THE INDEX

IN PARTNERSHIP WITH

Klarna.

Part 1

The sectors, The Channels,
The Formats and The Behaviours

Tracking the current behaviours and the future intentions of the British fashion shopper

DECEMBER 2020/JANUARY 2021

The Introduction

This edition of The Index in partnership with Klarna tracks 2,000 UK's shoppers' fashion spending habits towards the end of December 2020 into early January 2001. In this, Part 1 of our two-part monthly study, we look at the sectors, channels and formats favoured by fashion shoppers and get an insight into their future spending intentions

The good news during this period is that the UK has begun its vaccine roll-out giving hope for a better 2021. The bad news, of course, is the vaccine programme came too late to stem a furious second wave of the virus, which swept in from the East of the country bringing with it a far more contagious (but not necessarily more dangerous) variant of the virus.

At the time of writing physical retail stores across the UK had once again been plunged into lockdown. Unlike lockdown 2, however, this one is open ended with late February/early March seen as an optimistic view on reopening with some planning for a lockdown until Easter.

Our survey is based on the responses of 2,000 consumers, all of whom have shopped for fashion in the prior three months, drawn from all four corners of the UK and across all ages and social demographics.

Don't forget to check our part 2 when it lands to see exactly which, of 100 top brands and retailers, consumers are visiting and shopping and how they rate them from a reputation standpoint via our unique Buzz Scores, which give a great indication of brand health and just who is likely to bounce back from the pandemic in the best possible shape.

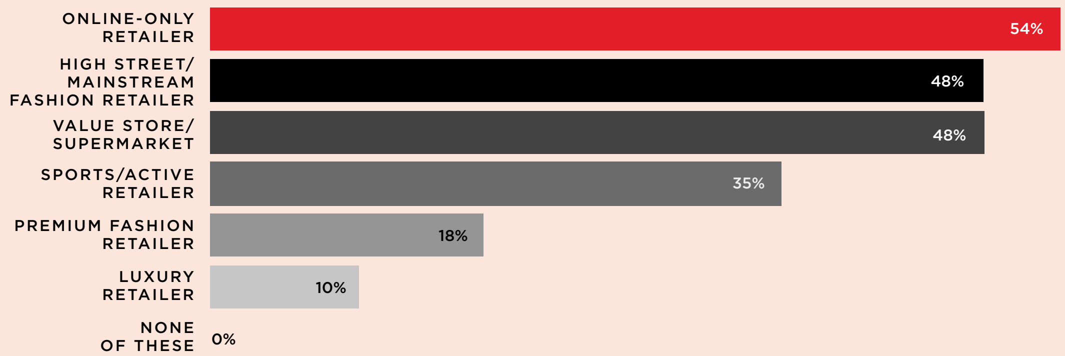
The Sectors

As we headed in Christmas and another lockdown of indeterminate length, online-only retailers (again) proved to the most popular choice of our 2,000 shoppers when it came to buying fashion.

High street and mainstream retailers fell back three percentage points, while value and luxury retailers each gained a point, perhaps reflecting a desire to economise at one end and present buying at the other.

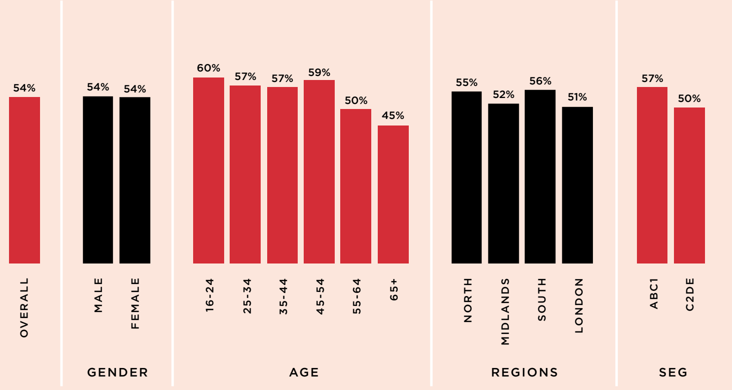
Sports retailers, which had been gaining in momentum fell back four percentage points this month, perhaps as consumers' minds turned to trying to enjoy Christmas (restrictions permitting) rather than focusing on fitness.

