

Cotton Incorporated

Supply Chain Insights



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Factors in Apparel Purchase Decisions

Price Rules Consumers' Decisions, but Factors Change with Age

Price continues to reign as the most important factor for U.S. consumers in making clothing purchases (cited by 72%), followed by fabric content and laundering instructions. As consumers' age increases, so does the importance of fabric content, laundering instructions, and where an item is manufactured. Those most likely to care about price are 25- to 34-year-olds. In 2005, price concerns did not differ significantly among consumers who bought most of their apparel at national chains, specialty stores, or mass merchants—but fewer department-store shoppers were influenced by price (64%). Brands are significantly more important to 16- to 24-year-olds and specialty-store shoppers than other groups. However, whether an item is environmentally friendly does not register on most shoppers' radar—only 19% said they considered this factor when buying apparel.

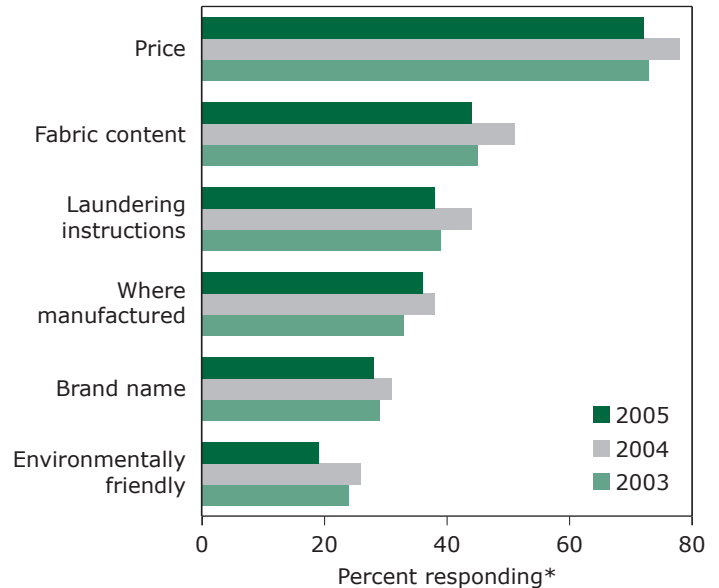
Importance of "Environmentally Friendly" Continues To Fade

Lifestyle Monitor™ surveys show that over the past decade, the importance of "environmentally friendly" as a factor in apparel purchase decisions has declined. Although the importance of this attribute rises with the age of the consumer, its overall importance has declined for all age groups by at least 16 percentage points since 1995. The decline is consistent among shoppers at all income levels and across retail channels.

These results are consistent with findings of a 2003 survey of consumers' attitudes towards organic cotton apparel conducted jointly by Cotton Incorporated and the Organic Trade Association. Of consumers who reported purchasing organic cotton clothing, only 4% said their primary motivation was that it was environmentally

Cotton Incorporated's Lifestyle Monitor™ is an ongoing survey of U.S. consumers aged 16 to 70. More than 300 interviews are conducted each month covering consumers' attitudes and behavior toward fashion, shopping, and lifestyle trends. The survey is conducted by Bellomy Research, of Winston-Salem, North Carolina.

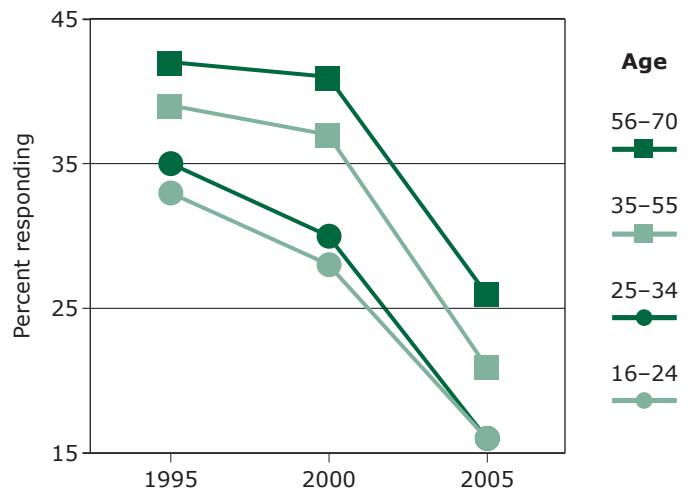
Price is still the leading factor in consumers' apparel purchase decisions



*The total exceeds 100% because more than one response was allowed.
Source: Cotton Incorporated's Lifestyle Monitor™.

friendly. The most important reasons given were style, fit, and price.

Fewer consumers want to know if a garment is environmentally friendly before buying



Source: Cotton Incorporated's Lifestyle Monitor™.