Euromonitor International

Shifting Channels in Luxury and Fashion

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INTRODUCTION

Scope
Key takeaways
Exploring shifting channels in luxury and fashion
Since COVID-19 restrictions were lifted, e-commerce growth has stabilised
Shoppers have missed physical stores and become more discerning in their fashion spend
Retailers need to appeal to and retain consumers facing persistent global inflation
Changing sustainability regulations put retailers under increasing pressure
Changing consumer lifestyles and values drive the evolution of luxury and fashion retail

VALUE AND CONVENIENCE

Due to persistent inflation, consumers are expected to curtail their discretionary spending
Consumers value products and services that help get on with their new hybrid routines
Consumers increasingly favour businesses that offer a hassle-free experience
Primark expands its Click & Collect service to over 50 stores in the UK
Dollar shop marketplace Temu is thriving in inflation-weary US market
Google shopping appeals to budgeteers with new search functionality

BRINGING A HUMAN AND PERSONAL TOUCH

There are still some experiences that only physical stores seem able to provide…
Skims is opening permanent physical stores across the US
Lee opens first physical flagship filled with tech from endless aisle to smart mirrors, in India
Engage with the local community: Kolon brings natural lifestyles into the concept store
Bulgari partners with Integra Fragrances as part of its immersive experience by Refik Anadol
Footwear player Renner meets customers via “travelling” pop-up store across Brazilian coast

INVESTING IN GAMING AND PERSONALISATION

Consumers are now looking for solutions that enhance their digital wellness
To bridge the gap between on and offline, brands invest in gaming and personalization
Gucci Town targets younger generations with immersive gaming features
Hugo Boss invests in greater personalisation with a new AI Digital Campus in Portugal
Ferragamo taps into the thrill of solving a mystery to unveil new collection
Lacoste adds gaming features to its Web 3.0 UNDW3 NFT collection

INTEGRATING SUSTAINABILITY IN RETAIL

COVID-19 and high inflation lead consumers to seek alternative ways of accessing products
The growing pressure for more sustainable business models in fashion impacts on retail
Censuum pioneers the concept of department store for responsible DTC brands in Denmark
Zara charges for returns for online purchases and launches in-store clothes collection scheme
From Censosud Paris to Primark Worn Well, retailers explore multi-brand resale corners
Chloé launches digital IDs to enable instant resale with Vestiaire Collective

CONCLUSION AND RECOMMENDATIONS

E-commerce and offline retail to complement each other in apparel and footwear
Consumers demand the best of both worlds

CONCLUSION

Winning strategies in today’s fashion retail environment

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