



THE 2018 U.S. FORECAST ON APPAREL SHOPPING TRENDS

How Shoppers Will Browse and Buy Clothing in 2018

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Introduction

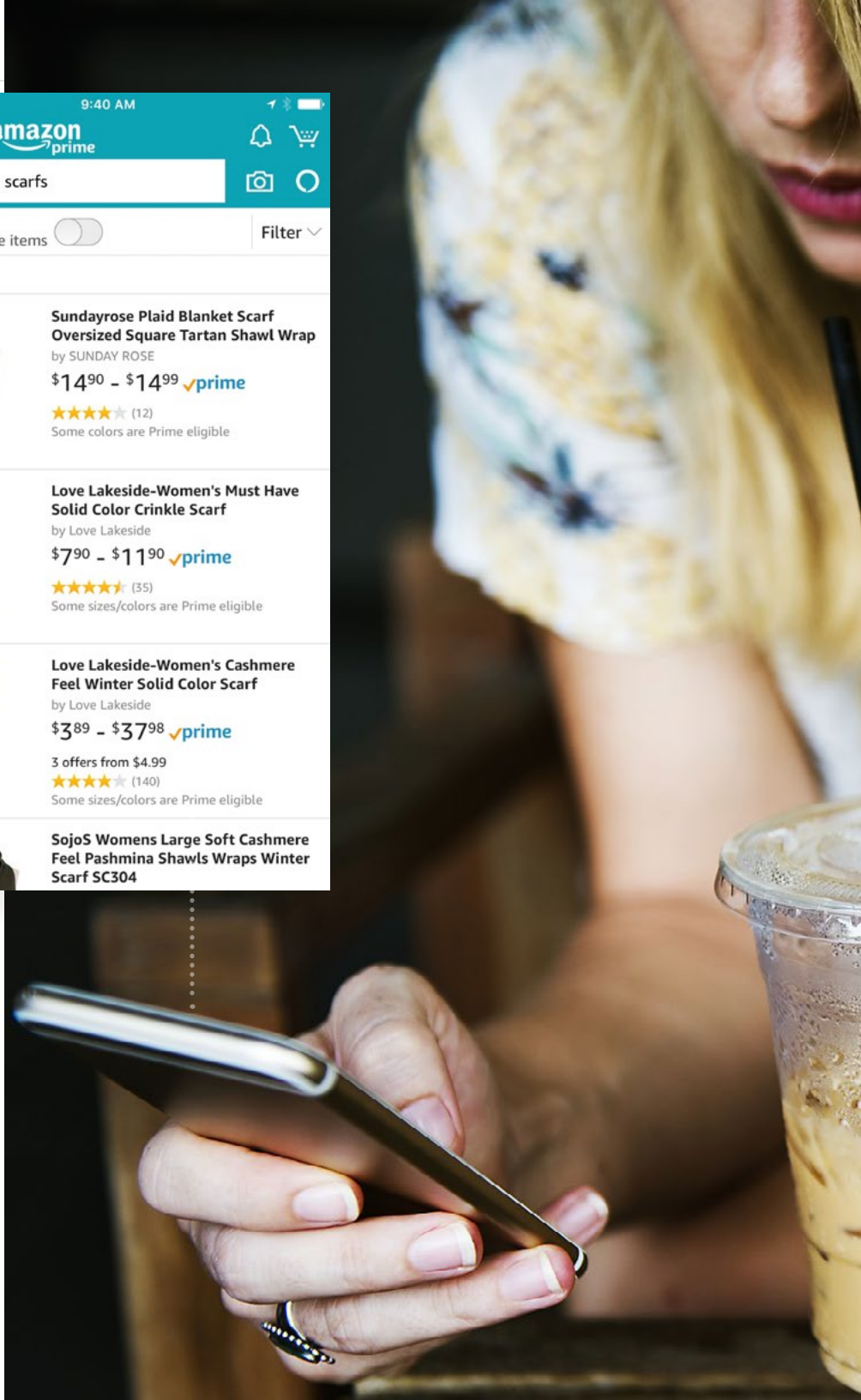
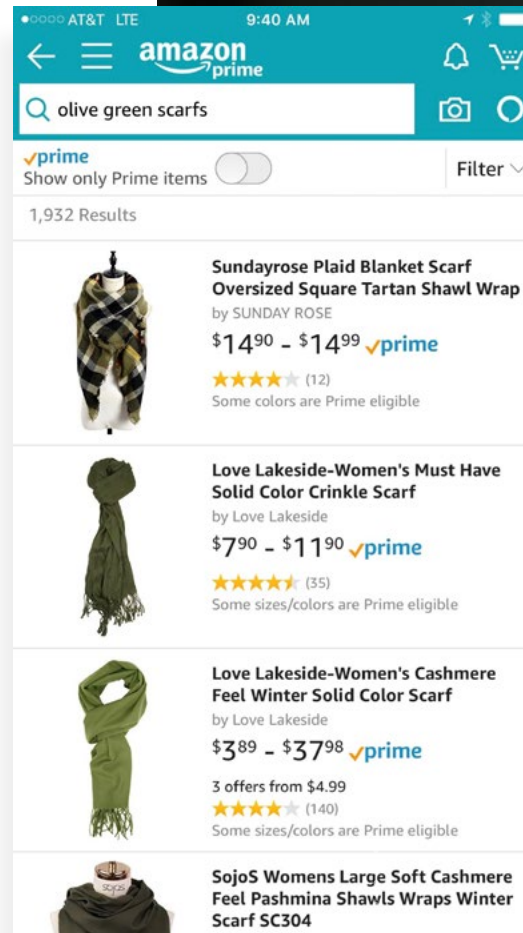
This Apparel survey wasn't supposed to revolve around Amazon—but as with most ecommerce conversations, Amazon is at the center.

Historically, Amazon struggled to display clothing in an easy-to-browse manner (even eBay did a better job). And up to this point, they've failed to gain high fashion labels who state the bargain platform "[does not fit with \[their\] brands.](#)"

However, this survey of 1500 U.S. shoppers hints that Amazon may have finally hit their stride in a few key apparel sectors.

Cowen & Co. predict Amazon will sell [\\$28 billion worth of clothing in 2018](#), and [others have](#) predicted that Amazon's apparel sales could reach \$85 billion by 2020.

