

A Guide to the German Fashion Market

...or How to Catch a Unicorn

KEY FACTS

Germany is...

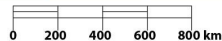
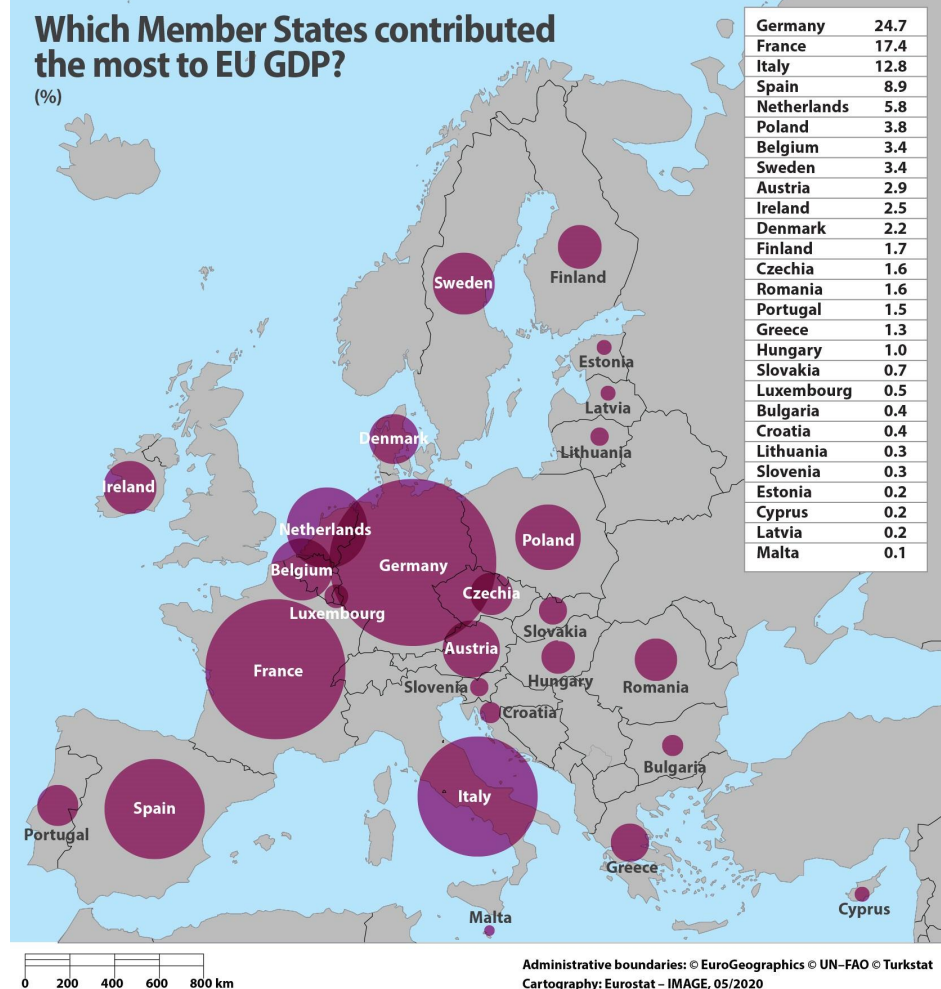
1. the biggest market in Europe
2. european leader in GDP
3. highly decentralized
4. culturally protestant
5. informed and demanding

1 & 2 POPULATION & GDP

83 m.

