The UK plus size clothing market review

November 2017
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Overview of the UK plus size clothing market

• The UK clothing, footwear and accessories market is currently estimated to be worth c.£52bn and is forecast to grow at c.2.9% CAGR 2017-22

• The UK plus size segment contains ‘specialist’ brands who solely serve the plus size customer as well as ‘generalist’ clothing brands who have either designed plus size ranges or extended core clothing lines into plus sizes

• The plus size market is estimated to be worth c.£6.6bn in 2017 (of which women and men comprise £4.7bn and £1.9bn respectively), and has been outperforming the overall womenswear and menswear clothing market in the UK (c.3.3% CAGR 2012-17 vs. c.2.4% respectively)

• PwC has forecast growth in the plus size segment of c.5-6% CAGR 2017-22 (with womenswear expected to grow at c.4-5% p.a. and menswear at c.6-8% p.a., based on BMI assumptions), which reflects five key drivers:
  - Continuing growth in the addressable population (increasing obesity rates which are correlated with an ageing population and lower incomes)
  - Increasing ‘body confidence’ among plus size consumers (with plus size influencers, mainstream media representation and fashion trade advocacy)
  - Focus on value as a key purchase criteria (and corresponding growth of plus size and generalist value retailers)
  - Greater preference for online shopping among plus size consumers (and corresponding growth of online channel)
  - Emergence of new brands and innovations across the end-to-end customer journey (inspire, research, fulfil, transact and service)

• Within the plus size market, the value segment (defined as the total plus size market excluding the major mid-market plus size brands) is expected to grow even faster at 7.1% CAGR 2017-22
The UK clothing, footwear and accessories market is currently estimated to be worth c.£52bn and is forecast to grow at c.2.9% p.a. between 2017 and 2022

UK clothing, footwear and accessories market, 2012-22F

The overall clothing, footwear and accessories market has grown steadily from 2012-17, with womenswear marginally outperforming other categories
Verdict forecasts the market to grow at an increased rate, driven by a mix of inflation and to a lesser extent volume
The plus size segment of the clothing market contains a number of brands which offer sizes 18 and above, either as part of a core or specialist range

Overview of UK plus size market segment

The UK plus size market definition

- Includes expenditure on all adult clothing, sized 18+ for women and XXL+ for men (42+ inches in the waist, 50+ inches in the chest, or 34+ inches in the leg length), albeit we note that the plus size market is often defined as size 16+
- Includes items sold in a specifically designed range, such as ASOS Curve or F&F True, or as part of a core clothing line at the likes of M&S or River Island
- Includes all clothing categories across all shopping channels (in-store, online or 3rd parties)

Market participants

‘Specialists’
Clothing retailers who solely serve the plus size customer (often start at size 14 and offer up to size 36)

‘Generalists’
Clothing retailers who have specifically designed plus size ranges or offer larger sizes as part of a core clothing line

Female plus size specialists
- evans
- SimplyBe
- yours
- Curvissa
- navabi

Mid-market multi-category players
- Marks & Spencer
- verycouk
- next
- Debenhams
- Bonmarché

Young fashion brands
- New Look
- George

Male plus size specialists
- HIGH&MIIGHTY
- jacamo
- BadRhino

Mid-market clothing specialists
- Dorothy Perkins
- JD Williams

Grocers
- F&F

Note: 1. Age 16+. Source: Company websites, PwC analysis
The plus size market is estimated to be worth c.£6.6bn in 2017, and has been outperforming the overall womenswear and menswear market in the UK.

