

GLOBAL CONSUMER INSIGHTS



GLOBAL LIFESTYLE MONITOR: CHINA

APPAREL SPENDING

China continues its rapid growth in the apparel market.

Consumers spent \$277 billion on clothing in 2017, a growth of 166% since 2008. This number is expected to grow a further 193% by 2030, providing ample opportunity for brands and retailers to reach these tech-savvy consumers.



KEY TRENDS



How They Shop: Optimize online and mobile platforms to meet consumer preferences for a digital shopping journey.

What They Shop: Focus on high quality offerings and performance-maximizing features for discerning Chinese shoppers.

Spotlight on Higher Income Consumers: Target a growing middle & upper class with quality clothing made of natural fibers and detailed product information as they shop for themselves and family members.

FINANCIAL OUTLOOK



OPTIMISTIC

China Global

77% 56%

PESSIMISTIC



China Global

4% 11%

* "Neither Optimistic/Pessimistic" not shown

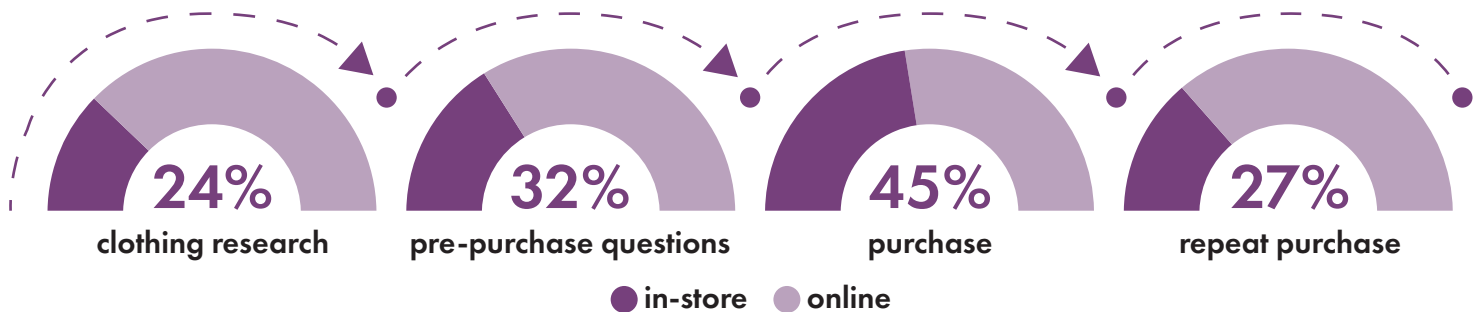
GLOBAL LIFESTYLE MONITOR: CHINA

HOW THEY SHOP

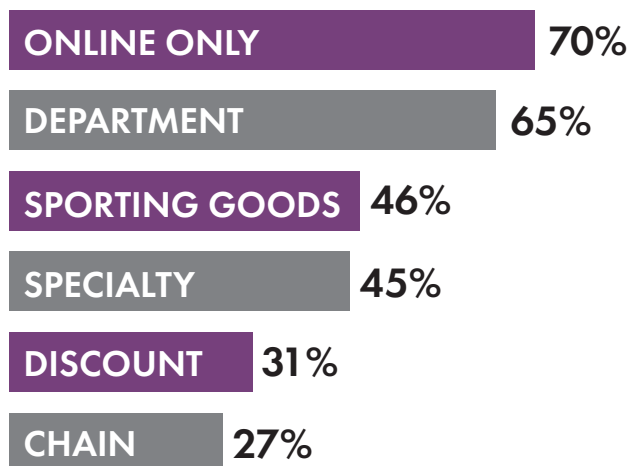
Online and mobile shopping is tremendously popular in China. While just over half (52%) of the population regularly uses the internet (at least once per week)¹, 59% say they prefer to shop online. Traditional shopping remains important, as 57% of consumers enjoy the experience of physical stores and many gain inspiration from retail displays. Invest in digital platforms to deliver both online only and integrated in-store shopping experiences.

