

MARKET ROUND-UP

HOW ARE THE **TOP APPAREL** MARKETS FARING? HERE'S A LOOK.



FINANCE/INSURANCE 2020 Change*: -9.7%

Current Status: The fourth-largest market for apparel and promo product sales in 2019 was poised to weather the pandemic with characteristic stability. While in-person, one-on-one consultation has been slowed, drive-through banks have remained open for everyday banking needs, and digital banking has seen a huge uptick in usage. Industry trade shows were also canceled, which are a big driver for their promo needs.

Future Opportunities: Look to community outreach. A report from consulting firm EY on the impact of COVID-19 has had on the financial services industry found that more than half of consumer's future purchasing decisions within this market will be driven by banks actively supporting the community. Consider how to help banks and insurance agents with outreach needs focused on more than just customer conversions. Apparel can play a big role here. Suggest local banks donate T-shirts to volunteers at local foods banks, drive-in concerts events and hospitals.



AUTOMOTIVE 2020 Change*: -22.5%

Current Status: Stay-at-home orders have led to a lot less driving, and job insecurity has changed purchasing plans, so it's no surprise that the automotive market has been hit hard by the pandemic. J.D. Power said in May that car retailers have sold 800,000 fewer vehicles than previously forecasted for 2020. The rental car segment was also severely impacted by canceled travel; long-time rental giant Hertz filed for bankruptcy in May.

Future Opportunities: The headline on Car and Driver's website says it all: "Now Is The Best Time To Buy A Car." While there's still economic uncertainty, dealers have plenty of inventory and are eager to sell at a discount. A marketing blitz that includes high-end apparel can entice buyers who are heading back to work.



HOSPITALITY 2020 Change*: -39.4%

Current Status: In the wake of canceled events, the American Hotel and Lodging Association found that hotel occupancy in the U.S. had declined 70% in April 2020, compared to the same month in 2019, and estimated the industry was losing about \$500 million in room revenue every day. Airline passenger traffic was down 90% in May, according to trade group Airlines for America, and Airbnb terminated a quarter of its staff. While things rebounded slightly in the summer, it'll be a long time before travel is back to its pre-pandemic success.

Future Opportunities: Help hurting companies get back in the game with traveler-friendly merchandise, particularly for road-trip drivers and their companions, as the "drive-market" is beginning to rebound well before the airline industry. Top apparel to consider include comfy T-shirts, standard cotton shirts, oversized items that specialize in comfort and long-sleeve tees for chilly nights.



TRADE SHOWS 2020 Change*: -55.7%

Current Status: As organizers began pulling the plug on major events in Q1 of 2020, it became clear that the trade show industry was going to feel lasting effects from COVID-19. With the future uncertain and public health and safety efforts preventing large gatherings, recovery for this industry will be nothing short of laborious. Small-scale tabletop shows may pop up in the fall, but money-generators like convention center shows will be some of the last gatherings to recover to normal numbers, most likely not until 2021.

Future Opportunities: For gatherings that are successfully rescheduled for the fall, apparel will be a huge hit. For events that have converted to virtual, companies can consider sending T-shirts to attendees to help harness the vibe of an in-person event. Distributors will also find opportunity in mainstays like signage, uniforms, PPE and more.

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