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The State of US Apparel Shopping in Five Charts

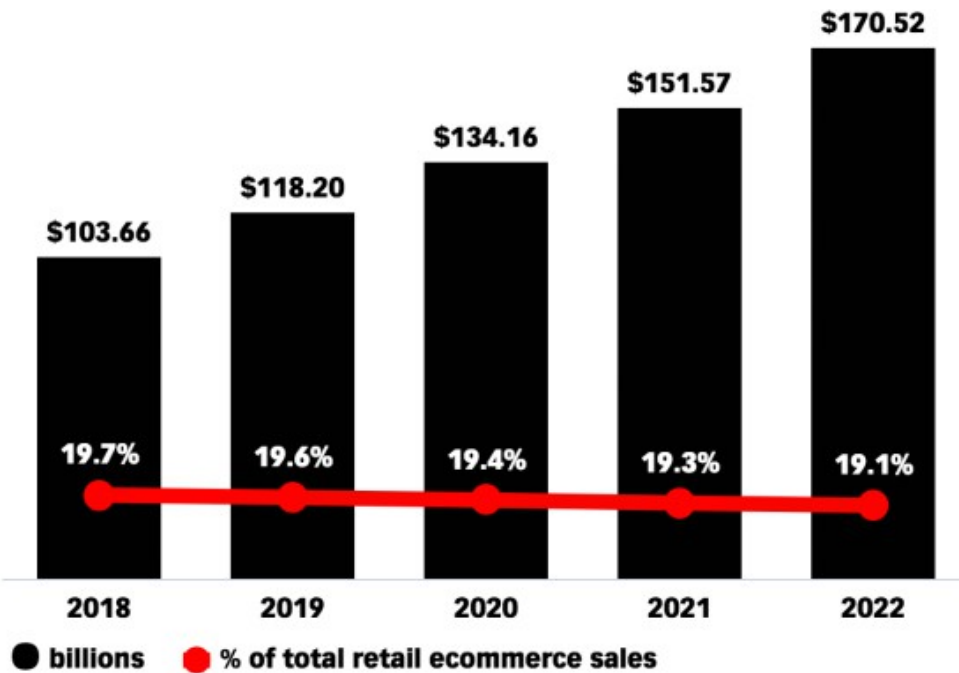**Is Amazon set to take the largest share?**

ARTICLE

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Apparel is one of the most popular retail ecommerce product categories, and online sales are growing faster than offline.

A recent Morgan Stanley report predicted that Amazon will become the top US apparel retailer in 2018, after growing its market share by 1.5% last year. It's true that online retailers and off-price stores have hit the traditional channel for apparel—department stores—hard. Per Morgan Stanley, department stores will account for just 8% of the apparel market by 2022, down from 24% in 2006.

eMarketer projects that US retail ecommerce sales of apparel and accessories will increase 14.5% to $103.66 billion in 2018, making up 19.7% of total retail ecommerce sales. That makes it the largest single product category, with $26.01 billion more in sales than the next category, consumer electronics. Apparel's digital growth will slow to 12.5% in 2022, when sales are expected to hit $170.52 billion. For comparison, overall US apparel sales shrunk 2% in 2017, per The NPD Group.

Apparel & Accessories Retail Ecommerce Sales
US, 2018-2022

Year	billions	% of total retail ecommerce sales
2018	$103.66	19.7%
2019	$118.20	19.6%
2020	$134.16	19.4%
2021	$151.57	19.3%
2022	$170.52	19.1%

Source: eMarketer, February 2018

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Since ecommerce only makes up around one-fifth of total US apparel sales, it's not surprising that more consumers, on average, buy clothing at brick-and-mortar stores than on Amazon. Physical stores were the location where US internet users were most likely to complete a clothing purchase (32%), according to Cowen and Company. Amazon was favored by 28% of respondents, though, and was the preferred choice for those younger than 35. Amazon was also far more popular than a brand or retail site among respondents overall.

Channel/Location Where US Internet Users Are Most Likely to Complete Their Purchase of a New Item of Clothing, by Age, Dec 2017

% of respondents

	18-24	25-34	35-44	45-54	55+	Total
Other physical store (department stores or warehouse club)	23%	22%	33%	36%	51%	32%
Amazon	32%	34%	29%	24%	17%	28%
Brand's physical store	18%	19%	20%	18%	13%	18%
Brand's site	16%	14%	8%	10%	8%	11%
Other digital retailer	8%	8%	5%	8%	6%	7%
On the social platform I found the product	2%	3%	3%	2%	1%	2%
Other	1%	0%	1%	1%	3%	1%

Note: numbers may not add up to 100% due to rounding
Source: Cowen and Company, "Gen Z and Millennials Reshape Apparel, Footwear, and Accessories" conducted by Dectiva, March 8, 2018

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Walmart was the leading retailer—online or offline—where consumers shopped for clothing or shoes in the past 12 months (41.8%), according to Coresight Research (formerly Fung Global Retail & Technology). However, an even greater number had bought apparel at a retailer other than the 18 featured in the study, demonstrating the vastness of fashion sources. Amazon and Target both captured over one-third of respondents. Amazon was most popular among shoppers with the highest household incomes, and Walmart with the lowest income groups, while Target's appeal was fairly consistent. Though there is a perception that Amazon shoppers are driven by low prices, that factor was ranked sixth (32.1%) as a reason why US internet users bought apparel on the site. Ease of use (65.4%) and cheap delivery (62.2%) were far more appealing.

