

Apparel, Fashion & Luxury and Sustainability Practices

Survey: Consumer sentiment on sustainability in fashion

Engagement in sustainability has deepened during the COVID-19 crisis, with European consumers wanting fashion players to act responsibly and consider the social and environmental impacts of their businesses.

by Anna Granskog, Libbi Lee, Karl-Hendrik Magnus, and Corinne Sawers



While the fashion industry is reorganizing for the next normal after the COVID-19 crisis, European consumers have become even more engaged in sustainability topics. That presents an opportunity for the fashion industry to reiterate its commitment to sustainability. Moreover, now could be the moment to drive less seasonality in the fashion system.

Our survey was conducted in April 2020 across more than 2,000 UK and German consumers.¹ It is part of a firmwide effort to capture consumer sentiment during the COVID-19 crisis.

Sentiment toward sustainability

Amid the shock and uncertainty that the fashion sector is facing during the COVID-19 crisis, there is a silver lining for the environment: two-thirds of surveyed consumers state that it has become even more important to limit impacts on climate change. Additionally, 88 percent of respondents believe that more attention should be paid to reducing pollution.

In practice, consumers have already begun changing their behaviors accordingly. Of consumers surveyed, 57 percent have made significant changes to their lifestyles to lessen their environmental impact, and more than 60 percent report going out of their way to recycle and purchase products in environmentally friendly packaging (Exhibit 1).

Emphasis on social and environmental commitments

While the industry is reorganizing for the next normal, it should consider that consumers want fashion players to uphold their social and environmental responsibilities amid the crisis. Of surveyed consumers, 67 percent consider the use of sustainable materials to be an important purchasing factor, and 63 percent consider a brand's promotion of sustainability in the same way.

Additionally, surveyed consumers expect brands to take care of their employees, as well as workers in Asia, during the COVID-19 crisis (Exhibit 2). That highlights the need for brands to maintain ethical commitments, despite the crisis.

Overall, it is imperative to build trust and transparency with consumers, as 70 percent are sticking with brands they know and trust during the crisis. Of surveyed consumers, 75 percent consider a trusted brand to be an important purchasing factor. However, younger consumers, particularly Gen Zers and millennials, are more likely to experiment with smaller or lesser-known brands during the crisis (Exhibit 3).

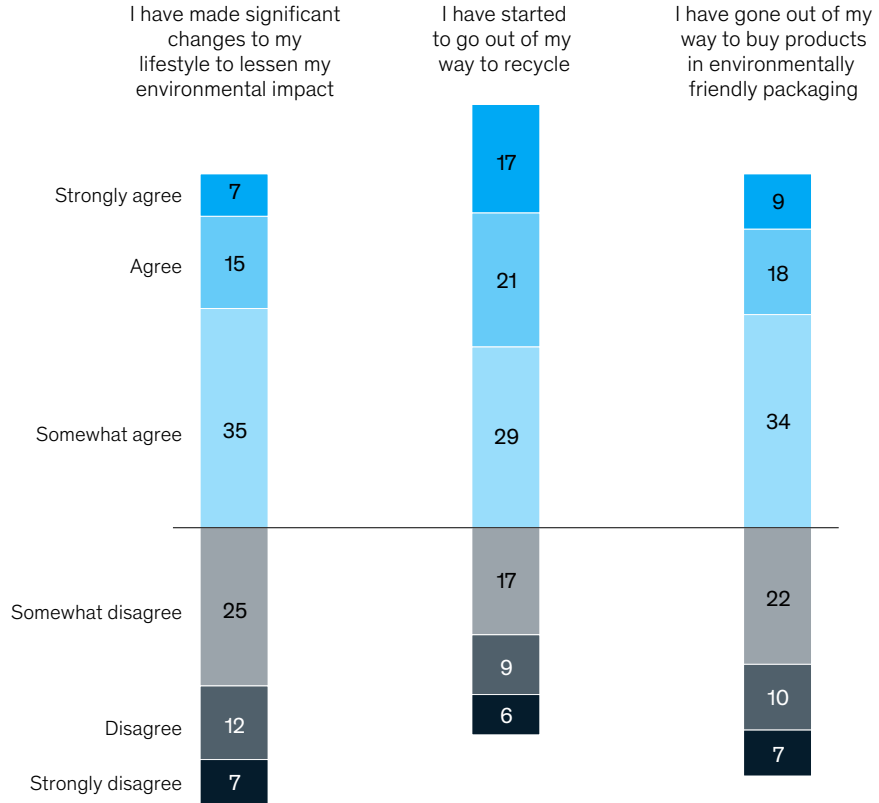
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¹ The survey was conducted between April 14 and April 22, 2020, across 2,004 German and UK consumers aged 18 and older who had bought apparel or footwear in the prior six months.