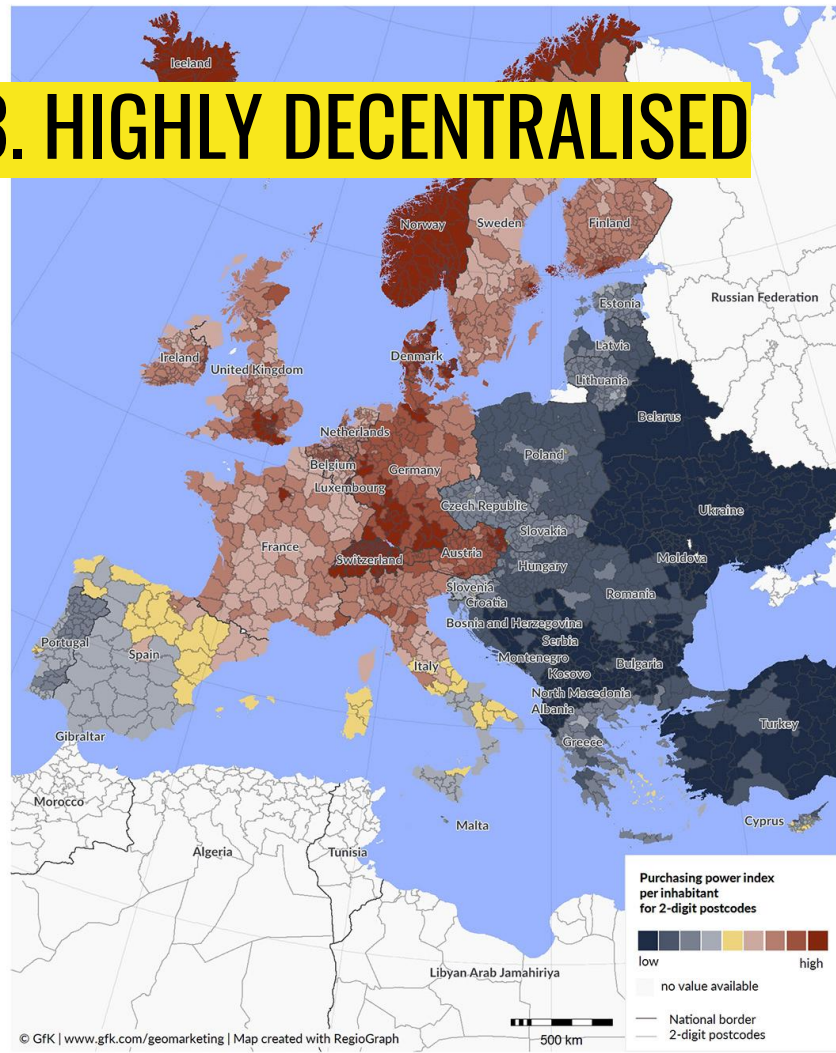
Which Member States contributed the most to EU GDP?

(%)



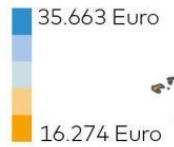
Administrative boundaries: © EuroGeographics © UN-FAO © Turkstat
Cartography: Eurostat - IMAGE, 05/2020

