

Pepperdine University

Part I: The Problem

Situational Analysis

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A. Introduction

American Eagle Outfitters is an “on-trend clothing and accessories retailer” (OpenAI, 2025) based in the United States that targets consumers between the ages of 18 and 24. While American Eagle has had huge success with their inclusive and affordable denim, changes in the fashion industry, such as consumer preferences, new competition, and operational challenges, have made it challenging for AEO to adapt (OpenAI, 2025). As the fashion industry evolves, American Eagle must stay on top of trends, address quality concerns, and maximize inventory strategies (OpenAI, 2025). By adapting to changes in trends, broadening its target demographic, and enhancing digital marketing strategies (OpenAI, 2025), AEO has the ability to become a leader in the fashion industry. This situational analysis will examine aspects of American Eagle’s business model, including key retail trends, trends in consumer behaviors, areas for growth, and external factors that shape the market.

B. External Analysis — American Eagle Outfitters

Brief history of the product category

American Eagle Outfitters (AEO) was founded in 1977 by Jerry and Mark Silverman as an offshoot of Silverman’s Menswear, focusing on casual and outdoor-themed apparel such as hiking and camping gear. The first store opened at the Twelve Oaks Mall in Michigan, and by the early 1990s, AEO had grown to over 150 stores. Ownership then shifted when the Silverman brothers sold half of the company to the Schottenstein family in 1980, and by 1989, AEO became completely owned by that family (American Eagle Outfitters, Inc., n.d.). The 1990s saw expansion across the United States and Canada, with revenues near \$1 billion by 2000 and the brand going public in 1994. AEO later introduced sub-brands, most notably Aerie, which specializes in intimates and lounge wear, which launched in 1998, and later on, AEO acquired Todd Snyder in 2015, expanding its portfolio and market reach (AEO Inc., 2021) (OpenAI, 2025).

Trends in the Category & Product Life Cycle (PLC)

AEO appears to be within its “mature” stage of the product life cycle. Its brand is well-established, with stable but modest growth and pressures from fierce competition and shifting consumer behaviors, which is similar to where its competitors (GAP) stand. AEO’s comparable sales in 2024 showed 3% growth and 5% growth (Aerie) (AEO Inc., 2025). In Q1 2025, however, revenues declined 5%, with major inventory markdowns, which indicate challenges in aligning supply with demand (Accio, 2025; OpenAI, 2025). In terms of Digital and Gen Z focus, AEO is investing in TikTok campaigns, influencer partnerships, and micro-influencer content to stay relevant with younger shoppers (Accio, 2025). For supply chain and cost strategy, the company has streamlined fulfillment, cut costs (including some fulfillment center closures), and adapted to tariff pressures (MarketWatch, 2025; OpenAI, 2025). A recent

high-profile denim campaign featuring Sydney Sweeney briefly boosted visibility, but analysts anticipate that it may not yield a lasting sales impact. Tariffs, weak pricing power, and reduced in-store traffic remain constraints (MarketWatch, 2025; Barron's, 2025). Controversy over the campaign's messaging may have undermined its effectiveness. Despite attention, there was a decline in store visits (Economic Times, 2025; MarketWatch, 2025; OpenAI, 2025). AEO has been facing strong competition from alternative fast-fashion brands like Zara, H&M, and Forever 21, which offer rapid trend cycles and low prices. With the rise of sustainability concepts increasing among consumers, AEO has announced efforts like committing to carbon neutrality by 2030, which is a clear step in the right direction (Ecothes, 2025; Good On You, 2023; Commons, 2024).

Factors Explaining/ Impacting Sales Trends

The current socio-economic influx in the United States due to new tariff policies on clothing and accessories has directly resulted in a decrease in sales for apparel businesses. According to the United States Fashion Industry Association's statement on tariffs, "The fashion industry depends on global supply chains more than perhaps any other sector of manufactured goods... tariffs... disproportionately impact the fashion industry. U.S. imports of textiles and apparel are subjected to some of the highest tariff rates" (Steiger, 2025). As tariffs on all imported goods continue to increase, consumers are more drawn to limit discretionary spending, thus impacting sales within the apparel industry, which is considered to be a non-discretionary expenditure. Increased retail prices also drive American Eagle Outfitters' target audience (Gen Z and Millennials) to "utilize cost-conscious behaviors" by shopping online, driving online sales and eCommerce growth (DiGirolamo, 2024). Online shopping has become a cultural trend amongst Gen Z and Millennials, which lends itself to technological advancements to drive sales within these demographics. According to the Director of North America Reports at Mintel, Vince DiGirolamo, in 2024, 60% of Gen Z Teens make more/less half of their purchases online, followed by 56% of Gen Z Adults, and 58% of Millennials, driving a trend for ecommerce sales. With a surge in popularity for online sales, apparel businesses are pushing for technological advancements both functionally and creatively in order to attract consumers and continue to drive online sales in the face of surging costs.

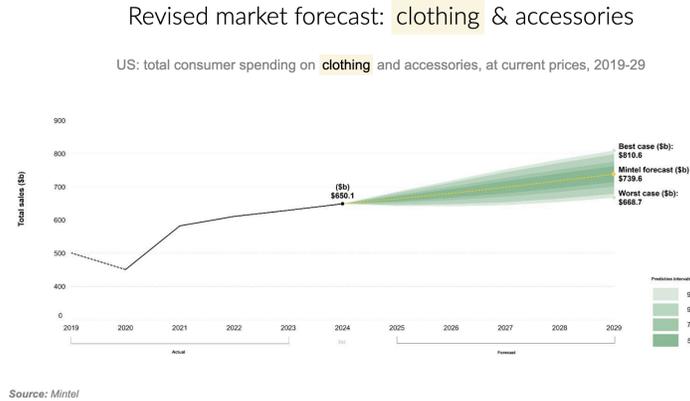
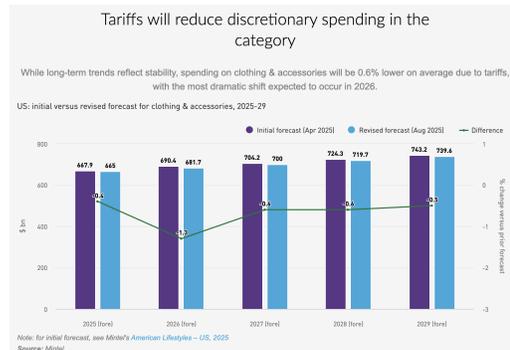
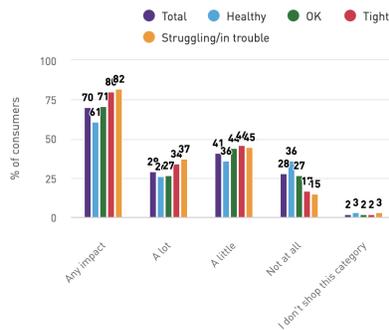


Figure 1: US: total consumer spending on clothing and accessories, at current prices, 2019-29, Source: Mintel

Growth Potential/Forecasts

American Eagle Outfitters operates within the retail sector and is categorized into the “Retail-Apparel & Shoes” industry due to their diverse range of apparel, accessories, lingerie, footwear, and personal care products. Although the US clothing and accessories market was predicted to “grow by 2.7% to reach \$ 667.9 billion in 2025 [with] [a] steady average growth of 2.7% by 2029,” new trade policies and tariffs have caused the five-year industry growth forecast to decrease by 0.4% (Steiger, 2025). The majority of apparel sold in the US is “imported through a complex global supply chain,” directly resulting in higher priced items, supply shortages and SKU reductions as new trade tariffs increase costs for apparel retailers; the increased cost of apparel items will directly result in a limit to discretionary expenditures as consumers focus on consuming essential items (Steiger, 2025). As of August 7, 2025, Mintel’s updated market forecast reports that “most imports to the United States will now face a baseline of 10% duty,” which will directly affect the economic growth of the US apparel industry (Steiger, 2025). Mintel Analyst Brittany Steiger on Apparel Market Trends describes that “[o]verall, 70% of adults agree that rising prices have impacted their approach to shopping for clothing and footwear, rising to more than 80% among households experiencing financial struggles,” demonstrating that both consumers and producers within the “Retail- Apparel & Shoes” industry are being impacted by economic pressures. On the flip side, retailers may be negatively impacted by consumers' attempts to “revert to budget-conscious behaviors,” such as reselling, trading down, or thrifting (Steiger, 2025). Brands within the apparel industry will have to make a concerted effort to remain transparent through changes in price and communicate brand value through careful messaging in order to retain consumers.

