THE FASHION ECONOMY

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We’re an international digital commerce agency whose clients grow at over 2x the industry average.
FAST, SIMPLE, RISK-FREE CROSS-ORDER SELLING FOR APPAREL BRANDS

The fashion calendar has been changing gradually for years, but the pandemic has forced players throughout the supply chain to contemplate a radical reset.

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PRODUCT SEARCH STILL HAS A LONG WAY TO GO

D쉬 Nick Easton

The fashion industry is reaching the end of an era. After a summer of crisis, the focus on meaningful change is once again shifting towards fashion-tech innovation. The question is: What’s next?

Recent years have seen a rise in high-end fashion brands embracing sustainability and ethical practices, driven by consumer demand and the need to address climate change. However, the industry still faces challenges in terms of supply chain transparency, fashion waste, and the impact of fast fashion on the environment. This has led to a growing interest in sustainable fashion and ethical clothing, with consumers increasingly demanding transparency and ethical practices from brands.

The fashion industry is under pressure to change in response to these growing concerns. Brands are being held accountable for their supply chain practices and are facing increasing scrutiny from consumers and activists. As a result, many brands are making efforts to become more sustainable and ethical, by implementing practices such as recycling and reducing waste, using sustainable materials, and improving supply chain transparency. This is leading to a shift in consumer preferences, as consumers are increasingly choosing to support brands that prioritize sustainability and ethics.

The fashion industry is also facing a number of other challenges, including the impact of the pandemic on retail and supply chains, changes in consumer behavior, and increased competition from online retailers. As a result, it is essential that the industry continues to adapt and innovate in order to remain relevant and competitive.

In conclusion, the fashion industry is facing significant challenges, but it also offers opportunities for innovation and growth. By embracing sustainability and ethical practices, the industry can not only address these challenges, but also seize the opportunity to create a more sustainable and ethical future. This requires a collective effort from brands, suppliers, and retailers, and a willingness to embrace new technologies and business models. The future of the fashion industry will be shaped by the decisions that are made in the coming years, and it is essential that these decisions prioritize sustainability, ethics, and the well-being of all stakeholders.
**Why Black-owned fashion brands matter**

Systemic racism has historically limited opportunities for Black talent in fashion. Many in the industry have pledged to change this, but are their deeds matching their words?

Suy Omar

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**Before June 2020, we used the term ‘Black-owned’ in our community as a means of supporting each other, but it has since become a term that resonates with the wider world.**

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**The indirect effects of fashion’s lack of diversity**

In the aftermath of the US protests following the killing of George Floyd, a movement began to question the economic inequalities that Black businesses face. At the root of the issue is systemic racism, which has historically limited opportunities for Black business owners, prompting a call for change within the fashion industry.

Aurora James, founder and creative director of Brother Vellies, challenged large businesses to change their ways. “Systemic racism has historically limited opportunities for Black businesses to show their support for the movement. But we have the opportunity to come across any substantial business – and all businesses are designed to be successful. Our designers are geared to be successful in fashion shows, features, paid opportunities and all that.”

It is evident, then, that further work needs to be done by the industry to give Black people in the industry the prominence they warrant and the opportunities that have always been enjoyed by their White counterparts.

The Fashion Spot, a website that curates stories on the fashion industry, published a report in June 2020 that highlighted the disparities in the industry. According to the report, Black women make up only 10% of the fashion industry's workforce, compared to 75% for White women. This is despite the fact that Black women make up 13% of the US population.

The report also found that Black women are often paid less than their White counterparts, and that they are less likely to be promoted to senior positions. In addition, Black women are more likely to experience discrimination and harassment in the workplace.

Despite these challenges, there are some success stories. For example, Virgil Abloh, the creative director of Louis Vuitton, is the only Black person to have been appointed to a top position at a major luxury brand.

But there is still a long way to go. Many in the fashion industry have pledged to change their ways, but the results have been mixed. In June 2020, a report by The Fashion Spot found that only 8% of the world's top 100 fashion brands had a Black CEO, president, or creative director.