3. HIGHLY DECENTRALISED



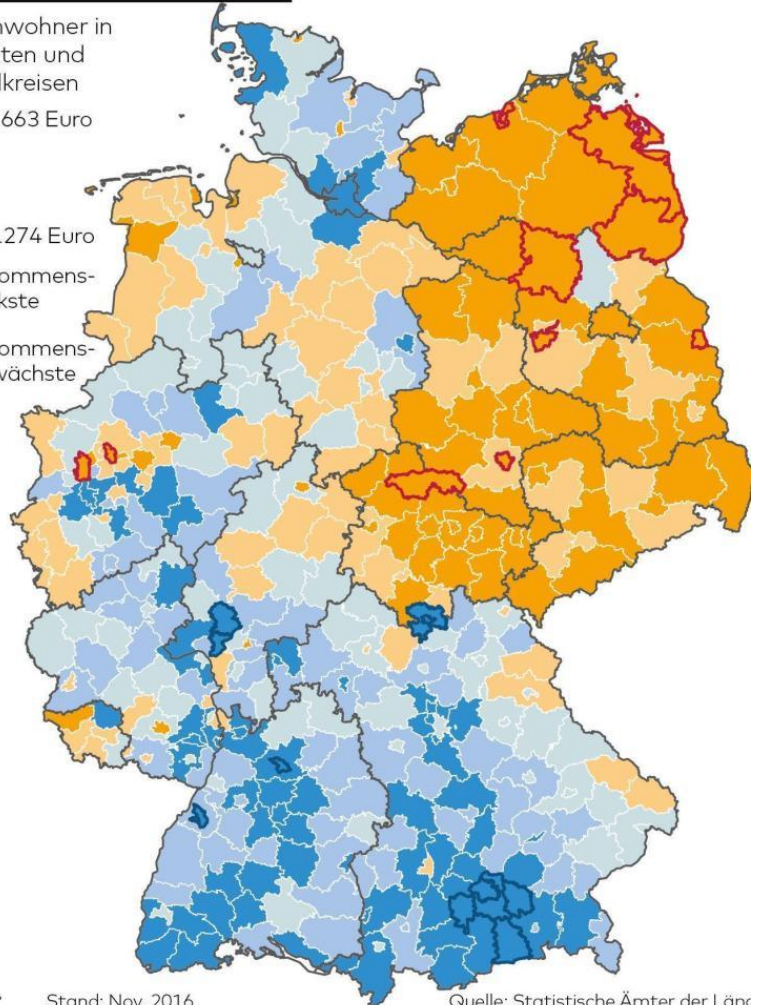
Verfügbares Einkommen

je Einwohner in
Städten und
Landkreisen

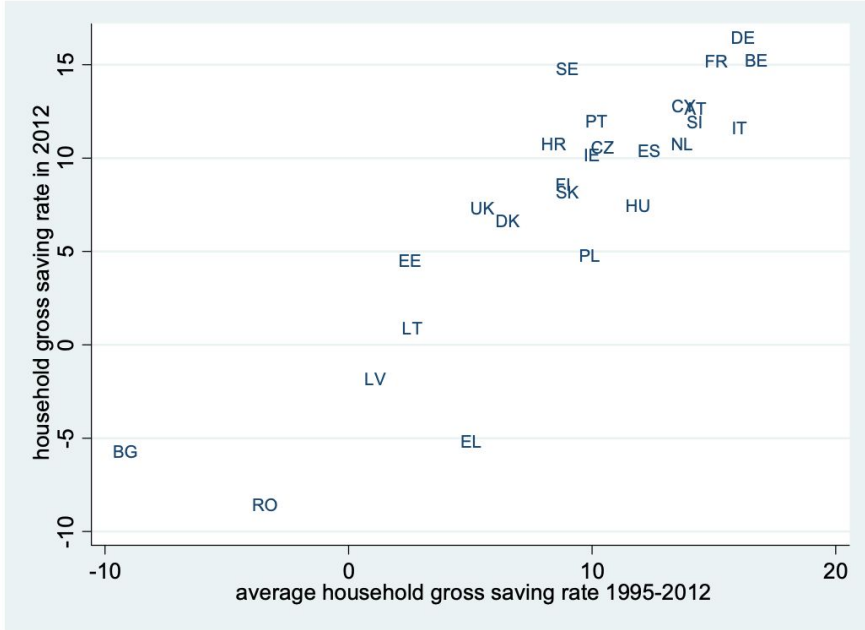


Einkommens-
stärkste

Einkommens-
schwächste

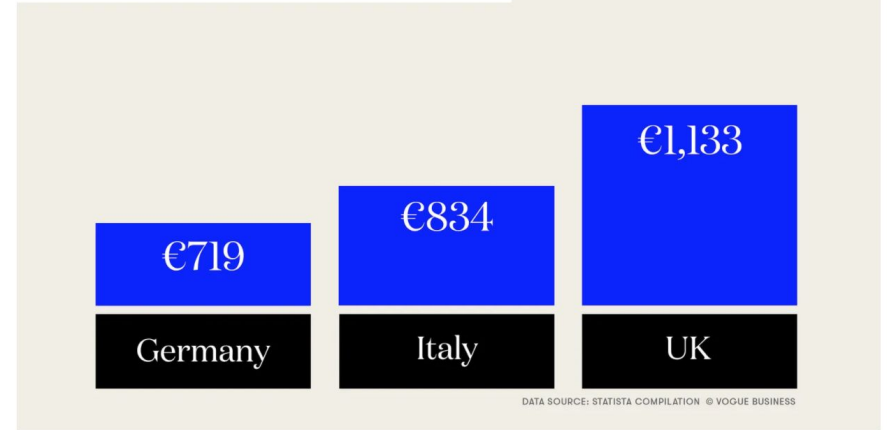


4. CULTURALLY PROTESTANT



Source: Eurostat

Average amount spent on clothing per person in:





Despite higher GDP per capita, German women spend less on clothing than their counterparts in Italy and the UK.

