



Year in review * review

European Fashion
E-commerce in 2022
and trends for 2023

GLAMI



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2022



2022: a year of rebound

A recovery in consumer demand throughout 2022 enabled fashion e-commerce to have a successful year despite higher inflation, geopolitical challenges, and the energy crisis affecting consumer behavior in the last quarter.

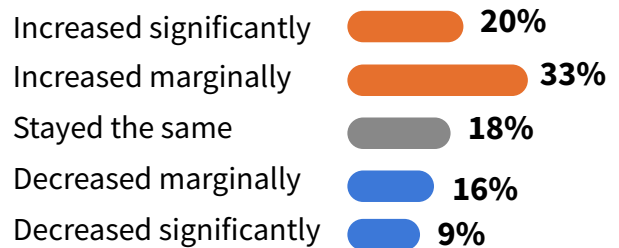
2022 was a year of contrasts. Following 2 years of the pandemic, the fashion industry returned to normality with consumers turning to their usual seasonal demands. The positive mood was followed by the insecurity and uncertainty caused by the war in Ukraine. This triggered an escalating energy crisis throughout Europe and an increase in inflation leading consumers to make more conservative choices regarding spending.

The decline in purchasing power, however, did not seem to have a negative impact on online fashion stores in 2022. 53% of GLAMI partner e-shops reported an increase in sales (compared to 52% in the corresponding question in the 2021 GLAMI partner survey).^{*} For 18% of respondents, sales remained the same, while 25% reported a decrease.

Overall, almost half of GLAMI partners (48%) were positive about their business results in 2022. This is an impressive jump from 38% in last year's survey.

53% of fashion e-shops report a growth of revenues

Question: Would you say that your sales in 2022...



3% responded "Other"

The majority of fashion e-shops see 2022 as a positive year for their business

Question: 2022 was the first year after the COVID-19 pandemic. How would you evaluate it in terms of success for your company?



Source: GLAMI survey across more than 200 fashion e-retailers, 01/2022. Survey run in 9 countries: Italy, Czechia, Slovakia, Greece, Romania, Hungary, Croatia, Slovenia, Bulgaria. 4% responded "Not sure", 1% responded "Other".

Main challenges

Question: What were the main challenges for you in 2022?



