

INDUSTRY REPORT

Apparel



01

Global Trends

Global Apparel Market Trends

- **Fast fashion:** The global fast fashion market reached USD 35 billion in 2018 and is expected to hit USD 44 billion in 2028.
- **Online transaction:** As more and more consumers opt to shop online, the growth of online shopping is expected to reach up to 27% in 2023 from 17% in 2017.
- **Plus size:** A change in the generic stereotype of body persona reflects the increased demand of plus size fashion. Particularly, the US plus-size women's clothing market is expected to grow by 104% to USD 46.6 billion in 2021 from USD 22.8 billion in 2018.
- **Ethical and Sustainable:** In recent years, more and more consumers have started paying attention to sustainability in the apparel industry. Sustainable clothes are those whose production, materials, and accessories are all eco-friendly and compliant with ethical rules.

Alibaba.com's apparel positioning and business opportunities



*MoM: Month on month *YoY: Year on year

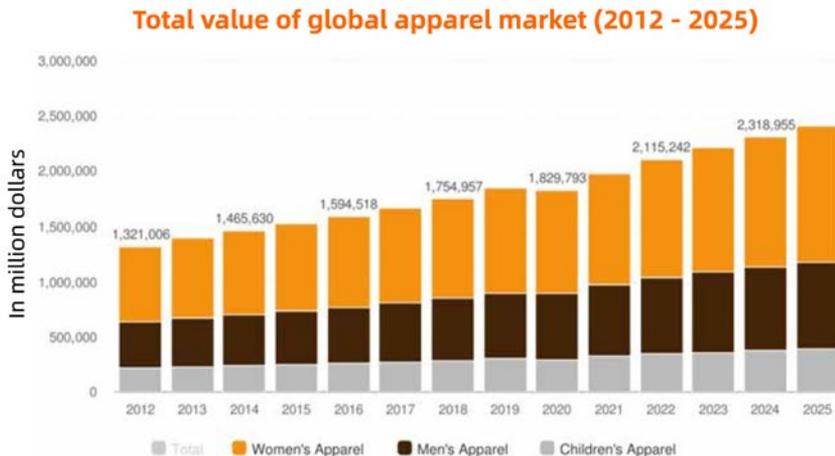
Market trend

As main buyer countries gradually lift quarantine restrictions and online expos are being held, the platform is expected to see huge growth of apparel buyers and business opportunities in March, 2021.

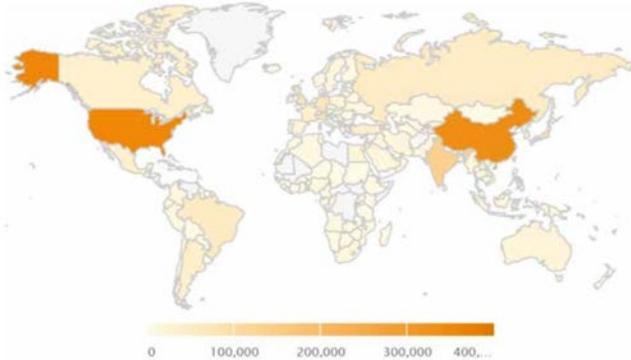


Post - Pandemic Market Predictions

The apparel market is expected to recover lost ground by the next year. Statista estimated in May 2020 that the global apparel market this year will slightly drop to USD 1.8297 trillion by 1.1% from last year. Currently, the US has the highest market share of 19.1%, followed by China, India, the UK, and Japan.

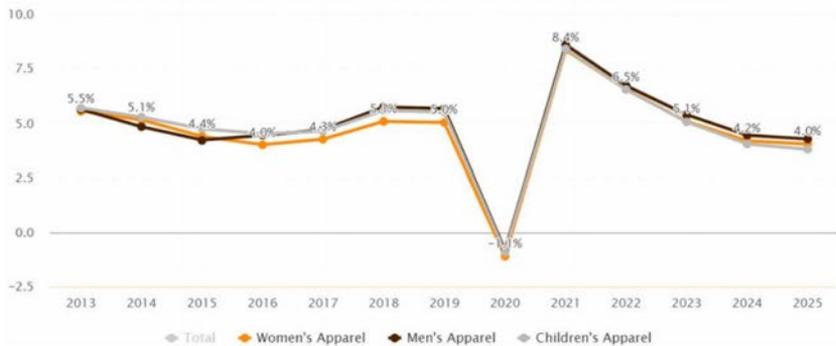


Apparel market global shares (2020)



