

THE IMPACT OF THE COVID-19 PANDEMIC ON THE GLOBAL FASHION INDUSTRY

by

Hannah Harris

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Project Approved:

Supervising Professor: Sally Fortenberry, Ph.D.

Department of Fashion Merchandising

Janace Bubonia, Ph.D.

Department of Fashion Merchandising

Wendy Williams, Ph.D.

John V. Roach Honors College

ABSTRACT

The COVID-19 pandemic prompted worldwide lockdowns and extensively produced undisputable change beginning in March of 2020. Two years later, the results of the pandemic are seen in every sector of every industry. This paper analyzes how the pandemic has impacted the global fashion industry and provides recommendations for businesses on how best to proceed. Extensive research was performed, categorizing the study into three sections where widespread change has been met: trends, digitalization, and sustainability. The impacted trends include fashion, social, manufacturing, and economic. Digitalization research encompasses eCommerce and the metaverse. This paper examines humanitarian issues and circular consumption methods pertaining to sustainability.

Through understanding the kind of impact the pandemic has had, businesses can draw meaningful conclusions on how to progress effectively. Predictions are forecasted as to what the future holds and how to navigate those years successfully following an international pandemic. Results include renewing traditional business models, streamlining operations, and sharpening customer propositions. The business models that have long been successful will need to be reconfigured, adapting to the increasingly digitalized society. Additionally, streamlining operations will allow for fewer supply chain disruptions and create a more profitable and efficient way of manufacturing. Lastly, sharpening customer propositions by tailoring marketing campaigns to consumers in specific geographic areas will prove successful. Overall, these recommendations illustrate the impact of the COVID-19 pandemic on the global fashion industry.

INTRODUCTION

The COVID-19 Pandemic

As of March 2020, the COVID-19 virus altered world history by producing a modern-day pandemic that brought change and chaos to societies and industries that were not fully prepared for the level of disruption that was to occur. With country-wide lockdowns in place during the beginning months of the pandemic, people became isolated, communities started to panic, and economies began to suffer. The lasting effects this pandemic will have on the world are only now just beginning to be extensively realized as they are lived out. Over two years have passed since the initial outbreak, and the end date is still not in sight. Human civilization has had to pivot and engineer new ways to communicate, work, and live. Countless have lost their lives, economic turmoil has ensued, and many businesses have either shut down or are still struggling to stay afloat. What will be written in the history books is currently taking place, with research documenting every step of the way. To properly assess the pandemic and make educated predictions on what is to come, a basic foundation of COVID-19 is first needed to be discussed.

COVID-19 is an infectious disease caused by the SARS-CoV-2 virus (*Coronavirus disease*, 2022). The virus was first identified during an outbreak in Wuhan, China, in December of 2019, and it rapidly spread across the globe. On January 30, 2020, The World Health Organization (WHO) declared a public health emergency of international concern, and by March of 2020, the WHO labeled it a worldwide pandemic. COVID-19 is spread through droplets of virus particles released into the air when an infected individual talks, laughs, coughs, breathes, sneezes, or sings. As of April 2022, the pandemic has resulted in 6.1 million deaths, with anyone at any age being at risk of becoming seriously ill or dying from this virus (“WHO Coronavirus Dashboard,” 2022). These statistics make COVID-19 one of the deadliest pandemics in history.

Current Effects on the Fashion Industry

COVID-19 has been the most significant modern-day challenge facing the textile and apparel industry, deemed “fashion’s biggest reset” (Ginsberg, 2021, p.1). With government regulations in place, people’s wants and needs began to change, and in-person shopping was one of the first to experience the impact. As the economy started to dip, consumers felt the financial burdens of layoffs and childcare responsibilities. These burdens diminished the desire to buy extravagant new clothes. Loungewear replaced workwear, and as the consumer got more selective, so did retailers. In a sense, this unique set of circumstances prompted many to begin a step toward a sustainability change. Overconsumption of fast fashion was slowed, subsequently causing an impact on global manufacturing. But who did this hurt the most? The pandemic has resulted in numerous supply chain disruptions from significant order cancellations by retailers and factory shutdowns resulting from workforce illness. The three factors that have had the most impact on a country’s apparel export performance are government lockdown measures, textile raw material access, and comprehensive export competitiveness. The pandemic has disrupted the fashion industry in its entirety; businesses can achieve long-term stability by understanding this change and forecasting what the future holds.

Disruptions in History

Since the pandemic’s beginning, fashion sales have dropped within the past two years, factories have shut down, and people have begun to live a new way of life. Yet, what seemed like a foreign way of living has been seen in history. The effects from previous disruptions are similar to results seen in the current-day pandemic. Only three major disruptions like COVID-19 have happened in the past: the 1918 Spanish flu pandemic, the Great Depression, and the Second World War (Wicker, 2020).

In the spring of 1918, the Spanish flu began, eventually infecting about five hundred million people over the course of two years, which, at the time, was a third of the world's population. During the fall of 1918, sales were up for comforters, blankets, and winter underwear. Consumers saw a focus on textiles used in and for the home. "Flu veils" were adopted, and their sales surged, as it was strongly encouraged to wear them in public. Some areas had a \$5 fine for noncompliance if people did not wear masks. Precautions advised to the public during the Spanish flu are eerily similar to those seen today during the COVID-19 pandemic, as depicted in Figure 1. All the while, sales of ready-to-wear dropped significantly. This drop in ready-to-wear relates to what observers have seen in recent years, a higher focus on more comfortable clothing worn at home rather than clothing suited for going out or going to work. Additionally, in 1918, clothing consumption declined because many households washed their clothing by hand and not nearly as often as we do today. "You can imagine how difficult it would be to do your family's household laundry by hand, especially in the midst of a highly contagious pandemic when you're likely taking care of someone who is ill" (Wicker, 2020, p.1). The Spanish flu resulted in delicate and more voluminous clothing being eliminated and slimmer styles made from sturdier fabrics preferred. The Spanish flu of 1918 parallels the precautions and effects seen today with the COVID-19 pandemic.

...in localities distant from New York, to believe that the French as houses so advertised are the real creators of the season.

Such a campaign, it is believed, would enable members of the combination to offer to the public choice specimens of the creations of the no advertised houses with which contracts would be made for a few exclusive designs.

Again the Sub-contractor.

In order to prevent stores not included in the combination from benefiting the advertised names of such Paris houses, the combination plans to select a few models each season from the collection of certain so-called Paris couturiers. Such models will be given to sub-contractors to be manufactured in quantities, each member of the combination to take over a certain amount. This method would enable the combination, it is asserted, to overcome, by price alone, all possible competition or interference with its plans, since they would be able to obtain larger quantities of a few numbers than could be taken by any, single house, and besides, would eliminate manufacturers' profit and salesmen's commission.

The combination, it is stated, has about half a dozen members, one in each of the largest towns from the Atlantic to the Pacific, but more are expected. The plan is to admit only one store in each city or retail territory. It is understood that no more than about a dozen retailers in as many large cities are to be admitted in order to make the combination a closed corporation.

This proposition was submitted to the retailers. It is said because well known couture houses in Paris were not willing, under ordinary circumstances, to sell "exhibitors" or model houses anything but their inferior experimental models, called "soldées," in Paris.

Among the lines which will be repeated (Continued on Page Three.)

"Safety First" Veil a "Flu" Preventive

THE old adage "It's an ill wind that blows no one good" may be aptly applied at the present time in the case of the Spanish influenza epidemic, for manufacturers of veils who were quick to see the advantages of the chiffon veil as a preventive, are reaping a just harvest.

The first of this kind to be advertised for this purpose was called the "Flu" veil. This was a mesh veil with a chiffon border, in harem effect, of from 3½ to 4½ inches in width. Some women objected to it and the all-chiffon veil as being too warm and unsightly, so it remained for Stern & Stern to design one which would be both practical and ornamental, which they called the "Safety First" veil. It is of Shetland mesh with a hemstitched section of chiffon at the lower edge of the front about 5 inches wide, just covering the mouth and nose.

Many novel and bizarre effects may be evolved from various combinations of colors as well as from variations in shape of the chiffon section. Judging from the orders coming in, it is safe to predict that it will remain one of the style features of the season.

Designs of Extreme Artistic Beauty and Coloring—Fuchsias and Other Flowers Bloom on Novel Backgrounds.

(By DELANGE.)

