

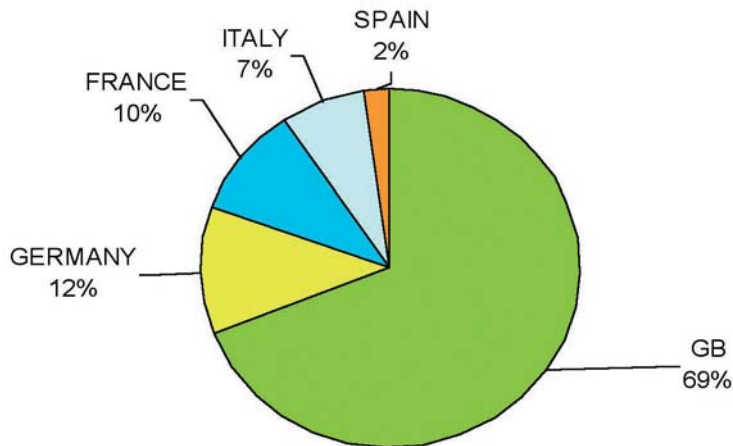


FOOTBALL fever

The NPD Group examines the UK's £300 million replica football kit market

Fig.1 Football Replica Shirts in BiG5 - Country Market Share 12 Months To September 08 - %Value

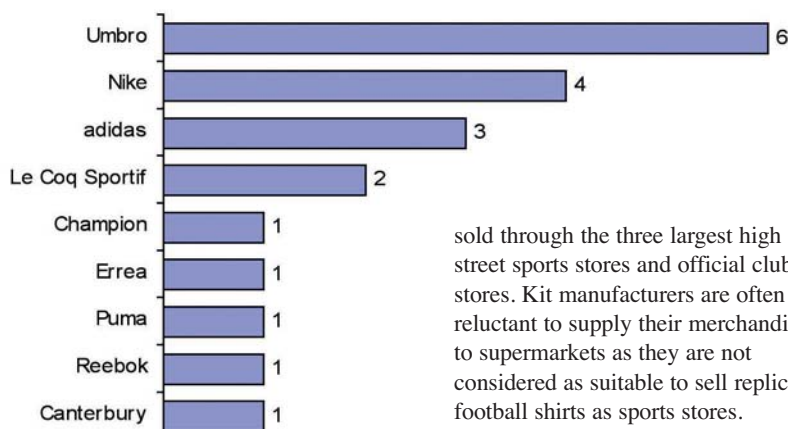
Source: the NPD Group Sports Apparel Consumer Panel



Football fans are spoiled for choice when it comes to expressing their team loyalty. Hats, scarves, flags and t-shirts are common items for sale within stadiums. However, the replica shirt has become the most popular item of merchandise for both new, young supporters and diehard fans.

The UK replica football shirt market was worth over £300 million during the 12-month period to September 2008, according to NPD Consumer Data (see Fig 1), which is more than twice the market size of France, Germany, Italy and Spain combined. This shows how committed and passionate football fans are in the UK and how developed this industry has become.

Fig.2 Number of Clubs Kit Makers supply in Premier League Season 2008-2009



Females aged 13-plus contribute considerable revenue in this market and, according to NPD Consumer data, over £21 million of replica shirts were sold to this age group in the 12 months to September 2008. Interestingly, on average around one third of all replica shirts are purchased by females aged 13-plus, but most of the time they have purchased the shirt for a male.

Sales of replica shirts are heavily influenced by major tournaments such as the World Cup or the European Championships and can account for around three-quarters of all replica shirts sold during these times. However, reliance on this can come at a heavy cost, as Sports Direct found out - the company cited England's failure to qualify for Euro 2008 as one of the reasons for its poor financial performance last year.

Premier League

The Premier League, rated as the strongest club league in the world by UEFA, has become the most watched league in the world. As a consequence kit makers' logos benefit from huge television exposure. Nike and adidas benefit the most from this, each providing two of the top four Premier League clubs with shirts, both of whom also play in the Champions League and help to export their success overseas (see Fig 2).

Over three-quarters of all replica shirts are

sold through the three largest high street sports stores and official club stores. Kit manufacturers are often reluctant to supply their merchandise to supermarkets as they are not considered as suitable to sell replica football shirts as sports stores. Nevertheless, supermarkets could pose a threat to sports retailers as in the past they've succeeded in selling replica football shirts at very low prices. Asda, the second biggest supermarket chain in the UK, reached an agreement with Diadora in 2007 to sell the official national replica shirt of Scotland. The same retailer also argued that the price of replica football shirts was too high and unfair for consumers.

Price is an important consideration for football fans in this period of economic crisis. The average price of a replica football shirt decreased by five per cent in the six months to September 2008 compared to the same period in 2007, according to NPD's Consumer data.

Considering the increasing number of price-sensitive shoppers, a threat to the replica kit market could come from 'fan-wear' - articles of clothing that bear the colours of teams, but are not branded. Many high street shops offered t-shirts featuring The St George's Cross around past World Cup tournaments, which represent a cheaper alternative for football fans. ❏

The NPD Group monitors the sales of sports footwear and sports apparel in many countries around the world. For more information contact The NPD Group sports team on 01932 355580.



Wide choice

Since the launch of the first-ever replica kit in England by Leeds United in 1975, the market for replica football shirts has grown enormously and nowadays kit makers provide a much wider choice for football fans.

Each Premier League team sells at least three different versions of replica kit, including the home, away and third strip. Manchester United replica shirts are available in seven different versions (including the goalkeeper) and special editions are created on a regular basis to celebrate a tournament victory or the club's anniversary. Moreover, to satisfy an increasing demand supporters can personalise their shirts or purchase retro versions.