

January 30th, 2021 | Written by IndexBox

The Pandemic Puts a Drag on the Global T-Shirt Market

- World manufacturing hubs in China and other Asian countries are facing a double challenge.
- The most prominent rate of growth was recorded in 2018 with an increase of 5.2% against the previous year.

IndexBox has just published a new report: [‘World – T-Shirts – Market Analysis, Forecast, Size, Trends and Insights’](#). Here is a summary of the report’s key findings.

In 2019, the global t-shirt [market](#) decreased by -3.5% to \$88.5B for the first time since 2016, thus ending a two-year rising trend. Overall, consumption, however, saw a relatively flat trend pattern. The most prominent rate of growth was recorded in 2018 with an increase of 5.2% against the previous year. As a result, consumption reached the peak level of \$91.7B, and then declined slightly in the following year.

The countries with the highest volumes of t-shirt consumption in 2019 were China (4.4B units), the U.S. (2.9B units) and India (1.8B units), together comprising 36% of global consumption. Japan, Pakistan, Indonesia, the UK, Nigeria, Bangladesh, Germany, Mexico, Ethiopia and Turkey lagged somewhat behind, together comprising a further 22% ([IndexBox estimates](#)).

In value terms, China (\$12.9B) led the [market](#), alone. The second position in the ranking was occupied by the U.S. (\$6B). It was followed by India. The countries with the highest levels of t-shirt per capita consumption in 2019 were the UK (9 units per person), the U.S. (9 units per person) and Germany (6 units per person).

T-shirts constitute one of the principal consumer goods from the category of apparel for daily use. Another impetus in the demand comes from sport and outdoor activity, from personal use to the equipment of professional teams. On the other hand, T-shirt consumption goes beyond just the essential need and depends on fashion trends and social life. Therefore, T-shirt consumption is to follow the growth of the global population and consumer incomes, which broadly depend on general economic development.

The growth drivers in T-shirt consumption vary widely in terms of region. In the U.S., for example, the fitness trend continues to impact T-shirt consumption: the need for athletic comfort becomes an important factor in the buying process. The current prevailing trend of using activewear and clothing as items of everyday attire is set to persist, and T-shirts that feature a blend of fashion and functionality will continue to perform well over the forecast period. Leading sportswear brands continue to launch and release new and appealing product ranges, aimed directly at consumers.

Consumer trend changes are also relevant for the EU T-shirt market: new variations and styles, as well as eco-fashion in different T-shirt categories, are being introduced. T-shirt consumption across Europe was expected to grow due to the rising fashion consciousness amongst consumers with regard to T-shirt products, and the increasing purchasing power of the young and teenage population.

The Asian T-shirt market was predicted to show strong growth: the number of consumers in the region is increasing every year. Lifestyle changes, combined with increased levels of disposable income and the current demand for trendy fashion items are all encouraging the rapid growth of Asia's T-shirt market. Another major fundamental behind this growth is rapid urbanization accompanied by the rising popularity of Western lifestyles. Furthermore, due to their cheaper workforce, Asian countries remain key global centers of T-shirt production, thereby having T-shirts largely available.

Until 2020, the global economy has been developing steadily for five years, although at a slower pace than in the previous decade. In early 2020, however, the global economy entered a period of crisis caused by the outbreak of the COVID-19 pandemic. According to World Bank forecasts, despite the gradual relaxing of restrictive measures and unprecedented government support in countries that faced the pandemic in early 2020, the annual decline of global GDP could amount to -4.3%, which is the deepest global recession being seen over the past eight decades.

The consumer goods sector is vulnerable to the pandemic as due to quarantine measures, entire economic sectors and facilities were paused, and the drop in incomes makes the growth of end markets unfeasible, thereby hampering any expansion of consumer spending. Moreover, the pandemic led to a shutdown of the retail outlets and malls, which undermined the sales of apparel, T-shirts and other consumer goods outside of the most essential range.

Consequently, world manufacturing hubs in China and other Asian countries are facing a double challenge. Like other enterprises, T-shirt companies had to halt operations during the breakout of the pandemic. Afterward, when China started to ease the lockdown, the companies challenge the rising number of

order cancellations from overseas clients which suffered their lockdown a month later and therefore are unable to sell or stockpile merchandise. This, in turn, may have led to the overstocking of the manufactures' warehouses, which puts additional pressure on prices. Accordingly, when the growth of demand will resume, the recovery of production may be delayed until the stocks are sold, thereby putting a further drag on the post-pandemic market recovery.

Taking into account the above, it is expected that in 2020, global consumption of T-shirts declined somewhat against 2019. In the medium term, as the global economy recovers from the effects of the pandemic, the market is expected to grow gradually, driven by rising population, recovering incomes, and the replacement of outworn ones, together with the consumer intention to get something new after a period of limitations. Overall, market performance is forecast to pursue a slightly upward trend over the next decade, expanding with an anticipated CAGR of +1.1% ([IndexBox estimates](#)) for the period from 2019 to 2030, which is projected to bring the market volume to 29B units by the end of 2030.

Source: [IndexBox AI Platform](#)