Paris, Oct. 2. — Since making my first report on the Rodier cotton collection for spring, some new numbers have been created. Each is unique and I feel sure that many in the trade will agree that they are among the best things Rodier has ever produced. These novelties show the new plumeria idea woven on hand looms which I fully described some time ago. They also feature embroidery. Voile is the basis and designs of extreme artistic beauty and colorings have been created.

Les Fuchsias.

We see a branch of the fuchsia in natural size and presented in three colors, the flower in deep crimson and purple, attached to a green leaf. This appears on a white voile ground which has a spread out all over drawwork pattern. The same fuchsia design is seen on a colored ground, such as citron and here the flower appears in two colors with a green leaf. It is seen also in black and white.

Les Plaques de Jade.

Every one knows that Callot's most beautiful mannequin has been wearing a plaque of jade with certain dresses, and a great many women have followed the lead and have worn the Chinese lucky stone. Rodier has prepared jade plaques in cottons. We see a voile ground having a faint colored stripe spaced at intervals of nearly two and one-half inches and in the center of this minute stripe an oblong motif more than one-inch wide appears—it is an excellent imitation of the jade plaque. One pattern shows the true (Continued on Page Three.)



Figure 1. News Article from WWD Archives, 1918. This figure illustrates precautions advised in the 1918 flu pandemic similar to those seen in the COVID-19 pandemic.

From 1929 to the late 1930s, the effect the Great Depression had on clothing and the fashion industry was of a similar sort. The Depression resulted in women dressing more simply, as ostentatious clothing was deemed bad taste. Consumers saw a more conservative and feminine silhouette, where hemlines descended to ankle length and waistlines moved to a more natural position. The bias cut grew popular, becoming a staple for evening dresses. Women looked to famous movie stars for inspiration like Bette Davis and Greta Garbo. Those women, among others, became some of the first Hollywood-style icons. Moreover, prior to the Depression, buyers would purchase copies of couture Paris designs and then resell them in the United States. However, during the Depression, the government imposed new duties of up to ninety percent on the cost of these copies. Because of this, patternmakers had to look elsewhere. As toiles, cheap material garment patterns were allowed duty-free, their popularity rose. James Laver, a fashion historian, writes, "each toile was supplied with full directions for making it up, and although the original dress may have cost a hundred thousand francs, it was now possible to sell a simplified version for as little as fifty dollars" (Reddy, 2020, p. 3). Additionally, during the Great Depression, most mothers and wives were very resourceful, doing with what they already had.

Many women began upcycling basic items, turning cotton flour sacks into dresses. The flour manufacturers saw this new use of their product and eventually began to print floral designs on their sacks for the benefit of those women. Depicted in Figure 2 are the dresses and sacks from which they were made. Overall, the Great Depression promoted a return to a previously seen silhouette as well as relied on home sewers' resourcefulness to keep fashion evolving.



Figure 2. Photograph from *Feed Sacks*, 2016. This figure depicts the commonly seen Depression activity of recycling cotton feed sacks and sewing them into dresses.

During the COVID-19 pandemic, there was also a rise in at-home knitting, sewing, and embroidering. Some made masks from scrap fabric at home, and others turned that into a temporary small business. How apparel changed during the Depression can be paralleled to the early months of the pandemic, where the aesthetic of minimalness was deemed attractive. Neutral colors, simple silhouettes, and basic items were preferred, providing a sense of calmness in the chaos. COVID-19 made people rethink how to spend their money, many choosing to opt out of the fast-fashion culture in which they were once highly engaged. On a similar level, the

secondhand fashion market has increased in popularity, with platforms such as Poshmark, The RealReal, Depop, and others exploding in sales in recent years.

World War II brought a different type of disruption to the table. During this period, anything and everything revolved around the war effort. The effort resulted in governments passing bills that limited fabric usage and rationed clothing items (Olds, 2001). Governments did all of this in an effort to save materials for making military uniforms and parachutes. Additionally, governments regulated both cost and quality, hoping to halt fashion progression so that items did not go out of style as quickly. For example, specific regulations included a maximum circumference of men's trouser openings with pleats or cuffs not being permitted whatsoever. The fabric quality used decreased, as did the range of color options offered. Blue, black, and brown were the three colors commonly available. Styles available during WWII included those of simpleness and somberness. No ruffles and no frills, both men's and women's clothing mirrored the military uniform styles (Olds, 2001). Socially, women began to enter the workforce to replace the men who were now at war. With icons like Rosie the Riveter, pants became a new, popular style for women. Hemlines got shorter, and a more modern effect the war had on fashion was that of the two-piece swimsuit. The fabric used in women's swimwear needed to be reduced by 10%, which resulted in this two-piece style (Olds, 2001). The resourcefulness and innovation of designers and makers kept fashion moving in a time when it was legally limited. A new American look was born, one that would continue in the years to follow.

The COVID-19 pandemic showed similar effects to that of WWII. While the fabric was not limited, going out and socializing were no longer as common. No longer was business professional or party attire needed. Athleisure boomed, and consumers preferred a comfortable and straightforward style,

perfect for lounging or working from home. In comparison, instead of colors being limited, color options increased. A time when consumers were only offered face masks in the default blue color has been traded in for times where masks are manufactured and sold in every color, pattern, and style imaginable. Instead of conforming and being limited by a mask, people found new ways to show their personality; creativity flourished, and new hobbies were found.

A common theme is seen in all of these instances. With each disruption that occurs, whether it be a war, a depression, or a pandemic, humans adapt and evolve, exchanging wants with needs and transforming what once was into what will be. Fashion evolves right alongside history. The apparel and textile industry, as a whole, faces setbacks during those times of disruption and pivots, finding different ways to progress. Truly reflective of what is going on in the world, through studying the past and analyzing the present, educated predictions can be made on what the future holds following the COVID-19 pandemic.

Hypothesis

This thesis project will analyze the impact of the COVID-19 pandemic on the fashion industry and predict future industry trends based on research. This study aims to investigate the impacts and effects of COVID-19 and form an educated prediction on what the future holds for the fashion industry following this pandemic. As predictions are formed, the past is used as a precedence for the future. Outcomes of the COVID-19 pandemic will be seen in the global fashion industry, specifically in trends, digitalization, and sustainability.

REVIEW OF LITERATURE

Trends

“To talk about fashion trends following a year defined by crisis may seem nugatory, but the themes that emerged offer a window into these extraordinary times” (Sinclair Scott, 2020, p. 2).

The year 2020 brought a global-health pandemic that transformed what wardrobes look like and what consumers need from them. The new needs of comfortability and adaptability were created and filled, with brands responding as quickly as possible to survive. Masks were a required everyday essential, with many finding ways to showcase their personality behind a piece of fabric that took up half of their face. All in all, the pandemic ushered in a new norm. Between the days and nights of the health crisis came a social crisis in and of itself. Racial issues and inclusivity came to the forefront of everyone’s minds. Hard to ignore, consumers began to use their voice both on the streets at the forefront of racial injustice as well as digitally, calling out brands and publications for their lack of diversity. The world also saw manufacturing and economic effects, forcing brands to rethink what had worked up until now. What the pandemic brought to the fashion industry were noticeable trends that ranged from fashion silhouettes to more serious issues of racial injustice.

Fashion

As the pandemic began and continued to progress, with each day seeming scary, unpredictable, and uncertain, people looked to healthcare professionals and medical advisors for advice on what to do. The answer: face masks. Face masks have quickly become a defining feature of the past two years. Feeling as though the pandemic had put the world and life as it was known on pause, humans continued to create, putting a fashionable twist on a medical essential. Mask covering requirements were soon in every space, ranging from classrooms to restaurants to Disney theme parks. Like wildfire, face masks became not only mandated but trendy. While

masks are not fashion accessories, society began trying to find light in a dark world, searching for stylish masks that allowed for expression. Embroidered, patterned, transparent, and customized, the options for stylish masks were endless. As sales in luxury fashion dipped during the pandemic, design houses began producing and marketing masks. Pictured in Figure 3 is a Burberry mask incorporated into a monochromatic look. Sewn, styled, and shot, this advertising piece for Burberry reflects fashion trends during the pandemic.



Figure 3. Photograph from *Harper's Bazaar*, 2020. This figure depicts a monochromatic look in Burberry's beige heritage Burberry check print.