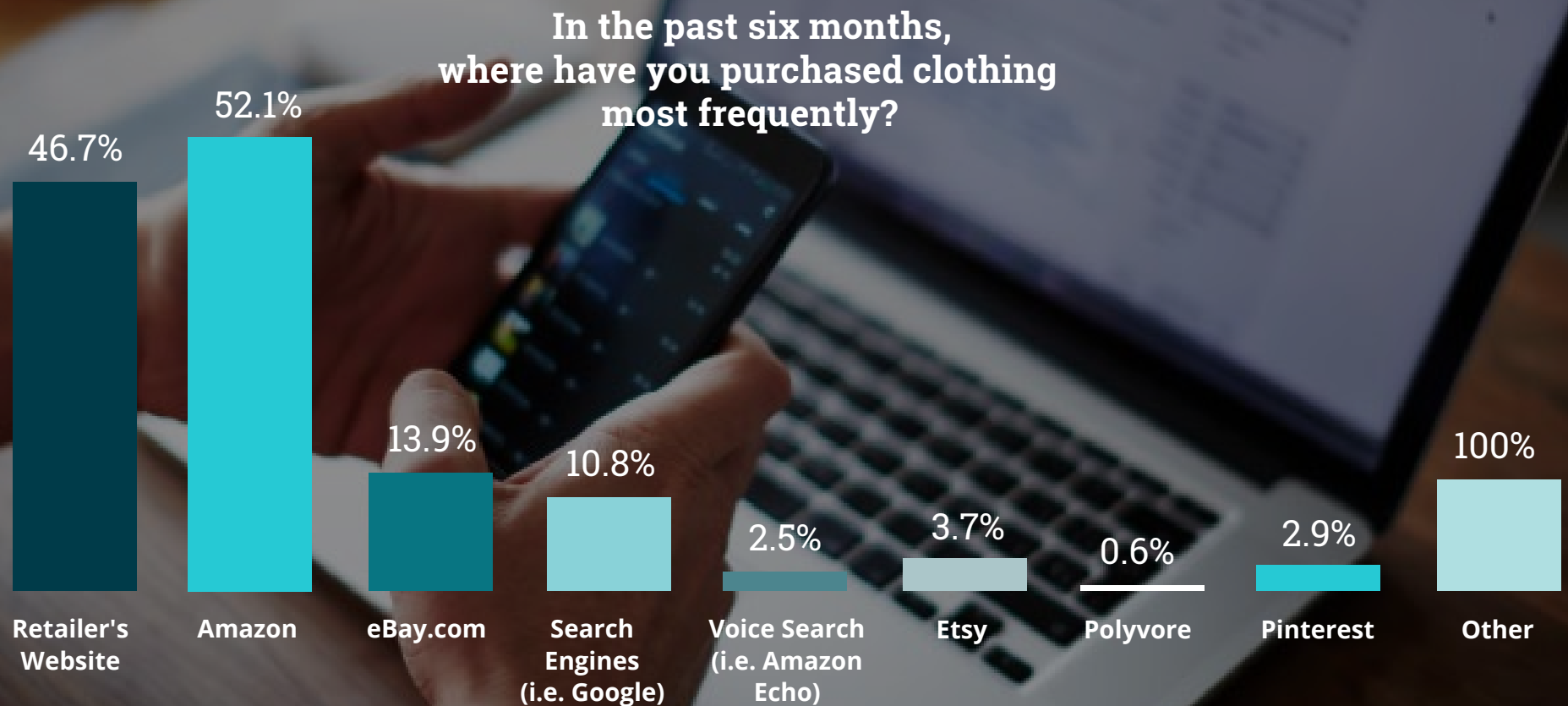
In this survey, we'll explore data that shows where Amazon's winning at apparel, where bricks-and-mortar still have the upper hand, and how retailers and brands can compete.



Amazon's Getting Better at the Online Apparel Game

Amazon's Getting Better at the Online Apparel Game

We asked respondents where they purchased clothing from most frequently in the last six months. Shockingly, Amazon.com earned the top spot, with 52.1% of shoppers claiming they purchased clothing there in the last six months. Not far behind, 46.7% of shoppers gravitated towards retailer or brand websites. Out of all respondents, 53% of women reported they were more likely to buy clothing directly from a retailer's website, while 56% of men were more likely to purchase clothing from Amazon.com.





You'd expect to see these numbers in most other verticals, but a lot of apparel brands and retailers should be sweating.

Apparently, Amazon's investment in clothing is paying off.

We already know how much Amazon shoppers value price, shipping, and convenience (more on that later in the guide). For some, there's an added layer of confidence that comes with purchasing apparel via Prime. Retailers' websites are still a destination for apparel shopping. However, retailers should stay vigilant to stay tuned into their audience and focus on creating new value additions customers can't get anywhere else.

"I prefer [to shop with Amazon Prime] because I just feel like its more reliable. If the clothes doesn't fit or I don't like the style in person when it arrives, I feel better knowing that I can return/exchange. Not that other vendors don't offer this, but it just seem like an easier process this way.



Laura Navar
Senior Accountant
CPC Strategy

"I usually shop for clothes on a brand or retailer's website only when I've shopped from them before, and I already know how their clothes generally fit me. When it comes to fashion I don't want to waste my time returning things."



Aaron Gooden
Marketplace Channel Analyst
CPC Strategy



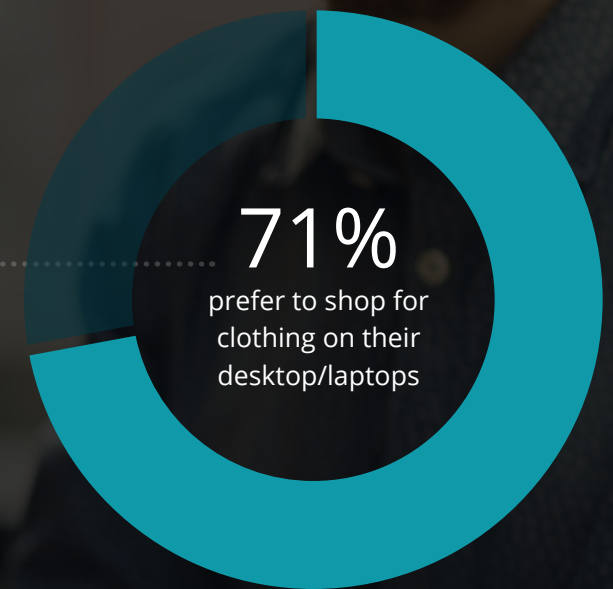
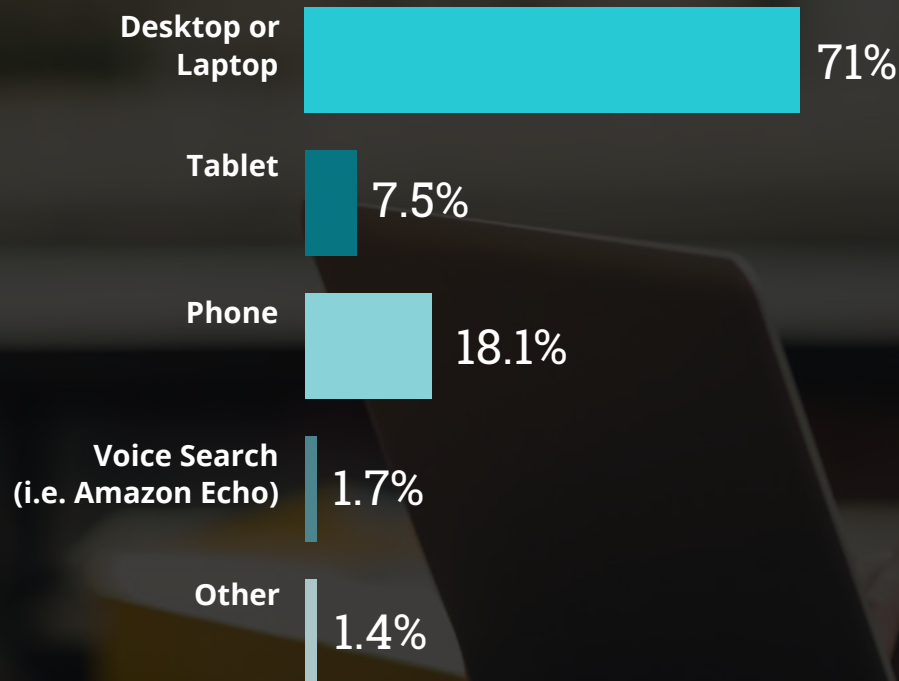
Desktop is Still King, but a Growing Segment of Young Shoppers are Buying Clothes on Mobile



Desktop is Still King, but a Growing Segment of Young Shoppers are Buying Clothes on Mobile

71% of respondents stated they prefer to shop for clothing on their desktop or laptop, while 25.6% prefer their phone (18.1%) or tablet (7.5%).

