

WOVN

Consumer fashion shopping trends

2022



Settling in for more of the new normal

A year ago, the pandemic was reaching a turning point. Things have changed a lot for consumers in the past year, but not necessarily in the ways we anticipated. As 2022 dawns, waves of successive new COVID variants make clear that the pandemic is far from behind us.

Last January when we asked consumers how COVID had changed their shopping habits, it was clear they had made some radical changes. They reported spending less and thinking more about sustainability. They also told us they largely planned to keep these changes in place. The categories they were spending on had shifted too, with increased spending on loungewear and decreases in almost every other clothing category.

In addition to the changing shape of the pandemic, 2022 brings with it other dynamics that will impact the consumer outlook, including inflation and supply chain disruptions.

We wanted to understand exactly how consumers' attitudes and shopping habits had changed in the past year, so once again we conducted research to gauge what has changed as well as current attitudes towards spending, consumption, and sustainability

The data reveal that consumers haven't gone back to their pre-pandemic shopping habits – and that they don't intend to. The categories they're buying, the ways they're buying them, and their plans for the future are still undergoing dramatic change, as are their expectations of brands.



Younger consumers are spending more

In 2020, consumers reported spending less across the board. In our survey last year, respondents reporting having reduced their spending by about 25% in the previous 12 months as a result of COVID.

A year later, consumer spending is clearly on the rebound – but in our survey, there were stark differences in spending rebounds across age groups. Younger consumers were likely to have reduced their spending by 27% during 2020, but now say they've increased their spending by 17% over the past 12 months. Millennial consumers (those between ages 25 and 44) reported

reducing their spending sharply during the first year of the pandemic, but now say their spending this year has been flat or up slightly from the previous 12 months.

Older consumers – those above the age of 45 – are the only group to report that their spending continued to decrease this year versus last year. It is possible that these consumers were starting from a higher spending baseline pre-pandemic compared to their younger counterparts, and therefore had more room for reducing spending versus pre-pandemic levels.

How has your overall consumer spending changed in the past 12 months?



Shifting preferences for clothing categories

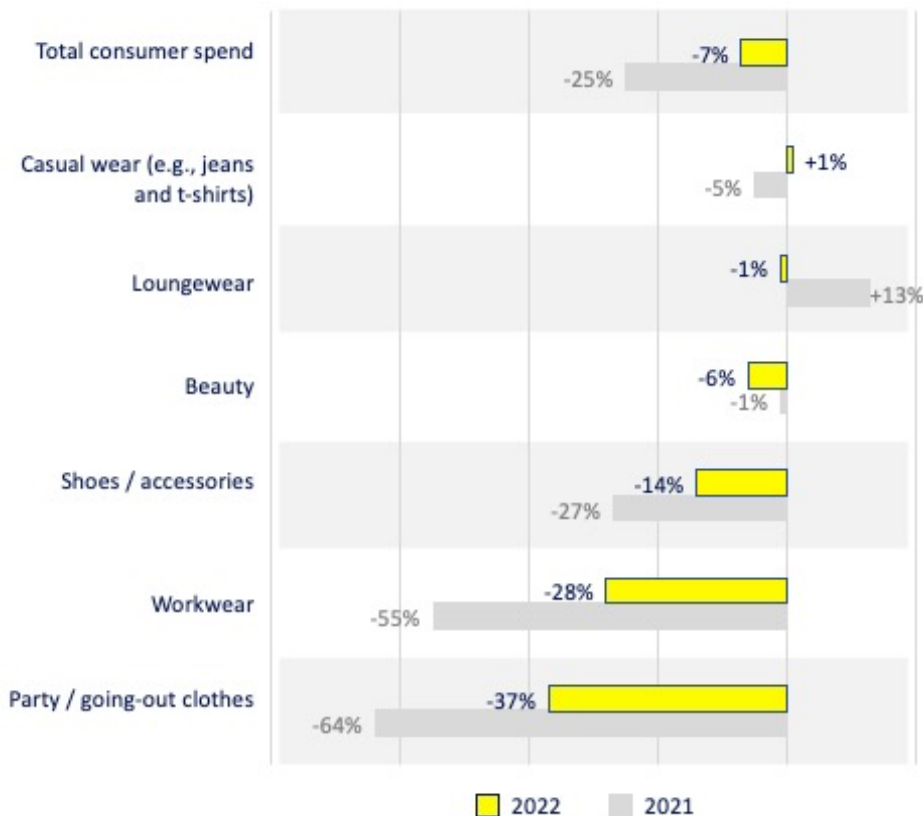
It's no secret that demand for most clothing categories dropped in 2020, for obvious reasons, while loungewear performed well during the period in which many were suddenly spending more time at home.

