Passport

CLOTHING ACCESSORIES IN POLAND

Euromonitor International

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CLOTHING ACCESSORIES IN POLAND

HEADLINES

- Current value sales of clothing accessories increase by 2% to PLN1.6 billion in 2010, whilst volume sales increase by1% to 42 million units
- Women's penchant to create own style using clothing accessories responsible for category's performance in 2010
- Belts see the highest volume growth of 3% in 2010
- Slight growth in current value unit price observed in clothing accessories in 2010
- Fast-fashion companies lead in clothing accessories in Poland
- Constant value sales of clothing are expected to increase at a marginal CAGR in 2010-2015 to reach PLN1.7 billion in 2015

TRENDS

- Clothing accessories noted growth of 2% in current value and 1% in volume in 2010. The category performance was particularly driven by women, who are the main buyers of clothing accessories. Women tend to be distinguished, so they draw attention for creating their image not only by clothes, but also by clothing accessories, which allows expressing individuality and personal style.
- Women treat belts as the way to refresh their image in a situation, when they cannot afford to buy new clothes. Such an approach towards belts limited the negative impact of economic slowdown on that category and allowed belts to achieve 3% volume growth and 4% current value growth, making belts the fastest-growing category in 2010.
- The next fastest-growing category was scarves. The increase of that category was generated mainly by women, who purchase warm scarves for wintertime and light airy neckerchiefs during spring and early autumn. Their relatively low price allows women to buy such scarves, which suit by colour other parts of the garment.
- A new trend is observed in men's ties. Polish men are more and more convinced to try thin ties, so-called "chives" in Poland. Matched shirts and thin ties have become obligatory clothing of fashionable men. Whilst wide ties are still regarded as a supplement, which is to make the man look elegant and official, thin ties give an equally elegant, but less official image.
- In gloves made from material other than leather, gloves enabling the covering and uncovering of fingers have been successful. Such gloves are available in versions that cover/uncover all fingers and versions that can uncover only a thumb and a forefinger. New styles of gloves are the response of their producers to needs of consumers, who during winter have problems with driving a car or using mobile phones whilst wearing gloves. Use of such glove solutions is particularly helpful for writing text messages on touch screens of smartphones.
- Unit prices in clothing accessories marginally increased in 2010. On the one hand, it was influenced by overall increase of prices in the economy caused by rising inflation. On the other hand, retailers of clothing accessories began to notice that clothing accessories are as important as clothing itself and started to raise the margin to create a space for more income.

- There are stalls with clothing accessories located in passages of shopping malls. The range of offered women's belts is wide. These products gained the popularity at the end of the review period. In autumn-winter season these shops also offer sets of winter hats, scarves and gloves (also sold as separate products).

COMPETITIVE LANDSCAPE

- The competitive landscape of clothing accessories is similar to that of clothing in terms of players operating there. Leaders are fast fashion companies such as H&M, LPP and Zara Polska, responsible for 6%, 4% and 4% of value sales in 2010, respectively. The leadership of mentioned companies comes from creating collections of accessories that perfectly complement clothes available in those stores.
- Tesco accomplished the highest value sales growth in 2010 of 14% and along with H&M it was the only company to see a slight uptick in value share. Together with introduced clothing collection under F&F brand, Tesco, similarly to such chained stores as Zara, H&M and Reserved, also offered a collection of clothing accessories. Tesco Polska wanted to have similar offer to its largest market competitors. Clothing accessories from Tesco directly benefited from growing sales of clothing under the FF brand.
- As in clothing, private label is not commonly offered in clothing accessories. The only private label in the supermarkets/hypermarkets channel is F&F brand available in more than 50 Tesco stores. Clothing accessories that are available in chained grocery stores are generic brands.

PROSPECTS

- Clothing accessories will increase each year at a faster pace than that of the review period. It will be the result of changing perceptions of clothing accessories as a necessary part of the outfit by a growing number of consumers. Clothing extras will be regarded a way of completing an outfit and also the best way to refresh a clothing design.
- Belts will continue to grow the fastest in the forecast period. It will favour the on-going trend for leggings worn with loose blouses or tunics with belt. Belts will be not only additions to women's clothing, but women are going to purchase them separately and individually to match their clothes.
- Sales of hats will remain a category that is characterised by high seasonality of sales. Summer caps will not be as popular as those purchased during winter. Summer caps will be rather a domain of men, whilst women will use them only during sunbathing.
- More and more Polish women will purchase hats not only to protect against frost, but also elegant hats, which are used to complete the outfit with suit, shingle or other outfits worn on special occasions. Formal character of these hats will be emphasised by appropriate decorations, like ribbons, veils and bows. Such hats will be available mainly in special headwear stores, where the range of these products is the widest.
- Gloves that make it possible to uncover fingers are popular amongst those consumers who drive a car and often use mobile phones and send text messages. It also applies to teenagers and young adults, who write text messages while waiting on the bus, underground etc. Such gloves in winter conditions will allow use of the phone whilst avoiding feeling cold.

