CONSUMERS SPEAK:
APPAREL CHANGES THAT IMPACT SATISFACTION

A program brought to you by COTTON UNIVERSITY™

**Q&A** - Type your questions in the Q&A window at any time during the webcast.

**SOCIAL MEDIA** - #CottonExpert
Facebook. LinkedIn. Twitter.

**RESOURCES** – Research Methodology

---

*To participate in webcast…*

*Turn off pop-up blocker!*

---

Information presented is from several sources. Some information is Cotton Incorporated’s interpretation. No responsibility is assumed for the use of this information and no express or implied warranties nor guarantees are made.
CONSUMERS SPEAK/APPAREL CHANGES THAT IMPACT SATISFACTION
CONSUMERS SPEAK / APPAREL CHANGES THAT IMPACT SATISFACTION

COMPETITIVE ENVIRONMENT
WHY APPAREL IS LOSING ITS COMPETITIVE EDGE

CUSTOMER COMPLAINTS
DISSATISFACTION UNCOVERED AND ISSUES BY SPECIFIC PRODUCTS

RECOVERING SATISFACTION
STRATEGIES TO IMPROVE SATISFACTION
INDUSTRY CHALLENGES

APPAREL LOSING ITS COMPETITIVE ADVANTAGE
APPAREL IS LOSING ITS COMPETITIVE EDGE

ITEM OF CHOICE TO SHOP FOR... 2003 VERSUS 2013

- **38%** (T-shirt): 30%
- **26%** (Food): 27%
- **23%** (Digital Devices): 29%
- **10%** (Footwear): 11%
- **4%** (Accessories): 2%

COTTON INCORPORATED’S LIFESTYLE MONITOR™ SURVEY
INDUSTRY CHALLENGES

- Apparel losing its competitive advantage
- Cotton prices were historically high
COTTON PRICES COMPETITIVE AGAIN

Viscose (China)
Cotton (A Index)
Polyester (China)

cents/lb

INDUSTRY CHALLENGES

- Apparel losing its competitive advantage
- Cotton prices were historically high
- Apparel prices increased the first time in 20 years
- Industry pursued cost cutting measures
COTTON INCORPORATED'S RETAIL MONITOR™ SURVEY

SHIFTS IN FIBER DISTRIBUTION AT KEY U.S. RETAILERS

Percent of **Menswear** Containing the Following Fibers

<table>
<thead>
<tr>
<th>Fiber</th>
<th>Year-Ending Quarter 2 2011</th>
<th>Year-Ending Quarter 2 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cotton</td>
<td>85</td>
<td>67</td>
</tr>
<tr>
<td>Polyester</td>
<td>30</td>
<td>33</td>
</tr>
<tr>
<td>Rayon</td>
<td>2</td>
<td>4</td>
</tr>
</tbody>
</table>

Percent of **Womenswear** Containing the Following Fibers

<table>
<thead>
<tr>
<th>Fiber</th>
<th>Year-Ending Quarter 2 2011</th>
<th>Year-Ending Quarter 2 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cotton</td>
<td>78</td>
<td>58</td>
</tr>
<tr>
<td>Polyester</td>
<td>39</td>
<td>46</td>
</tr>
<tr>
<td>Rayon</td>
<td>4</td>
<td>20</td>
</tr>
</tbody>
</table>
U.S. CONSUMERS ARE PAYING MORE & GETTING LESS

- **72%** INCREASED PRICES
- **63%** THINNER FABRICS
- **59%** DECLINING DURABILITY
- **55%** FIBER SUBSTITUTION
- **52%** DECLINING QUALITY

COTTON INCORPORATED’S LIFESTYLE MONITOR™ SURVEY
GLOBAL SHOPPERS DISSATISFIED WITH FIBER SUBSTITUTION

CCI & COTTON INCORPORATED’S GLOBAL LIFESTYLE MONITOR™ LIFESTYLE MONITOR™ SURVEY, & MEXICO CONSUMER SURVEY
GLOBAL SHOPPERS DISSATISFIED WITH FIBER SUBSTITUTION