US: impact of rising prices on shopping for clothing and footwear, by financial situation, 2025



Figures 2 and 3: Tariff and Financial Analysis data from Mintel, 2025

C. Internal Analysis (Inside of AEO)

History of the Client

AEO was founded in 1977, with its first store opening in the Twelve Oaks Mall in Novi, Michigan. AEO started as a part of Silverman Menswear, Inc. Brothers Jerry and Mark Silverman launched AEO as a seller of outdoor apparel for hiking, camping, etc. Although their products initially appealed more to male shoppers, they attracted a wide range of shoppers and quickly became competitors to The Gap, L.L. Bean, and Lands' End. The company was bought out by the Schottenstein family in 1991. They realigned to focus more on women's clothing, as it is typically more profitable. Their vision was "to be a retailer that was accessible and welcoming to all - affordable, diverse and with merchandise made to last" (ae.com). Their signature denim line, introduced in 1997, followed this vision, offering a fit for every customer. AEO's website, ae.com, launched in 1998, now ships to 80 countries worldwide. Their offshoot store, Aerie, launched in 2006, reaching \$1 billion in sales in 2020. American Eagle reached \$5 billion in revenue in 2021. American Eagle's iconic logo is timeless and simplistic.



Figure - American Eagle Logo. Source: Pinterest, 2025.

Sales Analysis

Looking back at the company's historical figures, the company's revenue has risen rapidly from \$3.76 billion in 2020 to \$5.01 billion in 2021. While in the past four years that growth has not been sustained, there has still been a trend upwards, with American Eagle performing well last year, generating \$5.33 billion in revenue. This marks a 1% year-over-year growth for the company. However, what really stands out regarding AE's sales is its operating income of \$427

million and net income of \$329 million. These figures mark an 8% and 6.2% margin for the company, which is nearly double what the company's numbers were in 2023. This success is reflected in the company's market share, where AE is #1 in U.S. jeans (dollar share) among ages 15-25.

D. Four Ps of Marketing

Product/Price

American Eagle Outfitters is a well-known brand in its space, mostly known for their selection of denim, though they have many other products that are inclusive in size for both men and women.

Their most popular styles typically run from around \$30-\$70 on their website

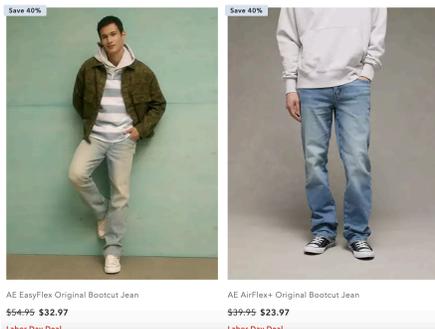
Alongside their denim collection, AEO offers:

- Lounge wear
 - Hoodies
 - Sweatpants
- Active wear
 - Legging
 - Joggers
 - Yoga clothes
- Casual wear
 - Shirts
 - Dresses
 - jackets
- Swimwear
 - Swim attire for both men and women

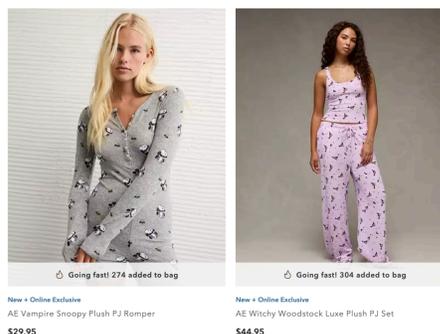
Men's Original Bootcut Jeans

Original Bootcut Jeans

Straight through the thigh with a bootcut leg opening.



Women's Loungewear & PJs

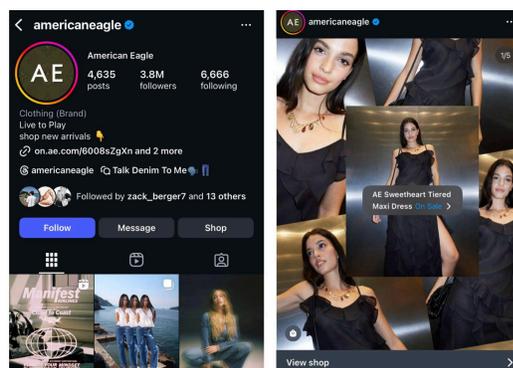


Figures 3 and 4: men's jeans on left, women's loungewear on right. Source: American Eagle Website

Place

American Eagle offers its consumers a variety of locations in which to purchase their products

- Brick and mortar stores:
 - As of February 2025, there are a total of 1,172 American Eagle stores worldwide, according to [Statista](#)
- Online store
 - www.ae.com
 - Users can purchase directly from the website
 - Users can make an account
 - Users can sign up for an email list
- Social media commerce:
 - AEO uses Instagram's shoppable posts which link products in feed posts back to the website



*Figure 5: American Eagle Instagram account (left) and shoppable post (right)
Source: Instagram, 2025.*

- Mobile app
 - Available for iOS and Android
 - Customers can browse, purchase, and track orders
 - Optional rewards program for deals

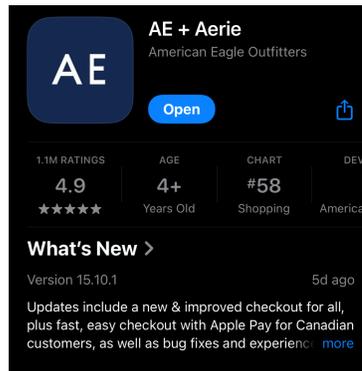


Figure 6: American Eagle app in iOS App Store

Promotion

American Eagle uses a variety of promotional strategies, including celebrity campaigns, collaborations, and interactive, digital advertisements.

- Celebrities/collabs:
 - Sydney Sweeny campaign: Sydney Sweeny is a 28 year old actress starring in shows and movies popular with American Eagle's target audience
 - Travis Kelce x Tru Colors: helped with appeal towards the male audience by leveraging Kelce's stardom in the NFL by creating a limited edition streetwear collection.
- Paid Media
 - Social media ads on Instagram, Tik Tok, YouTube etc
 - OOH ads
 - Influencer partnerships
- Owned media:
 - Website, app, email lists

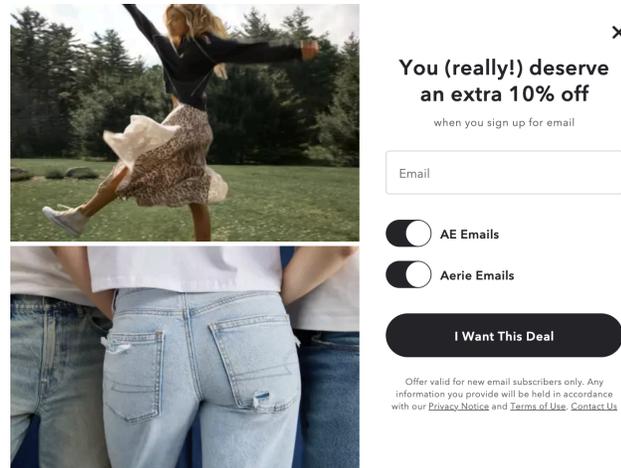


Figure 7: pop-up on website pushing email marketing. Source: American Eagle Website

- Social media accounts:
 - TikTok: 516K+ followers
 - Instagram: 3.8M+ followers
 - YouTube: 67K+ followers
- Earned media:
 - UGC on social media
 - PR buzz, often from celebrity collaborations

Agency:

In 2021, American Eagle left Swaps 360i, its media agency since 2019, moving over to VaynerMedia, according to Marketing Brew (2021). VaynerMedia went through a scandal within the ad agency community back in 2021 where its CEO Gary Vaynerchuk “failed to fulfill a diversity and inclusion promise” (Bain, 2021). This unfortunately falls in line with the scandal American Eagle encountered with their Sydney Sweeny campaign from the summer of 2025. American Eagle’s main competitor, H&M, uses the media agency Universal McCann for its US media, though it uses other agencies for its international advertising, according to Ad Age (2021).

Summary

American Eagle Outfitters is a well-known clothing company that is definitely a leader in its category. They are currently leading the market share of denim in the US, especially amongst their current target market of 18-24 year old women. They have many competitors, mostly due to

the increase of fast fashion, but their position in their category since the late 1970s has established the brand as a pillar not to be swayed by quickly changing trends. These newer brands seem to position themselves as aligning with the ever-changing fashion trends of Gen Z, while American Eagle has stood firm as a classic and timeless brand with reliable pieces. Because of this, they should lean more into product quality, to further solidify their position as the brand that provides “closet staples.”

Consumer Analysis

The Current Primary Target Audience

The current primary consumers for American Eagle Outfitters are 18-24-year-old women. According to the Simmons Data Analysis, this demographic is 65.3% more likely to shop at AEO than the general population. In addition, people of white ethnicity are 72.5% more likely to be an AEO consumer than the general population. These two groups of people are the current primary consumers of AEO products. American Eagle is also extremely popular within the southern region of the United States; individuals living in the South are 36.4% more likely to shop at AEO than the general population, while.

