

'A swipe at fashion capitalism': Telfar's experiment lets customers set prices

Level 3: Advanced

1 Warmer

- a. Is buying expensive clothes and shoes worth it? Why (not)? Discuss with a partner.

2 Key words

- a. Write the correct words from the wordpool to complete definitions below. Then find and highlight them in the article to read them in context.

accessory	affordable	arbitrary	cropped	ethos
faux	full price	inclusive	mark up	motto
pricing model	synonymous	unisex	wholesale	working-class

- made for any gender to use _____
- deliberately including many different people, things, or ideas _____
- something that has been cut very short _____
- selling large quantities of goods, especially to people who are going to sell them in a shop

- sold at the regular price _____
- not based on any particular plan or done for any specific reason _____
- a way to decide what prices to charge for a company's products or services

- inexpensive enough for ordinary people to be able to buy _____
- increase the price of something to make more money from it _____
- artificial or fake _____
- a small thing such as jewellery or shoes to give your clothes more style _____
- the attitudes and beliefs that are typical of an organisation or a group of people

- If two things are _____, there is an extremely close connection between them so that you cannot think of one without also thinking of the other.
- relating to the social class of people without much money, education, or power

- a short sentence or phrase that expresses a belief or purpose _____

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b. Use some of the key words to complete these sentences.

1. I can't tell if this bag is genuine leather or _____.
2. My sister hates buying things _____. She'd rather wait for a sale.
3. A _____ I like to live by is, 'When life gives you lemons, make lemonade.'
4. Many companies now charge their customers using a subscription _____.
5. There isn't any reason for us to do that. It's an _____ decision.
6. Anyone can wear this shirt. It's _____.
7. Luxury goods are not _____, but they are excellent quality.
8. This belt is my favourite _____. I wear it with everything.
9. The McDonald's brand is _____ with fast food.
10. He may be rich now, but he comes from a modest, _____ family.

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Brand beloved by Lil Nas X and AOC debuts new sales model: the more popular an item is, the cheaper it ends up being

Alaina Demopoulos

28 March, 2023

- 1 Demi Elder owns 16 Telfar bags. The 31-year-old from Crown Heights, Brooklyn, tries to catch every release she can from the brand, which has been mentioned in Beyoncé lyrics and seen on everyone from Lil Nas X to Alexandria Ocasio-Cortez.
- 2 "I love that it's Black-owned, unisex, thoroughly inclusive and meant for all genders," she says.
- 3 The brand's rectangular shopping bags are particularly popular, made in 38 colours and three sizes that range in price from 150 dollars to 257 dollars; new colours sell out in seconds.
- 4 On 27 March, Elder added to her collection. Instead of bags, she wanted the latest clothing and found simple black T-shirts with the brand's logo for 50 dollars, cropped crewnecks for 65 dollars and "gown-length basketball tops" at 150 dollars each. The majority of items had sold out within the hour.
- 5 Elder left Telfar.net feeling content, with a pair of heather grey tracksuit bottoms for the wholesale price of 80 dollars. That was about 240 dollars less than the full price of the tracksuit bottoms because Elder was shopping Telfar's "live pricing" experiment.
- 6 The brand let customers decide the cost of 29 new pieces of sportswear by listing them at wholesale prices at noon on 27 March. (Wholesale can cost over 50 per cent less than what shoppers would normally pay on the brand's website.) As customers shopped, the wholesale price went up in small amounts until the stock sold out. The more people who added a piece to their cart, the more likely shoppers would get it at a discount. For instance, the tracksuit bottoms Elder purchased would have cost 320 dollars full price. The price set by customer demand would become the "forever price" for that item going forward. By early afternoon on the 27th, most of the stock had sold out.
- 7 As Babak Radboy, creative director of Telfar, said, this reveals just how arbitrary some of the costs in fashion can be. Radboy and Telfar Clemens, the brand founder, came up with the idea while they were designing a hoodie and "realised the brand could charge 100 dollars or 600 dollars for it".
- 8 "If we charge 600 dollars for the hoodie, then only one class of person would buy it – the person who can afford it," Radboy said. So they came up with a pricing model to help keep items affordable and accessible to the most customers. "Many brands use price as a barrier to entry," Clemens said. "I never wanted that for my brand." In a way, the new pricing model exposes just how much the traditional fashion system marks up clothing.
- 9 Obviously, this goes against decades of fashion-world logic that in-demand things need to cost lots of money. "Most brands use the popularity of a product to increase prices and test the limit of client loyalty," said Louis Pisano, a fashion reporter. "But those brands are not Telfar. When Telfar lowers the prices of popular items, it doesn't have the same negative effect and drop in brand perception as it would for other buzzy names."
- 10 "Dynamic pricing is just cool and a rare genuine swipe at capitalism in fashion, to create a system in which the bestselling items in a collection are the most affordable," Rachel Tashjian, a fashion news director, said.
- 11 When Telfar's faux leather Circle bag was released in 2022, online critics spoke out against its 567-dollar price tag, saying the accessory went against the brand's ethos.
- 12 But others defended Telfar, including editor Shelton Boyd-Griffith, who wrote: "The conversation around Telfar's Circle bag price point is loaded because it poses the dangerous misconception that Black luxury brands can't grow and scale."
- 13 Radboy told the *Guardian* that Telfar "will probably try live pricing with our duffels and circle bags" at some point in the future. "If you walk five blocks in any direction in New York, you will see a Telfar bag. We want to see the full look out here."