Exhibit 1

As a result of the COVID-19 crisis, consumers have already changed their behavior to achieve sustainability goals.

Change in behavior during COVID-19 crisis, % of respondents (n = 2,004)¹



¹Figures may not sum to 100%, because of rounding. Question: Thinking about your habits and attitudes over the past several weeks compared with prior to the COVID-19 crisis, to what extent do you agree with the following statements?

Exhibit 2

Consumer expectations of brands are dominated by social and environmental responsibilities.

Actions for fashion brands to help society deal with impact of COVID-19 crisis, % of respondents selecting action as top 2 priority (n = 2,004)

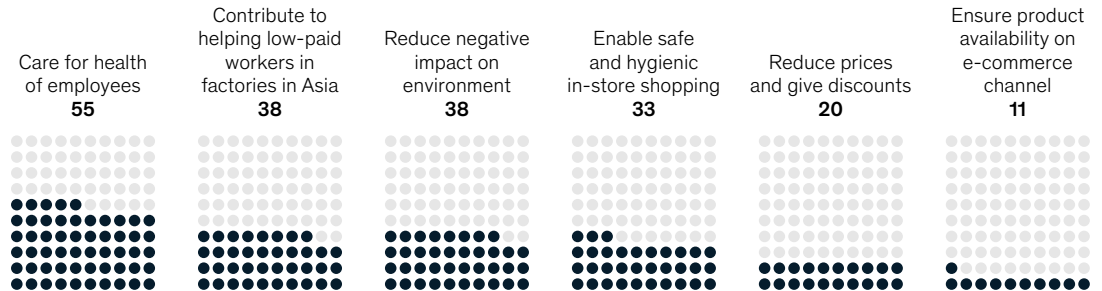
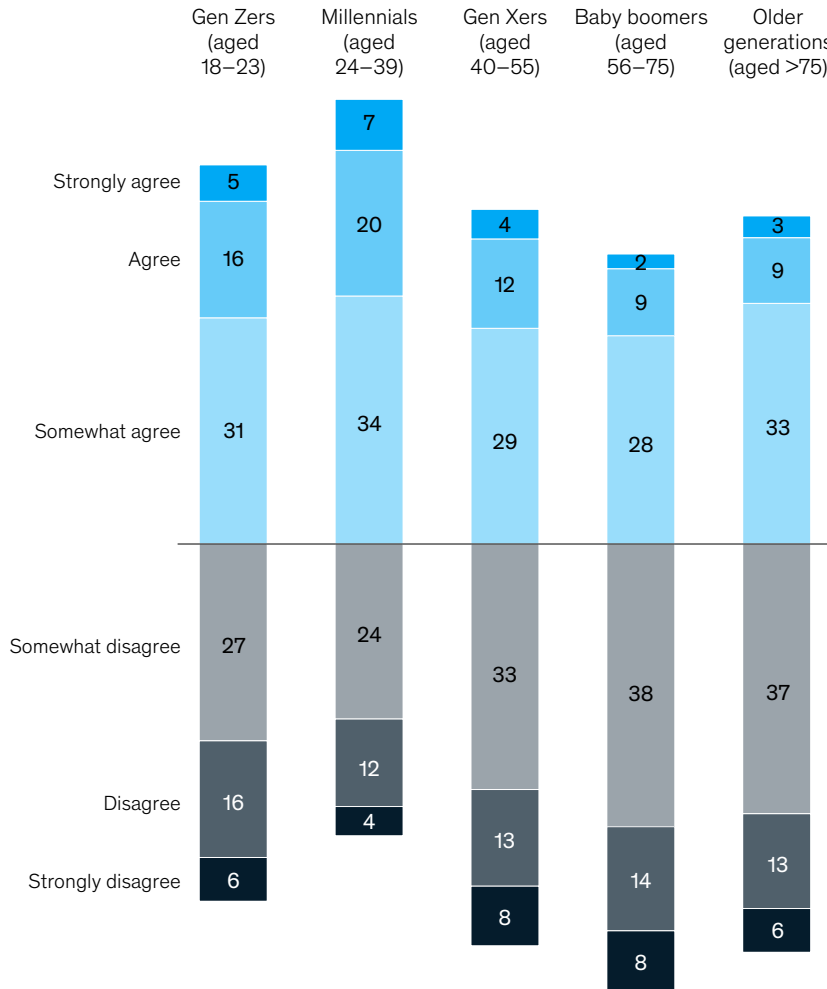


Exhibit 3

Younger consumer segments have been more open to experimenting with smaller or lesser-known brands during the COVID-19 crisis.

