THE EVOLUTION OF THE FASHION MARKET IN THE CONTEXT OF CONTEMPORARY ECONOMIC TRANSFORMATIONS

Mihaela-Simona GALEA, stud. Elena-Gabriela CAPRARU

„TIBISCUS" UNIVERSITY OF TIMISOARA FACULTY OF ECONOMIC SCIENCE
mihagalea21@gmail.com

Abstract:
The fashion industry represents one of the most dynamic and influential sectors of the global economy, characterized by rapid evolution driven by changing consumer behavior, increasing sustainability pressures, and technological advancement. Over the past two decades, the sector has undergone a profound transformation, fueled by the rise of fast-fashion business models, the integration of digital sales channels, and the reconfiguration of relationships among producers, distributors, and customers. Romania is no exception to this trend, experiencing a significant increase in the consumption of apparel products.
This study aims to contribute to a deeper understanding of how economic factors influence the fashion industry and how global brands succeed in adapting to local markets within an ever-changing economic environment.

Key words: *Fashion Market, industry, evolution, consumer behavior.*

INTRODUCTION

Today's companies are increasingly aware that, in order to succeed and remain competitive in the current market landscape, they must deliver the right product, in the right place, at the right price, and at the right time. This implies that having a high-quality product is no longer sufficient; it must also be positioned strategically to respond effectively to consumer needs and preferences, while simultaneously monitoring and adapting to competitors' strategies. In the contemporary economic context—defined by market saturation and intensifying competition—firms must display flexibility and innovation to rapidly adjust to changes and continuously provide added value to their customers.[1]

The fashion market represents a key segment of the textile and apparel industry, characterized by a high degree of dynamism influenced by economic, cultural, technological, and demographic factors. In general terms, it encompasses all economic activities related to the production, distribution, commercialization, and consumption of clothing items, regardless of their origin, style, or intended use.[2]

In Romania, the fashion market has experienced a complex and highly dynamic evolution over time, undergoing several distinct phases and significant transformations. During the communist period, the apparel industry was strongly integrated and export-oriented, strictly controlled by the state and primarily focused on meeting the population's basic needs while simultaneously supporting the country's economic objectives in international contexts. Following the fall of the communist regime and the transition to a market economy, the industry underwent major structural and competitive changes, adapting to the new realities of globalized markets. [3]

---

[1] Bota, Marius. (2009). The Romanian clothing market, Unversitatea Babeș-Bolyai, pp.103-104
[2] *Ibidem*
[3] Embassy of India, Bucharest. (2020). Textile industry in Romania, pp.1-3

Classification of Apparel Products

From a typological perspective, the apparel market can be segmented into several relevant categories. One of the most important classifications refers to the type of product offered:

Figure 1. Classification of apparel products according to consumer lifestyle
Source: own projection based on literature

In Romania, market studies indicate that the casual style predominates, followed by formal and sportswear, these categories reflecting the prevailing consumption preferences of Romanian customers.

Demand in the Clothing Market

Demand in the clothing market is influenced by a variety of factors that intersect and interact with one another, contributing to a complex and constantly evolving understanding of how consumers choose and purchase apparel products.

These factors include:

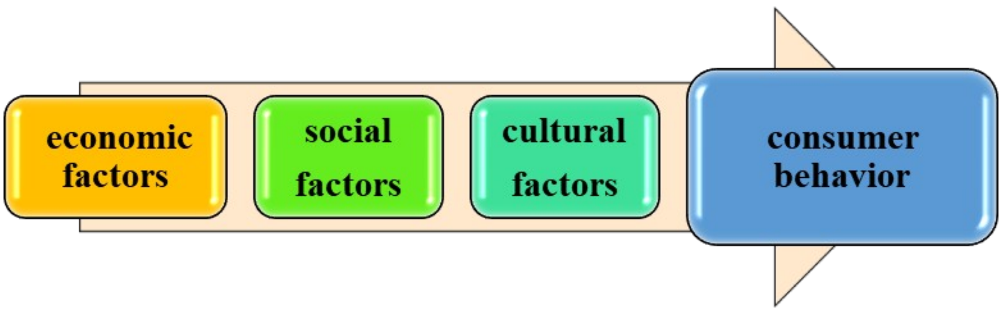

Figure 2. Factors influencing consumer behavior
Source: Own projection based on literature

These elements are driven by a set of variables, among the most significant being: the level of consumer income,

- ✓ the prices of clothing items,
- ✓ fashion trends,
- ✓ social identity, and

✓ the growing influence of digital media in everyday life.