Where do you prefer to shop for clothing online?





These results mirrored our findings in our [2017 Amazon Consumer Survey](#):

Which device do you usually use when you buy something on Amazon?			
Answer	Women	Men	Both
Mobile phone	25.40%	21.33%	23.37%
Desktop computer or laptop	39.89%	35.47%	37.68%
Tablet	10.37%	10.67%	10.52%
N/A—I don't shop on Amazon	24.34%	32.53%	28.44%

18-24 year olds were the most likely out of all ages to report they would shop for apparel from their phone (40%).

Which device do you usually use when you buy something on Amazon?								
Answer	13 - 19	18 - 24	25 - 34	35 - 44	45 - 54	55 - 64	65+	Total
Desktop or Laptop	1	109	128	151	218	257	203	1067
Tablet	0	10	19	26	31	17	17	112
Phone	0	83	83	55	21	18	12	272
Voice Search	0	1	4	4	4	6	7	26
Other	0	2	4	2	7	9	1	25
Totals	1	205	238	238	281	307	232	1502

Statistical Significance

- Positive
- None
- None
- Negative





We use our phones for everything else—so why don't we use our phones to buy clothing?

There are a few layers that obscure the reality of the role mobile devices play.

Not All Mobile Sites are Created Equal

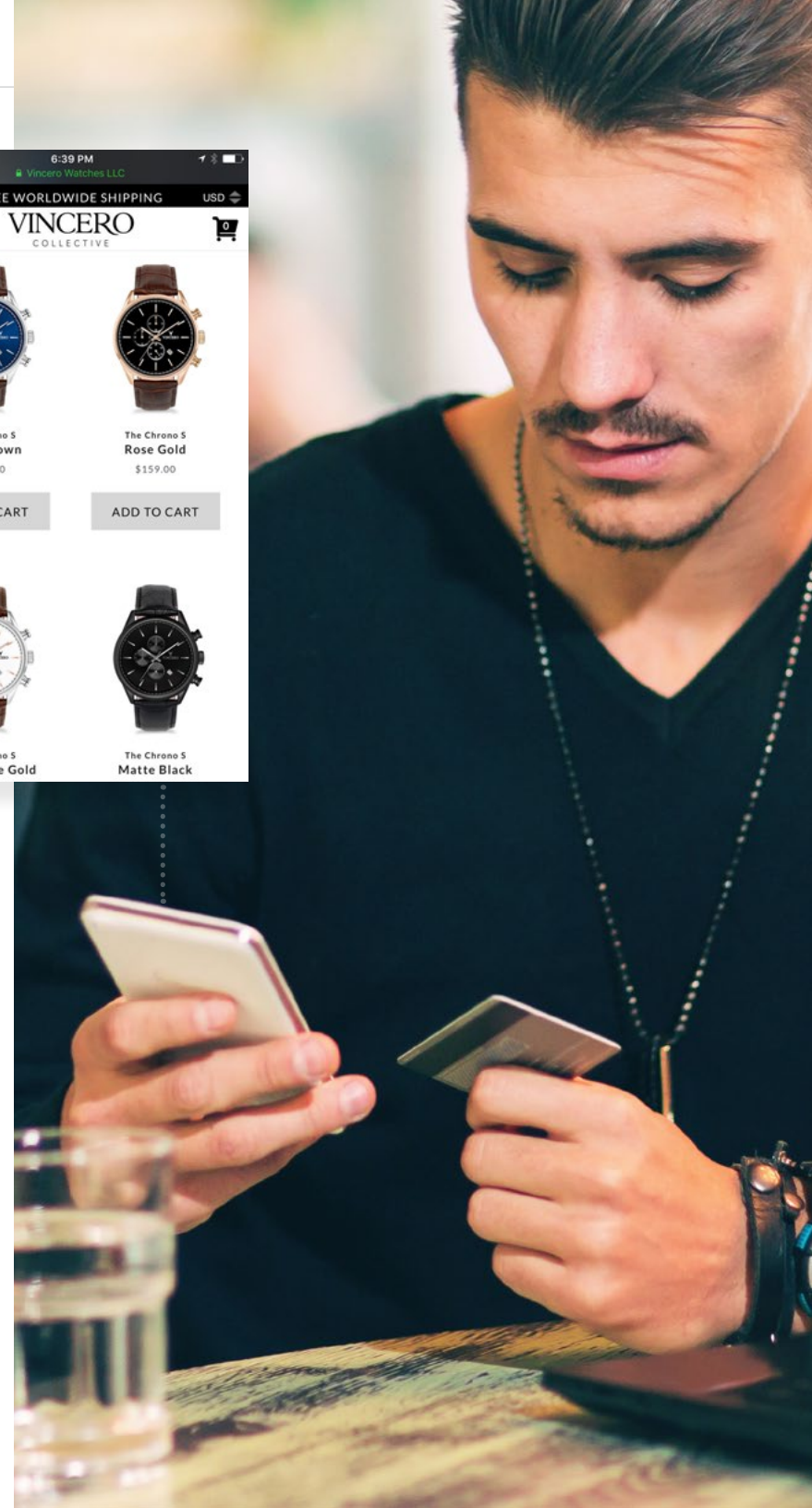
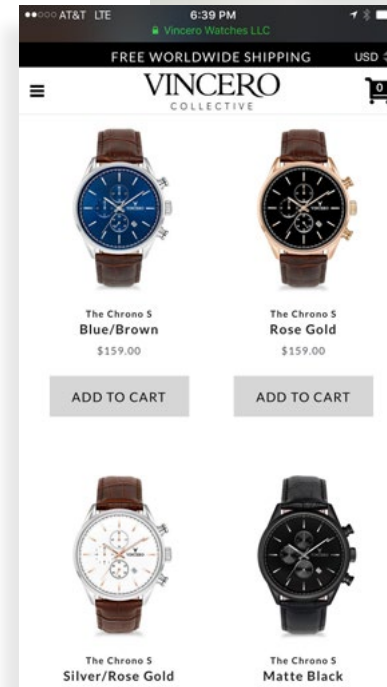
Well, it may partially be because the mobile site experience for many brands and retailers is weak when compared to their desktop shopping experience.