The primary audience for American Eagle Outfitters is women aged 18-24 years old, with Asian women specifically standing out as high-value customers. According to the Simmons Data we compiled, women ages 18-24 are 309% more likely to have shopped at AEO in the past three months and 213% more likely to purchase AEO products online in the past 6 months than the general population. Asian women aged 18-24 specifically are 47% more likely to spend beyond their means to get what they want and are 13% more likely to mix high and low quality brands. Additionally, regionally, the Northeast indexes show a slightly higher above-average for AEO shoppers, with the South being slightly below.

These young women are heavy fashion spenders, with those 18–24 66% more likely to spend between \$2,000–\$3,000 annually on clothing and shoes. They often live in higher-income households (\$350K–\$499K, +82%), are unmarried (+45%), and frequently belong to larger households (five or more members, +52%). Strongly influencing their friends and family, AEO shoppers’ friends and family are 84% more likely to trust their fashion advice than the general population.

Overall, AEO’s primary audience is Asian, digitally fluent, trend-driven Gen Z women who are 18-24, from the Northeast who spend heavily on fashion, have a strong influence on their social circle, and respond to credible advertising.

	BRAND_CONSUMER_AMERICAN EAGLE OUTFITTERS				
	Sample	Weighted(000)	Vertical %	Horizontal %	Index
Total	2,476	12,321	100%	4.8%	100
((BASES_WOMEN) AND AGE (18 YEARS OR 19	403	2,205	17.9%	15.2%	316
AGE 18-24	620	3,374	27.4%	11.6%	241
AGE 25-34	731	2,987	24.2%	6.6%	136
RACE: OTHER	396	1,629	13.2%	6.6%	136
WOMEN	1,630	8,045	65.3%	6.1%	127
RACE: ASIAN	169	630	5.1%	5.9%	123
CENSUS REGION: NORTH EAST (HH)	611	2,494	20.2%	5.6%	116
AGE 35-44	487	2,340	19%	5.5%	114
AGE 45-54	375	2,111	17.1%	5.3%	109
CENSUS REGION: WEST (HH)	489	2,875	23.3%	4.8%	100
CENSUS REGION: MIDWEST (HH)	473	2,470	20%	4.7%	97
RACE: WHITE	1,680	8,936	72.5%	4.7%	97
CENSUS REGION: SOUTH (HH)	903	4,481	36.4%	4.6%	95
RACE: BLACK/AFRICAN AMERICAN	318	1,351	11%	3.9%	82
RACE: AMERICAN INDIAN OR ALASKA NATIVE	62	164	1.3%	3.7%	78
MEN	846	4,276	34.7%	3.5%	72
AGE 55-64	164	908	7.4%	2.2%	45

Figure 8: Demographics - Woman aged 18-24, Men, Ages: 18-24, 25-34, 35-44, and 45-54 Census Regions: West, Midwest, South, and North East, Race's: Asian, Black/African American, American Indian or Alaska Native, and White, Source: SimmonsMRI, 2025

Simmons Data Analysis

Demographics

According to the Simmons Data Analysis, women ages 18-24 are 27% more likely to shop at American Eagle Outfitters than the general population. Men, as a whole, are 37% less likely to shop at AEO than the general population. Asians, as an entity, are 23% more likely to be an AEO consumer than the rest of the population. Populations that live in the **Northeast** are 16% more likely to shop at AEO than the general population, while populations within the South are 5% less likely to purchase AEO items comparatively. Furthermore, individuals from Generation Z are 141% more likely to consume AEO products than the general population, while Baby Boomers are 55% less likely to purchase AEO products compared to the general population. AEO consumers who have a household income of \$350,000 - \$499,999 are 82% more likely to shop at American Eagle than the general population. Furthermore, unmarried individuals are 45% more likely to shop at AEO than the general population, and those with children are 35% more likely to shop at AEO. Additionally, individuals with a household containing five or more people are 52% more likely to shop at American Eagle than the general population. Individuals who identify as LGBTQ+ are 7% more likely to consume AEO products than the heterosexual population.

	Total					BRAND_CONSUMER_AMERICAN EAGLE OUTFITTERS				
	Sample	Weighted(000)	Vertical %	Horizontal %	Index	Sample	Weighted(000)	Vertical %	Horizontal %	Index
Total	50,112	255,635	100%	100%	100	2,476	12,321	100%	4.8%	100
MEN	23,457	123,723	48.4%	100%	100	846	4,276	34.7%	3.5%	72
WOMEN	26,655	131,912	51.6%	100%	100	1,630	8,045	65.3%	6.1%	127
AGE 18-24	5,978	29,086	11.4%	100%	100	620	3,374	27.4%	11.6%	241
AGE 25-34	10,717	45,416	17.8%	100%	100	731	2,987	24.2%	6.6%	136
AGE 35-44	9,341	42,587	16.7%	100%	100	487	2,340	19%	5.5%	114
AGE 45-54	7,416	40,074	15.7%	100%	100	375	2,111	17.1%	5.3%	109
AGE 55-64	7,580	42,180	16.5%	100%	100	164	908	7.4%	2.2%	45
CENSUS REGION: NORTH EAST {HH}	10,740	44,665	17.5%	100%	100	611	2,494	20.2%	5.6%	116
CENSUS REGION: SOUTH {HH}	18,959	98,281	38.4%	100%	100	903	4,481	36.4%	4.6%	95
CENSUS REGION: MIDWEST {HH}	10,153	53,047	20.8%	100%	100	473	2,470	20%	4.7%	97
CENSUS REGION: WEST {HH}	10,260	59,642	23.3%	100%	100	489	2,875	23.3%	4.8%	100
RACE: WHITE	35,408	190,382	74.5%	100%	100	1,680	8,936	72.5%	4.7%	97
RACE: BLACK/AFRICAN AMERICAN	7,239	34,211	13.4%	100%	100	318	1,351	11%	3.9%	82
RACE: AMERICAN INDIAN OR ALASKA NATIVE	1,079	4,374	1.7%	100%	100	62	164	1.3%	3.7%	78
RACE: ASIAN	2,847	10,669	4.2%	100%	100	169	630	5.1%	5.9%	123

Figure 9: Demographics - Gender, Age, Census Region, Race for American Eagle Outfitters
Source: SimmonsMRI, 2025