Currently, more than 80% of textile production in Romania is carried out under the *lohn* system, meaning that Romanian companies manufacture products on behalf of foreign clients, without owning the brand or the commercial strategy of the final product.

At the global level, market supply is dominated by two major directions:
• on the one hand, **fast fashion**, which relies on volume, low prices, and rapid adaptation to trends, and
• on the other hand, an increasingly visible shift toward **sustainable fashion**, in which products are designed to ensure durability, traceability, and social responsibility.

Regarding recent global developments, a generally upward trajectory has been observed, with a temporary disruption recorded in the year 2020.[4]

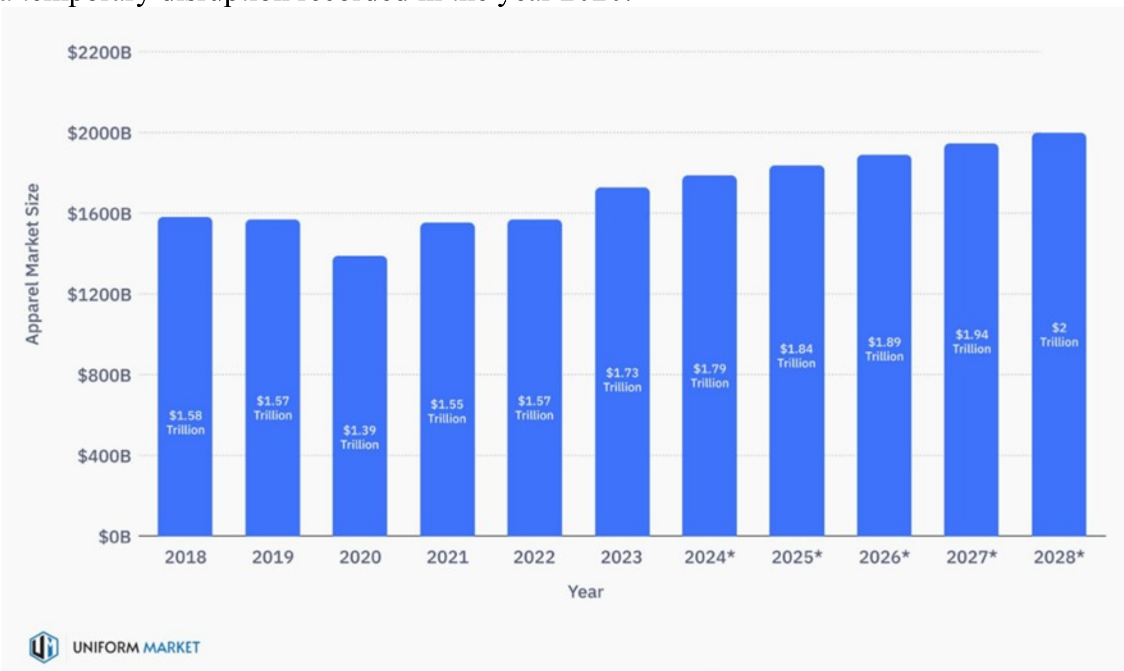

Figure 3. Evolution of the global apparel market size, 2018–2028
Source: Uniform Market, 2025

Therefore, as illustrated in the figure above, the evolution of the global apparel market size for the period 2018–2028, expressed in trillion U.S. dollars, displays a consistent upward trajectory, with a temporary disruption in 2020 caused by the COVID-19 pandemic, followed by a steady recovery.

In 2020, the global market reached a low point of USD 1.39 trillion, compared to USD 1.58 trillion in 2018, reflecting a decline of more than 12% due to worldwide restrictions, reduced consumer spending, and the shutdown of physical retail. Subsequently, starting in 2021, a gradual rebound has been observed, with annual growth rates exceeding USD 100 billion.

