



Best foot forward

The NPD Group reviews last year's performance of sports footwear on the high street

ABOVE:

Despite no major football tournament in 2007, sales of cleated football boots rose +7% versus 2006

By collating and analysing the sales of every pair of athletic footwear from 900 sports stores in Great Britain, as well as mail order and internet sales since January 2006 (The NPD Group's Sports footwear retail panel), The NPD Group can monitor exactly what is happening in the market place.

Sports footwear sales through this set of retailers for January-December 2007 saw +11% growth in value sales, compared to January-December 2006. Much of the growth the market has seen originated from an increase in the average price paid per pair, which increased +10% to £37, whilst the actual number of pairs sold only increased 1%.

Change ahead

There are strong signs that the situation is changing, and it is looking more likely that retailers will face a

challenging 2008. The market's performance towards the end of 2007 was noticeably less impressive than that of the first nine months, with declining volume sales of 12% and 13% in October and November respectively pulling the market back (Figure 1).

Within this sample of retailers, Nike and adidas, the top two brands, account for a lower proportion of sales in 2007 compared to 2006. Some of this decline must be attributed to the growth of emerging brands, as more recognised names such as Reebok and Puma have also seen their share of the market dwindle over the past 12

months. Increased competition in specific categories, including Puma in football and Asics in running, prevent the top two brands from moving ahead too far.

In terms of the shoes purchased, men's footwear accounts for just under two thirds of all sales, and contributed most to the market's growth (+14%). Men's shoes also carry the highest average price, a figure that also increased.

Women's and kid's shoes performed well, but accounted for a smaller percentage of total sales; the effect had less of an impact on the total market.

“Whilst sales of football footwear usually sees an increase in a tournament year, it is yet unclear what effect England's failure to qualify for the European Championships will have on footwear sales”



increased sales in every month of 2007 - Puma - and whilst it still has some way to go to challenge Nike and adidas' share of the market, there is no doubt that it is up for the job.

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Functional running shoes (manufacturer's definition) were another category that reported growth, ending 2007 with value sales up +14% compared to 2006, with an increased ASP driving the category.

Interestingly, this is one of the areas where females were the driver of the category's growth, with a +17% volume increase in the number of pairs sold, whilst male volume sales declined -4%.

As we look to the opening months of 2008, retailers will be hard-pressed to match the double-digit growth they

saw in the opening months of 2007, but growth within specific categories and brands is available to those who look hardest for it. **51**

The NPD Group's Sports footwear retail panel reports on sales information received from participating retailers JD, King of Trainers, Size?, JJB Sports, Footlocker, Sweatshop, Decathlon, Alexandra Sports, Freeman, Grattan and Littlewoods Shop Direct.

The NPD Group is always seeking to add new retailers to the service. For information contact The NPD Group sports team on 01932 355580.

ABOVE: 2007 saw a 17% volume increase in the female functional running shoe category

What category?

Sports-inspired and sports leisure shoes is the largest category in the sector, accounting for over two-thirds of all sports shoes purchased, and as such contributes heavily to many of the trends the market sees.

Echoing the total market, this category has seen a sales decline in the last quarter of 2007, but the three other strong quarters prevent this from impacting too much on annual sales. Non-performance tennis is one of the smaller categories that is benefiting from the growth in the fashion side of the business, but carries a lower average selling price than sports-inspired product.

Despite the lack of a major football tournament in 2007, sales of cleated football boots actually rose +7% versus 2006, with sales increasing in nine of the 12 months. Of the major brands, only one enjoyed

