July 24, 2024 / Abercrombie is back

[HALF SECOND OF SILENCE]

[BILLBOARD]

SCORING <“Baby One More Time” by Britney Spears>

NOEL KING (host): Summer of 1999. Britney had her first hit. TLC had their millionth.

SCORING <“No Scrubs” by TLC >

NOEL: American Pie was in theaters. Carson Daly was on TRL. And the cool kids wore Abercrombie and Fitch. Abercrombie didn’t invent the American teenager, Hollywood did that –

*<CLIP> “REBEL WITHOUT A CAUSE”: You’re tearing me apart!*

SCORING <AK BB MUX 07242024>

NOEL: But for a time it defined what it meant to dress and act like a teenager.

*<CLIP> “THE ROCKER”: Look at him! It’s like Abercrombie’s making people now!*

NOEL: But then the brand cratered. Done in by the cheap shots it took at women, Asians, West Virginia and male gymnasts among others. It was over. Until: recently, quietly…

*<CLIP> YAHOO FINANCE, BRAD SMITH: Consumers still flocking to Abercrombie and Fitch. Name them! Shares rallying on Wednesday after beating profit expectations and posting strong sales <fade>*

On Today, Explained: Abercrombie is back.

[THEME]

*<CLIP> “FRIENDS”, RACHEL: Yeah, hi, I’d like to order a pizza. Oh hey, can I ask you a question? Is the cute blond guy delivering tonight? Very Abercrombie and Fitch?*

NOEL: I’m Noel King with Elizabeth Segran. She’s a senior staff writer at *Fast Company* and writes about the fashion industry. And Elizabeth’s early memories of Abercrombie?

ELIZABETH SEGRAN (*Fast Company* senior writer): Okay, so I did not grow up in this country. Because my dad worked for an airline, I spent most of my childhood in Europe and Asia, and so my first experience even hearing about Abercrombie and Fitch came in 1999, when I was a junior in high school.

SCORING <“Summer Girls” by LFO>   
 LYRICS: *“I like it when the girls stop by, in the summer”*

ELIZABETH: It was called “Summer Girls” by LFO.It was such an iconic song. And, the refrain of that song as, as many people will remember, is: “I like girls that wear Abercrombie and Fitch.”

SCORING BUMP   
*LYRICS: I like girls that wear Abercrombie and Fitch. I’d take her if I had one wish. And she’s been gone since that summer - since that summer.*

ELIZABETH: And so the thing that went off in my little, you know, teenage-girl brain was like, what is this brand….

NOEL: <laughs>

ELIZABETH: …that makes men swoon when girls just wear it, right? And then, when I watched the music video, you know, almost all of the models in it were, were white. So I think I was getting my first taste of Abercrombie and Fitch from that song.

SCORING OUT

NOEL: You were indeed. When did you experience Abercrombie in the flesh?

ELIZABETH: So then I came to the US for college. And so I decided to go to a mall, and check it out for myself.

[SFX IN: THE MALL](https://www.youtube.com/watch?v=G2Hrh_4daro)

*<CLIP> “NEIGHBORS”, SETH ROGEN: Welcome to Abercrombie and Fitch. Can we take your order?*

ELIZABETH So this was probably around 2001, 2002. And this was, I think, at the period where Abercrombie was still very powerful in American culture. And so I stepped into this store and let me tell you, the first thing that happened was I was hit in the face…

NOEL: <laughs>

ELIZABETH: …with this overwhelming, musky cologne.

COLOGNE SFX

ELIZABETH: And I was just like, how are they even pumping this stuff out? Like, I didn't know where it was coming from, but everything smelt of this musk.

SFX BUMP

ELIZABETH: And then the next thing that I noticed was that all over the walls, there was this black and white imagery of these models, and they were, you know, predominantly men. And they were – most of them – not wearing shirts, which struck me as odd because this was a clothing store. And yet all the models were naked. The main thing that I experienced when I was in the store was that, you know, all of the staff members there were predominantly white. They were all, you know, very, very beautiful and very physically fit. And they just did not seem very interested in serving customers there.

NOEL: <laughs>

ELIZABETH: There were sort of like off in the corner and if you needed any help, you needed to go and, like, talk to these people who were obviously way cooler than you.

MALL SFX OUT

ELIZABETH So, you know, as a marketing strategy, I don't know, like how that worked, really. But, it was – I determined from that one visit that Abercrombie and Fitch was really not my scene.