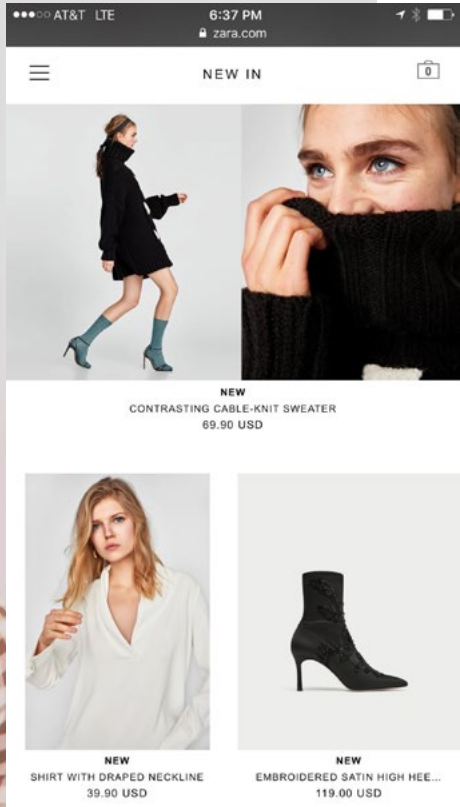
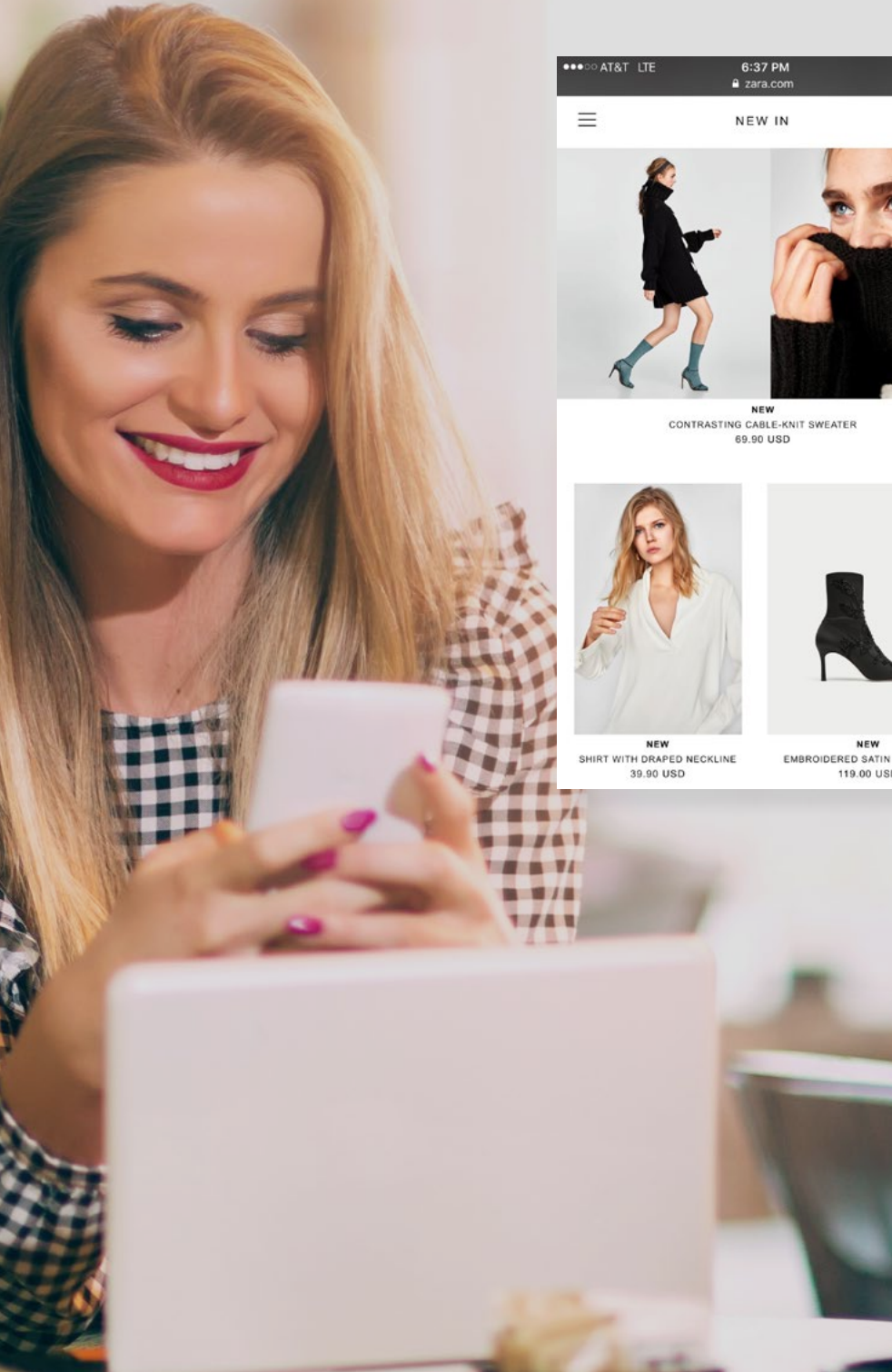
"If I'm in a hurry, I'll buy something on my phone, but I find it's harder to do research on specific products on a condensed mobile site."



Tien Nguyen
Director of Technology
CPC Strategy

Clearly, apparel retailers need to make sure the mobile experiences matches the desktop experience—otherwise, they risk losing the shopper in their buying journey.





Mobile is Better for Casual Browsing

Have you noticed your mobile segment of website customers visitors is growing, but your conversion rate for them is stagnant?

It could just be that consumers use their phones more for casual browsing, and desktop when they're ready to get serious and actually make a purchase.

"A lot of my clothing shopping on mobile is more about browsing than being intentional. If I'm on desktop, I probably already know what I am going to buy."



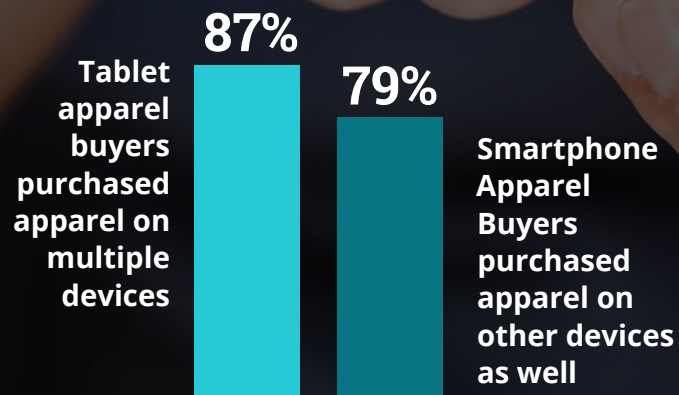
Sarah Sanchez
Manager, Performance Social
CPC Strategy



Shoppers Use Multiple Devices to Browse and Buy Apparel

All online advertisers know a shopper's path to purchase is a rarely linear by device (ie. mobile browse > desktop buy).

According to [Criteo's 2016 Fashion Flash Report](#):



"For the most part, mobile users used multiple devices to purchase clothing."

"I prefer my phone because the sites I usually shop for clothing on are better on mobile than desktop. It's retailers I've shopped in person at because then I go on the app to shop for stuff because I know how it fits. I'm usually nervous to shop from retailers that I haven't ever purchased from online."



