

America trades fashion for sweatpants: a difficult challenge for designers, retailers, and merchandisers

In the year 2020, revenues for the global fashion industry in the apparel and footwear sectors will shrink by around 30 percent, [according to an estimate](#) in [“The State of Fashion 2020”](#) by McKinsey & Company.

And, as the craze for sweatpants and t-shirts overturned fashion forecasts for 2020, fashion designers, retailers, and boutique owners are being faced with challenges that the industry has never seen.

Kassandra Ross, a PhD student in consumer and design science at Auburn University, explained that COVID-19 turned the fashion forecasting cycle upside down. These forecasts are made up to two years in advance, and the pandemic caused these predicted trends to get thrown out of the window.

“All of those products become unusable because what was predicted is not coming true,” Ross said.

Fashion retailers are now faced with the unexpected hurdle of reinventing the merchandise that didn't sell because of incorrect forecasts. Instead of tossing unsold clothes, department clothing stores like Macy's are working to recreate existing pieces of clothes, according to Ross.

And, because of the pandemic, customers are encouraged to shop online instead of in-store, resulting in many large retailers to close storefronts to focus on virtual shopping experiences. According to Ross, Gap and Banana Republic closed over 400 stores.

The culprit of shaking the global fashion cycle is the unexpected trend of 2020: loungewear. Designers worked to incorporate plush and comfortable clothes that lend themselves to ‘cocooning’, or staying at home instead of going out, according to Ross.

For young business owners who have not experienced the challenges of owning a business, this year gifted these entrepreneurs with hard lessons to be learned.

Sara Herman a junior at Auburn University majoring in public relations, started her own jewelry boutique, [Rose Sky Designs](#), at age 17.

Within the first few weeks of 2020, Herman’s wholesalers from China and Vietnam that she worked to build strong relationships with began to ghost her. Herman realized that the silence from her wholesalers was because their countries were drowning in COVID-19, and she feared that COVID-19 was worse than what most Americans were seeing.

“I had to buy express shipping just so that my products would arrive within six months,” said Herman.

When Americans began to quarantine, Herman expected her sales to decrease. But, when stimulus checks were distributed, she saw an unexpected boom in her sales. These target customers, females ages 18-27, were quick to spend their extra money on Rose Sky Designs jewelry.

But, as COVID-19 continued, sales began to dip again.

“I think that the reason why it slowed down once quarantine really hit is that nobody had anywhere to go. I was buying only sweatpants and t-shirts,” said Herman.

The sweatpants of Herman’s jewelry market turned out to be hoop huggies, which are tiny hoops that circle just under the lobe of the ear. Necklace sales declined, and Herman blamed this on her customers not knowing where they would wear these new necklaces. Back-to-school would usually mean an increase in sales, but with students in online classes, there was no fluctuation.

COVID-19 allowed Herman to focus on staying organized by looking at analytics and business habits. Rose Sky Design’s social media looked different over quarantine because customers were online 24/7 instead of during specific times.

The biggest impact that the pandemic had on Herman was not being able to meet people face-to-face. The personal aspect of her business, which is her favorite part, had to change for the sake of safety.

Through the worst of COVID-19, Herman saw that inspiring others remained at the core of her business despite negative circumstances. “I want to inspire people to really do it and to use your creative energy,” said Herman.

Like Rose Sky Designs, for a local Auburn boutique called Lily Jane Boutique, COVID-19 caused twist and turns for the company, but with an added hurdle of opening an in-person storefront.

Sarah Jane Levine, owner of Lily Jane Boutique, recently moved her boutique from her home to a storefront.

“People didn’t feel comfortable coming to someone’s house to pick up their order, but they do feel comfortable coming to a store where the employees wear masks,” Levine said.

This motivated her to open her first storefront on August 1, 2020, after nearly two years of running the boutique through her home and with online orders.

The pandemic pushed Levine to get creative with her marketing. Every Tuesday, Lily Jane Boutique holds a live sale on Facebook called ‘Tuesday Top Ten’. Customers are able to virtually shop for the most desired and on-trend items that the owner picks.

The world of fashion is at the center of industries that feel negative impacts of COVID-19, as has the wedding industry. In the middle of these worlds lies a wedding dress boutique called Gregory Ellenburg.

Rebecca Norwood, a senior at Auburn University, interned at a custom pageant and wedding gown shop in Greenville, North Carolina, called Gregory Ellenburg. Because customers didn't know when they were going to have their weddings or pageants rescheduled, Norwood and other employees at Gregory Ellenburg stopped altering the dresses.