Which of the following have you shopped for fashion (including accessories and footwear) in the past 3 months?

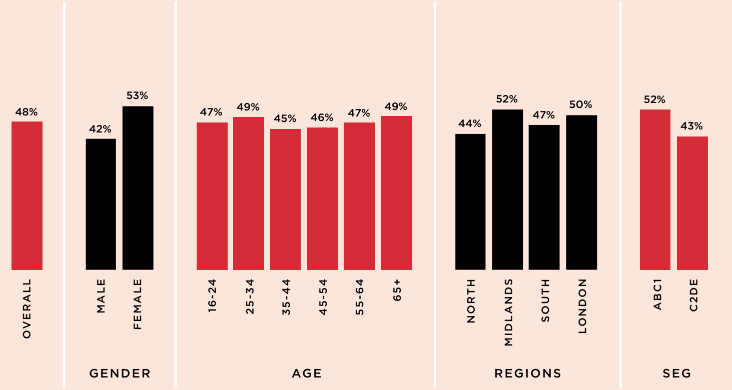


The Sectors continued

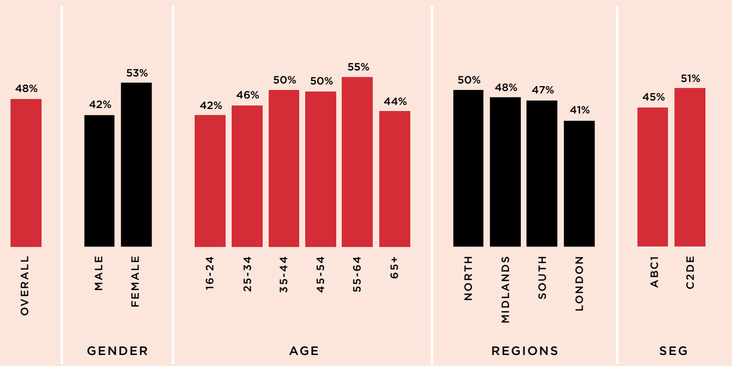
Online-only retailer
e.g. ASOS, Amazon, Boohoo



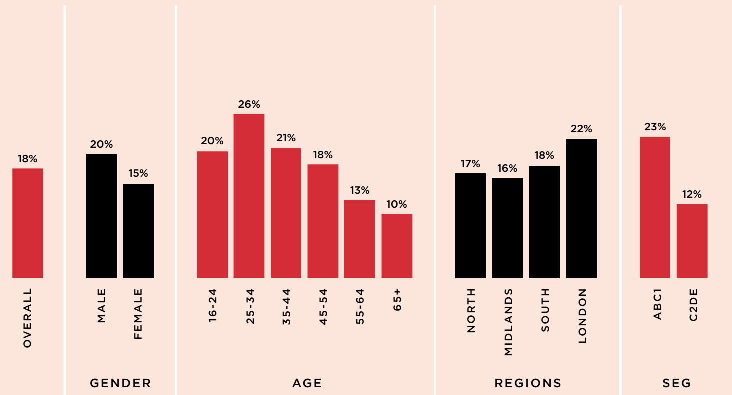
High street/mainstream fashion retailer (either online or in-store)
e.g. Topshop, Marks & Spencer, Next



Value store/supermarket (either online or in-store)
e.g. George at Asda, Matalan, Primark

