

Shoe Intelligence

News and analysis of the international market

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Sneakers: a never-ending story

Claudia Schulz, a well-known German fashion expert who enjoys a strong reputation in the footwear market beyond the national borders, feels that the strong sneaker trend is here to stay, although WGSN recently indicated at the Micam trade show that sales of “trainers” seem to have reached a peak in the U.S. and the U.K., with women starting to add high-heel shoes and ballerinas again to their wardrobe to assert their femininity. Perhaps they are doing it at the same time and for different occasions.

Sneakers are simply comfortable, says Schulz. They project a sporty image and give a certain dynamic to the associated clothing. On top of that, sneakers have acquired a cult status in the last few years with men and women being led to desire specific “must have” styles that are generally sold in limited quantities, she notes in a report that she has prepared for *Shoe Intelligence*.

We agree, and we think that this particular trend has been fostered by several brands of luxury, sports and casual footwear through the release of limited editions to create demand for new products, widening their reach to a new clientele, particularly millennials. They have been marketed with the clever use of social media such as Instagram, often with the help of influencers and in collaboration with celebrities.

Sports brands with a long heritage like **Adidas**, **Puma**, **Ellesse** and **Fila** have

been particularly successful with this kind of exercise, resurrecting and reinterpreting old vintage styles in more contemporary vein. Thanks to its very popular and relatively affordable **Diruptor** model of chunky sneakers, coupled with a message of Italian style, **Fila**, which is now owned by Korean interests, accelerated the growth of its sales in the first quarter of this year, rising by more than 60 percent in the U.S. and by more than 100 percent in Europe (details in our sister publication *Sporting Goods Intelligence Europe*).

According to Schulz, the sporty look that goes with sneakers tells a “never-ending fashion story” like jeans, which, by the way, are also in fashion right now. They tell a story of comfort as well as youth and resilience, she says.

Fashion trends come and go. Schulz notes that skater looks like those of **Vans’ Old Skool** line have been rather popular in recent years, although Vans’ strong double-digit growth has started to slow down lately. While **Converse** has been less successful than Vans since its takeover by **Nike**, Schulz notes that vulcanized canvas shoes like the **Converse Chuck Taylor All Star** have inspired many best-selling models with ankle-high textile uppers.

However, today’s sneakers are more frequently inspired by jogging and tennis shoes, says Schulz. They tend to be **New Balance**-type shoes, frequently rendered in multiple colors, or very clean styles in white or whitish tones. A recent highlight has been

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Adidas' **Stan Smith**, a must-have vintage style that has helped the wearer to spruce up a greyish winter outfit.

As reported in *S&P Europe*, the Stan Smith has been enormously popular in recent years. Yet a few months ago, Adidas reacted to the strong demand for its Stan Smith by taking lots of pairs out of the market because it was reducing the image of exclusivity that trendy sneakers tend to have these days. The big German sports brand has decided instead to launch new styles more frequently, including new editions of older models.

Bulky sneakers with thick soles like the **Triple S**, launched by **Balenciaga** in January 2017, are now fully on trend, says Schulz. Her statement was supported a few weeks ago by **Björn Gulden**, the chief executive of Puma. He predicted that the chunky sneaker trend will continue for a while because customers are still prepared to pay a high price for this kind of style, indicating that there is ample room for its subsequent popularization at more accessible prices. Puma, which is growing faster than Adidas and Nike right now, adopted the chunky style when it was still controlled by **Kering**, which is also the parent company of Balenciaga.

Chunky sneakers, which are often highly decorated, are also called "ugly sneakers." They are meant to draw attention. Some refer to them as "Dad sneakers" because of some old-fashioned versions that were being worn in the 1990s by the fathers of today's young consumers, and are

perhaps still hanging in their wardrobes. Even Vans has just launched a line of chunky sneaker of its own, called the **Stacky Pack**.

The big volumes of these styles contrast starkly with the former minimalist trend. According to Schulz, this renders them relevant also for the comfort segment, making them adaptable for large widths in a stylish way, while allowing the brands to add functional elements. In fact, **Ara** and several German brands of comfort shoes have added sneakers to their collections because they are both trendy and comfortable. Moreover, Schulz points out, sneakers are perfect for women over the age of 60 who feel younger. They want to dress younger and be more fashionable than in the past, while keeping the comfort factor.

The choice of sneakers and the segmentation of the sneaker market is getting wider, with a stronger distinction being made between lifestyle sneakers and performance-oriented athletic shoes, and the movements in this market are becoming less predictable. In the past, young and old people were wearing Converse Chucks as well as some classical styles by Adidas, Nike, Puma, New Balance and **Reebok** as street shoes, but there is more variety now in the market.

As Schulz points out, some specific, cool models of sneakers have suddenly emerged "like the phoenix from the ashes." They have been offered in limited quantities, making them more desirable. Incidentally, we think that a limited-edition strategy is useful not only to create the desire, but also to test the market at a minimal cost, and the progress of 3D printing should make this easier to implement in the future.

In addition to this new phenomenon, Schulz says, the so-called **Cult Sneaker** has created a place for itself in the fashion charts in the recent months. She mentions certain exclusive sneaker styles

introduced by **Chanel**, **Giuseppe Zanotti** and **Gucci** for wealthy and brand-conscious consumers. The same goes for highly sought Italian brands like **Premiata**, **Golden Goose** and **Philippe Model**.

We wonder, however, how the ugly, distressed look of Golden Goose's Italian-made sneakers may have become so desirable, especially in view of their high price. Is it because it's so radical and different? Good luck to **Clarks**, which has hired a former chief executive of **Geox** and Golden Goose as its new CEO.

Dr. Schulz has a partial answer to our question: She feels that sneakers will continue to be in demand, but she adds pointedly: "Yet, I have noticed that precisely young people are now again showing more interest in brown shoes." She refers to new models of certain types of brown shoes like **Buffalo's** very trendy hiking boots and functional styles from brands like **Cat**, **Lowa**, **Merrell**, **Keen** and **Columbia**. "The reason for this," Schulz feels, "may be the fact that youngsters necessarily want to set themselves apart from older people if grandpa or grandma starts wearing a pair of Nikes. No way do they want to wear the same brand."

We don't think that the generational breaking point has been reached yet, however. Judging from its results, Nike is still performing very well, more so in the lifestyle segment than in the performance segment, probably because it has a very wide range of models and frequent new releases for all types of consumer. It may be the way to go for smaller brands. For the more fashion-oriented brands, another way to go could be the addition of more functional elements to their sneakers, like Gucci's recent presentation of a chunky sneaker with the look and function of a hiking shoe. At the last Micam show in Milan, **Pollini** showed a similar sneaker, with more colors than the typical outdoor shoe, accompanied by a coordinated daypack.

The Euro June 12 rates	
Czech Koruna	25.61
Danish Krone	7.468
Hungarian Forint	321.3
Norwegian Krone	9.780
Polish Zloty	4.262
Pound Sterling	0.891
Swedish Krona	10.71
Swiss Franc	1.123
U.S. Dollar	1.133
Brazilian Real	4.371
Canadian Dollar	1.506
Chinese Yuan	7.840
Japanese Yen	122.8
Russian Ruble	73.24