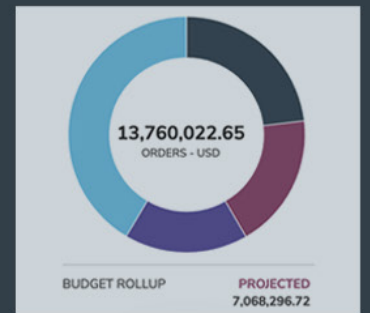


JOOR Industry Insights:

The Current State of Wholesale B2B Fashion

As the world's premier wholesale management platform, JOOR has the most extensive global network of clients—inclusive of over 14,000 brands and 600,000 buyers processing nearly \$20 billion in wholesale transactions annually—providing an invaluable resource: a trove of data from which we can glean numerous fashion industry insights. This season, we surveyed our clients, acquiring an understanding of various aspects of their businesses from wholesale priorities to growth challenges, as well as features they value in their digital tools—and we're pleased to share these findings here.



White blazer

Delivery Window
11/15/2023 – 01/15/2024

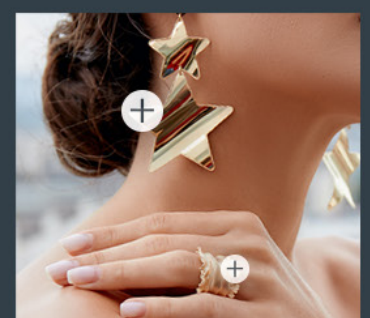
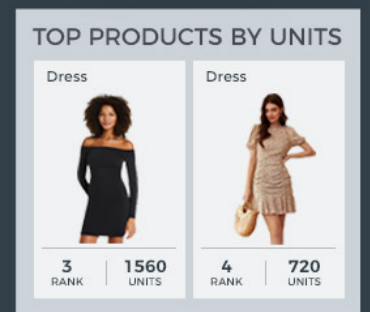
Wholesale | Sugg. Retail
USD 163.20 | USD 398.00

Color



The feedback from brands regarding their needs and future opportunities makes it clear that wholesale remains a preeminent distribution channel, that wholesale is beneficial to brands for a multitude of reasons, and that JOOR is the beating heart of the wholesale fashion sector.