The constant change of a female's body prevents the employees who hem the dress from working on dresses far in advance, and as a result, the shop's line of work was put on pause.

And, as a senior with a career search in full swing, Norwood is learning that this year will present heightened challenges for entry-level fashion designers.

"Some jobs can work from home, but so many design jobs have to be in person and are too hard to do remotely," said Norwood.

Ashton Bengel, a senior at Auburn University majoring in apparel design and management, is quick to tie all of her fashion work to her mission statement: "To design clothes that inspire confidence and encourage happiness while empowering women in need throughout our world."

With her mind fixed on using fashion to help those in need, Bengé's long-term goal is to have production facilities in Haiti. This summer, Bengé planned to intern with a non-profit who sourced their goods out of Haiti.

But, it was cancelled because of the pandemic.

After briefly mourning the loss of her dream internship, Ashton landed an internship with Heidi Elnora Build-A-Bride Boutique and was able to see the effects of the pandemic not only on design employees, but also on the brides.

“A bride needing a full beading on her wedding dress was planning to get the beading done in March, but because of COVID-19, we had to fully bead a dress in two weeks, which is crazy,” said Bengé.

At the brunt of the economic blow are local design shops. [Scarlet and Gold](#), a lifestyle and gift brand that focuses on prints, t-shirts, and jewelry, noticed a shift in sales. The brand is based out of Auburn, AL, but has an online storefront.

Scarlet and Gold began as a small designing company that focused on prints for homes. But, over time, the business grew, and apparel was the product that took off. T-shirt designs with themes of college gameday, inspiration, or fashion prints became ‘Instafamous’, as well-known Bachelor contestants were photographed in Scarlet and Gold's apparel.

A natural result of the company's roots planted deep beneath the rich Auburn soil is the dominance of the college t-shirt sales. This gameday-themed line of apparel is what generated most of Scarlet and Gold's revenue.

That is, until 2020.

"We had to shift our focus, which I think is a positive thing because it allowed me to shift toward the heart and mission of Scarlet and Gold," said Koral Dean, creative director at Scarlet and Gold.

A message of service, positivity, and encouragement is what Dean took advantage of to brighten the lives of her customers during the dark period of quarantine.

In addition to the shift from football to fundamentals, Scarlet and Gold's vendor for production and fulfillment began to slow down as a result of the boom in online shopping. Forced to lay off workers in order to comply with social distancing guidelines, the vendor became behind on fulfilling orders.

"It affected our shipping times, which snowballed to cause more customer service issues, and more service time had to be devoted," Dean said.

Dean noticed that the recent economic dip from COVID-19 is turning once regular customers into penny pinchers, and these customers are not purchasing as much fashion as they used to.

In [“The State of Fashion 2020”](#) by McKinsey & Company, it was found that more than 70 percent of US customers were expected to cut back spending on apparel in 2020, compared to only a 40 percent drop in global discretionary spending.

The company endured hardships through the pandemic, but Dean and her team learned to avoid putting all of her eggs in one basket. Gaining the ability to change, grow, and adjust resulted in Scarlet and Gold coming out of the pandemic stronger than it was before.

Abby Griffin is the owner and designer of Griff, the in-house clothing brand at [Griff Goods](#) located in downtown Opelika, Alabama, and, like Scarlet and Gold, Griffin’s small business has felt quakes at the foundation of its business as COVID-19 shook the globe.

“We relied heavily on events and our retail shop to generate revenue, and overnight that was stripped away from us,” Griffin said.

As a result, Griffin shifted her focus from retail to manufacturing as she temporarily closed the doors of her retail shop.

This major shift resulted in inspiration for the designer that would have been left uncovered without the pandemic. Griffin had time to dig deep into the local community’s style to create products to satisfy those local desires.

Now, Griffin has reopened the doors to her retail store, and is pleased with her new original products.

“I think COVID was a bit of a wakeup call to slow down and focus on what matters, and for us that meant manufacturing clothing for our community,” Griffin said.

PHOTOS



Griff Goods, a local designer retail store, was split between the manufacturing industry and the retail industry during COVID-19 to keep its business afloat. (Photo by Abby Griffin)



Many state mandates require customers to wear masks when entering retail stores, which can either encourage or deter shoppers from entering the store. (Photo by Caroline Rice)



Megan Smalley (left) and Koral Dean (right), co-owners of Scarlet and Gold, have leaned on each other to keep their business moving forward during COVID-19. (Photo by Hannah Miller)



Sarah Jane Levine, owner of Lily Jane Boutique in Auburn, opened her first storefront after her customers no longer felt comfortable shopping in Levine's home because of the pandemic.

(Photo from Sarah Jane Levine)