

1 'What is the point of top-end fashion?' Discuss this question with a partner then read the article and see what the writer says.

2 Read the article again and answer the questions.

- 1 Why are there only 2,000 customers for *haute couture*? 1. because the dresses cost more than \$100,000.
- 2 Do fashion houses make a profit from *haute couture*? 2. no, they don't
- 3 What is the main advantage of a fashion show? 3. to generate publicity -> cheaper and more effective
- 4 Why is Paris the true capital of fashion? (two reasons) 4. home of the most famous brands; biggest number of talented designers
- 5 Why is the fashion industry good for France? 5. it is good for the economy: production, jobs, exports
- 6 Which city competes with France as a centre of fashion? 6. New York

Tuesday!

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Glossary

loss leader a product that is sold at a loss, but encourages people to buy more profitable products from the same company

glossy magazine a magazine using high quality paper with a lot of beautiful photos

Survey: Fashion

Fashion's favourite

off-the-peg = prêt-à-porter
peg = pince (à linge)

The high cost of fashion shows is worth every penny to the industry

What is the point of top-end fashion? An *haute couture* dress can cost more than \$100,000. Not surprisingly, there are no more than 2,000 *haute couture* customers in the world. The commercial point is that *haute couture* is the fashion house's loss leader. It creates the image of the brand. Someone who would never pay \$20,000 for a hand-made dress might pay \$1,000 for an off-the-peg dress with the same designer label—or \$50 for its perfumes.

Fashion shows may be expensive, but the publicity they generate works out cheaper and more effective than

spending \$80,000 a page on advertisements in the glossy fashion magazines. One New York consultancy calculates that a 20-minute show, which could cost up to \$500,000, generates as much publicity as \$7m of advertising in American fashion magazines. Most people could never wear the clothes, but the idea is to create a buzz.

The true capital of fashion is Paris. It is home to the most famous brands, and it has the biggest number of talented designers. France's fashion and luxury-goods industry represents some 2,000 firms, 200,000 jobs and 5% of total

industrial production. Include the textile industry, with 60,000 employees and the share of industrial activity rises to 8%. With advertising, graphic design and media, it all adds up to real economic weight. And France exports much of this output.

Can Paris continue to be the centre of the fashion industry? Perhaps New York, with its huge domestic market and new creative talent, will become fashion's centre in the future. But for now, the challenge for everyone is to sell: after all, fashion is a business. ■

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Speaking

Would you pay more for a designer label? Why? / Why not?