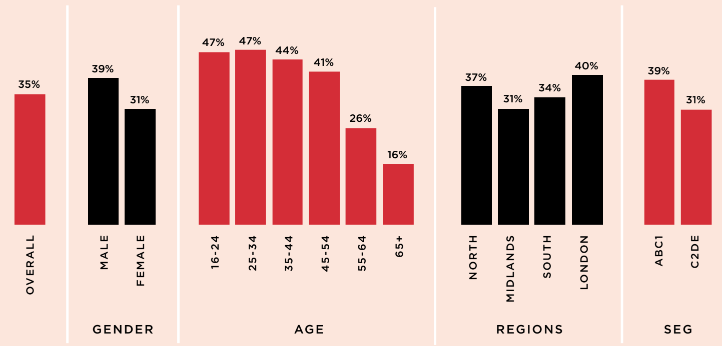


Premium fashion retailer (either online or in-store)
e.g. Jigsaw, John Lewis, Ted Baker

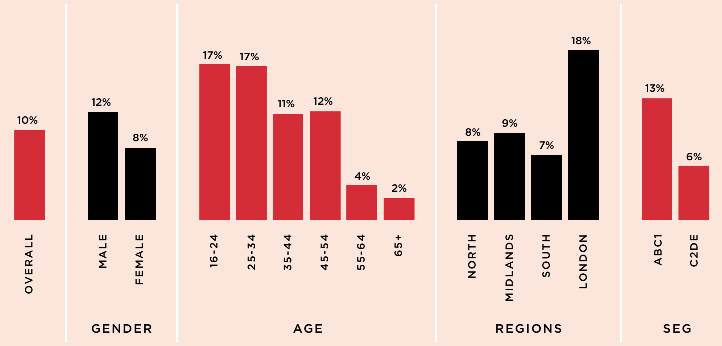


The Sectors continued

Sports/active retailer (either online or in-store)
e.g. JD Sports, Sports Direct, Nike



Luxury retailer (either online or in-store)
e.g. Net-A-Porter, Harvey Nichols, Selfridges



The Channels

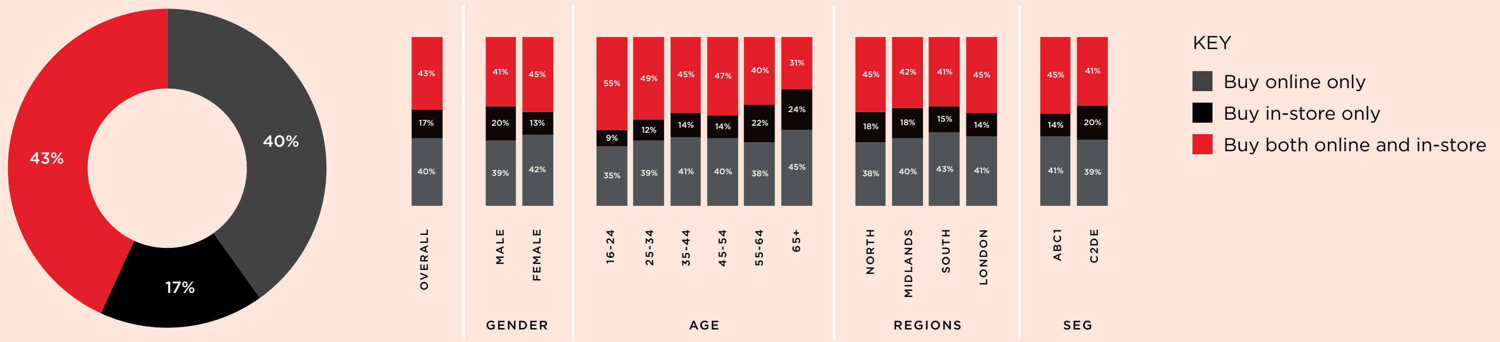
There has been little movement in the Channels this month with online retail gaining one percentage point at the expense of in-store only purchasing. With the lockdown now firmly in place and with no end in immediate, clearly the pendulum will swing futher in favour of the online specialists next month.

Perhaps of more concern to bricks and mortar specialists is the expressed preference of shoppers for a physical retail experience. While this remains strong, at 51%, this is down four percentage points month on month and could suggest that the ease and convenience of online shopping is beginning to gain more fans.

