Guram Gvasalia." *Business of Fashion*. No date. Accessed October 31, 2016. <https://www.businessoffashion.com/community/people/guram-gvasalia>.

Amed, Imran. "Imran Amed." *Business of Fashion*. No date. Accessed November 8, 2016. <https://www.businessoffashion.com/about/imran-amed>.

Amed, Imran. "Lotta Volkova." *Business of Fashion*. No date. Accessed October 31, 2016. <https://www.businessoffashion.com/community/people/lotta-volkova>.

InterActiveCorp. "Guerrilla Marketing Definition." *Investopedia*. No date. Accessed November 17, 2016. <http://www.investopedia.com/terms/g/guerrilla-marketing.asp>.

InterActiveCorp. "Veblen Good Definition." *Investopedia*. No date. Accessed December 4, 2016. <http://www.investopedia.com/terms/v/veblen-good.asp>.

Knight, Nick. "Collections [Paris Menswear A/W 2016 Gosha Rubchinskiy]." *SHOWstudio*. No date. Accessed November 18, 2016. [http://showstudio.com/collection/gosha\\_rubchinskiy\\_paris\\_menswear\\_a\\_w\\_2016/in:catwalk\\_photos](http://showstudio.com/collection/gosha_rubchinskiy_paris_menswear_a_w_2016/in:catwalk_photos).

Knight, Nick. "Collections [Paris Womenswear A/W 2016 Maison Margiela]." *SHOWstudio*. No date. Accessed November 18, 2016. [http://showstudio.com/collection/maison\\_margiela\\_paris\\_womenswear\\_a\\_w\\_2016/in:catwalk\\_photos](http://showstudio.com/collection/maison_margiela_paris_womenswear_a_w_2016/in:catwalk_photos).

Knight, Nick. "Collections [Paris Womenswear A/W 2016 Vetements]." *SHOWstudio*. No date. Accessed November 18, 2016. [http://showstudio.com/collection/vetements\\_paris\\_womenswear\\_a\\_w\\_2016/in:catwalk\\_photos](http://showstudio.com/collection/vetements_paris_womenswear_a_w_2016/in:catwalk_photos).

Lyst Ltd. "Lyst | About." *Lyst.com*. No date. Accessed November 13, 2016. <https://www.lyst.com/about>.

Management Study Guide. "Brand Image – Meaning and Concept of Brand Image." *Management Study Guide*. No date. Accessed November 10, 2016. <http://www.managementstudyguide.com/brand-image.htm>.

Moneyhouse AG. "VETEMENTS GROUP AG Zürich." *Moneyhouse*. No date – newest message June 17 2016. Accessed November 20, 2016. <https://www.moneyhouse.ch/de/company/vetements-group-ag-4436898641>.

Neyt, Jennifer. "Interview: Demna Gvasalia at Vêtements." *Vogue Paris: Postcards*. March 7, 2015. Accessed November 1, 2016. <http://en.vogue.fr/fashion-videos/postcards/videos/fwah2015-interview-de-demna-gvasalia-chez-vtements/9836>.

Vetements Group AG. "Vetements [Contact Us]." *Vetements Website*. No date. Accessed November 20. <http://vetementswebsite.com>.

## Appendix

### Appendix 1: Lyst.com, 2016-11-18; 12.43-14.20

	Dior			
Category:	Women's	Men's		% of cat.
Clothing	77	114		20%
Shoes	22	37		6%
Bags	0	5		1%
Accessories	527	180		73%
Jewelry	5	0		1%
Sum of cat.	631	336	967	100%
Total online	702	398	1100	

	Fendi			
Category:	Women's	Men's		% of cat.
Clothing	819	340		27%
Shoes	478	158		15%
Bags	989	165		27%
Accessories	939	308		29%
Jewelry	127	1		3%
Sum of cat.	3352	972	4324	100%
Total online	3352	1069	4421	

	Celine			
Category:	Women's	Men's		% of cat.
Clothing	292	1		66%
Shoes	20	0		4%
Bags	12	0		3%
Accessories	110	2		25%
Jewelry	10	0		2%
Sum of cat.	444	3	447	100%
Total online	538	3	541	

Givenchy				
Category:	Women's	Men's	% of cat.	
Clothing	1656	1294	50%	
Shoes	489	274	13%	
Bags	1078	172	21%	
Accessories	460	293	13%	
Jewelry	236	7	4%	
Sum of cat.	3919	2040	5959	100%
Total online	4181	2194	6375	

	Loewe			
Category:	Women's	Men's		% of cat.
Clothing	238	116		29%
Shoes	27	16		4%
Bags	460	39		42%
Accessories	233	46		23%
Jewelry	26	0		2%
Sum of cat.	984	217	1201	100%
Total online	1006	217	1223	

Alaïa				
Category:	Women's	Men's	% of cat.	
Clothing	242	0	64%	
Shoes	95	1	25%	
Bags	29	0	8%	
Accessories	12	2	4%	
Jewelry	0	0	0%	
Sum of cat.	378	3	381	100%
Total online	383	3	386	