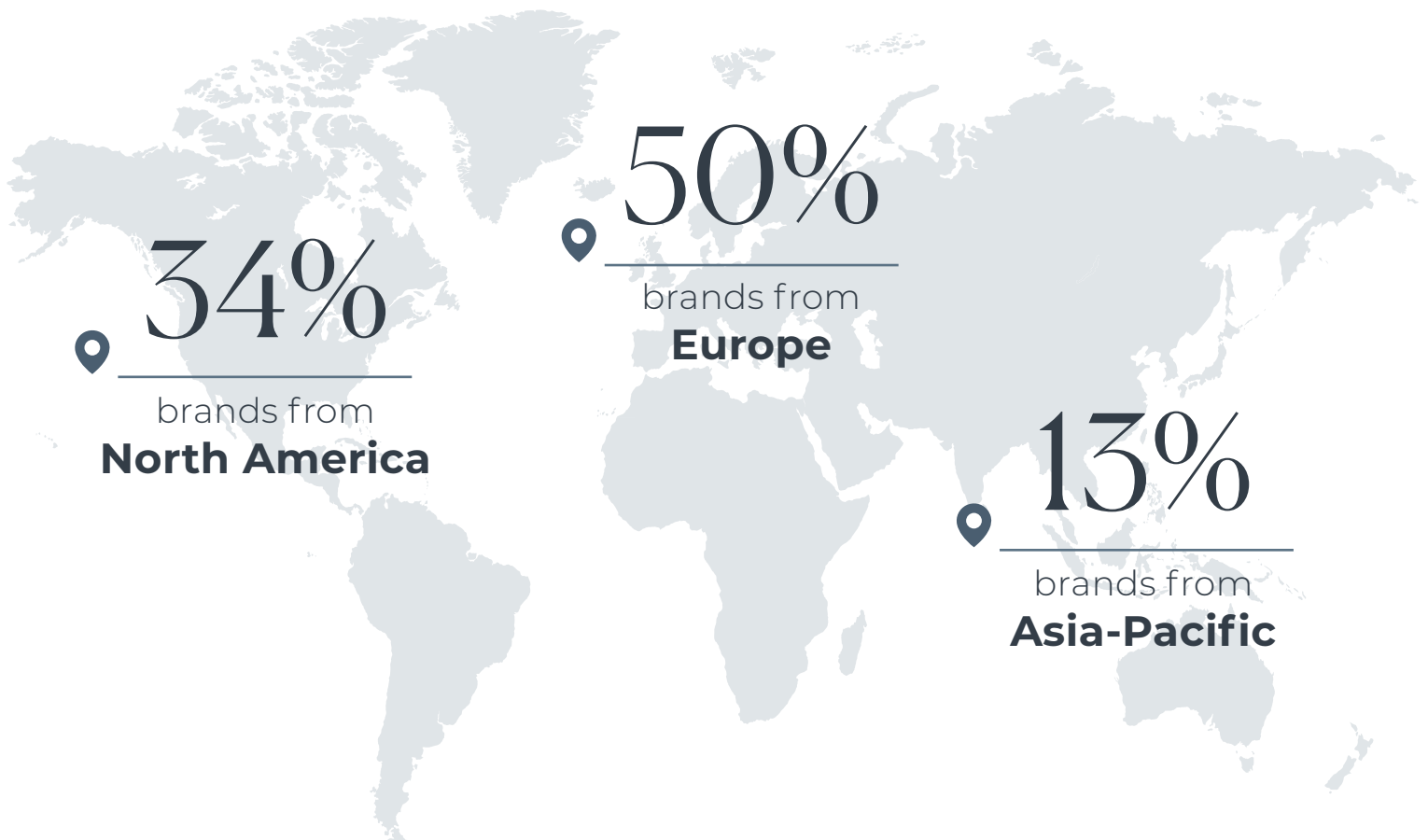
JOOR



A Cross Section of the Industry



As befits the world's foremost digital wholesale fashion platform, our client base represents a broad international cross section of brands representative of the overall industry. Accordingly, survey responses came from around the globe. 50% of reporting brands were from Europe, 34% from North America, 13% from Asia-Pacific, with the balance from South America and the Middle East. Brands who responded also represent a wide and diverse array of product categories including womenswear, menswear, childrenswear, accessories, footwear, and home.



 survey responses came from around the globe

On the Rise



Despite this being a tumultuous time for fashion, brands are overwhelmingly showing positive growth. Of the brands surveyed, 67% reported sales volumes equal to or greater than last year. Additionally, the majority of their sales dollars is attributed to wholesale channels—74% of brands reported that wholesale makes up over half of their sales. This data underscores the importance of utilizing a digital wholesale platform like JOOR to organize, improve, and streamline the wholesale buying and selling process that's so vital to a brand's success.



of brands reported that wholesale makes up over half of their sales

PRO JOOR Assortments Messages

Chealsy Brand - Fall 2023 SWITCH TO CLASSIC EXPERIENCE Assortment

Financials	Styles / Colors / SKUs	Units	Depth	COST			RETAIL			UNIT AVERAGE
				Original	Modified	Final	Original	Modified	Final	Cost
LINESHEET CUR. (USD)	4/8/32	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
BUDGET (USD)	0/0/-	-	-	-	-	-	-	-	-	
VARIANCE (USD)	0/0/-	-	-	-	-	-	-	-	-	

+ Details

Products SEARCH UNITS

Style Name	Style Number	Color Swatch	Color Name	Sizes	Fabrication	Silhouette	Materials
JUNE	36304	Amber	AMBER				100% Cashmere
JUNE	36304	Atlantis	ATLANTIS				100% Cashmere
DOLORES	36308	Atlantis	ATLANTIS				100% Cashmere
MARION	36306	Charcoal	CHARCOAL	M, L			100% Cashmere
DOLORES	36308	Lilac	LILAC	General Apparel			100% Cashmere
MARION	36306	Mahogany	MAHOGANY	General Apparel			100% Cashmere