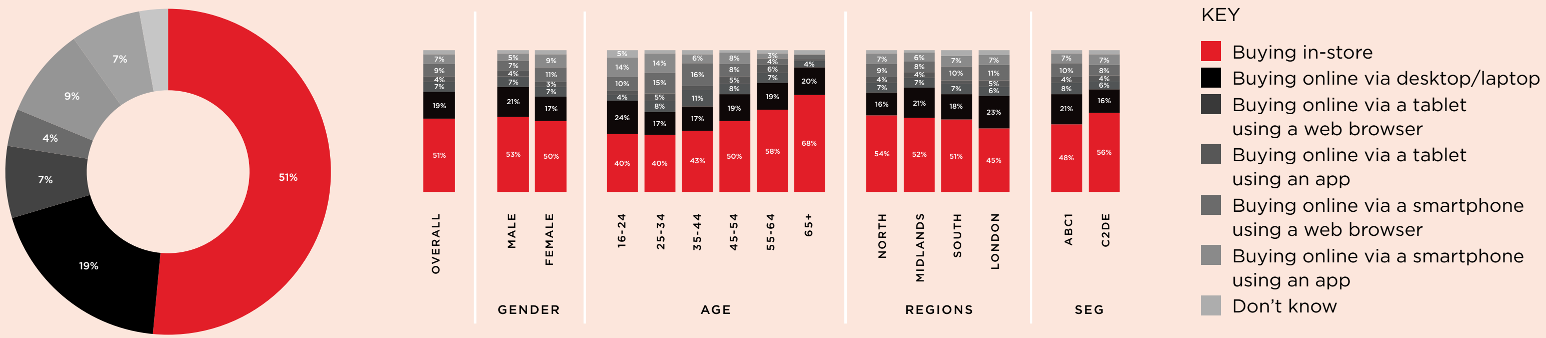
However, older consumers (who have been most reluctant to hit the shops without a vaccine) are still by far the biggest fans on in-store shopping and when lockdown lifts, this demographic should be mostly vaccinated and maybe more keen to get back onto the high street.

The Channels continued

When shopping for fashion in the past 3 months did you...



When shopping for fashion, which is your PREFERRED method?



The Formats

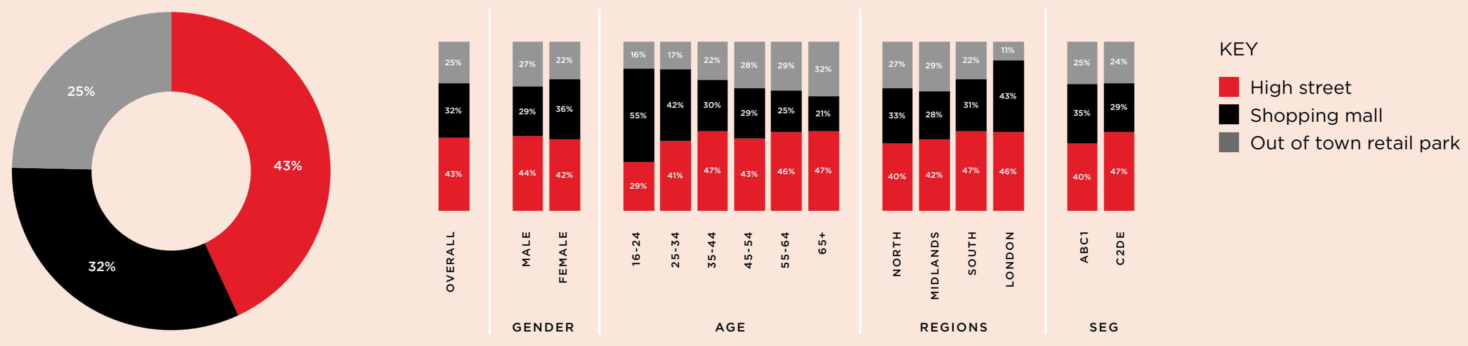
Retail parks have grown in popularity as the pandemic has progressed given their ability to enable social distancing and their offer of plentiful parking. Also many of them are also home to essential retail so even when non-essential retail has been closed, they have provided a place to visit for locked-down, bored consumers.

