

INSIGHTS

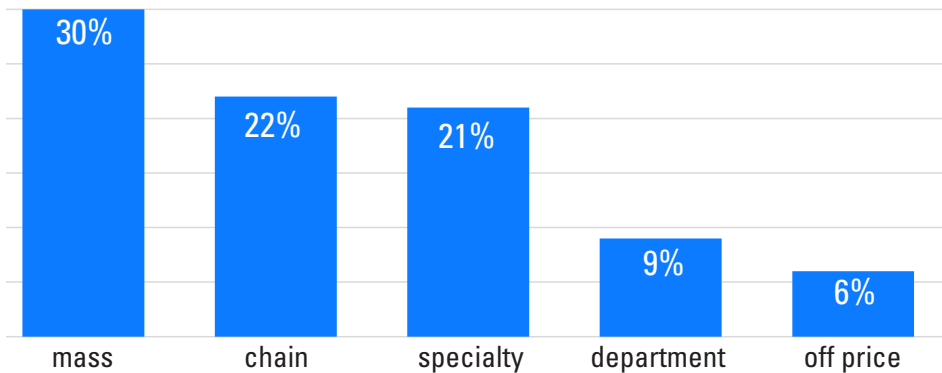
CHILDRENSWEAR & BACK TO SCHOOL APPAREL



At home, at school, and at play, kids put their clothes to the test. Learn what parents prioritize when making purchasing decisions for their children. By making their apparel a new favorite on and off the playground, brands and retailers can win a part of the growing childrenswear market - forecast to reach \$291 billion globally by 2020¹.



PREFERRED RETAIL CHANNELS



PURCHASE DRIVERS



FIT

At 97%, fit is the number one purchase driver when shopping for childrenswear.

Comfort (95%) remains an integral factor when considering kids' ease of play.

COMFORT



DURABILITY

At school, at home, or at play, kids put their clothes to the test and durability (92%) is key.

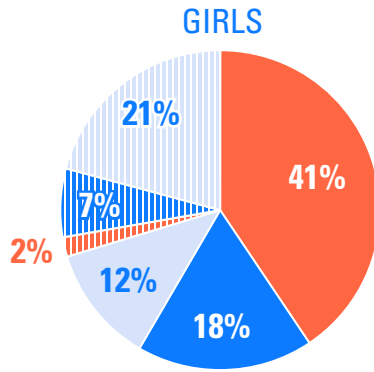
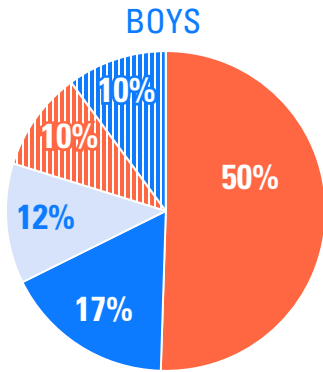
Quality (92%) continues to be important because shoppers want value from their clothing.

QUALITY



CHILDRENSWEAR AT RETAIL

PRODUCT ALLOCATION



- tops
- pants/shorts
- sleepwear
- activewear
- denim jeans
- skirts/dresses

AVERAGE ASKING PRICES

	BOYS	GIRLS
MASS RETAILER	\$10.68	\$10.47
CHAIN STORE	\$16.98	\$15.47
DEPARTMENT STORE	\$19.88	\$15.78
SPECIALTY STORE	\$17.87	\$15.31

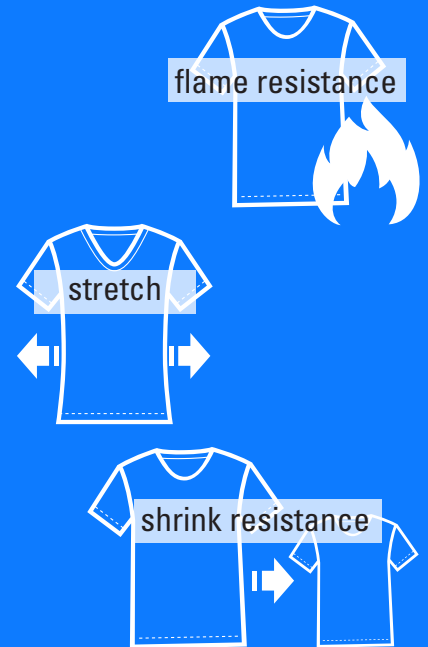


"Hands down, [my child's] **favorite jeans**...They last a long time (they're great hand-me-downs b/c they're **durable**), **wash well**...a good price for a great pair of jeans."

~Customer review of 100% cotton jeans



1 in 10 childrenswear items at retail are marketed with a performance feature, with the most common being:



3 in 4 childrenswear items at retail contain cotton.