Context Menu Options:

- Pin Column
- Autosize This Column
- Autosize All Columns
- Reset Columns
- Pin Left
- Pin Right
- No Pin

Going Up



Wholesale continues to be an increasingly important distribution channel for fashion brands. In 2023, digital wholesale is expected to hit \$1.8 trillion in the US alone. When compared to last year, 75% of brands have the same or greater portion of their business coming from wholesale, and **33% reported a shift from DTC towards wholesale with wholesale actively growing as a percent of their total business.**

This trend is most pronounced in APAC and Europe, where the shift from DTC towards wholesale is most dramatic.

Cocktail dress

Delivery Window
08/15/2023 - 10/15/2023

Wholesale USD 350.00	Sugg. Retail USD 800.00
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APAC - 46%

of brands have a larger portion of their business coming from wholesale vs. last year



Europe - 43%

of brands have a larger portion of their business coming from wholesale vs. last year



North America - 13%

of brands have a larger portion of their business coming from wholesale vs. last year

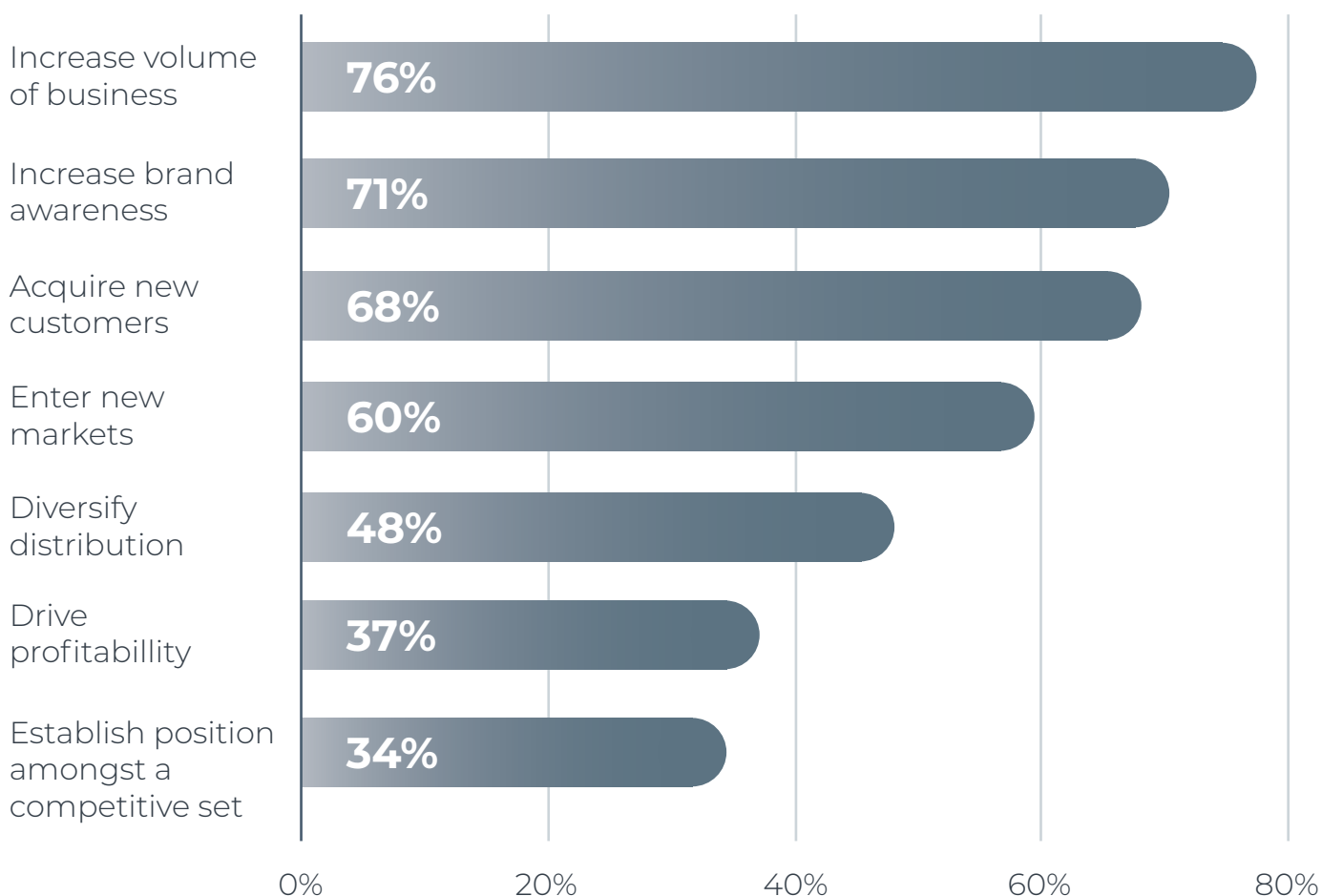
Why Wholesale?



