

A woman with long, wavy brown hair is posing against a wall with horizontal red and white stripes. She is wearing a red and white horizontally striped, short-sleeved crop top. Her arms are raised, and she is looking towards the camera with a slight smile. The background wall has thick, hand-painted stripes.

Made in

USA.

AMERICAN APPAREL

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Retail Locations:
Ann Arbor—U of Michigan
Royal Oak—Washington Avenue
East Lansing—Michigan State

MISSION AND CORE VALUES/BRAND PURPOSE.

- American apparel prides itself in being designed, manufactured, and produced in America, right in Los Angeles, California. Their “Made in America” slogan is a representation of their brand identity and what is important to them.
- American Apparel is committed to high quality garments all while excluding outsourcing like most companies.
- They are also known for placing great importance on being ethically made and sweatshop free.



Who is their target market?

- Millennials, specifically hipsters, were the most loyal customers of American Apparel's snug, expensive T-shirts and contouring bodysuits with electric prints.
- Edgy high school/ college students ranging from ages 16-26



Against Whom (Competitors)?

American Apparel top
competitors are:

1. H&M
2. Zara
3. TopShop

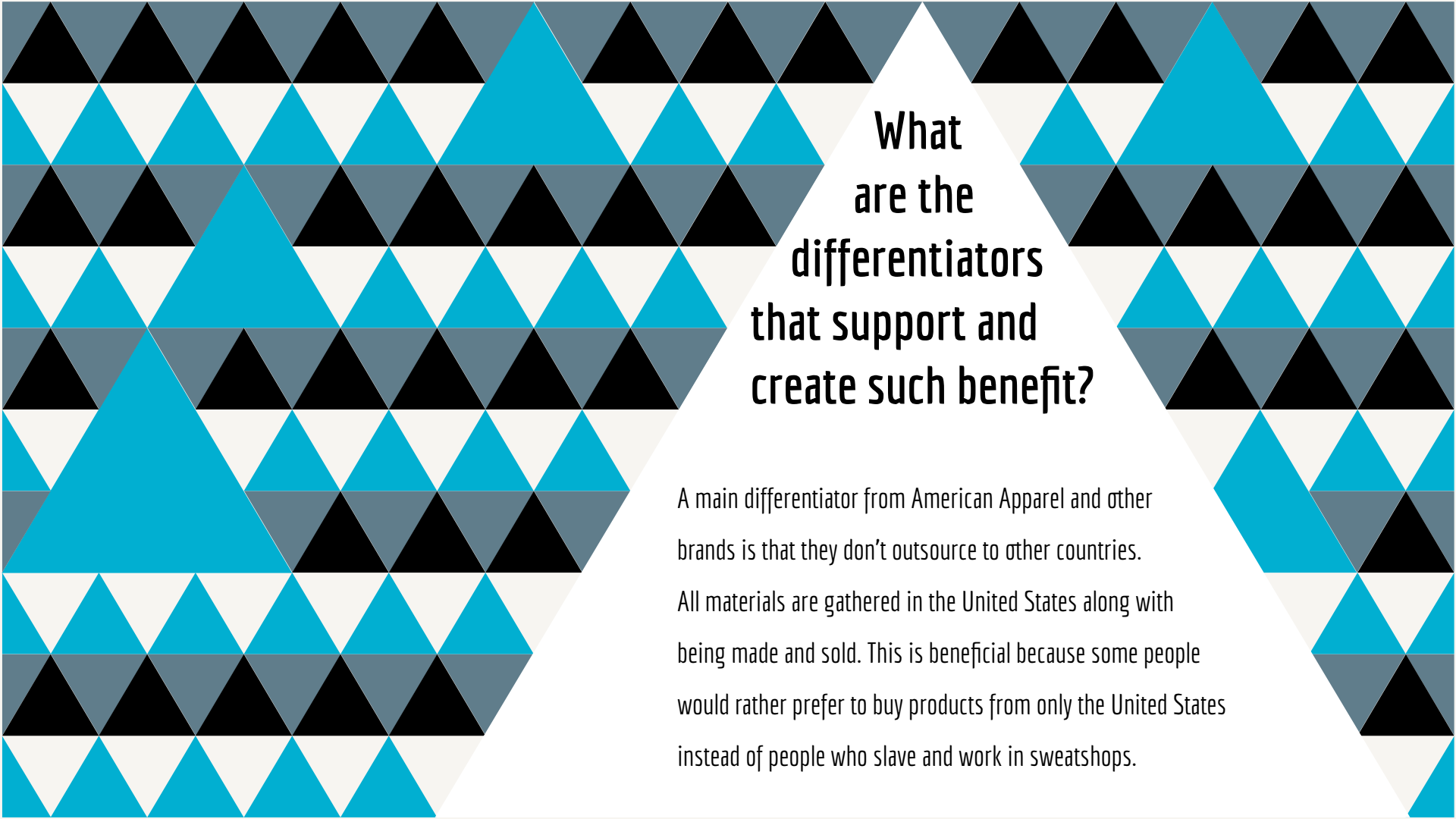
A photograph of a man in a light blue long-sleeved shirt, a striped tie, and a blue belt with orange accents. He is holding the arm of a woman who is wearing a brown suede shoe. The background is white. The text 'American Apparel®' is overlaid on the bottom half of the image.

American Apparel®

Downfall of American Apparel.

The downfall of American Apparel happened due to various reasons:

- In 2004 CEO Dov Charney was labeled as a 'sexual creep' when he kept masturbating in front of a women journalist while being interviewed.
- Seven years later five former employees filed lawsuits against him when they complained about him forcing them to sleep with him. As well as having job interviews in his underwear or passing out vibrators to his favorite, most attractive employees. Also, there are members of the American Apparel board that have accused Charney of keeping graphic pictures of his relations with these women.
- After consecutively losing money for five years with a 33% decrease in revenue American Apparel filed for chapter 11 bankruptcy in October 5th, 2015.
- The company had \$215 million in debts and had \$497 million in net sales in 2015.



What are the differentiators that support and create such benefit?

A main differentiator from American Apparel and other brands is that they don't outsource to other countries. All materials are gathered in the United States along with being made and sold. This is beneficial because some people would rather prefer to buy products from only the United States instead of people who slave and work in sweatshops.

Brand Revitalization

- Former CEO Dov Charney will step down, as his reputation has caused major controversy for the brand
- American Apparel will focus on being more hands on and interactive with their consumers
- The brand will remain vertically integrated, but open to collaborate and be receptive to change and growth
- Co branding in the near future with aesthetically similar brand such as Urban Outfitters or ASOS.

Brand Revitalization Cont'd.

- American Apparel will continue to focus on the needs of the consumer
- Stay true to their core values of promoting sex positivity and body positivity, inclusive to race, age, size and gender
- Work closely with social media influencers that will help to bring brand awareness, like Karrueche Tran and Jordyn Woods