PARENTS & COTTON CHILDRENSWEAR



52% of parents have taught their kids to check fiber content labels, and 89% of these parents also teach their kids to check for cotton.

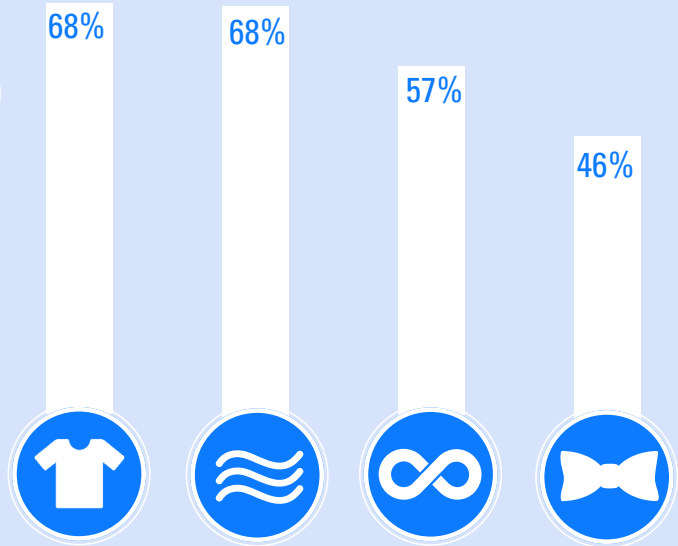


2 in 3 parents say they are willing to pay a premium to keep their children's clothing cotton-rich.

WHY DO PARENTS CHOOSE COTTON?

Compared to childrenswear made from manmade fibers, most parents say cotton childrenswear is the MOST...

comfortable breathable durable fashionable



HALF of parents say they are bothered by fiber substitution away from cotton in their children's clothing.

"I have used [brand] polo shirts for five years for my boys' school uniforms. This year, they changed the shirt from a cotton/poly blend to **all polyester**. The shirt is **so thin you can see through it**. My boys don't want to wear a T-shirt under their school shirt, so **these will not work. Returning them.**"

~Customer review of 100% polyester shirt



BACK-TO-SCHOOL APPAREL SHOPPING HABITS

WHEN DO BACK-TO-SCHOOL (BTS) SHOPPERS PURCHASE BTS APPAREL?

60%

before the first day of school

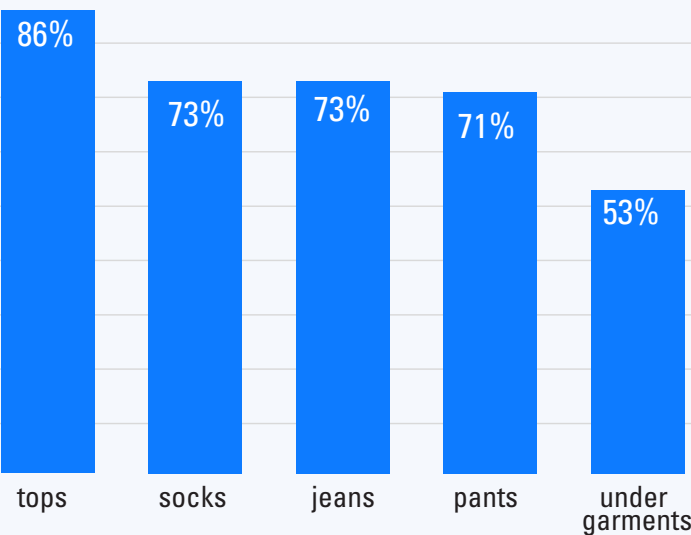
20%

a few weeks after the first day of school

20%

1-2 months after the first day of school

BTS SHOPPERS PLAN TO PURCHASE...



WHO DECIDES?

Half of parents say they make back-to-school clothing purchase decisions *with* their children.

“They fit perfectly. Waist is comfortable – not too tight, not too loose. Also, the material is **100% cotton**, which I like for **breathability**, and it’s also **very soft and smooth**...Bottom line: I have been buying these pants for my boy since he was a year old, and we still **love these**.”

~Customer review of 100% cotton pants

HOW MUCH DO BTS SHOPPERS PLAN TO SPEND ON BTS APPAREL?

\$265
in 2015

\$243
in 2014

\$231
in 2013

Sources: Cotton Incorporated *Lifestyle Monitor*TM survey, an ongoing consumer survey among 6,000 U.S. consumers annually; *Retail Monitor*TM survey, a quarterly retail audit of apparel products at 25 major U.S. retailers, in store, and online; and Customer Comments Research, a collection and analysis of over 625,000 online customer reviews. External Data Source: Global Industry Analysts, Inc.¹