OVER HALF (54%) NOTICE FIBER SUBSTITUTION

OVER HALF (54%) BOTHERED BY FIBER SUBSTITUTION

NEARLY 6 IN 10 (59%) WILLING TO PAY MORE FOR COTTON
U.S. CONSUMERS DISSATISFIED WITH FIBER SUBSTITUTION

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Denim jeans</td>
<td>61%</td>
</tr>
<tr>
<td>Bath towels</td>
<td>61%</td>
</tr>
<tr>
<td>Underwear</td>
<td>60%</td>
</tr>
<tr>
<td>Bed sheets</td>
<td>60%</td>
</tr>
<tr>
<td>T-shirts</td>
<td>59%</td>
</tr>
<tr>
<td>Socks</td>
<td>53%</td>
</tr>
<tr>
<td>Sweat shirts</td>
<td>51%</td>
</tr>
<tr>
<td>Dresses</td>
<td>47%</td>
</tr>
</tbody>
</table>
## CONSUMERS WILLING TO PAY MORE FOR COTTON

<table>
<thead>
<tr>
<th>Item</th>
<th>Average Price Paid</th>
<th>Average Price Willing to Pay</th>
<th>Amount More Willing to Pay</th>
</tr>
</thead>
<tbody>
<tr>
<td>Denim Jeans</td>
<td>$30</td>
<td>$39</td>
<td>+$9</td>
</tr>
<tr>
<td>Dress</td>
<td>$32</td>
<td>$39</td>
<td>+$7</td>
</tr>
<tr>
<td>Sweatshirt</td>
<td>$24</td>
<td>$31</td>
<td>+$7</td>
</tr>
<tr>
<td>Dress Shirt</td>
<td>$25</td>
<td>$31</td>
<td>+$6</td>
</tr>
<tr>
<td>Casual Pants</td>
<td>$26</td>
<td>$32</td>
<td>+$6</td>
</tr>
<tr>
<td>Skirt</td>
<td>$19</td>
<td>$23</td>
<td>+$4</td>
</tr>
<tr>
<td>T-shirt</td>
<td>$12</td>
<td>$16</td>
<td>+$4</td>
</tr>
<tr>
<td>Bath Towel</td>
<td>$9</td>
<td>$12</td>
<td>+$3</td>
</tr>
<tr>
<td>Underwear</td>
<td>$7</td>
<td>$9</td>
<td>+$2</td>
</tr>
</tbody>
</table>
CUSTOMER DISSATISFACTION WITH DENIM JEANS

PRODUCT: Women’s Denim Jeans  PRICE: $40
FIBER CONTENT: 80% Cotton/19% Polyester/1% Lycra

“I bought a new pair about three months ago, and they are not the same. The fabric is lousy. It's now a poly cotton blend, and it doesn't hold its shape, it wears through in the inner thigh quickly and you can’t patch it because the fabric is too thin. Really upset and disappointed in [Retailer]. It used to be the perfect jean and the only one that I could find that fit my body shape just right, Now I don’t know what I am going to do because I don't want to keep spending money on jeans that won’t last but a couple months!!. Please reconsider your choice in material and bring back the old and quit trying to be cheap with things and listen to your customers, the ones that are keeping you in business. I see I am not the only one having issues with this!!!”

- Customer Review, Specialty Store, posted February 2012
IMPACT OF CUSTOMER COMMENTS ON APPAREL PURCHASES

- 68% WRITE PRODUCT REVIEWS FOR CLOTHES
- 71% CLOTHING REVIEWS ARE INFLUENTIAL
- 81% CLOTHING REVIEWS ARE BELIEVABLE
COTTON INCORPORATED’S CUSTOMER COMMENT PROJECT

Collection of over 260,000 customer comments available on 25 key retailer websites

Over 30,000 jeans, pants, dresses, knit and woven tops, athleticwear, and home textiles collected

Information collected includes price, fabrication, fiber, features, origin, comment, rating, etc.
WHAT AREAS ARE CONSUMERS DISSATISFIED WITH?