NOEL: You sought Abercrombie out. And that was kind of a weird thing to do. But actually, it was not that weird because it was so huge. I can totally see why you were like, ‘I want to see this thing in the flesh.’

ELIZABETH: Yeah. Well, you know, eventually, you know, after that period, I became a fashion journalist. So over the last ten years, I've done many stories about Abercrombie and Fitch, and I find it a[n] absolutely fascinating company.

SCORING <Fugitive on the Run>

ELIZABETH: I don't know whether everybody knows this, but it was originally founded 130 years ago, and it was one of the original American clothing brands. And it created mostly outdoor clothing that was sold by catalog. And it has dressed everyone from Amelia Earhart to Teddy Roosevelt, right?

NOEL: Huh!

ELIZABETH: And so it's this very old, iconic brand. But over the decades, you know, after it was founded, you know, it ran into hard times.

*<CLIP> NEWS CHANNEL 4, 1977: The long traffic lines have created a virtual parking lot here in Bell Harbor. It’s not because the exclusive shops here are giving away anything free – just Abercrombie and Fitch going out of business.*

ELIZABETH: By the time we enter the current era, it was really struggling financially. So in 1988, the brand was acquired by The Limited, which you might know because it also owns Victoria's Secret and Express. And it was in the late 80s and early 90s that it went through this incredible transformation from this heritage American brand into what we now know as this, you know, teen, hypersexualized, kind of racist brand.

SCORING OUT

ELIZABETH: And really the mastermind behind this strategy was this man, Michael Jeffries, who became the CEO in 1992. And he's the one who transformed the company into this massive hit.

*<CLIP> CNBC: …CEO Mike Jeffries used sex appeal to win them over.   
 JEFFRIES: I hope Abercrombie feels very sexy for a 20-year old.*

ELIZABETH: Mike Jeffries told SALON Magazine at one point, “In every school there are cool and popular kids. And then there are the not so cool kids. Candidly, we go after the cool kids. Are we exclusionary? Absolutely.”

NOEL: Hmm.

ELIZABETH: So he was going after, you know, physically fit, athletic kids. Largely white. And he clothed them in traditional, classic American preppy clothing. And so he was drawing from the catalog of, you know, American aesthetic. So, so we're talking about, you know, Oxford shirts with popped collars and cotton t-shirts and, you know, denim and khakis. But what he did was he took it to a new level as far as how sexualized these, these garments were. So everything was extremely tight, very low-fitting, lots of midriff exposure.

NOEL: And there were lots of brands. I mean, over time, there have been lots of brands that are exclusive. That is part of the marketing. It's what gets non-cool people to buy in, that this is what they should be wearing. Not all of those brands, though, go through the absolute Roman empire of a fall that Abercrombie went through.

ELIZABETH: <laughs>

NOEL: Walk me through some of the scandals and missteps, the news-making moments.

ELIZABETH: Yeah, I agree, I think the exclusionary point of view… It's what sells, right? I mean, that's what sells in retail. But I think what went wrong with Abercrombie is that they were just so nakedly in pursuit of this kind of vision of exclusion. For one thing, they were extremely racist. I mean, let's just put it, like, plainly, right?

NOEL: Yeah.

ELIZABETH: I mean, this was a very racist brand. My, you know, favorite, you know, example of how racist they were was that in 2002, they released this t-shirt that featured two Chinese men on it with very offensively slanted eyes. And it was designed to look like a shirt from, like, a laundromat. And the slogan on it was…

*<CLIP> TODAY: “Two Wongs can make it white.”*

ELIZABETH: I just want to know, like, what was the process of making… like, who was in the room when they made this? Like, did they just think like, ‘okay, this is kind of a funny pun, like, let's just go with it’, right? Or was there anybody there who was, like, rolling their eyes? I don't think so. I think that they had hired, you know, a team of executives that, you know, didn't have the ability to understand exactly how egregious that was. And, you know, in 2003, the brand faced a class action lawsuit where all of these plaintiffs argued that Abercrombie did not hire Black, Asian, and Latino people in stores, so I was totally onto that. <laughs>

*<CLIP> “MADTV”, MODELS: Hold up, shorties. Each photo costs ten bucks. And the proceeds go to charity.   
SHOPPERS: Oh, what charity is that?  
MODELS: It’s to pay for the $40M lawsuit against us. <laughter> Yeah, a buncha minorities sued Abercrombie because they only hire foxy white guys. Like us! <music under>*

ELIZABETH: If they were hired, they were forced to work in back rooms where they wouldn't be seen by customers. You know, all the way until 2013. There was a woman who took Abercrombie to court saying that the brand didn't hire her because she wore a hijab.