For 2025, the market value is estimated at USD 1.84 trillion, with projections indicating that the industry will reach USD 2 trillion by 2028. This upward trend reflects several key aspects:
• increasing global demand for apparel products, both in emerging and developed markets;
• the expansion of digital sales channels and the integration of e-commerce platforms;
• as well as the diversification of business strategies, including growth in sustainable fashion, second-hand markets, and digital fashion segments. .[5]

[4] Uniform Market, (2025). Global Apparel Industry Statistics: Market Size and Trends (2025), Disponibil online la adresa: https://www.uniformmarket.com/statistics/global-apparel-industry-statistics

[5] Uniform Market, (2025). Global Apparel Industry Statistics: Market Size and Trends (2025),: https://www.uniformmarket.com/statistics/global-apparel-industry-statistics

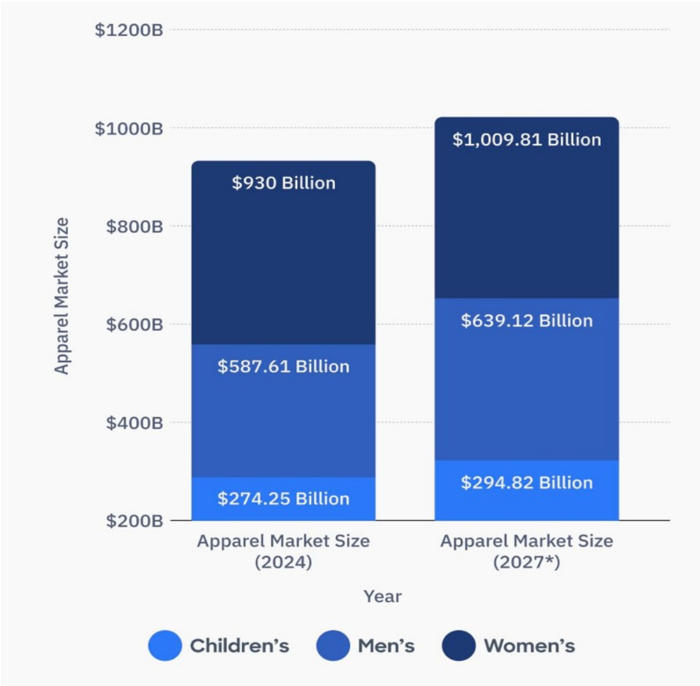

Figure 4. Structure of the global apparel market by segment: women, men, and children, 2024 vs. 2027
Source: Uniform Market, 2025

Figure 4 provides a comparative perspective on the size of the global apparel market segments for the years 2024 and 2027, structured according to the target consumer groups: women, men, and children. For 2024, the total market value is estimated at USD 930 billion, distributed as follows:

• women's apparel: USD 587.61 billion

• men's apparel: USD 274.25 billion

• children's apparel: implicit remainder of the total, representing a smaller share compared to the two major segments

For 2027, total growth is forecasted to reach USD 1,009.81 billion, with the following contributions:

• women's apparel: USD 639.12 billion

• men's apparel: USD 294.82 billion

All these data indicate a clear dominance of the women's apparel segment, both in the present and in future projections, accounting for approximately 63% of the total market. The men's segment is also expanding at a steady yet slower pace, while the children's segment — although not numerically detailed in this figure — represents the remaining proportional share of the market.

This evolution highlights the necessity for companies to strategically calibrate their product offerings according to the targeted segment, confirming that investments in collections, marketing activities, and brand experience tailored specifically to women will remain a priority for industry stakeholders.[6]

[6] Uniform Market, (2025). Global Apparel Industry Statistics: Market Size and Trends (2025), https://www.uniformmarket.com/statistics/global-apparel-industry-statistics