- General Anger
- Feeling Misled
- Return or Exchange Issues
- Disappointment
- Performance or Textile Issues
- Value or Supply Issues
- Size or Fit Issues
What are the main performance issues at each stage?
PERFORMANCE ISSUES BY STAGE REQUIRE TARGETED SOLUTIONS

**PURCHASE**
- ✓ Odor
- ✓ Quality
- ✓ Wrinkling

**WEAR**
- ✓ Itching
- ✓ Odor
- ✓ Pilling
- ✓ Snagging
- ✓ Static Cling
- ✓ Stretch - Recovery
- ✓ Wear & Tear
- ✓ Wrinkling
- ✓ Fading

**CARE**
- ✓ Fading
- ✓ Odor
- ✓ Pilling
- ✓ Shrinking
- ✓ Stretch - Recovery
- ✓ Wear & Tear
- ✓ Wrinkling
PERFORMANCE ISSUES IN DENIM JEANS

MEN’S DENIM JEANS
- Shrinking: 34%
- Stretching: 3%
- Fading: 24%
- Wear & Tear: 19%
- Wrinkling: 9%
- Pilling: 3%
- Itching: 1%

WOMEN’S DENIM JEANS
- Shrinking: 21%
- Stretching: 28%
- Fading: 19%
- Odor: 13%
- Wear & Tear: 6%
- Wrinkling: 2%
- Pilling: 3%
- Itching: 3%
DISSATISFACTION WITH STRETCH RECOVERY IN JEANS

PRODUCT: Women’s Denim Jeans  PRICE: $40
FIBER CONTENT: 88% Cotton/10% Polyester/2% Spandex

I'm thinking of writing a real letter on paper to express my disappointment in these jeans... I washed and dried them as directed, put them on feeling really good and Within An Hour they had stretched out to ridiculous proportions. I could take them off and put them back on without undoing the fly! They were HUGE and Baggy and I felt like a Rodeo Clown by the end of the day... I won't be buying any more until they return to 100% cotton. I would return them if I could but because they fooled me out of the package I doubt I'll get my money back. I'll send them back anyway. I can't possibly wear them.

- Customer Review, Specialty Store, posted March 2012
DISSATISFACTION WITH FADEING IN DENIM JEANS

PRODUCT: Women’s Denim Jeans  PRICE: $22
FIBER CONTENT: Cotton/Polyester

“I like the fit, the only thing I would say detrimental is that these and all jeans I buy now, **fade out too quick**, a few washings and **they look old**..I've been buying these for years, I have been satisfied with them.”

- Customer Review, Mass Merchant, posted June 2012

PRODUCT: Women’s Denim Jeans  PRICE: $33
FIBER CONTENT: Cotton/Polyester

Don't get the dark color because it **fades onto your hands** after several washes. **Mine have been washed 6 times**.

- Customer Review, Chain Store, posted Nov 2012
DISSATISFACTION WITH WEAR & TEAR IN JEANS

PRODUCT: Men’s Denim Jeans  PRICE: $40.49
FIBER CONTENT: 100% Cotton

I have worn [brand] jeans for years. They have always been my go to jean in the past. But not anymore. [Brand] changed the fabric weight and quality of the jeans. The weigh is about half of what it used to be and the craftsmanship is poor at best. The back pockets are tearing and the belt loops are poorly sewn. There are snags in the denim and color issues. I used to be able to get at least a year or two out of each pair. The last two pairs I purchased in December 2010 are already torn and falling apart. The [brand] jeans I purchased last year are actually in better shape than the jeans I just got. Steer clear as the quality is very poor but the price is still just as high. Search for a better value for your money.

- Customer Review, Online-Only Store, posted March 2011
DISSATISFACTION WITH ODOR IN JEANS

PRODUCT: Women’s Denim Jeans  PRICE: $10.80
FIBER CONTENT: 68% Cotton/19% Polyester/12% Rayon/1% Spandex

I purchased, washed and then wore these jeans and kept wondering while I was in my car and on my way to work "what is that smell?" I was mortified when a coworker told me flat out you stink! Went out on my break and bought a pair of pants and threw the stinky jeans in the trash.