Increased purchases from smaller or lesser-known brands during COVID-19 crisis, % of respondents¹



¹Figures may not sum to 100%, because of rounding. Question: Thinking about your habits and attitudes over the past several weeks compared with prior to the COVID-19 crisis, to what extent do you agree with the following statement? "I have bought more from smaller or less well-known brands." Gen Zers, n = 234; millennials, n = 441; Gen Xers, n = 483; baby boomers, n = 681; older generations, n = 196.

43 percent of surveyed consumers who didn't purchase fashion online before the crisis have started using online channels.

Shift in purchasing behavior

With 88 percent of consumers expecting a slow recovery or a recession, general consumer confidence is low. As a result, consumer spending on fashion is also changing. More than 60 percent of consumers report spending less on fashion during the crisis, and approximately half expect that trend to continue after the crisis passes. However, consumers are likely to cut back on accessories, jewelry, and other discretionary categories before reducing their spending on apparel and footwear (Exhibit 4).

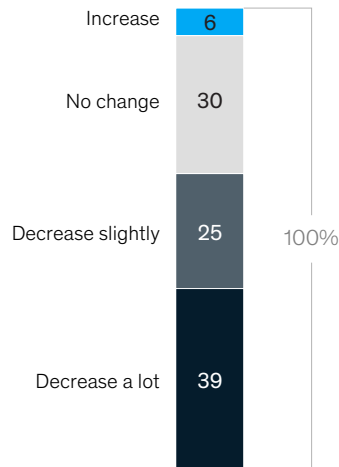
When it comes to making changes to purchasing behavior, younger consumer segments are willing to buy cheaper versions of products they normally buy—approximately 50 percent of Gen Zers and millennials in our survey report trading down (Exhibit 5).

The COVID-19 crisis has recruited new consumers to online channels: 43 percent of surveyed consumers who didn't purchase fashion online before the crisis have started using online channels. And that shift is unlikely to reverse, as nearly 28 percent of consumers expect to buy less at physical stores—a trend seen in higher shares in Generation Z and millennial respondents (Exhibit 6).

Exhibit 4

While more than 60 percent of consumers are spending less on fashion, apparel and footwear are some of the last categories that spending cuts affect.

Effect of COVID-19 crisis on fashion spending over past month, % of respondents (n = 2,004)¹



Average order of items to cut spending on during income decline²

- 1 Jewelry
- 2 Accessories
- 3 Traveling abroad
- 4 Going to theater/music concerts
- 5 Eating out
- 6 Spas/massages
- 7 Electronics
- 8 Apparel
- 9 Footwear
- 10 Groceries

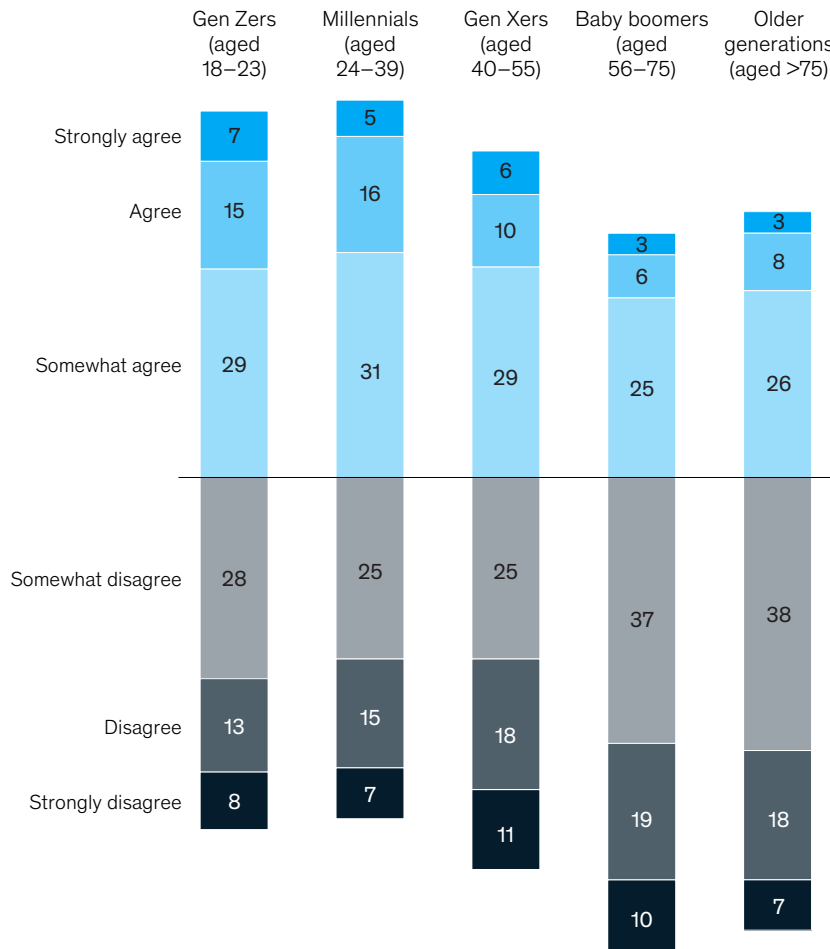
¹Question: How has the COVID-19 situation affected your spending on fashion over the past month?