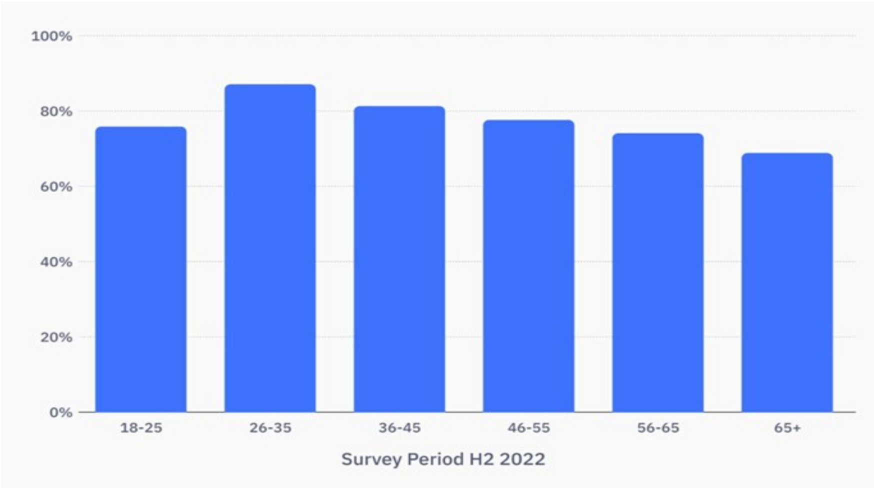

Figure 5. Share of apparel shoppers in the past 12 months by age group (H2 2022)
Source: Uniform Market, 2025

The figure above highlights consumer purchasing behavior in the fashion industry, analyzed by age group. The most active segment of shoppers consists of individuals aged 26–35, who record a purchase rate of approximately 90%. This confirms that this generation—positioned in a phase of professional and financial consolidation—is highly engaged in fashion consumption.

The next age group, 36–45 years, also demonstrates strong purchasing activity, exceeding 80%, which indicates a continued interest in apparel among adults who are professionally and family-established. Additionally, the 18–25 age category, traditionally associated with Generation Z, shows a participation rate of over 75%, reflecting a high involvement in fashion acquisition driven by social media influence, micro-trends, and style identity.

Higher age groups, namely 46–55 and 56–65 years, maintain a participation level estimated between 70% and 75%, indicating a still significant consumer presence in the market. Conversely, the 65+ segment records the lowest level of participation, confirming a progressive decline in fashion purchasing as age increases.

This distribution reveals that age remains a significant determinant of purchasing behavior in the fashion industry, influencing both the frequency of purchases and the preferred shopping channels (online versus offline).

In conclusion, the percentage-based distribution of purchasing behavior by age not only reflects the current trends of the apparel market but also highlights the growing need for the personalization of commercial strategies. This demonstrates that a deep understanding of demographic characteristics—such as age—is essential for designing effective marketing policies capable of responding to the specificities of each segment, fostering consumer loyalty, and optimizing communication and sales channels within an increasingly dynamic and fragmented industry.

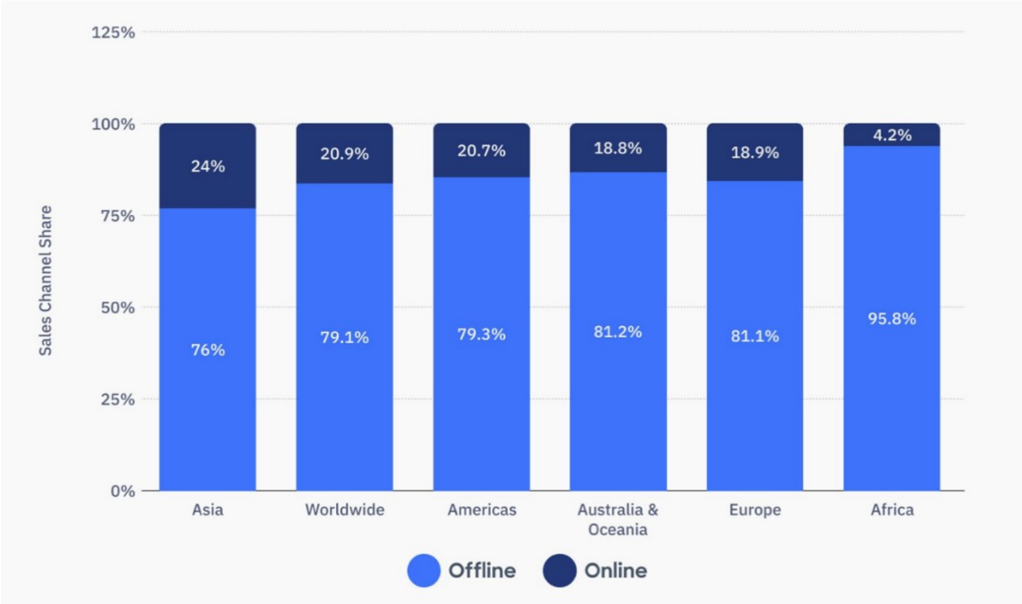

Figure 6. Share of online and offline sales in total apparel sales, at global and regional levels
Source: Uniform Market, 2025

Figure 6 illustrates the percentage distribution of online and offline sales channels within the global apparel retail market, analyzed across major geographic regions and at the global level. The data emphasize that, although online commerce continues to expand, offline sales still dominate the market in all world regions, with notable differences depending on the level of economic development and regional digitalization.