Top 5	In million dollars
1. 🇺🇸 The US	US\$349,555m
2. 🇨🇳 China	US\$326,736m
3. 🇮🇳 India	US\$133,474m
4. 🇬🇧 The UK	US\$77,615m
5. 🇯🇵 Japan	US\$75,396m

Global apparel market share trends (2013 - 2025)



Market trend forecast:

The COVID-19 pandemic has pushed the brand owners and retailers to make more efforts in transforming their business models. Optimizing the B2C supply chain, cutting down on inventory, and relevant expenditure will be important.

Big customers may also **explore a new model that pursues high order frequency instead of large order size**. They will determine the optimal inventory level based on sales data and make a purchase or replenish inventory in the current season. So the suppliers should be able to process **small orders and deliver orders fast**.

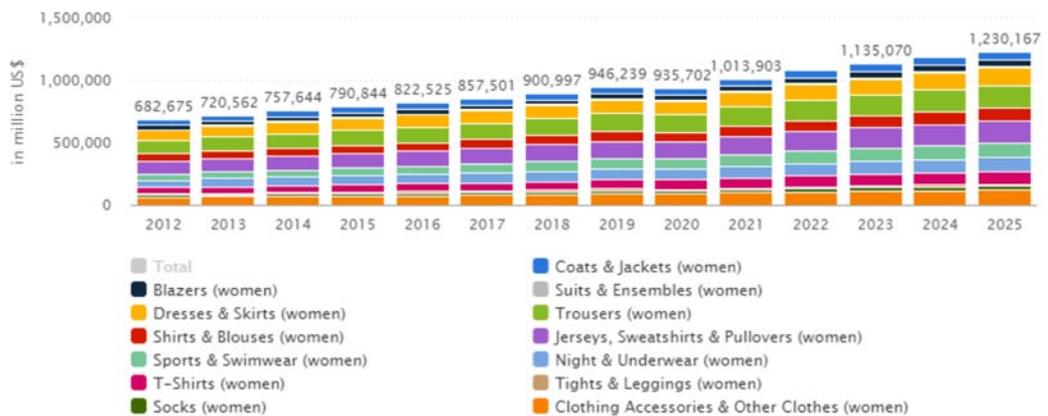
Since COVID-19 is still prevalent in many countries, the 2020 fall/winter fashion trends will focus on simple classic items with appropriate popular elements.

Global Women's Clothing Market Trend

The global women's clothing market seems to reach USD 935.7 billion in 2020, up 1.1% from last year. The US will own the largest market share of USD 182 billion.

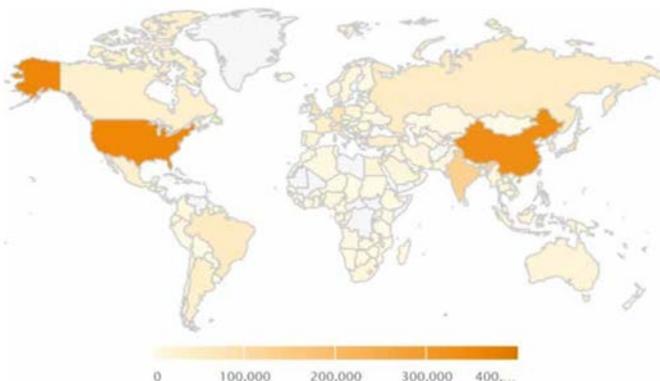
The compound annual growth rate (CAGR) between 2020 and 2025 is expected to be 5.6% higher than the average growth rate of 4.2% over the past nine years.

Global women's clothing market size



Dresses/Skirts and Women's bottom wear are among the largest categories.

While T-shirts, Dresses, Underwear/Sleepwear, and Tights/Leggings are among the fastest growing ones.