SHOPPING JOURNEY

Consumers who prefer shopping in-store (vs. online)



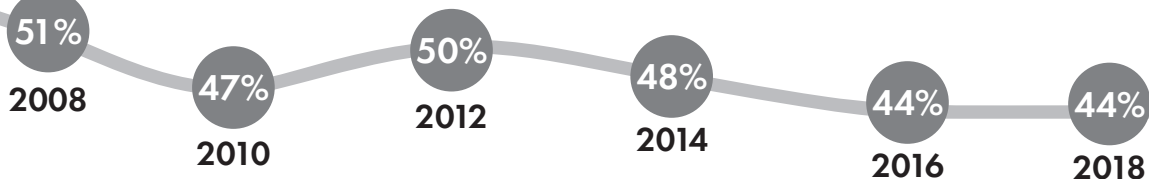
RETAIL STORES SHOPPED FOR CLOTHING



59% Shop online at least once per month.

APPAREL SHOPPING HABITS

Buying Clothes on Impulse



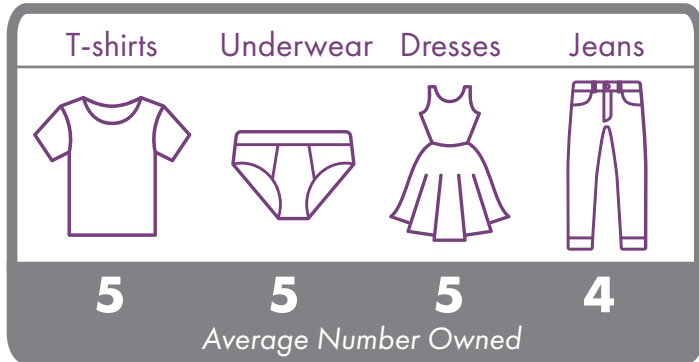
SOURCES FOR CLOTHING IDEAS



WHAT THEY SHOP

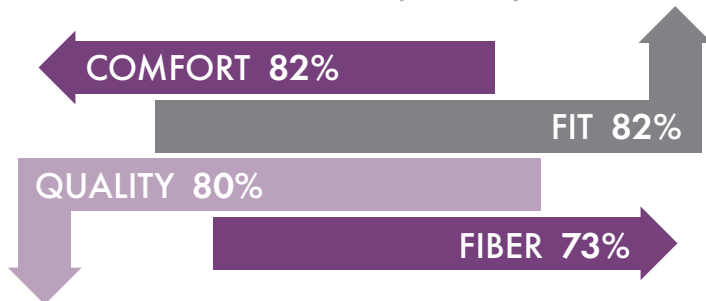
Chinese consumers are modest shoppers, owning 39% fewer garments than the average for consumers across the world. They focus on quality over quantity of clothing and will pay more for clothes that provide the comfort, fit, and fiber they seek. Consumers are interested in clothing that helps maximize their performance with features such as body temperature regulation and exercise strain monitoring.

