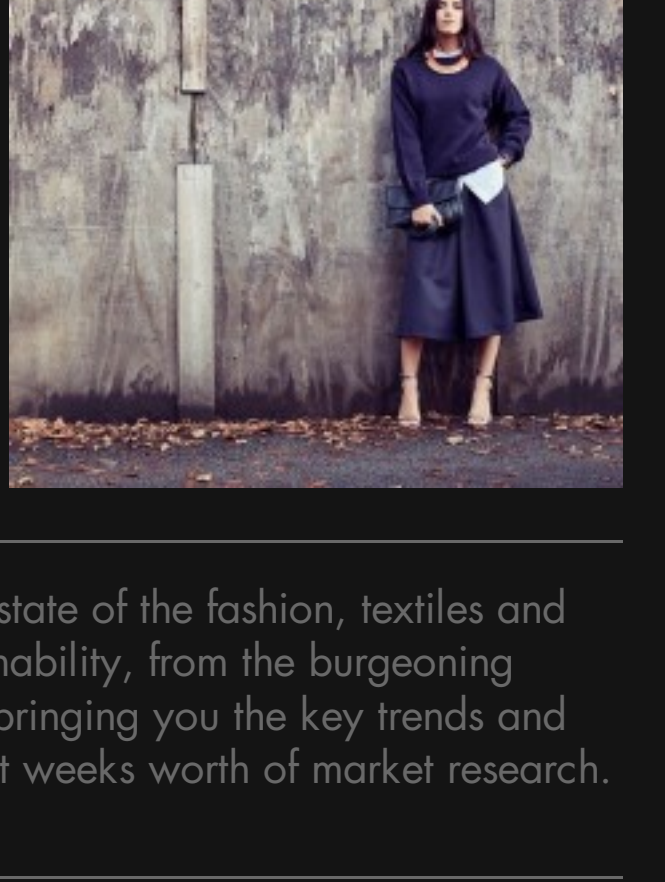


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The Future of Fashion - In Facts & Figures

Contributor Ethical Fashion Forum



In this resource, we look at the current state of the fashion, textiles and garmenting market as well as sustainability, from the burgeoning business case to consumer behaviour - bringing you the key trends and statistics. This will save you hours, if not weeks worth of market research. Image: Deborah Campbell Atelier

Pulling together dozens of important industry and market reports, articles, studies, datasets and commentary, SOURCE Intelligence brings you a comprehensive picture of the market for sustainable fashion — in numbers and facts.

Including:

- The global market for fashion
- The fashion industry by region
- Fashion + emerging markets
- Supply + manufacturing
- Sustainability + fashion
- Sustainability + global business
- Sustainability + consumer behaviour

NB. We will be continually adding new facts and statistics to this resource as they become available

THE GLOBAL MARKET FOR FASHION

Impact Economy 2013:
Defined as comprising textiles, garments and luxury, the global textile and garment industry reached a turnover of almost USD 3 trillion in 2011.

Companies & Markets / Global Apparel Market June 2013:
The global apparel industry – encompassing clothing, textiles, footwear and luxury goods – reached approximately \$2,560 trillion in 2010 and is expected to generate \$3,180 billion in 2015, with a yearly growth rate in excess of 4%.

Euromonitor International 2014:
The global apparel and footwear market grew by 5% in value terms in 2013.

Marketline 2012:
Apparel, accessories, luxury goods = \$1,778.5 billion market at 3% avg growth rate annually since 2007, expected to grow to \$2,155.1 billion market by 2016 – a 21% growth from 2011, growth rates are increasing though from 2% in 2007 to over 4% in 2011 and expected to stay around 3.9% on average to 2016, Americas accounting for 35.8% of market value, Asia Pacific is 26.8% market share and Europe 33% market share; top 4 companies are Walmart, H&M, Inditex and Gap respectively.

Conlumino 2014:
Global clothing and footwear retail sales expected to reach \$2,157 billion by 2018, with major impetus from developing world. The US leads the way but by 2018 China will surpass the US in total clothing and footwear sales. Clothing & footwear one of the largest categories in online sales, and expected to continue high growth rate over next 5 years.

Fashion United 2013:
The global apparel market was valued at US\$1.7 trillion in 2012 and employs approximately 75 million people.

THE FASHION INDUSTRY BY REGION

British Fashion Council 2014:
UK fashion industry contributes 2% to GDP, some £26 billion, a 22% increase from 2009, and employs about 797,000 jobs in the UK, which is a 2.3% decrease. Estimates are that orders of more than £100 million are placed during LFW each season. Fashion's total contribution to the economy via both indirect support for supply chain industries and induced spending of employee's wage income is estimated to have risen to over £46 billion. An increase of 23% since 2009.

