



MASS APPEAL

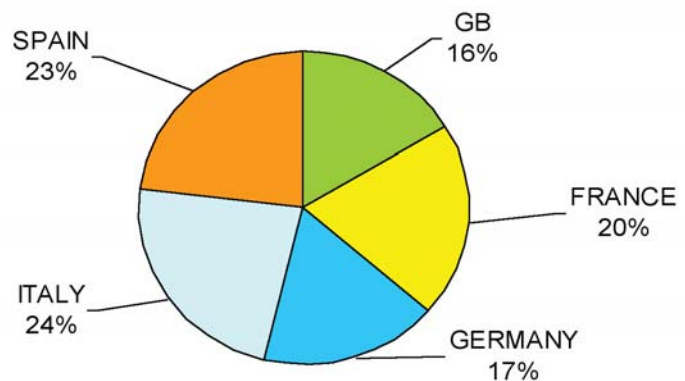
The swimwear sector has plenty of potential for retailers to exploit, says The NPD Group

The British swimwear market has the smallest value among the big five countries in Europe, but it is a market with great potential and generates large revenues within the British sports apparel industry.

Nearly £200million-worth of male and female swimwear was sold in 2008, according to NPD's Online Consumer Data, which ranks the swimming category among the top sports apparel categories in Great Britain. Furthermore, the latest survey released by the Amateur Swimming Association, in conjunction with Sport England, in December 2008 shows that swimming was the biggest participation sport in England between October 2007 and October 2008, with more participants than athletics or even football.

Fig.1 Swimwear Market in BIG5 - Country Market Share
12 Months To December 08 - % Value

Source: the NPD Group Sports Apparel Consumer Panel





Participation

3.24 million adults (aged 16 and over) said that they had taken part in swimming at 'a moderate intensity and for 30 minutes or more at least once in the past week' when questioned. To put this into context, 1.6 million adults responded by saying they had taken part in athletics (inclusive of running, track and field, and jogging), while 2.1 million adults had played football.

The GB swimwear market is very competitive and characterised by a wide variety of brands. Own-brand offerings from the likes of Marks & Spencer, Tesco, Next and BHS compete with Speedo, adidas and Nike for market share. As a result, consumers have

plenty of choice, as well as a range of price points, when they're looking to purchase a swimsuit. To find the right swimwear consumers generally turn to retailers that display a wide range of products. As a consequence, sales on the internet are increasing, since consumers have access to a large array of products online.

In stark contrast to the economic downturn experienced in many markets, the internet has actually seen a boom in average prices during the six-month period to December 2008, compared to the same period in 2007. Sports shops showed a strong decrease in value sales during this time, but were able to keep volume levels at a relative constant with the help of price decreases. The high street stores that have really benefited are the discount outlets such as TK Maxx, which saw double-digit increases in sales during this time period. These retailers pride themselves on stocking last year's ranges from fashionable labels, thus keeping prices lower while style remains the focus.

Looking good

So it seems that consumers want to look good whether they're serious swimmers or they swim for leisure. As swimwear constantly evolves in both the leisure and sports sector, Speedo is the brand that is associated with 'the notion of evolution'. In recent years Speedo has been at the heart of controversies about the technical and competitive advantages that some

racing swimsuits offered to athletes. In 2008, 108 world records were broken - 79 of them by swimmers wearing the Speedo LZR Racer swimsuit. Speedo is a major name in Great Britain and the extensive media coverage that the brand received thanks to the Beijing Games boosted its profile even further. But the brand is perceived as 'sports performance', and Speedo still has some work to do to extend its expertise from the sports market to join the many brands in leisure swimming.

As a sporting activity with a low risk of injury, compared to many other sports, swimming is practised across all age groups and, according to NPD's Online Consumer Data, older age groups played a big part in Great Britain swimwear sales in 2008. This level could increase even more in 2009 as a result of the government's initiative to get more people participating in swimming in the run-up to the 2012 Olympics.

Free access to a large number of swimming pools was provided to people under-16 and over-60 from April 1 this year. This move could mean higher sales of swimwear for British retailers and increase Great Britain's chances of Olympic success in 2012. **31**

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.