The preference for shopping malls and high streets remains constant, however, suggesting when these locations are open consistently, then shoppers will return.

Age breakdowns reveal, as ever, that is the younger consumer who would prefer to visit a shopping mall when possible and who would stay away from the perhaps less experiential environment of a retail park.

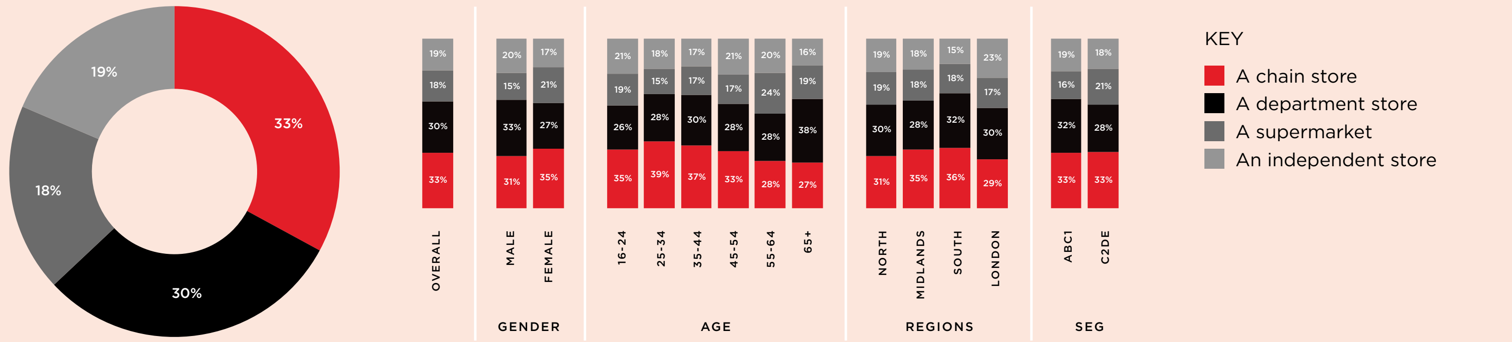
The enthusiasm for malls visibly diminishes the older a consumer gets with the high street gaining popularity (by and large), which will give retailers food for thought when planning store estates for the post-pandemic future

If you shop for fashion in a physical store, which location is your most preferred?

