

North America Softlines Recovery Journey

In the U.S. and Canada, nearly every category posted positive performance for March 2021 compared to 2020. In some cases, performance was positive even compared to March 2019. In the U.S., this may be attributed to several factors, including the receipt of stimulus money, an earlier Easter, and, for some, the return to in-person school. Canada's apparel industry had its first sign of recovery in March, though this was prior to the third wave of virus cases, which led to further restrictions and store closures in many key regions. Categories connected to social engagement continue to struggle as COVID-19's substantial impact remains. We will continue to monitor how this progresses, especially for dressier categories as social occasions restart.

Gaining, Recuperating, Waiting

Based on dollar percent change, March 2021 vs. March 2019

	APPAREL	FOOTWEAR	ACCESSORIES	BEAUTY	SPORTS EQUIPMENT
U.S.	<ul style="list-style-type: none"> ▲ Tops ▲ Bottoms ▲ Intimates ▲ Underwear ▲ Socks ▲ Sleep ▲ Swimwear ● Dresses ● Outerwear ▼ Tailored 	<ul style="list-style-type: none"> ▲ Performance ▲ Sport Leisure ▲ Outdoor ▲ Work/Occupational ● Fashion 	<ul style="list-style-type: none"> ▲ Handbags ▲ Backpacks ● Wallets ▼ Luggage 	<ul style="list-style-type: none"> ▲ Skincare ▲ Fragrance ▲ Haircare ▼ Makeup 	<ul style="list-style-type: none"> ▲ Outdoor Sports ▲ Camping ▲ Golf/Racquet ▲ Sports ▲ Cycling ▼ Organized Sports
Canada	<ul style="list-style-type: none"> ▲ Tops ▲ Bottoms ▲ Intimates ▲ Underwear ▲ Socks ▲ Sleep ▲ Outerwear ▼ Tailored ▼ Dresses ▼ Swimwear 	<ul style="list-style-type: none"> ▲ Performance ● Sport Leisure ● Work/Occupational ▼ Fashion ▼ Outdoor 		<ul style="list-style-type: none"> ▲ Skincare ▲ Fragrance ▲ Haircare ▼ Makeup 	
Mexico				<ul style="list-style-type: none"> ▼ Makeup ▼ Skincare ▼ Fragrance 	

▲ Gaining, Posting Growth

● Recuperating, Single-digit Decline

▼ Waiting, Double-digit Decline

Source: The NPD Group/Retail Tracking Service, except Consumer Tracking Service for Canada footwear and apparel
Does not include all categories tracked.



Softlines Recovery Outlook from NPD's Thought Leaders

How will career wear and dress-up come back?

“While some consumers might miss dressing up, I expect that continued dressing down will drive the recovery in fashion footwear and accessories. Casual, comfortable, and functional styles that align with consumers' lifestyles and priorities will lead the way. We'll see improvement in dress categories in 2021, based on pent-up demand, but we need to keep our heels on the ground (sorry, couldn't resist) and not overreact to a short-term boost.”

Beth Goldstein, Executive Director, Industry Analyst,
Accessories and Footwear

“With many occasions put on pause, and in some cases, a switch to remote office jobs, traditional career wear was hit hardest. Categories like suits, dress pants, and dress shirts are still in decline compared to 2019. With the potential for more hybrid work schedules and a focus on versatile offerings, these categories may not come back in the same way. Instead, the focus will be on infusing comfort within these categories to work with more hybrid work schedules.”

Maria Rugolo, Director, Industry Analyst, Apparel

“Trends that were identified prior to COVID-19's onset were magnified, and the need for comfort remains top of mind. What will be new is the built-up demand to socialize. Socializing will become an event, leading to opportunities for brands and retailers. Dressing up will be defined as feeling good and not necessarily a dress code.”

Tamara Szames, Director, Industry Advisor, Canada Retail

“Similar to tailored apparel, makeup is still challenged. Much of the category, except nails, was put on the back burner over the past year. A homebound consumer provided opportunities for some beauty categories, like nail products, body products, and haircare, that helped to provide a spa-like environment at home. On a positive note, in the first quarter of 2021, social media created a new technique for an old trend, contouring, and we saw related products gain.”

Jennifer Famiano, Director, Industry Analyst, Beauty

“Despite makeup also being the most affected category in the Mexican beauty industry, consumers are adapting their purchases and interests as people are going back to their usual activities — work included. The pandemic strengthened the relevance of certain categories, like eye shadow, mascara, and skincare, especially once we were able to venture outside to show off our trending natural looks.”

Alejandra Castillo, Industry Analyst, Mexico Beauty

Will the workout/active growth continue?

“The purchase of sports equipment will continue to grow, but the surge in home fitness equipment may begin to slow because consumers will have other available options as the U.S. marketplace reopens. Other sports equipment purchases will be made, either to add on to purchases made last year or to make up for purchases not made last year. A consumer may want a new paddle for the standup paddleboard purchase made during the pandemic, or a golfer may want more golf balls or a putter to complement a club set purchased last year. The overall demand for equipment will remain, but it may change in terms of category mix in 2021 and beyond.”

Dirk Sorenson, Executive Director, Industry Analyst, Sports

“Activewear will continue to play a part in our wardrobes as it moves beyond our homes into many aspects of our everyday lives. For example, sports bras was a spotlight category during the 2020 pandemic period, not only offering consumers comfort, but also versatility by blurring the lines of what an everyday bra could be like in the future.”

Kristen Classi-Zummo,
Director of Market Insights, Apparel

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