Globally, 79.1% of apparel sales were made through physical stores, while only 20.9% occurred via digital channels. This proportion reflects consumers' enduring preference for traditional in-store shopping experiences, particularly in the fashion sector, where touch, fit, and physical inspection play a crucial role in the purchasing decision.

Regionally, Asia stands out with a higher degree of digitalization in apparel retail, with online sales accounting for 24%—exceeding the global average. This can be attributed to the highly developed e-commerce ecosystems in countries such as China, South Korea, and Japan, where platforms like Alibaba, JD.com, and Rakuten have transformed the relationship between brands and consumers.

In contrast, Africa records the lowest penetration rate of e-commerce in the fashion sector, with only 4.2% of sales generated online. This reflects the region's limited digital infrastructure and persistent barriers to efficient logistics and distribution services.

Europe, Australia & Oceania, and the Americas show a similar distribution pattern, with 18–21% of apparel sales conducted online. This suggests the stability of the digital channel within these mature markets, while also indicating the enduring dominance of physical retail spaces that continue to shape consumer purchasing behavior.

This geographic segmentation provides valuable insight for companies seeking to calibrate their distribution strategies. While online investment is a strategic priority in Asia, in regions such as Europe or the Americas it is essential to maintain an **omnichannel strategy**, integrating in-store experiences with digital interactions to ensure consistency and consumer engagement across touchpoints.

Quality in the textile industry: perception, certification, and impact on purchasing decisions

In the contemporary fashion industry, perceived quality is increasingly shaped by sustainability, traceability, and social responsibility, surpassing traditional criteria such as price or aesthetic appeal. Consumers are paying greater attention to material safety, ethical supply chains, and environmental impact, which explains why international certifications such as OEKO-TEX®, GOTS, and Bluesign have become essential indicators of product quality and brand credibility.

At the same time, recent European regulations, including the Ecodesign for Sustainable Products Regulation (ESPR) and new initiatives on environmental claim transparency, have raised standards regarding durability, recyclability, and the prevention of *greenwashing* practices.

In this context, sustainability has become a fundamental component of the modern definition of quality, directly influencing both purchasing decisions and brand positioning. According to the data presented in Figure 7, the most important criteria shaping consumer purchase choices are:

- Ecological certifications (90%)
- Product durability (85%)
- Brand transparency regarding traceability and ethics (80%)

Additionally, the origin of fibers and working conditions within the production chain are relevant for 75% of consumers, while overall product sustainability is considered important by 70% of respondents.

By comparison, traditional factors such as the price–quality ratio (60%) and peer recommendations (65%) continue to influence purchasing behavior, yet they occupy lower positions in the hierarchy of decision-making criteria.

This shift demonstrates that today's consumers are increasingly attentive to the social and environmental footprint of their purchases, rather than focusing solely on immediate commercial appeal. These findings confirm the ongoing transition toward a more responsible and selective fashion consumption model, where ethical and sustainable values have become integral to the modern perception of quality.