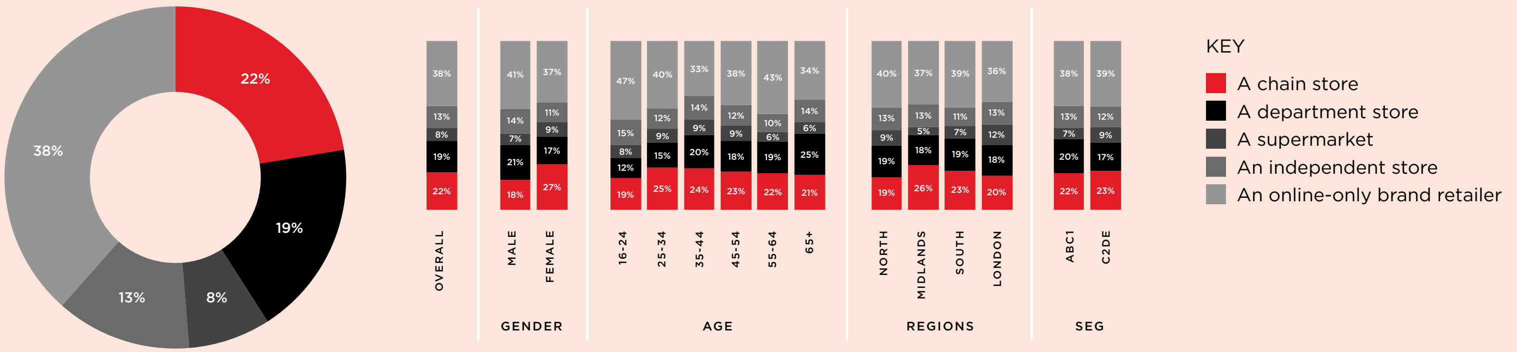


The Formats continued

Which type of fashion retailer, do you MOST prefer to shop at IN-STORE?



Which type of fashion retailer do you MOST prefer to shop at ONLINE?



The Behaviours

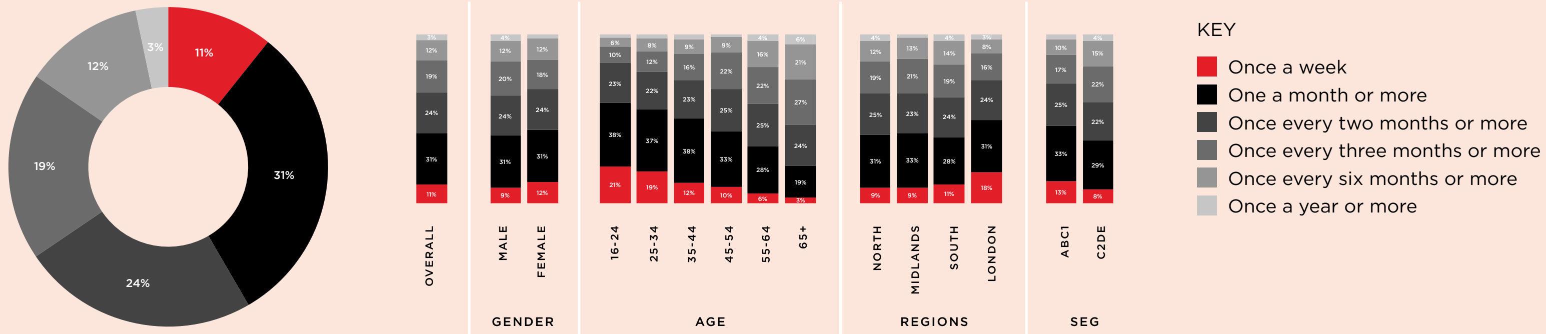
There has been an improvement month on month in terms of the frequency of shoppers buying clothing, which now stands at 43% for those shopping once a month or more, compared to 39%. This could have been down the approaching Christmas holiday, albeit with severely constrained opportunities for celebrations.

The younger you are the more likely you are to buy clothes more frequently, no surprise there but if retailers can maintain this enthusiasm for fashion throughout lockdown with exciting new ranges, it should bode well for when the under-35s are released again.

Looking ahead to the next six months, some 50% of our consumers say they will buy a greater volume of clothing suggesting they are ready to cast off the athleisure and start enjoying fashion again (this compares to 48% last month).

