JUNE 2025

Future of e-commerce in fashion

Understanding the e-commerce retail consumer of the future through advanced analytics

Google   Deloitte.

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Introduction, Objectives & Methodology

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Introduction, Objectives & Methodology

This collaborative study by Deloitte and Google, executed from late 2024 into early 2025, merges their industry expertise to analyze the past and project the future evolution of e-commerce within the Fashion and Food & Beverages sectors.

It seeks to understand how online penetration, consumer behavior, and industry performance have changed, and how they will continue to develop through 2030. The primary goal is to provide a transformative roadmap for retailers in these industries, enabling them to adapt and thrive amidst upcoming trends. The study is organized into four core sections.

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Intro into e-commerce as a whole, and the potential of Fashion and Food & Beverage as industries:

Fashion

- **Significant paradigm shift in Fashion:** Analysing the evolution of the Fashion industry by category, type of player and market

- **The future of e-Commerce in Fashion:** Forecasting the evolution of the sector, emerging trends and new search patterns

- **How to navigate the transformation:** In-depth analysis and experts' recommendations on future perspectives on Fashion

F&B

- **Significant paradigm shift in Food & Beverages:** Analysing the evolution of the Food & Beverages industry by category, type of player and market

- **The future of e-Commerce in Food & Beverages:** Forecasting the evolution of the sector, emerging trends and new search patterns

- **How to navigate the transformation:** In-depth analysis and experts' recommendations of future perspectives on Food & Beverages

This study acknowledges significant global uncertainties like the tariff war, geopolitical conflicts, climate change, and potential health or economic crises. While their precise impacts aren't quantified, these unpredictable factors will undoubtedly heighten industry challenges. Similarly, unquantified elements include online behavioral shifts from global pandemics like COVID-19 and currency fluctuations against the Euro.

Our historical analysis spans 2017-2024, using 2023 data to contextualize COVID-19's impact, as recovery varies regionally. To ensure an unbiased view of Fashion and Food & Beverages' evolution, future projections extend five years to 2030, bypassing the unquantified effects of the pandemic and current economic crises.

Introduction, Objectives & Methodology

For the preparation of the study, a methodology structured into 5 steps has been followed:

01 **Definition of the analysis scope:** Top 10 European countries per vertical and focus on the Fashion (non-luxury) and Food & Beverages categories, as they are consistently ranked in the top 5 e-commerce sellers over the past five years.

02 **Understanding of historical data:** Detailed analysis of e-commerce evolution in Fashion and Food & Beverages across 10 European markets from 2019 to 2024. This identified key e-commerce trends, market potential, and changes in consumer behavior and revenue, providing insights into industry patterns.

03 **Definition of relevant variables:** Identification under 50 influential variables for Fashion and Food & Beverages, encompassing macroeconomic factors (e.g., income, internet penetration), player types (e.g., pure players, quick-commerce), and emerging trends (e.g., AI, new search behaviors).

04 **Modelling and selection of key variables:** Regression model for long-term e-commerce penetration forecasts in Fashion and Food & Beverages, using historical data and significant identified variables to predict future growth across categories, subcategories, and markets, thus enhancing our understanding of industry dynamics.

05 **Validation of results and vision for 2030:** Models developed were evaluated for accuracy, and the future of e-commerce in Fashion and Food & Beverages by 2030 was predicted. Given the long-term nature of the estimate, figures have been rounded.

Sources utilized for this paper's development include:

Deloitte: Conversations with subject matter experts on the industry and leveraging prior market studies and research.

Google: This paper leverages Google search query data on customer behavior and preferences across all Fashion and Food & Beverages subcategories within the 10 key study markets.

External sources: Public data available from recognized institutions in the sector regarding economic and industry indicators (e.g., Statista, Euromonitor International Limited [2023] © All rights reserved, Gartner, Inc., Alimarket,...).

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Introduction, Objectives & Methodology

Future of Retail - Fashion

European Coverage
10 analyzed countries

Multi Billion
**Google Queries & Search
and YT datapoints**

Advanced analytics
& predictive models

Data Breakdown
**Age, Location,
Gender, Generic vs
Branded etc.**

Third Party Data
Statista, SimilarWeb,
Data.ai etc.

Data Breakdown
**Google Metrics (CPCs,
Ad Depth etc.)**

Deloitte.

Google

2

The Evolution of E-Commerce & Fashion: from 2019 to 2024

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E-commerce: Future-proofed, yet challenged. COVID and innovation have boosted e-commerce, but hurdles persist
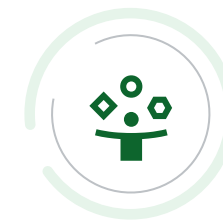
Convenience & Personalization

24/7 shopping and vast product availability, coupled with personalized experiences, continue to elevate the customer journey

Global & Efficient Reach

Businesses can serve a worldwide audience, reducing the need for customer facing capital & labour

Supply Chain Optimization

AI-driven delivery forecasts, advanced logistics, and real-time tracking enhance speed and reliability

Tightening Markdowns

Intense competition, price transparency, and high last-mile delivery costs lead to narrow profits online
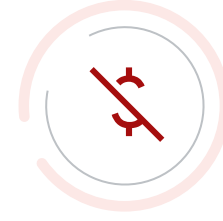
Localization & GTM Costs

Global reach introduces a maze of international shipping, customs duties, import & export regulations etc. as well as localization challenges

Logistical Complexity

In fashion, the industries faces high return rates. In food & beverages, perishability & quality control increase costs

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The evolution of e-commerce & fashion: from 2019 to 2024

COVID imposed costs & disruption on the e-Commerce industry; building momentum towards a permanent transformation that is currently occurring

Sales growth in retail e-Commerce from 2019 to 2024 (%)

20.5%
25.7%
17.09%
6.5%
8.9%
9.4%

2019 2020 2021 2022 2023 2024

COVID-19   Post COVID-19
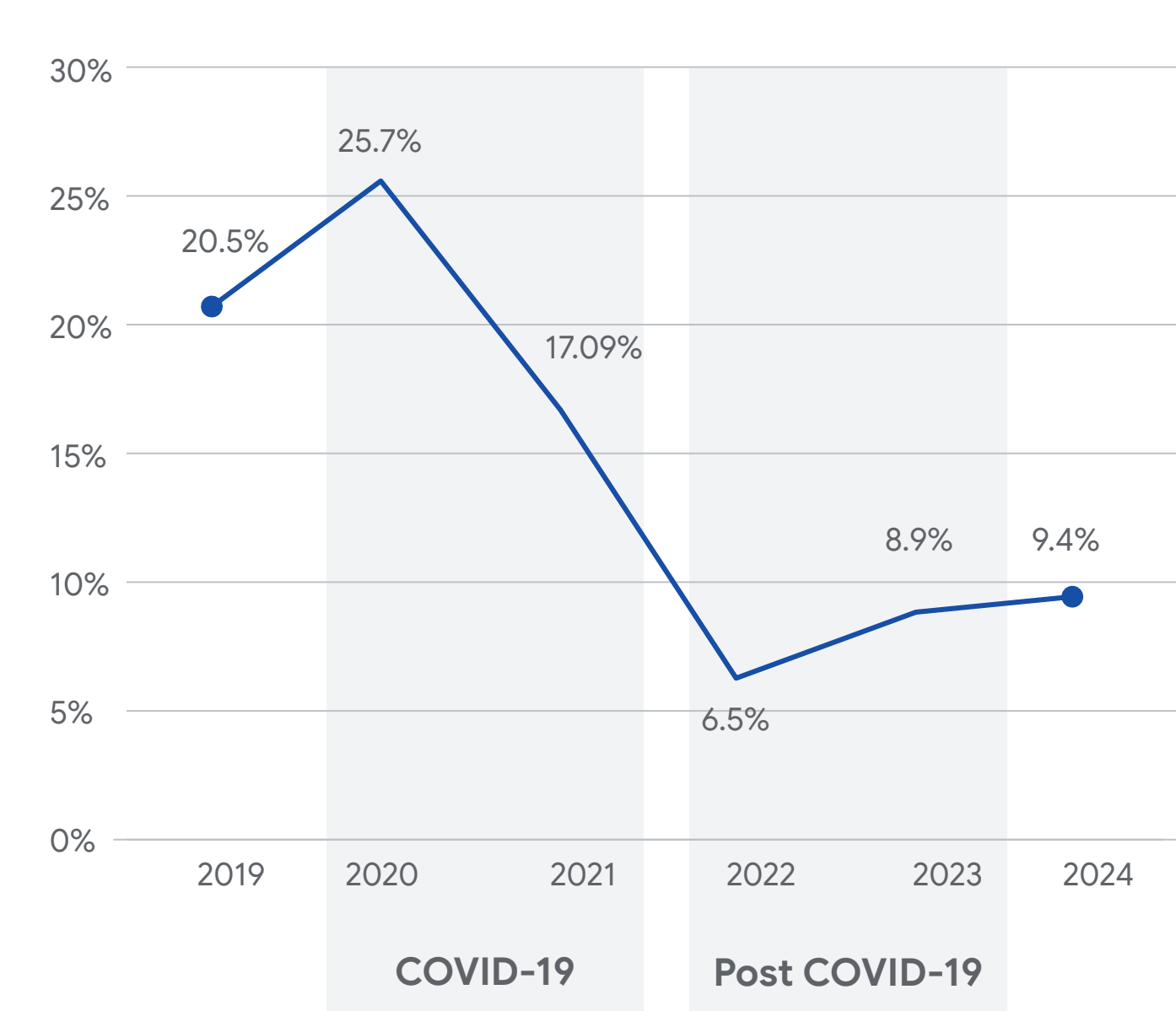
Retail e-Commerce revenue from 2019 to 2024 (trillion US dollars)

13.3%*

2.2 2.9 3.8 3.7 3.7 4.1

2019 2020 2021 2022 2023 2024

COVID-19   Post COVID-19

Google Deloitte.
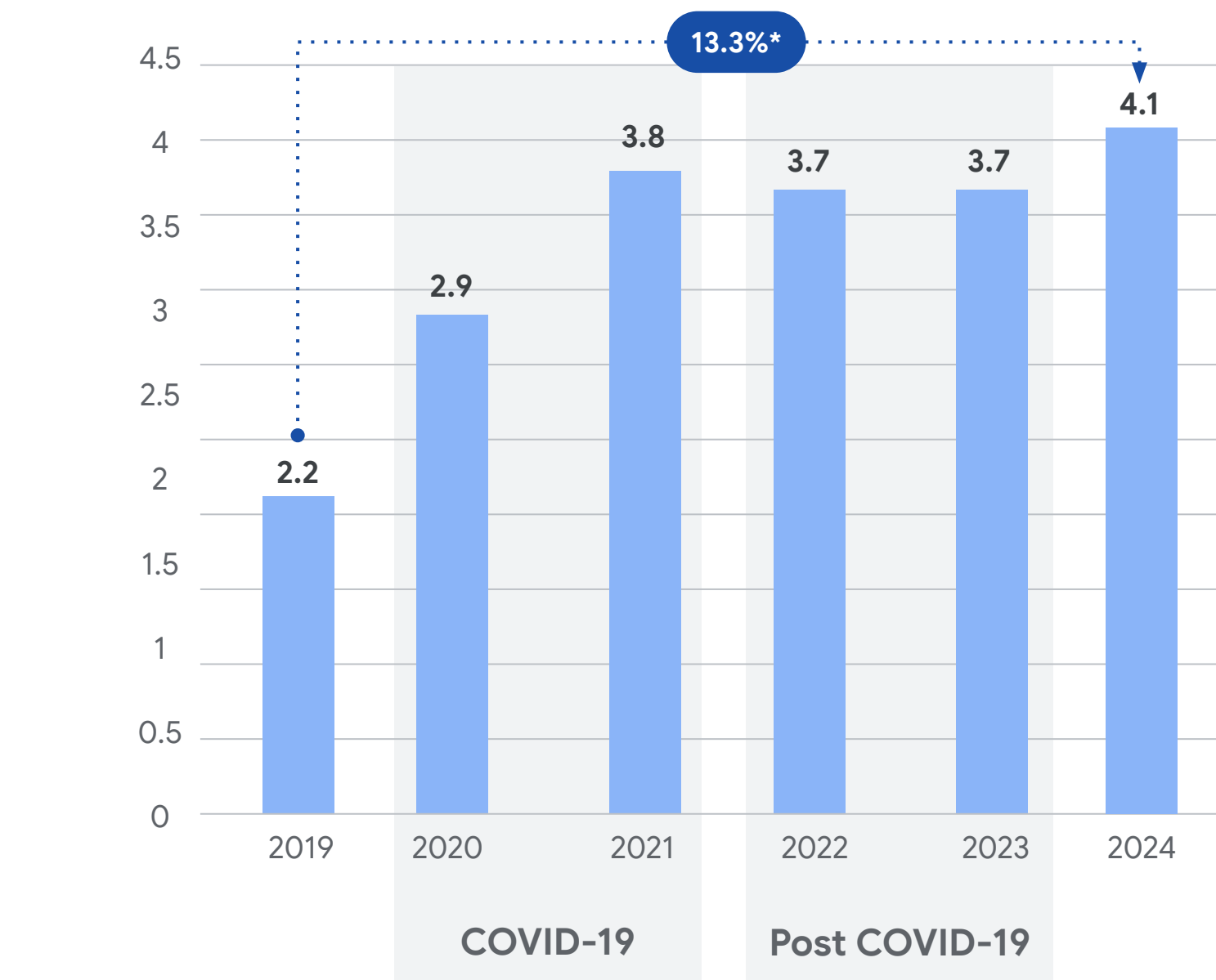
Online sales surged by 5% of total revenue share during COVID. Offline has gained some traction back; but the impact of COVID will be lasting

Retail revenue share in Europe (%)

Online   Offline

+2.4 p.p.

	2017	2018	2019	2020	2021	2022	2023	2024
Online	9.1%	9.5%	10.5%	13.8%	14.8%	13.2%	12.1%	12.9%
Offline	90.9%	90.5%	89.5%	86.2%	85.2%	86.6%	87.9%	87.1%

COVID-19   Post COVID-19

(1) Real data Europe; 2017 to 2024. Projected data of 2025; *CAGR - Source: Statista; Deloitte Analytics ® All rights reserved, Deloitte Analysis
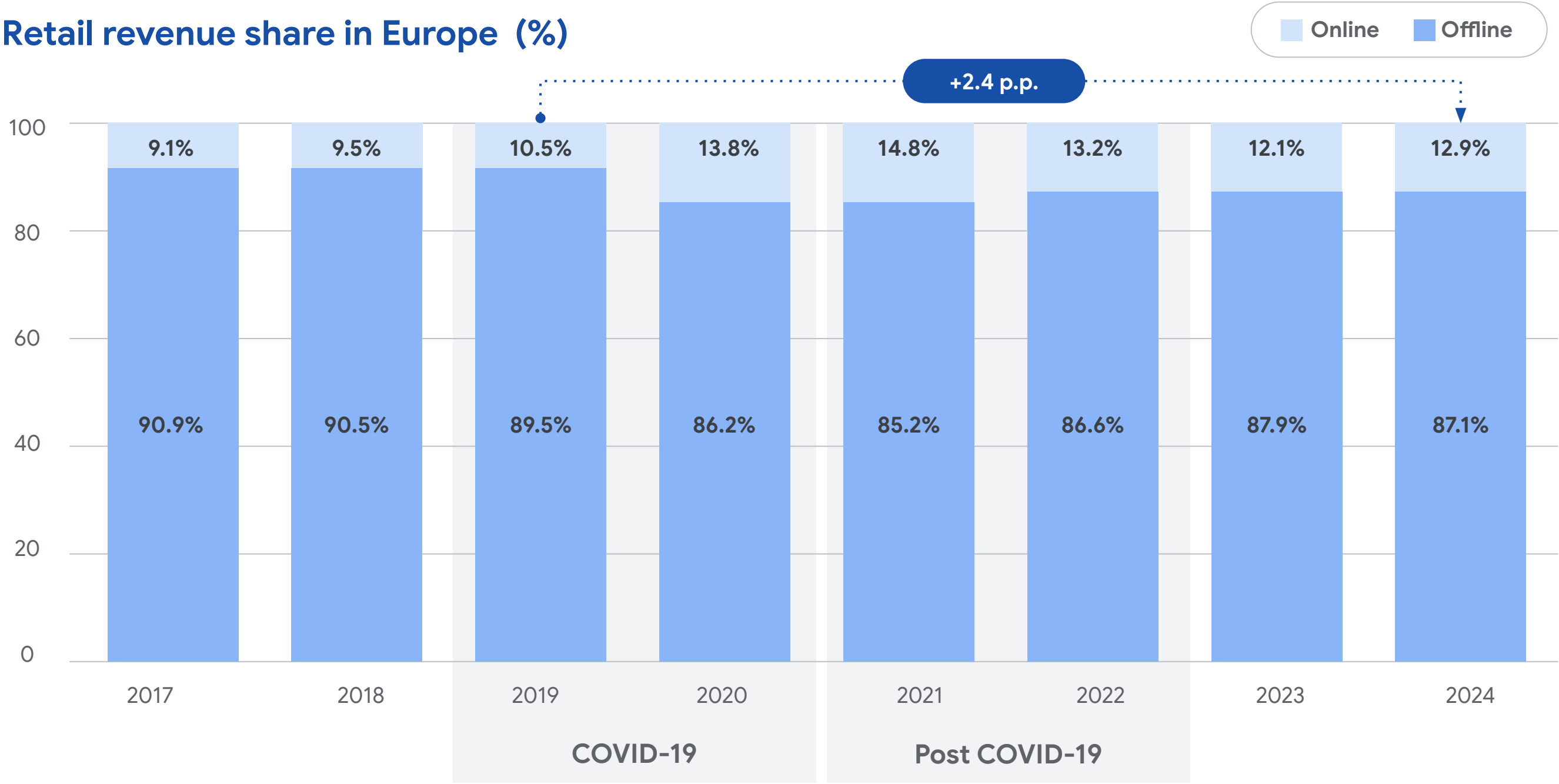
Fashion and Food & Beverage are two of the most relevant online categories, with the highest growth over the last 5 years

e-commerce Revenue Development in Europe, in Billions US$

149	143	141	67	67	66	57
59% Apparel	**68%** Consumer electronics	**31%** Media	**61%** Food	**62%** Furniture	**53%** Personal care	**55%** Tools & construction supplies
		17% Sports equipment				
		10% Pet supplies				
23% Footwear		**10%** Toys			**37%** Health care	**28%** Vehicle parts
	32% Electrical appliances	**33%** Other	**39%** Beverages	**38%** Homeware		
18% Bags & Accessories					**11%** Household care	**17%** Garden
Fashion	Electronics	Hobby & Leisure	**Grocery**	Furniture & Homeware	Care products	DIY

👕 Fashion

- High AOVs & emotionally driven purchases
- High levels of engagement & brand building
- Largest expected industry disruptions with AI & other innovations
- Global reach & expansion opportunities

🍽 Food & Beverage

- Essential & high-frequency consumption
- Rapidly evolving dietary trends (plant-based, healthy eating, etc.)
- Convenience focused industry
- Untapped potential due to logistical complexity (perishability, cold chain, last-mile)

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Europe's evolving fast fashion landscape can "tariff-proof" you and act as a hedge against the US market

Daily Downloads: Temu & Shein

App downloads for top fast fashion players have fallen, with ad-spend and logistics re-routed to Europe

■ SHEIN   ■ Temu: Shop like a billionaire

Downloads (y-axis): 0, 50.000, 100.000, 150.000, 200.000, 250.000

Date (x-axis): 2025-02-02, 2025-02-16, 2025-03-02, 2025-03-16, 2025-03-30, 2025-04-13

Timeline of Tariff Situation

April 2025

China slashes the de minimis rule for low value imports.