	Total					BRAND_CONSUMER_AMERICAN EAGLE OUTFITTERS				
	Sample	Weighted(000)	Vertical %	Horizontal %	Index	Sample	Weighted(000)	Vertical %	Horizontal %	Index
Total	50,112	255,635	100%	100%	100	2,476	12,321	100%	4.8%	100
HOUSEHOLD INCOME: \$500,000+ {HH}	687	4,437	1.7%	100%	100	*37	*292	*2.4%	*6.6%	*137
HOUSEHOLD INCOME: \$350,000-\$499,999 {HH}	741	4,091	1.6%	100%	100	*47	*358	*2.9%	*8.8%	*182
HOUSEHOLD INCOME: \$250,000-\$349,999 {HH}	1,487	8,628	3.4%	100%	100	78	448	3.6%	5.2%	108
HOUSEHOLD INCOME: \$200,000-\$249,999 {HH}	2,237	13,533	5.3%	100%	100	131	767	6.2%	5.7%	118
HOUSEHOLD INCOME: \$150,000-\$199,999 {HH}	4,169	28,551	11.2%	100%	100	240	1,493	12.1%	5.2%	108
HOUSEHOLD INCOME: \$125,000-\$149,999 {HH}	3,535	18,880	7.4%	100%	100	202	979	7.9%	5.2%	108
HOUSEHOLD INCOME: \$100,000-\$124,999 {HH}	5,462	27,120	10.6%	100%	100	273	1,379	11.2%	5.1%	105
HOUSEHOLD INCOME: \$75,000-\$99,999 {HH}	6,643	33,345	13%	100%	100	304	1,593	12.9%	4.8%	99
HOUSEHOLD INCOME: \$60,000-\$74,999 {HH}	5,062	23,925	9.4%	100%	100	240	1,132	9.2%	4.7%	98
HOUSEHOLD INCOME: \$50,000-\$59,999 {HH}	3,777	17,535	6.9%	100%	100	179	816	6.6%	4.7%	97
HOUSEHOLD INCOME: \$40,000-\$49,999 {HH}	3,622	17,314	6.8%	100%	100	161	667	5.4%	3.9%	80
HOUSEHOLD INCOME: \$30,000-\$39,999 {HH}	3,670	17,572	6.9%	100%	100	162	730	5.9%	4.2%	86
HOUSEHOLD INCOME: \$20,000-\$29,999 {HH}	3,153	16,460	6.4%	100%	100	144	646	5.2%	3.9%	81
MARITAL STATUS: NEVER MARRIED	16,733	77,501	30.3%	100%	100	1,130	5,413	43.9%	7%	145
MARITAL STATUS: NOW MARRIED	24,020	132,273	51.7%	100%	100	1,043	5,588	45.4%	4.2%	88
MARITAL STATUS: LEGALLY SEPARATED/WIDOW	9,359	45,861	17.9%	100%	100	303	1,320	10.7%	2.9%	60
MARITAL STATUS: NEVER MARRIED OR LEGAL	26,092	123,362	48.3%	100%	100	1,433	6,733	54.6%	5.5%	113
HOUSEHOLD SIZE: 1 {HH}	10,474	37,588	14.7%	100%	100	363	1,106	9%	2.9%	61
HOUSEHOLD SIZE: 2 {HH}	17,334	88,490	34.6%	100%	100	717	3,152	25.6%	3.6%	74
HOUSEHOLD SIZE: 3-4 {HH}	16,242	88,763	34.7%	100%	100	989	5,078	41.2%	5.7%	119
HOUSEHOLD SIZE: 5+ {HH}	6,062	40,794	16%	100%	100	407	2,986	24.2%	7.3%	152
DOG OWNER {HH}	18,935	107,609	42.1%	100%	100	1,009	5,650	45.9%	5.3%	109
CAT OWNER {HH}	11,748	64,969	25.4%	100%	100	612	3,319	26.9%	5.1%	106
GENERATIONS: MILLENNIALS (B. 1977-1996)	19,774	88,387	34.6%	100%	100	1,166	5,120	41.6%	5.8%	120
RESPONDENT'S SEXUAL ORIENTATION: HETER	42,666	221,137	86.5%	100%	100	2,028	10,278	83.4%	4.6%	96
RESPONDENT'S SEXUAL ORIENTATION: NET G	1,485	6,540	2.6%	100%	100	78	338	2.7%	5.2%	107
GENERATIONS: BOOMERS (B. 1946-1964)	12,500	69,479	27.2%	100%	100	184	920	7.5%	1.3%	27
GENERATIONS: GEN Z (B. 1997-2010) ONLY INC	7,350	34,317	13.4%	100%	100	727	3,829	31.1%	11.2%	231
CHILDREN: ANY {HH}	17,425	86,960	34%	100%	100	1,085	5,658	45.9%	6.5%	135

Figure 10: Demographics - Household Income, Marital Status, Household Size, Pet owner, Sexual Orientation, Generation, Children for American eagle Outfitters. Source: SimmonsMRI, 2025

Psychographics

According to Simmons Data, women ages 18-24 are 309% more likely to have shopped at AEO in the past 3 months and are 213% more likely to have personally purchased their products online in the last 6 months compared to the general population. Women 18-24 are 66% more likely to spend between \$2,000-\$2,999 on fashion expenses than the general population. Only 14% of women aged 18-24 say that they would spend additional money for a product that is consistent with their self-identity. AEO’s target demographic, Asian women 18-24, is 68% less likely to contribute to a religious organization than the rest of the general population. The family and friends of Asian women aged 18-24 are 12% less likely to trust them with apparel purchasing advice; however, family and friends of AEO shoppers are 84% more likely to trust the advice of an AEO shopper.

	Total					BRAND CATALYST_ AMERICAN EAGLE OUTFITTERS (AE.COM)					ASIAN WOMEN 18-24 NORTHEAST*				
	Sample	Weighted(000)	Vertical %	Horizontal %	Index	Sample	Weighted(000)	Vertical %	Horizontal %	Index	Sample	Weighted(000)	Vertical %	Horizontal %	Index
Total	50,112	255,635	100%	100%	100	1,112	5,458	100%	2.1%	100	55	193	100%	0.1%	100
AMERICAN EAGLE OUTFITTERS, SHOPPED/LAST 3 MOS	2,476	12,321	4.8%	100%	100	725	3,548	65%	28.8%	1349	*11	*38	*19.7%	*0.3%	*409
PERSONALLY ORDERED BY INTERNET/LAST 6 MOS: AMERICAN EAGLE OUTFITTERS (AE.COM)	1,051	5,078	2%	100%	100	1,051	5,078	93%	100%	4,684	*3	*12	*6.2%	*0.2%	*313
CLOTHING/SHOE EXPENDITURES/PAST 12 MOS: \$2000-\$2999	1,872	9,603	3.8%	100%	100	109	590	10.8%	6.1%	288	*3	*12	*6.2%	*0.1%	*166
CLOTHING/SHOE EXPENDITURES/PAST 12 MOS: \$1000-\$1999	7,897	40,772	15.9%	100%	100	342	1,801	33%	4.4%	207	*9	*50	*25.9%	*0.1%	*162
CLOTHING/SHOE EXPENDITURES/PAST 12 MOS: \$500-\$999	11,458	58,655	22.9%	100%	100	265	1,098	20.1%	1.9%	88	*16	*65	*33.7%	*0.1%	*147
I WOULD PAY EXTRA FOR A PRODUCT THAT IS CONSISTENT WITH THE IMAGE I WANT TO CONVEY. AGREE SOMEWHAT OR AGREE COMPLETELY	19,006	92,613	36.2%	100%	100	570	2,726	49.9%	2.9%	138	*22	*80	*41.5%	*0.1%	*114
CLOTHING/SHOE EXPENDITURES/PAST 12 MOS: \$1000-\$2999	9,946	50,539	19.8%	100%	100	106	479	8.8%	0.9%	44	*13	*26	*13.5%	*0.1%	*68
CLOTHING/SHOE EXPENDITURES/PAST 12 MOS: \$300-\$499	8,297	41,993	16.4%	100%	100	125	601	11%	1.4%	67	*9	*20	*10.4%	*0%	*63
CONTRIBUTED TO RELIGIOUS ORGANIZATION	10,562	58,440	22.9%	100%	100	187	1,145	21%	2%	92	*5	*14	*7.3%	*0%	*32
CLOTHING/SHOE EXPENDITURES/PAST 12 MOS: \$300+*	877	4,159	1.6%	100%	100	65	366	6.7%	8.8%	412	*0	*0	*0%	*0%	*0
CLOTHING/SHOE EXPENDITURES/PAST 12 MOS: UNDER \$100	2,997	15,831	6.2%	100%	100	*15	*138	*2.5%	*0.9%	*41	*0	*0	*0%	*0%	*0

Figure 11: Psychographics - Shopped at AEO in last 3-months, Ordered from AEO in last 6-months, Clothing/Shoe Expenditures in last 12-months, Would pay extra for product that aligns with self-image, Contribute to religious organization for Asian Women aged 18-24 from the Northeast Source: SimmonsMRI, 2025

	Total					BRAND CATALYST_ AMERICAN EAGLE OUTFITTERS (AE.COM)					ASIAN WOMEN 18-24 NORTHEAST*				
	Sample	Weighted(000)	Vertical %	Horizontal %	Index	Sample	Weighted(000)	Vertical %	Horizontal %	Index	Sample	Weighted(000)	Vertical %	Horizontal %	Index
Total	50,112	255,635	100%	100%	100	1,112	5,458	100%	2.1%	100	55	193	100%	0.1%	100
AMERICAN EAGLE OUTFITTERS, SHOPPED/LAST 3 MOS	2,476	12,321	4.8%	100%	100	725	3,548	65%	28.8%	1349	*11	*38	*19.7%	*0.3%	*409
PERSONALLY ORDERED BY INTERNET/LAST 6 MOS: AMERICAN EAGLE OUTFITTERS (AE.COM)	1,051	5,078	2%	100%	100	1,051	5,078	93%	100%	4,684	*3	*12	*6.2%	*0.2%	*313
CLOTHING/SHOE EXPENDITURES/PAST 12 MOS: \$2000-\$2999	1,872	9,603	3.8%	100%	100	109	590	10.8%	6.1%	288	*3	*12	*6.2%	*0.1%	*166
CLOTHING/SHOE EXPENDITURES/PAST 12 MOS: \$1000-\$1999	7,897	40,772	15.9%	100%	100	342	1,801	33%	4.4%	207	*9	*50	*25.9%	*0.1%	*162
CLOTHING/SHOE EXPENDITURES/PAST 12 MOS: \$500-\$999	11,458	58,655	22.9%	100%	100	265	1,098	20.1%	1.9%	88	*16	*65	*33.7%	*0.1%	*147
I WOULD PAY EXTRA FOR A PRODUCT THAT IS CONSISTENT WITH THE IMAGE I WANT TO CONVEY. AGREE SOMEWHAT OR AGREE COMPLETELY	19,006	92,613	36.2%	100%	100	570	2,726	49.9%	2.9%	138	*22	*80	*41.5%	*0.1%	*114
SHOPPING: MY FAMILY/FRIENDS TRUST MY ADVICE ON THIS TOPIC	4,790	24,037	9.4%	100%	100	201	996	18.2%	4.1%	194	*10	*16	*8.3%	*0.1%	*88
CLOTHING/SHOE EXPENDITURES/PAST 12 MOS: \$100-\$299	9,946	50,539	19.8%	100%	100	106	479	8.8%	0.9%	44	*13	*26	*13.5%	*0.1%	*68
CLOTHING/SHOE EXPENDITURES/PAST 12 MOS: \$300-\$499	8,297	41,993	16.4%	100%	100	125	601	11%	1.4%	67	*9	*20	*10.4%	*0%	*63
CONTRIBUTED TO RELIGIOUS ORGANIZATION	10,562	58,440	22.9%	100%	100	187	1,145	21%	2%	92	*5	*14	*7.3%	*0%	*32
CLOTHING/SHOE EXPENDITURES/PAST 12 MOS: \$300+*	877	4,159	1.6%	100%	100	65	366	6.7%	8.8%	412	*0	*0	*0%	*0%	*0
CLOTHING/SHOE EXPENDITURES/PAST 12 MOS: UNDER \$100	2,997	15,831	6.2%	100%	100	*15	*138	*2.5%	*0.9%	*41	*0	*0	*0%	*0%	*0