CATEGORY DATA

Table 1 Sales of Clothing Accessories by Category: Volume 2005-2010

'000 units

	2005	2006	2007	2008	2009	2010
Belts	6,427.4	6,658.2	7,021.5	7,174.7	7,324.4	7,558.8
Gloves	7,157.6	7,440.6	7,720.4	8,004.3	7,964.3	7,974.6
Hats/Caps	8,911.9	9,081.2	9,281.0	9,333.0	9,418.8	9,527.1
Scarves	5,696.3	5,807.9	5,956.6	6,084.7	6,199.7	6,331.1
Ties	2,828.5	2,874.9	2,930.1	2,966.4	2,991.6	3,021.5
Other Clothing Accessories	6,601.5	6,710.4	6,833.2	6,918.6	6,982.9	7,059.1
Clothing Accessories	37,623.2	38,573.3	39,742.7	40,481.7	40,881.7	41,472.2

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 2 Sales of Clothing Accessories by Category: Value 2005-2010

PLN million

	2005	2006	2007	2008	2009	2010
Belts	252.3	262.7	279.1	286.0	293.4	303.7
Gloves	307.8	321.4	335.0	346.2	344.4	345.0
Hats/Caps	410.4	420.0	431.1	435.4	441.3	448.6
Scarves	252.7	258.3	266.4	272.8	279.4	286.9
Ties	111.0	112.9	115.4	116.9	118.2	119.8
Other Clothing Accessories	127.1	129.9	133.2	135.8	137.6	140.1
Clothing Accessories	1,461.2	1,505.2	1,560.2	1,593.1	1,614.2	1,644.1

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 3 Sales of Clothing Accessories by Category: % Volume Growth 2005-2010

% volume growth

	2009/10	2005-10 CAGR	2005/10 TOTAL
Belts	3.2	3.3	17.6
Gloves	0.1	2.2	11.4
Hats/Caps	1.1	1.3	6.9
Scarves	2.1	2.1	11.1
Ties	1.0	1.3	6.8
Other Clothing Accessories	1.1	1.3	6.9
Clothing Accessories	1.4	2.0	10.2

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 4 Sales of Clothing Accessories by Category: % Value Growth 2005-2010

% current value growth

	2009/10	2005-10 CAGR	2005/10 TOTAL

Belts	3.5	3.8	20.4
Gloves	0.2	2.3	12.1
Hats/Caps	1.7	1.8	9.3
Scarves	2.7	2.6	13.5
Ties	1.4	1.5	8.0
Other Clothing Accessories	1.9	2.0	10.3
Clothing Accessories	1.9	2.4	12.5

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 5 Clothing Accessories Company Shares 2006-2010

% retail value rsp

Company	2006	2007	2008	2009	2010
H&M Hennes & Mauritz Sp zoo	4.6	5.9	5.6	5.5	5.6
LPP SA	4.3	4.5	4.5	4.5	4.4
Zara Polska Sp zoo	2.7	4.2	4.4	4.3	4.3
Wittchen Sp zoo	3.7	3.8	3.7	3.7	3.7
Vistula & Wólczanka SA	3.0	3.2	3.2	3.2	3.2
Gino Rossi SA	2.4	2.4	2.4	2.4	2.4
KAZAR Footwear Sp zoo	1.8	1.9	1.9	1.8	1.8
Tesco Polska Sp zoo	-	-	1.2	1.4	1.5
Bata Poland Sp zoo	1.4	1.4	1.4	1.4	1.4
C&A Polska Sp zoo	1.0	1.1	1.1	1.1	1.1
Sunset Suits Sp zoo	0.4	0.5	0.5	0.5	0.5
Young Fashion Sp zoo	-	-	-	-	-
Others	74.6	71.1	70.1	70.2	70.1
Total	100.0	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 6 Clothing Accessories Brand Shares 2007-2010

% retail value rsp

Brand	Company	2007	2008	2009	2010
H&M	H&M Hennes & Mauritz Sp zoo	5.9	5.6	5.5	5.6
Reserved	LPP SA	4.5	4.5	4.5	4.4
Wittchen	Wittchen Sp zoo	3.8	3.7	3.7	3.7
Vistula & Wólczanka	Vistula & Wólczanka SA	3.2	3.2	3.2	3.2
Gino Rossi	Gino Rossi SA	2.4	2.4	2.4	2.4
Zara	Zara Polska Sp zoo	1.9	2.0	1.9	1.9
KAZAR	KAZAR Footwear Sp zoo	1.9	1.9	1.8	1.8
F&F	Tesco Polska Sp zoo	-	1.2	1.4	1.5
Bata	Bata Poland Sp zoo	1.4	1.4	1.4	1.4
C&A	C&A Polska Sp zoo	1.1	1.1	1.1	1.1
Sunset Suits	Sunset Suits Sp zoo	0.5	0.5	0.5	0.5
Zara	Young Fashion Sp zoo	-	-	-	-
Others		73.4	72.5	72.5	72.4
Total		100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 7 Sales of Clothing Accessories by Distribution Format: % Analysis 2005-2010