66%

Inflation - increased prices of energy, rent, materials



61%

Increased prices for advertising

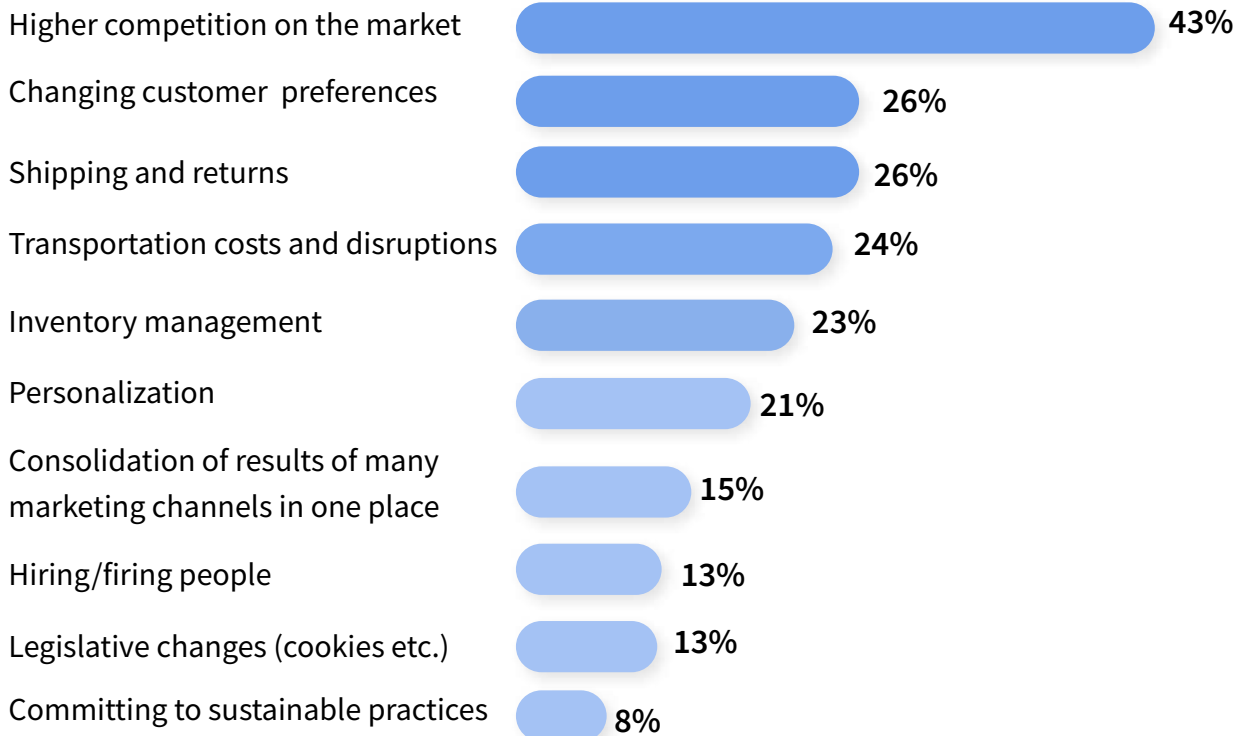


49%

Lower margin due to the need to offer greater discounts

Although the overall business results for the year were not significantly affected by economic instability, a year-over-year decline in sales was observed by GLAMI in December, indicating that the effects of inflation are starting to influence fashion shopping habits.

When asked if they had noticed a change, 32% of fashion e-shops stated that customers were buying less, while 26% mentioned that customers appeared to be trading down to cheaper items. Unsurprisingly, inflation was the top challenge for fashion e-shops, along with increased advertising costs and lower profit margins due to the need to offer greater discounts.



Source: GLAMI survey across fashion e-retailers, 01/2023.

Top categories of 2022: new life of formalwear



Life will never be the same

Consumers continued to choose versatile clothes, suitable for many occasions. Blazers got paired with relaxed t-shirts, sporty pants and casual shoes — for example, loafers and moccasins for men increased by +43% in comparison with 2021.

The popularity of sneakers continued to increase, with men's sneakers growing by +13% and women's by +5%. The economic situation could further support this trend as consumers choose more universal pieces.



Make it special

For special occasions, versatility was not as important. Dresses saw a decrease of -2%, but elegant and occasion dresses grew by +22%. Additionally, searches for sequins increased by +60%.

Heels also saw a growth of +10% and men's suits had a noticeable increase of +25%. It seems like occasion wear will continue to be resilient even in case of economic crisis, as it has been historically.

Source: internal GLAMI data on clicks, a year-over-year comparison of 2022 with 2021

Smartorial

As reported by Business of Fashion, Google searches for “smartorial” more than doubled in 2022. Italian label Canali defines Smartorial as a combination of the desire for relaxed garments and wish to dress in a refined way.

5 most popular products of 2022

Comfortable outerwear

Light jackets and hoodies are the most popular apparel pieces for men.



Flower dress

This type of dress is in the top list of best sellers in all countries.



Classic sneakers

The most popular model of sneakers in Romania and Slovenia is the Nike Air I, while the Adidas Runfalcon is a top seller in Greece and Bulgaria.



Little black dress

Black color, midi length, and half-sleeve — all is consistent across all countries of research.



Mom jeans

The most popular piece of apparel for women in Romania and Czechia in terms of clicks.

Source: internal GLAMI data

Top brands of 2022

These are the top brands among GLAMI users, based on the number of likes and items added to wishlists during 2022. This data is an aggregate of GLAMI users from Italy, Greece, Czechia, Slovakia, Hungary, Romania, Bulgaria, Croatia, and Slovenia.



Guess is the top brand in all countries except Czechia (Bonprix), Croatia (Adidas) and Bulgaria (Nike).

Colors of 2022



Although neutral colours are still the most popular when it comes to clothing and footwear, this year at GLAMI we have seen a significant increase in bright colours — here are the colours with the highest growth rate year-over-year.