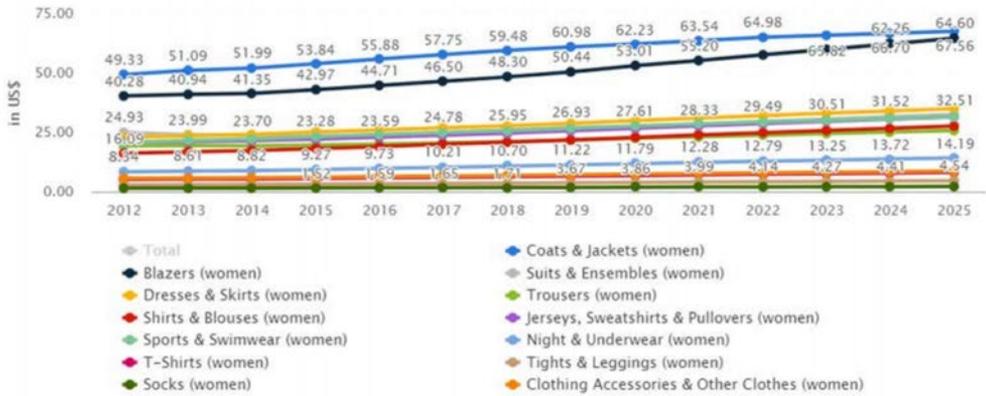


Top 5	
1. United States	US\$182,502m
2. China	US\$175,120m
3. India	US\$60,614m
4. United Kingdom	US\$42,866m
5. Japan	US\$41,757m

Source: Statista, 2020

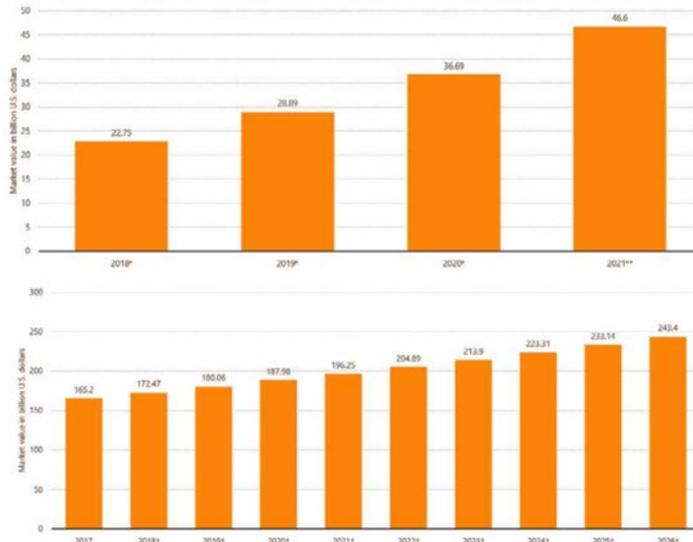
Global Trends in Women's Fashion

Average retail price worldwide (2012 -2025)



- Women's outerwear has the highest average retail price (USD 50-60 in 2020), followed by suits. These categories will see stable growth in prices. Dresses, blouses, chiffon shirts, and trousers are mid-priced products with an average retail price of USD 25-30 (in 2020). Their prices seem to slightly increase in the coming years.
- Knowing the pricing trends of the retail market can help us estimate the acceptable price range for merchandisers.