April 2025

Temu and Shein slash US ad spending as trade war hits, redirecting efforts towards EMEA.

📅 **Financial Times, April 16th 2025**

May 2025

US slashes de minimis tariffs on small chinese parcels to as low as 30%, following Geneva convention between US and China.

📅 **Reuters, May 14th**

May 20 2025

EU to impose €2 tax on low-cost items in blow to Temu and Shein.

📅 **Financial Times, May 20 2025**

A Deep Dive into **fashion**

Google   **Deloitte.**

Fashion grew 16% in the last 5-years, despite two sluggish years in 2020 (COVID) and 2022 (macro-headwinds)

Fashion Revenue by Year (Billions $ USD)

+16%

COVID-19

Post-COVID-19

502.4	492.7 -1.9%	554.2 +12.5%	524.4 -5.4%	558.9 +6.6%	585.4 +4.7%
2019	2020	2021	2022	2023	2024

COVID lockdown

Lingering supply chain disruptions & macro headwinds (inflation and rates)
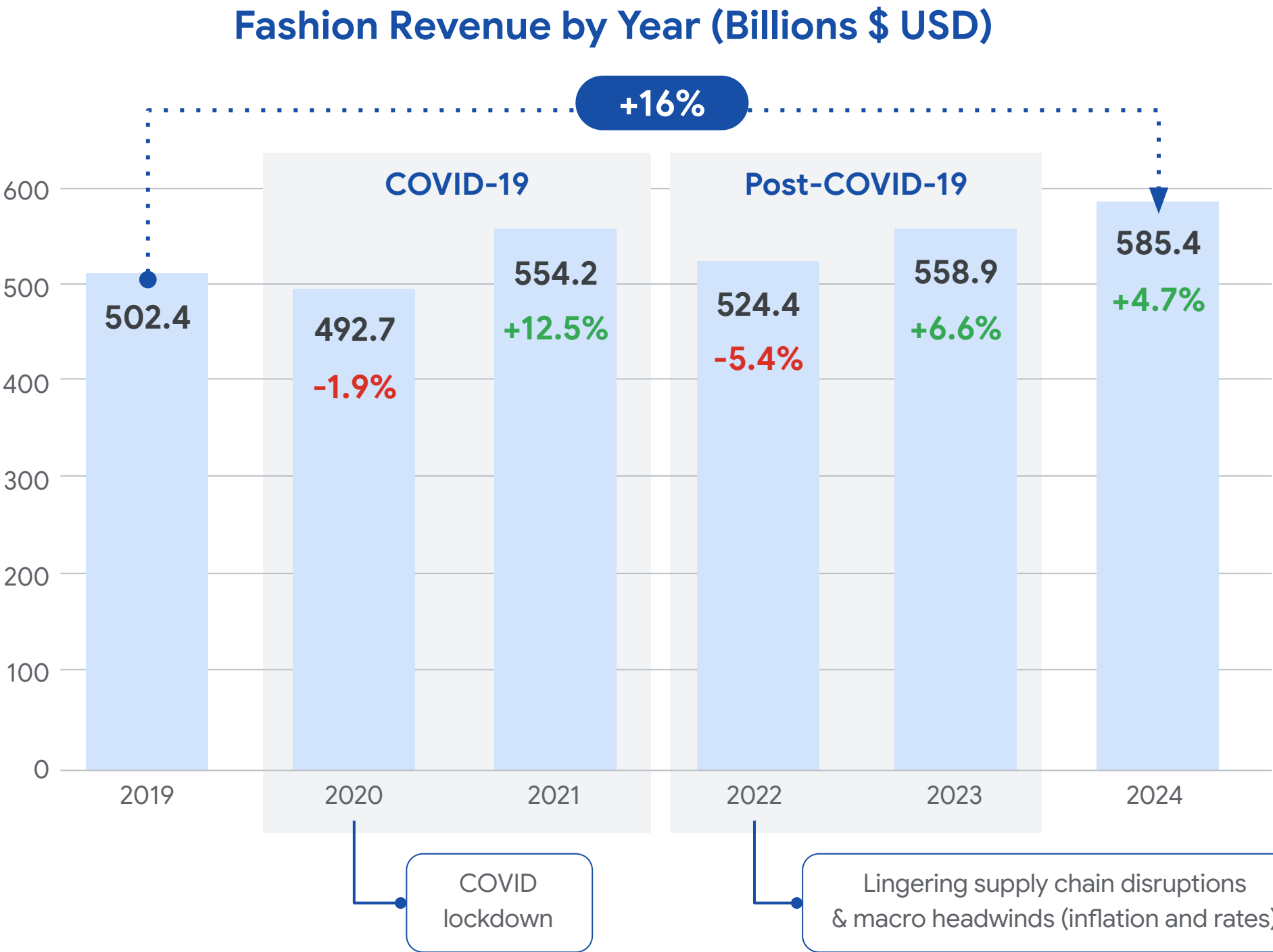
> "Sales in physical stores increased substantially while online continues to do well. This... shows the value of having both physical and digital channels [growing] which strengthen and complement each other."
>
> Helena Helmersson, CEO of H&M

Google Deloitte.

(1)Real data Europe Statista; 2019 to 2024; CAGR is 3% / Source: Deloitte Analytics © All rights reserved, Deloitte Analysis
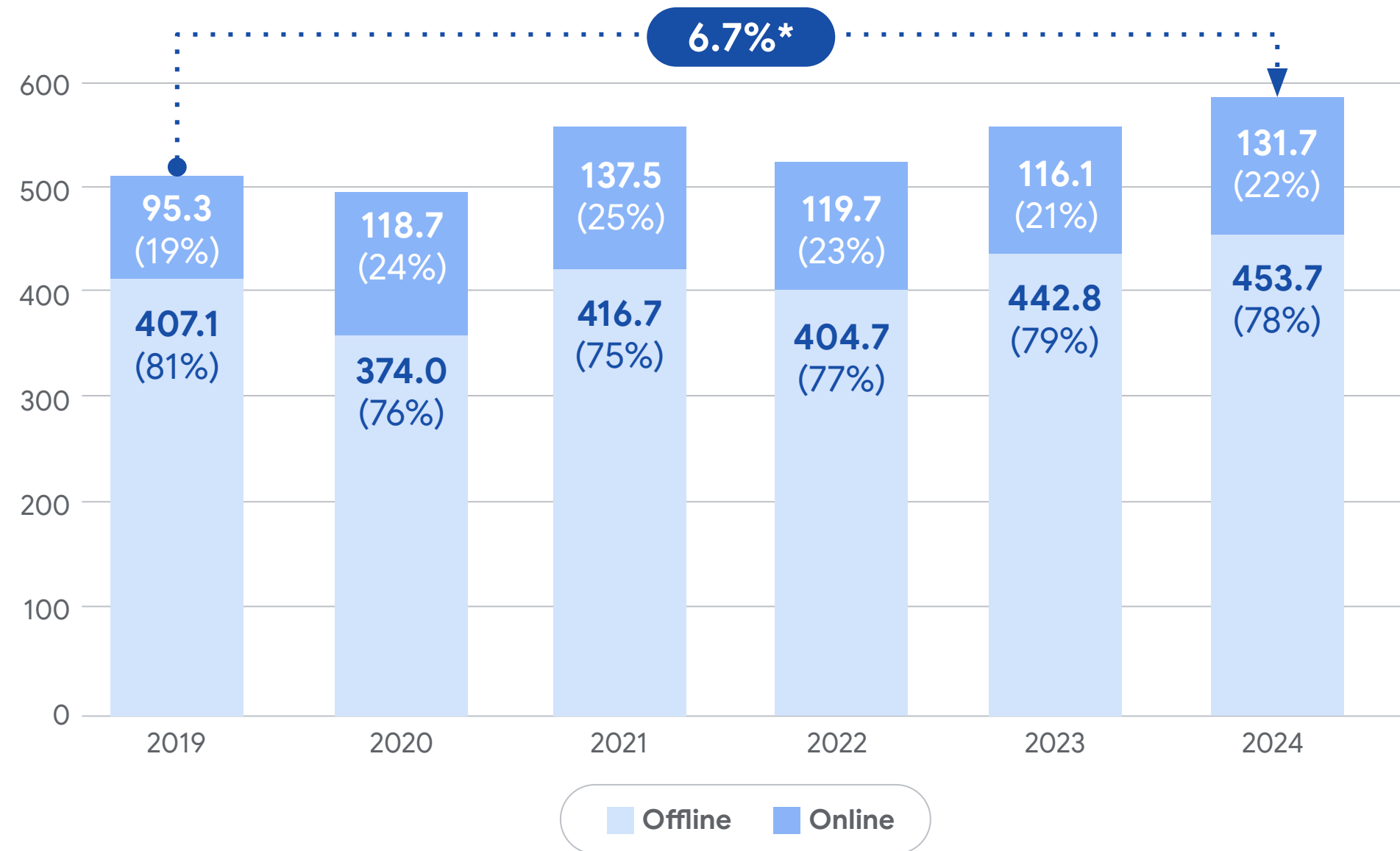
COVID-fueled CapEx and shifting consumer habits permanently propelled online fashion, enabling its gradual capture of offline market share
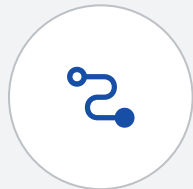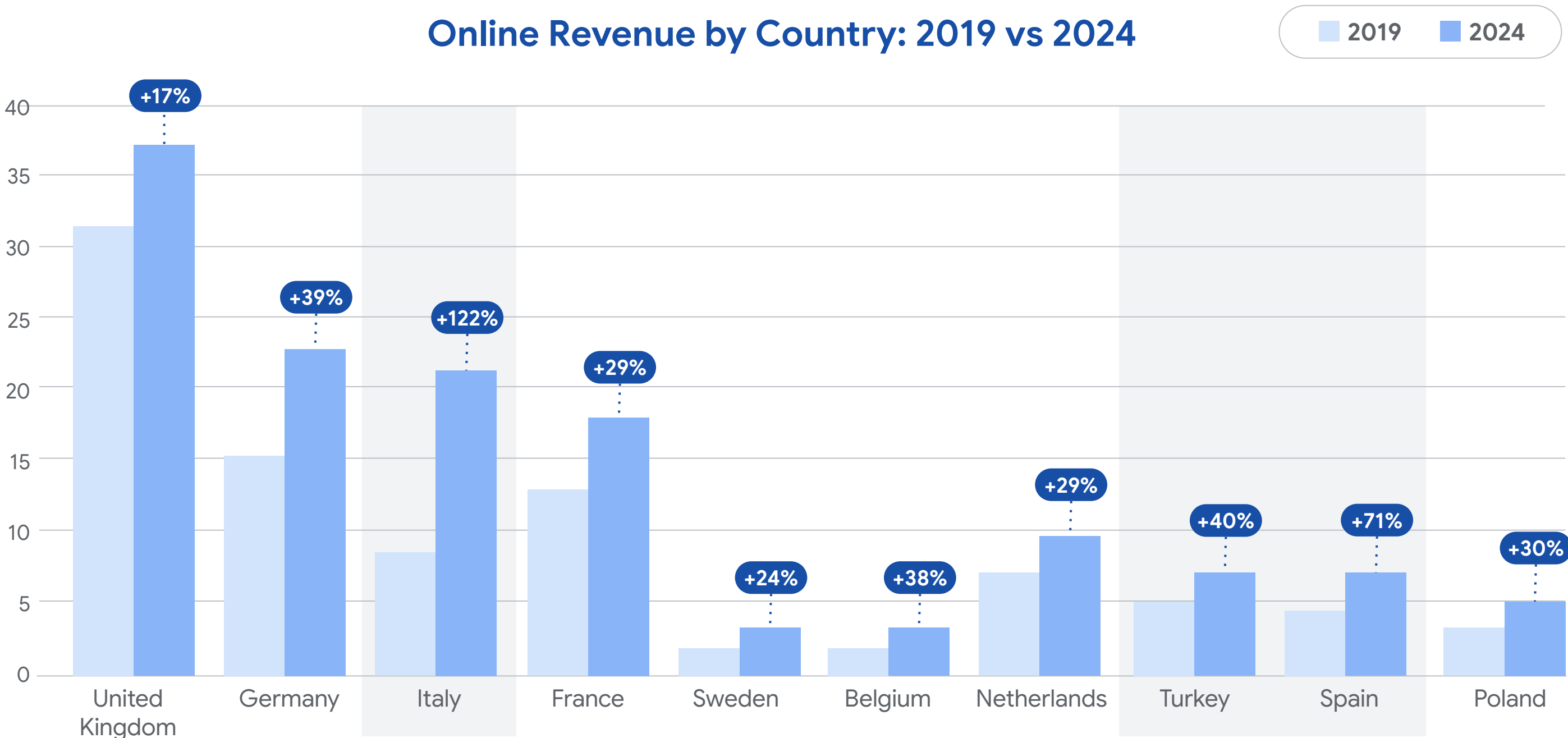
> **"Our customers are able to make their fashion and shopping decisions when and where it suits them best, something that was unthinkable just a few years ago; ...[thanks to our] extraordinary ability to innovate"**

Pablo Isla, Executive Chairman of Inditex, public comments, 2021

Evolution of Online and Offline Revenue Growth (Billions $ USD)

6.7%*

Year	Online	Offline
2019	95.3 (19%)	407.1 (81%)
2020	118.7 (24%)	374.0 (76%)
2021	137.5 (25%)	416.7 (75%)
2022	119.7 (23%)	404.7 (77%)
2023	116.1 (21%)	442.8 (79%)
2024	131.7 (22%)	453.7 (78%)

Offline   Online

Europe's E-commerce Growth Story: UK/DE lead value growth, Southern Europe shows explosive percentage gains

Online Revenue by Country: 2019 vs 2024

Legend: 2019 | 2024

Chart data (approximate values from bar heights, with percentage growth labels):

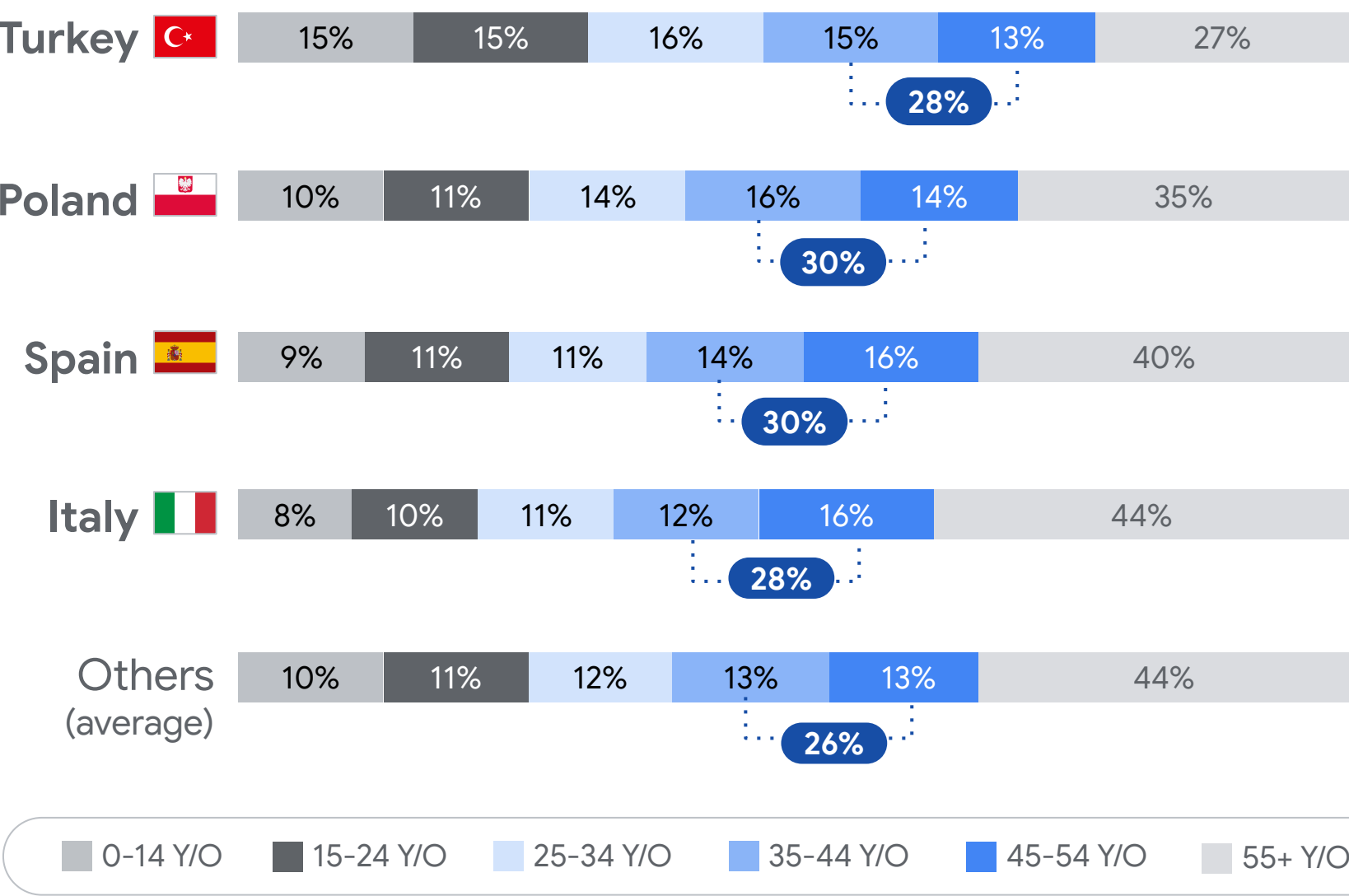| Country	2019	2024	Growth
United Kingdom	~31.5	~37	+17%
Germany	~15	~22.5	+39%
Italy	~8.5	~21	+122%
France	~13	~18	+29%
Sweden	~2	~3.5	+24%
Belgium	~2	~3.5	+38%
Netherlands	~7	~9.5	+29%
Turkey	~5	~7	+40%
Spain	~4.5	~7	+71%
Poland	~3.5	~5	+30%

Physical stores are now strategic hubs: Showrooms for online Browse, pickup (BOPIS/Click & Collect), and returns, blurring online/offline

Google Deloitte.