Orange

Orange is commonly linked to happiness and after two years of lockdown, it has come to represent optimism and excitement about getting dressed up again. Although it may not be the typical choice, when worn correctly, orange can be a stylish addition to any outfit.



Purple

One particular shade of purple is leading the way - Very Peri. It was chosen by Pantone as the colour of the year for 2022, and fashion designers have certainly taken notice. It's both innovative (a colour used heavily in video games) and calming — what more could you ask for?

Green

Although there are many shades of green, we still associate growth with a specific shade — Bottega green. It quickly became one of the symbols of Italian luxury fashion house Bottega Veneta and a very trendy colour in general.



2023



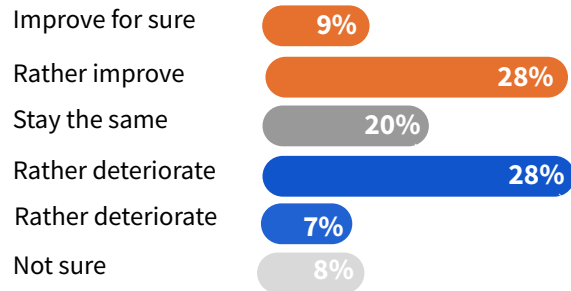
2023: a year of uncertainty

The global fashion industry rebounded strongly in 2021 and much of 2022. But in today's fragile market, expectations of a sustained recovery can quickly be dashed: according to Business of Fashion, non-luxury fashion sales in Europe are forecast to grow between negative 4% and positive 1%.

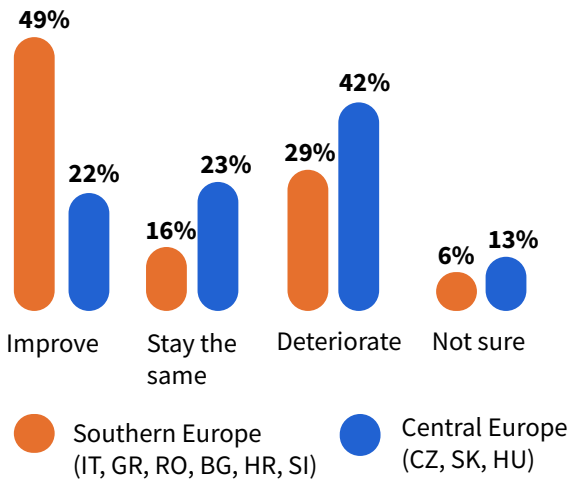
The uncertainty is also reflected in fashion executives' views on the expected conditions in their local markets. According to GLAMI survey, 37% expect market conditions to improve, 35% expect them to worsen and 20% say the industry will remain the same.

An equal number of fashion e-commerce businesses anticipate market conditions to either worsen or improve in 2023.

Question: Do you think market conditions for fashion e-commerce in 2023 will:



Source: GLAMI survey across fashion e-retailers, 01/2023.



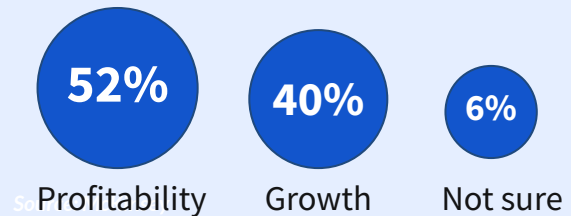
Southern European countries appear to have a more positive outlook for their businesses for 2023. Factors such as higher inflation, increased reliance on gas, and proximity to Ukraine have a greater impact on fashion e-commerce players of Central European countries.



53% of retailers have no plans to increase prices due to consumers' shrinking fashion budgets. However, 36% plan to raise prices to maintain margins.

More than half of fashion e-commerce shops intend to prioritize profitability over growth in the coming year.

Question: In 2023 you will rather focus on:



2% responded "Other"

Top 10 priorities for 2023


Fashion e-commerce businesses will be focusing on strengthening their brands due to increased competition and data privacy regulations, affecting the effectiveness of online advertising. Additionally, the pressure of inflation and economic instability will prompt them to address immediate concerns like reducing expenses and experimenting with alternative marketing methods.


Question: What will you concentrate on in 2023? Please choose 5 main ones.