As of April 2022, mask mandates continue to be lifted as a sense of normalcy is trying to be returned. Masks are worn less and less and will soon go back to only being used in medical settings. While not a “trend” per se, masks entered the fashion world with both necessity and ease, allowing humans to protect and express themselves.

Besides overall sales declines, the pandemic has accelerated the existing trends of casual apparel and athleisure. With nationwide quarantines came many people stuck at home for longer than they had been in years. In this abundance of free time, what consumers value began to change. Being at home all day meant comfort became a huge characteristic on which consumers

started to focus. Gone were the days of putting on a suit and tie and heading to work. In came endless Zoom calls attended from the comfort of the couch. This time at home resulted in the acceleration of the apparel category: loungewear. Loungewear had been on the rise in the years leading up to the pandemic. In 2019, *Forbes* predicted, “that the athleisure trend was going to persist thanks to the growth of comfort-oriented silhouettes” (“Homewear on the rise,” 2021, p. 2). In early 2020, *Refinery29* stated, “that the coming fashion year would put coziness and being comfortable at the forefront” (“Homewear on the rise,” 2021, p. 2). These predictions were proven to be accurate, as loungewear quickly became one of the hottest commodities of 2020.

It is important to note that the consumer trend of moving away from formal wear has existed for a while now; the pandemic simply quickened it. Loungewear became the “uniform” of the pandemic, ranging from joggers to sweatshirts to matching tie-dye sets. “Fashion platform Lyst looked at search data from over 100 million online shoppers and found that Birkenstock clogs, Crocs, Ugg slippers, and Nike joggers were among the year’s most sought-after items of clothing” (Scott, 2020, p. 2). Reflecting a shift in reality and mindset, consumers quickly latched on to the numerous loungewear options clothing companies soon provided them. What was to come was loungewear being acceptable for far more than sitting on the couch. As the pandemic created complex emotions in every aspect of the changing world, consumers wanted their clothing to be easy and relaxed and not another thing to stress over. Clothing that was simple, easy to get on and off, and moved with the body was preferred over stiff and uncomfortable garments. While there will always be a time and place for formal wear, the consumer value of comfortability the pandemic accelerated continues to last even as the chapter of the pandemic is starting to close. Not comfort over fashion, but comfort through fashion.

Like the rise in loungewear, activewear found itself at the forefront of COVID-19 fashion, specifically: athleisure. Athleisure is defined as “comfortable, casual clothing designed to be worn both for exercise and everyday wear” (Merriam-Webster, 2022, p. 1). Consumer behavior has been hard to predict within the last two years, and multipurpose pieces are now needed that can move with the consumer from one activity to another. These multi-seasonal and multi-functional clothes go beyond just working out and have become accepted in many settings. Since most gyms were closed during the height of the pandemic, home workouts and virtual fitness classes became the new standard. This increased focus on working out was used both as an outlet to relieve stress and a way to stay healthy. These new consumer habits of at-home workouts created this added demand in the athleisure category. Certain athleisure brands such as Lululemon and Alo Yoga found a unique way to respond to this dual-demand, developing on-demand offerings that bring fitness and wellness classes to their consumers’ homes. These classes assist in building like-minded communities while also allowing for interaction between their consumers amidst a pandemic (Bringé, 2021).

During the pandemic, casual wear and activewear were some of the few departments that experienced growth in sales. “According to Statista, the U.S. sports apparel market was valued at \$105.1 billion in 2020 and is expected to reach \$113.4 billion in 2021 ... with athleisure orders jumping 84% since the start of the pandemic” (Bringé, 2021, p. 1). Going into 2022, this casualization of fashion will continue to ebb and flow. While these departments are expected to remain stable, consumers are eager to dress up. As social distancing comes to an end, what the future holds is starting to be seen, anticipating a revival of demand for a more unique and bolder fashion.

Daring new trends have emerged regarding what women want to wear, and sexier styles are seen. Rent the Runway's data documents this, noting there were "four times the demand for crop tops in 2021 compared with 2019, including triple the demand from women 35 and older, plus a 44 percent increase in searches for outfits with cutouts" (Paton & Maheshwari, 2021, p. 1). Consumers are no longer afraid to let their age limit what they wear. Additionally, as quarantine restrictions have lifted, so have hemlines. "Mini dress shipments have doubled this year versus 2019 ... neon colors and loud prints are on the rise" (Paton & Maheshwari, 2021, p. 1). Eager to get out of the house and have some fun, these new life values are reflected in the cropped silhouettes. Consumers are using their clothes to brighten the streets following the dark days of the pandemic and are beginning to reallocate their wallets to other categories. This pent-up demand for newness will see brands adjusting their inventory mix accordingly. Following the pandemic, what is to come for fashion is loud, flirty clothing that makes a statement of style or social relevance.

Social

During the initial height of the pandemic, the fashion industry and the world were thrust into a racial reckoning. Following the May 2020 death of George Floyd while in police custody, calls for racial justice were heard everywhere. These calls rang into every corner of society, from politics to healthcare to fashion. The resurgence of the Black Lives Matter movement put the issue of systemic racism at the forefront of the fashion industry's agenda. Diversity and inclusivity became important to consumers, using social media to voice their opinions and call out brands, retailers, and publications that did not follow suit. People began to speak out, telling stories of bias and ignorance of Black-owned businesses. Consumers demanded action beyond social media; they were not willing to let companies simply post an Instagram or issue a public

relations statement and move on. This time, under these circumstances, concrete action was commanded.

Soon enough, numerous entrepreneurs began to take a novel approach to increase diversity in the white-dominated fashion industry. One of which is Lindsay Peoples Wagner, who launched the Black in Fashion Council in June of 2020. Its mission aims to represent and secure the advancement of Black individuals in the fashion and beauty industries, working with brands like Calvin Klein, IMG Models, Gap, and more. Another, Aurora James, founder of an accessories brand, launched the Fifteen Percent Pledge. This initiative challenges large retailers to allot fifteen percent of their retail space to Black-owned businesses. She chose fifteen percent because it is a rough equivalent to the percentage of Black people who live in the United States. Big names West Elm, Sephora, and Vogue are some of the signees committed to diversifying the fashion and beauty industries. These two examples are just some of the numerous initiatives created to harness the social movement in an attempt to change the way the fashion industry operates. “The demand for greater diversity isn’t focused simply on models and designers as it has been in recent years. The industry is being called to account for the composition of corporate boards, brand managers, editors, photographers, and anyone else who has a hand in an industry that shapes our sense of self” (Givhan, 2020, p. 1). Overall, within the pandemic arose a social movement for increased diversity that brands will continue to be challenged and held accountable for in the years to come.

More recently, Russia’s invasion of Ukraine has again provided brands and retailers the opportunity to make an impact that goes beyond fashion. As the war continues, brands have shown their support for Ukraine, with Prada, Moncler, Hermes, Chanel, Acne, Ganni, H&M, and more suspending their retail operations in Russia. First halting sales via their website and app,

then proceeding to close brick and mortars, these brands have taken a stand, stepping into the world of politics and human rights issues. Additionally, brands and retailers have created numerous social media campaigns since the start of the invasion, showcasing verified, educational content and raising funds for the war effort. Limited edition accessories and garments are being produced for consumers to purchase to show a stance of solidarity. Since the beginning of the Ukrainian invasion, brands have not been shy in using their voice to make a political stand for human rights. During Paris Fashion Week, numerous brands used their show to send a message. Pictured in Figure 4 is the closing look of the Louis Vuitton show, the model wearing the Ukrainian flag's shades of yellow and blue. Figure 5 is from the Balenciaga show, where models walked through a fake snowstorm carrying heavy bags, a nod to the Ukrainian refugee crisis and creative director Demna Gvasalia's own experience as a refugee. The pandemic has prompted these bold responses, which blossomed from the social trends seen in the early days of the pandemic. In this new era of the fashion industry, brands and retailers are not afraid to play a political role, making an industry-wide, global impact where fashion stands for far more than clothing.



Figure 4. Photograph from *CNN Style*, 2022. This figure shows a look from the Louis Vuitton Fall-Winter 2022 show.



Figure 5. Photograph from *CNN Style*, 2022. This figure shows a look from the Balenciaga, Fall-Winter 2022 show.

