

Fashion Online: Inc Impact of COVID-19 - UK - November 2020

Report Price: £1995.00 | \$2693.85 | €2245.17

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



“COVID-19 has accentuated the shift towards shopping for fashion online and heightened online demand will be a legacy trend of the pandemic. It will also have served as a catalyst to drive fashion retailers to invest in finding digital solutions to the ongoing issue of fit when buying clothes and footwear online.”

– Tamara Sender Ceron, Senior Fashion Analyst

This report looks at the following areas:

- The impact of COVID-19 and the second national lockdown on the online fashion market.
- How consumers' online fashion shopping behaviour and attitudes have changed since COVID-19.
- Where people have bought fashion online in the last 12 months and the preferred devices when shopping.
- The most important factors when choosing one retailer over another when buying fashion online.
- The growing influence of social media both as an influencer and as a trading platform for fashion brands.

There has been a record growth in online fashion sales, with online consumer spending on clothing, footwear and accessories jumping by 26% in 2020 to £28 billion. COVID-19 has accentuated the shift towards shopping for fashion online and heightened online demand will be a legacy trend of the pandemic.

Mintel's research for this Report found that 42% of Gen Z and 38% of Younger Millennial online fashion shoppers have purchased fashion items directly from social media, compared with an average of 23%. The lockdowns have fuelled a rise in social media usage and this has led younger consumers in particular to follow more fashion brands on social media. With the pandemic accelerating the rollout of Facebook and Instagram Shops and a focus on small and independent sellers, this gives an opportunity for more niche fashion brands to grow their presence in a very competitive and challenging fashion market.

Fit remains a big issue when shopping online, with 49% of female online shoppers aged 16-34 and 45% of females aged 35-54 agreeing that they struggle to find clothes online that fit. Poor fit is the main reason consumers send back clothes they have purchased and this leads to unnecessary and costly returns for retailers. COVID-19 has served as a catalyst to drive retailers to invest in finding solutions to this ongoing problem by either partnering with specialist fit technology companies as Zalando is doing or by adding augmented reality (AR) sizing tools to their apps as ASOS and Very have done.

While shopping for fashion online is convenient, it is not always enjoyable. Given that 55% of Younger Millennial females agree that it is worth paying more for clothes at a retailer that offers an enjoyable shopping experience and as this generation of younger consumers are increasingly shopping for fashion online via their smartphones, there are huge opportunities for fashion retailers to tap into this demand and use the latest digital tools such as screen sharing apps to make the online shopping experience more fun and sociable. Partnering with screen sharing apps can allow friends to meet and shop together virtually, recreating the social element of in-store clothes and footwear shopping.

**BUY THIS
REPORT NOW**

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

DID YOU KNOW?

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

Fashion Online: Inc Impact of COVID-19 - UK - November 2020

Report Price: £1995.00 | \$2693.85 | €2245.17

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

Table of Contents

Overview

Key issues covered in this Report

Economic and other assumptions

Products covered in this Report

Executive Summary

Impact of COVID-19 on online fashion

Figure 1: Short-, medium- and long-term impact of COVID-19 on online fashion sales and the broader fashion retailing categories, 23 November 2020

The market

Online fashion sales grow by 26% in 2020

Figure 2: Online consumer spending on clothing, footwear and accessories, 2015-25 (prepared on 17 November 2020)*

Rising social media usage

Companies and brands

Retailers use AR and VR to support online experience

ASOS is the most trusted online fashion brand

Figure 3: Attitudes towards and usage of selected brands, June-November 2020

The consumer

People are spending less on fashion

Figure 4: Consumer spending habits since COVID-19, 2-11 November 2020

Footwear most purchased online

Figure 5: Fashion items purchased online in the last 12 months, August 2020

Purchasing via smartphones rises

Figure 6: How consumers have bought fashion items online in the last 12 months, August 2020