Growth has been driven by a population that grew up learning the internet now spending on it; we are all digital natives now

Population Structure per Country (2024, % of Population)

Turkey 🇹🇷
| 15% | 15% | 16% | 15% | 13% | 27% |

28%

Poland 🇵🇱
| 10% | 11% | 14% | 16% | 14% | 35% |

30%

Spain 🇪🇸
| 9% | 11% | 11% | 14% | 16% | 40% |

30%

Italy 🇮🇹
| 8% | 10% | 11% | 12% | 16% | 44% |

28%

Others (average)
| 10% | 11% | 12% | 13% | 13% | 44% |

26%

Legend: ■ 0-14 Y/O ■ 15-24 Y/O ■ 25-34 Y/O ■ 35-44 Y/O ■ 45-54 Y/O ■ 55+ Y/O

Growth Drivers

Internet Penetration
Countries that grew the most in online fashion; also experienced the highest growth in internet penetration

Middle-Age Bracket (35-54)
Countries with the highest online revenue growth have a higher percentage of their population aged 35-54

Consumer Spending
Countries that fared best economically & grew in consumer spending (IT, ES); grew most in e-commerce for fashion

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IT, ES and TK have grown for 5 years due to headroom, value-seeking and fashion-driven local cultures
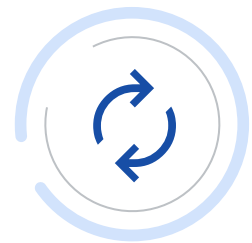
Large Sizes, More Headroom

- IT, ES and TK are now developing and becoming mature quicker, after suffering from:
  - Economic crisis
  - Complex topography for digital infrastructure rollout
  - Regulatory hurdles and bureaucracy
- COVID allowed for an aggressive shift in connectivity; setting permanent cornerstones for development

Local Fashion Culture & Tourism Rebound

Local fashion rebounded thanks to tourism booming, reaching pre-pandemic levels. This allowed:

- **ES** Native omni-channel businesses like Inditex & Mango to flourish

- **TK** The manufacturing hub to grow, with local shops set up to sell abroad, while seeing the emergence of fast-fashion players like

- **IT** Cultural style & fashion values to rebound with an increase in disposable income

Lower Income EU Countries & More Value-Seeking

- Italy, Spain and Turkey are particularly value-seeking as consumer markets; Italy ranks price as a top purchase driver[1], when under financial stress. Similarly, Spain has a highly bargain focused culture, with 75% of shoppers looking for a bargain before buying[2]

Google **Deloitte.**

3

The Future
of E-Commerce
in Fashion: by 2030

Google   **Deloitte.**

The Future of Fashion

Google   **Deloitte.**

Our 2030 predictive model incorporates a set of sophisticated variables to explain the future of e-commerce fashion

Socio-demographic

Population structure (%)
Percentage distribution of the population by age clusters: 0-14 / 15-24 / 25- 34 / 35-44 / 45-54 / +55 age segments.

Household income
Average total income of households in a specific market.

Total population
Total number of people living in a geographic area.

Marketing and Search

Search Queries
Total textual inputs entered by a user into a search engine or platform.

Impressions
Number of times a piece of content is displayed on a user's screen, regardless of whether it was clicked or interacted with.

Average CPC
Average cost paid for each click on an ad.

Performance

Ad Depth
Average number of ads displayed per search or results page.

Total investment
Total spending on advertising campaigns through Google channels.
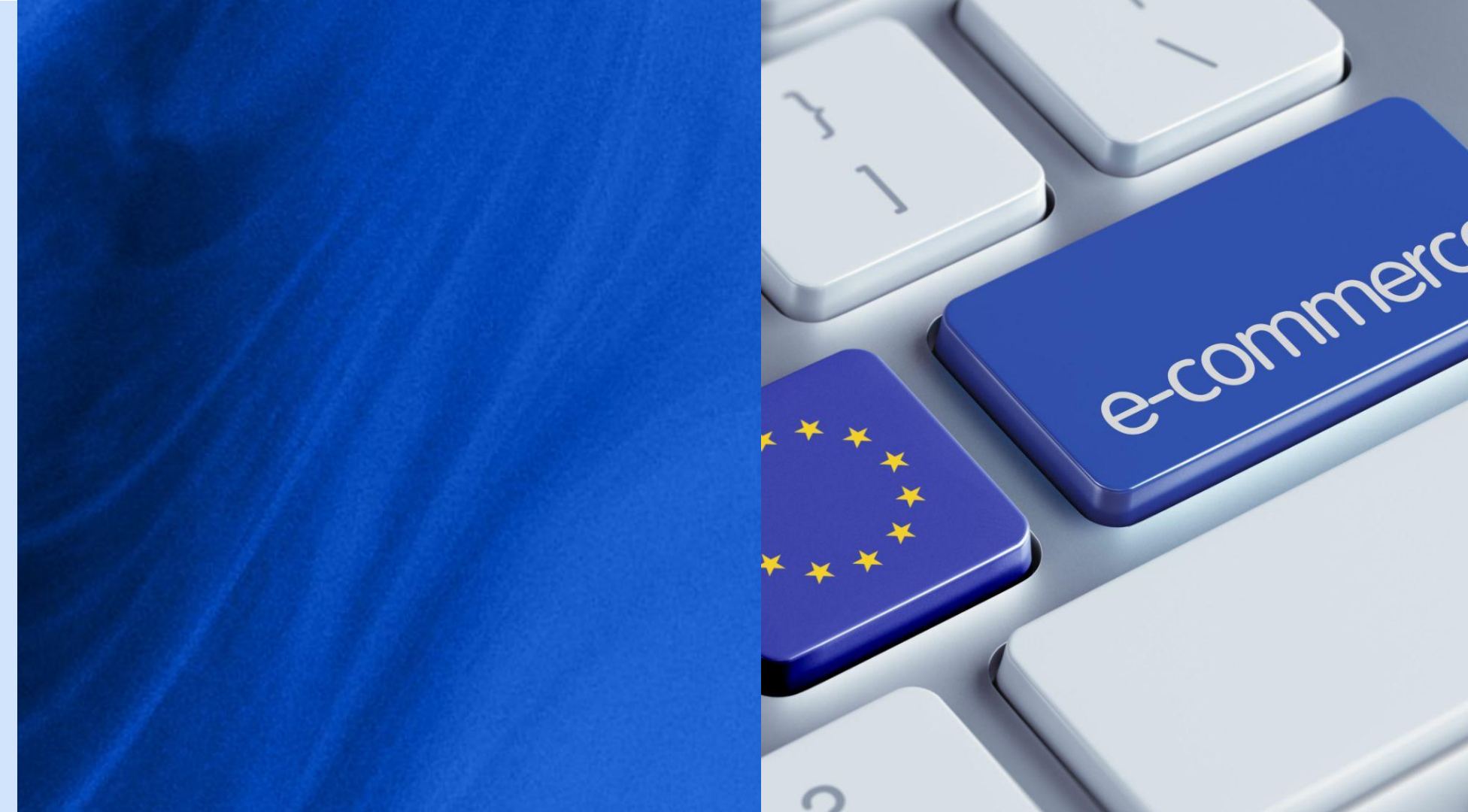
Macroeconomics

Consumer Price Index
Indicator that measures the evolution of prices for consumer goods and services.

Revenue per capita
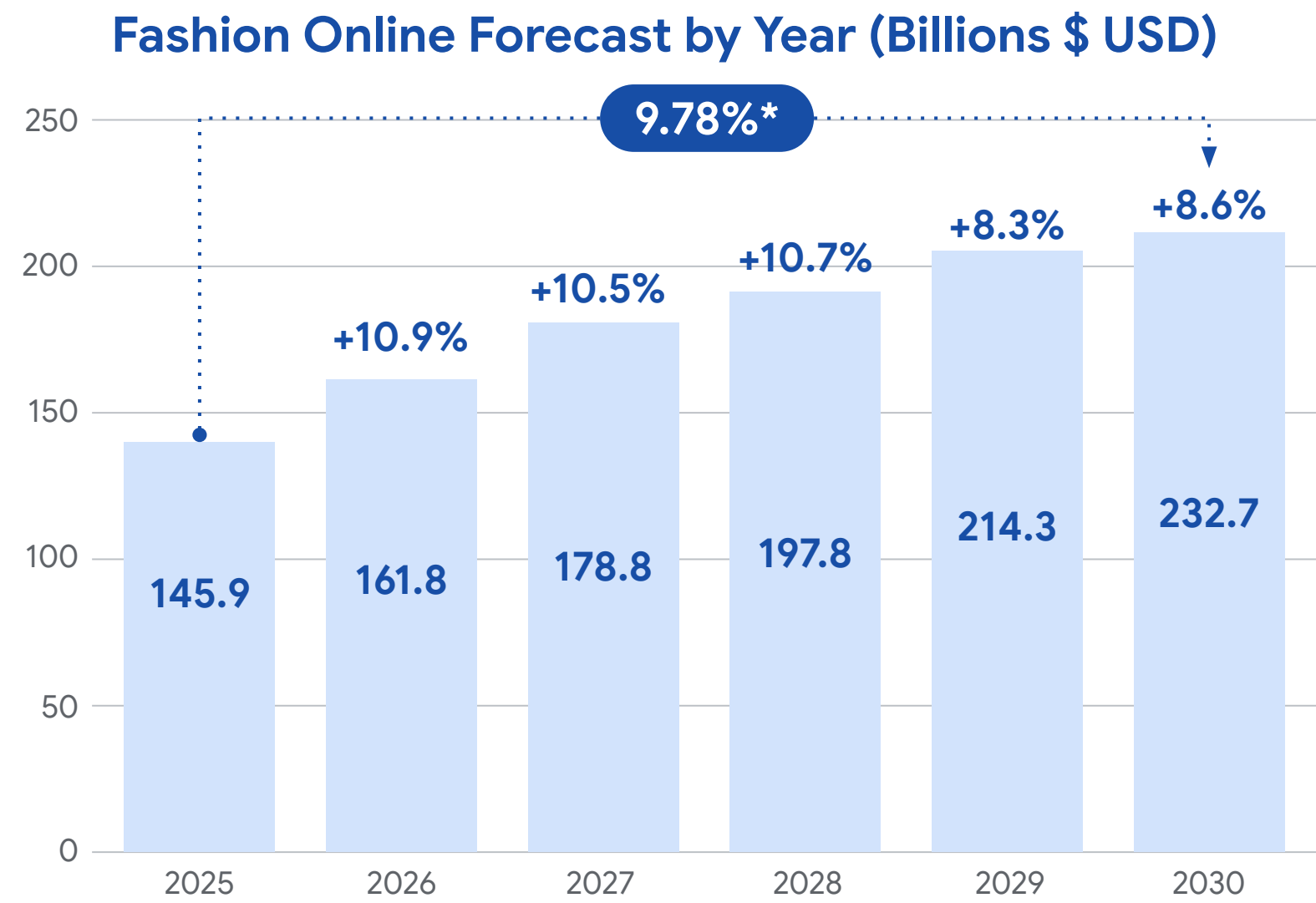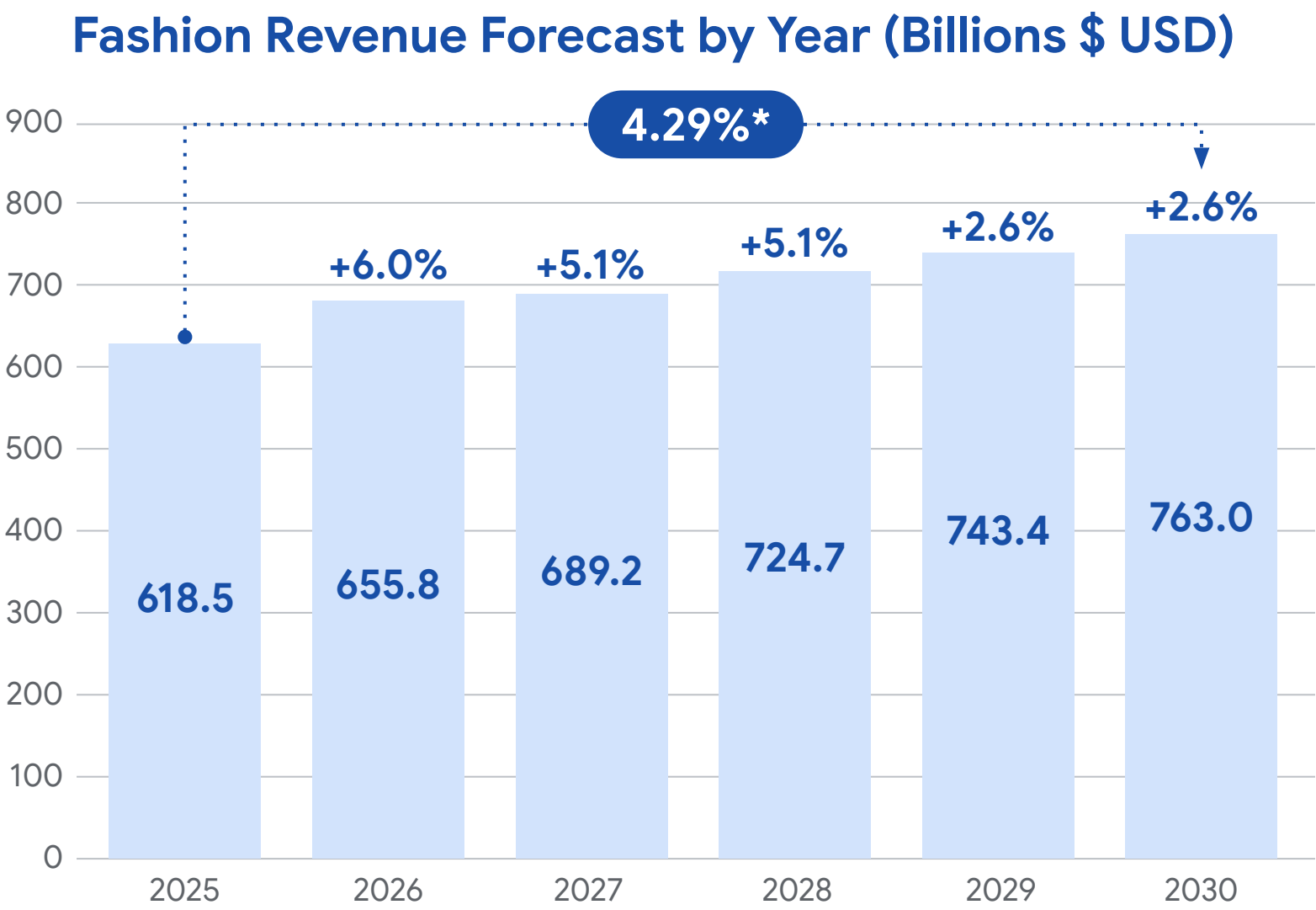Income generated divided by the number of inhabitants.

Google Deloitte.

