

Report Price: £1750.00 | \$2834.04 | €2223.04

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



"Designer fashion brands need to increasingly look at ways of attracting a new younger demographic of Millennials who aspire to buy their brands, without losing the exclusivity that is part of the appeal of owning a designer label."

- Tamara Sender, Senior Fashion Analyst

## This report looks at the following areas:

- What is driving sales of designer fashion?
- How is online changing the designer fashion market?
- · What can designer fashion brands do to encourage purchasing?

Young people aged under 35 dominate purchasing of designer fashion, but the shift to younger consumers has created new challenges for designer brands.

Treat buying stands out as the main reason for buying designer fashion, particularly among women, while men are drawn to the high quality of designer fashion pieces.

Michael Kors stands out as one of the brands with the highest levels of recommendation and proportion of excellent responses, while Alexander McQueen is most closely associated with being cutting-edge.

# BUY THIS REPORT NOW

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533

> Brazil 0800 095 9094

Americas +1 (312) 943 5250

+86 (21) 6032 7300

+61 (0) 2 8284 8100

EMAIL: reports@mintel.com

DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market



Report Price: £1750.00 | \$2834.04 | €2223.04

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

#### Table of Contents

#### Overview

Products covered in this report

#### **Executive Summary**

#### Decline in Chinese tourists but not in spend

Figure 1: % change of inbound tourism to the UK, by world region, for the rolling 12 months Aug 2014-Jul 2015 compared with Aug 2013- Jul 2014

#### Gucci has the strongest brand image, while Michael Kors is highly recommended

Figure 2: Attitudes towards and usage of selected fashion brands, September 2015

#### Catwalk shows are made instantly shoppable

#### Young men are the main designer clothes buyers

Figure 3: Types of designer fashion items purchased in the last three years, September 2015

#### Department stores favourite for designer fashion

Figure 4: Types of store designer fashion is bought from, September 2015

#### Women treat themselves to designer fashion

Figure 5: Reasons for buying designer fashion, September 2015

#### Importance of unique designs

Figure 6: What would encourage consumers to buy designer fashion, September 2015

## Appealing to aspirational Millennial shoppers

Figure 7: Attitudes towards designer fashion, September 2015

## Women want to wear Gucci and Prada

Figure 8: Most desirable designer fashion brands for clothing, September 2015

## Michael Kors is the handbag brand of choice among under-25s

Figure 9: Most desirable designer fashion brands for handbags, September 2015

#### What we think

## Issues and Insights

What is driving sales of designer fashion?

The facts

The implications

How is online changing the designer fashion market?

The facts

The implications

What can designer fashion brands do to encourage purchasing?

The facts

The implications

#### Market Drivers

#### Tourism figures

Figure 10: % change of inbound tourism to the UK, by world region, for the rolling 12 months Aug 2014-Jul 2015 compared with Aug 2013- Jul 2014



VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

APAC +61 (0) 2 8284 8100



Report Price: £1750.00 | \$2834.04 | €2223.04

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

#### French are the main visitors to the UK

Figure 11: Top 20 countries by volume of visits to the UK, 2014

#### Americans are the top spenders

Figure 12: Top 20 countries ranked by amount spent when visiting the UK, 2014

#### Currency changes

Figure 13: Sterling exchange rate versus selected currencies, annual averages, 2011-14 and spot rate October 2015

Figure 14: Sterling exchange rate versus selected currencies, percentage change, 2011-15\*

#### Shopping accounts for 25% of all overseas tourism spend

#### Opportunities from older Millennials

Figure 15: Trends in the age structure of the UK population, 2010-20

#### C2s are most active designer buyers

Obesity

#### Key Players - What You Need to Know

Catwalk shows use latest technology

Use of social media for ads

Personalised products at Burberry

Alexander McQueen has standout appeal

Michael Kors is highly recommended

Burberry tops the advertising expenditure

## Innovations and Launch Activity

### Catwalk shows are made instantly shoppable

Figure 16: The near-field communication (NFC)-enabled ring used to purchase directly from the Henry Holland A/W 2015 catwalk

## Personalised products at Burberry

Figure 17: The new gifting area at Burberry's flagship London store

### Designer brands expand outside of London

Use of social media for ads

Harrods takes over menswear

#### Designers put on shows outside of fashion week

Figure 18: Burberry's London in Los Angeles show, April 2015

#### **Brand Research**

#### What you need to know

## Brand map

Figure 19: Attitudes towards and usage of selected fashion brands, September 2015

