

Accessorising for Success: Men's Spending on Accessories Rises in the US

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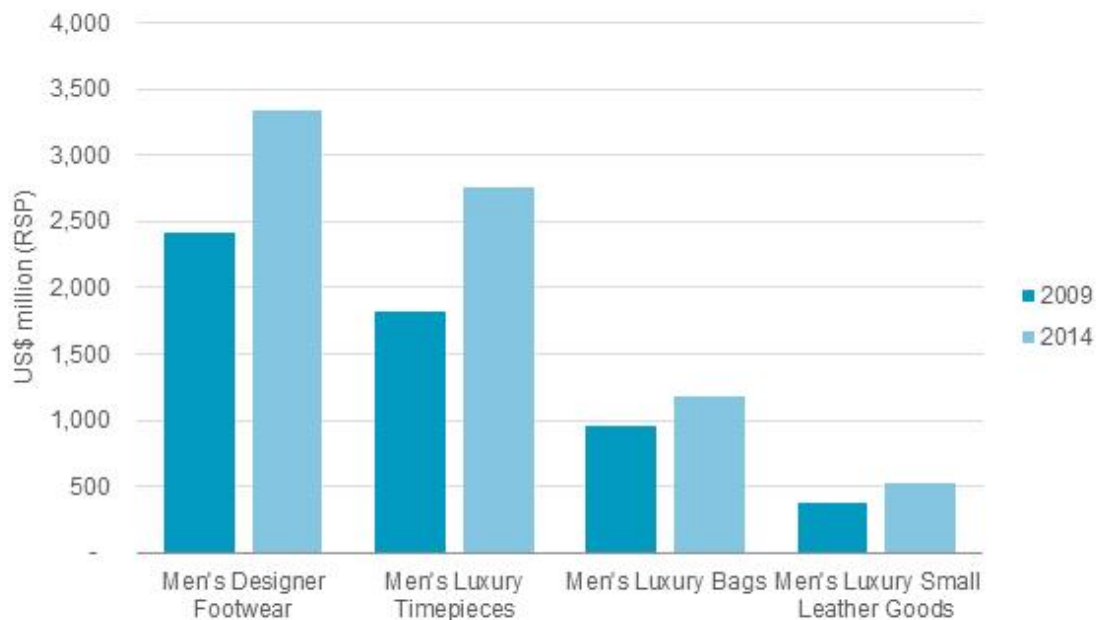
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Traditionally, female consumers dominated consumption of personal accessories in the US. Women were more likely than men to buy their own fashion items to personalise their styles and look their best. The world of

personal accessories, however, has started to change over the past three years, as male consumers have joined the market by making more purchases in the US. Men's perception of fashion has changed and they are now interested in keeping their appearance more in line with the latest fashion trends. Men increasingly rely on accessories to update their appearance. Popular accessories marketed to men vary from traditional items like cufflinks, ties, belts and watches, to more modern shoes, leather goods, wallets, bags, eyewear, sunglasses, bracelets, hats/caps and socks.

Euromonitor International's luxury goods research data confirm the significant growth of men's luxury accessories over the review period. Men's designer footwear witnessed current retail value sales growth of 39% from 2009 to 2014, while men's luxury timepieces registered growth of 52%. Men's luxury bags and small leather goods, which still have relatively smaller market sizes than footwear and timepieces, also grew by 24% and 40%, respectively. Men in the US have become more inclined to purchase stylish accessories due to their greater availability, changing styles at work, demographic shifts, and new societal norms on grooming. These important trends are worth investigating further, as male consumers are expected to become a key driver for overall personal accessories sales in the US.

US Luxury Goods Retail Value Sales by Men's Category, 2009-2014



Source: Euromonitor International

Wider availability of men's accessories

Compared to the saturated and competitive nature of women's accessories, men's accessories is still small and has considerable room for growth. Manufacturers are expanding their product lines in men's clothing and accessories to capture the growing menswear market. For example, Michael Kors opened its flagship store in SoHo, New York in 2015 and the location became the brand's first to carry a men's collection. Tory Burch is also rumoured to be planning to launch a men's clothing and accessories collection in the next couple of years. Specialist retailers and department stores are expanding and upgrading their selection of menswear and men's accessories to attract more male consumers. Saks Fifth Avenue, Barneys New York, Lord & Taylor and Bergdorf Goodman expanded their menswear and accessories sections over the last two years.

Online retailers are also active in offering clothing and accessories for male consumers. In the US, Bonobos, East Dane and Mr Porter are some of the successful online shopping sites attracting stylish men. Online retailing is the preferred channel for male consumers, as this best suits men's purchasing habits. It offers men a way to spend less time buying stylish accessories and allows them to shop at their convenience. Compared with women, men tend to spend less time shopping. When purchasing personal accessories, men often value practicality and functionality as well as style. The online format allows them to make purchasing decisions by finding specifications of the products on a website that helps them evaluate its suitability for their needs. Online retailing has an easy and straightforward checkout procedure that helps male consumers minimise the time spent and the hassle of shopping. Manufacturers and retailers will continue to invest in building their presence in internet retailing and improving websites to enable consumers to make their purchasing decisions with confidence. Apparel brands like Uniqlo and Topman operate e-commerce shopping sites in addition to their physical retail store operations. Since these companies have a limited number of store locations, the online shopping site is a great tool for these companies to reach consumers who live in areas where there is no physical store.