The State of US Apparel Shopping in Five Charts: Is Amazon set to take the largest share?
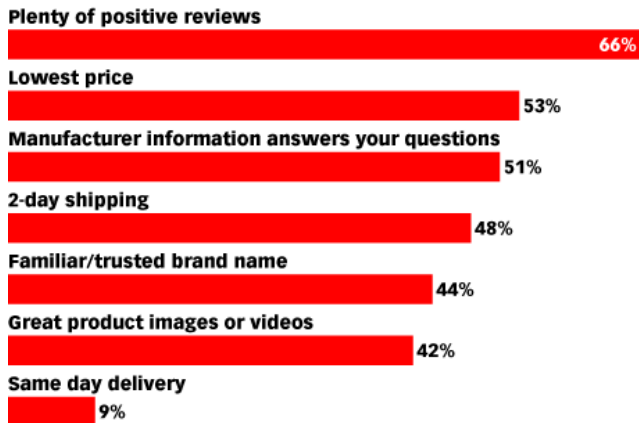
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Price wasn't the leading factor when shopping for clothing/shoes on Amazon in a Salsify survey, either. These US digital shoppers turned to Amazon primarily for the reviews. Increasingly, Amazon is becoming the first place consumers look—even more so than Google. In this same study, the leading shopping method was searching and buying on Amazon (41%), followed by searching Google and buying on Amazon (28%).

Important Factors When Buying Clothes on Amazon According to US Digital Shoppers, Feb 2018

% of respondents

Factor	%
Plenty of positive reviews	66%
Lowest price	53%
Manufacturer information answers your questions	51%
2-day shipping	48%
Familiar/trusted brand name	44%
Great product images or videos	42%
Same day delivery	9%

Note: ages 18+ who have shopped digitally at least once in 2017
Source: Salsify, "2018 Consumer Research: Why Product Experiences Are What Win Consumer Trust in the Digital Age," March 7, 2018
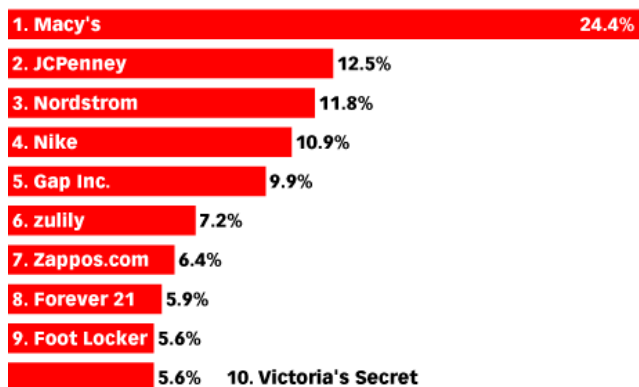235902   www.**eMarketer**.com

SimilarWeb measured traffic to apparel sites in Q1 2018, thus stripping out Walmart, Amazon and Target. Department stores Macy's, JCPenney and Nordstrom ranked in the top three, with Macy's taking nearly one-quarter of traffic among the top 10 sites. The department store sector may be struggling, but it still attracts online shoppers. The remaining seven ecommerce sites in top 10 were a mix of brand sites, online-only retailers, multichannel retailers and flash-sales sites.

US Apparel Retail Ecommerce Traffic Share of the Top 10* Apparel Retailers, Q1 2018

% of total tracked by SimilarWeb

Retailer	%
1. Macy's	24.4%
2. JCPenney	12.5%
3. Nordstrom	11.8%
4. Nike	10.9%
5. Gap Inc.	9.9%
6. zulily	7.2%
7. Zappos.com	6.4%
8. Forever 21	5.9%
9. Foot Locker	5.6%
10. Victoria's Secret	5.6%

Note: represents activity tracked by SimilarWeb, broader industry metrics may vary; includes desktop and mobile; read as Macy's accounted for 24.4% of retail ecommerce traffic among the top 10 apparel retailers; numbers may not add up to 100% due to rounding; *ranked by average monthly traffic
Source: SimilarWeb, "US Quarterly Index: Q1 2018," April 12, 2018
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No one actually knows exact figures for Amazon's apparel sales. In October 2016, Cowen and Company received a lot of press surrounding its estimates that Amazon would surpass Macy's as the largest apparel merchant in the US, with the ecommerce giant's sales reaching $28.4 billion. Meanwhile, Wells Fargo and Euromonitor have published lower figures, at $18.5 billion and $24.6 billion, respectively.

Amazon has made multiple efforts over the years to become a fashion destination, from sponsoring men's New York Fashion Week to hiring a Vogue editor. However, some of the leading apparel brands bought on Amazon are Hanes, Fruit of the Loom, Nike and adidas—in other words, basics and athletic gear. Amazon may eventually take the largest share of US apparel sales, but there will always be room for specialty retailers with unique products that go beyond wardrobe staples.