Amazon is the most popular pureplay for fashion

Figure 7: Where consumers have bought fashion items online in the last 12 months, August 2020

Free delivery and wide range are key.....but so are unique brands

Figure 8: Most important factors when choosing one retailer over another when buying fashion online, August 2020

Lockdowns fuel rise in social shopping for fashion

Figure 9: Changes in online fashion shopping behaviour since the start of the covid-19 outbreak, August 2020

Females interested in fit solutions

Figure 10: Interest in the latest innovations when shopping online for fashion, August 2020

High level of demand for more product transparency online

Figure 11: Agreement with online fashion shopping behaviours, August 2020

Issues and Insights

Impact of COVID-19 on the online fashion market

What is behind the success of the main winners in online fashion?

Amazon – growing its grip on the fashion market

**BUY THIS
REPORT NOW**

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

Fashion Online: Inc Impact of COVID-19 - UK - November 2020

Report Price: £1995.00 | \$2693.85 | €2245.17

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

How can retailers stand out in an increasingly competitive online fashion market?

The Market – Key Takeaways

- Online fashion sales grow by 26% in 2020
- Online captures over half of fashion spending
- Rising social media usage

Market Size and Forecast

COVID-19 shifts fashion sales online

Figure 11: Short-, medium- and long-term impact of COVID-19 on online fashion sales and the broader fashion retailing categories, 23 November 2020

Online fashion sales grow by 26% in 2020

Figure 12: Online consumer spending on clothing, footwear and accessories, 2015-25 (prepared on 17 November 2020)*

Figure 13: Online consumer spending on clothing, footwear and accessories, 2015-25 (prepared on 17 November 2020)

Sales dip before returning to steady growth

Online captures over half of fashion spending

Figure 14: Online as a percentage of all spending on clothing, footwear and accessories, 2016-20

Market drivers and assumptions

Figure 15: Key drivers affecting Mintel's market forecast, 2015-25 (prepared on 23 November 2020)

Learnings from the last recession

Figure 16: Value sales of online clothing, footwear and accessories, 2006-12

Forecast methodology

Market Drivers

Smartphone ownership reaches peak in April 2020

Figure 17: Personal ownership of consumer technology products, June 2020

Rising social media usage

Figure 18: Social and media networks used, March 2020

Consumers cut back on discretionary fashion purchases

Figure 19: How respondents would describe their financial situation, August 2020

Consumers saving rather than buying fashion

Figure 20: What extra money is spent on, November 2020

UK household internet access above EU average

Figure 21: UK household broadband internet access, 2010-19

Changes in the population

Figure 22: Population trends 2020-30

Companies and Brands – Key Takeaways

- Retailers use AR and VR to support online experience
- ASOS is the most trusted online fashion brand
- Next has the largest share of the online fashion market

Market Shares

Next has the largest share of the online fashion market

**BUY THIS
REPORT NOW**

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

Fashion Online: Inc Impact of COVID-19 - UK - November 2020

Report Price: £1995.00 | \$2693.85 | €2245.17

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

Figure 23: Top ten online fashion retailers within the UK by estimated market share (excluding VAT), 2019

Figure 24: Top fifteen online fashion retailers within the UK by estimated market share (excluding VAT), 2018 and 2019

COVID-19 will have driven up the share of pureplays

Launch Activity and Innovation

AR and VR technologies help customers shop safely

Farfetch's latest off-White sneakers allow customers to try on virtually

ASOS accelerates AR clothes fitting service

Diesel unveils digital showroom Hyperroom

Figure 25: Diesel's digital selling platform and showroom, 2020

Gucci launches virtual shopping service in Italy

Figure 26: Gucci live shopping service, 2020

Burberry launches new AR shopping tool

Figure 27: Burberry's AR search tool, 2020

Prada launches virtual tours of its ateliers and boutiques

Figure 28: Prada Virtual reality tour of one its production sites, 2020

Retailers strengthen online capabilities and offerings

Missguided teams up with InPost UK to offer contact-free click-&-collect service

John Lewis launches virtual appointment and personal styling services

Mango launches virtual chatbot

M&S bra-fitting goes digital

Morrisons opens dedicated clothing website for Nutmeg

Social media helps retailers bolster customer engagement

Whatsapp to provide in-app purchases

Prada launches talk series on Instagram

Figure 29: Advert for Prada Possible Conversations on its Instagram account, 2020