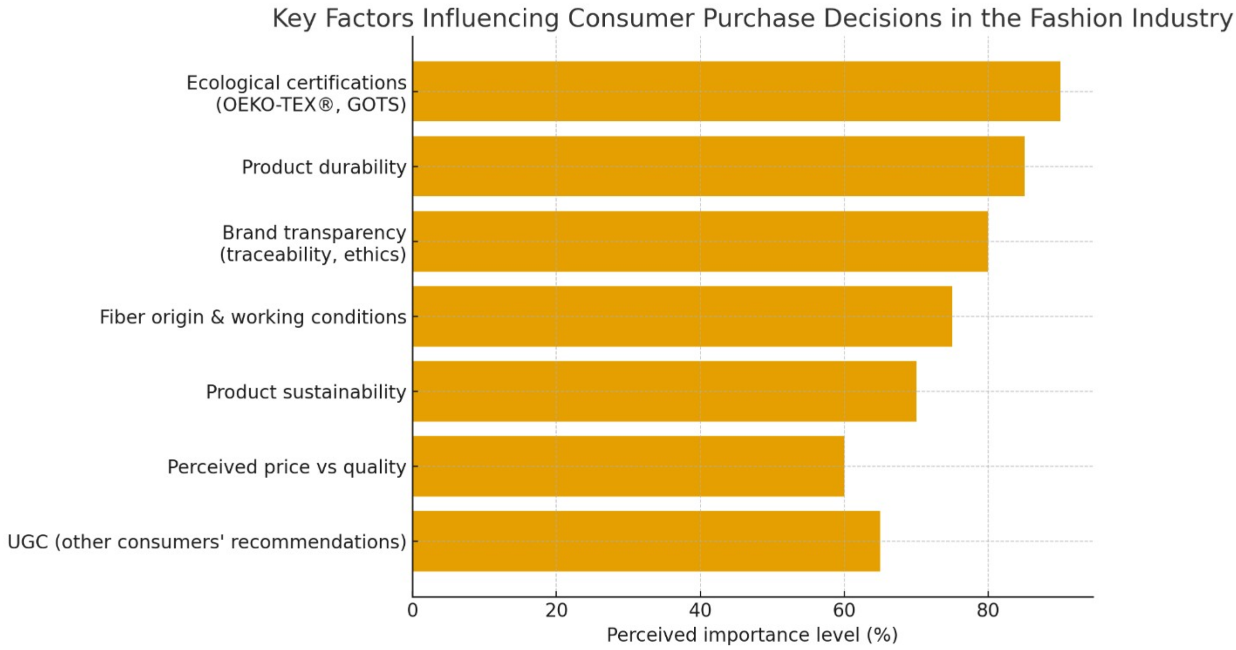

Figure 7. Determinant factors in the perception of quality in the textile industry

Source: Author's processing based on data provided by Uniform Market and McKinsey & Company reports

Sales in the fashion sector: channels, techniques, and purchasing behavior

At present, the global apparel market is characterized by a strategic coexistence of online and offline channels within an omnichannel retail model. According to *The State of Fashion 2024* report, 79% of global sales are still generated through physical stores, yet digital channels are rapidly gaining ground, particularly in Asia, where over 24% of purchases take place online. This trend is driven by the accelerated development of marketplace platforms and hyper-personalized marketing strategies. [7]

Leading retailers such as Shein, Temu, Zara, and ASOS have adapted their sales models to include interactive mobile applications, social media campaigns, and collaborations with digital influencers. As a result, the gamification of apps and live shopping experiences contribute significantly to customer loyalty and to the increase of the average shopping basket value.

Fashion sales no longer rely solely on product promotion but rather on storytelling and brand narrative, emphasizing authenticity, sustainability, and social engagement. Luxury brands now collaborate with content creators such as Remi Bader or Gstaad Guy, while mainstream brands increasingly establish partnerships with TikTok personalities and local influencers.

Moreover, the use of generative artificial intelligence (AI) in sales processes is expanding. AI supports offer personalization, virtual product simulation (virtual try-on), and real-time analysis of consumer behavior, redefining the interaction between brands and their audiences and enabling a more data-driven, adaptive retail experience.

According to the 2023 McKinsey survey, 65% of consumers place greater trust in user-generated content (UGC) than in brand-produced materials, while 85% of young people aged between 18 and 34 consider authenticity to be essential in their purchasing decisions. Moreover, 57% of respondents stated that a brand's commitment to sustainability directly influences their choice.

These findings demonstrate that fashion purchasing has evolved into a conscious and relational act, where ethical and emotional factors play an increasingly significant role.

The transformation of sales strategies in fashion has occurred gradually—from traditional brick-and-mortar retailers to automated digital models, as illustrated in Figure 8, which depicts the three generations of fast fashion. The figure outlines the evolution of the fast-fashion concept through three distinct generations, each shaped by shifts in business models, technology, and consumer behavior.