Drapers 2014:
Online clothing sales was up by 32% month-on-month in November in the UK, the largest spike between October and November in 14 years. However, average basket size was down by 7%, suggesting that heavy seasonal discounting was an impetus. Chief information officer at ILMRG, said the growth was due to consumers becoming more confident in online shopping, combined with the focus retailers are increasingly placing on their online and multichannel offers.

UK Federation of Small Businesses 2013:
SMEs accounted for 99.9 per cent of all private sector businesses in the UK, 59.3 per cent of private sector employment and 48.1 per cent of private sector turnover. There were an estimated 4.9 million private sector businesses in the UK at the start of 2013, an increase of 102,000 compared to the start of 2012.

Eurostat / ILO:
Europe clothing & textiles sectors are worth about €562 billion, employing about 5.4 million people, which is 2.4% of total population, 2.2 million of which are involved in manufacturing.

US-BLS:
In the U.S., about 150,000 are employed in manufacturing and nearly 600,000 in retail and wholesale. There are roughly 21,500 fashion designers.

Entrepreneur Weekly, Bradley University, University of Tennessee 2014:
3 out of 10 small businesses fail in the first 2 years. Only 47% of retail start ups are still operating after 4 years.

The Australian 2012:
Clothing, footwear, textile retail and wholesale industry is worth \$7.5 billion AUS, employs more than 200,000 people.

FASHION + EMERGING MARKETS

Statista 2012:
Fashion market is expected to grow by 12% in India, 10% in China and 8% in Russia from 2010-2025 and average 4% CAGR in the rest of the world.

McKinsey 2013:
The global women's apparel market will grow by 50% over the next 12 years and emerging markets will account for 55% of apparel sales and 60% growth by 2025. Historically the women's apparel market has grown at just over 3% per year; by 2025 the growth rate is expected to approach 5% per year. Emerging markets account for 37% of women's mid-market apparel today, but by 2025 their share is expected to rise to over 55%.

Emerging market cities are capturing most of the growth: 70 percent of top growth cities for women's apparel sales by 2025 are emerging market cities. Together these cities will add an additional \$100 billion to the global women's apparel market.

Euromonitor International 2014:
China will account for 50% of absolute growth over 2013-2018. It will overtake the US to become the world's largest apparel and footwear market in 2017. The Middle East and Africa region has also become a new frontier for growth – the region's apparel and footwear sales are set to rise by US\$17.9 billion from 2013 to 2018. The United States is forecast to be the second largest contributor to global value growth of apparel & footwear sales after China over the 2013-2018 period, ahead of the other BRIC markets.

InfoDEV 2008:
Today, the Chinese textile and garments industry employs 19 million workers (22% of the total employed in manufacturing industry), and another 80 million are indirectly dependent on the sector.

Grail Research 2009:
Between 2004 – 2008, the number of 'large' fashion events in emerging countries more than doubled. South Africa, UAE, India, Brazil, Singapore and Russia in particular. Over 46 countries hold fashion weeks worldwide. Fashion is a \$4.3bn industry in South Africa, India there's been a growth of domestic designers and rising affluence has increased brand awareness with a growth in fashion consumption at 7.1% annually over the last 10 years, Brazil apparel market is \$37.2 bn market and growing at 7% (2008)

Conlumino 2014:
Online clothing & footwear sales in China is expected to grow by 48% from 2013 – 2018.

Yourstory.com July 2014:
Online fashion sales in India are expected to reach \$2.9 billion by 2016. Flipkart-Myntra together account for nearly half the fashion market share in India.

SUPPLY & MANUFACTURING

Financial Post June 2014:
Garment manufacturing is the world's third-biggest industry – some US\$700-billion a year – behind only autos and electronics.

U.S. African Development Foundation / Alliance for Artisan Enterprise, July 2014:
Globally, artisan production is a \$34 billion dollar industry, and collectively that is the second largest employer in developing countries. The majority of artisans are women and small producers, supporting them would be an important building block for developing economies. With improved access to the US market – a flourishing artisan sector could transform the economic prospects of households and communities across Africa.

Alliance for Artisan Enterprise, The Aspen Institute 2014:
Developing economies account for 65% of the world market for handicrafts.

U.S. Department of State 2014, 3rd AGOA Forum:
In the United States alone, the market for global handcrafted articles is \$10 billion a year.

Business of Fashion September 2014 – Rahul Mishra:
Rural, artisanal fashion, replete with handicrafts and textile-weaving, which may not generate as much revenue, but employs 34.5 million artisans spanning the length and breadth of India's countryside. Thirty-four and a half million, that's just about the entire population of Canada with 'handmade' skills that have been passed down from generation to generation and which will die if urban purveyors of high fashion do not engage them. More than 500 who show at India's main two fashion weeks, not to mention the hundreds of others that spring from regional fashion weeks.

SUSTAINABILITY + FASHION

Deloitte, Danish Fashion Institute 2013:
Fashion is one of the most polluting industries in the world, second only to oil in terms of its environmental impact. 25% of chemicals produced worldwide are used for textiles and the industry is often noted as the number 2 polluter of clean water – after agriculture.