Total UK plus size clothing market size (£m), 2012-17

<table>
<thead>
<tr>
<th>Year</th>
<th>Overall UK womenswear and menswear (£m)</th>
<th>Plus size share (%)</th>
<th>Plus size menswear (£m)</th>
<th>Plus size womenswear (£m)</th>
<th>Overall UK womenswear and menswear and menswear (£m)</th>
<th>CAGR 2012-17</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>31,357</td>
<td>18.1%</td>
<td>1,709</td>
<td>3,956</td>
<td>3,727</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>32,145</td>
<td>18.4%</td>
<td>1,742</td>
<td>4,159</td>
<td>4,175</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>33,208</td>
<td>18.5%</td>
<td>1,791</td>
<td>4,364</td>
<td>4,144</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>34,207</td>
<td>18.6%</td>
<td>1,838</td>
<td>4,526</td>
<td>4,328</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>34,487</td>
<td>18.7%</td>
<td>1,862</td>
<td>4,580</td>
<td>4,426</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>35,220</td>
<td>18.9%</td>
<td>1,926</td>
<td>4,722</td>
<td>4,555</td>
<td></td>
</tr>
</tbody>
</table>

Note: 1. Market data expressed in current prices, incl. VAT
Source: Verdict (2017), PwC analysis
PwC has forecast growth in the plus size segment of the UK clothing market at c.5-6% p.a. 2017 to 2022

Total UK plus size clothing market size (£m), 2012-22F

- **PwC plus size high case**: n/a 6.3%
- **PwC plus size base case**: n/a 4.7%
- **Verdict historical plus size**: 3.3%

**Basis of forecast**
- Our 2017 plus size market size is based on Verdict’s bottom up market estimate.
- We have then forecast plus size clothing growth to 2022 based on extrapolating long term trends in UK obesity rates (the addressable population) and clothing spend per head.
- We have developed two forecast scenarios. Our ‘base’ case extrapolates the long run trend in obesity (2008-15) whilst our ‘high’ case extrapolates the most recent trend in obesity (2012-15), resulting in higher addresable population growth due to a recent rise in obesity rates (which is validated by multiple health sources).
- For each scenario, we have assumed women’s spend per head will grow in line with inflation 2017-22, and men’s spend per head will grow at 3.5% p.a. (Verdict’s forecast) due to the increasing availability of plus size ranges for men.
- See appendix for additional information on our forecast methodology.
The plus size menswear market is forecast to grow faster than womenswear, at 6-8% p.a. compared to 4-5% p.a.

Note: 1. Market data expressed in current prices, incl. VAT 2. Base case scenario: forecast growth in obesity (defined as BMI of 30+) in line with long run historical trend (2008-15 CAGR), high case scenario: forecast growth in obesity (defined as BMI of 30+) in line with most recent historical trend (2012-15 CAGR). Both cases forecast addressable population by gender and age group and combine with ONS population forecasts

Source: Verdict (2017), NHS Health Survey, PwC analysis
The plus size market forecast is driven by continued growth in the addressable population, changing plus size consumer attitudes and new market entrants

UK plus size clothing market drivers

1. **Growing addressable population**
   - UK obesity rates have continued to rise (reaching c.30% of total UK population in 2015)
   - Obesity is correlated with age, with higher rates of obesity amongst older age groups. This supports continued growth of the addressable population, given ageing population
   - Obesity appears correlated with lower incomes particularly amongst women

2. **Increasing body confidence**
   - Plus size influencers (models, celebrities and bloggers, e.g. Ashley Graham, Tess Holliday) are becoming increasingly vocal through social media
   - There is increased coverage of the plus size market and issues in mainstream media
   - The fashion trade has increased its exposure of plus size at both mainstream (e.g. NY Fashion Week) and “specialist events” (e.g. UK Plus Size Fashion Week)

3. **Focus on value as a key purchase criteria**
   - Price is the most important purchase criteria for plus size customers
   - Together with the plus size correlation with lower incomes and ongoing squeeze on discretionary income, this focus on value for money is likely to remain
   - This trend is reflected in the performance of value retailers gaining share of both the overall and plus size clothing markets

4. **Consumer online preferences**
   - Plus size customers prefer to shop online more than the average woman
   - In both the plus size and total womenswear markets, we expect online sales to continue to gain share (forecast to account for c.36% of the womenswear market by 2022)

5. **New brands and innovations**
   - New brands and sub-brands continue to be launched in the plus size market including specialist plus size brands (e.g. Navabi, Bad Rhino) and existing clothing generalists (e.g. River Island, Quiz)
   - These brands are innovating across the end to end customer journey, leveraging new technologies (e.g. virtual stylists, live chat, body scanners) and partnerships (e.g. concessions, marketplaces, third party logistics)
The proportion of obese people in the UK has been growing...