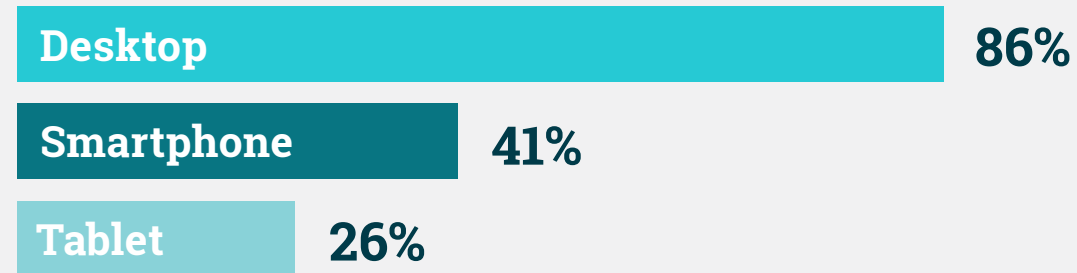
Aaron Gooden
Marketplace Channel Analyst
CPC Strategy





Devices Used by US Apparel Digital Buyers to Purchase Apparel, July 2016

% of respondents

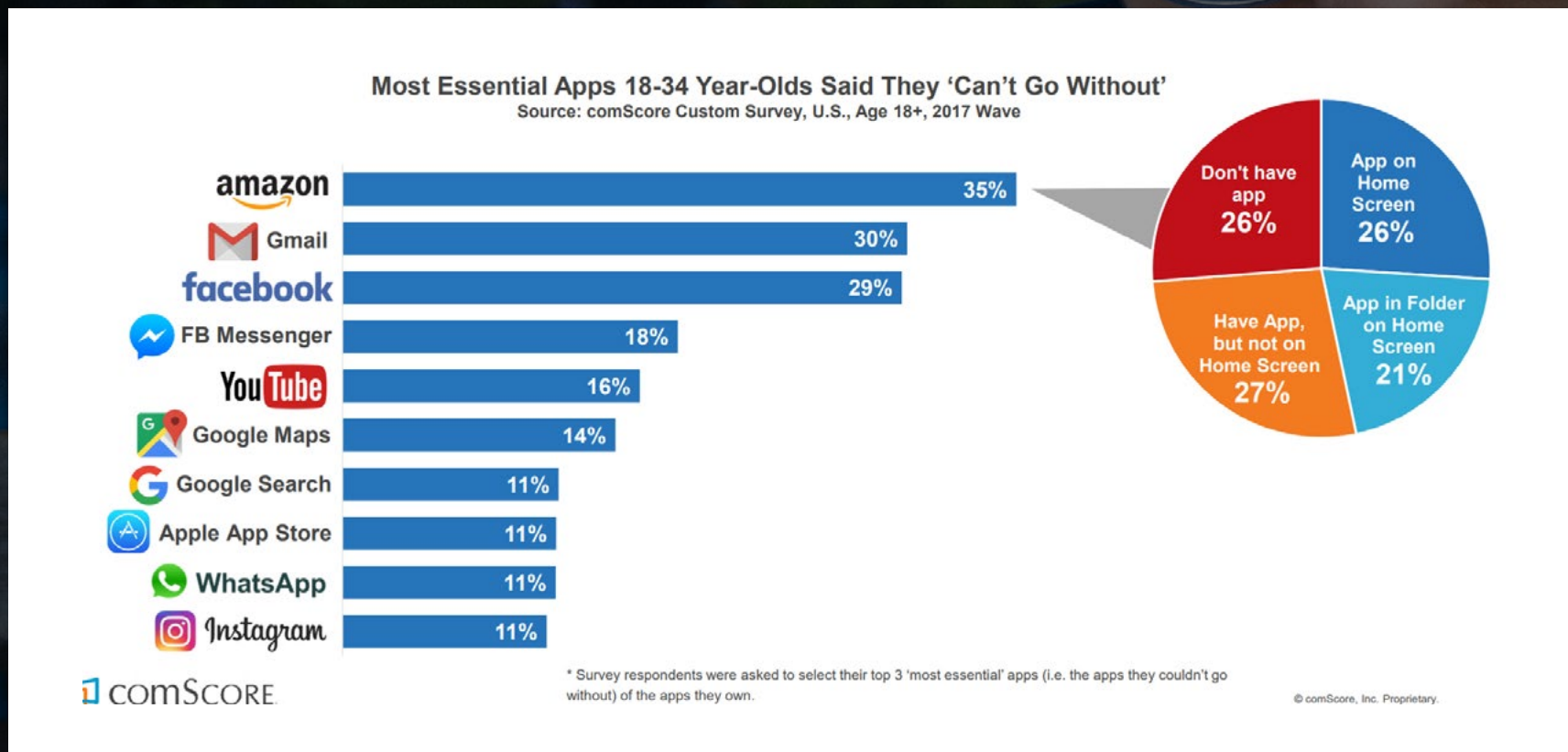


Note: n=1,536 ages 18+; in the past 12 months
Source: Criteo, Fashion Flash Report, " Aug 25, 2016

While mobile may not be the current clothing shopping device of choice, you can bet it already plays a major role in the buyer journey, and will only become more popular with every generation. This includes apps.



According to [ComScore's 2017 U.S. Mobile App Report](#), 35% of millennials consider the Amazon app "essential".



No, your app won't replace Amazon's, but it could be worth it to gain space on your customers' phones.

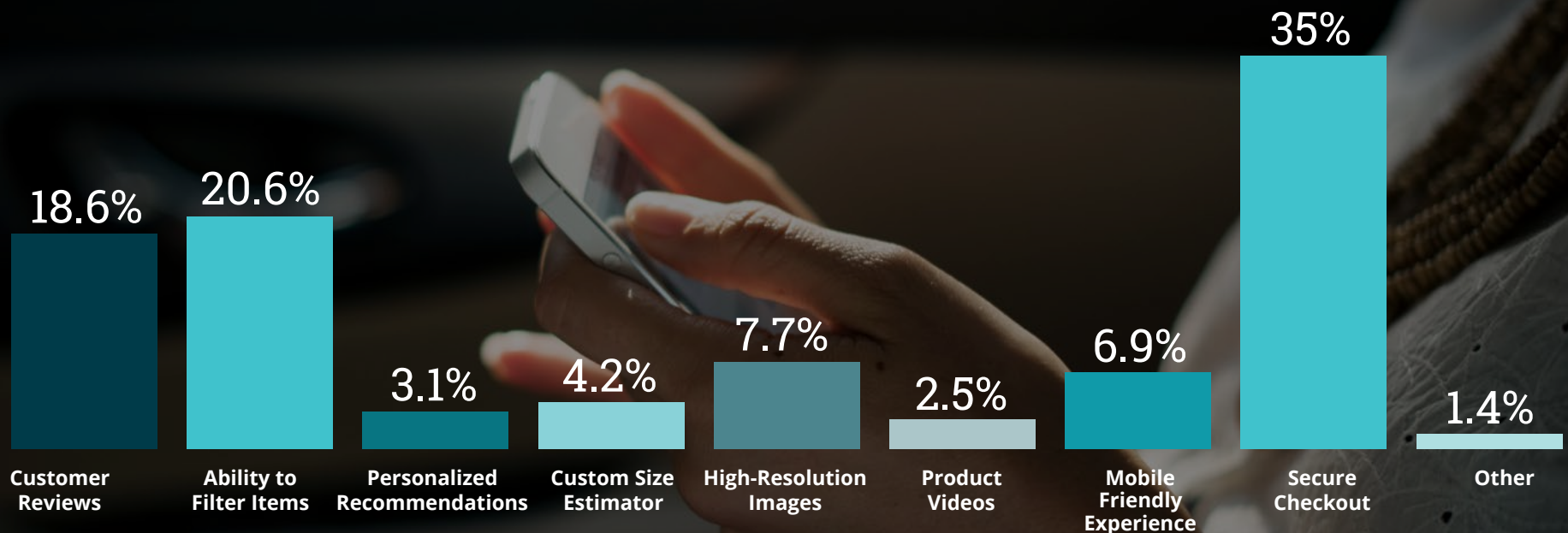
Secure Checkout, Customer Reviews, & Product
Filters are Priorities for Apparel Shoppers

