Value Clothing Retailing - UK - December 2009

Report Price: £1500 / $3000 / €2250

What is this report about?

The value clothing market has been one of the major beneficiaries of the downturn, with estimated sales rising an estimated 6% in 2009 to £8.1 billion. In this report, Mintel looks at what is driving this growth at a time when many other areas of consumer spending are suffering.

The larger specialists, led by Primark, Matalan, TK Maxx and Peacock Group, are improving both their product ranges and store environments and seem well placed for further advance into the traditional middle market territory currently occupied by the likes of M&S, Next and Debenhams.
Yet the same is not true for the leading grocery players in this sector, Tesco and Asda, both of which appear to have missed a beat in tackling this market. This report looks at why this might be the case.

What have we found out?

- The value clothing market is continuing to grow strongly, up an estimated 6% in 2009 to £8.1 billion. With a similar growth rate in 2008, sales of value clothing have not been dented by the consumer downturn.
- Specialist fashion discounters (led by Primark, TK Maxx and Matalan) are the main beneficiaries of the strong growth in value clothing sales, and have seen their sales rise by 7% to £5 billion in 2009.
- With 18m adults (ie over a third) buying clothing at Primark in the last year, this is now the UK's most popular value clothing chain. Although the retailer has lost ground among more affluent consumers (ABs), it has picked up less well-off consumers (C2s) – probably those same shoppers lost by the supermarkets.
- Consumer perceptions of product quality may be a growing issue. Only 8m consumers agree that the quality of value clothing is as good as in other clothing stores, down significantly from 2007. .
- The shopping experience in the value clothing market is also an issue: less than 4m consumers find the experience pleasurable, pointing to the need for better design of fixtures, more space and better lighting. to improve the environment in which consumers are buying.
- Value clothing stores will benefit from the rising number of 25-34-yr olds over the next five years as people in this age group are avid value fashion purchasers: only 2% never shop at value clothing retailers.

If you have any questions or require further information, send an email to oxygen@mintel.com or call one of our regional offices:

EMEA: +44 (0)20 7778 7151
Americas: +1 (312) 932 0600
APAC: +61 (0)2 8284 8100