Note: 1. England weightings of weight categories applied to UK population. Underweight is BMI <18.5, normal is BMI 18.5-24.9, overweight is BMI 25-29.9 and obese is BMI >30
Source: ONS, NHS National Health Survey England 2015

Average dimensions of women in the UK:

<table>
<thead>
<tr>
<th></th>
<th>1993</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Height:</td>
<td>5ft 3.4in</td>
<td>5ft 3.8in</td>
</tr>
<tr>
<td>Weight:</td>
<td>10st 7lb</td>
<td>11st 3lb</td>
</tr>
<tr>
<td>Waistline</td>
<td>32.2in</td>
<td>34.8in</td>
</tr>
</tbody>
</table>

Average dimensions of men in the UK:

<table>
<thead>
<tr>
<th></th>
<th>1993</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Height:</td>
<td>5ft 8.6in</td>
<td>5ft 9.1in</td>
</tr>
<tr>
<td>Weight:</td>
<td>12st 6lb</td>
<td>13st 5lb</td>
</tr>
<tr>
<td>Waistline</td>
<td>36.7in</td>
<td>38.3in</td>
</tr>
</tbody>
</table>

Change 1995-2015

- Obese: 10.5pppts
- Overweight: (2.0)pppts
- Normal: (8.8)pppts
- Underweight: 0.4pppts

CAGR 1995-2015

- UK pop.: 0.6%
- UK obese pop.: 3.1%
The average dress size for UK women increased from 12 in 1957 to 16 in 2017.

Note: 1. England weightings of weight categories applied to UK population. Underweight is BMI <18.5, normal is BMI 18.5-24.9, overweight is BMI 25-29.9 and obese is BMI >30.

Source: ONS, NHS National Health Survey England 2015
Third party forecasts expect UK obesity rates to continue to grow in the long term

Forecast obesity rates in the UK as a proportion of the total population

Obesity is correlated with age...

Obesity in England by age group, 1995 - 2015

Note: 1. England weightings of weight categories applied to UK population
Source: ONS, NHS National Health Survey England 2015

UK pop. growth

<table>
<thead>
<tr>
<th>CAGR 2012-16</th>
<th>CAGR 2016-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>(0.6%)</td>
<td>(1.0%)</td>
</tr>
<tr>
<td>1.0%</td>
<td>0.2%</td>
</tr>
<tr>
<td>(0.7%)</td>
<td>0.6%</td>
</tr>
<tr>
<td>0.9%</td>
<td>(1.1%)</td>
</tr>
<tr>
<td>1.0%</td>
<td>2.4%</td>
</tr>
<tr>
<td>2.8%</td>
<td>0.9%</td>
</tr>
<tr>
<td>0.8%</td>
<td>0.6%</td>
</tr>
</tbody>
</table>

Growing addressable population

Aging population supports growth of addressable market for plus size clothing
...with the highest obesity rates amongst middle-aged women and men

Obesity in England by age group and gender, 2005 - 2015

Source: ONS, NHS National Health Survey England 2015
Obesity also appears correlated with lower incomes, particularly amongst women.

### English female population by income and weight category, 2015

<table>
<thead>
<tr>
<th>Household income quintile</th>
<th>Underweight</th>
<th>Normal</th>
<th>Overweight</th>
<th>Obese</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highest</td>
<td>2%</td>
<td>34%</td>
<td>29%</td>
<td>17%</td>
</tr>
<tr>
<td>2nd</td>
<td>3%</td>
<td>35%</td>
<td>28%</td>
<td>21%</td>
</tr>
<tr>
<td>3rd</td>
<td>2%</td>
<td>28%</td>
<td>27%</td>
<td>39%</td>
</tr>
<tr>
<td>4th</td>
<td>1%</td>
<td>32%</td>
<td>39%</td>
<td>31%</td>
</tr>
<tr>
<td>Lowest</td>
<td>4%</td>
<td>41%</td>
<td>34%</td>
<td>31%</td>
</tr>
</tbody>
</table>