Maison Margiela				
Category:	Women's	Men's		% of cat.
Clothing	2280	1302		59%
Shoes	760	349		18%
Bags	430	84		8%
Accessories	330	153		8%
Jewelry	368	43		7%
Sum of cat.	4168	1931	6099	100%
Total online	4200	1933	6133	

Vetements				
Category:	Women's	Men's		% of cat.
Clothing	242	87		89%
Shoes	20	3		6%
Bags	0	0		0%
Accessories	7	5		3%
Jewelry	5	1		2%
Sum of cat.	274	96	370	100%
Total online	285	96	381	

Gosha Rubchinskiy				
Category:	Women's	Men's		% of cat.
Clothing	2	44		64%
Shoes	4	14		25%
Bags	0	0		0%
Accessories	0	8		11%
Jewelry	0	0		0%
Sum of cat.	6	66	72	100%
Total online	6	66	112	



## Appendix 2: Instagram

Picture 1: 2016-11-14; 13.27



Picture 2: 2016-11-10; 00.48



Picture 3: 2016-11-10; 00.47



Picture 4: 2016-11-10; 00.45





Image 5: 2016-12-22; 14.54



### Appendix 3: Moneyhouse, 2016-11-20

Link: <https://www.moneyhouse.ch/de/company/vetements-group-ag-4436898641>

#### Original text:

##### Zweck

Die Gesellschaft bezweckt ein Modeunternehmen. Die Gesellschaft kann Zweigniederlassungen und Tochtergesellschaften im In- und Ausland errichten und sich an anderen Unternehmen im In- und Ausland beteiligen sowie alle Geschäfte tätigen, die direkt oder indirekt mit ihrem Zweck in Zusammenhang stehen. Die Gesellschaft kann im In- und Ausland Grundeigentum erwerben, belasten, veräussern und verwalten. Sie kann auch Finanzierungen für eigene oder fremde Rechnung vornehmen sowie Garantien und Bürgschaften für Tochtergesellschaften und Dritte eingehen.

#### Translation:

##### Purpose

The company is a fashion company. The Company may set up branch offices and subsidiaries at home and abroad and participate in other companies at home and abroad, as well as any business related directly or indirectly to its purpose. The company can acquire, charge, dispose and manage property in Germany and abroad. It may also provide financing for own or third party accounts, as well as guarantees and guarantees for subsidiaries and third parties.

---

#### Original text:

VETEMENTS GROUP AG(VETEMENTS GROUP SA) (VETEMENTS GROUP Ltd.), in Zürich, CHE-130.729.448, Frohburgstrasse 72, 8006 Zürich, Aktiengesellschaft (Neueintragung). Statutendatum: 01.06.2016. Zweck: Die Gesellschaft bezweckt ein Modeunternehmen. Die Gesellschaft kann Zweigniederlassungen und Tochtergesellschaften im In- und Ausland errichten und sich an anderen Unternehmen im In- und Ausland beteiligen sowie alle Geschäfte tätigen, die direkt oder indirekt mit ihrem Zweck in Zusammenhang stehen. Die Gesellschaft kann im In- und Ausland Grundeigentum erwerben, belasten, veräussern und verwalten. Sie kann auch Finanzierungen für eigene oder fremde Rechnung vornehmen sowie Garantien und Bürgschaften für Tochtergesellschaften und Dritte eingehen. Aktienkapital: CHF 100'000.00. Liberierung Aktienkapital: CHF 50'000.00. Aktien: 1'000 Namenaktien zu CHF 100.00. Publikationsorgan: SHAB. Mitteilungen an die Aktionäre erfolgen per Brief, E-Mail oder Telefax an die im Aktienbuch verzeichneten Adressen. Vinkulierung: Die Übertragbarkeit der Namenaktien ist nach Massgabe der Statuten beschränkt. Gemäss Erklärung vom 01.06.2016 wurde auf die eingeschränkte Revision verzichtet. Eingetragene Personen: Gvasalia, Guram, deutscher Staatsangehöriger, in Zürich, Mitglied des Verwaltungsrates, mit Einzelunterschrift.

#### Translation:

VETEMENTS GROUP Ltd., in Zurich, CHE-130,729,448, Frohburgstrasse 72, 8006 Zurich, stock company (new entry). Date of implementation: 01.06.2016. Purpose: The company aims at a fashion company. The Company may set up branch offices and subsidiaries at home and abroad and participate in other companies at home and abroad, as well as any business related directly or indirectly to its purpose. The company can acquire, charge, dispose and manage property in Germany and abroad. It may also provide financing for own or third party accounts, as well as guarantees and guarantees for subsidiaries and third parties. Equity capital: CHF 100,000.00. Issue capital: CHF 50,000.00. Shares: 1'000 registered shares at CHF 100.00. Publikationsorgan: SHAB. Notifications to the shareholders are made by letter, e-mail or fax to the addresses listed in the share register. Vinkulation: The transferability of the registered

shares is restricted in accordance with the Articles of Incorporation. According to the declaration dated June 1, 2016, the limited revision was waived. Peoples registration: Gvasalia, Guram, a German national, in Zürich, Member of the board of directors, with individual signature.