We predict e-commerce in fashion to grow **77%** in **our** analyzed countries by 2030
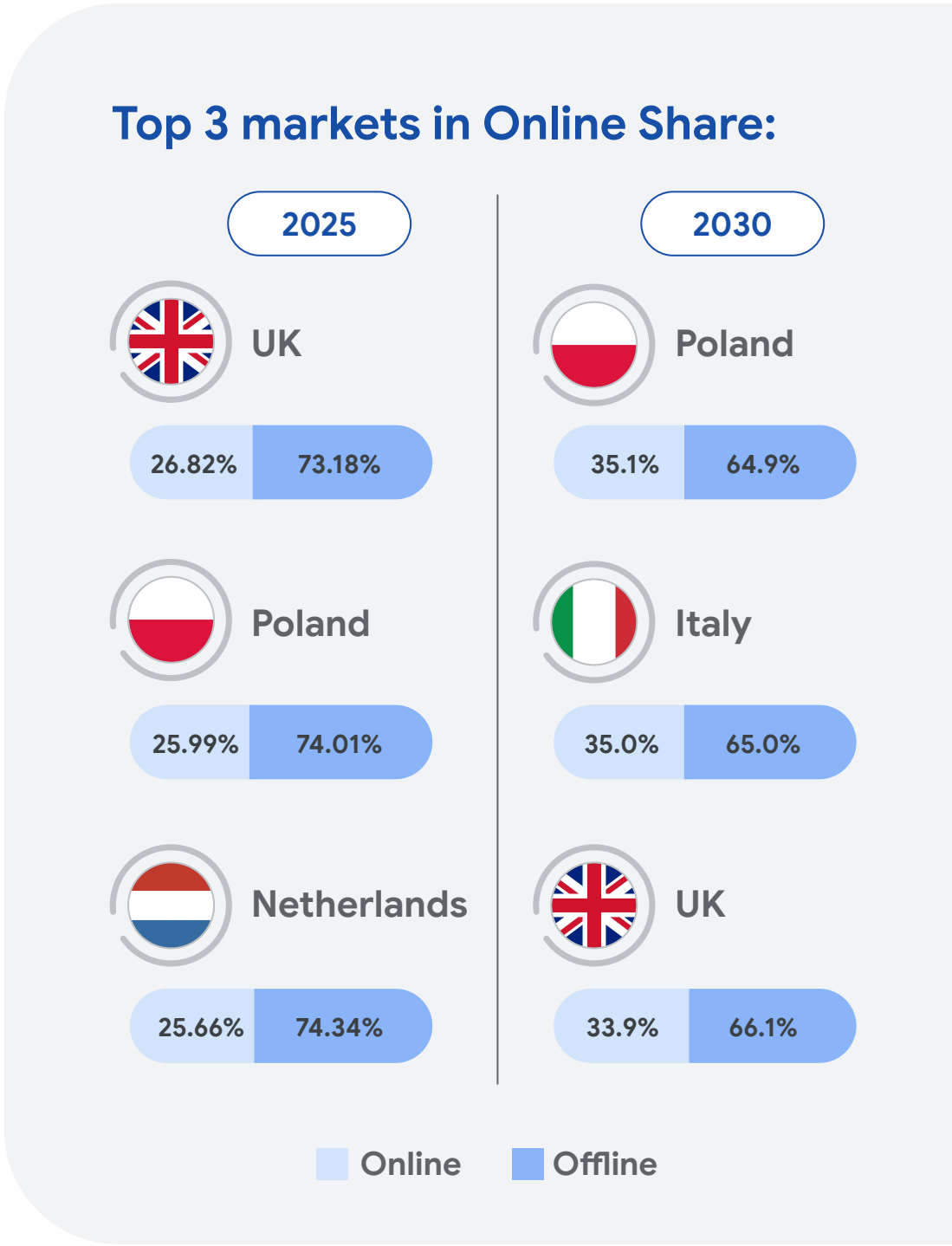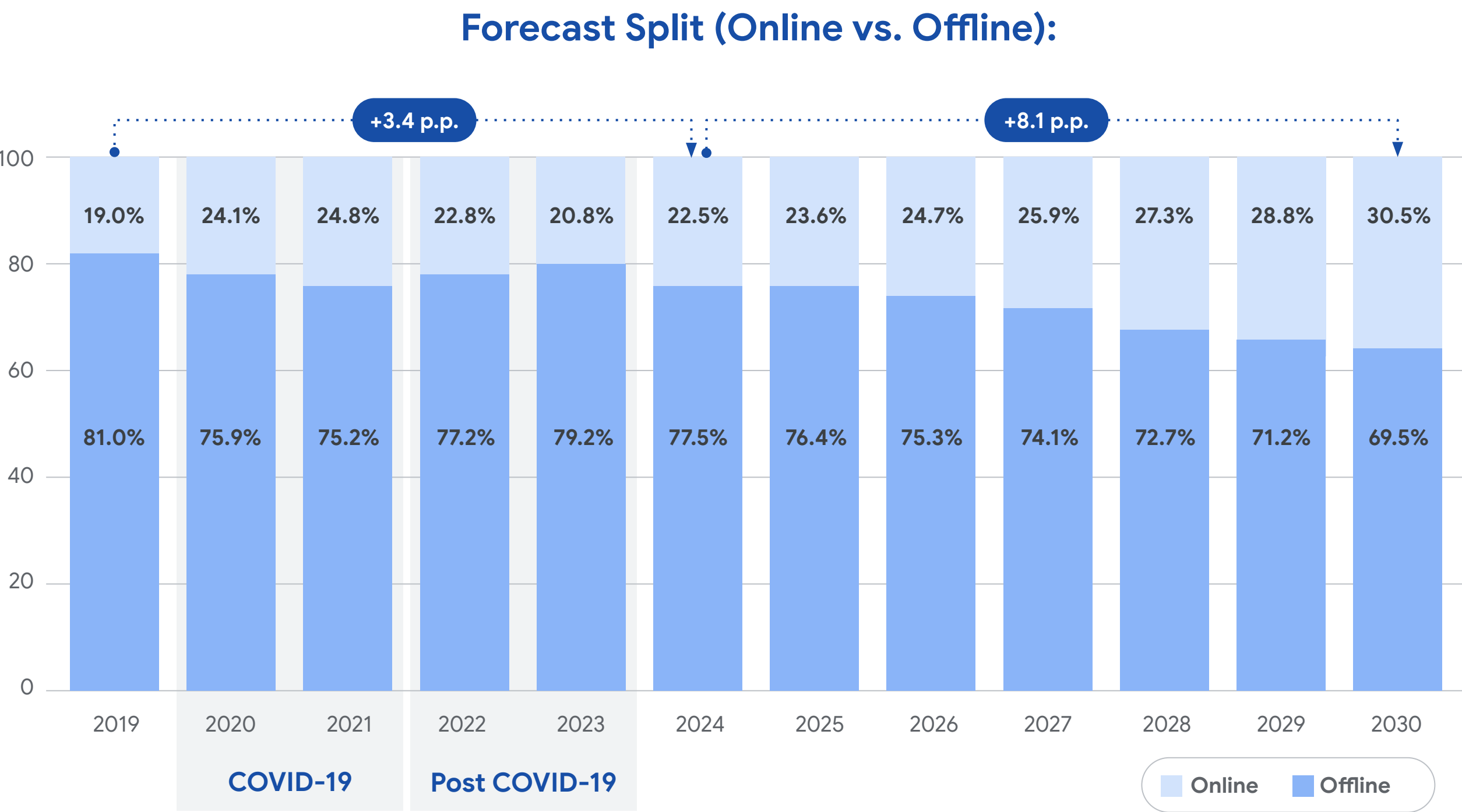
Reaching $233 Billion

We forecast a ~10% yearly revenue uplift to 2030 in fashion e-commerce, outgrowing offline by 6%

Yearly e-commerce growth rates range between 8% and 11%, with the most upside expected between 25' and 28'; followed by a slow down between 28' & 30'.

Fashion Revenue Forecast by Year (Billions $ USD)

4.29%*

Year	Value	Growth
2025	618.5	
2026	655.8	+6.0%
2027	689.2	+5.1%
2028	724.7	+5.1%
2029	743.4	+2.6%
2030	763.0	+2.6%

Fashion Online Forecast by Year (Billions $ USD)

9.78%*

| Year	Value	Growth
2025	145.9	
2026	161.8	+10.9%
2027	178.8	+10.5%
2028	197.8	+10.7%
2029	214.3	+8.3%
2030	232.7	+8.6%

⚠ **Growth rates to stagnate due to:**
- Market maturation & saturation
- Hybrid retail-model dominance
- Regulatory & privacy limitations in the AI-landscape

Google   Deloitte.

By 2030, omnichannel will be at the core of fashion; with online reaching a total of 30% of revenue

Forecast Split (Online vs. Offline):

Top 3 markets in Online Share:

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Online	19.0%	24.1%	24.8%	22.8%	20.8%	22.5%	23.6%	24.7%	25.9%	27.3%	28.8%	30.5%
Offline	81.0%	75.9%	75.2%	77.2%	79.2%	77.5%	76.4%	75.3%	74.1%	72.7%	71.2%	69.5%

+3.4 p.p.

+8.1 p.p.

COVID-19 (2020–2021)

Post COVID-19 (2022–2023)

■ Online ■ Offline

2025

UK — Online 26.82% | Offline 73.18%

Poland — Online 25.99% | Offline 74.01%

Netherlands — Online 25.66% | Offline 74.34%

2030

Poland — Online 35.1% | Offline 64.9%

Italy — Online 35.0% | Offline 65.0%

UK — Online 33.9% | Offline 66.1%

■ Online ■ Offline

Google Deloitte.

25

Turkey, Italy, and Spain will continue to be the markets that show the highest online growth, each with a projected ~12% CAGR

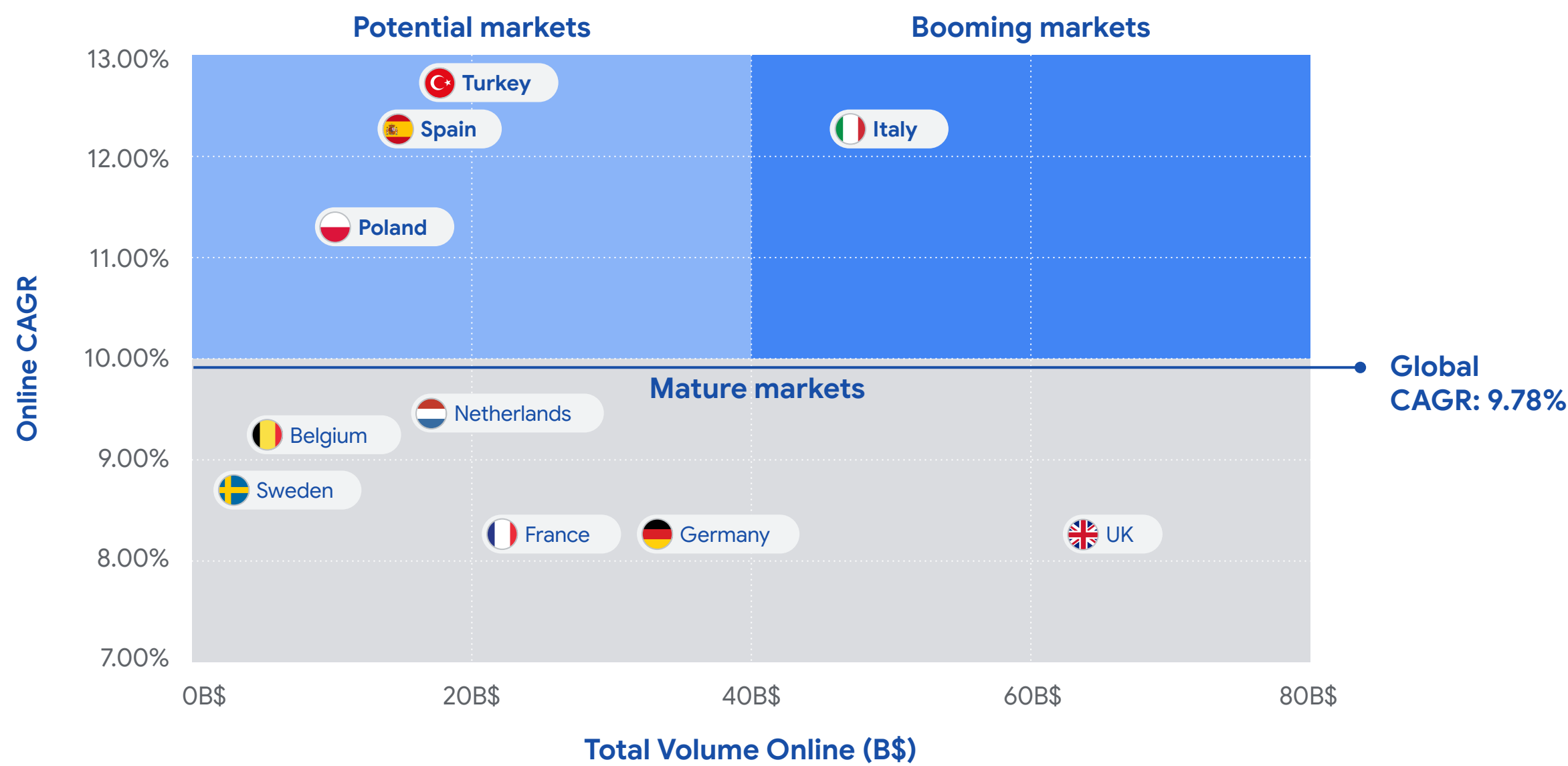## Online Revenue Forecast Growth by Country:
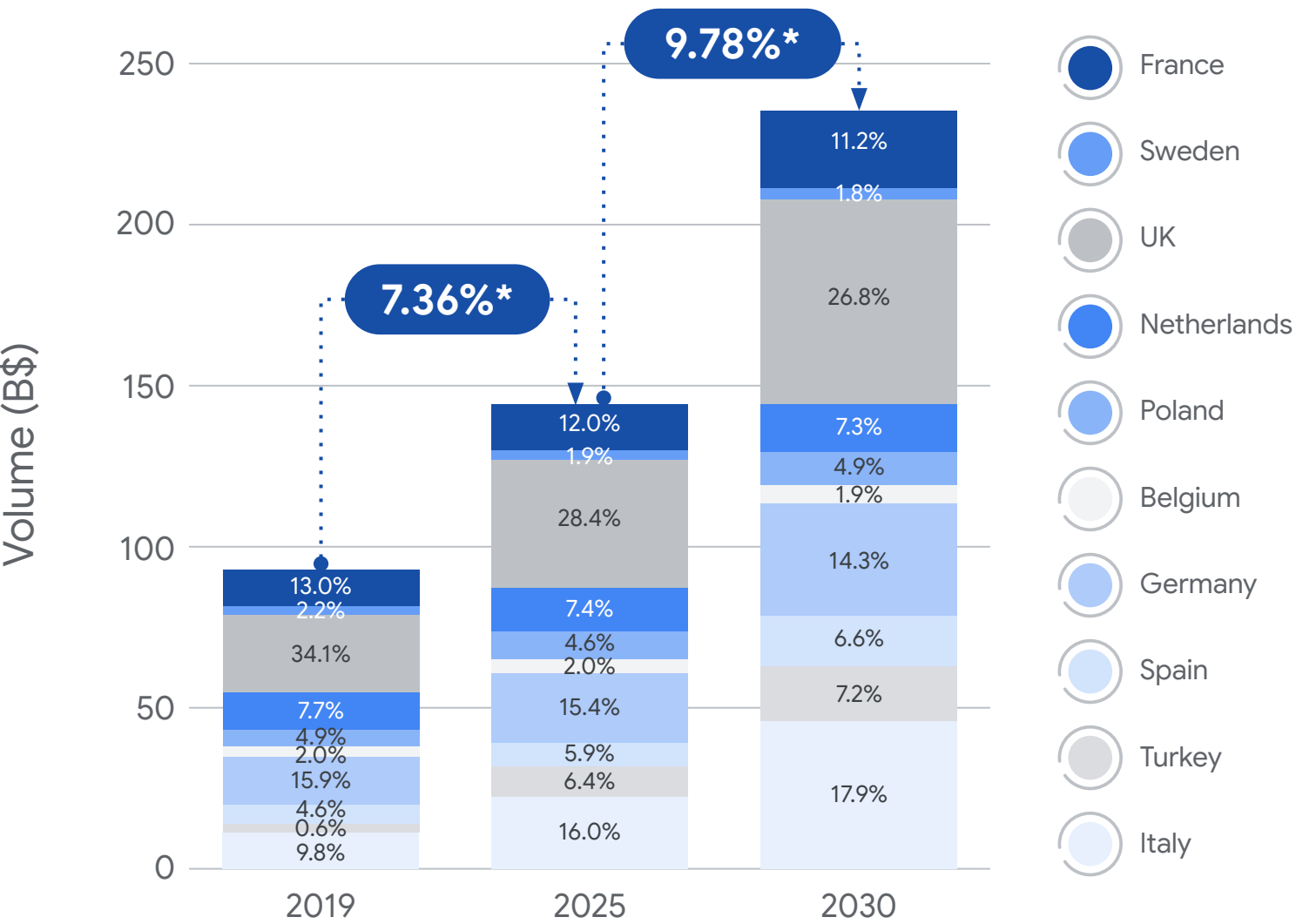
	CAGR 2019-2025	CAGR 2025-2030
	6.0%	8.2%
	4.1%	9.0%
	4.2%	8.5%
	6.6%	9.6%
	6.0%	11.2%
	7.5%	9.0%
	6.8%	8.2%
	12.1%	12.2%
	9.2%	12.6%
	16.4%	12.3%

	CAGR (%)	Volume (B$)
Spain	12.2%	15.5
Turkey*	12.6%	16.8
Italy	12.3%	41.7

Legend: France, Sweden, UK, Netherlands, Poland, Belgium, Germany, Spain, Turkey, Italy

*Disclaimer: Currency fluctuations relative to the euro have not been incorporated into the model As a result, there is an inherent risk that a potential depreciation of the Turkish lira may adversely impact and distort the outcomes of the analysis.