Louis Vuitton adds behind-the-scenes content to its YouTube channel

Figure 30: Louis Vuitton's LVTV video on YouTube, 2020

TikTok launches business platform for retailers

Sustainability

Cos launches resale platforms

Figure 31: Cos Resell platform, 2020

Very introduces clothing resale service

ASOS launches first circular fashion collection

Figure 32: Asos circular recycled unisex denim jacket, 2020

Face mask launches

MaskClub subscription service launches in the UK

Face masks vending machines

Advertising and Marketing Activity

Advertising spend to decrease in 2020 due to COVID-19

**BUY THIS
REPORT NOW**

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

Fashion Online: Inc Impact of COVID-19 - UK - November 2020

Report Price: £1995.00 | \$2693.85 | €2245.17

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

Figure 33: Total above-the-line, online display and direct mail advertising expenditure on fashion by pureplays, 2017-20

Shein launches first OOH campaign in 2020

Figure 34: Shein's 'Walk Your Wonderful' OOH campaign, 2020

Net-a-Porter launches modest collection for Ramadan in 2019

Figure 35: Net-a-Porter's dedicated Ramadan campaign, 2019

JD Williams' empowering Autumn 2019 campaign

Figure 36: JD Williams 'Compliments.You Deserve Them' campaign, 2019

Pretty Little Thing celebrates women in dedicated International Women's Day campaign

Figure 37: PrettyLittleThing International Women's Day campaign, 2019

Boohoo leverages TikTok to attract Gen Z shoppers

Figure 38: Boohoo's 'Move Me' TV advert, 2020

Figure 39: Total above-the-line, online display and direct mail advertising expenditure on fashion by pureplays, by top advertisers, 2016-2020

Digital overtakes TV

Figure 40: Recorded above-the-line, online display and direct mail total advertising expenditure on fashion by pureplays, by media type, 2019

Figure 41: UK online fashion retail: recorded above-the-line, online display and direct mail total advertising expenditure on fashion by pureplays, by media type, 2019

Nielsen Ad Intel coverage

Brand Research

Brand map

Figure 42: Attitudes towards and usage of selected brands, June-November 2020

Key brand metrics

Figure 43: Key metrics for selected brands, June-November 2020

Brand attitudes: Very perceived to offer great customer service

Figure 44: Attitudes, by brand, June-November 2020

Brand personality: Boohoo and Shein seen as most fun

Figure 45: Brand personality – macro image, June-November 2020

Most trusted brand ASOS is seen as accessible

Figure 46: Brand personality – micro image, June-November 2020

Brand analysis

Simply Be is more highly trusted than Very and JD Williams

In The Style and Shein seen as cutting edge and responsive

Net-a-Porter an aspirational and expensive brand

Sosoander seen as authoritative and ethical

Young fashion pureplayers respond to changing consumer demands with agility

The Consumer – Key Takeaways

People are spending less on fashion

Amazon most popular pureplay for fashion

Free delivery and wide range are key.....but so are unique brands

Lockdowns fuel rise in social shopping for fashion

BUY THIS
REPORT NOW

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

Fashion Online: Inc Impact of COVID-19 - UK - November 2020

Report Price: £1995.00 | \$2693.85 | €2245.17

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

Impact of COVID-19 on Consumer Behaviour

Concerns over contracting COVID-19 rise amid second lockdown

Figure 47: Level of concern regarding exposure to COVID-19, May-November 2020

Figure 48: COVID-19 behaviour, time spent in-store, April-November 2020

...and shop more online...