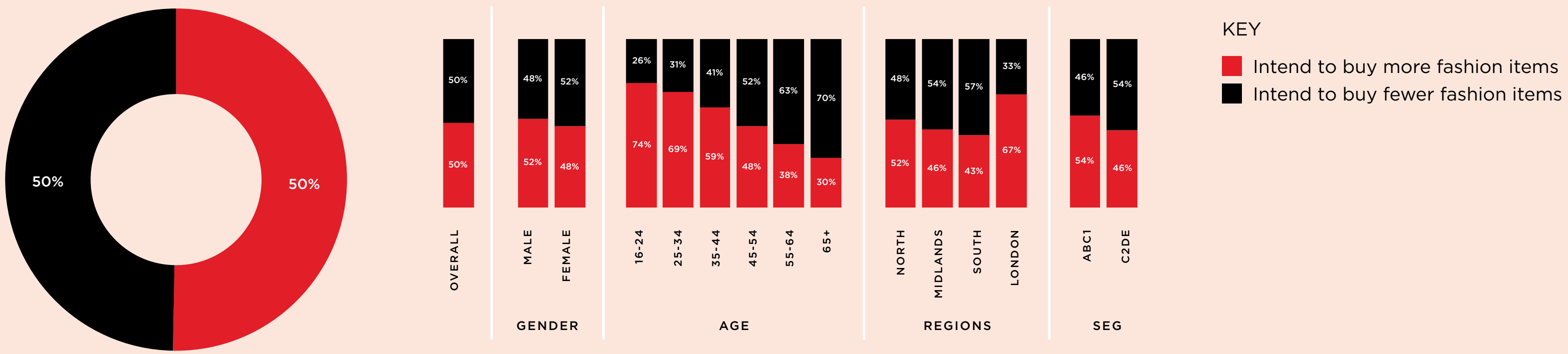
However, volume doesn't equate to value with just 43% expecting to spend more on fashion. They clearly believe there will be bargains to be had as retailers scramble to shift stock, and they are right.

How often, typically, do you shop for fashion at the moment?

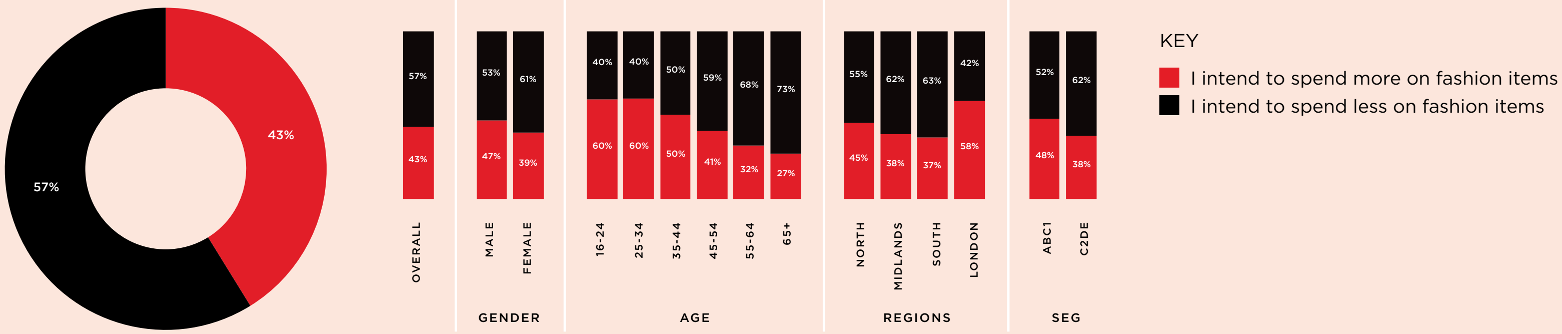


The Behaviours continued

Looking ahead at potential future fashion purchases in the coming six months, which best describes your intentions when it comes to the volume of the clothes you might purchase?



Looking ahead at potential future fashion purchases in the coming six months, which best describes your intentions when it comes to the cost of the clothes you might purchase?



The Information

On behalf of TheIndustry.fashion, Savanta surveyed 2,000 UK consumers at the end of December 2020/early January 2021, all of whom had shopped for fashion in the previous three months. 49% of respondents were male, 51% female. 18-24 year olds – 11%; 25-34 year olds – 19%; 35-44 year-olds – 17%; 45-54 year-olds – 17%; 55-64 year-olds – 13%, 65+ – 23%.

Respondents were equally drawn from key regions and professional backgrounds.
In Part 2 of The Index we will look at our 100 tracked brands and find out who's shopping them and how, plus we reveal our all-important Buzz Scores to reflect consumer sentiment.

If you would like to interrogate our data further (we have detailed breakdowns on each answer and more information on categories of clothing shoppers buy for instance) or to discuss bespoke research opportunities, please contact:

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