We forecast Italy to become even more significant in online fashion than it is today; with the UK still leading in absolute size

Potential markets

Booming markets

13.00%

- Turkey
- Spain
- Italy

12.00%

Poland

11.00%

10.00% — Global CAGR: 9.78%

Online CAGR

Mature markets

- Netherlands
- Belgium

9.00%

- Sweden

8.00%

- France
- Germany
- UK

7.00%

0B$ 20B$ 40B$ 60B$ 80B$
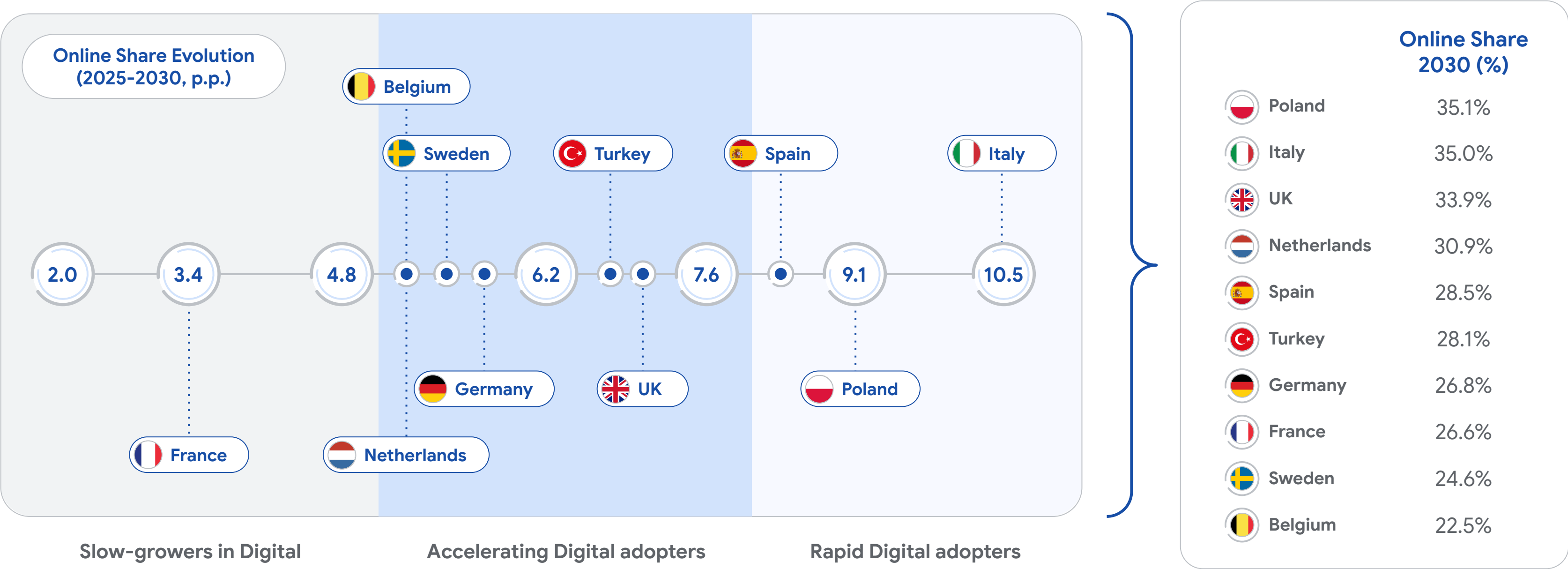
Total Volume Online (B$)

Italy

Italy to become the second biggest fashion market by 2030 due to:

- Headroom to grow in digitalization metrics
- High cultural spending patterns vs saving
- Fashion as a cultural pillar in Italy

Google   Deloitte.

27

With some countries reaching over 35% online share by 2030, it becomes even more important to have a unified message, with one brand, across online and offline

Online-Offline Share Forecast Growth by Country:

Online Share Evolution (2025-2030, p.p.)

Belgium · Sweden · Turkey · Spain · Italy

2.0 — 3.4 — 4.8 — 6.2 — 7.6 — 9.1 — 10.5

Germany · UK · Poland

France · Netherlands

Slow-growers in Digital · Accelerating Digital adopters · Rapid Digital adopters

	Online Share 2030 (%)
Poland	35.1%
Italy	35.0%
UK	33.9%
Netherlands	30.9%
Spain	28.5%
Turkey	28.1%
Germany	26.8%
France	26.6%
Sweden	24.6%
Belgium	22.5%

(1) Projected data 2025 to 2030 - Source: Google; Statista; Deloitte Analytics © All rights reserved, Deloitte Analysis

While Apparel will still be the largest in size we expect footwear to grow faster in the next years

Online Revenue Forecast Growth by Subcategory I:
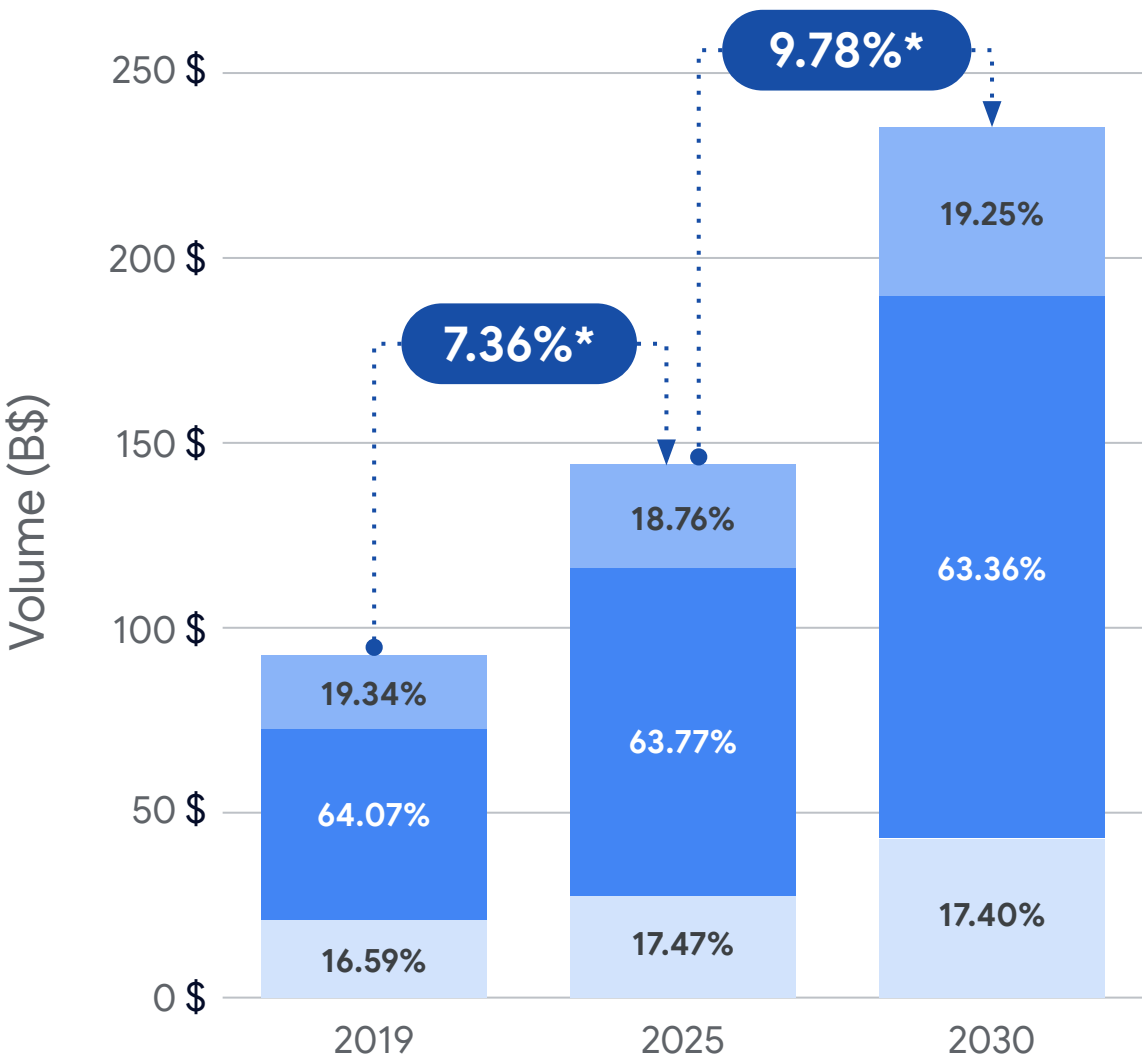
Volume and CAGR (%) by Subcategory I

	Volume 2030 (B$)	CAGR (%) 2025-2030
Accessories	40.48	9.7%
Apparel	147.41	9.6%
Footwear	44.78	10.3%

CAGR 2025/ 2030 (%) by Subcategory I (Top 3 fastest growing markets)

	CAGR (%) Turkey	CAGR (%) Spain	CAGR (%) Italy
Accessories	11.8%	12.9%	12.5%
Apparel	10.1%	10.2%	10.4%
Footwear	11.3%	9.4%	9.5%

Why Footwear will outgrow other categories:

- More standardized fit & size across brands
- Lower returns & associated costs
- More effective use of visuals and immersive tech
- Higher average selling price justifies shipping cost

Rapid growth in men's fashion contrasts with the immense & mature women's market requiring hyper-accuracy

Online Revenue Forecast by Subcategory II

Volume (B$)

9.8%*

7.4%*

- Footwear
- Women's S Apparel
- Watches Jewelry
- Men's S Apparel
- Luggage Bags
- Children's S Apparel
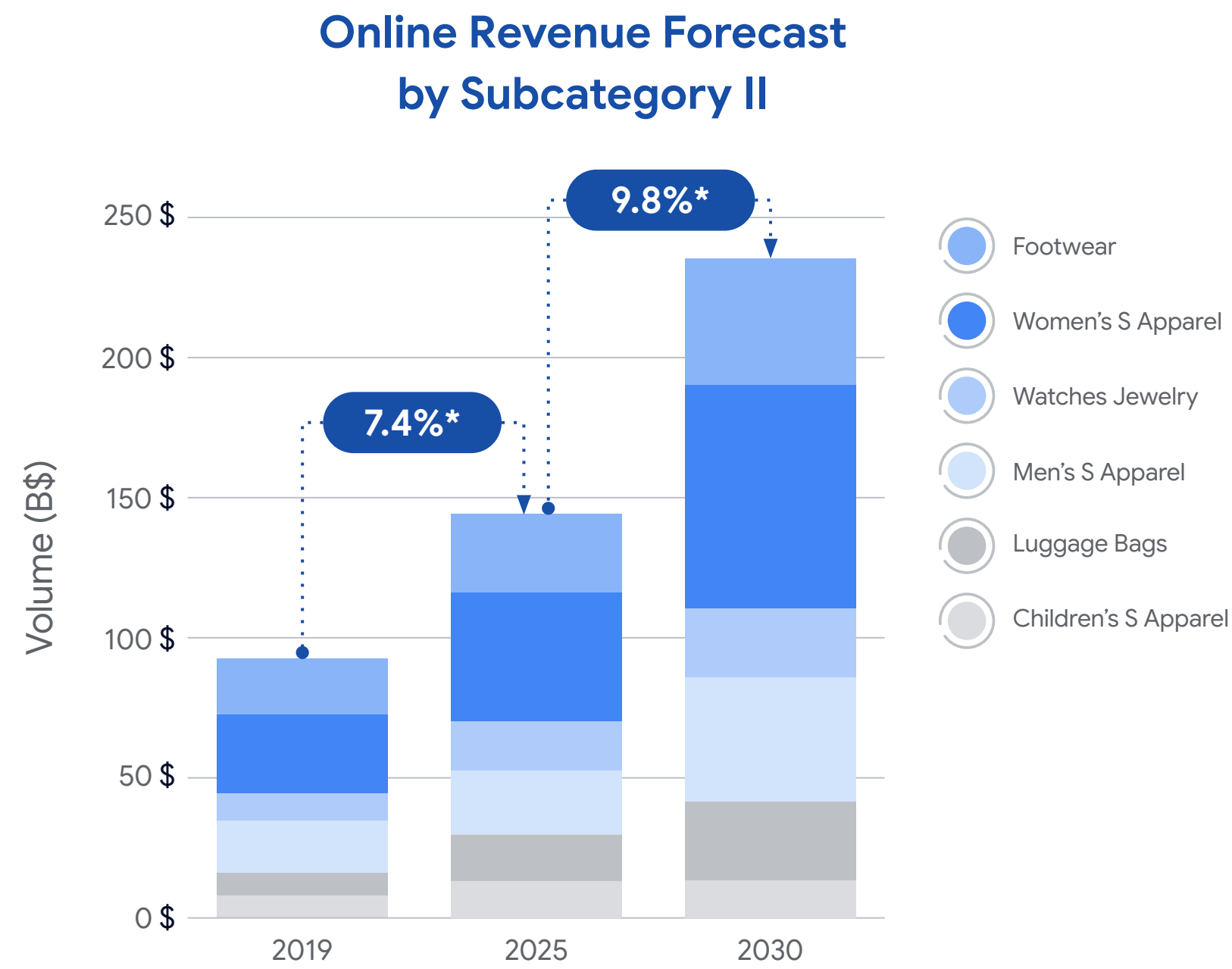
Ranking by CAGR 2025-2030

		CAGR 2019-2025	CAGR 2025-2030
01	Men's Apparel	7.4%	10.7%
02	Footwear	6.8%	10.3%
03	Watches Jewelry	8.3%	9.9%
04	Luggage & Bags	8.3%	9.5%
05	Women's Apparel	7.3%	9.2%
06	Children's Apparel	6.7%	8.9%
	Avg.	7.5%	9.8%

Ranking by Volume

		VOLUME (B$) 2030
01	Women's Apparel	81.72
02	Men's Apparel	48.53
03	Footwear	44.78
04	Watches Jewelry	21.88
05	Luggage & Bags	18.60
06	Children's Apparel	17.16
	Avg.	38.78

Footwear includes Leather, Sneakers and Textile.

Google Deloitte.

In six of the ten analyzed markets; "Men's Apparel" has the highest expected CAGR to 2030

	Top 10 fastest online growing countries by 2030			
RANKING	Country (Online revenue)	RANKING (Var. vs 2024)	CAGR 2025-2030 (Desv. vs average*)	TOP 3 SUBCATEGORY* (Based on CAGR 2025-2030)
#1	United Kingdom	=	-1.6 p.p.	Children / Women / Footwear
#2	Italy	+1	+2.2 p.p.	Women / Watches / Men
#3	Germany	-1	-1.9 p.p.	Men / Footwear / Luggage
#4	France	=	-1.9 p.p.	Men / Footwear / Luggage
#5	Netherlands	=	-0.5 p.p.	Footwear / Men / Luggage
#6	Turkey	=	+2.5 p.p.	Men / Footwear / Watches
#7	Spain	=	+2.2 p.p.	Watches / Women / Luggage
#8	Poland	=	+1.2 p.p.	Men / Watches / Footwear
#9	Belgium	+1	-1.1 p.p.	Watches / Footwear / Luggage
#10	Sweden	-1	-1.2 p.p.	Watches / Footwear / Luggage

Real data Europe; 2019 to 2024. Projected data to 2030; *Global CAGR average=9.8%
Source: Google; Statista; Deloitte Analytics © All rights reserved, Deloitte Analysis

*Men= Men's Apparel / Women= Women's Apparel
Watches= Watches Jewelry / Footwear=Leather, Sneakers and Textile

We are already seeing this play out, with the YoY growth of Google demand for men's clothing outpacing the women's category in 10 out of 12 months in 2024

Searches for Men's Clothing vs Women's Clothing (YoY Growth of Queries), 2024, EMEA

Legend: Women, Men

Men category growing faster due to:

- Newfound focus on personal style among men
- Impact of new categories, like streetwear and athleisure on men's style

Source: Google trends, Google internal data

4

How to Navigate the Transformation

Google   **Deloitte.**

Capturing that online growth will require new thinking; as customer journeys are becoming tougher to interpret

... more scrutiny

Seeking Confidence: prioritizing finding the right trip for their needs.
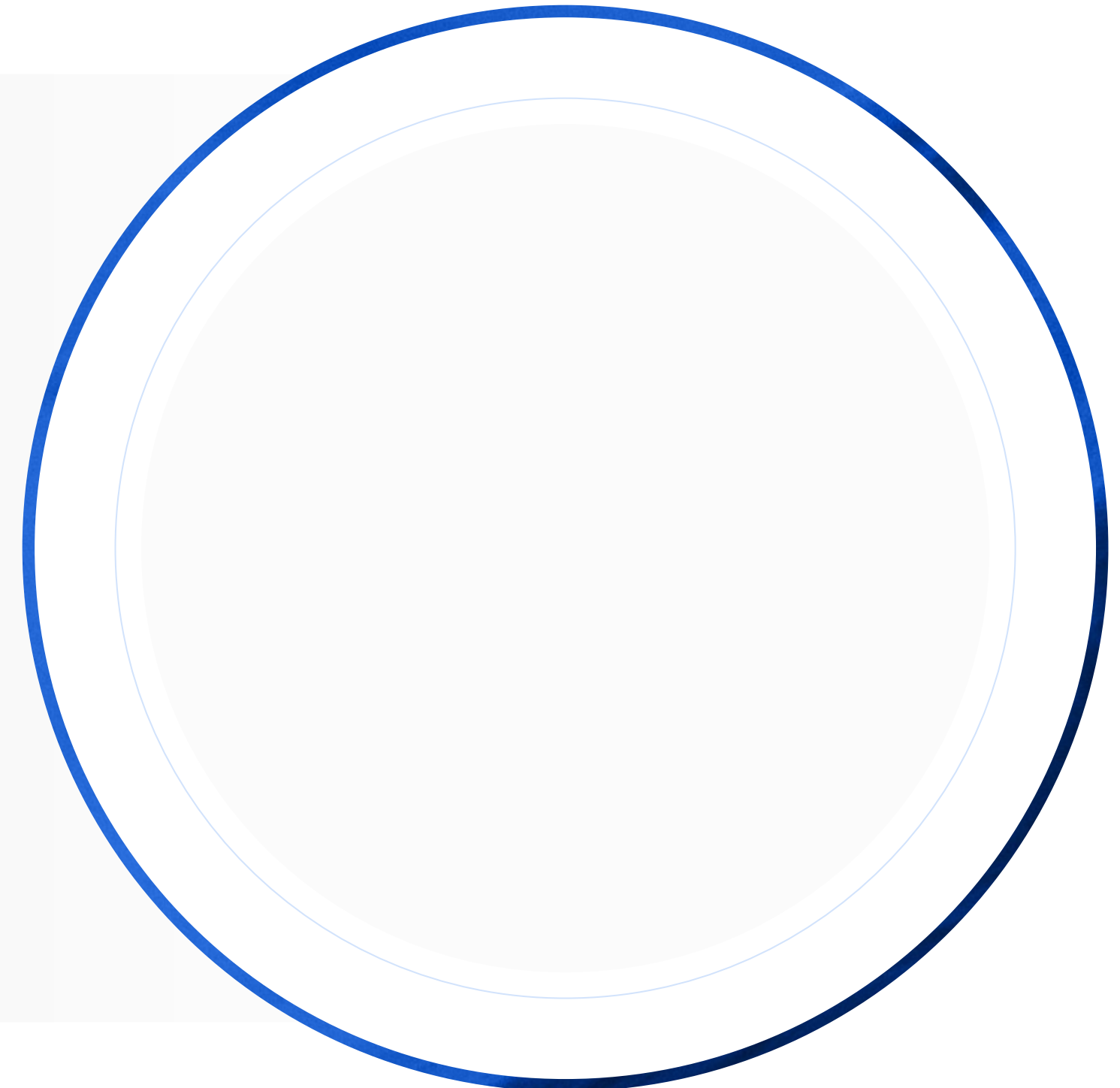
... more consideration

Expanding Options: exploring a wider range of brands and destinations.