*<CLIP> ABC: Abercrombie told her they had a quote, “look policy:” no headscarves allowed. Her lawyer, reading a statement on her behalf:   
LAWYER: Observance of my faith should not prevent me from getting a job.*

ELIZABETH: And that case went all the way to the Supreme Court, and Abercrombie lost.

*<CLIP> SUPREME COURT CHIEF JUSTICE JOHN ROBERTS: Justice Scalia has our opinion this morning in Case 14-86, EEOC v. Abercrombie & Fitch.  
FORMER SUPREME COURT JUSTICE ANTONIN SCALIA: This is really easy <titters>*

ELIZABETH: And so I think the brand was just so overtly, nakedly, offensive, that the brand slowly offended people into irrelevance.

NOEL: This is – I mean, this is a preppy clothing brand that literally lost a Supreme Court case against it. How bad – was that the low point? How bad did it get for Abercrombie?

ELIZABETH: Yeah, I mean, I think that was the low point. You know, this coincided with, you know, financial problems. So starting in about 2008, during the Great Recession, Abercrombie's revenues began to go into a tailspin. But that was actually true of many retailers at the time. You know, the Great Recession was terrible for, for fashion brands. But what was different about Abercrombie is that it never bounced back. During that period of the Great Recession, I think consumers realized that this was not a brand that they wanted to come back to. And by 2012, its stock price was like absolutely in the toilet. And, you know, in 2016, it was voted the most hated retailer.

NOEL: <laughs>

ELIZABETH: Like, I don't think that you can come back from that.

SCORING <These Boops Remain Neutral>

ELIZABETH: But I think that what was going on during this period is that, you know, actually culture was changing. You know, the brand in the 1990s was really playing into this notion that exclusion was a good thing, that, you know, you wanted to be at the top of this social hierarchy. But, you know, over the last couple of decades, you know, culture has changed. American culture has changed for the better, in my opinion. And I think that, you know, young people today don't want to live in an exclusionary world. They want to live in a place where everybody is accepted. And this includes, you know, people of color, people of different religions, people of all kinds of body types. And this brand was just totally out of sync with the moment that we're in now.

NOEL: Elizabeth Segran. *Fast Company*. Coming up, the Abercrom-back, the Abercrombaissance.

SCORING PAUSE

NOEL: Do you have one?

ELIZABETH: <laughs> That's so good. Maybe if they had used that, it would have come back faster.

<both laugh>

SCORING BACK IN

[BREAK]

[BUMPER]

*<CLIP> TODAY, EXPLAINED PRODUCER AMANDA LEWELLYN: What do you think the vibe of the new Abercrombie is? Who are they trying to talk to, what is the sort of thing they’re trying to put across?   
RITI: They're still targeting young generation, but not as good as they did before. Like they're not smelling as good as they used to. The shoppers were attractive, to be very honest. I used to collect them as a teenager. But they are just basic now. So I feel that.  
AMANDA: You're the only person that I've talked to who, like, misses the smell of Abercrombie.  
RITI: Yeah, definitely. It was so much better. It was a different vibe. It was a different experience. I wanted to be in store for longer because it smelled good. But it's just basic now, so.*

NOEL: It's *Today, Explained*. Back with Elizabeth Segran, senior writer at *Fast Company*. All right. So Elizabeth, you have been a fashion writer for a long time. When did you start to suspect that Abercrombie and Fitch was trying to turn things around?

ELIZABETH: So it was a very distinct moment in 2019, which is five years ago now. And, you know, I'm a fashion writer. You know, I've been a fashion writer for a long time. And so I, you know, I'm in touch with lots of different brands because I need to do stories about them. And I had not heard from Abercrombie for the previous, like, 5 to 10 years. But in 2019, I started getting emails from them about changes that were happening at the company. And indeed, they had brought on an entirely new executive team with a new CEO and a new CMO and a new design team.

*<CLIP> FORTUNE, ABERCROMBIE CEO FRAN HOROWITZ: We did it. No one thought, particularly with [the] Abercrombie brand, that it was possible - and our favorite thing to say right now is: we’re back.*

ELIZABETH: So my interest was piqued. And I wanted to know whether it was really possible for this brand to bounce back after it had just tanked.

