



# Market Report

A Snapshot of your Market Sector

## Sustainable Fashion and Textiles

This pack has been designed to provide information on setting up a business in the **Sustainable Fashion and Textiles** industry in Scotland, as well as helping to inform the market research section of your business plan. You can find more information on how to write a business plan from the Business Gateway website ([www.bgateway.com/businessplan](http://www.bgateway.com/businessplan)), including an interactive template and tips to get you started.

This market report was updated by Business Gateway in **December 2021**. If you find the information contained in this document useful, tell us about it! Send us feedback [here](#); we will use your comments to help improve our service.

## What do I need to know about the Sustainable Fashion and Textiles market?

The following summary statistics have been taken from market research reports and reliable resources that the Information Service uses to compile industry information. They should give you an indication of how your industry is faring at present and whether there is demand for your type of business:

- ◆ Consumers are continuing to spend less on fashion items and are prioritising other areas of spending. The latest COVID-19 Tracker data for 22-29 July 2021 shows that **38% of consumers are spending less on clothing**, footwear and accessories compared with before the pandemic. Consumers now place more importance on sustainability when buying fashion items than they did a year ago, with **three fifths (60%) agreeing that it is important in 2021 compared with 56% in 2020**. While the youngest consumers who fall into the Gen Z generation continue to show a high level of concern about sustainability when buying fashion items, it is now **Younger Millennials who care the most**, with almost three in 10 citing sustainability as very important. (Mintel, *Fashion and Sustainability – UK - 2021*, August 2021).
- ◆ Lockdown measures which stopped manufacturing, added to reduced demand for products during the pandemic, is expected to affect the industry in the short term, contributing to revenue **declining by 8.8%** in 2020-21. For woven and finished textile products, competition is increasingly focused on quality over price. Price tends to be perceived as inversely related to quality, especially in more niche product segments. This is relevant to natural fibre manufacturers due to trends in environmental awareness among consumers. Rising demand for organic and sustainable products has allowed manufacturers to raise price points and differentiate themselves based on quality. (IBISWorld, *Textile Weaving & Finishing in the UK*, September 2020).
- ◆ According to a recent consumer survey conducted in the United Kingdom (UK) on sustainable fashion purchase behaviour, **British men preferred shopping with sustainable fashion brands more than women did, with 53 % versus 47 %, respectively**. The survey results revealed that male respondents from the age groups 25-34 and 35-44 were more likely to only buy clothes from sustainable brands compared to respondents in the other age groups and gender. Among women polled for this survey, those aged 35-44 and over 55 showed higher preference for sustainable fashion brands. In a recent survey conducted in the United Kingdom (UK), around **one-fifth of consumers stated that they bought clothes from sustainable brands**. (Statista, *Fast Fashion In Europe - Statistics & Facts*, April 2021)
- ◆ The national organisation for this industry is [Textiles Scotland](#). Other industry bodies include [UKFT - UK Fashion and Textile Association](#), [TSA - Textile Services Association](#), [Zero Waste Scotland](#), [Textile Recycling Association](#), and [Love Your Clothes.Org](#).



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## Where can I find more information on my market?

The Information Service has access to a number of databases which can offer more detail on this industry. Some of these reports are listed below - if you would like to be sent extracts from any of these reports, please contact us on **0300 013 4753** or email [info@bgateway.com](mailto:info@bgateway.com).

- ◆ **Mintel – Fashion and Sustainability – UK (August 2021)** - Data from Fashion Revolution's Fashion Transparency Index 2021 reveals that more brands and retailers are disclosing their suppliers than four years ago. Results from a survey of 250 major fashion brands show that 47% publish a list of their first-tier manufacturers, where clothes are cut, sewn and finished, up from 40% in 2020.
- ◆ **Mintel – Ethical Lifestyles – UK (June 2021)** - Many companies have transformed their operations in recent years in order to be more sustainable. It is likely that consumer expectation will grow in the coming years as people become more knowledgeable about the environment, and therefore more scrutinising of corporate sustainability efforts. Consumers are increasingly looking for consistency when it comes to how brands respond to the environment and will therefore be most engaged with brands that can prove they have not fluctuated in their efforts and have a clear plan for the future.
- ◆ **IBISWorld – Clothing Retailing in the UK – (August 2021)** - Public concern over environmental issues is a proxy for ethical consumerism. Sustainable fashion has become dominant themes over the past five years. Growing public concern over the environment has prompted clothing retailers to adapt to consumer sentiment and increase product ranges. In 2021-22, public concern over environmental issues is expected to increase, an opportunity for operators to expand product ranges

There are also a number of online resources you may find helpful:

- ◆ **Scottish Government - Making Things Last: a circular economy strategy for Scotland** (2016) ([tinyurl.com/reg7pg5](https://www.tinyurl.com/reg7pg5)) - Scotland has a strong history of innovation, and a number of sectors and individual companies have already embraced circular economy principles in product design and system design.
- ◆ **Scottish Textile Industry Strategy – 10 Year Plan** ([tinyurl.com/yckpyssz](https://www.tinyurl.com/yckpyssz))
- ◆ **WRAP – Sustainable Fashion and Textiles Guide** - ([tinyurl.com/27r9ct9h](https://www.tinyurl.com/27r9ct9h)) – WRAP is taking action to transform the way the fashion and textiles industry buys, uses and re-uses textiles and clothing. We are convening the sector for transformational change. Our cross-industry collaborative agreements cut carbon, water and waste from textile supply chains, and bring businesses together in nations around the world to accelerate progress towards a circular textiles economy.
- ◆ **SCAP (Sustainable Clothing Action Plan)** ([tinyurl.com/jjmwxpx](https://www.tinyurl.com/jjmwxpx)) is a collaborative framework and voluntary commitment to deliver industry-led targets for reducing the use of resources in the clothing industry.