Manufacturing

At the beginning of 2020, the global supply chain essentially stopped. As social distancing began and consumer demand dipped, businesses were forced to restrict their activity, turning the supply chain on its head. With stores and offices closing, factories encountered canceled or reduced orders and chose to halt production. Businesses assumed that consumer demand would continue to drop sharply with fewer goods being manufactured and fewer dollars being spent. While this was the case for most apparel categories, there began to be an exponentially increased demand for protective gear that was primarily made in China. Chinese factories began to ramp up masks and corresponding gear production in response to this heightened demand. Chinese factories then began to encounter a shortage of shipping containers due to many of the containers being stuck in parts of the world that no longer needed them. In

addition to this, as consumers started adjusting to the limitations of the pandemic, demand for household products like loungewear, kitchen equipment, and workout gear began to increase, and goods were loaded on ships and sent out in masses. This influx of goods created a massive wave of boats that quickly overwhelmed the United States ports; “with too many ships arriving at once, boats had to wait at times in 100-vessel queues off the port of Los Angeles and Long Beach” (Gamio & Goodman, 2021, p. 1). Once unloaded, unclaimed containers began to pile up on docks due to the shortage of truck drivers needed to transport the cargo to the warehouses. A labor shortage where businesses across multiple industries struggled to hire workers occurred and co-existed amongst other shortages. Consumers responded to the scarcity seen by ordering goods earlier and in higher quantities, placing further strain on the quickly unraveling system. Today, boats are waiting to be unloaded, ports are out of dock space, containers full of cargo are not being delivered to warehouses, and those warehouses do not have room to store the cargo, as they are already filled with goods that have not yet been sold.

In 2021, the Suez Canal blockage further exposed the global supply chain’s vulnerability and checkpoints. A container ship named the Ever Given became wedged in the canal due to high winds, preventing canal movement in both directions, as seen in Figure 6. The container ship was finally refloated following an operation involving a fleet of tugboats and dredging vessels. Lasting six days, the transport of billions of dollars worth of goods was delayed, and global trade was disrupted (Nabil, 2021). While rare, this blockage highlighted another one of the manufacturing industry’s problems: the reliance on a limited number of supply routes.



Figure 6. Photograph from *BBC News*, 2021. This figure depicts the Ever Given wedged across the Suez Canal.

It was relatively easy for the supply chain crisis to get this bad. Experts have warned that the global economy has been over-reliant on lean production and faraway factories for years, and the pandemic proved it. Known as “just in time” manufacturing, this is where companies keep as few raw materials and parts on hand as possible, opting to buy what they need as the need arises (Gamio & Goodman, 2021, p. 2). This type of system was standard practice and deemed cost-effective rather than a potential issue. However, what worked until now is demanding a rethink into what needs to happen for the supply chain to return to a sense of normalcy. Changes will have to be made, and adaptability will need to occur for the chaos to end.

What this looks like for the fashion and apparel industry remains to be fully seen. A typical clothing supply chain includes sourcing, warehousing, logistics, manufacturing, packing, selling, and closing with consumer service (Sumarliah et al., 2021). The supply chain’s objectives are to minimize costs, expand sales volume, and satisfy consumer needs. Many countries and regions lack the required infrastructure for complete supply chains, which is why outsourcing occurs, and supply chains are typically spread among areas. The pandemic has made this distance costly; currently, the price of shipping a container from China to Europe is up to six

times more than it was at the start of 2019, and from China to the U.S. West Coast, up to ten times more (BOF Team, State of Fashion, 2022). Not expected to lower anytime soon, shipping prices are predicted to climb and remain above their pre-pandemic levels for the rest of 2022 and in the years to come. Fashion brands need to plan for high shipping costs and note this in their financial predictions. With most retailers and brands now moving sourcing out of China, a trend will be seen in beginning to transition closer to the end consumer through near-shoring or reshoring.

The COVID-19 pandemic disrupted the fashion industry's supply chain unprecedentedly. Consisting of multiple countries with different techniques and capacities to control the virus, numerous hurdles of differing lockdown, social distancing, and political measures between countries were encountered. *Just Style* noted three factors that have impacted a country's apparel export performance over the last two years: textile raw material access, government lockdown measures, and comprehensive export competitiveness (Lu, 2021). Flexibility and agility will be trend drivers into the rest of 2022, with significant and unpredictable challenges remaining in the years ahead. These trend drivers will overall drive the transition to a supply chain that is more responsive. While consumer spending has rebounded in urban areas, supply chains remain impacted. "Given such a mixed global picture, there will likely be significant variation in recovery profiles across consumer markets and sourcing countries that play a critical role in fashion's supply chains" (BOF Team, 2021, p. 2). The supply chain uncertainty requires reassessing the risks of "relying on each manufacturing hub in their sourcing footprint while weighing up the need for supply chain resilience with the increased cost of sourcing from new and diversified locations" (BOF Team, 2021, p. 3). Smaller production runs closer to the season, in fewer collections and fewer stock-keeping units are manufacturing trends that will be seen in

response to this pandemic-induced supply chain disruption. Additionally, reshoring production and internalizing costs will be seen in the remainder of 2022 and in the years to come.

“Strategies must be built around demand and supply – speed, efficiency, regional balance, transparency, resilience, and continuity. Collaboration and a commitment to understand, and trust, the interconnectivity of all players across the entire chain can no longer be a catchphrase – this needs to be a foundational principle, for the greater good” (Wright, 2021, p. 2).

The supply chain disruption taught brands and consumers alike that any system is vulnerable to the unknown, no matter its industry, history, or complexity.

Economic

The pandemic spread across the world at an incredible speed due to the interconnectedness of the global economy. What the pandemic has brought to the global economy is a light that shines on and exposes the weaknesses and inequalities existing throughout it. When the initial shocks of the pandemic first occurred in April of 2020, the National Retail Federation predicted that the loss of income for both consumers and businesses would not be distributed evenly (Moin, 2020). This uneven distribution was mainly due to the divide between essential and non-essential businesses. An important classification like this meant non-essential businesses, such as shopping malls or boutiques, would experience substantial revenue losses. Additionally, many retail workers would lose their jobs in the months to come. Essential businesses, like grocery stores, would still share stable revenue, and the workers would maintain job security. This single discrepancy is why the fashion industry took such a downturn amidst the pandemic, due to its classification as a “non-essential.” Millions became out of work across multiple economic sectors, and numerous businesses and retailers closed to abide by social distancing protocols. Some closed temporarily and thousands more closed permanently, never recovering from the economic shock COVID-19 brought.

Additionally, key consumer demographics began experiencing layoffs or job losses, opting to save the little money they were bringing in. The Coronavirus Aid, Relief and Economic Security Act, signed in April of 2020, prompted loans, tax relief, and checks for consumers that helped provide liquidity and keep credit available for retailers and other businesses (Moin, 2020). This Act helped keep consumers and retailers afloat, with saving levels statistically doubling in 2020 compared to those in 2019 due to a combination of spending restrictions and stimulus payments. Within all this turmoil, the biggest question arose “when can the economy get back to normal, and how soon?” From a Western standpoint, fortunately, “the U.S. economy benefited from “sound fundamentals” going into the COVID-19 crisis, including sturdy employment gains, low inflation, and high consumer confidence” (Moin, 2020, p. 1). This advantage highlights the developmental gaps seen in world economies today.

Ultimately, economic recovery post-pandemic will differ between countries. Multiple factors affect this speed, including health and economic resilience levels, which will determine 2022 recovery patterns. Widening inequality between income groups among different regions and demographics will prompt countries with stronger economies and healthcare systems to outpace those struggling to provide nationwide vaccine access. In a 2021 session, World Trade Organization director-general Ngozi Okonjo-Iweala called for equitable access to vaccines and greater trade cooperation, stating, “the pandemic is reversing hard-won development gains, adding to the problems facing the most vulnerable. The post-Covid recovery must not leave anyone, or any country behind... keeping global markets open is essential for a strong and sustained recovery” (BOF Team, 2021, p. 1). Therefore, economic recovery variations will be seen across countries, reflecting differences in financial and healthcare responses to the unpredictable nature of viral outbreaks.

Experts broadly expect 2022 to be a year of financial growth based on the scenarios analyzed across some of fashion’s largest consumer markets. Year-on-year GDP rates are predicted to grow in the United States, China, and the Eurozone, as seen in Figure 7.