²Question: In the event your income declines, which of the following items are you more likely to start saving money on?

Exhibit 5

Younger consumer segments have traded down in their purchases during the COVID-19 crisis.

Shifted purchasing toward cheaper versions of regularly purchased products during COVID-19 crisis, % of respondents¹



¹Figures may not sum to 100%, because of rounding. Gen Zers, n = 234; millennials, n = 441; Gen Xers, n = 483; baby boomers, n = 681; older generations, n = 196.

Mindset on fashion cycles and circular business models

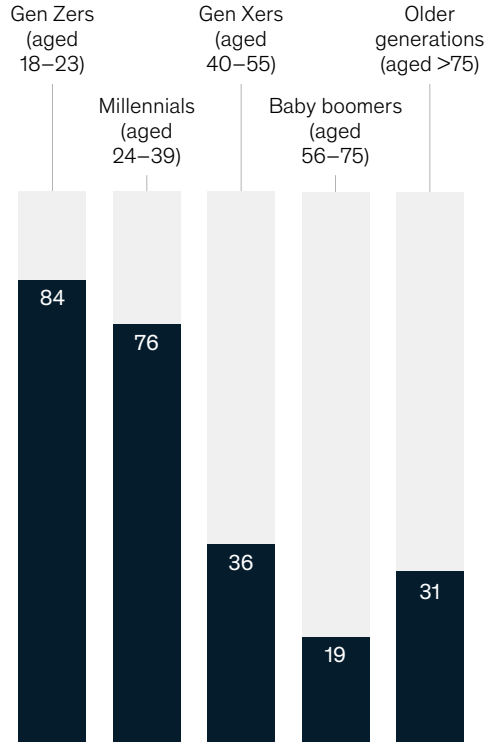
The survey findings indicate that the consumer mindset is not strongly tied to the fashion cycle, so now could be the moment to drive less seasonality in the fashion system. Of surveyed consumers, 65 percent are supportive of fashion brands

delaying the launch of new collections as a result of the COVID-19 crisis. Additionally, 58 percent of respondents are less concerned about the fashion of clothing than other factors following the crisis, and consumers now cite newness as one of the least important attributes when making purchases (Exhibit 7).

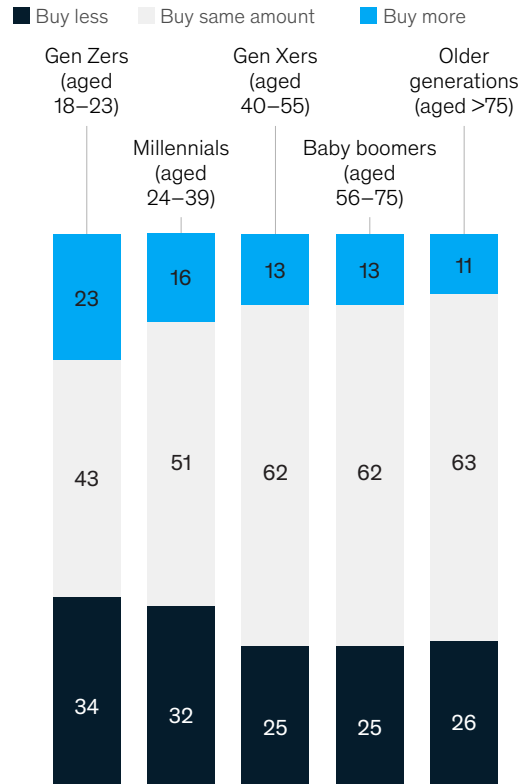
Exhibit 6

The trend toward online channels is more pronounced in younger segments.