High opportunity for plus-size category



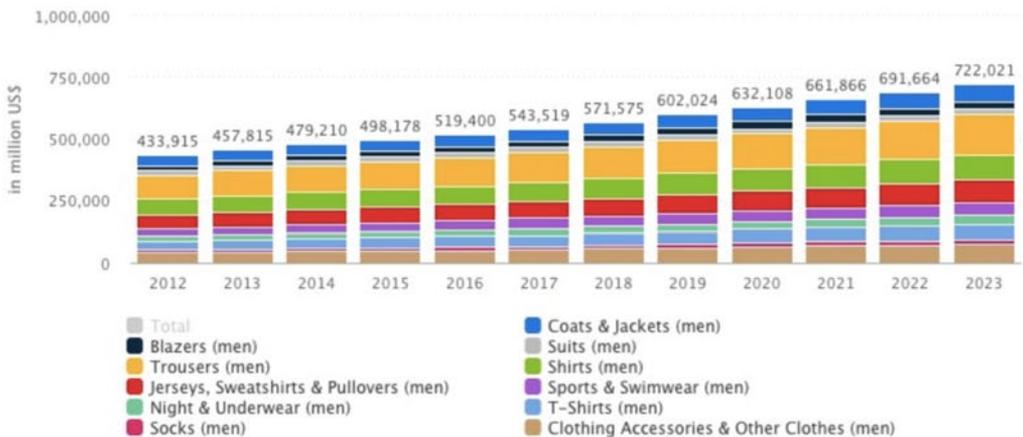
- The demand for women’s plus-size clothing in the international market is growing at an average annual rate of 4%, with the highest demand in **the US**. According to a 2016 statistical report, the plus-size category accounts for roughly 17% of the American women’s clothing market.
- Among the plus-size women’s clothing, **jeans** and **dresses** are the most requested items.
- Higher requirements are set for the successful execution of **styles**, **patterns**, and **designs** in this category. Therefore, the product curation should be based on the occasion of the wear and consumers’ everyday habits, rather than offering big sizes without thoughtful consideration.

I Global Trends in Men’s Clothing

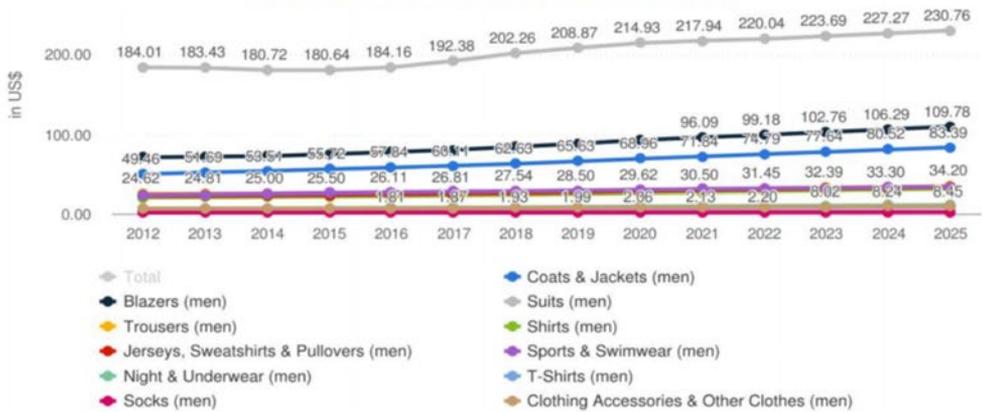
Revenue in the men’s clothing segment amounts to USD 632.108 billion in 2020. We expect revenue growth of 4.7% in 2021 in the men’s clothing category.

Revenue 2020

Coats & Jackets (men)	US\$59,838.1m
Blazers (men)	US\$28,672.1m
Suits (men)	US\$19,977.2m
Trousers (men)	US\$142,809.1m
Shirts (men)	US\$90,148.3m
Jerseys, Sweatshirts & Pullovers (men)	US\$78,653.2m
Sports & Swimwear (men)	US\$46,066.9m
Night & Underwear (men)	US\$30,500.7m
T-Shirts (men)	US\$53,793.0m
Socks (men)	US\$15,704.4m
Clothing Accessories & Other Clothes (men)	US\$65,944.7m