In last year's survey, we found that loungewear was the only category where consumers had increased their spend over the previous 12 months (by 13%). This year, consumers report flat spending levels in casual wear and loungewear versus last year, and report that they are still not spending on beauty, shoes/accessories, workwear,

and party / going-out clothes. It's somewhat surprising to see consumers report that they spent even less on some of these categories in 2021 than they did in 2020. Global monthly searches for occasion dresses were up 200 percent in 2021 versus 2020⁽¹⁾. But consumers appear to still perceive themselves as consuming less across these categories than they did before.

Another notable exception is the beauty category, where consumers reported a bigger decrease this year than last year.

How has your spending in each category changed in the past year?



The shift to ecommerce has sticking power

It's been said that the pandemic accelerated the shift to ecommerce by 5 years, and our survey results show that this is plausible.

Respondents reported that pre-pandemic, on average 51% of their shopping happened online; now, even though it's once again possible to venture into bricks-and-mortar retail stores, that figure has jumped dramatically to 68%.

Two years into the pandemic, the only age group that reports not having dramatically increased the percentage of their shopping that happens online is consumers ages 55+, whose number has remained essentially flat at around 60%.

Every other age group reports having seized the opportunity to shift more of their

shopping online.

Retailers appear optimistic about the resurgence of in-person shopping; for every retailer that closed a store in 2019, five more opened stores in 2021. It remains to be seen whether this investment will pay off: US Black Friday 2021 foot traffic was still down 21% compared to 2019 ⁽²⁾.

While retailers appear optimistic about the return of in-person shopping, consumers are happy to keep much of their shopping online.

While in-person shopping is far from dead, it's clear that many consumers have embraced the shift to ecommerce and plan to keep it that way.

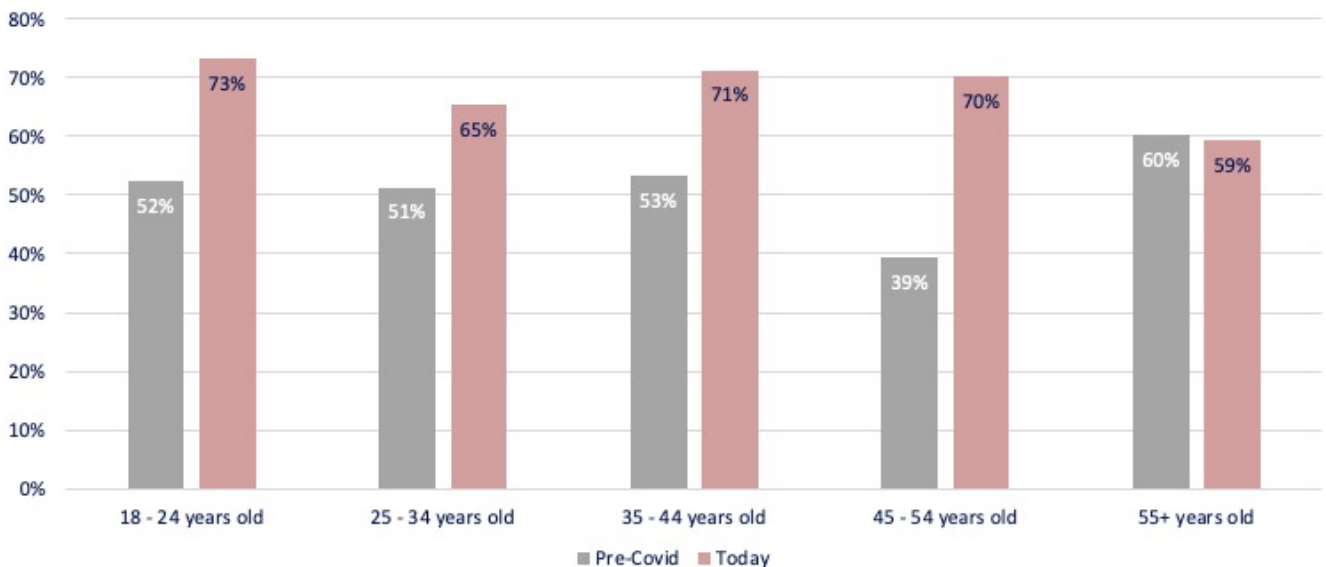
What percentage of your clothing shopping happened online pre-Covid, and what percentage happens online now?