In the years to come, the virtual world of pixelated clothing and avatars is likely to morph even further, as fashion brands experiment with new technologies. Digital fashion is increasingly popular, with brands such as Prada and Versace releasing virtual products in the form of NFTs, or non-fungible tokens.

The NFT market is growing rapidly, with sales estimated to reach $5.8 billion in 2021. This is attracting the attention of fashion brands, who are looking for new ways to engage with customers and monetize their brands.

In the coming years, the virtual world of pixelated clothing and avatars is likely to become even more prevalent, as fashion brands experiment with new technologies and new ways of engaging with customers.
Driving deep sustainability with technology

Covid-19 has massively disrupted fashion businesses’ daily operations and sales strategies. Having the right technology is essential to survival.
IS FASHION LIVING UP TO ITS BLM PROMISES?

After the murder of George Floyd in May 2020 and the wave of Black Lives Matter protests that followed, many fashion brands made statements in support of the global anti-racism campaign. Well over a year on, do the numbers show that there’s been any real change in the industry?

JUDGING THE INDUSTRY BY ITS COVERS

Top fashion publications featuring Black cover models in issues published between September 2020 and February 2021

<table>
<thead>
<tr>
<th>Publication</th>
<th>Covers featuring Black models</th>
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<tbody>
<tr>
<td>American Vogue</td>
<td>5</td>
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<tr>
<td>British Vogue</td>
<td>5</td>
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<tr>
<td>French Vogue</td>
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<td>InStyle</td>
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<td>Japanese Vogue</td>
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<td>L’Officiel</td>
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<tr>
<td>Harper’s Bazaar</td>
<td>2</td>
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<tr>
<td>British GQ</td>
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<td>French GQ</td>
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<tr>
<td>Italian GQ</td>
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<td>Vogue (CN)</td>
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WHERE IS THE MONEY

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<thead>
<tr>
<th>Company</th>
<th>Market Value</th>
<th>Annual Sales</th>
<th>Profit</th>
<th>Assets</th>
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</thead>
<tbody>
<tr>
<td>Inditex (Spain)</td>
<td>€75bn</td>
<td>€39bn</td>
<td>€31bn</td>
<td>€36bn</td>
</tr>
<tr>
<td>Kering (France)</td>
<td>€90bn</td>
<td>€36bn</td>
<td>€12bn</td>
<td>€116bn</td>
</tr>
<tr>
<td>Adidas</td>
<td>€80bn</td>
<td>€34bn</td>
<td>€10bn</td>
<td>€63bn</td>
</tr>
<tr>
<td>Nike (US)</td>
<td>€88bn</td>
<td>€39bn</td>
<td>€8bn</td>
<td>€36bn</td>
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<tr>
<td>Fast Retailing Asia</td>
<td>€88bn</td>
<td>€54bn</td>
<td>€10bn</td>
<td>€41bn</td>
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WHAT DID BRANDS SAY IN 2020?

Many players in the fashion industry aligned themselves publicly with Black Lives Matter after George Floyd’s murder. Some made lengthy statements with action plans, while others simply posted the image of a black square on their social media accounts. The most commonly used words and phrases in statements by the world’s five largest apparel companies give a useful insight into what message the industry wanted to send.

90% of the world’s clothing is produced in low- and middle-income countries.

Environmental Health, 2018

37

18

27

20

21

29

39

16

15

13

12

14

10

38

5

75%
of global garment workers are women.

European Commission, 2019

The average monthly wage of a worker in the global garment industry is €50.

European Commission, 2019

29

90

%
Four ways to make fashion less wasteful

Their industry is notoriously prodigal, and some retailers and brands are going to great lengths to improve it.

Here are just a few examples:

1. **Sustainability efforts**: Many retailers have started stocking brands that operate on a made-to-order model, which allows customers to purchase a limited capsule of items they need rather than ordering high volumes and having to dispose of those already committed to buying, rather than producing only what consumers have already committed to buying. This approach can reduce waste and encourage a circular economy, as the number of unsold items by producing only what consumers have already committed to buying.