#### Key brand metrics

Figure 20: Key metrics for selected designer fashion brands, September 2015

## Brand attitudes: Vivienne Westwood and Alexander McQueen set trends

Figure 21: Attitudes, by fashion brand, September 2015

Brand personality: Michael Kors is seen as fun



VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

APAC +61 (0) 2 8284 8100

ALL: reports@mintel.com



Report Price: £1750.00 | \$2834.04 | €2223.04

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 22: Brand personality – macro image, September 2015

#### D&G seen as stylish

Figure 23: Brand personality – micro image, September 2015

#### Brand analysis

#### Gucci worth paying more for

Figure 24: User profile of Gucci, September 2015

#### Michael Kors is highly recommended

Figure 25: User profile of Michael Kors, September 2015

## DKNY seen as most accessible

Figure 26: User profile of DKNY, September 2015

#### Dolce & Gabbana seen as overrated

Figure 27: User profile of Dolce & Gabbana, September 2015

#### Burberry viewed as a classic

Figure 28: User profile of Burberry, September 2015

#### Alexander McQueen has high standout appeal

Figure 29: User profile of Alexander McQueen, September 2015

#### Vivienne Westwood seen as cutting-edge

Figure 30: User profile of Vivienne Westwood, September 2015

## Stella strong links with ethics

Figure 31: User profile of Stella McCartney, September 2015

## Brand Communication and Promotion

## Burberry tops the advertising expenditure

Figure 32: Recorded above-the-line, online display and direct mail total advertising expenditure on fashion by leading designers, 2011-15

## Press advertising dominates

Figure 33: Recorded above-the-line, online display and direct mail total advertising expenditure on fashion by the leading designers, by media type, 2011-15

## The Consumer – What You Need to Know

## Young men are the main designer clothes buyers

Half buy online

Women treat themselves to designer fashion

Importance of unique designs

Using customer service to drive purchasing

Appealing to aspirational Millennial shoppers

Discounting impacts luxury market

Women want to wear Gucci and Prada

Michael Kors is the brand of choice among under-25s

## What Designer Fashion I tems People Buy

#### Young men are the main designer clothes buyers

Figure 34: Types of designer fashion items purchased in the last three years, September 2015



VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 730

APAC +61 (0) 2 8284 8100 | EMAIL: reports@mintel.com



Report Price: £1750.00 | \$2834.04 | €2223.04

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

#### Three in ten women buy designer fashion accessories

Figure 35: Types of designer fashion items purchased in the last three years, by gender, September 2015

#### A trend for designer trainers

Figure 36: Types of designer fashion items purchased in the last three years, by age group, September 2015

#### Older Millennials are most active buyers

Figure 37: Repertoire of types of designer fashion items purchased in the last three years, September 2015

#### Interest in designer fashion outside of London

#### Where Designer Fashion is Purchased

#### Department stores favourite for designer fashion

Figure 38: Types of store designer fashion is bought from, September 2015

#### Half buy online

Figure 39: Types of store designer fashion is bought from, by gender, September 2015

#### Reasons for Buying Designer Fashion

#### Women treat themselves to designer fashion

Figure 40: Reasons for buying designer fashion, September 2015

#### Getting the perfect fit

#### Young men attracted by quality of designer brands

Figure 41: Reasons for buying designer fashion, by gender, September 2015

#### C2s buy designer to stand out from the crowd

Figure 42: Reasons for buying designer fashion, by socio-economic group, September 2015

## **Encouraging Purchasing of Designer Fashion**

#### Young women drawn to unique designs

Figure 43: What would encourage consumers to buy designer fashion, September 2015

## Using customer service to drive purchasing

British-made designer fashion

## Attitudes towards Designer Fashion

## Appealing to aspirational Millennial shoppers

Figure 44: Attitudes towards designer fashion, September 2015

## Maintaining exclusivity

Discounting impacts luxury market

## Most Desirable Designer Fashion Brands

### Men desire to dress in Armani and Ralph Lauren

#### Women want to wear Gucci and Prada

Figure 45: Most desirable designer fashion brands for clothing, September 2015

#### Michael Kors is the handbag brand of choice among under-25s

Figure 46: Most desirable designer fashion brands for handbags, September 2015

### Young men aspire to Rolex, while young women want a Kors

Figure 47: Most desirable designer fashion brands for watches, September 2015

BUY THIS REPORT NOW VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

APAC +61 (0) 2 8284 8100 EMAIL: reports@mintel.com



Report Price: £1750.00 | \$2834.04 | €2223.04

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Data Sources and Abbreviations

Data sources
Abbreviations

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094 Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 EMAIL: reports@mintel.com