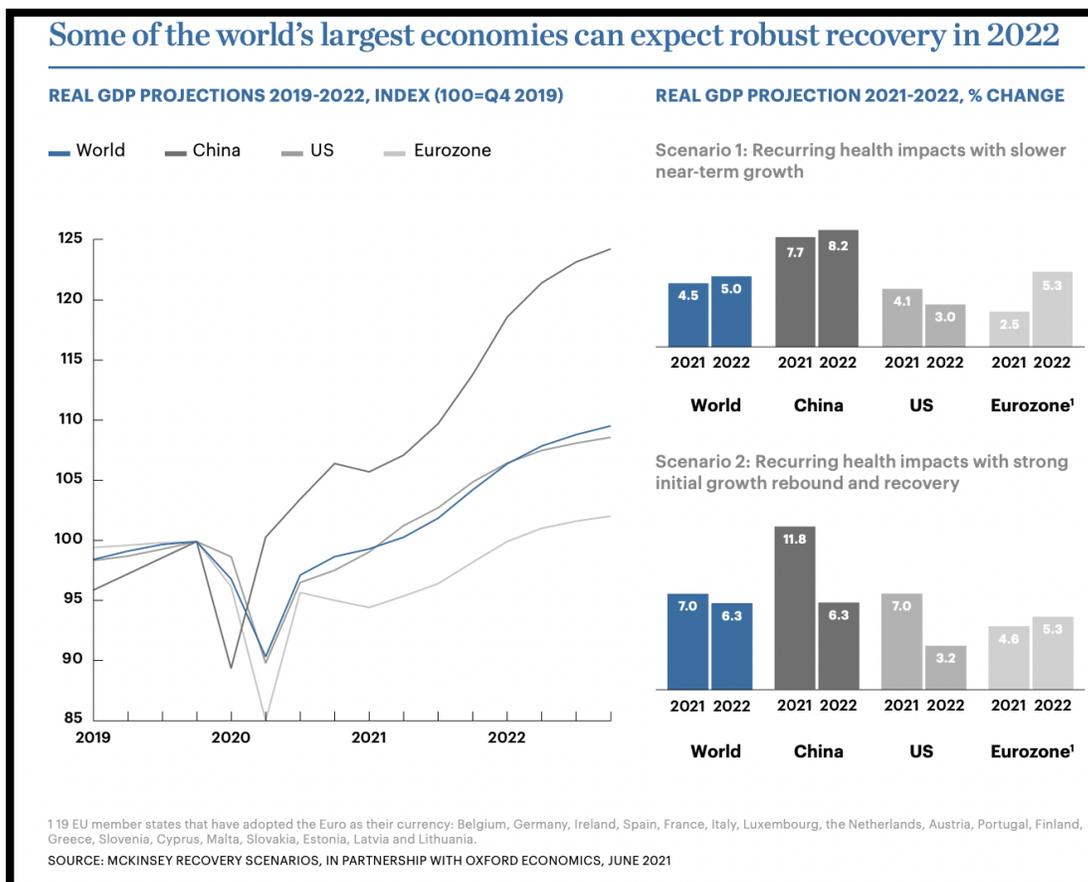


Figure 7. Photograph from *The State of Fashion 2022*, 2022. This figure showcases real GDP projections for 2019-2022 and real GDP projections for 2021-2022 % change

In 2022, McKinsey Fashion Scenarios projects an almost complete recovery to pre-pandemic sales levels in Europe, the U.S., and China. Additionally, total fashion industry sales could “surpass 2019 levels by 3 to 9 percent in 2022, with the luxury segment surging by 15 to 25 percent over 2019 levels” (BOF Team, 2021, p. 2).

As fashion leaders and retailers consider what is to come in the year ahead for the markets in which they operate, they will need to plan for differing speeds of recoveries dependent upon region. Recovery trends of the fashion industry from COVID-19’s economic

shock will be uneven across geographies. Countries that lack digital infrastructures for remote working or rely heavily on manual labor are susceptible to further economic downturns.

“The global fiscal response to the pandemic has been three times higher than the response to the 2008 global financial crisis, exceeding \$10 trillion in the G20 alone. However, many countries struggling under high debt burdens have lacked the firepower to drive recovery. For fashion, this meant some companies used the financial support available to them to maintain labor and budget balances, while others have faced prolonged difficulties. With many existing fiscal support schemes set to come to an end in the year ahead – while others have already ended – companies will need to consider alternative strategies to support a return to growth” (BOF Team, 2022, p. 22).

Business of Fashion recommends fashion companies that operate international businesses “tailor strategies to local conditions and take steps to mitigate risks and boost their supply chain resilience” (BOF Team, 2021, p. 1). With 2022 bringing some economies accelerating growth and others delayed recoveries, companies should put in place market-specific strategies that reflect the conditions of their consumers; consumer sentiment trends will play a large part in deciding the extent and speed of economic recovery to pre-pandemic levels. Fashion companies and brands are more likely to achieve a continued and smoother upward growth trajectory into 2022 and beyond by planning for an uneven recovery and allocating resources accordingly. The pandemic has affected the numerous categories of fashion, social, manufacturing, and economic trends in the fashion industry. Understanding how COVID-19 played a role in transforming the industry in all of its sectors is key to narrating a successful and profitable future. What is to come is the further development of these trends and an increased reliance on a new, digital frontier.

Digitalization

eCommerce

In the Spring of 2020, with fashion shows canceled, physical stores closed, and the overall economy facing a significant downturn due to the COVID-19 pandemic, fashion had to

find an alternative: digital. This consumer migration to digital, specifically eCommerce channels, allowed businesses to pivot and stay afloat despite the significant loss of in-store revenue.

eCommerce is defined as “the business of selling, buying, logistics or other transactions via the Internet” (Narayan Rao et al., 2021, p. 1). A trend that had been gaining momentum for years, the pandemic sharply accelerated the shift toward online shopping, turning it into a possible manner of life and death for businesses. While wholesale and independent retailers, who predominantly earn their revenue from a brick and mortar, have suffered since the pandemic, online sales have increased by 30-50% a year in multiple apparel categories during the same timeframe (M-brain, 2021). For example, between April and June of 2020, Amazon sold 57% more items than it had during that period a year earlier (Gamio & Goodman, 2021). Representing a key shift in consumer buying behavior, fifty-three percent of people reported that their purchasing habits have permanently changed due to the pandemic (Ginsberg, 2021). Brands have had no choice but to respond to this shift in consumer behavior. Turning to the pandemic-proof eCommerce to make money amidst social distancing shutdowns became a requirement for survival. Figure 8 shows the share of B2B companies selling through eCommerce before

compared to during the pandemic, with Brazil, Spain, and Japan seeing the most significant increase in the number of businesses selling online.

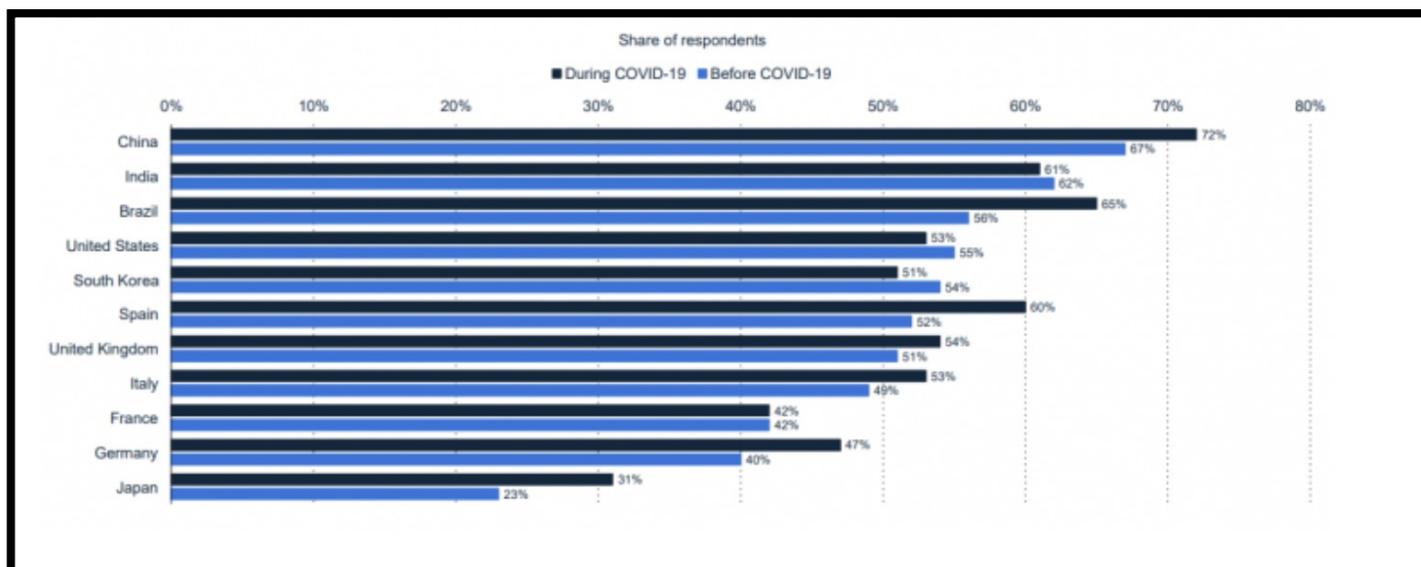


Figure 8. Photograph from *International Trade Administration*, 2022. This Chart Represents the Share of B2B Companies Selling Through eCommerce Before and During the Pandemic.