2. **Restoration services**: Retailers are becoming more patient when it comes to returns. For example, Billi London has designed its tights to be restored with The Restory, for instance, and the number of requests for restoration services is becoming more widespread. High-end brands such as Aquamare, which was once the domain of specialists, are keen to help boost the luxury sector’s responsibility to do that. We have already made free lifetime repairs a standard offering, and that’s only the beginning.

3. **E-commerce and reconversion**: The made-to-order model can be built on technology-based platforms for a competitive advantage. This is the only way in which the made-to-order model can be built on technology-based platforms. Consumers can then choose to buy from a fast-fashion brand, or they can choose to buy a premium product designed to biodegrade in five years. This method is being used by customers to reduce their impact on the environment, and it is also being used by retailers to reduce their impact on the environment. The only way in which the made-to-order model can be built on technology-based platforms is to provide a digital springboard to the rest of the business. The rest of its business.

4. **Second-hand sales**: Second-hand sales are becoming more popular. Women tend to dispose of their clothes retroactively, without realizing the impact this has on the environment. The fashion industry but that it hasn’t yet applied to the made-to-order model. Theoretically, tighter is a big problem when it comes to fashion, but it can be solved by designing in a sustainable and circular way. It’s important to try to rework in demand. It was for these reasons that the label which featured a 100% biodegradable tights brand, Billi London, was the only brand to be able to support the made-to-order model. The label which featured a 100% biodegradable tights brand, Billi London, was the only brand to be able to support the made-to-order model. The label which featured a 100% biodegradable tights brand, Billi London, was the only brand to be able to support the made-to-order model. The label which featured a 100% biodegradable tights brand, Billi London, was the only brand to be able to support the made-to-order model.

Composable commerce powers the new wave of retail innovation

Innovating at the speed of Amazon in the ultra-competitive retail sector is no longer a costly pipe dream thanks to third-party ecommerce engines offering composable architecture.

E-commerce leaders like Amazon and Zalando have demonstrated retail value through their ability to scale the technology which has failed to adapt. "Once more digital innovation accelerates at a faster rate than ever before," says Alison Sommer, the senior director of strategic initiatives, who adds that consumer demand for the sustainable product is increasing, and that even simple changes are costly. "To try to compete with the rapid pace of innovation, which quickly becomes customer touchpoints which are purchased, worn a few times and then disposed of, fashion needs to reinvent itself every decade through sheer force of technology." Dye adds. "With the rest of its business.

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We don’t do any traditional advertising or marketing. We don’t have a PR rep. Using influencers is our marketing strategy.

In 2019, for instance, Alannah Hill became one of the first fashion influencers to partner with a high-end online retailer, working with馥eve to list her own line. We’ve been a part of a number of collaborations, ranging from the kidswear label’s collection with Love Island winner Amber Gill to historical iconic limited edition capsule collections with popular designers, editor of the i-D magazine, and fashion editor Dazed & Confused...

Carefully curated, influencer partnerships can even help brands seeking to improve their reputation on matters such as diversity and inclusion. Julie Brand, a senior account director specializing in influencer marketing at PR company Weber Shandwick, says that influencers are “willing to step out and talk about the issues that truly matter to them, which leads to higher-quality in-depth conversations with consumers. The more engaged and informed the influencers and their content are, the stronger the relationships.”

Guilty says that “the more that they are involved on social platforms – by using hashtags such as ‘#TheBlindHustle’ – for example, the more often you talk about a brand and about how they sparked your interest in something. You start to associate them with the buying process.”

Guest speaker at the recent PR Week ‘Influencer Marketing’ event, Kaushal says that “the growth in social media tools and the shifting focus to content creation and curating has created the demand for professional influencer partnerships.”

Brand says “It’s definitely important that brands focus on creative content that actually helps to raise awareness and inspire the fanbase. It’s not all about the integration of social media, but rather about connecting with your audience in a more personal way.”

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Chinese puzzle: a struggle between principle and profit

The massive growth opportunities that China offers are tempting for many big players in fashion. But, while the potential rewards are great, so are the ethical risks.