... more exploratory

Thorough Research: investing more time and effort in their research process.

Google Deloitte.

We're experiencing an online data "deluge"; omnichannel data collection is imperative

Searches are longer
1.5x faster volume growth for queries five or more words vs. shorter queries[1]
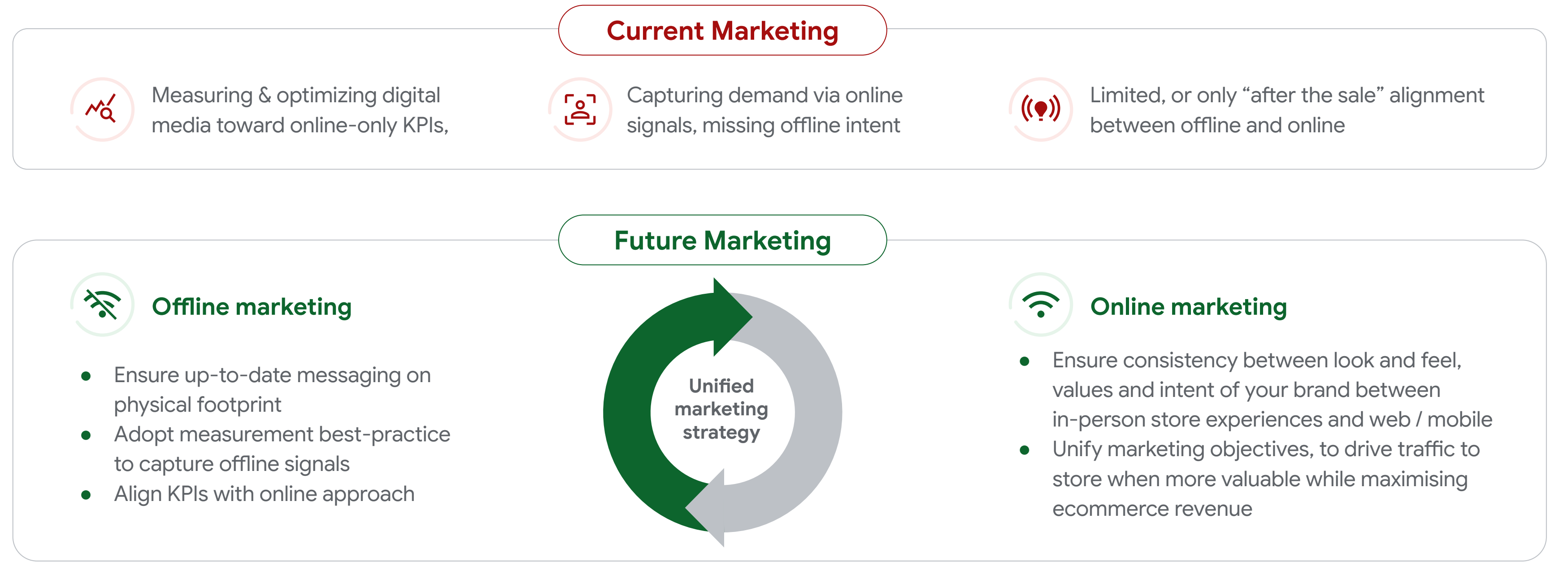
More touchpoints
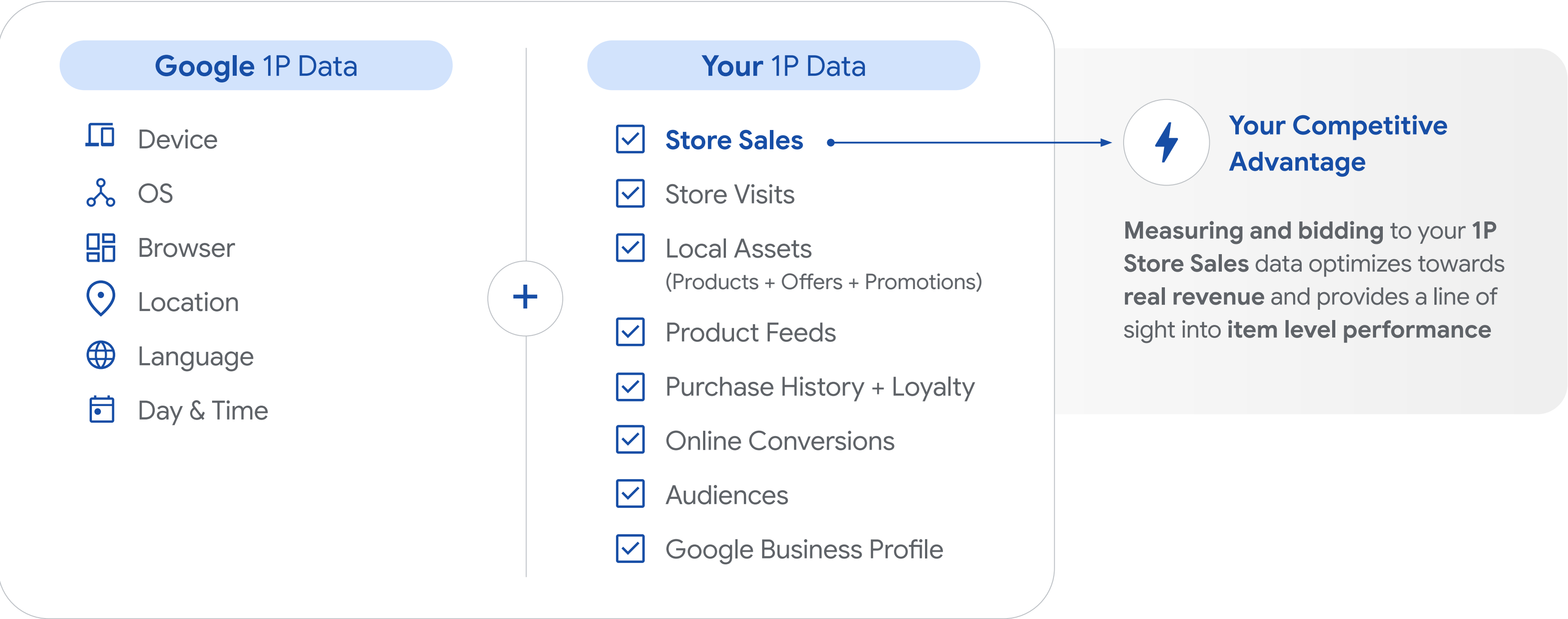The average shopper has 10 touchpoints on their journey to purchase[3]

Information overload
2 in 3 consumers delay or avoid making decisions when faced with too many options or information[2]
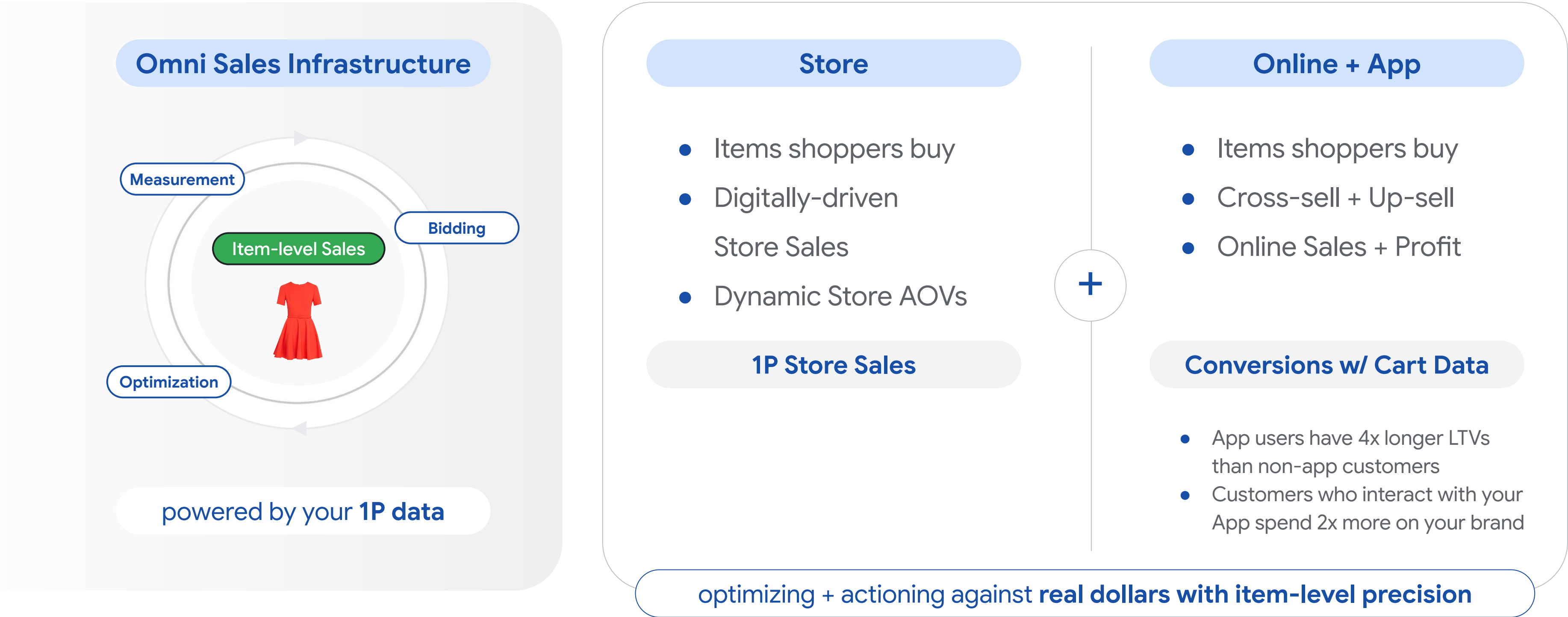
Google Deloitte.

With some countries reaching 35% of online sales; embracing a unified strategy for future e-commerce success will be key

Current Marketing

Measuring & optimizing digital media toward online-only KPIs,

Capturing demand via online signals, missing offline intent

Limited, or only "after the sale" alignment between offline and online

Future Marketing

Offline marketing

- Ensure up-to-date messaging on physical footprint
- Adopt measurement best-practice to capture offline signals
- Align KPIs with online approach

Unified marketing strategy

Online marketing

- Ensure consistency between look and feel, values and intent of your brand between in-person store experiences and web / mobile
- Unify marketing objectives, to drive traffic to store when more valuable while maximising ecommerce revenue

Leveraging 1PD is key to gain competitive advantages in the omnichannel environment

Google 1P Data

- Device
- OS
- Browser
- Location
- Language
- Day & Time

\+

Your 1P Data

- ☑ **Store Sales**
- ☑ Store Visits
- ☑ Local Assets
  (Products + Offers + Promotions)
- ☑ Product Feeds
- ☑ Purchase History + Loyalty
- ☑ Online Conversions
- ☑ Audiences
- ☑ Google Business Profile

⚡ **Your Competitive Advantage**

Measuring and bidding to your **1P Store Sales** data optimizes towards **real revenue** and provides a line of sight into **item level performance**

Infrastructures must revolve around measurement, bidding, and optimization leveraging high-value app engagements

Omni Sales Infrastructure

Measurement

Bidding

Item-level Sales

Optimization

powered by your **1P data**

Store

- Items shoppers buy
- Digitally-driven Store Sales
- Dynamic Store AOVs

1P Store Sales

+

Online + App

- Items shoppers buy
- Cross-sell + Up-sell
- Online Sales + Profit

Conversions w/ Cart Data

- App users have 4x longer LTVs than non-app customers
- Customers who interact with your App spend 2x more on your brand

optimizing + actioning against **real dollars with item-level precision**

Google   Deloitte.

The Store Reimagined: With fashion still being highly sensory and emotional, the store will have to become more than a mere P.O.S

The Store's Evolved Purpose

- Fulfilment (Click & Collect, Local Delivery)

- Experience (Events, Fashion Shows, Community)

- Service (High-Touch Support, Styling Advice, Made-to-Measure etc.)

Tech-Infused In-Store Experiences

- App-guided Exploration: In-store navigation & recommendations

- Interactive discovery: Digital lookbooks, QR codes, virtual try-ons

- Frictionless checkout (Scan & Go, Mobile POS)

Unified Data & Operations for a 360° View

- 360° Customer View (Online + Offline)

- Synced Operations (Real-time Inventory)

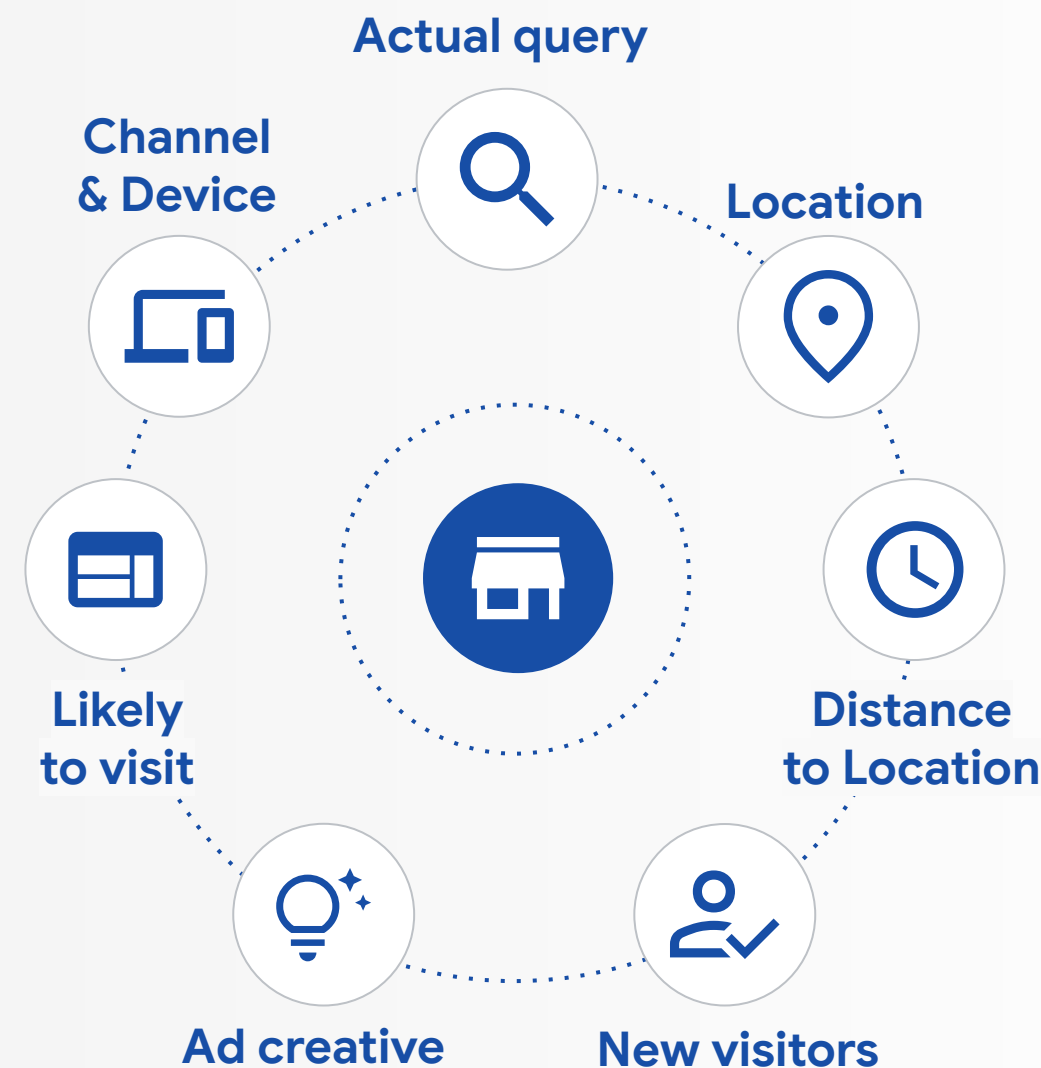- Phygital Marketing (e.g., PMax for store goals links online to in-store)

A "Phygital" store approach creates superior experiences, allows for more operational agility, and drives sustained retail growth

Google   Deloitte.