The first generation, formed before the 2000s, includes traditional retailers such as H&M, Primark, and Zara, which introduced affordable fashion by rapidly translating runway trends into mass-market collections. These companies laid the foundation for accelerated, demand-driven production and price accessibility, redefining the relationship between fashion and the average consumer.

The second generation, emerging after 2000, encompasses fully digital brands such as ASOS, Boohoo, and Missguided, which optimized production and delivery times through direct-to-consumer (DTC) logistics models and exclusive online sales. The emphasis shifted toward agility, speed of trend response, and a higher launch frequency, supported by sophisticated digital marketing strategies.

The third generation, arising after 2015, is represented by Shein, Trendyol, Cider, and Temu, considered the most disruptive players in the industry. These companies combine ultra-fast production with extremely low prices, leveraging algorithmic trend analysis and hyper-flexible supply chains. The result is an unprecedented acceleration of collection releases, which raises serious concerns regarding sustainability, ethics, and waste management.

This evolution clearly illustrates how digitalization, data analytics, and real-time consumer insights have radically transformed the fashion supply chain and sales models. Third-generation companies no longer wait for seasonal cycles to launch collections; instead, they respond almost instantly to market demand, redefining the traditional dynamics of the global apparel industry.

[7] McKinsey & Company. (2024). The State of Fashion 2024: Finding pockets of growth as uncertainty regins, Disponibil online la adresa: https://www.mckinsey.com/industries/retail/our-insights/state-of-fashion-2024#/

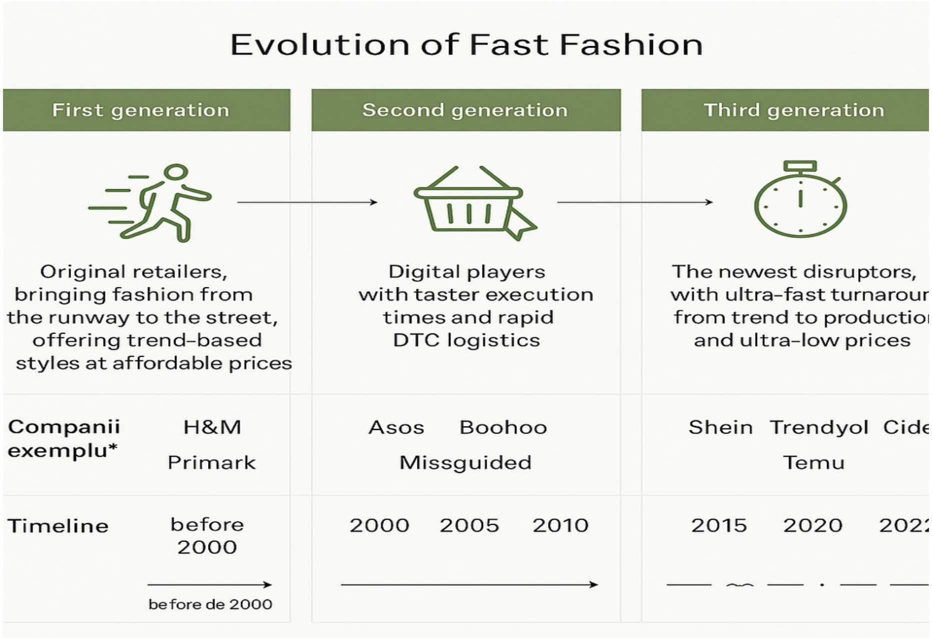

Figure 8. Evolution of Fast Fashion Generations: From Traditional Retailers to Ultra-Digital Players
Source: McKinsey & Company, 2024

CONCLUSION

The analysis of the specialized literature highlights the complexity and dynamism of the fashion market as a direct result of the interaction between economic, cultural, and technological factors.

Demand for clothing has undergone a clear transition from functional criteria to symbolic and identity-based ones, with social belonging, digital influence, sustainable values, and brand reputation playing a decisive role in purchasing decisions. At the same time, the fashion supply landscape has diversified through the emergence of new business models such as *fast fashion*, *ultra-fast fashion*, and *slow fashion*, each defined by distinct operational and strategic characteristics.