Fashion brands around the world recognize the benefits of wholesale, not only to increase sales volume, but also to boost brand awareness and acquire new customers. Having sales in multiple regions can offset the ebb and flow of seasonality: as sales level off in one sector, they can pick up in another.

Diversity, in both markets and distribution, was another advantage brands found in their wholesale channels. The ability to source as well as sell internationally makes for smoother business flow. The improved network of connections drives profitability and gives brands a chance to stand out and make themselves known in a crowded marketplace.

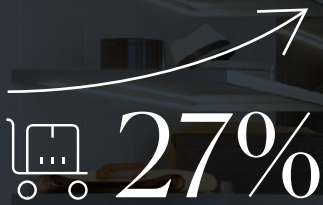
Brands Consider the Benefits of Wholesale



Growth and Opportunity



While brands on JOOR are expecting sales growth across the board this year, respondents on average are forecasting 27% growth of their wholesale channel in particular. As a result, they're adjusting their investments accordingly and are choosing to invest in wholesale over DTC channels. When asked to rank their investment in each of their distribution channels, **the majority of brands ranked wholesale as their top channel for investment, over their ecommerce and DTC retail stores.** In terms of their priority in growing their wholesale business, brands identified expanding retail partners as their greatest opportunity, followed by selling more to their current partners.



Brands are expecting 27% growth in their wholesale business this year and are investing in this channel over their DTC retail stores and ecommerce

SALES BY ORDER

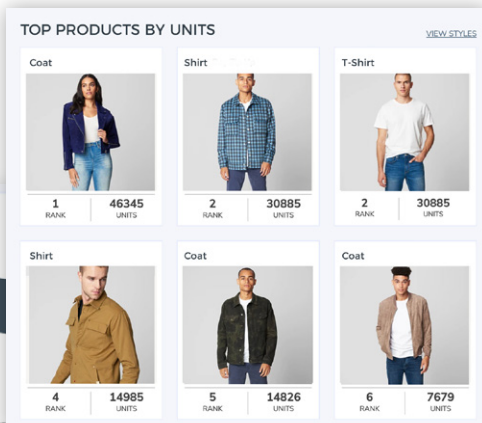


- APPROVED
113 (16.9%)
- SHIPPED
278 (41.5%)