Online sales have been steadily growing within the past decade, and the pandemic further accelerated that source of revenue growth. Figure 9 depicts the projected increase in online retail sales because of COVID-19 disruptions on businesses.

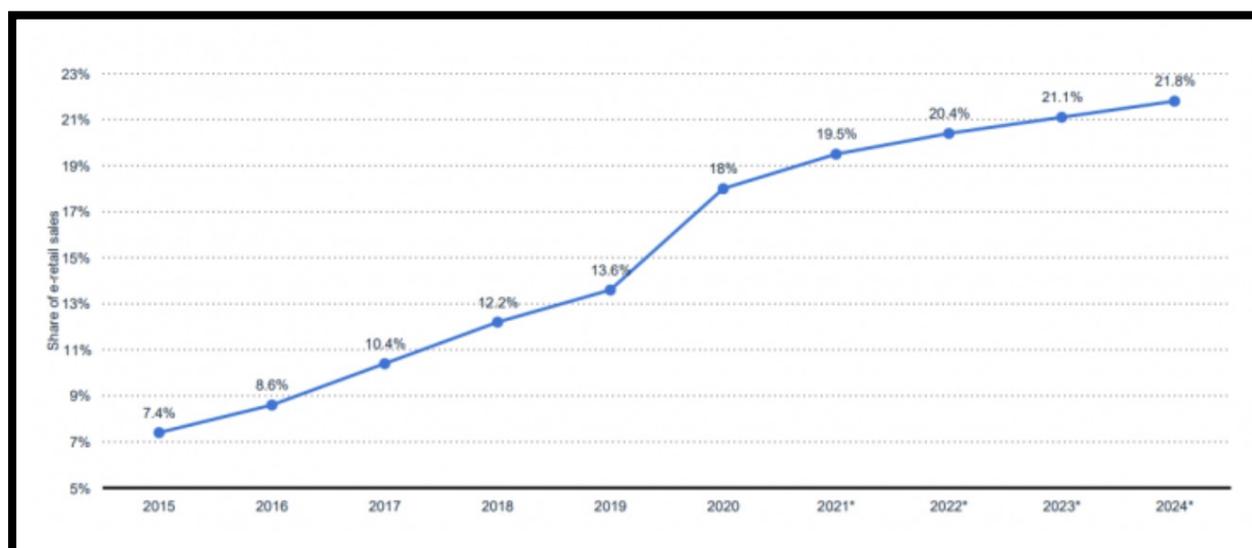


Figure 9. Photograph from *International Trade Administration*, 2022. This figure depicts the eCommerce share of total global retail sales between 2015 and 2024.

Innovation is constantly taking place within eCommerce, which is why buying online has become so widespread and trusted by consumers. Whether it is free shipping and return policies, customized sizing and fitting analytics, or providing personalized recommendations, consumers have gained a heightened dependence on eCommerce due to its reliability. Ensuring that this consumer expectation is consistently exceeded is the challenge. Businesses can do this by utilizing digital technologies like chatbots and virtual assistants to create a more personalized shopping experience. Focusing on these customer service avenues will be a critical factor in revolutionizing online shopping. Today, the eCommerce market is valued at \$2.2 trillion and is growing at a compounded annual growth rate of 24%, which is four times faster than the global retail sector (Narayan Rao et al., 2021). With eCommerce as the driving growth engine for global retail, the pandemic has changed how consumer markets purchase and view the everchanging world.

The COVID-19 pandemic has forced many businesses to rethink the traditional business models that have been utilized and successful for decades. “The data tells us that COVID pandemic-related business restrictions have forced a global business paradigm shift towards the digital economy, which has negatively impacted traditional business models while also creating opportunity through sales diversification online” (“Impact of COVID Pandemic on eCommerce,” 2022, p. 3). Overall, the maturity of a company’s digital economy will determine the recovery and growth retailers see in the years to come. Ensuring that customers experience the same level of service online as in brick-and-mortar stores is vital. Brands and retailers can do this by developing an easy-to-use app that they can utilize to track the customer journey from beginning to end. This data can help brands know what works and what needs improvement. Additionally, having personalized marketing tactics that allow brands to engage with customers and build

relationships will increase revenue opportunities. eCommerce allowed brands to survive during a worldwide pandemic and thrive in the following years, coming out at the forefront of transformation in the global fashion industry.

Metaverse

Amidst the pandemic, fashion has looked to other ways to keep people connected, informed, and inspired through screens. An example of this is Shanghai Fashion Week. The shows adapted fast, beginning on March 24, 2020, and were presented entirely digitally (“How the COVID-19 Pandemic,” 2020). This increasing use of digitally connecting is mostly applied to what is known as the metaverse. While a seemingly new concept, the term metaverse was coined thirty years ago by sci-fi writer Neal Stephenson to describe “a virtual reality space that mimics a physical one” (Hyland, 2022, p. 1). The metaverse and all its components are on track to revolutionize the fashion industry, already starting through platforms and activities like virtual department stores, virtual fashion shows, and virtual clothes and accessories (Amed, 2021).

The pandemic prompted many consumers to the metaverse, specifically on social platforms like Instagram, Fortnite, Zoom, and Tik Tok. In its 2022 State of Fashion Report, *Business of Fashion* spoke of this metaverse mindset, recommending that key fashion players “explore the potential of non-fungible tokens, gaming, and virtual fashion – all of which offer fresh routes to creativity, community-building, and commerce” (BOF Team, 2022, p. 18). Fashion brands are beginning to do just that, with many having already designed virtual fashion assets for gaming platforms. Notably, Ralph Lauren collaborated with the South Korean app, Zepeto, to unveil a virtual fashion collection. Through this, users could dress their avatars in exclusive Ralph Lauren products or “skins.” Additionally, Balenciaga collaborated with Fortnite,

producing shoppable virtual clothing and physical products, as pictured in Figure 10. Gucci has also designed digital assets for Animal Crossing, Pokémon Go, and Roblox gaming platforms.

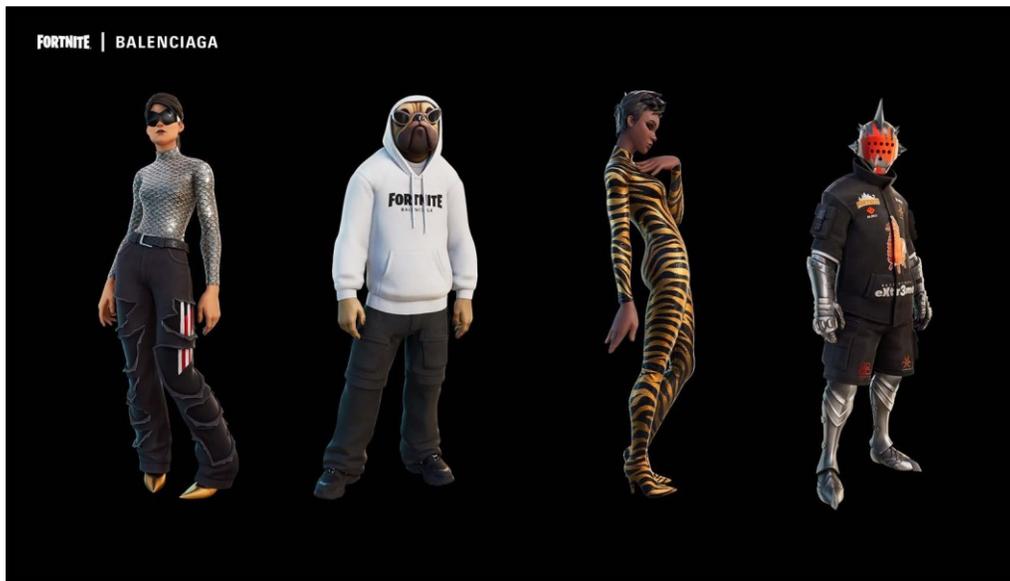


Figure 10. Photograph from *Epic Games*, 2021. This figure depicts four fan favorite Fortnite characters dressed in Balenciaga virtual clothing.