Have started using online channels for fashion purchases since start of COVID-19 crisis, % of respondents¹



Expected use of physical channels for fashion purposes after COVID-19 crisis, % of respondents²

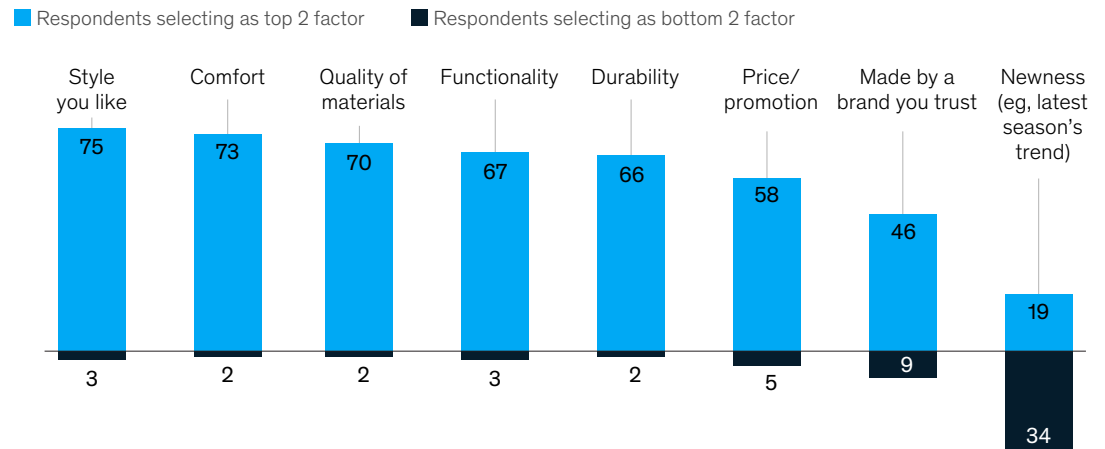


Note: Gen Zers, n = 234; millennials, n = 441; Gen Xers, n = 483; baby boomers, n = 681; older generations, n = 196.
¹Calculated as consumers who started using online channels as a share of respondents who didn't use online channels; excludes respondents already using or stopped using online channels.
²Figures may not sum to 100%, because respondents who answered "not applicable" are not shown.

Exhibit 7

Consumers cite newness as one of the least important attributes when making purchases, indicating a shift in the fashion-cycle mindset.

Importance of factors when selecting which fashion brand to buy from, % of respondents (n = 2,004)



As a result of the COVID-19 crisis, 65 percent of respondents are planning to purchase more durable fashion items, and 71 percent are planning to keep the items they already have for longer (Exhibit 8). Additionally, 57 percent of respondents are willing to repair items to prolong usage.

Particularly among younger European consumers, there is interest in purchasing secondhand fashion items following the COVID-19 crisis. Of surveyed consumers, around 50 percent of Gen Zers

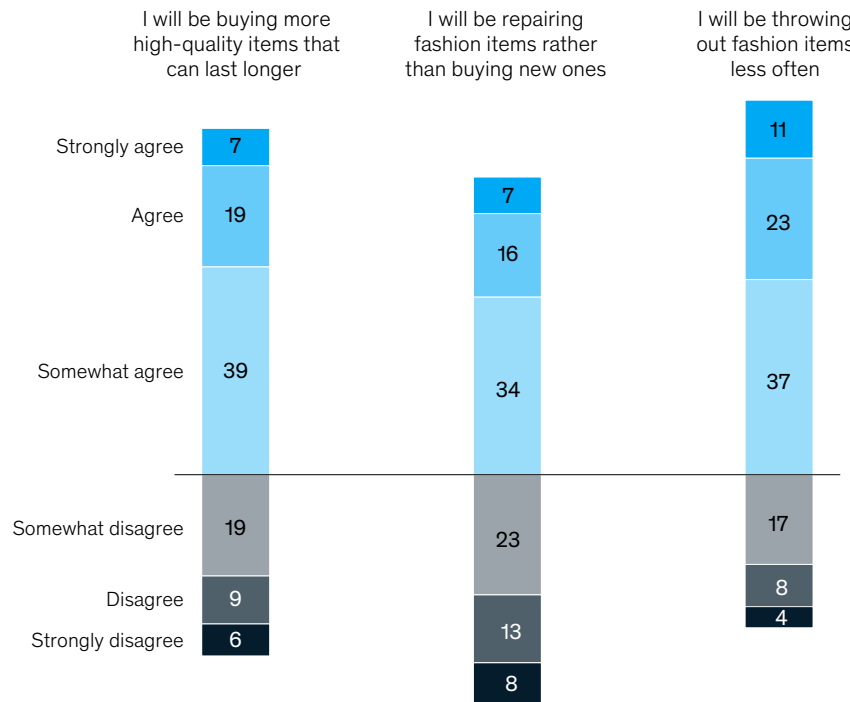
and millennials expect to purchase more items secondhand (Exhibit 9).

