

APPAREL AND ACCESSORIES

Outlook 2022: Bringing the street to the runway

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Streetwear brands are becoming more popular among consumers, and "street" is entering the high-fashion lexicon. Image credit: Lyst

By NORA HOWE

The luxury fashion industry continues to evolve at an accelerated rate due to the shifting winds of societal values and digital technology.

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From new style and expression to virtual reality and circularity, this year, luxury brands responded to new pandemic-induced consumer values. Looking to 2022, the industry will test which strategies can last through three major trends: streetwear, circular fashion and the metaverse.

"There's a notion that the Roaring '20s are making a comeback and based on that, we're seeing a strong desire to be bold and stand out," said Dalia Strum, founder of [Rethink Connect](#) and professor at [The Fashion Institute of Technology](#), New York. "With an homage to the '90s, sparkle and shine along with crop tops, bra tops and wide-legged pants."

Here are some of the key trends for the apparel and accessories sector heading into 2022:

Streetwear

Some fashion industry leaders deem Supreme's "Friends and Heroes" x Louis Vuitton collection 2017 debut at Paris Fashion Week as the moment streetwear and skate culture entered luxury fashion.

As part of an official pivot into streetwear, auction house Sotheby's is providing fashion lovers and streetwear and culture fanatics the opportunity to acquire pieces from the coveted, and arguably pivotal Louis Vuitton x Supreme collection ([see story](#)).

What started as a moment, however, has evolved into a movement.

"Streetwear has always had a huge influence on fashion - jeans and even overalls became mainstream based on street style," Ms. Strum said. "It serves as a major source of inspiration along with art, music, history, etc.

"Not only do I not see it going away, I see it becoming even stronger with the amount of access to spectate and find additional points of inspiration."

As Gen Z expands its presence in the luxury market, streetwear and street culture have infiltrated collections, runways and campaigns and will continue in years to come.

With this year's return of in-person athletic events, interest in sportswear accelerated. Skateboarding made its Olympic debut in Tokyo, and searches for the Nike SB range, specifically its Dunk Low sneakers, jumped 100 percent in just 48 hours ([see story](#)).



Skateboarding was the star of Holt Renfrew's late 2021 campaign. Image credit: Holt Renfrew

Although streetwear and skateboarding culture was popularized on a global scale in the 1990s and early 2000s, it has only recently begun to permeate the luxury fashion space.

In July, Canadian department store chain Holt Renfrew turned the spotlight on local skaters to bring summer's skateboard-inspired style to life. "Holts Playground" featured skaters who share their love for the culture, what skating has taught them and the importance of diversity in the sport ([see story](#)).

"Streetwear has brought a new and younger clientele to luxury brands," said Marie Driscoll, managing director of luxury and fashion at [Coresight Research](#), New York. "Along with that, it has brought the concept of limited-duration exclusive product drops that create brand heat, and they work well with luxury's building block of exclusivity while not excluding shoppers as luxury courts the idea of inclusivity."

Circularity

The secondhand fashion sector, which is currently valued at around \$30-40 billion globally and is expected to grow by 20 percent in the next three to five years ([see story](#)), has quickly permeated the broader market with rental and resale business models pushing the fashion industry towards a more circular economy.

From third-party investments to internal services, brands and retailers are acknowledging that circularity is the future of fashion, and, in 2022, they must incorporate innovative strategies to meet consumer demands.

2021 saw a number of fashion brands test the waters of resale and rental models, whether it was through [isolated projects](#) or more [long-term partnerships](#).

It is the larger investments, though, that point to a new age of fashion consumption.

Earlier this year, luxury conglomerate Kering and U.S. investment firm Tiger Global Management completed a round of financing for resale platform Vestiaire Collective worth \$216 million. Since then, the platform has reached a valuation of \$1.3 billion ([see story](#)).

As fashion contributes 5 to 8 percent of climate emissions each year from the use of harmful fossil fuels to power manufacturing and supply chains ([see story](#)), brands will likely use 2022 as a year to make sizable changes.



By extending the lifecycle of clothes, Vestiaire Collective can help reduce textile waste. Image credit: Vestiaire Collective

If they do not, there could be irreversible consequences.

Metaverse and gaming

Artificial intelligence started popping up in different areas over the past few years, with pop-up immersive experiences and virtual try-on technology. Now, these technologies are beginning to form what could be considered a digital renaissance: the metaverse.

"Here we are at the very exciting nascent stage of discovery and development," Coresight's Ms. Driscoll said. "The metaverse will be a platform for discovery, trial, self-expression and alternative fashion personas for consumers.

"Luxury brands are great storytellers and dream creators, and the metaverse is a digital playground for them as well as their clients and to acquire new clients."

Social media giant Facebook even rebranded as Meta to reflect its focus on the new digital environment, which it described as a "hybrid of today's online social experiences, sometimes expanded into three dimensions or projected into the physical world" ([see story](#)).

Simply, virtual technology is no longer limited to one-off experiences. It is an all-encompassing reality.

"Only a handful of luxury brands are active in it now, though I expect more luxury brands will begin to experiment," said Michelle Kluz, partner of the consumer practice at consulting firm [Kearney](#), Chicago. "We should start seeing more startups, as well as some more established, traditional luxury brands tiptoeing into it, but in smaller ways.

"Most brands are not set up internally for a substantial entry into the metaverse and are using third-party agencies at the moment," she said. "Until there is a clearer platform, it won't become a core revenue stream."

Brands across most sectors have been increasingly diving into artificial intelligence technology and gaming for the last year, and with the emergence of the metaverse, this will only continue.

Italian fashion house Gucci started the year with a partnership with social app Zepeto in a gaming-centric push to engage tech-savvy consumers. The collaboration allowed users to dress their Zepeto 3D avatars in pieces from Gucci's latest collections ([see story](#)).



Gucci has experimented with digital goods on several platforms. Image credit: Gucci/Roblox

Gaming not only engages active consumers in real-time, but it could be a gateway into the metaverse. There are still mixed feelings about the metaverse, from both brands and consumers, but the more fashion brands leverage virtual

technology, including gaming, the closer they become to creating new strategies for the metaverse.

Earlier this month, Italy's Valentino joined fashion styling game Drest for a seven-day exclusive collaboration as the luxury label looks to connect with stylish and digitally savvy audiences. For one week, two Valentino challenges featuring the new Valentino Party collection went live in Drest's home feed alongside the brand's holiday campaign ([see story](#)).

"The virtual metaverse has been an interesting discussion," Ms. Strum said. "Gucci launched its 'Garden Experience' on Roblox back in the spring and a digital version of their bag sold for \$4,115 on the platform, and Balenciaga showcased its fall/winter collection in collaboration with Fortnite.

"Companies are finding immense opportunities with high-margin, digital first approaches," she said. "We've been trending towards this direction, but now, more than ever before, how you are featured online is becoming essential in combination with how you are referenced in the real-world."

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