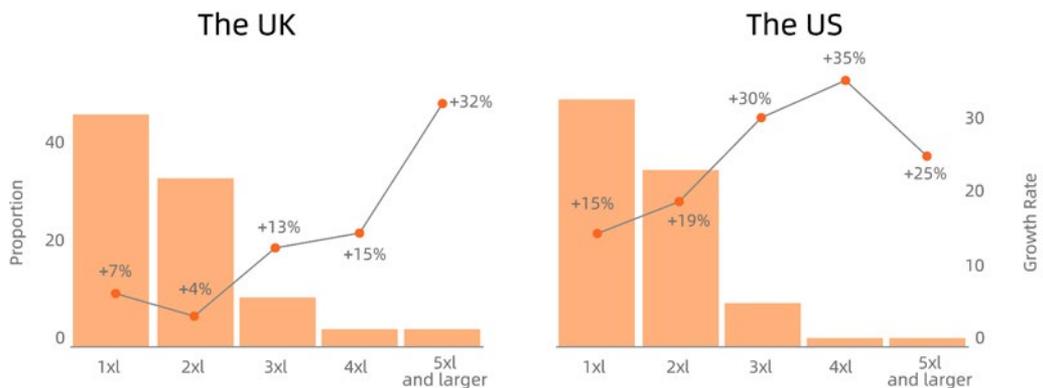
High opportunity for plus-size category



- Full **suits** and **blazers** are the most expensive men's clothing items with the **highest average retail price**, followed by jackets. And there seems to be a steady price increase in the future.
- **Pants, sportswear, shirts, hoodies, and sweatshirts** are **moderately priced items** with an average retail price close to USD 30 (in 2020). Their prices are expected to increase slightly in the upcoming years.
- Knowing the pricing trends of the retail market can help us estimate the acceptable price range for merchandisers.

Changes in plus-size market on major apparel retail sites (2018 vs 2019)

Men's tall size clothing: proportion and YOY growth rate



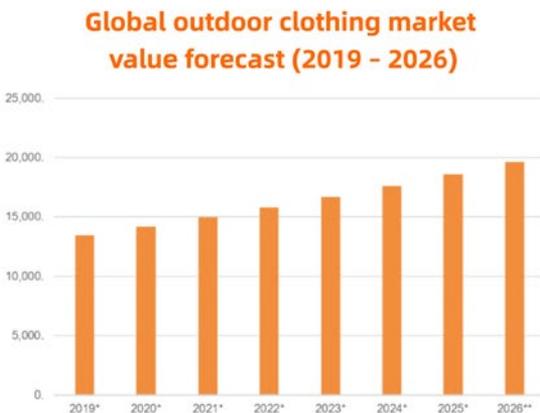
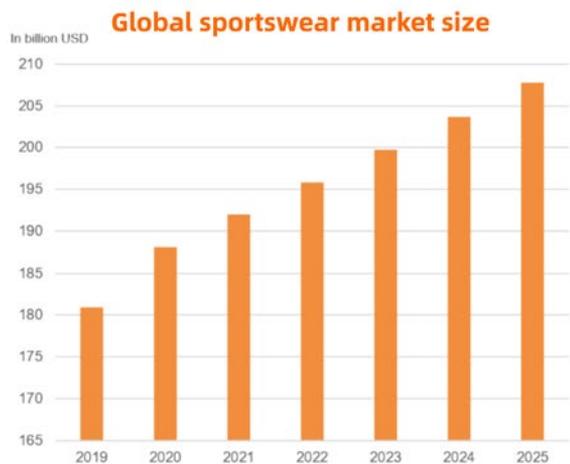
WGSN Instock: March to August 2018 and March to August 2019

- The evolution of **plus-size women's clothing** has affected **the men's clothing market**. Major retailers introduced more products instead of featuring larger sizes, particularly in **the UK and the US** where the percentage of products with size offerings of **3XL and above** has **increased** significantly.
- Plus-size styles have the potential to grow into a **distinct category** echoing contemporary trends. We recommend using **special measurements and patterns** for plus-size styles and avoid offering extended sizes without thoughtful consideration.

Source: Statista, 2020 WGSN 2020

Global Trends in Sportswear

The global sportswear market size is estimated to reach USD 188.2 billion by 2020, with a 4% growth rate. The market is expected to maintain a steady compound annual growth rate (CAGR) of 2.3% from 2019 to 2025, with estimated market size of USD 207.8 billion by 2025.