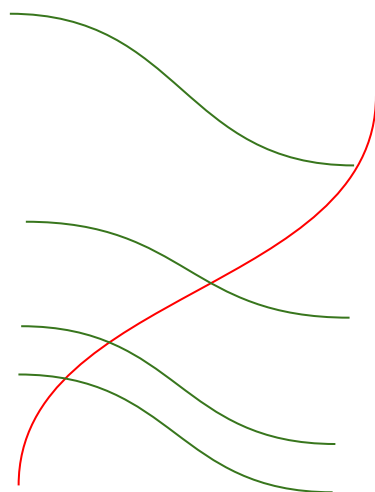
5. INFORMED AND DEMANDING

- Germans are informed customers
 - Germans have high standards
 - They are price sensitive
-

LUXURY SPENDING

Germany 	Index
High End HiFi equipment	167
Furniture / Furnishing	128
Vine / Champagne	116
Kitchen furniture /equipment	113
Clothes / Fashion	108
Cars	102
PC/Tablet/Smartphones	100
Eating out	97
Cosmetics / Perfume	95
Holidays and traveling	93
Watches	88
Jewelry	85
Exclusive accessories	68
Handbags	62

Italy 	Index
High End HiFi equipment	166
Vine / Champagne	133
Holidays and traveling	124
PC/Tablet/Smartphones	111
Cars	106
Handbags	101
Kitchen furniture / equipment	100
Clothes / Fashion	92
Exclusive accessories	90
Furniture / Furnishing	89
Cosmetics / Perfume	84
Eating out	82
Watches	78
Jewelry	70



THE BAD NEWS

- Germans are wealthy, but thrifty
 - Germans are hard to target offline,
 - and very demanding,
- ⇒ The German luxury fashion shopper is as hard to catch as a unicorn!
-

THE GOOD NEWS



- Germans are online,
 - Online share is increasing
 - Germans are loyal customers
 - Germans love Italy
-

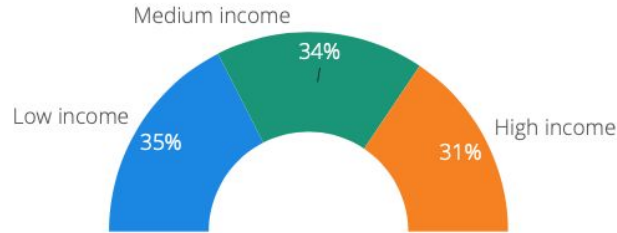
GERMANS ARE ONLINE

71 %

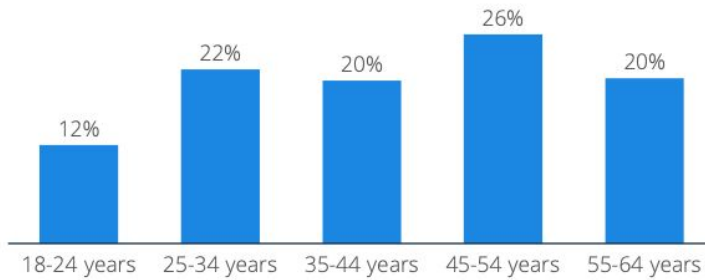
Germany has the largest number of online buyers in Europe – 71% of the German population aged 14 and above shop online, representing some 50 million people.