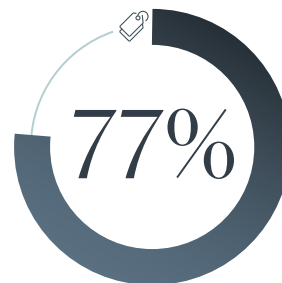
BUDGET ROLLUP

PROJECTED
7,068,296.72

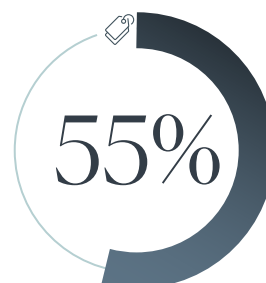
VARIANCE
+ 6,691,725.93



Priority in Growing Wholesale



of brands want to expand the number of their retail partners



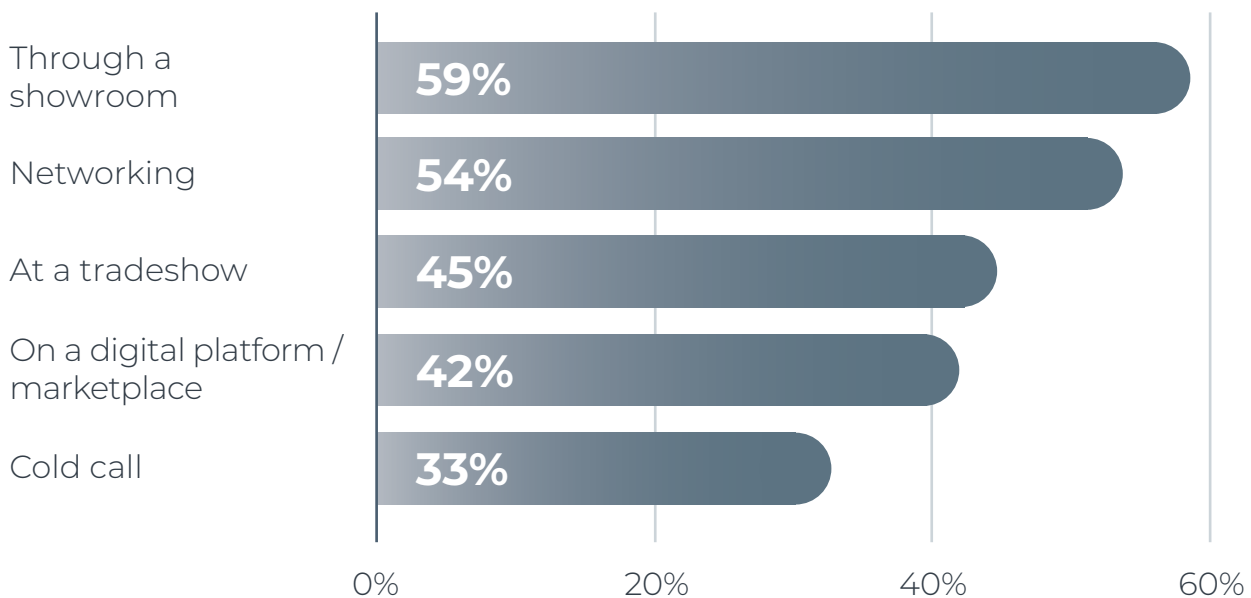
of brands want to increase sales volume to their existing partners

Making Connections



For brands, a key element of growing their wholesale channel is the ability to connect with new retail partners, wherever they might be located. In-person events are still important for making those connections, but digital introductions are becoming more common, with 42% of respondents relying on a digital platform or marketplace to connect with new retailers.

How Brands Connect with New Retailers



It's worth noting that our data illuminated significant regional differences in how brands connect with new retail partners:



In **Europe**, the leading source of new connections is through a showroom with 68% of brands opting for this method



In **APAC**, the most prevalent source of new connections is networking with 60% going this route