Overall, consumer sentiment suggests that the COVID-19 crisis could serve as a reset opportunity for players in the apparel, footwear, and luxury sectors to strengthen their sustainability commitments and accelerate industry-wide changes, such as reduced seasonality and scaling of circular business models.

Exhibit 8

After the COVID-19 crisis, consumers are open to purchasing more durable fashion items, as well as repairing and keeping them longer.

Changes in purchasing behavior after COVID-19 crisis, % of respondents (n = 2,004)¹

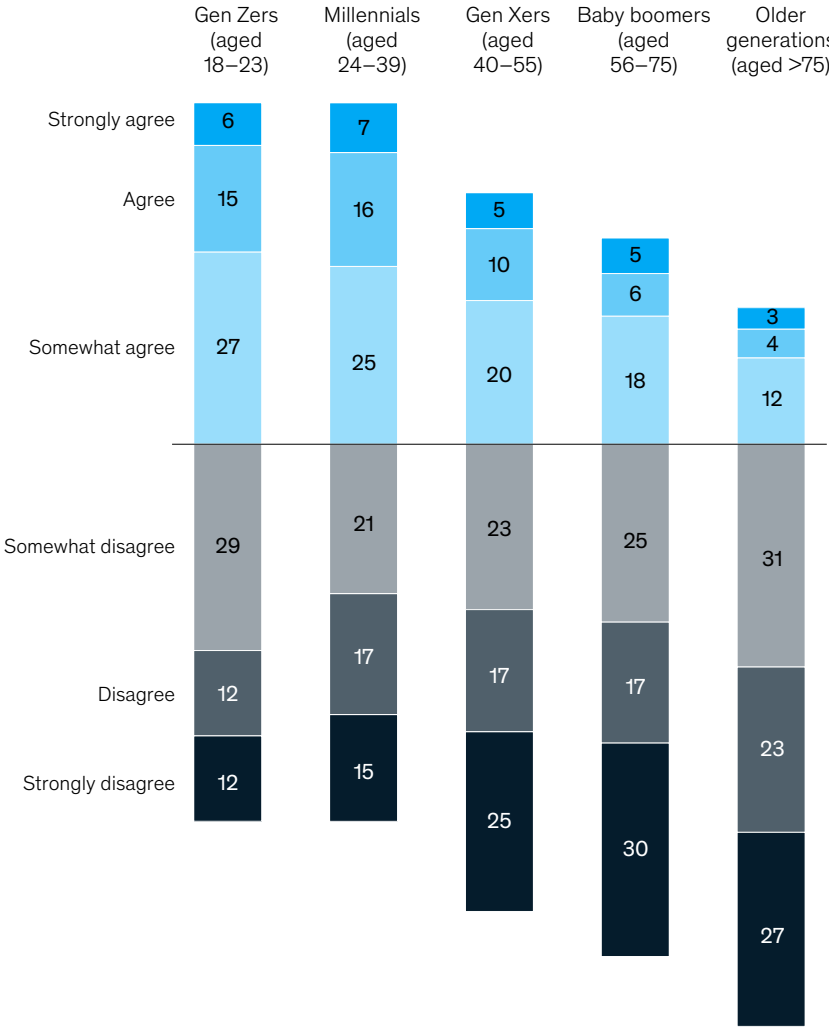


¹Figures may not sum to 100%, because of rounding.

Exhibit 9

Particularly among younger consumers, there is a greater intent to purchase secondhand fashion items after the COVID-19 crisis.

Intend to buy more secondhand fashion items after COVID-19 crisis, % of respondents¹



¹Figures may not sum to 100%, because of rounding. Gen Zers, n = 234; millennials, n = 441; Gen Xers, n = 483; baby boomers, n = 681; older generations, n = 196.

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The authors wish to thank Poorni Polgampola, Nadya Snezhkova, and Jan Vlcek for their contributions to this article.

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