Average pre-Covid:

51%

Average today:

68%



Consumers are embracing the change

A year ago, we knew the pandemic had dramatically reshaped not only consumers' shopping habits but also their mindsets and their views on sustainability. We also knew that the pandemic was about to reach a turning point with the arrival of vaccines, but it was unclear what impact this would have, and how permanent the changes to shopping habits and attitudes would turn out to be.

Another year on, and it appears that consumers are still focused on embracing more sustainable shopping habits. 40% of our respondents reported that they are trying to buy less fast fashion, and over a third (34%) report that they care more about sustainability than they did before. Almost a quarter of respondents (24%) say the clothes they buy now are more expensive. Put all of these data points together, and it appears that consumers are in fact interested in more sustainable modes of shopping when it comes to fashion.

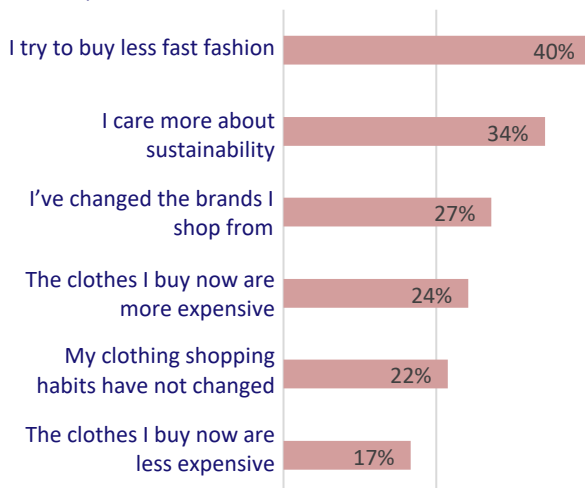
As for whether consumers intend to keep pandemic-induced shopping changes in place, the answer is yes. A striking 86% of respondents told us that they think at least some of the changes they've made to their clothing shopping as a result of the pandemic will become permanent.

27% of consumers have changed the brands they shop from, indicating there is liquidity in the market – and an opportunity for brands to acquire new customers.

Those who said they would keep only some changes in place were asked which ones; popular responses included shifting more of their shopping online and avoiding fast fashion.

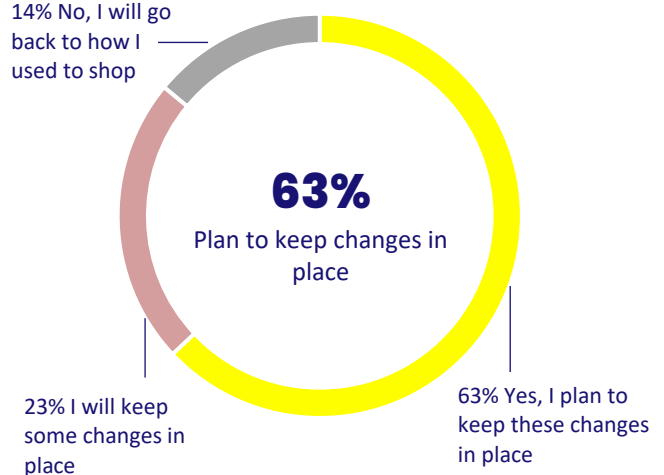
Are there other ways in which your clothing shopping habits have changed?

Multi-select; percentages of total respondents who selected each option.



Do you think Covid-related changes to your clothing shopping will be permanent?

14% No, I will go back to how I used to shop



What consumers expect of brands

It's clear that consumers are more sustainability-minded than they were prior to the pandemic when it comes to clothing shopping. So what are the implications for assigning responsibility for addressing the fashion industry's impact?

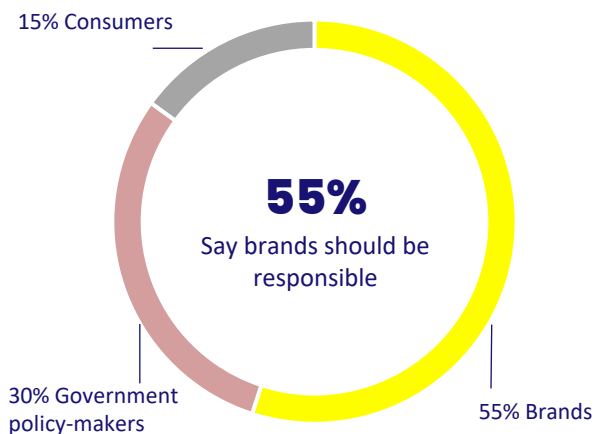
When we asked who should be most responsible for reducing the industry's environmental impact, a majority (55%) of respondents said brands. 30% said they thought responsibility should lie with government policy-makers; only 15% of respondents said they thought individual consumers should be primarily responsible.