DISSATISFACTION WITH JEAN PERFORMANCE ISSUES

4 IN 10 DISSATISFIED
- Odor
- Stretch Recovery
- Wear & Tear
- Wrinkling
- Snagging

5 IN 10 DISSATISFIED
- Pilling
- Itching

6 IN 10 DISSATISFIED
- Fiber Substitution
DISSATISFACTION WITH FIBER SUBSTITUTION IN JEANS

PRODUCT: Women’s Denim Jeans  PRICE: $245
FIBER CONTENT: Tencel/Cotton/Elastane

[Brand] are both using Tencel/Lyocell in some of their jeans now. Read the labels & stay away from this fabric if at all possible. It is made of wood pulp. This fabric stretches more than Spandex & doesn't keep it's shape. I bought my normal size & they stretched & wrinkled horribly. I will stay with a cotton/spandex combination from this point forward.

- Customer Review, Luxury Department Store, posted February 2013
## PERFORMANCE ISSUES IN ATHLETICWEAR

<table>
<thead>
<tr>
<th>Total Athleticwear</th>
<th>Athletic Pants</th>
<th>Athletic Tops</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pilling</td>
<td>41%</td>
<td>31%</td>
</tr>
<tr>
<td>Snagging</td>
<td>18%</td>
<td>14%</td>
</tr>
<tr>
<td>Shrinking</td>
<td>7%</td>
<td>12%</td>
</tr>
<tr>
<td>Odor</td>
<td>7%</td>
<td>11%</td>
</tr>
</tbody>
</table>
DISSATISFACTION WITH PILLING IN ATHLETICWEAR

PRODUCT: Men’s Athletic T-Shirt   PRICE: $24.50
FIBER CONTENT: 100% Polyester

This is **NOT the original shirt**. I have original [brand] t's that are 5 years old, and they have **never had pills or fuzz**, they breathe better and are much neater in appearance. These shirts, which purport to replace the substandard recycled content shirts (which were sold with no indication that the shirt had changed, annoyingly) are **fuzzy and have pilling BEFORE being worn**. You can see the fuzz and pilling in the magnified view on the product page!!! I understand that products and vendors change but this time I feel **defrauded**, as the description explicitly says these are the old shirts, and they are not. There is no way this could be an honest mistake.

- Customer Review, Sports Specialty Store, posted December 2011
DISSATISFACTION WITH ODOR IN ATHLETICWEAR

PRODUCT: Women’s Odor Resistant Athletic T-Shirt  PRICE: $58
FIBER CONTENT: 100% Polyester

I really loved this shirt... My complaint is that this shirt just smells so bad that I am uncomfortable wearing it around anyone. Its embarrassing, but honestly I am not even a sweaty person. It even makes the drawer in my closet smell after washing it. I have lots of [brand] shirts (some [brand] in different fabric), and have worn some for way longer that do not smell nearly as bad. I really don’t understand how [retailer] can market this as anti stink.

~ Customer Review, Sports Specialty Store, posted September 2011
DISSATISFACTION WITH SNAGGING IN ATHLETICWEAR

PRODUCT: Men’s Athletic T-Shirt
PRICE: $54.50
FIBER CONTENT: 100% Polyester

I own two of these and they both snagged, Very disappointed that this flaw wouldn't come out in the testing phases.

~ Customer Review, Sports Specialty Store, posted October 2011

PRODUCT: Women’s Athletic T-Shirt
PRICE: $58
FIBER CONTENT: Nylon/Spandex

First time I wore this it snagged so easily.. I was going to buy the long sleeve but glad I didn't.. pretty expensive shirt for a one time use.. ruined my faith in [retailer].