Figure 12: Psychographics - Frequent Online Fashion Shopper, Self-Identified Trendy Shopper, Buying Clothes Gives them a Thrill, Spends more Money than Intended, Youthful Appearance is Important, Will Spend Whatever it takes to Look Younger, It’s Important to look Attractive to Others, Family and friends trust advice on topic, for Women ages 18-24 from the Northeast Source: SimmonsMRI, 2025

Product and Brand Usage

Asian women aged 18-24 are 47% more likely to spend more money than they can realistically afford in order to get the clothes they want than the general population. With that said, only 11% of this demographic purchase exactly what they need and leave. They are also 1% less likely to agree that top designers make quality clothes and are 13% more likely to mix and match high and low-end designers when putting together an outfit. Furthermore, Asian women

aged 18-24 are 2% less likely to experiment with new clothing styles and 19% less likely to dress more to please themselves rather than to please others.

	BRAND_CONSUMER_AMERICAN EAGLE OUTFITTERS					W18-24ASIANNE¹				
	Sample	Weighted(000)	Vertical%	Horizontal%	Index	Sample	Weighted(000)	Vertical%	Horizontal%	Index
Total	2,476	12,321	100%	4.8%	100	*11	*38	*100%	*0%	*100
I AM WILLING TO SPEND MORE THAN I CAN REALLY AFFORD, TO GET THE CLOTHES THAT I WANT AGREE SOMEWHAT OR AGREE COMPLETELY	597	2,826	22.9%	6.9%	143	*3	*9	*23.7%	*0%	*147
I LOVE TO MIX AND MATCH HIGH AND LOW END DESIGNERS WHEN PUTTING TOGETHER AN OUTFIT. AGREE SOMEWHAT OR AGREE COMPLETELY	1,151	5,687	46.2%	7.4%	153	*4	*13	*34.2%	*0%	*113
WHEN SHOPPING FOR CLOTHES, I JUST GET WHAT I NEED AND LEAVE AGREE SOMEWHAT OR AGREE COMPLETELY	1,543	7,629	61.9%	4.2%	87	*6	*30	*78.9%	*0%	*111
TOP DESIGNERS MAKE QUALITY CLOTHES AGREE SOMEWHAT OR AGREE COMPLETELY	994	4,740	38.5%	5.4%	111	*4	*13	*34.2%	*0%	*99
I LIKE TO EXPERIMENT WITH NEW CLOTHING STYLES AGREE SOMEWHAT OR AGREE COMPLETELY	1,151	5,704	46.3%	7.6%	157	*6	*11	*28.9%	*0%	*98
I DRESS MORE TO PLEASE MYSELF THAN TO PLEASE OTHERS AGREE SOMEWHAT OR AGREE COMPLETELY	2,088	10,389	84.3%	4.6%	96	*9	*27	*71.1%	*0%	*81

Figure 13: Product and Brand Usage - Spending Habits, Mix and Match, Responsible Shopper, Quality Preference, Clothing Experimentation, Pleasure Reasoning for Asian Women aged 18-24 from the Northeast Source: SimmonsMRI, 2025

Technographics

Asian women aged 18-24 are 122% more likely for their family and friends to trust their advice on home electronics than the general population. They are also 47% more likely to shop for online products and 40% more likely to like getting product suggestions based on what they have purchased in the past. Asian women aged 18-24 are 25% more likely to own internet devices for TV and 8% more likely to have looked at or used the internet in the last thirty days at home. As for engagement, this demographic is 51% less likely to post a comment or review on a blog, online forum, message, or bulletin within the past thirty days.

	BRAND_CONSUMER_AMERICAN EAGLE OUTFITTERS					W18-24ASIANNE¹				
	Sample	Weighted(000)	Vertical%	Horizontal%	Index	Sample	Weighted(000)	Vertical%	Horizontal%	Index
Total	2,476	12,321	100%	4.8%	100	*11	*38	*100%	*0%	*100
HOME ELECTRONICS: MY FAMILY/FRIENDS TRUST MY ADVICE ON THIS TOPIC	361	1,592	12.9%	5.8%	121	*1	*9	*23.7%	*0%	*222
I OFTEN SHOP FOR FASHION PRODUCTS ONLINE AGREE SOMEWHAT OR AGREE COMPLETELY	1,571	7,573	61.5%	6.4%	132	*8	*26	*68.4%	*0%	*147
I LIKE GETTING PRODUCT SUGGESTIONS BASED ON WHAT I HAVE LOOKED AT OR PURCHASED IN THE PAST AGREE SOMEWHAT OR AGREE COMPLETELY	1,376	6,588	53.5%	5.3%	109	*6	*26	*68.4%	*0%	*140
HW OWNS ANY INTERNET VIDEO DEVICES FOR TV	1,382	7,039	57.1%	5%	104	*7	*26	*68.4%	*0%	*125
LOOKED AT/USED INTERNET /LAST 30 DAYS: AT HOME	2,265	11,241	91.2%	4.7%	99	*11	*38	*100%	*0%	*108
POSTED A COMMENT OR REVIEW ON A BLOG, ONLINE FORUM, MESSAGE OR BULLETIN/PAST 30 DAYS¹	267	1,279	10.4%	4.7%	97	*1	*2	*5.3%	*0%	*49

Figure 14: Technographics - Electronic Knowledge, Online Shopper, Product Suggestions, Has TV Access, Uses Internet, Commenter for Asian Women aged 18-24 from the Northeast Source: SimmonsMRI, 2025

Advertising and Media Usage

Asian women aged 18-24 are 94% more likely to believe that, in general, advertising paints a true picture of the product advertised and 55% more likely to believe that advertising on social media provides useful information about bargains than the general population; however, 25% of this demographic is more likely not to make a purchase based on advertising. Looking at advertising channels, Asian women aged 18-24 are 85% less likely to believe that advertising in both newspapers and on TV provides useful information about bargains; furthermore, this demographic is 100% less likely to agree that radio provides useful information about bargains.