### English male population by income and weight category, 2015

<table>
<thead>
<tr>
<th>Household income quintile</th>
<th>Underweight</th>
<th>Normal</th>
<th>Overweight</th>
<th>Obese</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highest</td>
<td>2%</td>
<td>40%</td>
<td>28%</td>
<td>24%</td>
</tr>
<tr>
<td>2nd</td>
<td>3%</td>
<td>46%</td>
<td>34%</td>
<td>25%</td>
</tr>
<tr>
<td>3rd</td>
<td>2%</td>
<td>38%</td>
<td>37%</td>
<td>31%</td>
</tr>
<tr>
<td>4th</td>
<td>3%</td>
<td>39%</td>
<td>31%</td>
<td>30%</td>
</tr>
<tr>
<td>Lowest</td>
<td>4%</td>
<td>36%</td>
<td>31%</td>
<td>31%</td>
</tr>
</tbody>
</table>

Source: ONS, NHS National Health Survey England 2015
### Followers of plus size models, bloggers and celebrities across social media platforms

**Number of Twitter followers, 2015-17**

<table>
<thead>
<tr>
<th>Model</th>
<th>Number of Followers (2017)</th>
<th>Number of Followers (2015)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ashley Graham</td>
<td>245</td>
<td>187</td>
</tr>
<tr>
<td>Ashley Alexiss</td>
<td>66</td>
<td>N/A</td>
</tr>
<tr>
<td>Tess Holliday</td>
<td>29</td>
<td>15</td>
</tr>
<tr>
<td>Denise Bidot</td>
<td>12</td>
<td>19</td>
</tr>
<tr>
<td>Hayley Hasselhoff</td>
<td>51k</td>
<td>449k</td>
</tr>
<tr>
<td>Beth Ditto</td>
<td>114k</td>
<td>408k</td>
</tr>
<tr>
<td>Louise O’Reilly</td>
<td>44k</td>
<td>17k</td>
</tr>
</tbody>
</table>

In addition to the female influencers, shown, there are a growing number of male plus size influencers such as Zach Miko, Notoriously Dapper and Chubstr.

**Number of Instagram and Facebook followers, November 2017:**

<table>
<thead>
<tr>
<th>Model</th>
<th>Instagram Followers</th>
<th>Facebook Followers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ashley Graham</td>
<td>5.6m</td>
<td>2.5m</td>
</tr>
<tr>
<td>Ashley Alexiss</td>
<td>1.2m</td>
<td>5.3m</td>
</tr>
<tr>
<td>Tess Holliday</td>
<td>1.5m</td>
<td>1.7m</td>
</tr>
<tr>
<td>Denise Bidot</td>
<td>449k</td>
<td>84k</td>
</tr>
<tr>
<td>Hayley Hasselhoff</td>
<td>51k</td>
<td>449k</td>
</tr>
<tr>
<td>Beth Ditto</td>
<td>114k</td>
<td>408k</td>
</tr>
<tr>
<td>Louise O’Reilly</td>
<td>44k</td>
<td>17k</td>
</tr>
</tbody>
</table>


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“I will not let others dictate what they think my body should look like for their own comfort, and neither should you.”

— Ashley Graham

“I am celebrating existing in my body and loving myself, when everybody said I wasn’t worth anything.”

— Tess Holliday

“Fashion was always a way to feel good. I lived vicariously through my outfits; if I didn’t feel comfortable in my figure, I felt great when I had a good outfit on.”

— Hayley Hasselhoff

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“Increasing body confidence”

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The UK plus size clothing market review

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...which together with broader media coverage and trade advocacy...

