

Industry Insight: Apparel

Taking a closer look at packaging considerations within the apparel industry.



The apparel industry can include anything from casual everyday wear, to sportswear, formal wear and footwear. Although clothing and shoes are ultimately a need for customers, apparel is still a discretionary purchase for consumers. The apparel industry is subject to changes in demand as new styles are introduced, and competition from other companies, impacting profit margins. The apparel industry consists of large chains like Nordstrom's and Wal-Mart, established, local boutiques, and new entrants like UNTUCKit or MeUndies.

The North American apparel and footwear market is valued at over [\\$330 billion](#). The industry has grown in sales over the years, but the way in which consumers make purchases is changing quickly. Brick-and-mortar retailers still make up the majority of sales, but e-commerce is quickly becoming a key source. Regardless of whether a purchase is made in-store or online, packaging can add value for customers, and promote and differentiate your brand.

Packaging is an important branding decision and differentiator for your customers. It is important to remember that packaging is an extension of the product you are selling and your brand, so it should reflect the quality of your product. Quality packaging can reinforce the value that you are providing to your customer and act as an advertisement as purchases are carried around by customers or showcased in social media posts and videos. We have all seen premium apparel packaging, like Lululemon's reusable bags used to carry around items post-purchase (e.g. lunch), creating further value for both the customer and the company. Packaging that aligns with the value of your brand can ultimately benefit your company through promotion and increased sales.

We typically view the types of packaging for apparel as limited to boxes and bags. There are many different types of boxes and bags though. Each packaging type can help communicate with the customer segment that your business occupies. Bags can range from disposable, poly shopping bags for cost-effective, value brands, to higher-quality paper shopping and euro-style bags for more luxury and premium apparel. For your business, packaging can represent a substantial investment and needs to be carefully considered so that it can meet your needs and communicate the value that you represent to customers.

There are many important questions to be asked when making packaging decisions for your apparel business. Does your packaging align with the value of your product and brand? Does your packaging stand out compared to your competitors? Will your packaging help add to the overall customer experience, especially when purchased online? Should your packaging encourage repeat purchases, brand loyalty, and ultimately create brand advocates?

Classic PKG Direct is happy to help with any of your apparel packaging needs or challenges. Packaging is an essential way to stand out amongst competitors and promote your apparel products.

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