The metaverse is on track to blur with daily life, shifting from a two-dimensional barrier into a three-dimensional environment. Described as “the next frontier,” fashion brands need to be open to the metaverse as a source of income in this increasingly digital age (Amed, 2021). Specifically, NFTs are to be seen as a growing source of income. Non-fungible tokens (NFTs) are “unique crypto assets whose authenticity and ownership are verified on blockchains and are bought, sold, and exchanged in the metaverse, often with cryptocurrency” (Amed et al., 2022, p. 58). These unique certified digital assets are one-of-one, meaning each NFT is unique, generating high revenue growth opportunities and known as the couture of the metaverse. As a whole, NFTs bring a new level of exclusivity to the fashion industry alongside an opportunity to turn digital designs into highly scarce and valuable collector pieces.

Businesses should turn to virtual reality and augmented reality to engage with the opportunities available in the metaverse fully, aiming to heighten the consumer experience.

Augmented reality (AR) is “an interactive 3D experience that combines a view of the real world with computer-generated elements” (Johnson, 2020, p. 1). In contrast, virtual reality (VR) “creates a completely synthetic virtual world within a headset” (Johnson, 2020, p. 1). A great example of a company that has incorporated augmented reality is Zara. Zara has redefined the window-shopping experience using augmented reality. When customers walk by Zara’s brick-and-mortar windows, they can scan a QR code that pulls up Zara models in numerous outfits while walking a virtual runway. Listed below is a link where consumers can directly purchase various clothing items online (Ginsberg, 2021). By doing this, consumers are already beginning to have heightened expectations for competitors, who should find a way to follow suit uniquely.

Additionally, broad fashion opportunities exist in gaming, capturing and engaging a new, younger consumer base. “As gaming increasingly becomes an extension of the real world, and with the pandemic supercharging participation, it has become a prime target for fashion brands” (Amed et al., 2022, p. 58). These younger consumers who would not usually interact with the brands in a physical format, are now purchasing their virtual clothing. A digital rendition of the Gucci Dionysus bag just recently sold for roughly \$4,115 on the gaming site Roblox. The bag typically retails for \$3,400, marking a new precedent for opportunities in gaming (Mahirova, 2021). In-game merchandise such as this values the total addressable market for digital fashion at \$31 billion (Amed et al., 2022). Overall, a digitalized world that is now imperative for business survival can provide a seamless customer experience and numerous profitable opportunities.

As the digital world gains user popularity, concerns arise over the environmental impact of the blockchain technologies that mine for NFTs, specifically, the required energy. Issues of cyber security and counterfeit security breaches are also potential threats to this new frontier. Despite these issues, there is a high opportunity for brands within the crypto fashion world.

Brands will need to be strategic, adaptable, and willing to experiment with it, planning for a significant investment. The metaverse is expected to become a significant driver of revenue growth and further advancement in fashion's growing dematerialization. Brands at the forefront of competing in the metaverse will need to be open to testing, failing, and learning, paving the way for what is the future.

Sustainability

"I think it's an opportunity for all of us to look at our industry and to look at our lives, and to rethink our values, and to really think about the waste, and the amount of money, and consumption, and excess that we have all indulged in and how we really need to rethink what this industry stands for" (Pellerin, 2020, p. 1).

It is no secret that the global \$1.5 trillion fashion industry impacts both its consumers and the planet. With synthetic fibers being used in seventy-two percent of manufactured clothing, taking 299 years to decompose, the footprint the fashion industry makes is a significant one (Magyar, 2021). As a result of producing and transporting millions of garments per year, the apparel industry accounts for ten percent of global greenhouse gases. It is the second-highest polluter, following closely behind the oil industry (Morgan, 2015). The past ten years, in particular, have expedited the fast fashion demand, and the global fashion industry has morphed into an unsustainable scenario producing cheap clothes with cheap labor. The beginning of the COVID-19 pandemic forced this take-make-waste approach to halt in 2020 (Magyar, 2021). Over the past two years, the entire industry has been disrupted in a way one could have never predicted or planned. In March of 2020, production stopped, and supply chains became utterly disrupted. Simultaneously, consumers began to use their now ample free time to examine the world and voice their concerns about the fashion industry's impact on the planet. While an initial thought was that the COVID-19 pandemic could put the sustainability progress that the industry had already made on pause, the opposite came true. A new era of reckoning began, one that

examines the problems in the world and not only recognizes but reacts. Understanding the unsustainable effects on humans resulting from an unsustainable way of production is the first step to understanding the pandemic's magnitude on the sustainability effort in the textile and apparel industry.

Humanitarian Issues

Bangladesh was first jolted into the limelight in 2013 when a garment factory in Dhaka, Bangladesh, collapsed, killing more than 1,100 workers and injuring many more, pictured in Figure 11 (Yardley, 2013). These statistics made the Dhaka factory collapse the deadliest disaster in the garment industry's history. It was thereafter learned that, while heightened, Rana Plaza was not an exception or a rare abnormality of working conditions for garment workers. The building constructed with average materials in blatant disregard for building codes appeared to be the norm for apparel manufacturing in newly developing and developing countries. The tragic instance focused global attention on the garment industry-standard of unsafe working conditions, low wages, and long hours. Lockdowns put in place at the height of the COVID-19 pandemic again readdressed these issues.



Figure 11. Rana Plaza Collapse from The New York Times, 2013. This figure demonstrates the extent of the collapse and the unsafe working conditions that prompted it.

Seven years after the Rana Plaza collapse, the prolonged lockdown measures in Bangladesh affected the industry differently. The lockdowns were estimated to have cost Bangladesh's garment industry \$4.9 billion in lost revenue (Choudhury, 2020). This loss in revenue is due to a multitude of reasons. First, while Bangladesh is primarily self-sufficient in accessories production, Bangladeshi garment factories rely heavily on imported yarns and fabrics for women's wear. When China's textile supply was delayed in the first half of 2020 due to the pandemic, Bangladesh's production suffered severe disruption.

Additionally, order cancellations appeared to affect garment factories in Bangladesh disproportionately. The garment industries are used to higher quantity orders of more basic fashion items, yet, to meet the changing consumer demand, Western fashion companies began to place smaller quantity orders with a different, more selective product assortment (Lu, 2021). This shift in orders was all in addition to the numerous orders canceled, which resulted in factories not being able to pay off the upfront costs they incurred from pre-purchasing the needed materials. Suffering a nearly thirty percent drop in apparel exports due to COVID-19, it is reported that

around 1,089 factories in Bangladesh have had orders canceled worth roughly \$2.8 billion due to the pandemic, a number that has had the harshest effect on the workers (“How the COVID-19,” 2020). “Of the thousands of factories and suppliers that have lost their contracts, 72.4% said they were unable to provide their workers with some income when furloughed ... and 80.4% said they were unable to provide severance pay when order cancellations resulted in worker dismissals” (“How the COVID-19,” 2020, p. 3). Sparking a potential humanitarian crisis, the pandemic’s effect on Bangladesh’s textile and apparel industries is proving problematic.

The pandemic highlights how interconnected the global textile and apparel supply chain is. Decisions Western countries made affected those living hundreds of thousands of miles away. This distance results from the common practice of outsourcing manufacturing labor Western companies utilize in an attempt to keep costs low and profit margins high. Outsourcing work in Bangladesh is a widespread practice that occurs mainly due to the country’s competitive production cost. The wage level is less than \$100 per month, which is one of the world’s lowest (Lu, 2021). Providing a cheap labor cost draws retailers from Western countries looking to make the highest profit at the lowest cost. This situation where workers barely receive a living wage occurred long before the pandemic and only intensified during the months to follow. Threatening labor achievements since Rana Plaza, when the factories began to shut down, some workers received a severance of less than a month’s salary while others received nothing at all. With most having no savings, many worried about being able to take care of their families. Costs for food, rent, and other necessities were now unable to be afforded, not including the healthcare costs that could ensue if workers needed medical treatment for COVID-19 symptoms. Diseases do not discriminate but instead widen the cracks of wrongness existing, shining a light on the good, bad, and ugly.