### Publications
- **Plus size magazine ‘Evolve’ (Since 2013)**
- Sports Illustrated features first plus size model (Feb. 2016)

### TV
- “Plus Sized Wars” documentary (Channel 4, 2015)
- “18-30 Stone Holiday” TV series (ITV, 2017)

### News
- Good Morning Britain debate on plus size pricing (Nov. 2017)
- Independent article on plus size men (Mar. 2016)
- Meet the pioneering plus-size male models and agents spearheading the male body positivity movement

### ‘Mainstream’
- Dove’s “Real Beauty” campaign” (Since 2004)
- Plus size at New York Fashion Week (2017)

### ‘Specialist’
- Models1 agency set up ‘Curve’ (Since 2012)
- UK Plus Size Fashion Week (UKPSFW), founded in 2012 by Rianne Ward, Editor-in-Chief of Evolve magazine
- Curve Model Management, plus size-only modelling agency (August 2011)

### TRADE
- **Dove** Real Beauty Campaign
- Curve Models
- “18-30 Stone Holiday” TV series (ITV, 2017)

### Source:
Press search, Social media websites, PwC analysis

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**The UK plus size clothing market review**

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**PwC**
...is increasing body confidence amongst plus size customers

Plus size is becoming a hot topic on various social media platforms...

Number of global mentions\(^1\) across social media platforms in August 2015 vs August 2017

<table>
<thead>
<tr>
<th>Hashtag</th>
<th>August 2015</th>
<th>August 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>#BodyPositive</td>
<td>966</td>
<td>84</td>
</tr>
<tr>
<td>#LoveYourBody</td>
<td>179</td>
<td>83</td>
</tr>
<tr>
<td>#effyourbeautystandards</td>
<td>45</td>
<td>43</td>
</tr>
<tr>
<td>#BodyConfidence</td>
<td>23</td>
<td>43</td>
</tr>
</tbody>
</table>

Note: 1. Number of mentions includes words appearing in sequence, with and without hashtags, across various social media platforms including blogs
Source: Crimson Hexagon (data extracted on 16/11/2017), Social media websites

...and is associated with “positive body” image and “body confidence”

Selected consumer quotes from social media platforms

“**Body positive** means learning to love yourself, and learning to ignore what society believes you should or shouldn’t look like”

– #BodyPositive

“I know it’s hard to look in the mirror and love the curvier parts of your body, but who decided that curves aren’t beautiful? The only person who can make you love your body is you”

– #LoveYourBody

“Instead of being insecure about your body... love what you have! **Confidence is beautiful!**”

– #BodyConfidence

“ASOS has stopped airbrushing their pictures. **Stretchmarks on a model! This is amazing. Well done ASOS.**”

– #Stretchmarks

“Increasing body confidence

The UK plus size clothing market review

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Price is the most important purchasing criteria for plus size shoppers

% of female plus size shoppers citing criteria as a reason for buying plus size clothing in a 12 month period, 2016

Source: Verdict 2016 survey of 5,000 respondents (respondents able to choose multiple criteria)
...driving growth in the value segment of the plus size market

UK plus size womenswear market size excluding mid-market (£m), 2012-22F

Focus on value as a key purchase criteria

Basis of forecast
- As a proxy for UK value plus size womenswear, we have removed the largest mid-market plus size brands from the market (as estimated by Verdict)
- We have then assumed these mid-market brands continue to grow at c.1% p.a. to 2022 (as they have done from 2012 to 2017) to estimate ‘value’ plus size segment growth within our total plus size market forecast (see appendix for further details)

Note: 1. Market data expressed in current prices, incl. VAT. 2. We have excluded mid-market retailers 2012-17 and assumed 2017-22 growth of these retailers is the same as growth for 2012-17. Mid-market defined as M&S, Next, Shop Direct, Debenhams, BHS and Edinburgh Woollen Mill. 3. Market share forecast compares high case of plus size womenswear excluding mid-market to high case of total plus size womenswear.

Source: Verdict (2017), NHS Health Survey, PwC Analysis
**Plus size shoppers prefer to shop online more than the average woman, driving share gains of the online channel**

Plus size shoppers prefer to shop online more than the average woman...