TOP ITEMS OWNED

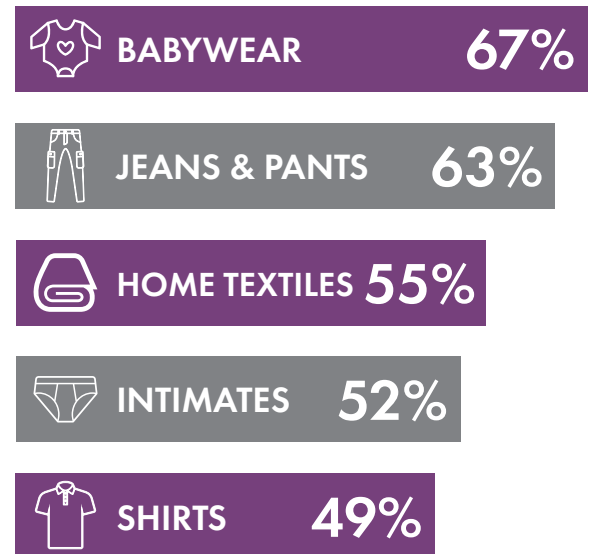


PRIMARY PURCHASE DRIVERS

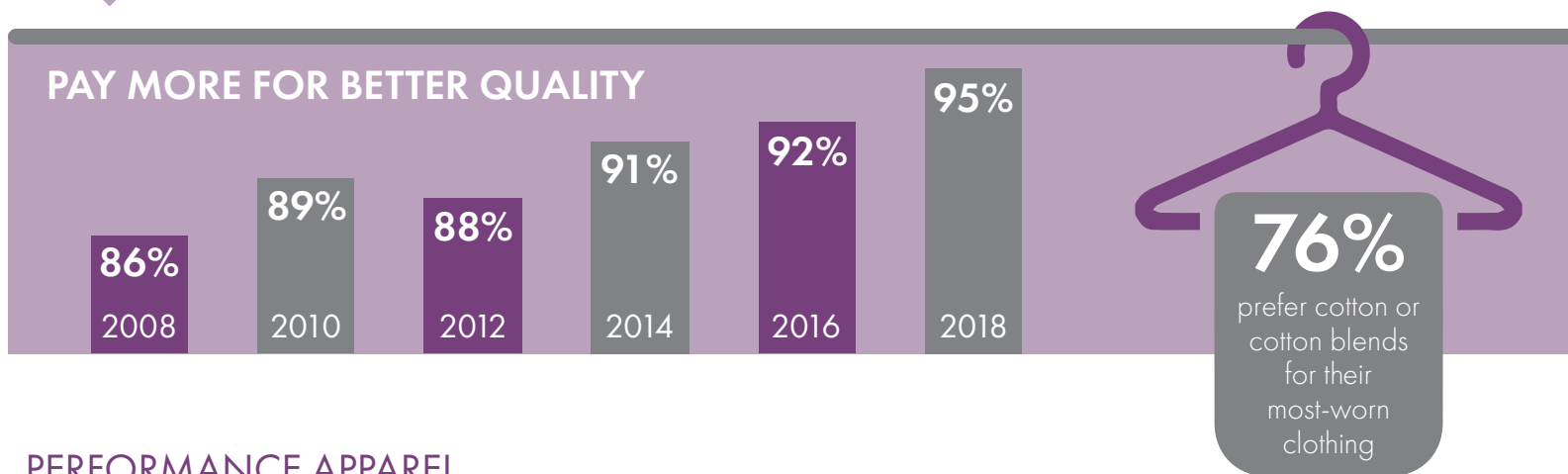
Consumers would like to know prior to purchase



COTTON AS PREFERRED FIBER



PAY MORE FOR BETTER QUALITY



PERFORMANCE APPAREL

Likely to Purchase



63%

Regulate Body Temperature



58%

Relieve Stress



55%

Monitor Workout Performance



55%

Monitor Body Strain



53%

Monitor Heart Rate

SPOTLIGHT

HIGHER INCOME CHINESE CONSUMERS

OPTIMISTIC FINANCIAL OUTLOOK

82%

Higher Income
(¥10k per month)

74%

All Others

China's affluent classes are projected to grow from 9.7% of the population in 2015 up to one-third (34.2%) by 2030². These higher-income consumers are more demanding shoppers than their counterparts and are willing to pay more for quality clothing made from natural fibers. Reach these consumers with detailed product information and quality offerings made of natural fibers as they shop for both themselves and others.

RETAIL STORES SHOPPED FOR CLOTHING

Higher Income Consumers Prefer

DEPARTMENT 75%

ONLINE ONLY 74%

SPECIALTY 59%

SPORTING GOODS 51%

BETTER QUALITY CLOTHES MADE FROM NATURAL FIBERS

Agree

68%

Higher Income

58%

All Others

SHOPS FOR OTHERS



80% Higher Income

67% All Others

ENJOY CLOTHES SHOPPING



HIGHER
INCOME

87%

ALL
OTHERS

73%

PURCHASE DRIVERS

*Higher Income Consumers
Want to Know Prior to Purchase*

Comfort



87%

Style



76%

Performance
Features



69%

Brand
Name



52%