Circular Consumption

Everything the pandemic impacted ultimately reinforced the fact that years of producing cheap clothes from cheap labor had created an unsustainable scenario within the fashion industry. Modern statistics show synthetic fibers used in seventy-two percent of the world's clothing take two hundred years to decompose. Additionally, the apparel industry accounts for ten percent of global greenhouse gases, and the average garment worker spends sixteen hours per day earning a fifth of the livable minimum wage (Magyar, 2021). As the effects of COVID-19 are seen, the entire industry has been disrupted: clothing sales plummeted, production stopped, and supply chains shut down. Amongst this, social media began to see more and more users voice their concerns over the fashion industry's footprint.

A response to the substantial backlash faced when consumers began to open their eyes to what was occurring, a new concept of "circularity" has been embraced. In a circular model, resources and products are used for as long as possible before being regenerated into new products (Magyar, 2021). For example, consumers could donate old shoes and clothes, which could be cleaned, stripped down, and disassembled, leaving only remaining fibers. The fibers could then be spun into yarns and knits, making a completely new garment out of a used one. Judith Magyar of Forbes noted three steps to achieve a circular retail model, recommended by McKinsey's fashion industry experts. The steps are (1) embracing circular design, (2) ramping up reverse logistics, and (3) supporting customer adoption. The first step is designing for zero waste. Because ninety percent of environmental impact occurs at the design stage of the product, a more sustainable future requires both manufacturing innovation and a significant shift in mindset by consumers. Companies can do this by educating designers and suppliers on ways to reduce waste by, for example, reusing fibers or chemicals. Ultimately, the responsibility falls on

the company to make this initiative due to it being the company that consumers place backlash on.

The second step is to manage waste with reverse logistics. Making a company circular is easier said than done primarily due to facilities lacking proper waste-management and recycling infrastructure. Reverse logistics involves recovering or reselling items from the disposal step to continue gaining value. Companies have begun establishing collection points or processes that allow customers to bring in their old items. An example of a company that is doing this is Madewell. For a twenty-dollar coupon off new jeans, customers can bring in and donate their old pairs of jeans. Madewell will then pass the jeans along to the Cotton's Blue Jeans Go Green program, turning them into housing insulation for charitable products. Madewell notes that of the 1,096,265 pairs of jeans recycled (as of March 2022), 548 tons of waste have been saved from a landfill ("Recycle Your Denim," 2022). Pictured in Figure 12 is Madewell using donated jeans to help Habitat for Humanity insulate a Los Angeles home.



Figure 12. Photograph from Madewell, 2022. This figure displays Team Madewell helping Habitat for Humanity insulate an LA home.

Recycling materials allows retailers to help remedy the waste situation, marking one step further in an attempt to participate in a circular economy. The third and final recommended action is to create a consumer experience. By retailers educating and encouraging their consumers to participate in this circularity movement, it can go past simply an idea, and retailers can implement concrete actions. Involving the consumer is key to making this concept a reality. With both retailer and consumer working together, “the consumer feels good about reducing environmental impact, the retailer demonstrates social responsibility, and both parties benefit from reduced packaging waste and costs” (Magyar, 2021, p. 4). Overall, while this circularity model is far from a reality for many retailers, the pandemic has made sustainability an important pillar to be considered in every business model, finding that delicate balance between profit, people, and the planet.

This post-pandemic shift in customer values sees a stronger desire for more sustainable consumption. Another step to a more sustainable future, the pandemic has prompted a recent rise in renting services that embrace this circularity concept. It works by users going online, picking out a designated number of items, having them shipped to their door, wearing them, and returning them. In a way, celebrities have engaged in this “renting” process for years, borrowing a dress from a designer for a single event and then returning it the next day. So, while not a new concept, it certainly is a timely one. *The New York Times* interviewed Rent the Runway’s chief executive, Jennifer Hyman, who revealed since May of 2020, there has been a 92% increase in subscribers, a number that was on track to outpace pre-pandemic levels (Paton & Maheshwari, 2021). The resale marketplace has become so popular amidst the pandemic that the apparel rental industry has quickly become one of retail’s biggest frontrunners in this new era of consumption.

The rise in apparel rental services will only continue to grow in the years to come. With big-name retailers like Urban Outfitters beginning to expand into rental markets, with their subscription service Nuuly, companies are finding they can maximize profit by giving their customers this platform in which to partake. In 2021, Ralph Lauren became the first luxury brand to offer direct-to-consumer clothing rentals. In a post-pandemic world, overconsumption is being reconsidered, as is the true cost of fast fashion. Initially brought to the spotlight with the 2013 Bangladesh factory collapse and recently propelled by the COVID-19 pandemic, an increased focus on sustainability is being seen in a world where how a garment was made is just as important as how it looks.

CONCLUSION

Specifically, in terms of trends, digitalization, and sustainability, impacts from the COVID-19 pandemic are seen in the global fashion industry. Extensive research proved this paper's hypothesis true, as the pandemic has affected all facets of the fashion industry, specifically those noted. Consumers are adapting to change, as are businesses and economies alike, with effects continuing to be seen as daily life progresses. Forbes states that "every crisis generates innovation" (Durocher, 2021, p. 1). This statement rings true as the fashion industry's pandemic survival was and is dependent on innovation. For both brands and consumers alike, the pandemic prompted a rethinking of the industry in all its capacity. Key parameters that will shape recovery patterns include renewing traditional business models, streamlining operations, and sharpening customer propositions. Traditional business models will need to be updated with more efficient supply chains and interactive technology features. Through streamlining operations, cost-effective optimization can occur that improves annual efficiency. Lastly, business models can achieve innovative, sustainable improvements by sharpening customer value propositions.

Based on this research, future predictions for the fashion industry are formed. With fashion always at the forefront of innovation, clothing garments will become further useful and personalized to the wearer, becoming increasingly more digitalized. Augmented reality and virtual reality have the potential to expand on what was ever thought possible, with clothes being specifically designed for these realities. Fashion being optimized using this technology will make clothing appear different to certain wearers than it would in the physical world. For example, one could wear a black t-shirt in the physical world, yet there could be designs, prints, or even silhouette-changes users perceive in the virtual world. Additionally, a rethinking of the industry

from end to end will need to occur when aiming to achieve circularity. Through this, a new era of sustainability starts. Robots will become more present on the manufacturing floor, overall prompting a needed reconsideration of the developing economies that heavily rely on apparel manufacturing for worker employment. 3D printing of clothes will also become more standard, resulting from that sharp focus on sustainability. With this variety of manufacturing, design capabilities are endless. Clothes will most likely become more 3-dimensional as the demand for bolder fashion remains. Continuing a more novel approach, fibers infused with scents, vitamins, or nutrients will allow for further customization by the wearer. In a central industry that helps define everyday life, consumers will shop with their values in this forecasted altered landscape of possibilities. In this next chapter, the blurring of technology and reality forms a fusion of modern life. With the COVID-19 pandemic accelerating pre-existing trends and movements, a new path was paved for the years to follow, forming a story of a resilient, innovative, and constantly evolving industry.

IMPLICATIONS & RECOMMENDATIONS FOR FURTHER RESEARCH

Industry practice and subsequent research will utilize the findings of this research. This study was essential to conduct because it serves as a metaphorical timestamp of the global fashion industry from early 2020 to early 2022. Additionally, few other sources have been found that compile results of the COVID-19 pandemic on the global fashion industry as all-encompassing and as extensively as this research. This compilation can guide the following years for the global fashion industry, and it will be significant for decades to come, useful for businesses, consumers, and historians alike. With the abundance of this research being a constantly developing and changing topic, these findings should be readdressed as the pandemic results are further lived out. This research provides a sound starting block for future scholars and professionals to reference and add upon as years progress, needing to be continually updated. Recommendations for further research include expanding upon predictions, noting new trends, and documenting technological advances. The global fashion industry is constantly evolving, and research should never stop following and documenting that change that goes beyond just fashion, affecting every corner of society.

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