



ATHLEISURE

THE FASTEST GROWING RETAIL SECTOR IN THE WORLD?

If you think of athleisure as just sports clothing which can be worn for leisure, you're underestimating probably the fastest growth retail sector in the world

BY NICKY GODDING

Morgan Stanley has predicted that sales of athleisure, or active wear, will rise from \$197 bn (£167 bn) in 2007 to an estimated \$350 bn globally by 2020, especially in Asia and the US.

Why is this sector becoming so popular? Perhaps because it's informal, comfortable and activewear is more accepted in the workplace too. Though there's probably a way to go before real estate executives are spotted rocking the leisure look in dayglo-coloured lycra around the negotiating table.

Most of all, experts think, it's because of the rising buying power and influence of millennials, who say they want healthier and more informal lifestyles which better reflect their personalities.

They are rejecting smoking and alcohol, and say they are adopting cleaner eating habits. What better way to showcase your millennial credentials than by wearing Gymshark, Lululemon, Sweaty Betty or Under Armour – and you don't even have to join a gym.

However, the most successful athleisure brands are no longer simply offering sportswear for the serious athlete. Gymshark, interviewed elsewhere in this magazine, is the perfect example. From its beginnings just five years ago as a brand for gym enthusiasts, it's now targeting those aged between 18-25 whose lives revolve around fitness, fashion and music.

To counter competition from challenger brands such as Gymshark, the world's biggest fashion brands have been quick to come out fighting: SuperDry, H&M, Gap – even Primark – have launched their own athleisure departments. Just about every fashion label, from Zara to Reserved, has some activewear in its clothing range.

For the original sportswear retailers, too, activewear is a growing market, supported by Hollywood stars such as Kanye West working with Adidas, Rihanna with Puma and Michael Phelps with Under Armour.

USING SOCIAL MEDIA AS THE SHOP WINDOW

Activewear brands have been quick to capitalise on the world's celebrity culture. Under Armour has 3.4 million followers on Instagram, Lululemon Athletica has 2.1 million and new kid on the block, Gymshark, isn't that far behind with 1.6 million. However, these figures are dwarfed by Nike's mighty 74 million Instagram followers – not surprising for the much more global established brand. What's also different about the new 'upstart' activewear brands, is that most of them don't think they need a phys-



ical store. But that appears to be changing.

Athleisure is one of the key trends influencing the fashion sector and beyond. It has become 'the new casual', says Yvonne Court, partner of cross-border retail at Cushman & Wakefield. 'Not limited to just sport and fitness wear or essentially for wearing indoors, it's been around for over a decade, but took around two years ago to become a fixture, though it's been a mainstay of the American lifestyle for many years now, filtering into the UK market through a medium of university students and the rise of healthy living.'

What consumers wear on a daily basis has become more functional, both at work and for going out. It has also become more acceptable to wear athleisure outfits in places where, a few years ago, it would have been frowned upon.

CELEBRITIES AS 'KEY INFLUENCERS'

Major retailers enrolling 'key influencers' to increase the visibility of athleisure to a global audience has also driven its popularity, she says. 'A great run of activewear sales by companies such as Under Armour and Lululemon Athletica has also prompted the entry of everyone, from Kanye West and Stella McCartney partnering with Adidas, Puma by Rihanna, to Beyonce with Topshop, and Alexander Wang with H&M. 'However, it's still very much a sector in evolution and not some passing fad,' she stresses.

MILLENNIALS DRIVE CHANGE TOWARDS HEALTHIER LIFESTYLES

One of the reasons for the massive popularity of the athleisure trend is that it filled a gap in the market place where functional clothing was not particularly stylish, says Court. 'Lifestyle is now king of product and is a ripe territory for brands offering athleisure clothing to expand into. This relaxed standard of clothing has been largely driven by the millennials where smarter outfits are now being complimented by a pair of trainers.'

Their increased health consciousness, and a cultural shift in the workplace, will still result in suits being worn to the office though this lifestyle change may result in that being tracksuits, she added.

SOURCE OF GROWTH FOR EMBATTLED HIGH STREET FASHION CHAINS

The impact of the rise of athleisure has been felt on other casual wear sectors such as denim, where it has had to adapt its products, adds Court. The trend for yoga pants and fashion-influenced sportswear has quickly become one of the biggest sources of growth for embattled high-street clothing chains. Even mainstream retailers in the UK such as Marks & Spencer, New Look, H&M, J. Crew, Forever 21, Gap and even Sainsbury's and discounters Wal-Mart and Target have all launched athleisure wear.

'Other players have been getting in on the act. Luxury fashion online retailer Net-a-Porter launched a separate site dedicated to athleticwear (Net-a-Sporter). Meanwhile, upmarket department store Selfridges has its Body Studio: a floor dedicated to athleisure. The number of luxury players producing premium-priced trainers and athletic wear has meant the market is entirely aspirational,' she says.

The rise of upmarket gym chains, such as The Third Space, Equinox and Soul Cycle, despite their expensive memberships, has also fuelled demand for premium sportswear. However, perhaps the trend is about to stall. 'There are questions about whether it is on the brink of saturation,' Court says.

WHICH ARE THE UPCOMING RETAIL BRANDS?

Companies such as Gymshark, Sweaty Betty, Y-3, Athleta and Alo Yoga continue to increase their presence as the athleisure trend grows. The Champion, Ellesse and Fila brands are back on the expansion trail, having waned in popularity. Champion has just opened a store in Soho, London. The market could soon face saturation with several dedicated brands now in the market including Outdoor Voices, Eysom, Rhone, Ten Thousand and Fowlraps.