80% of consumers are sceptical of sustainability claims made by fashion brands.

It is possible that the sustainability initiatives that have been put forward by fashion brands have helped to convince consumers that the problem is the industry's to solve.

Brands should know that consumers are not only holding them to account, but that they are also more aware of greenwashing than ever before. A separate survey we conducted in 2021 revealed that 80% of consumers feel sceptical of sustainability claims made by fashion brands⁽³⁾.

Who do you think should be most responsible for reducing the environmental impact of the fashion industry?



Consumers are increasingly savvy

We also wanted to know what specific expectations consumers have of fashion brands. When we asked what they would like to see fashion brands doing differently in 2022, the top two responses were to focus more on sustainable and/or ethical labour practices (62%) and to produce higher quality clothes (58%).

Only 6% of consumers say they would like to see more drops from fashion brands.

The industry has been steadily increasing its output and frequency of drops over the past couple of decades. Some brands now churn out as many as 6,000 new items a day⁽⁴⁾. The consumers we surveyed said this is not what they want. Only 6% of consumers

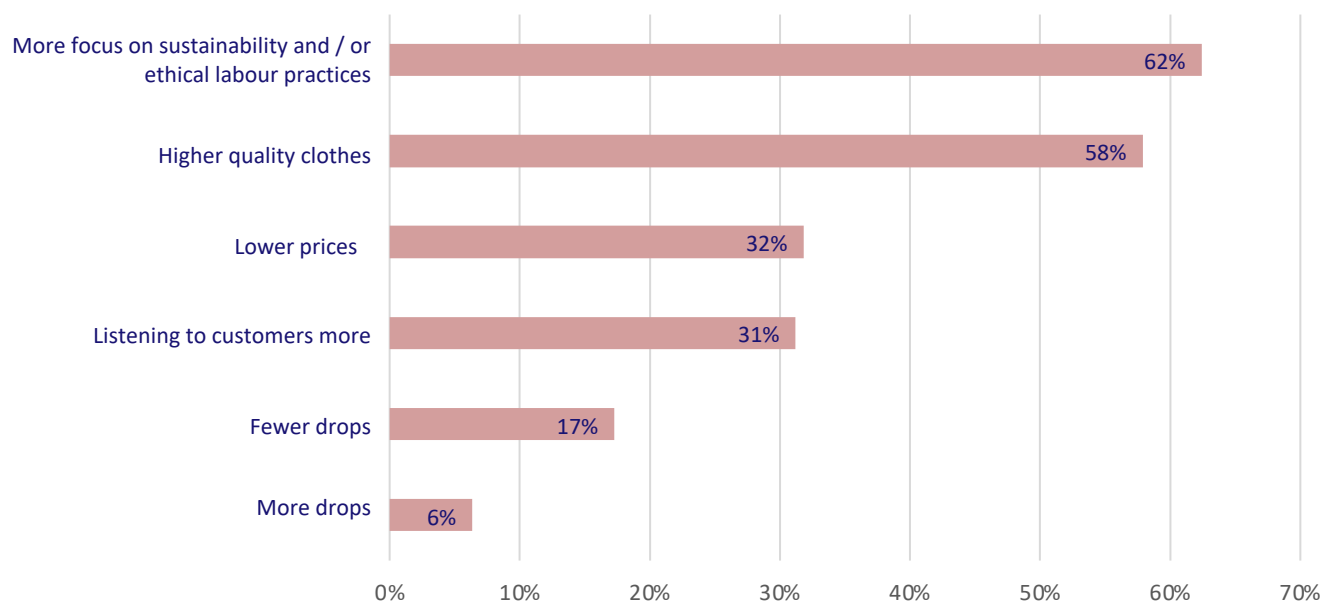
say they want more drops in 2022, while almost three times as many (17%) say they want fewer drops.

In research conducted in 2021, we found that 97% of consumers say it's at least somewhat important that their fashion choices be sustainable. Given rising consumer awareness of greenwashing, brands would do well to address their sustainability practices and to ensure that they are putting meaningful measures in place, including not only using better fabrics and manufacturing practices, but also addressing waste and overproduction.

A failure to meaningfully address overproduction issues could quickly put fashion brands on the wrong side of growing public awareness about the industry's footprint⁽⁵⁾.

What do you want to see fashion brands doing differently in 2022?

Multi-select; percentages of total respondents who selected each option.