	BRAND_CONSUMER_AMERICAN EAGLE OUTFITTERS					W18-24ASIANNE¹				
	Sample	Weighted(000)	Vertical%	Horizontal%	Index	Sample	Weighted(000)	Vertical%	Horizontal%	Index
Total	2,476	12,321	100%	4.8%	100	*11	*38	*100%	*0%	*100
I DON'T MAKE PURCHASE DECISIONS BASED ON ADVERTISING... ANY AGREE	1,569	7,941	64.5%	4.8%	99	*9	*31	*81.6%	*0%	*125
ADVERTISING ON SOCIAL MEDIA PROVIDES ME WITH USEFUL INFORMATION ABOUT BARGAINS... ANY AGREE	1,141	5,393	43.8%	6.5%	135	*4	*19	*50%	*0%	*155
IN GENERAL, ADVERTISING PAINTS A TRUE PICTURE OF THE PRODUCTS ADVERTISED... ANY AGREE	819	4,001	32.5%	6.4%	133	*5	*18	*47.4%	*0%	*194
ADVERTISING IN NEWSPAPERS PROVIDES ME WITH USEFUL INFORMATION ABOUT BARGAINS... ANY AGREE	775	3,788	30.7%	4.3%	88	*1	*2	*5.3%	*0%	*15
ADVERTISING ON TV PROVIDES ME WITH USEFUL INFORMATION ABOUT BARGAINS... ANY AGREE	880	4,600	37.3%	5.2%	108	*1	*2	*5.3%	*0%	*15
ADVERTISING ON RADIO PROVIDES ME WITH USEFUL INFORMATION ABOUT BARGAINS... ANY AGREE	662	3,441	27.9%	5.1%	106	*0	*0	*0%	*0%	*0

Figure 15: Advertising and Media Usage - Adv Purchase Decision, Adv Social Media, Adv Sentiment, Adv Newspapers, Adv TV, Adv Radio for Asian Women aged 18-24 from the Northeast
Source: SimmonsMRI, 2025

Competitor Analysis

Identification of the primary competitor

The retail industry is known for its competitive nature, with their key competitor being H&M, (Comparably 2025). H&M which is a successful “global fashion and design company” run by the advertising agency, IPG Mediabrands, has over 4,000 stores across over 130 markets (H&M, 2025). According to the Simmons Insight report, we determined AEO’s target audience is Asian women ages 18-24 from the Northeast. Based upon these results, we filtered these demographic indicators back into a Simmons chart to determine which competing brands had the highest index with this target audience. Upon doing so, we determined that AEO's primary competitor was H&M since Asian Women ages 18-24 who are located in the Northeast are 609% more likely to shop at H&M and 309% more likely to shop at AEO when compared to the total population. This data illustrates how AEO’s core target audience has a stronger appeal for H&M, making them the primary competitor in the product category.

	Total					AW18-24NE ¹				
	Sample	Weighted(000)	Vertical %	Horizontal %	Index	Sample	Weighted(000)	Vertical %	Horizontal %	Index
Total	50,112	255,635	100%	100%	⇒ 100	55	193	100%	0.1%	⇒ 100
BRAND_CONSUMER_ AMERICAN EAGLE OUTF	2,476	12,321	4.8%	100%	⇒ 100	*11	*38	*19.7%	*0.3%	↑ *409
BRAND_CONSUMER_ H&M	3,500	14,947	5.8%	100%	⇒ 100	*19	*80	*41.5%	*0.5%	↑ *709
BRAND_CONSUMER: THE GAP ¹	2,067	9,075	3.5%	100%	⇒ 100	*8	*39	*20.2%	*0.4%	↑ *569
BRAND_CONSUMER_ ABERCROMBIE & FITCH	1,622	7,458	2.9%	100%	⇒ 100	*8	*11	*5.7%	*0.1%	↑ *195

Figure 16: Demographics. Source: SimmonsMRI, 2025.

Brief History of the Company’s Main Competitor

H&M started in 1947 with a single store opened by entrepreneur Erling Persson in Västerås, Sweden. The store was called Hennes (Hers in Swedish) and sold only women’s clothing. In 1968, the company changed its name to Hennes & Mauritz and began selling men’s and children’s clothing. The company expanded throughout Europe. They rebranded to H&M in 1974. In 2000, the first US store opened on Fifth Avenue in New York. H&M has a customer-focused, sustainable approach to business. They have expanded beyond clothing to furniture and beauty, as well as an investment group.



Figure 17: H&M logos over time. Source: Turbo Logo, 2025.

Target Audience

H&M’s target audience is White women aged 18-24 in the South. This target audience is shown within the vertical percentages for H&M. This data shows that 61.9% of H&M are women, 27.4% are 18-24, 36.4% are from the South, and 72.5% are white.

	Total					BRAND_CONSUMER_AMERICAN EAGLE OUTFITTERS					BRAND_CONSUMER_H&M				
	Sample	Weighted(000)	Vertical %	Horizontal %	Index	Sample	Weighted(000)	Vertical %	Horizontal %	Index	Sample	Weighted(000)	Vertical %	Horizontal %	Index
Total	50,112	255,635	100%	100%	100	2,476	12,321	100%	4.8%	100	3,500	14,947	100%	5.8%	100
WOMEN	26,655	131,912	51.6%	100%	100	1,630	8,045	65.3%	6.1%	127	2,172	9,254	61.9%	7%	120
MEN	23,457	123,723	48.4%	100%	100	846	4,276	34.7%	3.5%	72	1,328	5,693	38.1%	4.6%	79
AGE 18-24¹	5,978	29,086	11.4%	100%	100	620	3,374	27.4%	11.6%	241	729	3,510	23.5%	12.1%	206
AGE 25-34	10,717	45,416	17.8%	100%	100	731	2,987	24.2%	6.6%	136	1,085	3,971	26.6%	8.7%	150
AGE 35-44	9,341	42,587	16.7%	100%	100	487	2,340	19%	5.5%	114	772	3,116	20.8%	7.3%	125
AGE 45-54	7,416	40,074	15.7%	100%	100	375	2,111	17.1%	5.3%	109	461	2,139	14.3%	5.3%	91
AGE 55-64	7,580	42,180	16.5%	100%	100	164	908	7.4%	2.2%	45	275	1,330	8.9%	3.2%	54
AW18-24NE¹	55	193	0.1%	100%	100	*11	*38	*0.3%	*19.7%	*409	*19	*80	*0.5%	*41.5%	*709
CENSUS REGION: NORTH EAST (HH)	10,740	44,665	17.5%	100%	100	611	2,494	20.2%	5.6%	116	957	3,310	22.1%	7.4%	127
CENSUS REGION: SOUTH (HH)	18,959	98,281	38.4%	100%	100	903	4,481	36.4%	4.6%	95	1,143	5,011	33.5%	5.1%	87
RACE: WHITE	35,408	190,382	74.5%	100%	100	1,680	8,936	72.5%	4.7%	97	1,884	8,958	59.9%	4.7%	80
CENSUS REGION: MIDWEST (HH)	10,153	53,047	20.8%	100%	100	473	2,470	20%	4.7%	97	538	2,393	16%	4.5%	77
RACE: BLACK/AFRICAN AMERICAN	7,239	34,211	13.4%	100%	100	318	1,351	11%	3.9%	82	687	2,494	16.7%	7.3%	125
CENSUS REGION: WEST (HH)	10,260	59,642	23.3%	100%	100	489	2,875	23.3%	4.8%	100	862	4,234	28.3%	7.1%	121
RACE: AMERICAN INDIAN OR ALASKA NATIVE	1,079	4,374	1.7%	100%	100	62	164	1.3%	3.7%	78	104	355	2.4%	8.1%	139
RACE: ASIAN	2,847	10,669	4.2%	100%	100	169	630	5.1%	5.9%	123	392	1,273	8.5%	11.9%	204
((BASES_MEN) AND AGE (18 YEARS OR 19 Y	217	1,169	0.5%	100%	100	217	1,169	9.5%	100%	2,075	52	247	1.7%	21.1%	361

Figure 18: Comparison of AEO with competition: H&M. Source: SimmonsMRI, 2025.

Product and Price

While AEO and H&M have very similar product and price offerings, there are some areas where they differ. For instance, H&M and AEO both offer denim jeans; however, H&M targets consumers who are looking for trendy, budget-friendly options with prices ranging from \$30 to \$60, whereas American Eagle targets young adults looking for a relaxed and comfortable fit, with prices ranging from \$30 to \$70.



Online Exclusive



Figure 19: top result when searching for “Low-Rise Baggy Denim Jeans”
Source: Left - AEO; Right - H&M

Another popular product offered by H&M and AEO is their hoodies. American Eagle hoodies are relatively similar in price to their jeans, with prices ranging from \$30 to \$70, highlighting their durability and high quality. Whereas H&M’s hoodies, which range from \$20 to \$50, are more budget-friendly and are more casual.