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- 14 There are also logistical reasons for Telfar to let customers set their own prices. The model will help the brand collect data about what pieces customers want the most. "This will give us information about how much of each product we should order in the future," Radboy said. "And the larger the order, the cheaper it is to manufacture."
- 15 Since 2005, Clemens has always dismissed the idea that high fashion was synonymous with expensive products. Clemens, born in Queens, New York, to Liberian immigrant parents, includes working-class references in his designs. He's created uniforms for employees of White Castle, a fast-food chain, and held fashion week events at Rainbow Shops, an inexpensive retail chain. Fans often point to the brand's motto when it comes to inclusion: "It's not for you; it's for everyone."

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3 Comprehension check

a. Answer the questions using information from the article.

1. What accessories is Telfar famous for?
2. How many colours do they come in?
3. How much does Telfar's new black T-shirt cost?
4. How much did Demi Elder pay for the grey tracksuit bottoms?
5. Why is Elder happy with this price?
6. Who are Telfar Clemens and Babak Radboy?
7. What does the "live pricing" experiment do?
8. How does it work?
9. What is one of the logistical reasons for the "live pricing" experiment?
10. What does Clemens believe about high fashion?

4 Key language

a. Match the two parts of the phrasal verbs used in the article.

- | | |
|----------|----------------|
| 1. sell | a. up |
| 2. come | b. out |
| 3. mark | c. out against |
| 4. speak | d. up with |

b. What does each phrasal verb from task A mean? Write the phrasal verb next to its definition.

1. when there is no more of a product available to buy _____
2. say that something or someone is wrong _____
3. increase the price of a product _____
4. think of a new idea _____

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c. Complete each sentence with one of the phrasal verbs from task A.

1. The activists at last week's march _____ capitalist greed.
2. We _____ an excellent idea for an app and told our boss.
3. Have those new trainers _____ already?
4. Used cars are often _____ by about 20 per cent.

d. Write personalised sentences using these phrasal verbs.

5 Discussion

a. Discuss these statements.

- "High fashion must be expensive to prove its value."
- "Fashion should be accessible to and inclusive of everyone."
- "Spending 50 dollars on a brand-name T-shirt is worth it."

6 In your own words

- a. Use an internet search engine to find more information about pricing in fashion. Compare a luxury brand with a discount brand. What are the similarities? What are the differences? Why might someone buy one or the other?
- b. Report your findings to the class.