Secure Checkout, Customer Reviews, & Product Filters are Priorities for Apparel Shoppers

35% of online apparel shoppers claimed to value secure checkout—above even high resolution images. We can argue that with recent security breaches, consumers have a heightened awareness of that little green lock in the URL bar.

It's also rare for a reputable brand or retailer doesn't have secure checkout (we can't think of one). So let's focus on the second two most important features: **Filters** and **customer reviews**.

Which of the following website features do you value MOST when shopping for clothing online?





The Power of Filters

"The ability to filter is important because it just makes it easier, especially with some retailers who have thousands of objects."



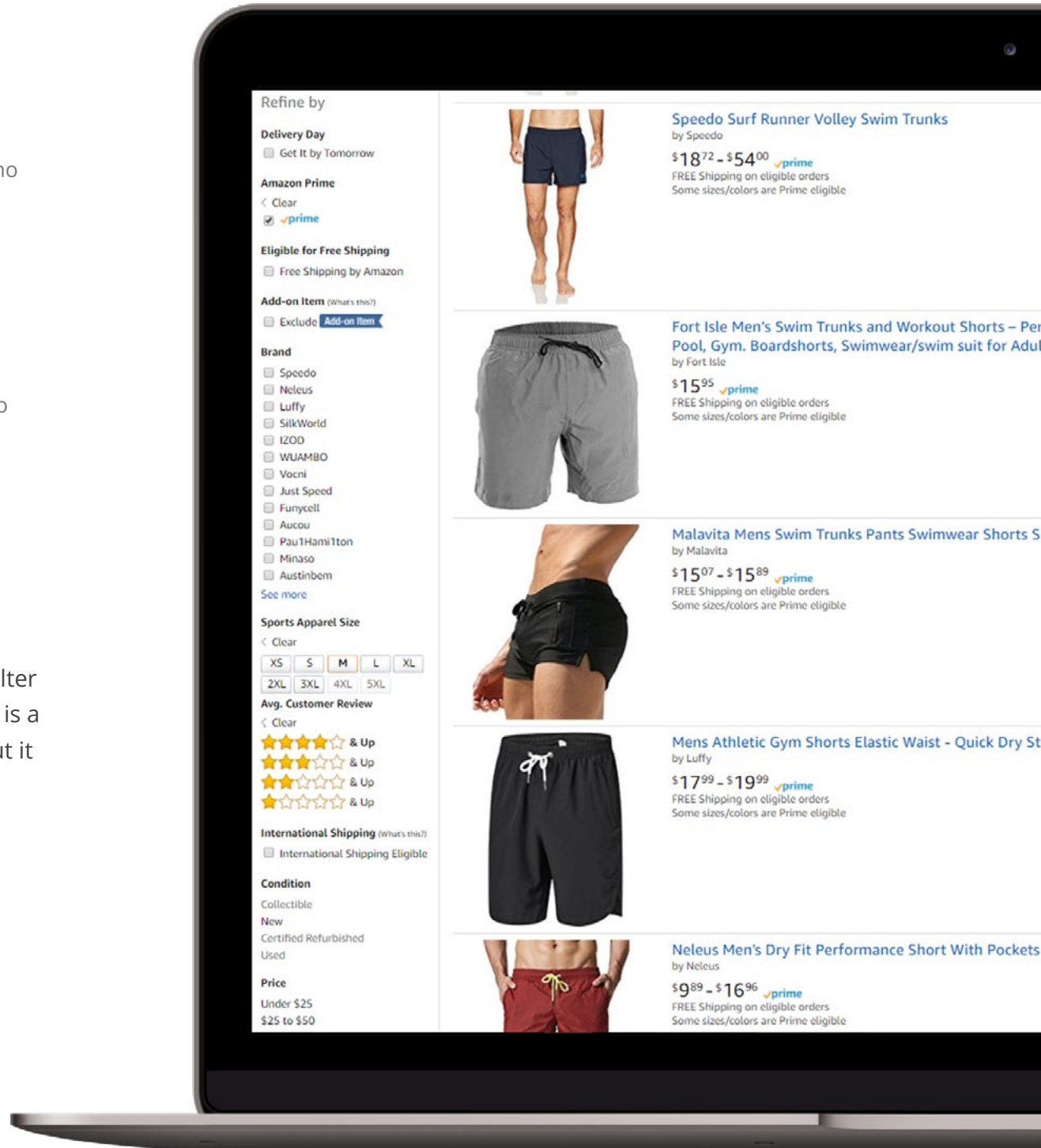
Kirk Adkins
Sales Development Representative
CPC Strategy

"It's just a pet peeve when I go to purchase only to realize that they don't have my size. By filtering, I avoid that heartbreak and disappointment."



Laura Navar
Senior Accountant
CPC Strategy

20.6% of clothing shoppers value the ability to filter items by factors such as size and price. Filtering is a basic functionality of many apparel websites, but it needs to work well across mobile and desktop.



The Importance of Customer Reviews

Customer reviews came right after filters as a priority for 18.6% of respondents.

Shoppers may hesitate to make apparel purchases online because they're unsure if the product will arrive as it appears, or fit as remotely as well as it fits the model. This is where peer reviews come in—and many brands are using companies to [syndicate reviews across sites to compete with Amazon](#).

Reviews are another area Amazon excels in. Customers trust verified purchasers who share their view on the product. But with clothing, it's difficult to trust just anyone's opinion. Unlike a Vitamin C serum, clothing is very personal and varies in appearance by different body shapes and sizes.

"With clothing, body types are different and you can't always trust what people say, so I don't value reviews as much."



Sam Blush
Marketplace Channel Analyst
CPC Strategy

Brands and retailers have the opportunity to take reviews to the next level by incorporating user generated content into their messaging and overall site experience.

"Customers want to hear and see products on real people, and to be able to do this and balance it with brand is really impactful."