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**Preferred location of plus size womenswear consumers when shopping for clothing (%),¹ 2016**

- **Online website**: 45.2%
- **Smaller local high street**: 37.2%
- **Indoor shopping centre**: 24.8%
- **Major city high street**: 19.0%
- **Out-of-town retail park**: 16.9%
- **Outlet village**: 4.1%

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**Preferred location of all womenswear consumers when shopping for clothing (%),¹ 2017**

- **In-town shopping centre**: 44.3%
- **Smaller local high street**: 33.2%
- **Online website**: 30.9%
- **Out-of-town shopping centre**: 21.1%
- **Major city high street**: 18.8%
- **Out-of-town retail park**: 17.2%
- **Outlet village**: 10.1%

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**Online penetration in womenswear, 2012-22F**

- **2012**: 15% (Online) vs 85% (Offline)
- **2017**: 28% (Online) vs 72% (Offline)
- **2022**: 36% (Online) vs 64% (Offline)

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- A number of the recent plus size market entrants have a strong online weighting, including pure online players such as ASOS and Boohoo
- Existing players in the industry are also generally heavily focused on the online channel, either as pure play (e.g. SimplyBe, Jacamo) or as retailers with a significant online emphasis (e.g. Yours Clothing)

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Note: ¹ Plus size 2016 survey did not include ‘out of town shopping centre’, as included in the total womenswear survey

Source: Verdict 2017 survey of 5,000 respondents, Verdict 2016 survey of 5,000 respondents

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The UK plus size clothing market review
There are distinct business models in the plus size market...

Brand positioning of selected plus size specialists and generalists

Note: 1. Y-axis is split to show the gap in pricing between the mid-market and premium players
Source: Retailer websites, PwC analysis
...with a recent influx of new brands and sub brands launched over the past few years

Selected UK plus size market entrants

- **Boohoo Plus**: Launch a 16-24 range targeting young, budget, fashion-conscious customers (March 2014)
- **German plus size brand, Navabi**: Enter the UK market (2014)
- **Bonmarche**: Relaunch their Ann Harvey 16-32 collection targeting the 50+ mid market segment (July 2014)
- **Mango**: Launch its new Violeta 12-24 collection (January 2014)
- **Phase Eight**: Launch plus size range (July 2015)
- **Targeting the young, fashion-led customer, Missguided+ is launched** (November 2014)
- **Yours**: Launch a plus size menswear brand, Bad Rhino (August 2015)
- **George**: Launch their George Plus 18-32 range focusing on 25-45 year old, low-mid income demographic (September 2014)
- **River Island**: Launch a plus size women’s 18-28 range (December 2015)
- **Seasalt**: Extend their existing range up to size 24 (December 2016)
- **Wolf & Whistle**: Launch plus size range (December 2016)
- **Seasalt**: Extend their existing range up to size 24 (December 2016)
- **Nike**: Launch plus size range (March 2017)
- **M&S**: Launch big & tall menswear range (April 2017)
- **BoohooMAN**: Launch a Big & Tall range for L to XXXXL - waist 30-46, targeting young, budget, fashion-conscious men (August 2017)
- **Puma**: Launch plus size range (May 2017)
- **ASOS**: Launch a men’s plus size range (December 2016)

Source: Verdict, Press articles
### New brands and innovations

#### These brands are innovating across the end to end customer journey

<table>
<thead>
<tr>
<th>Inspire</th>
<th>Research</th>
<th>Transact</th>
<th>Fulfil</th>
<th>Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>“A point of view” (e.g. editorials)</td>
<td>Core website functionality (e.g. detailed product information, size guide, peer reviews, wishlist, store finder)</td>
<td>Own stores</td>
<td>Multiple delivery options</td>
<td>In-store customer service from plus size staff</td>
</tr>
<tr>
<td>Look books, blogs, “Staff Picks”, “Editor’s Picks”</td>
<td>Mobile optimised and mobile app functionality (e.g. in-store barcode scanning tool)</td>
<td>Online</td>
<td>Free shipping and returns</td>
<td>In-store fitting specialists</td>
</tr>
<tr>
<td>“New in” / “Bestsellers”</td>
<td>Trustpilot</td>
<td>Transactional mobile apps</td>
<td>Delivery subscription offers (e.g. 12 month unlimited next day deliveries)</td>
<td>Live Chat</td>
</tr>
<tr>
<td>Online “Style Advisor” tool</td>
<td>“A point of view” (e.g. editorials)</td>
<td>Department store concessions (in-store and online)</td>
<td>Selected partnerships with 3PLs</td>
<td>Active social media accounts (e.g. daily posts)</td>
</tr>
<tr>
<td>Personalisation</td>
<td>Mobile optimised and mobile app functionality (e.g. in-store barcode scanning tool)</td>
<td>3rd party marketplaces</td>
<td>“New in” / “Bestsellers”</td>
<td></td>
</tr>
<tr>
<td>Predictive recommendations (e.g. website pop-ups)</td>
<td>Trustpilot</td>
<td>Multiple payment options (e.g. “Shop Now Pay Later”, credit accounts)</td>
<td>“New in” / “Bestsellers”</td>
<td></td>
</tr>
</tbody>
</table>