The study also underlines the growing importance of perceived product quality, as consumers become increasingly attentive to materials used, production ethics, and brand reputation. Sales strategies have adapted to these new requirements through digitalization, omnichannel approaches, personalization, and visual storytelling. Altogether, these developments confirm that the fashion industry remains one of the most dynamic sectors, requiring an integrated and interactive understanding of market variables.

Despite the post-pandemic economic recovery, the current trajectory of real GDP remains below pre-crisis estimates, revealing a persistent structural growth gap and a loss of economic potential. This has direct implications for manufacturing sectors such as textiles, which depend heavily on external demand and investment in modernization.

Moreover, the rapid increase in unit labor costs in Romania, unaccompanied by proportional productivity gains, negatively affects the competitiveness of low value-added sectors like textiles. This situation compels companies to rethink wage strategies, invest in process automation, and strengthen human capital retention.

Overall, the economic data and graphical analyses emphasize that the future of the European and Romanian textile industry can no longer rely solely on the traditional *fast fashion* paradigm. Instead, it must simultaneously integrate ecological sustainability, digital adaptation, fiscal coherence, and the recalibration of business models to remain resilient and competitive in an era of profound structural transformation.

REFERENCES

a. Books and articles

1. Bota, Marius. (2009). The Romanian clothing market, Unversitatea Babeş-Bolyai, pp.103-104
2. European Technology Platform Fibres Textiles Clothing (2024). Textiles of the Future -Partnership under horizon Europene, Strategic Research & Innovation Agenda
3. Inditex. (2025). BASF and Inditex make a breakthrough in textile-to-textile recycling with loopamid, the first circular nylon, https://www.inditex.com/itxcomweb/bb/en/press/news-detail/1afc4625-e9cc-4da1-bd13-0f029a42e7be/basf-and-inditex-make-a-breakthrough-in-textile-to-textile-recycling-with-loopamid-the-first-circular-nylon-6-entirely-based-on-textile-waste
4. Market Opportunity Research. (2024). Fashion Consumer Trends Romania 2024: 9 out of 10 Romanians purchase at least one clothing item per month. Retrieved from https://mkor.ro/studii/fashion-consumer-trends-2024/
5. McKinsey & Company. (2024). The State of Fashion 2024: Finding pockets of growth as uncertainty reigns, https://www.mckinsey.com/industries/retail/our-insights/state-of-fashion-2024#/
6. McKinsey & Company. 2025. The State of Fashion 2025: Challenges at every turn, https://www.mckinsey.com/industries/retail/our-insights/state-of-fashion
7. OECD (2024). OECD Economic Surveys Romania 2024, https://www.oecd.org/en/publications/oecd-economic-surveys-romania-2024_106b32c4-en.html
8. OEKO-TEXT STANDARD 100. (2025). The original safety standard.: https://www.oeko-tex.com/en/our-standards/oeko-tex-standard-100
9. Risco.ro. (2024). INDITEX ROMANIA S.R.L: https://www.risco.ro/date-firma/22304337
10. EURATEX, Facts & Key Figures, 2024. Accessed 9 apr 2025,: https://acrobat.adobe.com/id/urn:aaid:sc:EU:629afc22-414b-4681-bdf3-eb128a74dcc9

b. Internet sources

1. European Commission (2024). Ecodesign for Sustainable Process Regulation, Disponibil online la adresa: https://commission.europa.eu/energy-climate-change-environment/standards-tools-and-labels/products-labelling-rules-and-requirements/ecodesign-sustainable-products-regulation_en
2. European Commission (2023). Proposal for a Directive on Green Claims. Retrieved from https://environment.ec.europa.eu/publications/proposal-directive-green-claims_en: https://environment.ec.europa.eu/publications/proposal-directive-green-claims_en
3. Embassy of India, Bucharest. (2020). Textile industry in Romania, pp.1-3
4. https://ec.europa.eu/eurostat/web/interactive-publications/digitalisation-2023
5. https://www.mckinsey.com/industries/retail/our-insights/state-of-fashion-2024
6. Inditex Group (2024). https://www.inditex.com/itxcomweb/api/media/604197b9-50de-4f4f-ab84-c1e379cb3fd0/Inditex_Group_Annual_Report_2024.pdf?t=1741989136588