Baptist World Aid Australia 2013:
61% of companies didn't know where their garments were made, 76% didn't know where their fabric was woven, knitted or dyed, and 93% didn't know the origins of the raw fibre.

Reuters 2014:
Growing consumer interest is underlined by the number of brands showcasing at Ethical Fashion Show Berlin in January 2015 – there are 116, up from 36 when the show launched two years ago and 85 in 2014.

Greenpeace 2014:
Sixteen of 27 luxury fashion products (59%) tested were positive for one or more hazardous chemicals; these were nonylphenol ethoxylates (NPEs), phthalates, per- or polyfluorinated chemicals, and antimony.

Ethical Trading Initiative 2006:
When a garment is made in the developing world, the average percentage of the final retail cost that goes to the garment worker ranges from 0.5 – 4 percent.

Impact Economy 2013:
The collapse of Rana Plaza served to thrust the challenges associated with apparel production back to the top of media headlines around the world. 64.7% of companies in their online survey reported that their operations were impacted by recent negative media coverage.

SUSTAINABILITY + BUSINESS

Deloitte 2013:
Continuing Business as usual (BAU), there is need for 2.3 Earths by 2050. Sustainability is a strategic business imperative because of 7 key drivers: rising population, pollution, climate change, increasing energy scarcity, land scarcity, water scarcity and rising wages / worker unrest.

Futerra Value Gap report 2013:
More than 50 large companies believe the risk-based business case for sustainable behavior change will be replaced by innovation and market share drivers within five years.

Harvard Business Review 2012:
Resource efficient companies – those that use less energy and water and create less waste in generating a unit of revenue – tend to produce higher investment returns.

Companies in the top 1/3 in terms of CSR activities brought out, on average, 47 new products a year, while companies in the bottom 1/3 brought out only 12.

UN Global Compact / Accenture report 2013:
Only 38% of CEOs feel that they are currently able to accurately quantify the business value of their sustainability initiatives. And two-thirds of CEOs admit their companies are not doing enough to address sustainability challenges

Deloitte 2013:
Only 4 out of 10 businesses are looking beyond conventional approaches to sustainability in supply chains – that have shown limited results.

7 of 10 businesses are risking their short term profits and medium term survival by not focusing on management of natural resources.

Institute of Business Ethics:
Companies with strong ethical commitments have historically outperformed the average: an index of the World's Most Ethical Companies showed that these organisations outperformed the Standard & Poor 500 and FTSE 100 every year from 2005 to 2010

M.I.T. 2011:
Sustainability is now a permanent part of 70% of corporate agendas.

Verdantix 2012:
21% of CEOs believe sustainability affects quarterly performance; and 46% use sustainability valuation methods to compare and prioritise their sustainability initiatives.

MonsterTRAK 2007:
92% of young professionals would be more inclined to work for an environmentally-friendly company.

SUSTAINABILITY + CONSUMER BEHAVIOUR

Cotton Incorporated Environment Survey 2013:
More than half (57%) of all shoppers say "sustainability" claims are influential to their apparel purchase, just 23% "always or usually" buy clothes marketed that way.

26% are willing to pay more for clothes labeled as sustainable or environmentally friendly.

The average shopper spends \$70 each month on clothes, but 67% prefer to skip trendy pieces and instead buy clothes that are higher in quality.

Accenture and Havas Media RE: PURPOSE 2014:
32% of consumers say they 'often' or 'always' consider sustainability in their purchasing decisions and less than a quarter seek information about the sustainability of the brands they buy from.

73% of consumers in the latest research that say businesses are failing to take care of the planet and society.

81% of CEOs believe that their company's reputation for sustainability is important to consumers.

73% of Indians and 79% of Chinese say they actively buy responsible brands, while 49% of Western Europeans and 44% of Americans say they actively buy responsible brands.

'Young optimists' ages of 18 – 34 are the most engaged on sustainability. 2/3 actively buy sustainable brands and 1/4 always consider the social and environmental ethics of brands when making purchasing decisions. 67% say they recommend brands that behave responsibly.

64% of mothers actively buy sustainable brands and the same percentage recommend those that behave responsibly.

Time Magazine 2009:
Almost 50% of Americans valued environmental protection over economic growth, more than 60% had purchased organic products within the previous year, and nearly 40% made purchases based on the social or political values of the producing company.

Cohn & Wolfe 2009:
A majority of consumers in all countries say that it is very or somewhat important that companies are environmentally-friendly and 35% are willing to spend more for green products.

D S Simon Productions 2012:
Media initiatives with a corporate social responsibility focus generates 35-50% more positive media coverage on television, radio, web and social media than comparable programs without the CSR hook.

Guardian Sustainable Business 2014:
Fairtrade Foundation's Barbara Crowther says 76% of the public believe independent third-party certification is the best way to verify a product's social or environmental claim.

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