The Store Reimagined: With fashion still being highly sensory and emotional, the store will have to become more than a mere P.O.S

PMAX for Store Goals
A range of signals are used to reach the right audience

Actual query

Channel & Device

Location

Likely to visit

Distance to Location

Ad creative

New visitors

Unified Data & Operations for a 360° View

- 360° Customer View (Online + Offline)
- Synced Operations (Real-time Inventory)
- Phygital Marketing (e.g., **PMax for store goals** links online to in-store)

In mature fashion categories like Women's Apparel where expectations are high; enhanced customer engagement is crucial unlocking growth:

Hyper-Personalization

Automated Creative Production & Customization

Retailtainment & Gamification of the User Journey
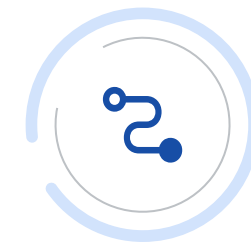
Google   **Deloitte.**

Moving from generic segmentation to individual segmentation & experiences

With evolving expectations; curated experiences for customers will be required to grow your business:

Individual Clothing Styles

Seamlessly cater to precise fashion tastes & requirements

Convenience & Time Optimization

Fashion platforms will have to learn customer routines & streamline shopping: quick delivery solutions; in-store pick up etc.
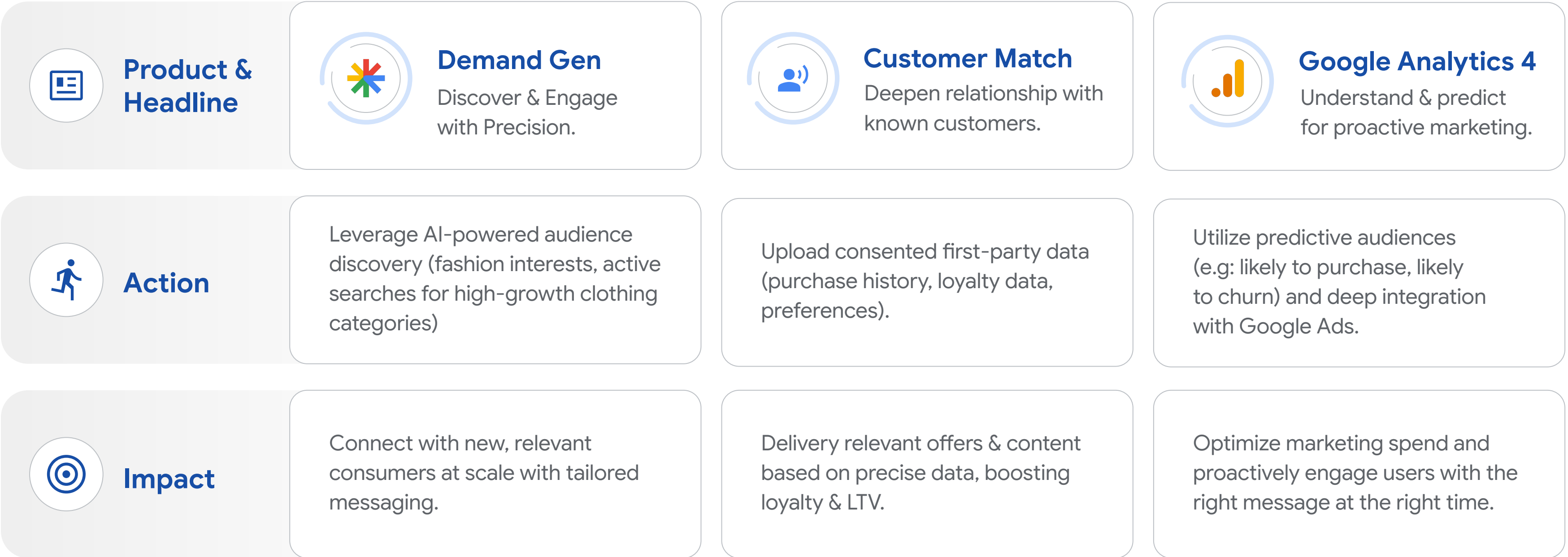
Ethical Values Alignment

Retailers will need to supply options that reflect the ethical commitments of their customer base, such as sustainability or local sourcing

Occasion-Based Curation

Shoppers will look for personalized suggestions that align not only with style, but occasions, moods & events (eg: weddings)

Google   Deloitte.

Activating hyper personalization:
Leveraging Google's AI & data capabilities

Google

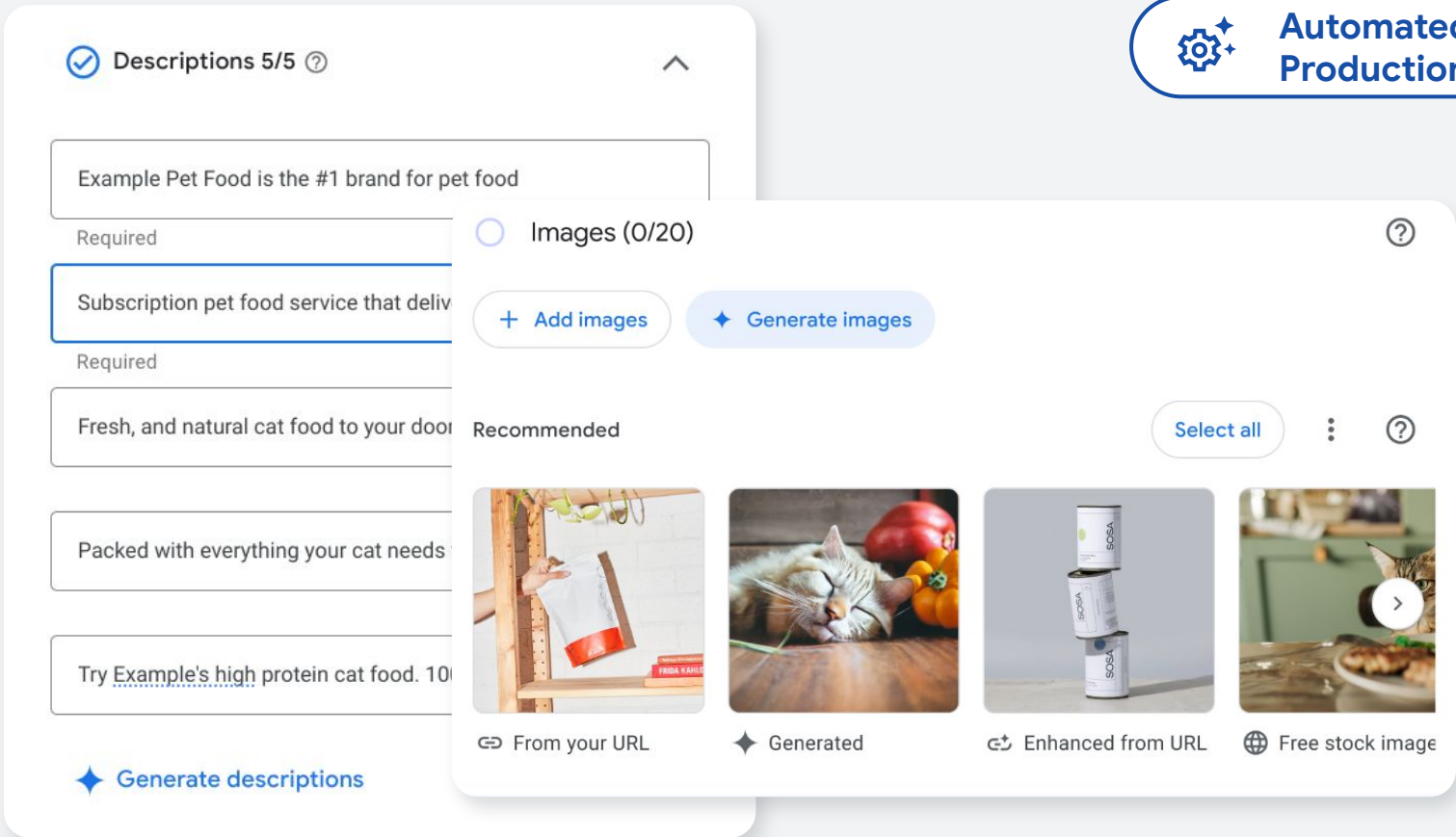| **Product & Headline**	**Demand Gen** Discover & Engage with Precision.	**Customer Match** Deepen relationship with known customers.	**Google Analytics 4** Understand & predict for proactive marketing.
Action	Leverage AI-powered audience discovery (fashion interests, active searches for high-growth clothing categories)	Upload consented first-party data (purchase history, loyalty data, preferences).	Utilize predictive audiences (e.g: likely to purchase, likely to churn) and deep integration with Google Ads.
Impact	Connect with new, relevant consumers at scale with tailored messaging.	Delivery relevant offers & content based on precise data, boosting loyalty & LTV.	Optimize marketing spend and proactively engage users with the right message at the right time.

Google   Deloitte.

Reaching customers of the future means taking convenience to the next level-like making your shopping advert show the buyer **"Try it on"** before they even buy it
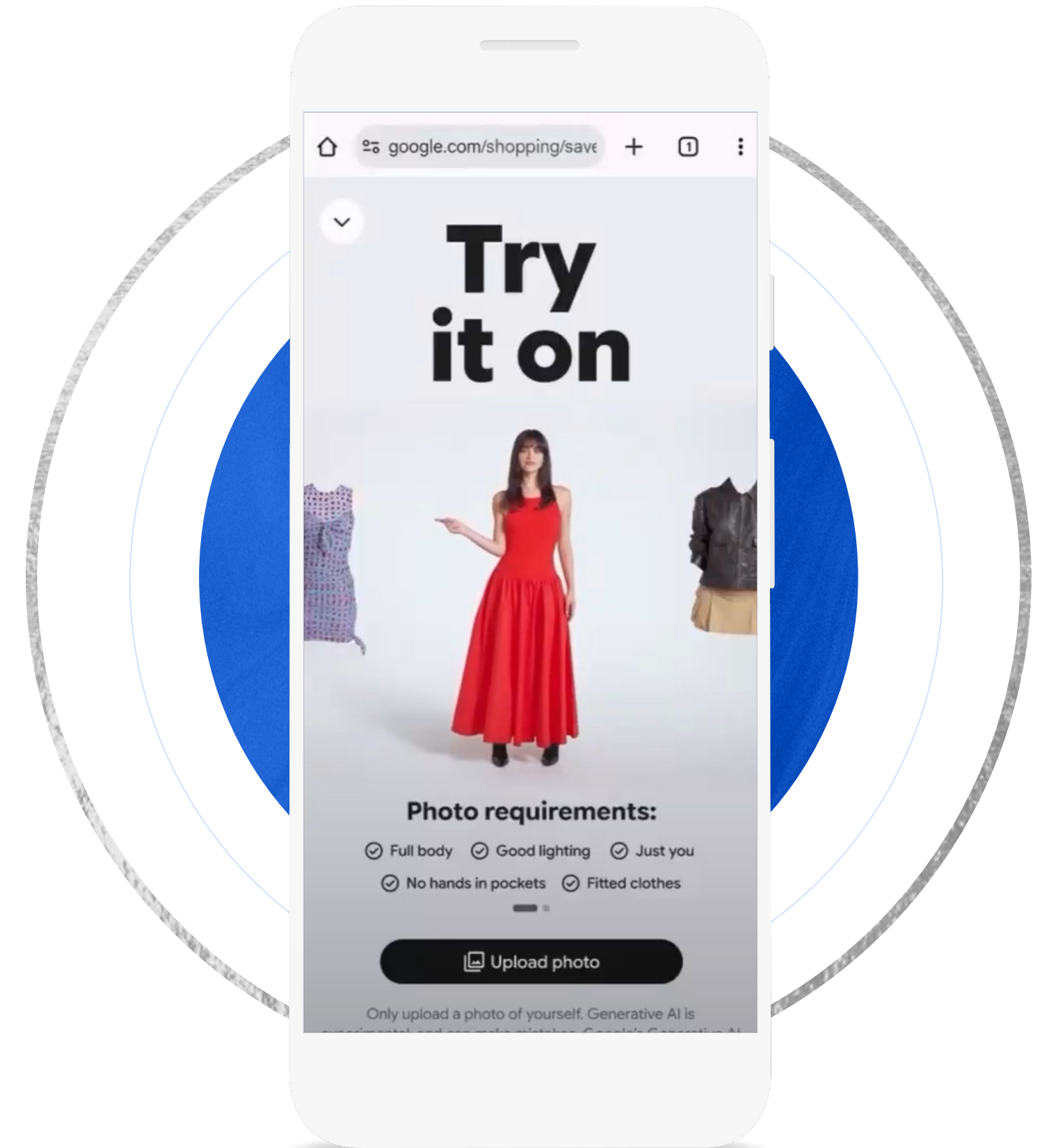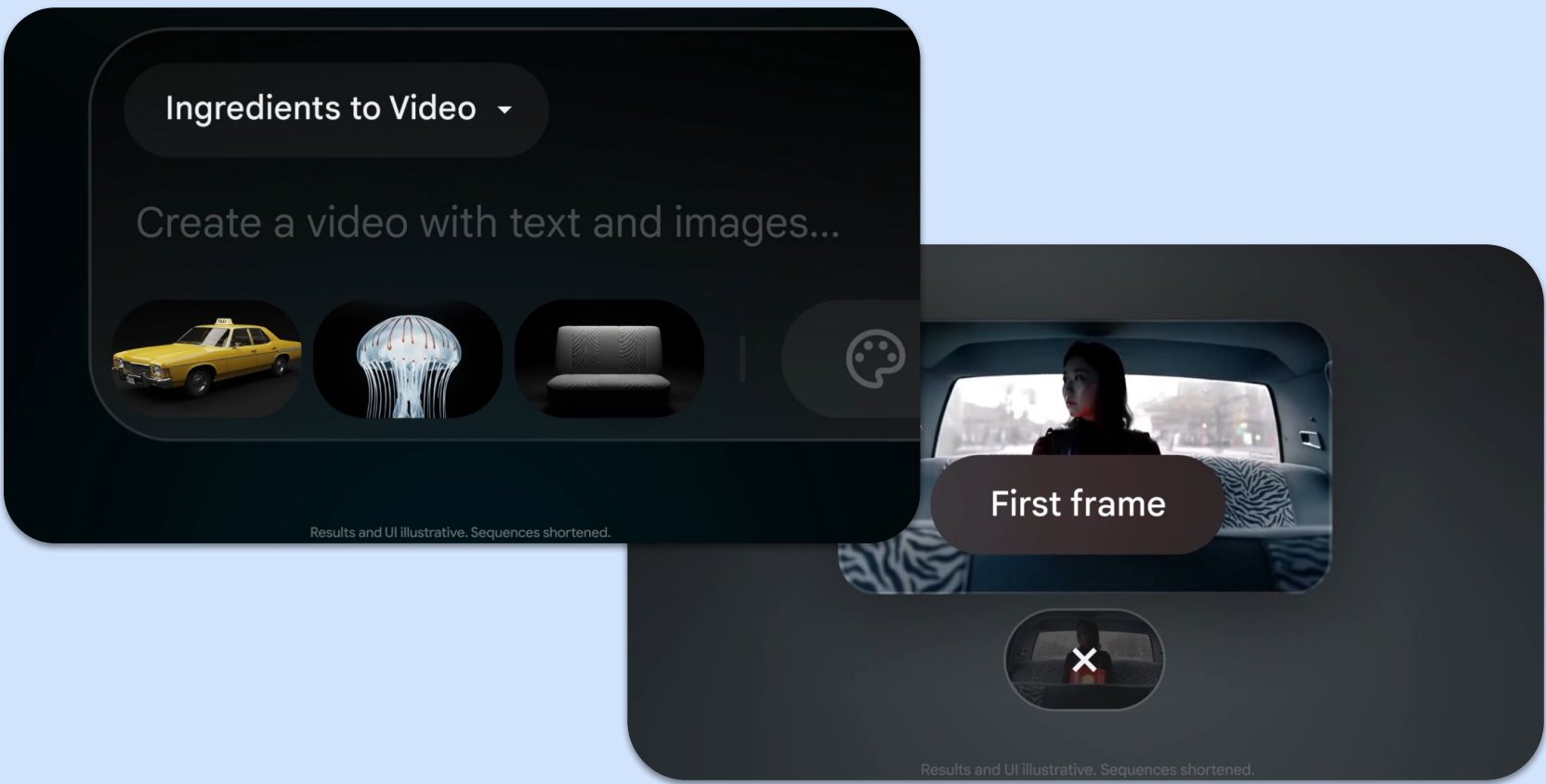
Solutions today...