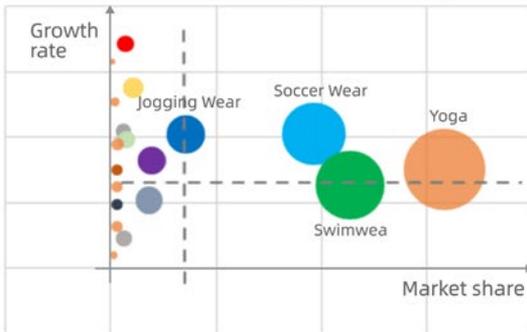


Source: Statista, 2019

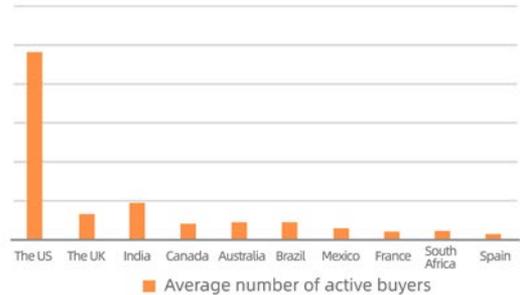
In 2018, the global outdoor apparel market was valued at USD 12.7 billion and is expected to reach USD 19.6 billion by 2026 with a high CAGR of 5.6%. The design trends in this category are expanding from fashion to functionality. A good example is Arc'teryx's 24 Collection that shows expansion in the out-door clothing market.

Analysis of Level-3 Sportswear Categories

Boston matrix for number of buyers



Top 10 countries by active sportswear buyers on Alibaba.com



Non-Seasonal Core Categories

Cash Cow (huge market share with a flat growth rate):

Fitness & Yoga is currently the largest sportswear category with fierce competition and a huge global market. 6 subcategories of Yoga will go live in December to further segment the category and boost product impressions.

Star (decent market share with a high growth rate):

Soccer Wear: We recommend improving product turnaround and variety. Sellers can focus on soccer wear while expanding to other sports with more product offerings.

Training & Jogging Wear: Part of this category overlaps with yoga wear, so sellers can consider shifting their focus from the saturated yoga product market to this section.

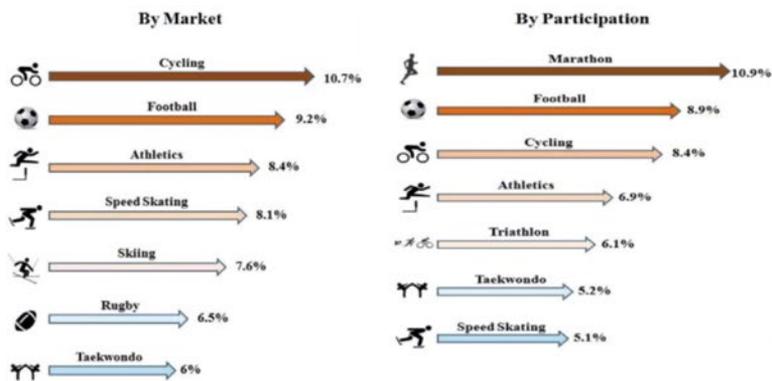
Seasonal Core Categories

Swimwear & Beachwear: Ranks 2nd in the number of buyers and actual GMV in sportswear. October through February are considered the slack season in the northern hemisphere. Sales begin to rebound in March for the summer.



Tips for sellers:

- Redirect traffic for the apparel of opposite seasons to tropical countries and regions in the southern hemisphere, such as Australia, New Zealand, Brazil and the state of Florida.
- Prepare your products in January and February before the March promotional campaign, and summer pre-sales kick-off.