Casualisation of office attire

Casual attire has become more acceptable in an increasing number of social settings in the US, and this trend is perhaps most obvious in office environments. Men have greater freedom to decide on what to wear to the office and this trend continues to impact retail sales of men's personal accessories. Men are pursuing a more casual, but formal look; Euromonitor International's survey results reveal that 57% of men think their personal styles fall on the casual side, with only 10% describing their style as completely formal. Many men now enjoy choosing their clothing and accessories on their own, based on their personal preferences. Previously, men's spouses or partners were involved in, or totally controlled, clothing purchases. As the reason for buying new clothes was mainly to replace an old item, men left clothing purchases to someone else. However, this has been gradually changing as an increasing number of male consumers purchase new clothes to keep up with trends. As more offices allow employees to wear casual business attire every day, working men prefer clothes and accessories that are suitable for multiple occasions from work to business travel and other private occasions.

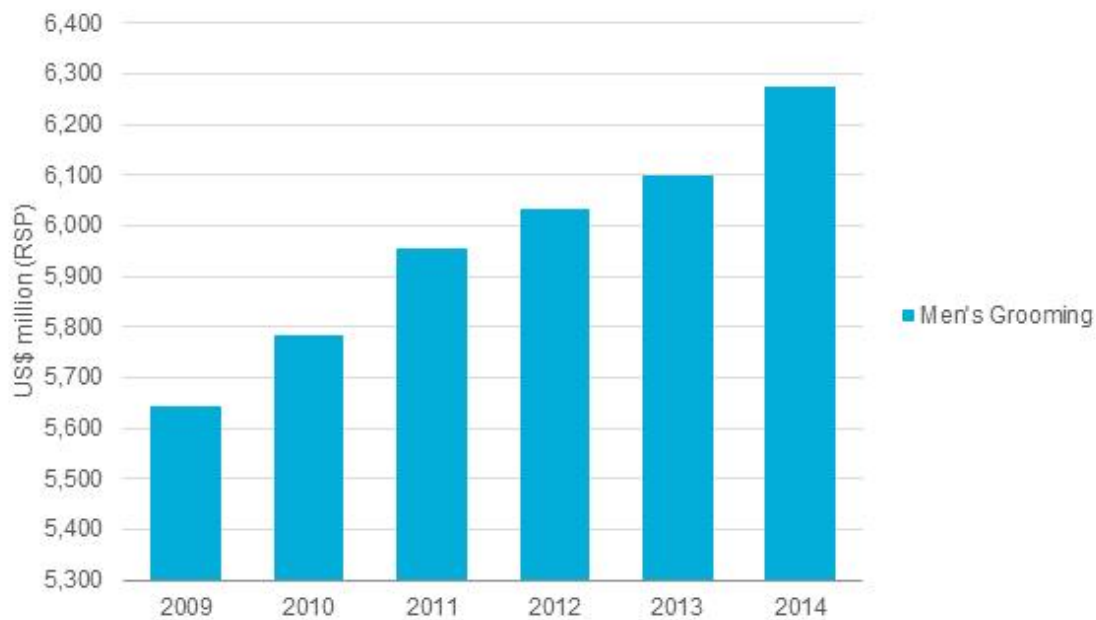
Demographic change

75 million people, or roughly 23% of the total US population are "millennials" (age 18-34) and millennial men are a key consumer base for personal accessories. As millennials enter the workforce and increase their purchasing power, they spend greater amounts of money on clothing and accessories. These young men care more about their personal appearance and style as their lifestyles include snapping selfies and sharing them through social media. Their smartphones and tablets also allow millennial men to review fashion blogs, forums and social media, piquing their interest in fashion and style. Retailers see social media as a great marketing tool to keep up their brand, styles and status with younger audiences. For instance, Barneys New York launched an Instagram account to target millennial men in 2013. The account was dedicated to men's collection, and it has been a hit with Instagram users, earning 59,700 followers as of 2015. Middle-age male consumers, generally considered Generation X (age 35-54), also enjoy purchasing personal accessories to update their appearance. As Gen X men are rising up the career ladder, they use fashion as a way to increase their self-confidence and project competence at work where they look to perform well.

Greater interest in grooming and appearance

The number of men taking greater care in their grooming and appearance has been steadily on the rise in the US. Euromonitor International's beauty and personal care research indicates that men's grooming grew from less than US\$5.7 million in the US in 2009 to US\$6.3 million in 2014.

US Beauty and Personal Care Men's Grooming Retail Value Sales in 2009-2014



Source: Euromonitor International

As more men feel that their appearance is important and have an increasing desire to look their best, they are willing to invest more time, effort and money in their grooming and appearance. In addition to the basic routines, such as brushing their teeth, washing their hands, rinsing their face and showering, more men are increasingly using skin and hair care products, applying deodorants and wearing fashionable clothes and accessories.

Over the forecast period, men's changing attitudes towards beauty and appearance will result in further demand for men's accessories in the US. While women's accessories is already highly saturated in the US, the landscape of men's accessories is far less crowded. Expansion of men's collections is a potential opportunity to register steady growth for both existing players and newcomers. While the purchasing power of millennial consumers is expected to further increase and it remains a key consumer base for men's accessories, an internet presence will remain critical for capturing the attention of such tech- and fashion-savvy male consumers.



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