Serving tailored creative based on what connects and converts the target audience
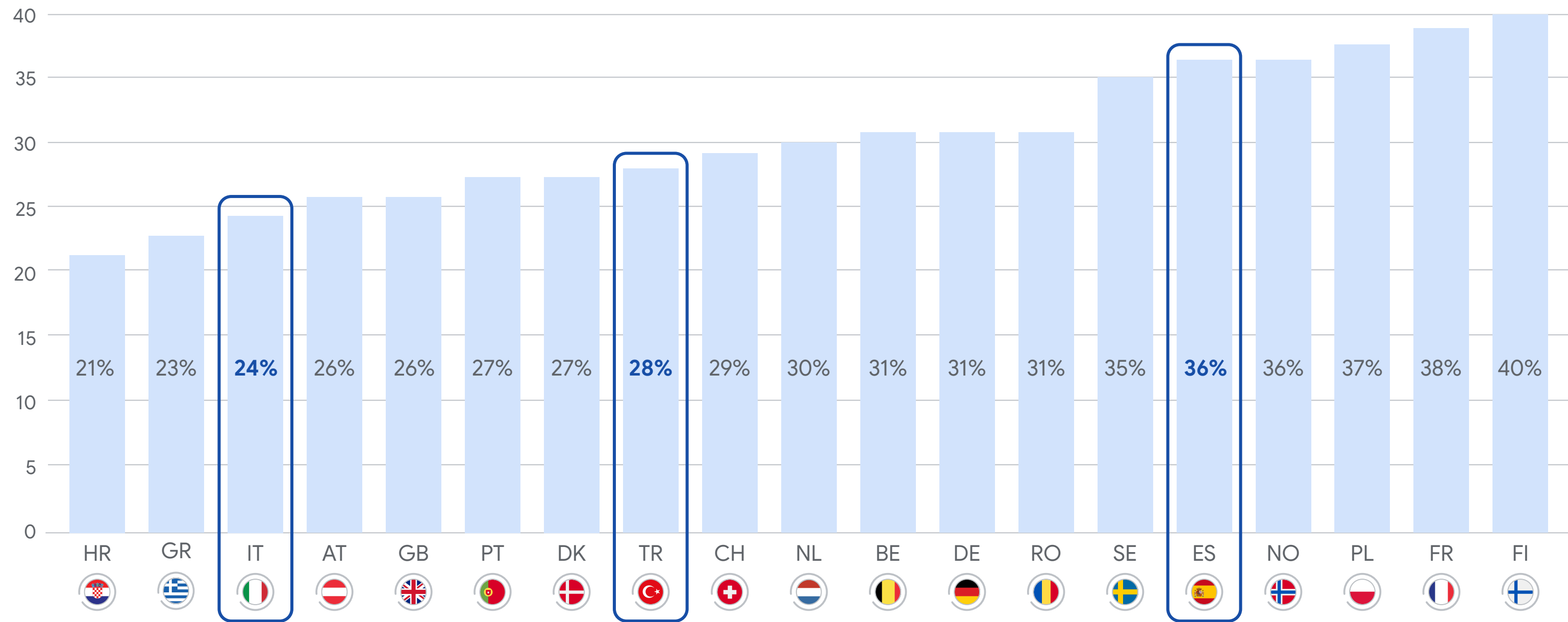
✅ Descriptions 5/5 ⓘ   ⌃

Example Pet Food is the #1 brand for pet food

Required

Subscription pet food service that deliv...

Required

Fresh, and natural cat food to your door...

Packed with everything your cat needs...

Try Example's high protein cat food. 10...

✦ Generate descriptions

○ Images (0/20)   ⓘ

⊕ Add images   ✦ Generate images

Recommended   Select all   ⋮   ⓘ

🔗 From your URL   ✦ Generated   ⟳ Enhanced from URL   🌐 Free stock image

The tools of the future...

Unlock growth by converting your assets into scalable, high-impact creatives at a fraction of the traditional cost

Ingredients to Video ▾

Create a video with text and images...

Results and UI Illustrative. Sequences shortened.

First frame

✕

Results and UI Illustrative. Sequences shortened.

Google   **Deloitte.**

Engage New Consumers: Retailtainment, especially in Spain, is Crucial for Fun and Future Shopping Experiences

**Q: Why do you browse? Just browsing for fun, not looking for anything in particular**

HR	GR	IT	AT	GB	PT	DK	TR	CH	NL	BE	DE	RO	SE	ES	NO	PL	FR	FI
21%	23%	**24%**	26%	26%	27%	27%	**28%**	29%	30%	31%	31%	31%	35%	**36%**	36%	37%	38%	40%

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46

Learning from Gamification: Enriching the Fashion Journey to Drive Deeper Engagement and Lasting Loyalty
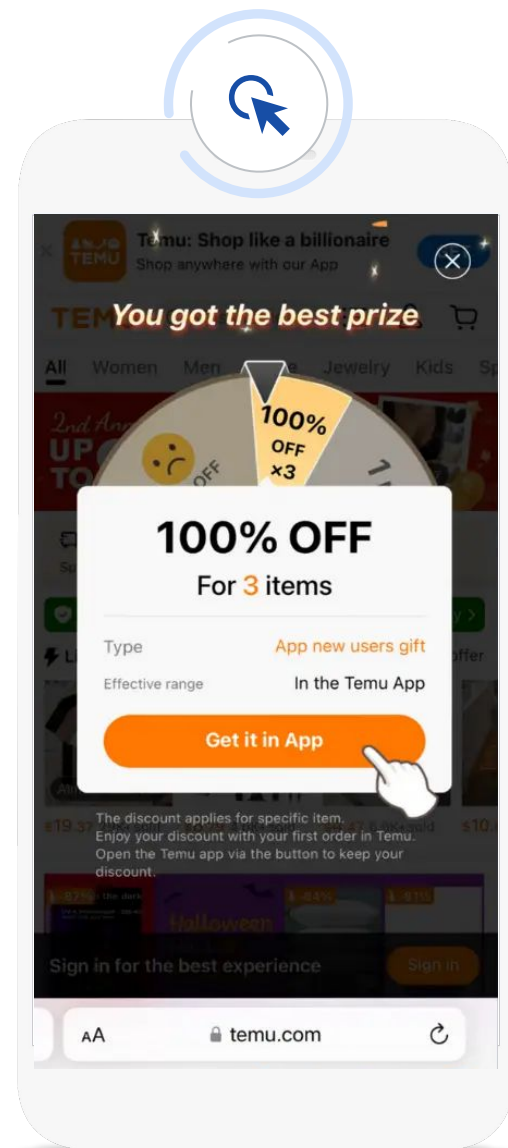
Spin, Challenge, Thrill
Elevating the Shopping Experience with Gamification
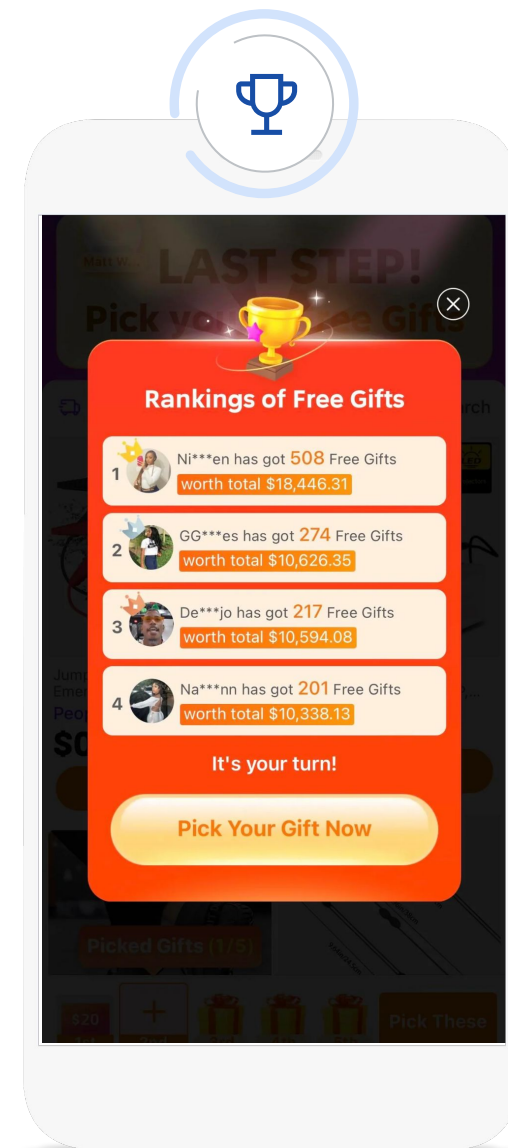
Foster Daily Engagement
Progress and Achievements Build Rewarding Routines
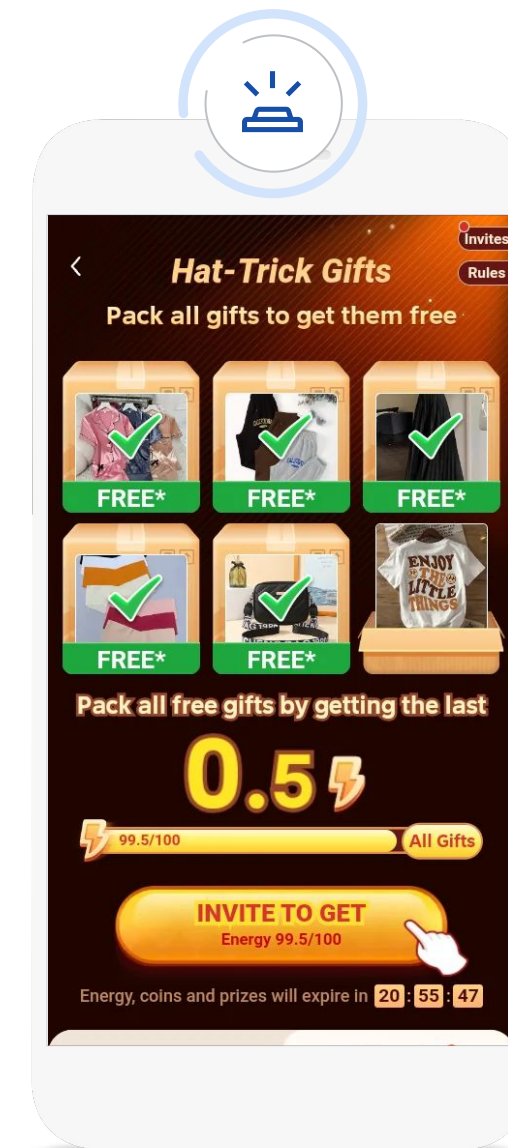
Boost Conversions
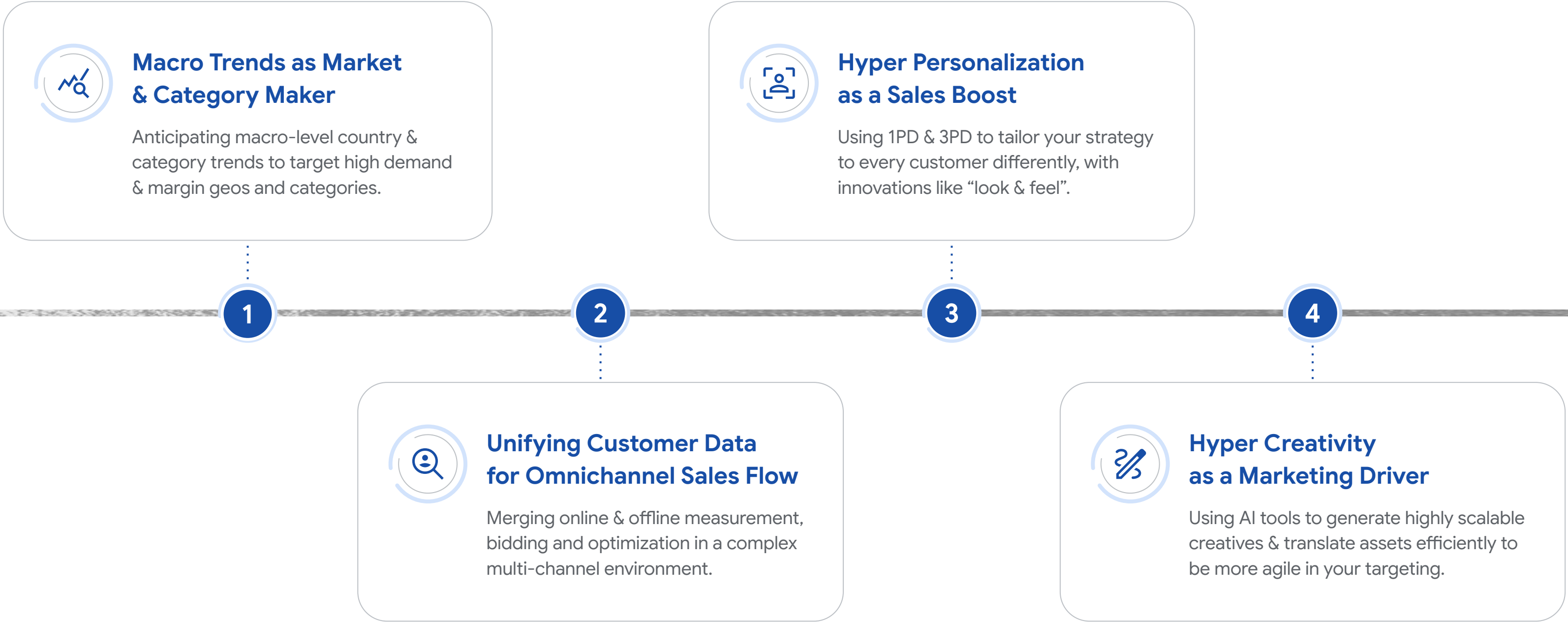Activating Consumers with Scarce, Temporary Value

"**TEMU is as addictive as sugar. The experience and cheap prices give consumers a little dopamine hit and keeps them coming back for more**"

Neil Saunders, Retail Analyst
BBC Article, "*How the ecommerce retailer drives a shoppy frenzy*".
April 24'

Strategic Imperatives for E-commerce Fashion by 2030

Navigating Market Shifts and Activating Data-Driven, Hyper-Personalized Marketing at Scale

Macro Trends as Market & Category Maker

Anticipating macro-level country & category trends to target high demand & margin geos and categories.

Hyper Personalization as a Sales Boost

Using 1PD & 3PD to tailor your strategy to every customer differently, with innovations like "look & feel".

1

2

3

4

Unifying Customer Data for Omnichannel Sales Flow

Merging online & offline measurement, bidding and optimization in a complex multi-channel environment.

Hyper Creativity as a Marketing Driver

Using AI tools to generate highly scalable creatives & translate assets efficiently to be more agile in your targeting.

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5

Appendix

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Our team

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Appreciation to the Deloitte and Google team who participated in the study

Deloitte Advanced Analytics
- Jorge Meneu Moreno
- Albert Miquel Ibarz

Deloitte Customer & Marketing specialists
- Paula Rodríguez
- Emma Salvador
- Bhavesh Sadhwani
- Gerard Moyano
- Sergio Mañanas
- Jordi Juanico

Research
- Esteban Fernández Villar
- Jason Panagiotopoulos

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Glossary

Categories and subcategories

- **Category:** Classification used to group products that share similar characteristics, functions or consumer purposes.

- **Subcategory:** Classification used to group products that share similar characteristics, functions or consumer purposes.

- **Fashion Categories:** Children's Apparel, Leather Footwear, Luggage Bags, Men's Apparel, Sneakers, Textile Other Footwear, Watches jewellery, Women's Apparel.

- **Food & Beverages Categories:** Alcoholic Drinks, Baby food, Bread & Cereal Products, Confectionery & Snacks, Dairy products & eggs, Fish & Seafood, Hot Drinks, Non-Alcoholic Drinks, Oils & Fats, Sauces & Spices, Fruits & Nuts, Meat, Pet food, Vegetables, Spreads & Sweeteners.

Demographic information

- **Population:** Number of people living in a specific geographic area, such as a city, country, or the entire world. It represents the complete count of individuals residing in that area at a given point in time.

Metrics

- **Percentage points:** Measure the absolute difference between two percentages—providing a clearer view of growth or gap in share, performance, or change over time. Unlike percent change, this metric avoids confusion when comparing shifts in proportions.

Glossary

KPIs

- **Internet penetration:** Proportion of people accessing the internet during a given period, through any device or channel (mobile, desktop, tablet, etc.). It is expressed as a percentage of the total population of the territory analysed.

- **Household income:** Total combined income of all people living in a single household, regardless of their relationship to one another. This includes income from wages, salaries, benefits, pensions, investments, and any other sources of earning before taxes are deducted.

- **Consumer spending per capita:** Average amount of money spent on goods and services by each person in a specific population over a given period. It is calculated by dividing the total consumer spending in a country or a region by its total population.

- **Revenue:** Total amount of income generated by a business, organization, or individual from the sale of goods, services, or other business activities before any expenses are deducted.

- **Ad investment:** Amount of money a company or organization allocates and spends on advertising to promote its products, services, or brand.

- **Impressions:** Number of times an advertisement is displayed or appears on a screen, regardless of whether it is clicked or interacted with. Each time an ad is shown to a user, it counts as one impression.

- **Queries:** A request for information made to a database, system, or server. In digital contexts, queries are typically used to retrieve specific data or content.

- **Revenue share:** Percentage of total revenue that is attributed to a specific brand, product, service, or partner within a defined market, category or business agreement. It measures how much of the overall revenue is captures by one participant relative to others in the same space.

- **Ad investment share:** Percentage of total advertising spend within a specific category, market, or platform that is attributed to a particular brand, product, or campaign. It indicates how much of the total available ad budget in each competitive set is captured by one advertiser.

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Glossary

KPIs

- **Impressions share:** Percentage of total available impressions (or views) that an ad receives compared to the total number of impressions it was eligible to receive within a specific campaign or a time frame. It measures how often an ad is shown relative to its potential reach.

- **Queries share:** Percentage of total search queries (or search volume) in which a specific ad or brands appears, relative to the total number of queries it could potentially be shown for. It measures how often a brand's ad is triggered by relevant terms within a given set of keywords.

- **Market share:** Percentage of product's sales relative to the total sales within its sector or category over a defined period. It is used as a competitiveness metric to assess an organization's relative position within its reference market.

- **Online share:** Percentage of sales generated through physical or traditional channels relative to the total sales of a category, market, or company. This indicator quantifies the weight of physical distribution compared to digital channels.

- **Offline share:** Percentage of sales generated through physical or traditional channels relative to the total sales of a category, market, or company. This indicator quantifies the weight of physical distribution compared to digital channels.

- **Weekly revenue online:** Total amount of money generated from sales or transactions during a specific week. This includes revenue from e-commerce websites, online platforms, or digital services within that seven-day period.

- **CAGR (Compound Annual Growth Rate):** Financial indicator that expresses the constant growth rate of a variable over a specific period, assuming that earnings are reinvested at the end of each year.

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RETAIL EXECUTIVE CIRCLE

Thank you!

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