E-COMMERCE USERS IN GERMANY

Users by income



Users by age

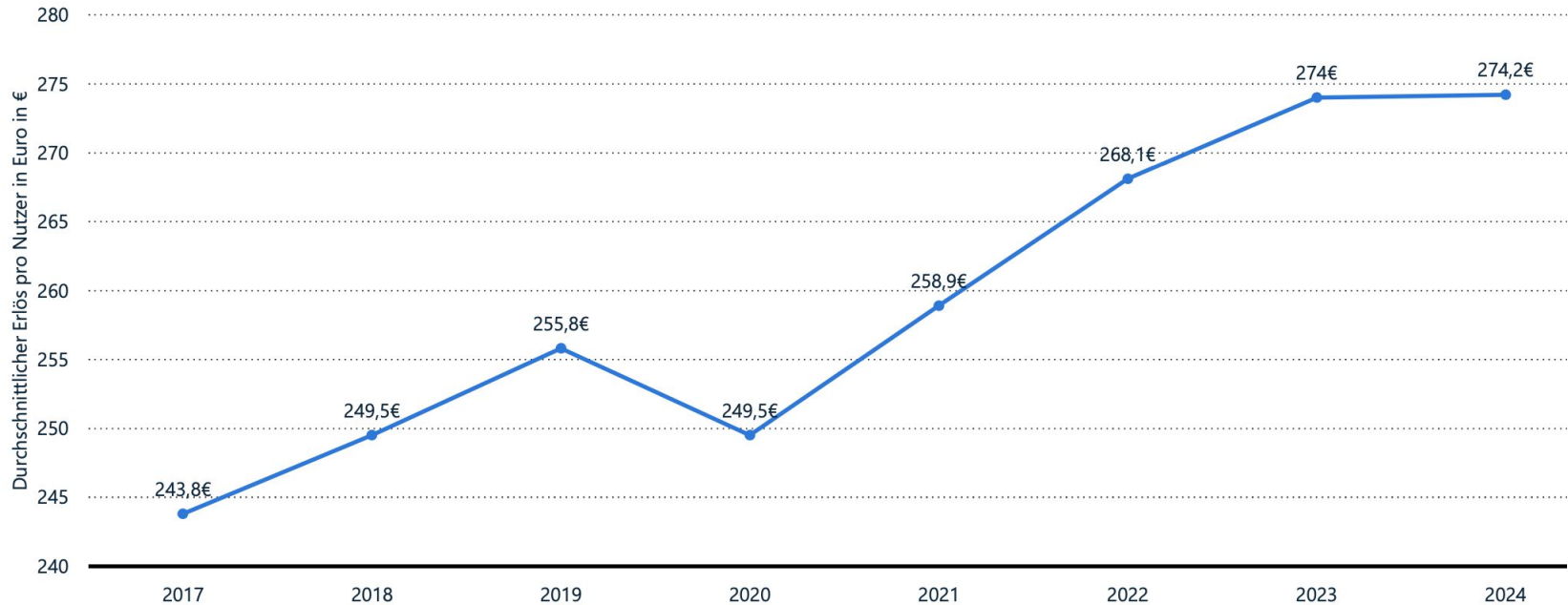


- About a third of German online shoppers falls into the high income bracket
 - The highest share is between 45-54 years old
- ⇒ good conditions for luxury fashion brands

ONLINE SHARE IS INCREASING

Average Revenue Per User (ARPU) im E-Commerce-Markt für Bekleidung in Deutschland im Jahr 2017 sowie eine Prognose bis 2024 (in Euro)

Prognose des ARPU im Online-Markt für Bekleidung in Deutschland bis 2024



GERMANS ARE LOYAL TO THEIR BRANDS

87 %

of Germans of all age groups have a favorite brand.

WHAT WOULD MAKE THEM CHANGE A TRUSTED BRAND?

- Decrease in quality
 - Increase in price
 - Negative news (like quality problems or bad working conditions)
-

WHAT DO GERMANS LOOK FOR IN A BRAND?

- High quality
 - Status / recognizability
 - Tradition / success
 - Innovation, individuality
and a connection with
the brand (16-29 yo)
-

GERMANS LOVE ITALY



- Italy is a „Sehnsuchtsort“, a place of longing for Germany
 - ‚Made in Italy‘ = high quality & Dolce Vita
- ⇒ Italian brands are perfectly positioned to win and keep German hearts
-

SUMMARY AND RECOMMENDATIONS:

1. Be online, where they are.
2. Be direct, authentic and transparent.
3. Explain and prove the value, quality or performance they get for their money.
4. Show them that you care for them, for the environment and for your workers.
5. Use your Italian DNA to inspire them.

**Thank you for your
attention!**

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SOURCES:

GRAPHICS:

Page 3: Eurostat.

Page 4 Left: GfK purchasing Power

Right: Welt; Daten: Statistische Ämter der Länder

Page 6: Left: Eurostat Household savings

Right: Vogue Business. Why German's Fashion Market is hard to crack. 2019

Page 7: International Luxury Spendings, Sinus Institute, 2013

Page 12: Statista E-Commerce Report 2020

Page 13: Statista E-Commerce Report 2020

Page 15: WE LOVE ITALY Campaign by mytheresa and ITA

IMAGES:

Happy unicorn: Photo by Meritt Thomas on Unsplash

Other Sources:

Understanding German Consumers: A Cultural Guide. Accenture.

PwC wie Markentreue entsteht und was sie gefährdet, Dez, 2017

Handel im digitalen Wandel, Wo online eingekauft wird. Ibi Research, DCRN. Januar 2020

Jahres- Bericht 2019. Herausgegeben Vom Bundesverband E-commerce Und Versandhandel