% retail value rsp

	2005	2006	2007	2008	2009	2010
Store-Based Retailing	98.9	98.6	98.2	97.9	97.2	96.5
- Grocery Retailers	23.0	22.0	21.0	21.8	22.3	22.8
- Non-Grocery Retailers	75.9	76.6	77.2	76.1	75.0	73.8
- - Mixed Retailers	1.7	1.5	1.5	1.4	1.3	1.2
- - - Department Stores	1.7	1.5	1.5	1.4	1.3	1.2
- - - Mass Merchandisers	-	-	-	-	-	-
- - - Variety Stores	-	-	-	-	-	-
- - - Warehouse Clubs	-	-	-	-	-	-
- - Clothing and footwear specialist retailers	50.1	51.8	53.4	53.1	52.8	52.5
- - Leisure and Personal Goods Specialist Retailers	0.7	0.7	0.8	0.8	0.7	0.7
- - - Sports goods stores	0.7	0.7	0.8	0.8	0.7	0.7
- - - Other Leisure and Personal Goods Specialist Retailers	-	-	-	-	-	-
- - Other Non-Grocery Retailers	23.4	22.5	21.5	20.9	20.2	19.4
Non-Store Retailing	1.1	1.4	1.8	2.1	2.8	3.5
- Homeshopping	0.2	0.2	0.2	0.2	0.2	0.2
- Internet Retailing	0.6	0.9	1.4	1.7	2.4	3.1
- Direct Selling	0.3	0.3	0.3	0.3	0.2	0.2
- Vending	-	-	-	-	-	-
Total	100.0	100.0	100.0	100.0	100.0	100.0

Source: Euromonitor International from official statistics, trade associations, trade press, company research, store checks, trade interviews, trade sources

Table 8 Forecast Sales of Clothing Accessories by Category: Volume 2010-2015

'000 units

	2010	2011	2012	2013	2014	2015
Belts	7,558.8	7,827.1	8,126.1	8,451.1	8,802.7	9,200.6
Gloves	7,974.6	8,264.2	8,396.4	8,690.8	8,985.2	9,278.9
Hats/Caps	9,527.1	9,663.4	9,819.9	10,002.6	10,208.6	10,426.1
Scarves	6,331.1	6,478.0	6,636.7	6,806.6	6,993.1	7,199.4
Ties	3,021.5	3,055.7	3,093.9	3,136.9	3,183.9	3,235.5
Other Clothing Accessories	7,059.1	7,146.6	7,245.9	7,365.5	7,497.3	7,641.3
Clothing Accessories	41,472.2	42,434.9	43,319.0	44,453.5	45,670.9	46,981.7

Source: Euromonitoar International from trade associations, trade press, company research, trade interviews, trade sources

Table 9 Forecast Sales of Clothing Accessories by Category: Value 2010-2015

PLN million

	2010	2011	2012	2013	2014	2015

Belts	303.7	307.2	310.2	313.9	319.8	328.4
Gloves	345.0	348.7	339.5	342.6	346.6	357.5
Hats/Caps	448.6	445.6	441.4	438.1	437.4	436.9
Scarves	286.9	288.1	287.6	287.3	288.8	290.9
Ties	119.8	118.7	116.9	115.6	114.7	114.2
Other Clothing Accessories	140.1	138.6	136.9	136.1	136.2	136.3
Clothing Accessories	1,644.1	1,646.9	1,632.5	1,633.7	1,643.4	1,664.2

Source: Euromonitoar International from trade associations, trade press, company research, trade interviews, trade sources

Table 10 Forecast Sales of Clothing Accessories by Category: % Volume Growth 2010-2015

% volume growth

	2014/15	2010-15 CAGR	2010/15 TOTAL
Belts	4.5	4.0	21.7
Gloves	3.3	3.1	16.4
Hats/Caps	2.1	1.8	9.4
Scarves	3.0	2.6	13.7
Ties	1.6	1.4	7.1
Other Clothing Accessories	1.9	1.6	8.2
Clothing Accessories	2.9	2.5	13.3

Source: Euromonitoar International from trade associations, trade press, company research, trade interviews, trade sources

Table 11 Forecast Sales of Clothing Accessories by Category: % Value Growth 2010-2015

% constant value growth

	2010-15 CAGR	2010/15 TOTAL
Belts	1.6	8.1
Gloves	0.7	3.6
Hats/Caps	-0.5	-2.6
Scarves	0.3	1.4
Ties	-1.0	-4.7
Other Clothing Accessories	-0.5	-2.7
Clothing Accessories	0.2	1.2

Source: Euromonitoar International from trade associations, trade press, company research, trade interviews, trade sources