Ani Collum
CMO
Ellie Kai



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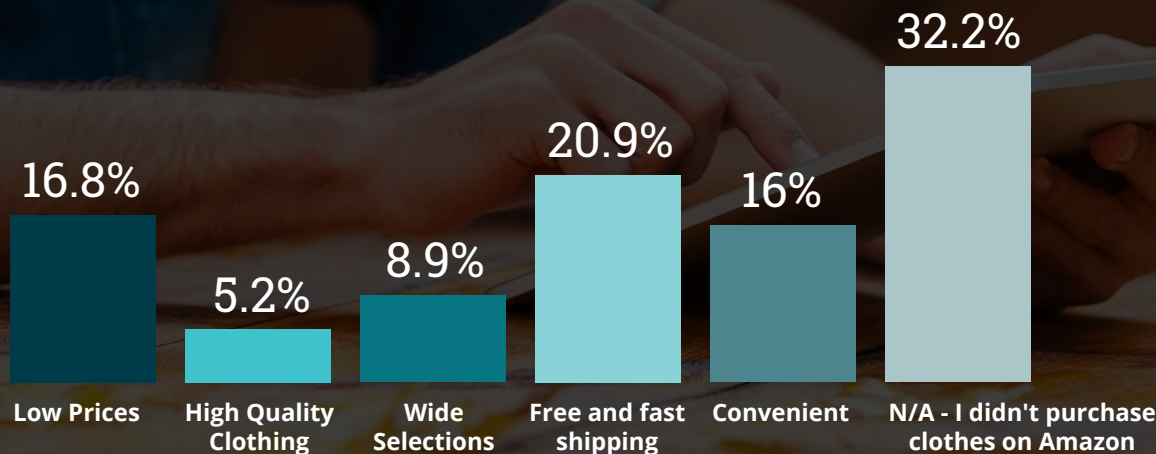
Of those who did purchase apparel on Amazon, 30.8% did so because of Amazon's fast and free shipping, and 24.7% cited "low prices". This is also a stat that's consistent with our [2017 Amazon Consumer Survey](#) results.

"I'm not really into clothes or fashion, but I did buy winter gear from Amazon because of the convenience and the price."



Nathan Sparks
Sales Development Representative
CPC Strategy

If you purchased clothing on Amazon in the past six months, which of the following reasons BEST describes why?





Amazon Apparel Isn't Known for Quality (Yet)

It shouldn't shock anyone that shoppers who buy clothes on Amazon value the site due to free and fast shipping, low prices, and convenience.

However, it's important to notice that very few reported "high quality clothing" as a factor in their decision to shop for apparel on Amazon.

That may change. But for now, the biggest takeaway for retailers is this: **If you can't compete with free shipping or low prices, then you need to have a very unique brand or high quality product.** (And it doesn't hurt to have a cult following.)

And let's not forget the convenience factor. If you can make your shopping experience even more convenient than Amazon's, you have an opportunity to keep your shoppers on your site. Brass, a women's apparel startup, takes convenience to the next level by offering free alterations to their customers who request them. That's something that retail giants such as Amazon cannot compete with.

Otherwise, Amazon's coming for you.

Initiatives such as 'buy online, pick up in store,' curbside delivery at brick and mortar, and even just clear attribute-driven product copy and photos can make the buying experience more convenient for your customers.



Ani Collum
CMO
Ellie Kai



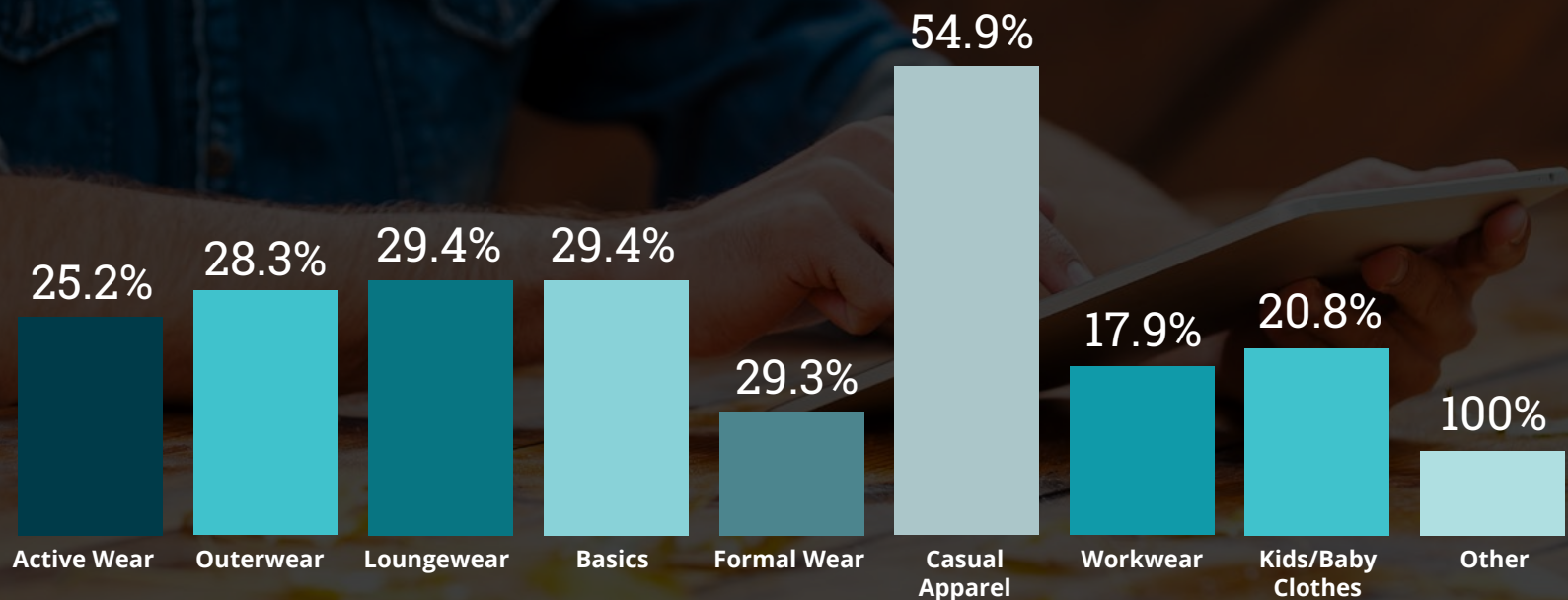
Casual Apparel and Basics are
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Casual Apparel and Basics are Safe Bets for Online Shoppers

When asked about the types of apparel they purchased in the last six months, 54% of shoppers included casual apparel in their list (ex. Jeans, sundresses). Athletic wear, outerwear, loungewear, and basics all hovered between 25% - 29.3%.

Formal wear—for instance, dresses or suits—came in last, showing up on just 13.6% of shopper's lists.

Which of the following items have you purchased online in the past six months?





The popularity of shopping online for basics, casual wear, and athletic wear may be simply because socks and leggings are easier to size.

While this question isn't limited to Amazon, it essentially reinforces the state of the retail giant's apparel operations, [which is driven by basics.](#)

"T-shirts, yes. Socks, yes. But pants, suits, and shoes? I won't buy those on Amazon. It's easy to buy general clothing items [such as] socks and undershirts because industry-wide, the fit is generally the same. With pants, shoes, and suits, I really need to try them on to ensure they fit right."