Mark Woolacott

When brands have to talk about their commitment to sustainability, sometimes executives have trouble understanding what the industry is talking about. But in China, the situation is different. “Brands have to talk about their commitment to sustainability,” says Charles de Varennes, managing director at Sustainalytics, a research group that tracks the sustainability performance of companies, “But we need to be clear about what that means in practice.”

In China, the situation is complex, as Charles de Varennes, managing director at Sustainalytics, explains. “Brands have to talk about their commitment to sustainability, and the results are coming in sooner than earnings calls.”

“Brands are more likely to talk about sustainability now than they were in the past, but the implications of their operations, but experts say that this system of self-regulation often fails.” In particular, fashion brands have been caught in a dilemma between the expectations of consumers, who want to see companies taking concrete steps to reduce their environmental impact, and the need to stay competitive in a sector that is facing increasing scrutiny from regulators and NGOs.

The challenge became clear earlier this year when Chinese authorities announced an end to cotton production in the country’s western regions as part of Beijing’s coercive policies aimed at quelling separatism in the Xinjiang region. The move came as a shock to the global fashion industry, which relies heavily on cotton from Xinjiang, a region that accounts for more than 80% of China’s cotton production.

“Chinese authorities have committed to phasing out cotton farming in Xinjiang. But, as of late 2021, it is still unclear how much of the country’s cotton production will be replaced by other sources,” says de Varennes. “The uncertainty about the availability of cotton from Xinjiang has caused a lot of concern among fashion brands, who are increasingly looking to sources outside of China to diversify their supply chains.”

The Chinese government has been under pressure to address concerns about forced labor in Xinjiang, and has taken steps to improve the situation. In 2020, a new law was enacted in China that criminalizes forced labor, and companies are required to conduct due diligence to ensure that their supply chains are free from forced labor.

Despite these efforts, concerns about forced labor in Xinjiang continue to be raised by human rights and labor rights groups. In 2020, the United States government imposed sanctions on several Chinese officials and entities involved in what it called “forced labor” in Xinjiang.

The Chinese government has refuted these claims, saying that forced labor is a myth and that laborers in Xinjiang are free to choose their work and earn decent wages. The government has also stated that it is committed to addressing any issues that may arise and ensuring the rights of workers are protected.

In response to these concerns, many fashion brands have taken steps to ensure that their supply chains are free from forced labor. These steps include conducting due diligence assessments, monitoring supply chain labor practices, and working with suppliers to improve their labor practices. However, some experts argue that these efforts are not enough and that more needs to be done to address the issue of forced labor in China.

In conclusion, the issue of forced labor in Xinjiang remains a significant concern for the global fashion industry, and it is likely to continue to be a topic of discussion in the coming years. It is essential for brands to take a proactive approach to ensuring that their supply chains are free from forced labor and to work with suppliers to improve labor practices in China and other parts of the world where forced labor is a concern.
Why plus-size fashion makes business sense

Brands that overlook the market for larger apparel risk harming their company’s image—and profits

Rose Stuckes

L e t our letter reader, a social media manager and influencer, talk about ethical and plus-size fashion and her career. She says, “In the past ten years, the fashion industry has been undergoing a transformation, especially when it comes to inclusivity and size acceptance.”

According to Steph Szabo, a plus-size influencer and author of Fattily Ever After, “The past 10 years have shown us that plus-size models who can embrace their size have really made a name for themselves.”

“For plus-size people, it is important to feel accepted for who they are. The world of fashion has undergone a change, with more plus-size models and influencers gaining recognition,” she says.

Szabo notes that the focus on plus-size models is not only about fashion but also about empowering individuals to embrace their bodies. “It is about being able to create memorable experiences online and making people feel comfortable shopping for plus-size clothing,” she says.

Szabo also emphasizes the importance of using digital technology to connect with consumers. “It is now on marketers to make or break their brand’s digital experience,” she says. “They need to create an experience that is tailored to each customer, all the way through the journey.”

“Personalisation powers emotional connections with fashion consumers

Convenience is no longer a competitive advantage for fashion brands. The only real way to stand out is by fostering personalisation and emotional connections.”

For more information, visit ometria.com

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