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## How can I find out about my competitors?

Business Gateway's online guide to [Competitor Analysis](#) explains how to find your competitors, how to research what they're doing and how to act on what you learn about them.

Immediate competition will be from other businesses in your local area. There are several online directories which can be used to find company information and generate lists easily and at no expense. Many Local Authorities also publish local business directories on the web. Below are some key web resources:

- ◆ General business directories such as [Yell](#) ,[Thomson Local](#) or [Google Maps](#)
- ◆ Trade specialists like [EuroPages](#) (European directory), [The Wholesaler](#) or [Free Index](#)
- ◆ Business to business (B2B) specialists such as [Kompass](#)

Likewise, your local Chamber of Commerce may publish a members' directory; find your local Chamber on the [Scottish Chambers](#) website.

Once you've identified who your competitors are, the next step is to gather information on the way they do business. Which services do they provide? How do they market themselves? How much do they charge?

To learn about your competitors:

- ◆ Look for articles or adverts in local newspapers, trade press and directories.
- ◆ Try to read their marketing material; if the company has an online presence, visit the company's website as a first port of call. Not only does it give you a better understanding of the company's activities, it can also offer a wealth of information such as a company history or staff biographies, as well as the company's partners or suppliers
- ◆ Search for information on limited UK companies via the [Companies House](#) website
- ◆ Gain an insight into your competitor's performance using credit checks and the accounts that limited companies are required to submit to Companies House each year.

We can provide credit checks free of charge; if you are interested in using this resource, or looking for us to help you find relevant publications, please contact us by emailing [info@bgateway.com](mailto:info@bgateway.com) or by calling **0300 013 4753**



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## What about suppliers?

[Choosing and Managing Suppliers](#) can help you decide what you need from a supplier, how to identify one and how to choose one to deal with.

Trade associations or industry specific organisations may also be able to recommend suppliers or contacts. You can also use the aforementioned resources for finding competitors to find suppliers.

Once you have decided on a supplier, we can run a credit check on the company to help assess their financial stability. We provide credit checks free of charge; if you are interested in using the resource please [info@bgateway.com](mailto:info@bgateway.com) or by calling **0300 013 4753**.

## Who are my customers?

Your business plan should include information about the customers you would expect. Business Gateway's guides on [Market and customer research](#) will help you to identify new trends, opportunities, customers and competitors.

It can be useful to group your customers by geographical location, age or lifestyle. The websites listed below are freely available and can provide most of this information. If you can't find what you're looking for from these website, please contact us and one of the team will be happy to help:

- ◆ Access the latest population estimates from the [National Records of Scotland \(NRS\)](#). NRS also offers demographic factsheets for each council area in Scotland, which can provide summary statistics for the area you will be based in.
- ◆ Information from the most recent census in 2011 is released via the official website. See in particular the [Census Area Profiles](#). Clicking on your area of interest will give the latest population figures, including estimates by age.
- ◆ [Understanding Scottish Places](#) has interactive profiles of towns and cities across Scotland. It can be useful for understanding the interrelationships and flows between towns, and also gives comparisons between two or more places.
- ◆ [Scottish Government Statistics](#) provide accurate and up-to-date statistics on Scotland, covering population, health, education and housing.
- ◆ [The Scottish Household Survey](#) provides information on the structure, characteristics, attitudes and behaviour of Scottish households, both at a national and local level.
- ◆ [Office for National Statistics \(ONS\)](#) is the recognised national statistical body for the UK. ONS covers a wide range of demographic, economic and social issues at a UK level.

## How can you help me with other aspects of starting my business?

The Business Gateway website has guides, videos, online tutorials and tips on all aspects of starting up a business in Scotland. Follow the links below to explore each resource:

### Accountancy

Institute of Chartered Accountants of Scotland's (ICAS) "[Find a Chartered Accountant](#)" tool

### Funding

[Practical information](#) on finance and funding for starting and growing your business

### Insurance

[Business insurance guide](#)

### Legal Help

Gov.uk "[Licence Finder](#)" tool

Law Society of Scotland's "[Find a Solicitor](#)" tool

### Pricing

Business Companion [Pricing & payment guide](#).

**Please note:** the most effective way to research pricing is to conduct your own research – visit wholesalers or suppliers to obtain price lists, find quotes from similar companies and work out what other businesses in your area are charging

### Promotion

[BG guides to Marketing](#)

### Training

[Skills Development Scotland's My World of Work](#)

[Funding for training](#)

[Small Business Bonus Scheme \(Scotland\)](#)

Your local Business Gateway can offer events, workshops and 1:2:1 support on all aspects of starting and developing your business. Call the helpline on **0300 013 4753** to find out what is available in your area.

We hope you find this Market Report useful and we'd love to hear your feedback [here](#).

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