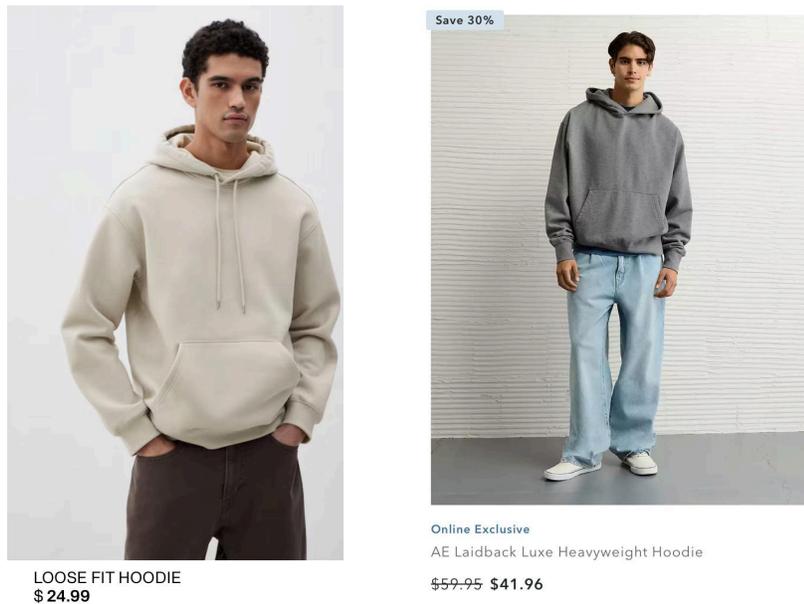


Figure 20: top result when searching for “Hoodies”
Source: left - H&M; right - AEO

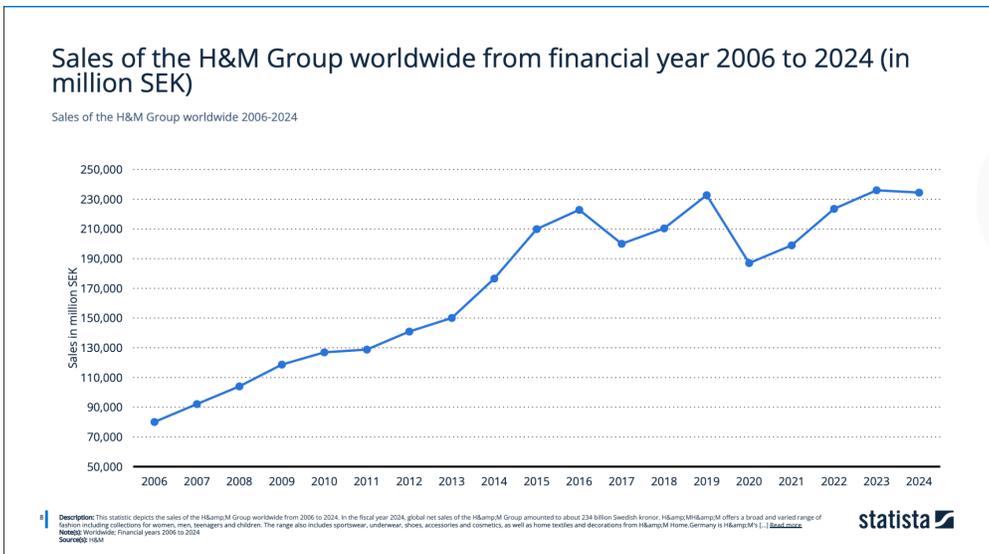


Figure 21: H&M Global Sales (Statista)

Place

As of July 2025, H&M has roughly 489 stores across the United States, with California, Texas, and New York having the most stores. California, which has significantly more stores than the other states, has 74 stores, Texas has 39, and New York has 35. With a revenue of \$22.50 billion, H&M has become one of the dominant figures in the retail industry. Aside from in-person stores, H&M has its website, https://www2.hm.com/en_us/index.html, which allows consumers nationwide to purchase items.

Number of stores of the H&M Group worldwide from 2006 to 2024

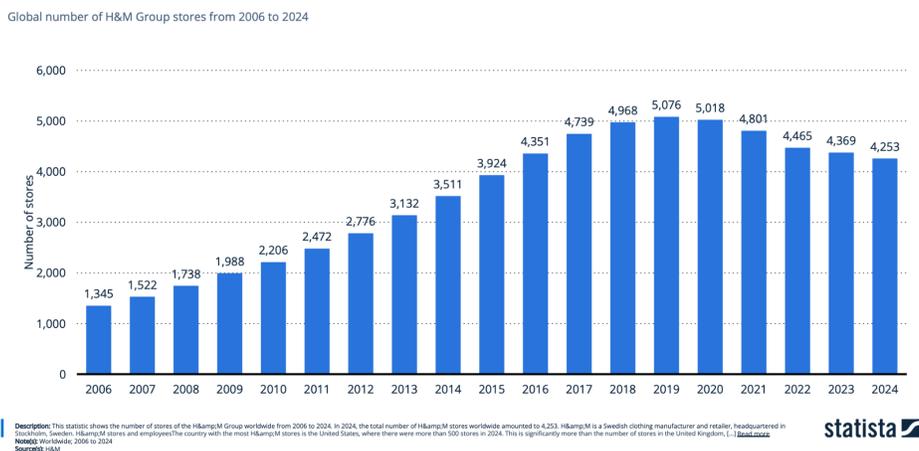


Figure 22: H&M global stores (Statista)

Promotion

Paid Media

As of 2025, H&M's Ad Agency is IPG Media Brands (*Campaign Asia*). Their estimated ad expenditure in 2024 was \$11 million USD (*H&M Group*). H&M has a variety of paid campaigns and product "edits" throughout the year. With each campaign typically comes partnerships with public figures. H&M also produces and runs video ads/commercials throughout the year and across platforms. For example, in Fall 2024, H&M ran a back-to-school ad featuring their kids' clothing. Through paid collaborations and digital advertising, H&M reaches audiences across social media and television.



Figure 23: H&M Back To School Ad. Source: H&M, 2025.

Earned Media

H&M's earned media typically comes through social media posts. On social media platforms such as TikTok and Instagram, users commonly post hauls and outfit videos, linking and mentioning the brands they shop from. These unpaid posts often lead to additional revenue for H&M, especially when posted by popular creators. When videos like the one pictured below gain traction on a platform like TikTok, viewers are often led to browse the website or request links to certain items. The rise of platforms like TikTok has significantly increased the opportunity for earned media for companies like H&M.