Figure 49: COVID-19 behaviour: Online shopping use, April-November 2020

Consumers use click-&-collect to stay safe

Figure 50: COVID-19 behaviour: click-&-collect usage, April-November 2020

People are spending less on fashion

Figure 51: Consumer spending habits since COVID-19, 2-11 November 2020

Support for independents to fight back

Fashion Items Bought Online

Footwear most purchased online

Figure 52: Fashion items purchased online in the last 12 months, August 2020

Loungewear suits our lifestyles

Women and high earners drive online purchasing

Figure 53: Fashion items purchased online in the last 12 months, by gender, August 2020

Young buy highest repertoire of fashion categories

Figure 54: Repertoire of fashion categories purchased online in the last 12 months, by age, August 2020

How They Shop

Purchasing via smartphones rises

Figure 55: How consumers have bought fashion items online in the last 12 months, August 2020

Under-35s favour smartphones for purchasing

Figure 56: How consumers have bought fashion items online in the last 12 months, by age, August 2020

Driving app usage

Figure 57: How they buy fashion items online via a mobile device, August 2020

Where They Shop

Multichannel retailers remain most popular

Figure 58: Types of retailers used to purchase clothing online in the last 12 months, August 2020

Amazon most popular pureplay for fashion

Figure 59: Retailers without physical stores from where consumers have bought fashion items online in the last 12 months, August 2020

M&S popular, but driven by women aged 65+

Figure 60: Retailers with physical stores from where consumers have bought fashion items online in the last 12 months, August 2020

Amazon is also the largest player in the online fashion market

Figure 61: Where consumers have bought fashion items online in the last 12 months, August 2020

Repertoire of pureplays used narrower than that of store-based shoppers

Figure 62: Repertoire of retailers used to purchase fashion online, August 2020

Most Important Factors when Buying Fashion Online

BUY THIS
REPORT NOW

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

Fashion Online: Inc Impact of COVID-19 - UK - November 2020

Report Price: £1995.00 | \$2693.85 | €2245.17

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

Free delivery and wide range are key...

...but so are unique brands

Figure 63: Most important factors when choosing one retailer over another when buying fashion online, August 2020

Gen Z look for retailers that offer faster delivery

Figure 64: Most important factors when choosing one retailer over another when buying fashion online, by generations, August 2020

Baby Boomers drawn to wide range of fits

Changes in Online Shopping Behaviour since COVID-19 Outbreak

Online fashion surfing becomes new window shopping

Figure 65: Changes in online fashion shopping behaviour since the start of the covid-19 outbreak, August 2020

Lockdowns fuel rise in social shopping for fashion

Figure 66: Changes in online fashion shopping behaviour since the start of the covid-19 outbreak, by generations, August 2020

Young women more aware of their appearance on Zoom

Interest in Latest Innovations When Shopping Online

Baby Boomers want the option to check stock availability

Figure 67: Interest in the latest innovations when shopping online for fashion, August 2020

Females interested in fit solutions

Figure 68: Interest in the latest innovations when shopping online for fashion, August 2020

Highest earners keen on in-store services offered online

Making online shopping more sociable

Potential for livestreaming

Online Fashion Shopping Behaviour

Women want more product transparency

Figure 69: Agreement with online fashion shopping behaviours, August 2020

Younger Millennials question ethics of low-priced fashion

Figure 70: Agreement with statement 'Recent news stories have made me question shopping online from low-priced online fashion retailers', August 2020

16-34s struggle with fit, but are concerned about sharing data

Figure 71: Fashion Online – CHAID – Tree output, August 2020

Methodology

Figure 72: Fashion Online – CHAID – Table output, August 2020

Appendix – Data Sources, Abbreviations and Supporting Information

Abbreviations

Consumer research methodology

**BUY THIS
REPORT NOW**

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