



Market Report

A Snapshot of your Marketing 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), including an interactive template and tips to get you started.

This market report was updated by Business Gateway in **December 2024**.

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:

- ◆ **57% of Britons see sustainability as important for fashion.** Mintel notes that sustainability has risen in importance in 2024, following a drop in interest in 2023 as incomes were squeezed. The ongoing cost of living pressures have led consumers to adopt more conscientious shopping behaviours - buying fewer items, selling unworn pieces and opting for second-hand fashion. While value will remain important, as consumers return to more normalised spending, the focus on sustainability will grow. When comparing attitudes towards sustainability with actual changes in behaviour, the say-do gap is very wide, particularly among Gen Zs who continue to be high intensity fashion buyers and returners. The latest advances in technology can help fashion retailers and brands meet legislative requirements, as well as assist consumers with purchasing decisions by giving them more transparent information about a product. (Mintel, *Fashion and Sustainability – UK*, June 2024).
- ◆ The sustainability trend will continue to gain momentum. Consumers are becoming increasingly conscious of waste, choosing to upcycle and repair products instead of buying new ones and these trends will accelerate. Those who fail to adapt to consumer trends by emphasising sustainability and ethical sources risk not benefitting from a potentially lucrative market. This is especially true as Gen Z enter the workforce and brings new values to the market and social media will continue to drive purchases. The clothing store of the future needs to include experiences that excite, inspire and engage customers to increase brand favourability — simply having a rail of clothes isn't enough anymore. **Revenue in the Clothing Retailing industry is slated to grow at a compound annual rate of 1.2% to £50.2 billion over the five years through 2029-30** when the average industry profit margin is slated to be 6.8%. (IBISWorld, *Clothing Retailing in the UK*, September 2024).
- ◆ **Millennials and Generation Z were forecast to be tied as the generations with the largest share of the sustainable apparel market** in the United Kingdom in 2022. They each made up just over two-thirds of the market. (Statista, *Forecast Share of the Sustainable Apparel Market in the UK in 2027, by Generation*, July 2023).
- ◆ The national organisation for this industry is [Textiles Scotland](#). Other industry bodies include [UKFT - \(The UK Fashion and Textile Association\)](#), [the TSA \(Textile Services Association\)](#), [Zero Waste Scotland](#), the [Textile Recycling Association](#), and [Love Your Clothes](#).

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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.

- ◆ **Mintel – Everyday Sustainability (September 2023)**. In May 2023, the majority (68%) of consumers said the environment is of the same level of priority to them as before the cost-of-living crisis. However, while finances continue to be strained for many, price will be at the forefront of purchasing decisions and eco-friendly products, that often come at a premium price, will be deemed unaffordable. Consumers do, though, want brands that can afford to act sustainably to do so on their behalf, with 44% of UK consumers agreeing that companies can do more than governments to change the world.
- ◆ **IBISWorld – Clothing Manufacturing in the UK (November 2024)**. Ethical consumerism and sustainable fashion have become increasingly important in the clothing industry. According to research by Blakely Clothing on fashion trends for 2024, 58% of Britons stated they wouldn't be following fashion trends in 2024, focusing instead on timelessness and quality. Clothing manufacturers producing more environmentally friendly high-quality products will win more sales.

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

- ◆ **McKinsey's The State of Fashion 2025** article (<https://www.mckinsey.com/industries/retail/our-insights/state-of-fashion>) touches on sustainability and consumers. McKinsey notes *'Even though shoppers have proven less willing than hoped to pay extra for planet-friendly products, making the business case for sustainability less obvious to executives among other competing priorities, the mounting cost of climate change, and government action to combat it, mean sustainability must remain at the top of the agenda. Those who choose to approach sustainability with a long-term mindset even while battling short-term problems will be rewarded with more efficient business operations and a competitive advantage.'*
- ◆ **The Circular Fashion Innovation Network (CFIN) Interim Report: Accelerating the UK Towards a Circular Fashion Ecosystem (2024)** (<https://instituteofpositivefashion.com/uploads/files/1/CFIN-Interim-Report-2024.pdf>) highlights key insights and next steps in the UK's journey towards a circular fashion ecosystem by 2032. *'CFIN research shows 47% of UK brands and retailers embed circular design principles in their product ranges, which increased to more than 70% of premium and luxury brands. Notably, 70% of product ranges have at least one circular design attribute. However, the research also highlighted a lack of industry-wide alignment on a definition of a 'circular product'. Less than half of the organisations embedding circular principles have a definition for a circular product, suggesting a need for standardisation and clearer guidelines.'*

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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 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 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 websites, 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.



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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.

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You must not rely on the information in the report as an alternative to advice from an appropriately qualified professional. If you have any specific questions speak to your Business Gateway Advisor or consult an appropriately qualified professional.

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