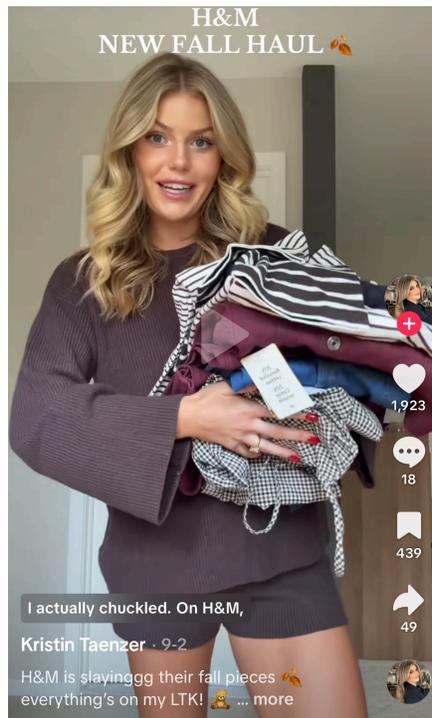


Figure 24: H&M Haul via TikTok

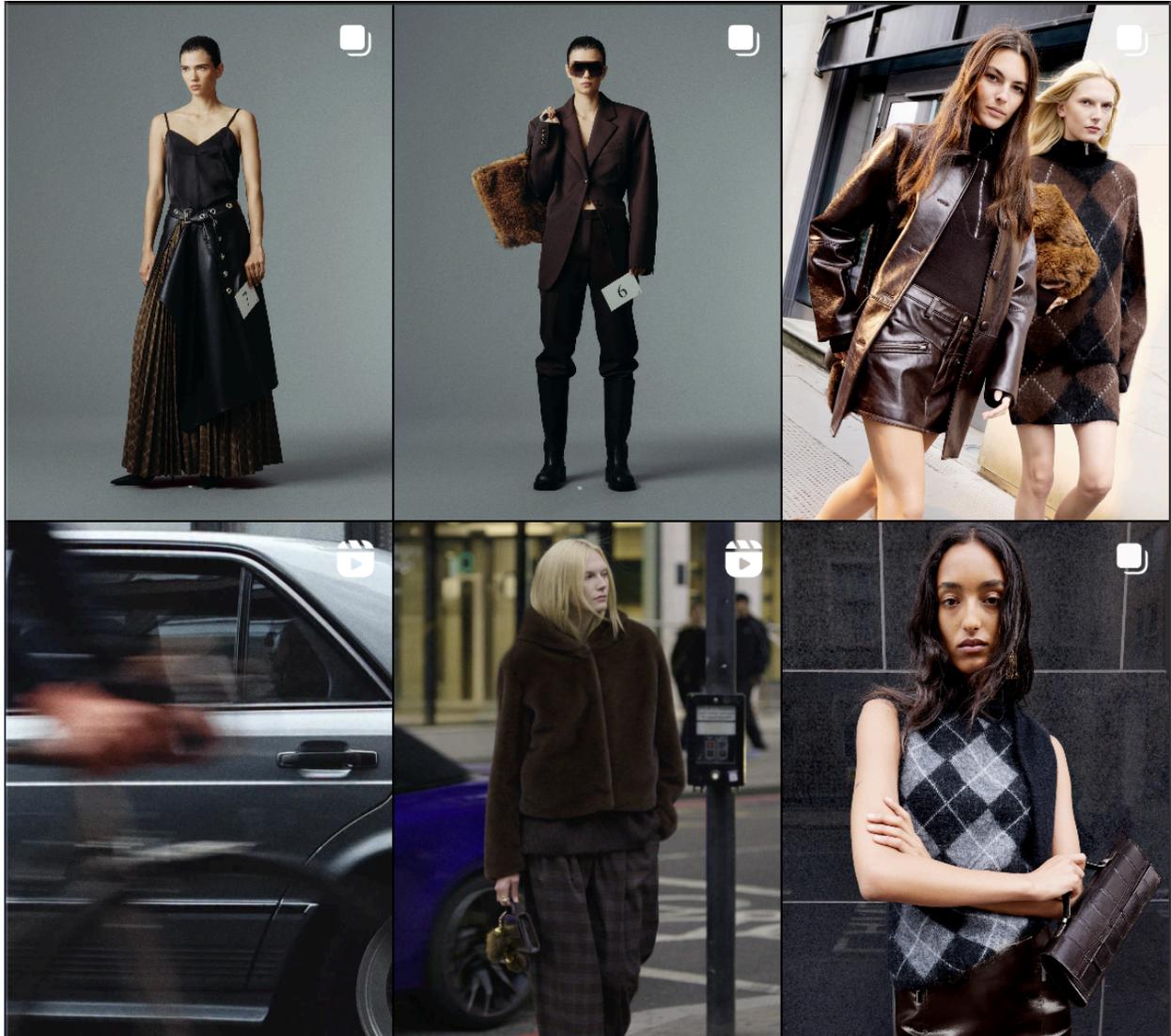


Figure 25: H&M Instagram feed, featuring the new Fall collection and campaign. Source: Instagram, 2025

Owned Media:

H&M has a presence on multiple social media platforms, allowing their owned media to reach a wide range of consumers. Their Instagram has over 38 million followers, with content shifting as new campaigns are launched. Currently, the account heavily advertises the H&M Atelier A/W 25 campaign, which is a collection consisting of elevated Fall pieces, including fur, argyle, and leather. H&M's social media presence aims to showcase the brand's stylish pieces at affordable prices. Creative styling and editing have allowed H&M to pivot from cheap/fast fashion to understated luxury and elevated basics. The brand's global presence is seen through its social media as well. Brazilian model Caroline Trentini is seen on the same feed as American model Alex Consani. H&M's owned media establishes the company's vision and reaches a wide audience through diverse campaigns and partnerships.



Figure 26: H&M featuring Caroline Trentini. Source: Instagram, 2025.



Figure 27: H&M featuring Alex Consani. Source: Instagram, 2025.

Summary

H&M's media presence features a diverse array of campaigns and ad partnerships, allowing the company to reach a wider consumer audience than AEO. Their global presence and history as a primarily European company provide significant opportunities within the global fashion market. H&M campaigns cater to trends and styles around the world. H&M also has the advantage of price over AEO. H&M also has the advantage of lower prices over AEO. AEO will win over shoppers looking for staple pieces that can be repurchased again and again. H&M, while trendy and price-effective, has constantly changing merchandise, which makes it difficult to establish a consistent brand image. AEO's presence is primarily in the US, which narrows the consumer base and allows the brand to better cater to its consumers' wants and needs.

SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> - Connection to the core target audience <ul style="list-style-type: none"> - Asian women aged 18-24 residing in the northeast have a 409 index score - High customer rate within Gen Z. - Clear Product Positioning <ul style="list-style-type: none"> - AEO is known for its relaxed denim and sweatshirts. - As well as affordable pricing (\$30-\$150). - Omnichannel presence <ul style="list-style-type: none"> - Variety amongst online sales as well as brick & mortar. - Brand reputation <ul style="list-style-type: none"> - AEO shoppers are 84% more likely to be trusted by friends/family for apparel advice 	<ul style="list-style-type: none"> - Pricing <ul style="list-style-type: none"> - While AEO offers a more budget friendly product, consumers may view the brand as cheap, and worse in quality compared to a brand like H&M that has higher price offerings. - Lack of regional traction. - Low penetration in urban markets that express interest in fast fashion. - Gender Gap <ul style="list-style-type: none"> - Men are extremely under-indexed; AEO customers skew towards women 18-24.
Opportunities	Threats

<ul style="list-style-type: none"> - Lean into Gen Z digital habits <ul style="list-style-type: none"> - TikTok shop, Content Creators, and Campus Ambassadors. - Growth within different markets <ul style="list-style-type: none"> - Target men, under-indexed regions (the South), and under-indexed races (African Americans and American Indians) - Assortment & Value plays <ul style="list-style-type: none"> - Perfect comfort-first basics, as well as testing fashion and trend-driven pieces to capture the younger, impulsive shoppers. - Sustainable Practices <ul style="list-style-type: none"> - Lean into sustainability or sources, in a world of Fast-Fashion, it would be an advantage to advertise sustainable practices. 	<ul style="list-style-type: none"> - Trendiness <ul style="list-style-type: none"> - Competitors like H&M are more fashion-forward while maintaining affordable prices. - Competitive target audience <ul style="list-style-type: none"> - H&M shows a 609% likelihood among the same core audience compared to AEO's 309%. - Fast-fashion competitors <ul style="list-style-type: none"> - H&M's larger U.S. footprint (roughly 489 stores) can attract AEO's target audience. - Short trend cycles <ul style="list-style-type: none"> - Quick micro trends risk inventory.
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A. Statement of the Most Important Problem and Opportunity (Nat)

a. Problem

American Eagle is struggling with a weak and inconsistent brand identity that leaves it vulnerable to incoming fast fashion competitors like H&M. Its pricing feels misaligned with product quality, which has led to declining loyalty among Gen Z, and a risk of losing its core target audience to trendier, more affordable alternatives.

b. Opportunity

American Eagle can strengthen its position by sharpening its brand identity (e.g. leaning into a vintage Americana denim aesthetic) and meeting Gen Z consumers where they shop, through digital-focused strategies like TikTok shop, influencer collaborations, and authentic, diverse campaigns.

Team Activity Log

	A	B	C	D	E	F
1	Name	Task	Details	Status	Date Tasked	Date Due
2	TBD	Part I: Introduction	Semi-done: double check work	Upcoming ▾	8/28	9/15
3	Group Work	Part I: External Analysis	Semi-done: double check work	Comple... ▾	8/28	9/15
4	Group Work	Part I: Internal Analysis	Semi-done: double check work	Comple... ▾	8/28	9/15
5	Zayd/ Maddy	Part I: Consumer Analysis (DO FIRST)	Must do this prior to SWOT	Comple... ▾	9/11	9/15
6	Ella/ Quinn	Part I: Competitor Analysis (DO FIRST)	Must do this prior to SWOT	Comple... ▾	9/11	9/15
7	Karsten/ Dean	Part I: SWOT Analysis		Comple... ▾	9/11	9/15
8	nat	Part I: Statement of the Most Important Problem and Opportunity	SWOT must be done first *The most important part (major singular problem	Comple... ▾	9/11	9/15
9	Everyone	Part I: Appendix and References	Should include anything you didn't include in main text	Comple... ▾	9/11	9/15
10	All Individuals	Peer Evaluation		Comple... ▾	9/11	9/15
11	Nat	Interview	Need 1 more AEO Interview	Comple... ▾	9/11	9/15
12	Completed					
13	Ella	Introduction	You want to write a ¼ page introduction to the report. You should provide a	Comple... ▾	8/28	9/2
14	Karsten	Brief History / Trends in Category	Brief history and trends	Comple... ▾	8/28	9/2
15	Dean	Internal Analysis	Client history/Sales analysis	Comple... ▾	8/28	9/2
16	Zayd	Sales Trends	Factors Explaining/ Impacting Sales Trends	Comple... ▾	8/28	9/2
17	Maddy	Growth potential/forecasts	Explore research databases to report expected future trends in the size	Comple... ▾	8/28	9/2
18	Nat	Internal Analysis	4 P's	Comple... ▾	8/28	9/2
19	Ella	Summary	Internal history	Comple... ▾	8/28	9/2
20	Quinn	history of the client	Evolution of the company and its brand equity. Include company info. Include	Comple... ▾	8/28	9/2

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- Used ChatGPT to define AEO
- Used ChatGPT to fix any awkward wording
- Used ChatGPT to help brainstorm ideas for how AEO should address the ever-changing fashion industry

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