Brands are adjusting the offer to adapt to changes in customer behaviour and simplify inventory management

Question: How are you planning to change the inventory and choice of assortment?

 **30%** Adjust the balance between seasonal and basic assortment to more basic

 **28%** Reduce the number of styles

To cope with the decline in buying power, around one third of e-commerce shops are planning to adjust their inventory and product selection.

The most common tactics include stocking more essentials and fewer seasonal items (30%) and simplifying inventory by reducing the number of styles (28%).

Source: GLAMI survey across fashion e-retailers, 01/2023.

Exploring the possibilities of technology-driven e-commerce

Businesses that continue to invest in innovation despite uncertain or limited growth will be well-positioned to quickly grow when conditions improve. However, fashion e-commerce companies will need to carefully prioritize which areas of technology to focus on, based on their priorities, challenges and team capabilities, as they undergo further technological advancements.

1 Automation and digitalization of operational processes

The topic of using automation and AI (artificial intelligence) in daily operational processes is sometimes overlooked in favor of more exciting topics such as the Metaverse or virtual reality. While these are certainly important areas to pay attention to, the impact of technology on internal processes can have an even greater impact on a business, from demand forecasting and pricing strategy to transportation and supply operations.

Sustainability & technology

Traceability software allows brands to monitor the entire lifecycle of their products through the supply chain, making it a crucial tool to comply with the sustainability regulations that are increasingly being enforced in the industry.



Demand forecasting: AI + opinions of customer

Finding the balance between the science and human touch is never easy. Fashion brand **Finesse.us** is using AI to predict what models to produce, but topping it up with opinion of customers.

Hyper-personalization

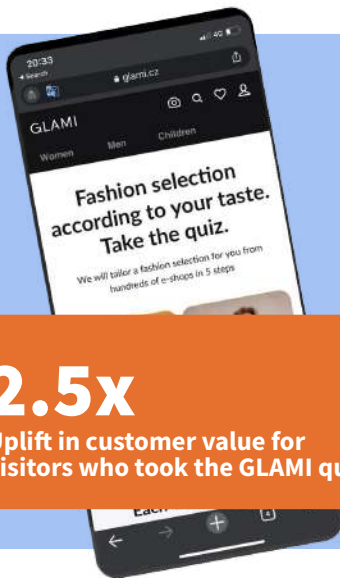
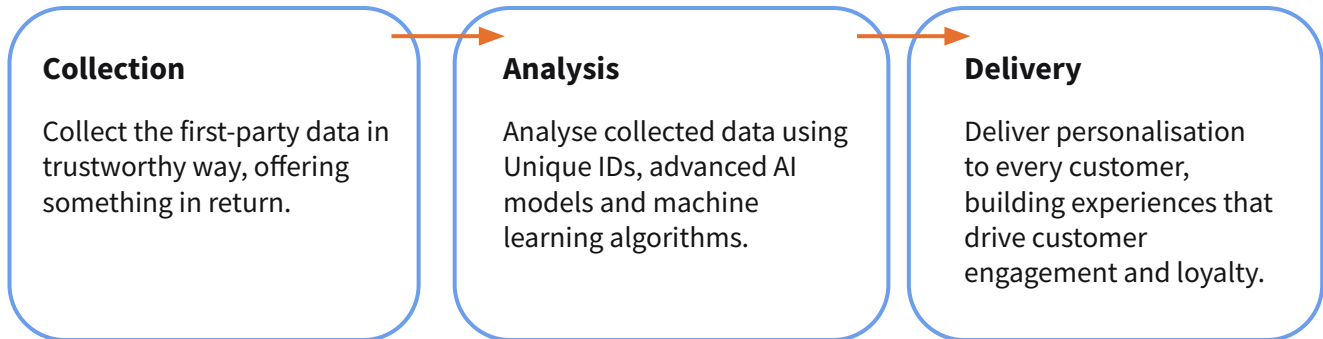
Enhancing customer experience is undoubtedly another valuable application of technology in fashion e-commerce. Consumers are becoming increasingly overwhelmed by the vast selection of fashion brands available. One of the ways to tackle this is by tailoring the content and customer journey by using first-party data and Artificial Intelligence (AI).