SCORING <der flippige Deutsch>

ELIZABETH: The first thing I noticed was that the brand was very different aesthetically. For one thing, everybody was dressed in the ads, which, you know, was a big change for them.

<NOEL AND ELIZABETH LAUGH>

ELIZABETH: And, you know, and there was also this cast of, you know, diverse models. I mean, it kind of reminded me of ads from the United Colors of Benetton…

*<CLIP> UNITED COLORS OF BENETTON AD, 2022: Be right. Be wrong. Be anything. Be yourself. Be humble. Be brave. Be happy…*

ELIZABETH: But I think another very clear move that they were making is that rather than targeting teenagers, which had been their strategy for the previous two decades, they were very focused on targeting people in their early 20s. And I think this was a really clever strategy. I mean, for one thing, there are actually not that many brands that are targeting this particular demographic. There are still teen brands out there, and there are lots of brands that are targeting, you know, people with a little bit more money – you know, in their late 20s, early 30s – but this was, you know, sort of an untapped part of the market. But it was also smart in the sense that: these were millennials still, right? People in their early 20s. And they had vague memories of what this brand was a long time ago, but they hadn't followed it very closely. So it's a brand name that still carried some cachet. But, you know, it was an entirely new generation that could explore this brand for the very first time.

*<CLIP> JAYLA ON THE STREET: I think it was like my older cousins. They're like maybe ten years older than me. And I always saw them wearing Abercrombie. So I think since I was a kid I've always known. But it changed a lot over the years.*

SCORING OUT

NOEL: The preppy stuff that I remember was very cute for high school, but I don't know that I would want to wear like that, like tennis-pleat skirt into my first job. What does it look like now?

ELIZABETH: Well, that skirt would have been way too short and inappropriate for the workplace.

NOEL: Yeah! Bang.

ELIZABETH: You're absolutely right. But that's the other really fascinating thing. They totally revamped the design of the products.

*<CLIP> HOROWITZ: We like to say at Abercrombie: Today, it's about belonging. In the past it was about fitting in. And there's a very big difference to those two things. // So we have really been able to make a very inclusive and diverse associate base, consumer base, product base, we’ve extended our sizing... <fade>*

ELIZABETH: It's much less fashion focused. And also a lot less preppy. And it's mostly about sleek, minimalist pieces that are, kind of like essentials that you would use day in and day out. And they're very thoughtful about the use cases for these people who are just starting their lives. Right? So their pieces in their collections now that are great for your first job, like, so there's even, you know, suits and things like that. But there are lots of pieces for things like going to weddings because people might be starting to get married.

*<CLIP> HOROWITZ: The consumer told us – you know what? Weddings are no longer a day. They’re two-, three-, four-day weekends. We need lots of things to wear throughout all those different occasions…*

ELIZABETH: And lots of things that are just like sort of casual for every day. And there's also been a big focus on denim, which is also another very clever strategy because jeans have been the mainstay for many successful brands, including Madewell and Gap in its heyday. And so they've been very focused on creating very well-fitting jeans.

*<CLIP> TIKTOK @SIENAMAE: You guys. If you are a curvier girl – like me – and you have a hard time finding jeans,I have just made the discovery of the century. <duck under>*

ELIZABETH: And actually, there's, there's a lot of discussion online about actually like, these jeans fit really, really well.

*<CLIP> TIKTOK @SIENAMAE: <duck up> This is not sponsored, also. I just have such a hard time finding pants that fit me. When I put these on, I almost started crying, cuz it’s like, this never happens.*

ELIZABETH: And importantly, the sizes now go up to size 32, which in the previous iteration of Abercrombie, they only went up to size ten…

NOEL: Huh.

ELIZABETH: …which actually is just like mind blowing when you think about the American population, like how few people could actually fit into those clothes. So now it's much more size inclusive. And you know, from my discussions with their design team, there is a lot of focus on the quality of the materials. They're using a lot of higher end materials like wool and cotton, and cashmere, and there's also been a lot of focus on fit. And, and this is all really important because this is all happening in the context of fast fashion. And the fast fashion world is, you know, it's famously about making clothes as cheap as possible and making them so trendy that you can throw them out after a few wears.

NOEL: Huh.

ELIZABETH: This is very distinctly going against all of that.