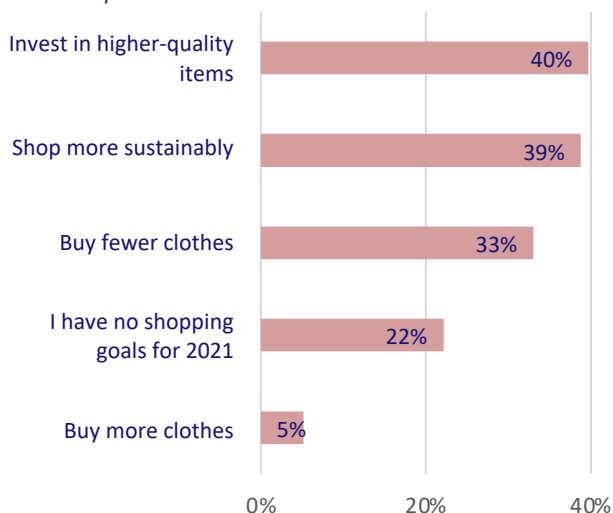
Indeed, when asked about their personal shopping goals for 2022, only 6% of respondents said they wanted to buy more clothes. The top three responses were all consistent with more sustainable consumption habits: investing in higher-quality items (40% of respondents), shopping more sustainably (39%) and buying fewer clothes (33%). Less than a quarter of respondents indicated that they have no shopping goals for 2022.

It can be hard to square these stated goals with the reality that clothing consumption continues to rise globally⁽⁵⁾. But there is evidence of a significant and growing portion of consumers who are conscious of their personal footprints and interested in shifting their shopping habits accordingly. Brands that want to meet the demands of this growing group of consumers will need to think carefully about their planning processes and production volumes. By designing, producing, and buying in a more customer-centric way, they will be able to produce more sustainably and appeal to a more conscious consumer.

Predictive insights that enable brands to understand consumer desires throughout design, buying, and merchandising are a key component to producing in a leaner, more efficient, and more sustainable way.

What are your personal goals for your clothing shopping habits in 2022?

Multi-select; percentages of total respondents who selected each option.



What's in store for 2022

Last year, we observed that consumers were buying fewer clothes, and that they were more thoughtful about the things they did consume. We predicted that some of these trends would have staying power beyond the initial stages of the pandemic.

A year on, it appears that this prediction has held. Consumers say they are buying less, that they care more about sustainability than they did before the pandemic, and that they plan to permanently maintain some or all of the changes they have made.

As we head into 2022 and the shape of the pandemic continues to shift, new challenges emerge. Uneven recoveries, supply shocks, and inflation will all impact consumption trends.

Once again, the only certainty is that the landscape will continue to shift in unpredictable ways. Things will certainly look different a year from now – the only question is how.

The brands that succeed will be the ones that listen and adapt in real time to changing consumer desires.

In 2021, the proportion of fashion brands operating at a loss was almost 70%⁽¹⁾. There is no guarantee of survival, but in an era of totally destabilising change, the brands that succeed will be the ones with the nimbleness to listen and quickly adapt in real time to shifting consumer desires.



About Wovn:

We help fashion brands access real-time consumer insights to better predict demand and engage with new customers. Find out more at www.wovn.co

Research methodology:

Wovn surveyed 330 consumers for this research. 95% of respondents came from the UK and the US, with the remainder mostly spread across Europe.

Endnotes:

1. Amed et al., “The State of Fashion 2022”, McKinsey and Business of Fashion, 1 December 2021, <https://www.mckinsey.com/~media/mckinsey/industries/retail/our%20insights/state%20of%20fashion/2022/the-state-of-fashion-2022.pdf>
2. Aratani, Lauren, “US Holiday Shoppers Fund a Revival for Brick-and-Mortar Stores”, The Guardian, 22 December 2021, <https://www.theguardian.com/us-news/2021/dec/22/us-holiday-shopping-retail-stores>
3. “Consumer views on Sustainability in Fashion 2021”, Wovn, November 2020, <http://www.report.wovn.co/report.pdf>
4. Segran, Elizabeth, “You thought the pandemic killed fast fashion? Not even close”, Fast Company, 22 October 2021, <https://www.fastcompany.com/90688828/you-thought-the-pandemic-killed-fast-fashion-not-even-close>
5. Ryan, Carol, “The hidden Cost of Cheap Fashion Could Catch Up to Investors”, The Wall Street Journal, 21 May 2021, <https://www.wsj.com/articles/the-hidden-cost-of-cheap-fashion-could-catch-up-to-investors-zara-old-navy-11621556298>