Personalised offers not only improve the customer experience, but also lead to higher conversion rates and sales. But for brands to reap the benefits, they need to make strategic investments in data and analytics across the entire process, from collection to delivery.

+20%
Revenue
per user

The outcomes of incorporating personalized product feed on GLAMI

Steps towards hyper-personalisation



2.5x

Uplift in customer value for visitors who took the GLAMI quiz

Boosting first-party data collection

In GLAMI this year we launched a quiz — our visitors can choose their favourite brands, sizes and other fashion preferences. As a result every customer can see a selection of products according to their taste among hundreds of e-shops. The quiz helps shoppers navigate the overwhelming offer and discover new brands, increasing the exposure of both small and large fashion e-shops on GLAMI.



"E-commerce and fashion are getting a makeover. First of all, we believe that one-size-fits-all model in the world of online fashion commerce is now outdated and that technology makes it cheap and easy to build a personal offer for every unique user. Secondly, GLAMI popularizes modern Machine Learning by bridging the gap between research and application, between complex models and easy-to-use features."

Antonín Hoskovec
Head of Artificial Intelligence
team at GLAMI

How Gen-Z is shaping the future of fashion

Gen-Z trends are not only influencing what Gen-Z individuals wear, but also causing fashion brands to alter their product offerings based on what is popular among Gen-Z. The power dynamic in fashion has changed, as Gen-Z is now setting the trends rather than following what the industry deems as fashionable.

Furthermore, even though Gen-Z currently may not be the top spending demographic, in the near future they will have increased purchasing power and become vital customers, not just trendsetters. Therefore, staying current with Gen-Z trends and shopping habits is crucial for future success.



1 Y2K

Low rise jeans, uggs, butterfly clips, velour sweatsuits, flared leggings — we could continue. Gen Z's growing fascination with the early 2000s is more than just a case of everything old becoming new again.

2 Not styles, but "cores"

For Gen-Z, what they wear is not just about style, but rather about aligning with their individual personalities with what is popular on social media. Fashion microtrends are now called cores — they revolve around a very specific visual aesthetic. Examples can be regencycore, cabincore and barbiecore.



Barbiecore: all pink

**The generation born between 1997 and 2012*

3 No to skinny jeans

For Gen-Z, skinny jeans have come to represent the idea that it is acceptable for women to experience discomfort when making clothing choices. 2022 became officially the year of the loose-fitting jeans – wide ones, moms, straight fit and bootcut.



4 Streetwear

Gen-Z is inclined towards supporting streetwear brands that prioritize inclusivity and diversity. Their preferences include graphic t-shirts, baggy pants, chunky sneakers or platform shoes, and visible socks. Common accessories are layered jewelry, sunglasses and bucket hats.

5 Second-hand

Gen-Z consumers want to purchase from brands that align with their values, but their buying decisions are largely influenced by trends and deals. One way to balance sustainability and affordability is through second-hand shopping. Gen-Z is effectively making thrift shopping popular by sharing their finds on social media.



ABOUT GLAMI

Where fashion meets technology

GLAMI is a leading European fashion discovery platform. Founded in 2013 and gradually spreading across 14 markets, GLAMI has grown into Central and Eastern Europe's most visited online fashion platform. On the basis of our state-of-the-art in-house AI technology, we are simplifying the way people discover and buy fashion.

Find out more on [GLAMI.group](https://www.glami.group) website



14

Countries

500K

Monthly orders
mediated

17M+

Fashion
products

4300+

Connected
e-shops

47M+

Monthly
visitors

Contacts

**Are you interested in getting more data,
comments or interviews from GLAMI?
Sure thing!**



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METHODOLOGY

The Year in Review report is part of the GLAMI Fashion (Re)search project, a regular study conducted by GLAMI.

The report combines both primary and secondary research methods, including the results of surveys among more than 200 fashion retailers (in Italy, Czech Republic, Slovakia, Greece, Romania, Hungary, Croatia, Slovenia and Bulgaria), internal data on categories and product performance, and data from external reports, referenced to the original source.