Jeff Yamauchi
Sales Development Representative
CPC Strategy

Levi's, Under Armour, and Adidas are some of Amazon's current high profile partners, and they all fit the "casual" or "athletic wear" bill.





The New “Basics” Monopoly

[Calvin Klein has also found a way](#) to partner with Amazon without sacrificing their designer reputation. Rather than selling their high end collections on the platform, they opt instead to sell exclusive underwear lines and other basics.

If you're a brand or retailer who sells casual or athletic wear, and you're not a Lululemon or other known brand, you're likely already aware of Amazon's growing dominance in the space.

Ironically, unless you're competing on price, well-known brands with a preexisting audience also have the upper hand on Amazon.

“If your brand stands for something, and has strong appeal on its own to consumers, then you'll do great...Without brand as a guide to quality and lifestyle meaning, Amazon does very little to help you justify a price difference over something that looks very like what you already have. That's why UGG has invested in Amazon presence like it has – it has the strength of its brand to back it. Sure, you can buy knockoffs, but if you want UGGs, nothing else will do.”



Nikki Baird
Managing Partner
Retail Systems Research



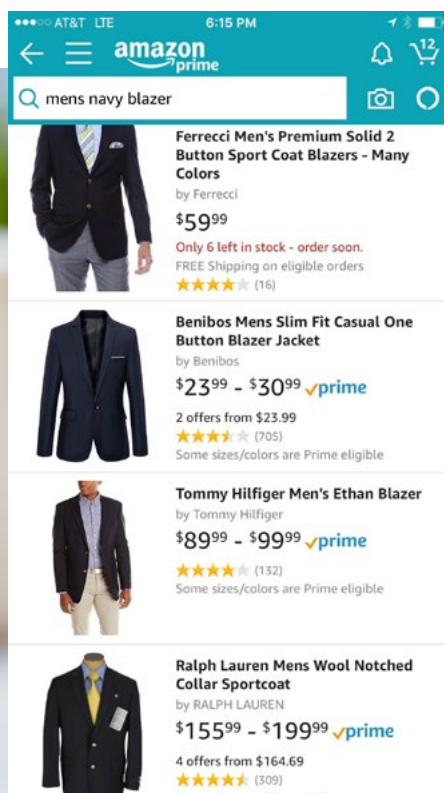
Learn more in our
blog post ["Should
Apparel Brands Sell
on Amazon?"](#)



The Biggest Opportunity

Our survey results indicate that other types of apparel—particularly menswear and formal wear—are still very difficult to sell online.

But there's still room to crack that code and win over a hesitant market. Bonobos is doing it. [Yoox Net-a-Porter Group is doing it.](#) [Farfetch is doing it](#) (to the tune of 74% revenue growth in one year, no less). It's not impossible.



Conclusion & About the Audience



Conclusion

There are a lot of takeaways from this particular study. Here are some of the big ones:

Don't Ignore Amazon

Amazon's investing more into their private labels, and are increasingly concerned about raising their quality—not just quantity. Join them. You're already building a compelling brand, seamless website experience, and quality apparel. Now, Amazon's making it easier than ever for brands to stand out on the platform with [EBC](#) and [A+ content](#) and [Stores](#).

Invest in Your Site Experience

Mobile may not be the biggest driver of apparel conversions on your site, but you can bet it's a part of your buyer's journey to purchase. Make sure you're getting an accurate picture of where mobile comes in, and make sure your desktop and [mobile experience are both useful and delightful](#).

Grow Your Peer Influence Network

Brands and retailers can't afford to miss this step. If you're doing everything else right and your customers love you, equip them with the ability to share your products with reviews, [loyalty programs](#), and referral programs.





Build Up Your Brand or Be Prepared to Get Caught in Price Wars

If you're not a unique brand manufacturer with a vice grip on your distributors and minimum advertised prices (MAP), you can quickly get choked out by price wars with competitors. Be the brand your competitors wish they were, or be ready to compete on price, especially if you're selling on Amazon. This might mean it's time to invest more in some brand awareness campaigns, or [start selling direct to consumer](#).

Consider Investing in an Apparel Niche That Hasn't Been Exploited Online...Yet

We mentioned menswear before, but this survey also showed that baby clothing, formal wear, and workwear are still categories where consumers hesitate to buy online. Figure out why, then make your offerings irresistible to your desired niche audience.



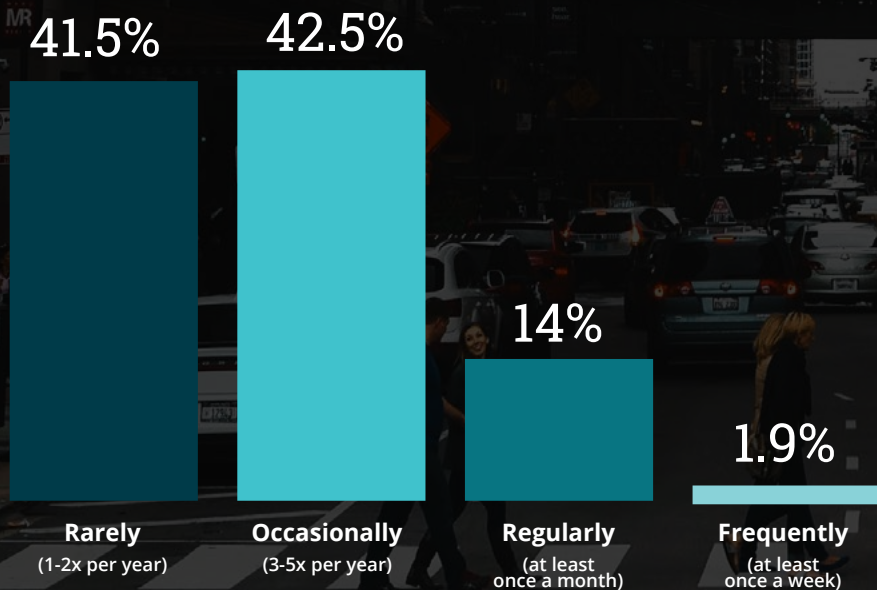
About the Audience

We surveyed 1502 online respondents ages 18 - 65 between November 17, 2017 and November 20, 2017 via the Survata platform. (You can learn more about the survey methodology below.)

All respondents were screened with the question “Have you ever purchased clothing online?” and only those who responded “yes” participated. The majority of these shoppers aren’t apparel shopaholics.

Only 14.% of respondents claimed they shop for clothing online about once a month, while 85% reported only shopping for clothing online 1-5 times per year.

How often do you purchase clothing online?





Methodology Details

This survey was commissioned by CPC Strategy and conducted by Survata, an independent research firm in San Francisco. Survata interviewed 1502 online respondents between November 17, 2017 and November 20, 2017. Respondents were reached across the Survata publisher network, where they take a survey to unlock premium content, like articles and ebooks. Respondents received no cash compensation for their participation.

More information on Survata's methodology can be found at survata.com/methodology.



Take the Next Step

Schedule Your Amazon Strategy Evaluation

CPC Strategy's Amazon Audit is a complimentary 60-minute analysis and assessment of brand's existing Vendor Central account, advertising programs, product order (PO) volume, and profitability metrics.

[SCHEDULE MY EVALUATION](#)



We Turn Browsers Into Buyers