#### Examples

- Simply Be’s “Create your own Meme”
- Evans introduces iPad driven system for ordering online while shopping in stores
- M&S barcode scanner
- Klarna next generation payment services
- Trustpilot

Source: Retailer websites, PwC analysis
We estimate that there are a number of attractive plus size clothing markets around the world.

Top 15 countries by plus size market potential¹, 2016

Note: 1. Using the UK as a benchmark, we have applied a ratio between UK and international countries obese populations and overall clothing spend per head, to calculate market potential in international countries. Countries selected based on available Verdict clothing market data.

Source: Verdict, World Bank, World Health Organisation, PwC Analysis.

Key: = c. £6.5bn market potential 2016
We have estimated the plus size market potential for a number of countries using the UK as a benchmark...

**Estimated international plus size clothing market potential by country, 2016**

**Methodology for international sizing**

- We applied obesity rate statistics to overall populations to calculate addressable populations in each country.
- We estimated a plus size spend per head for each country based on their total clothing spend per head and applying the UK plus size spend to total clothing spend ratio.
- We then compared the country’s addressable population and clothing spend per head to those of the UK to estimate potential for the plus size market.
- We have estimated the plus size clothing market potential for countries for which Verdict provides an overall clothing market size.

Source: Verdict, World Bank, World Health Organisation, PwC Analysis
...based on obesity rates by country and...

Proportion of obese population by country, 2016

Source: World Health Organisation
...plus size clothing spend per head (using the UK as a proxy)

Spend per head on plus size clothing and footwear, by country, 2016

Source: Verdict, World Bank
We estimate the US to be the largest plus size clothing market at c.US $68bn (c.£50bn)

The US has a large and growing addressable population...

...similar to the UK, the market has experienced a number of new entrants...

...resulting in a large plus size clothing market

US obese population and obesity rate, over time, millions

Estimated US plus size market size, $ billions, 2016

1. NPD defines the US plus size womenswear market as above US size 18 (equivalent to UK size 22), which it estimates to be c. $21bn
2. Assuming a similar gender split to that of the UK adds c. $11bn, for men sizes 18+ (equivalent)
3. We have estimated the remainder of the US plus size market (to be equivalent of UK size 18+) using our international sizing methodology shown previously

Source: NPD, PwC Analysis, World Health Organisation, Company Websites, World Bank, Verdict
We have triangulated our UK market forecasts with NHS Health Survey waist circumference data, which falls between our base and high case scenarios.

Total UK plus size clothing market size (£m), 2012-22F

### Basis of forecast
- We have triangulated our addressable population assumptions (based on BMI as outlined previously) with waist circumference data from NHS's annual Health Survey.
- Our addressable population includes men and women split by age groups with high a waist circumference (defined as 88cm+ for women and 102cm+ for men). We have then extrapolated the most recent trend (2012-15) as the basis of our forecast.

Note: 1. Market data expressed in current prices, incl. VAT. 2. We have forecast growth in the proportion of UK men and women with high waist circumferences (defined as 88cm+ for women and 102cm+ for men, which falls between a size 16-18 for women and XL for men, depending on retailer). Source: Verdict (2017), NHS National Health Survey England, PwC Analysis.