

# Retail licensing holds steady

## Article

Consumers craving comfort turn to products with names and faces they know. For retailers looking to cash in, retail licensing may be the answer.

Here's a snapshot of the retail licensing market:

- Global sales [revenue from licensed merchandise and services](#) hit **\$315.5 billion** in 2021, up **775%** from 2019, according to Licensing International. The US and Canada make up more than half (**59%**) of worldwide consumption of licensed goods with **\$186.2 billion** in sales, up **9.7%** from 2019.

- **Entertainment/character** is the largest property type, per Licensing International, generating **\$129.9 billion** in sales, followed by corporate brands (**\$76.9 billion**), and sports (**\$31.2 billion**). Sales of fashion industry licensing, which declined **15.9%** from 2019, totaled **\$28.4 billion**.
- In 2021, the top three **product categories for licensed merchandise** were apparel (**14.3%** of sales), toys (**13.3%**), and fashion accessories (**10.3%**), the firm noted. The toy category grew the most, up **17.1%** from 2019.
- **Casinos can get in on the licensing game**, too. “Machine X can generate, let’s say, **\$10,000** a day. Put a piece of I.P. on it, it’s generating **\$100,000** a day,” Jason Lim, general manager of digital and online gaming at slot machine company Ainsworth Game Technology, told The New York Times.
- The **top five global licensors** are **The Walt Disney Company** (**\$56.2 billion** annually), **Dotdash Meredith** (**\$35.9 billion**), **Authentic Brands Group** (**\$21.7 billion**), **WarnerMedia/Warner Bros. Consumer Products** (**\$15 billion**), and **The Pokémon Company International** (**\$8.5 billion**). Of the top **88** licensors, **40** bring in at least **\$1 billion** in licensing revenue a year.
- Through the strength of their intellectual properties, toy companies like **Hasbro and Mattel** **have been able to hold out against the crush of inflation**, according to our analyst Rachel Wolff. CEO Ynon Kreiz said Mattel is using its intellectual property from brands like Disney and **Nickelodeon** to grow market share, while Hasbro can thank **Peppa Pig** and **My Little Pony** for its higher sales.

**Why we care:** When other macroeconomic factors wreak havoc on retailers’ bottom lines, can licensing stave off the pain?

*This was originally featured in in the Retail By the Numbers newsletter. For more retail insights, statistics, and trends, [subscribe here](#).*