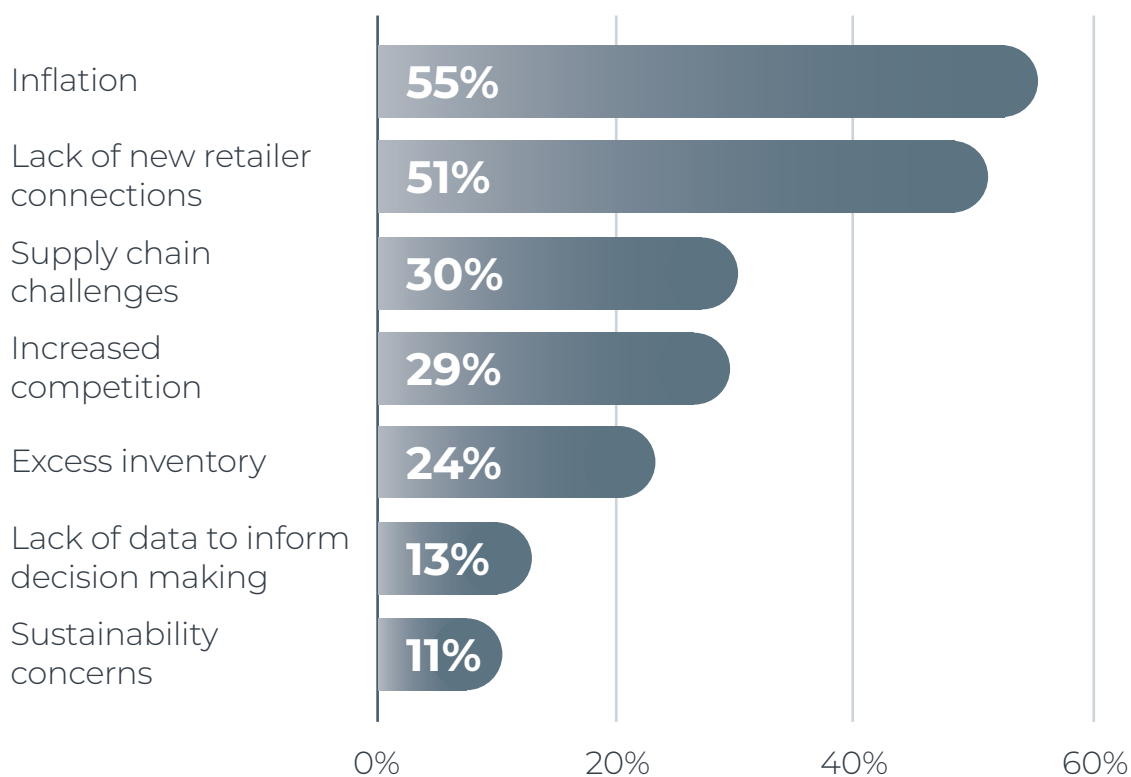
In **North America**, tradeshows and digital platforms at 65% and 58% respectively are the most popular choices for making new connections

Facing the Challenges



Despite the upward trend of sales, brands were clear-eyed about the challenges currently being faced in the market, with inflation and the need for more retail partners rising to the top as consistent issues affecting brands today.

Challenges Affecting Your Business



While inflation and a lack of new retailer connections were the predominant concerns for brands around the world, regional nuances created variation in the degree to which other challenges are affecting businesses in each region:


- **Supply chain issues** are affecting Europe more than other regions
- **Excess inventory** is affecting APAC more than other regions
- **Sustainability concerns** are more significant in Europe and APAC than North America


Digital Advancements





Despite natural regional nuances in market dynamics, the responding brands had one thing very much in common: they were united in agreement that working with a digital platform like JOOR helps them advance their wholesale business.

Brands understand the advantages that a digital solution provides and cited agreement with the following key statements about the value that a digital wholesale platform like JOOR delivers:

 **96%** Saves time compared to non-digital processes

 **88%** Gives better visibility of inventory

 **91%** Increases order accuracy

 **84%** Provides a better experience for the buyer

 **91%** Provides helpful real-time data

As the world's premier end-to-end wholesale management platform with over \$80 billion in wholesale order volume, JOOR offers our clients the tools to achieve these goals while driving growth.

In summary, this research study on the state of wholesale fashion has provided us with an important set of takeaways that reinforce something we've known for a while—wholesale is a critical distribution channel for brands globally, and its importance continues to grow. This growth represents a significant shift away from ecommerce and DTC channels, a marked change in the industry. Additionally, brands have reported that they're focused on identifying new retail partners to foster this growth, and JOOR is the digital wholesale platform to help them do so.

If you're ready to upgrade your wholesale experience, unleash your global potential, and present your collection to interested buyers around the world 24/7, request a [demo](#) today.

JOOR