Popular Categories with Great Potentials

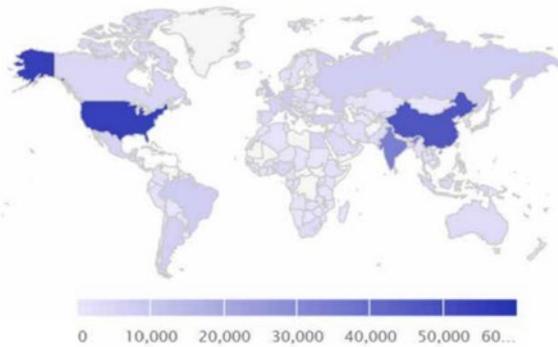
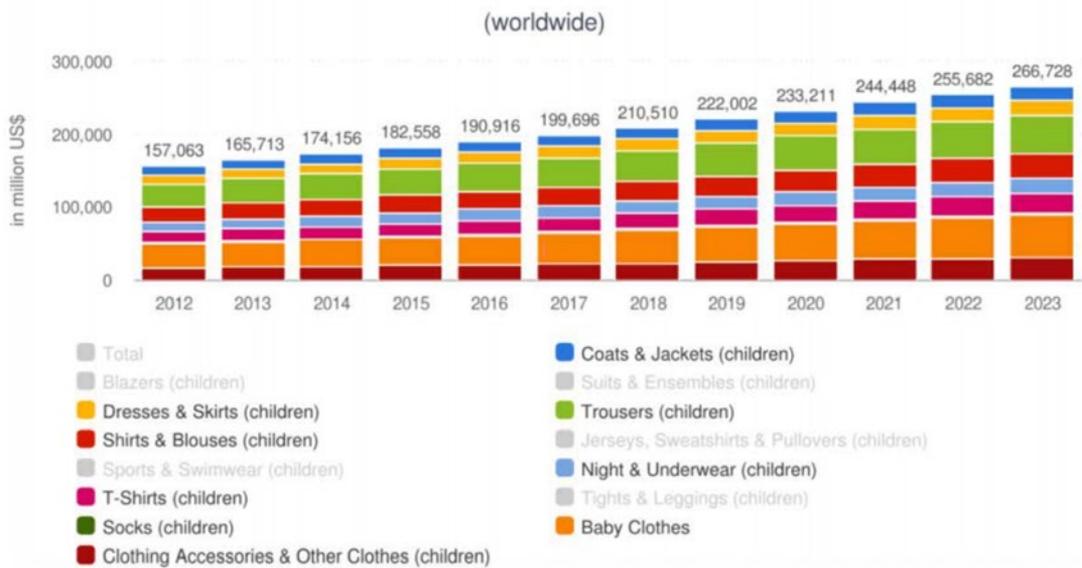
Outdoor & Hiking Wear: For individual customers, outdoor clothing has always been the most sought-after category of all sportswear. However, outdoor wear offered by global brands such as Arc'teryx, Marmot, and Columbia could only be found under Jackets since Alibaba.com didn't have a corresponding category for them. In December, we will optimize the categories displayed under this section based on the "layering system" of outdoor recreation and add corresponding level-4 categories - Outdoor Jackets/Outdoor Pants/Outdoor Tops with the option to filter by attributes such as hardshell/softshell/waterproof for more effective product segmentation, traffic redirection, and promotion.

Cycling Wear: Sportswear is in essence clothing designed for a certain sport. As a sport, cycling ranks among the top 3 in terms of its global market size, number of participants, and growth rate. So this section has huge market potential.

E-Sports: E-sports, as an emerging sport, has attracted a huge crowd with increasingly better-executed events and a promising prospect for market expansion, especially against the backdrop of the global pandemic.

Global Kid's Clothing Industry Growth

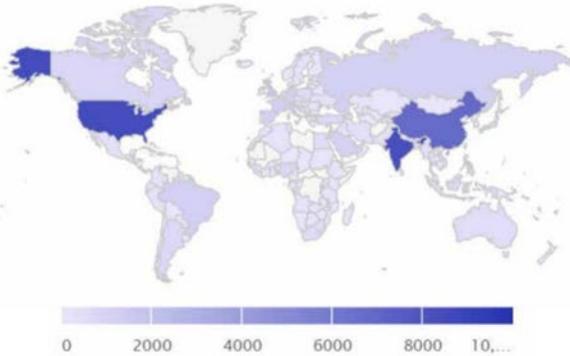
- Revenue in the Children's and Baby's Clothing segment amounts to USD 313 billion in 2020. The market is expected to grow annually by 4.5% (CAGR: 2020 - 2023). In global comparison, most revenue is generated in the United States (USD 54.958 billion in 2020).



Top 5		
1.	United States	US\$54,958m
2.	China	US\$47,720m
3.	India	US\$34,283m
4.	United Kingdom	US\$11,637m
5.	Brazil	US\$8,416m



- Revenue in Baby's Clothing amounts to USD 50 billion worldwide in 2020. The market is expected to grow annually by 5.4% (CAGR 2020-2023). In global comparison, most revenue is generated in the United States (USD 8.461 billion in 2020).



Top 5

1. 🇺🇸 United States	US\$8,461m
2. 🇮🇳 India	US\$8,270m
3. 🇨🇳 China	US\$6,840m
4. 🇬🇧 United Kingdom	US\$1,802m
5. 🇮🇹 Italy	US\$1,464m





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