NOEL: I, I only recently started seeing stories about Abercrombie being back. I didn't see like a big relaunch. It's not coming up in, you know, my ads on Hulu. How did they get the word out?

ELIZABETH: This was also extremely interesting to me because they clearly had invested a lot of money in this turnaround, but they chose not to come out big. Instead, what they did was they worked with a lot of influencers on social media.

*<CLIP> TIKTOKER: I am an Abercrombie girly, okay, and I know a lot of you guys are as well…*

*<CLIP> TIKTOKER: The absolute chokehold that Abercrombie trousers have on me is ridiculous.*

*<CLIP> TIKTOKER: I’m just gonna say it: I don’t care what anyone else says: Abercrombie is ELITE when it comes to fall fashion.*

ELIZABETH: And they started, you know, launching stores on shopping streets that had a different look. And they were very quiet about this relaunch, and they were just really hoping that it would spread by word of mouth. And I think coming back quietly was a really good strategy, because it meant that people weren't thinking that critically about this brand. You know, they were just kind of stumbling into it when they saw, you know, an influencer wear a really nice outfit or stepping into the store and then kind of discovering for themselves what this brand was in this moment.

NOEL: How well is it working?

ELIZABETH: It is working remarkably well.

NOEL: Hah!

ELIZABETH: I mean, this has been like one of the most interesting success stories in retail. So, you know, listen to this. Last year, it was the best-performing stock on the S&P index. It beat out Nvidia…

NOEL: No! <laughs>

ELIZABETH: And so it gained 285%. So that's, number one, like, pretty remarkable. It generated 4 billion in revenue in the previous financial year with a 10% year over year growth. So it's doing gangbusters, right.

NOEL: Mmmhmm.

ELIZABETH: And, you know, when I spoke to them, they said that they're really, you know, trying to hit that 5 billion revenue target. And so they're totally on track to doing that. I mean, it's just remarkable.

NOEL: It is remarkable. And it makes me wonder whether there is a takeaway here for other brands that might be struggling.

ELIZABETH: I think this is a really encouraging story for all of the heritage, large retailers that dot the American retail landscape.

SCORING <Frogs Not Hopping>

ELIZABETH: You know, it's been a hard couple of years for a lot of different retail brands, especially, you know, when direct to consumer brands like Everlane and Reformation have popped up, and they've had to compete with these new brands. So big brands like J.Crew and Gap have had a difficult time. But I think that Abercrombie story shows us that if a brand has this long history, you know, and a place in American retail history, it can come back. But you have to be really smart about it, and you have to be focused, I think, on separating yourself from other brands in the market, just like Abercrombie has, by targeting this early 20s audience. But also really focus on quality because I think consumers, they're very perceptive and they want good-quality product. And I think Abercrombie did both of these things. And I mean, look at look at how well it's doing.

SCORING BUMP

NOEL: As a teenager, you heard a line in a song that was compelling enough to make you go into a store when you hit the U.S. and then you grew up and you became a fashion writer. Do you owe it all to Abercrombie and Fitch?

ELIZABETH: <laughs>

NOEL: Or perhaps to LFO? <laughing>

ELIZABETH: <laughs> Oh my gosh, I have to rethink my whole life now. I need to talk about this with my therapist, to be honest, to work through all of what this means for me.

SCORING <“Summer Girls” by LFO>

NOEL: What is LFOwed.   
  
<BOTH LAUGH>

NOEL: Elizabeth Segran is a senior writer at *Fast Company*. Today’s show was produced by Amanda Lewellyn. She had help from Peter Balonon-Rosen. Amina Al-Sadi was our editor. Matthew Collette fact-checked and Patrick Boyd and Andrea Kristinsdottir engineered. The rest of our team includes Haleema Shah, Avishay Artsy, Hady Mawajdeh, Miles Bryan, Victoria Chamberlin, Denise Guerra, Rob Byers, and senior researcher Laura Bullard.

Miranda Kennedy is our executive producer.

We use music by Breakmaster Cylinder.

I’m Noel King. My co-host is Sean Rameswaram, it’s Today, Explained.

<< For radio:>> *Today, Explained* is distributed by WNYC. The show is a part of Vox.

<< For podcast:>> *Today, Explained* is distributed by WNYC. This show is a part of Vox. Support our journalism by joining our membership program today. Go to vox.com/members to sign up.

<< must cut this out for radio >>

[10 SECONDS OF SILENCE]