~ Customer Review, Sports Specialty Store, posted October 2012
IMPACT OF CUSTOMER COMMENTS ON APPAREL PURCHASES

PERCENT VERY OR SOMEWHAT LIKELY TO REFRAIN FROM PURCHASING CLOTHING BECAUSE MULTIPLE REVIEWS SAY THE FOLLOWING

More than 8 in 10

/completely fell apart after first laundering /fell apart within a few wearings

More than 7 in 10

/holds body odor after laundering/pilled after the first few wearings/shrank after the first laundering

More than 6 in 10

/had a chemical odor/faded after the first few launderings/stretched out after a few hours/not true to size/material is thinner than it used to be/it used to be better quality/it clings in all the wrong places/doesn’t fit like it used to/easily snags on items
## Major Performance Issues by 100% Fiber

<table>
<thead>
<tr>
<th>100% Cotton</th>
<th>100% Polyester</th>
<th>100% Rayon</th>
<th>100% Wool</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wear &amp; Tear</td>
<td>Wear &amp; Tear</td>
<td>Wear &amp; Tear</td>
<td>Itching</td>
</tr>
<tr>
<td>Shrinking</td>
<td>Snagging</td>
<td>Shrinking</td>
<td>Pilling</td>
</tr>
<tr>
<td>Fading</td>
<td>Odor</td>
<td>Odor</td>
<td>Odor</td>
</tr>
<tr>
<td></td>
<td>Static Cling</td>
<td>Static Cling</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Itching</td>
<td>Wrinkling</td>
<td></td>
</tr>
</tbody>
</table>
### CONSUMERS DOUBT THE PERFORMANCE OF POLYESTER & RAYON

#### WHICH TYPE OF CLOTHING IS...

<table>
<thead>
<tr>
<th></th>
<th>Cotton</th>
<th>Polyester</th>
<th>Rayon</th>
<th>Cotton/Poly Blend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Most comfortable</td>
<td>69%</td>
<td>5%</td>
<td>8%</td>
<td>18%</td>
</tr>
<tr>
<td>Most breathable</td>
<td>68%</td>
<td>7%</td>
<td>10%</td>
<td>14%</td>
</tr>
<tr>
<td>Lasts the longest</td>
<td>51%</td>
<td>13%</td>
<td>11%</td>
<td>25%</td>
</tr>
<tr>
<td>Most versatile</td>
<td>46%</td>
<td>8%</td>
<td>13%</td>
<td>34%</td>
</tr>
<tr>
<td>Hardest to iron</td>
<td>24%</td>
<td>28%</td>
<td>40%</td>
<td>8%</td>
</tr>
<tr>
<td>Hardest to wash</td>
<td>19%</td>
<td>21%</td>
<td>50%</td>
<td>10%</td>
</tr>
<tr>
<td>Falls apart the most</td>
<td>19%</td>
<td>26%</td>
<td>44%</td>
<td>11%</td>
</tr>
<tr>
<td>Biggest odor issue</td>
<td>20%</td>
<td>34%</td>
<td>34%</td>
<td>11%</td>
</tr>
<tr>
<td>Safe for the Environment*</td>
<td>91%</td>
<td>51%</td>
<td>49%</td>
<td>N/A</td>
</tr>
</tbody>
</table>

*Top-5 box on 11-point scale with 10 meaning, “Extremely Safe” and 0 mean “Extremely Harmful”
RECOVERING CUSTOMER SATISFACTION

- **SNAGGING, PILLING, ODOR** – RETURN TO 100% COTTON OFFERINGS
- **STRETCH RECOVERY** – HEAT SET COTTON/SPANDEX BLENDS
- **FADING** – UTILIZE GOOD QUALITY DYES AND MANUFACTURING PROCESSES
- **SHRINKING** – PROPER TEXTILE PROCESSING DURING MANUFACTURING
- **ENCOURAGE YOUR CUSTOMERS TO CHECK THE LABEL**
- **UTILIZE ADDITIONAL INSIGHTS FROM COMMENT RESEARCH & WEBSITE**
CONSUMERS SPEAK / APPAREL CHANGES THAT IMPACT SATISFACTION
CONSUMERS SPEAK/ APPAREL CHANGES THAT IMPACT SATISFACTION
PLEASE SUBMIT ANY FINAL QUESTIONS NOW.
• Webcast slides for download
• Research methodology
• Technical bulletins
  – Shrinkage
  – Color
• Additional Q&A

Visit CottonUniversity.org

Click on COURSES
Solving Performance Issues

Colleges at CottonUniversity.org