

GLOBAL LIFESTYLE MONITOR: BRAZIL

SATISFYING CONSUMER QUALITY EXPECTATIONS

IMPORTANCE OF QUALITY

More than 9 in 10 Brazilian shoppers say that clothing quality impacts their decision to purchase.



92%

Quality is important in clothing purchases



78%

Expect to wear new clothing purchases longer than before



62%

Willing to pay more for better quality clothes

DEFINITION OF GOOD QUALITY CLOTHING



60%

Durable/long-lasting



39%

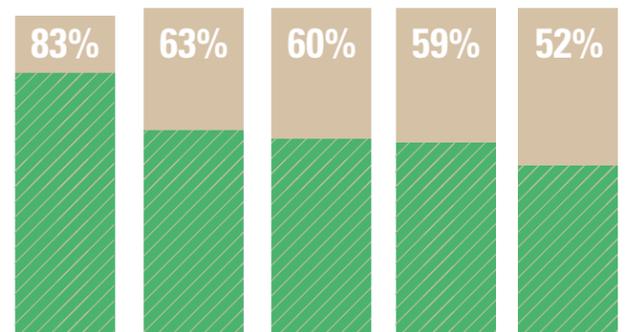
No fading



20%

Easy to care for

CONSUMER ASSESSMENT OF CLOTHING OFFERED AT RETAIL



Say they are paying higher clothing prices
 Noticed fiber substitution away from cotton
 Say clothing durability has declined
 Say clothing fabrics are thinner
 Say clothing quality has declined

COTTON MEETS CONSUMERS' EXPECTATIONS

Almost 9 in 10 Brazilian shoppers (89%) describe cotton as good quality.



88% Say cotton and cotton blends are their favorite fibers.

REACTION TO FIBER SUBSTITUTION

Consumers have noticed that other fibers have been substituted for cotton in clothing and almost half of Brazilian consumers (44%) say they are willing to pay more to keep cotton in their clothing.

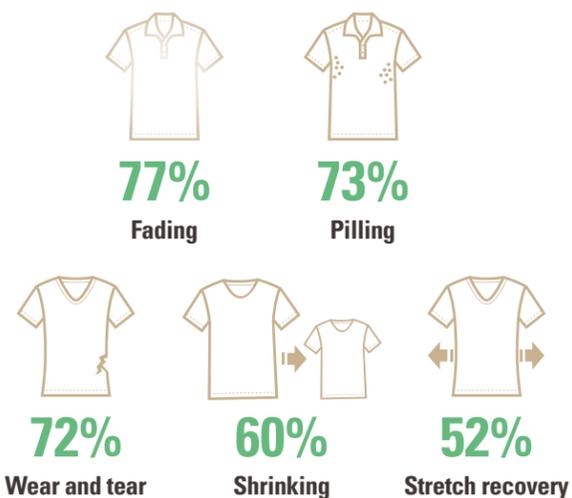


34% Bothered by fiber substitution away from cotton



44% Willing to pay more to keep cotton in their clothing

WHAT ARE THE TOP ISSUES CONSUMERS ARE EXPERIENCING WITH THEIR CLOTHING PURCHASES?



INSIGHTS

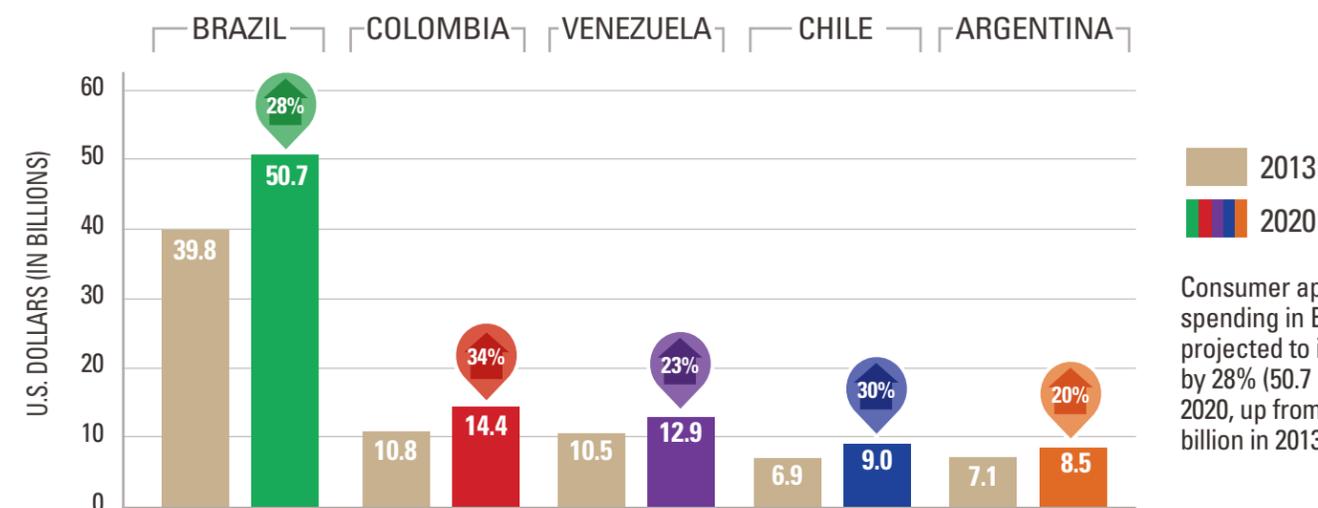


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Brazilian consumers say that they are *paying more money and getting less value from their clothing*. Understanding apparel shoppers' behaviors, quality expectations, and clothing preferences is essential for brands and retailers to maximize sales in this large consumer market.



APPAREL SPENDING OUTLOOK: 2013 VS. PROJECTED SPENDING IN 2020



Consumer apparel spending in Brazil is projected to increase by 28% (50.7 billion in 2020, up from 39.8 billion in 2013).¹

KEY TRENDS AMONG BRAZILIANS SHOPPERS



Projections for 2020 indicate that Brazil will remain Latin America's largest apparel market. Brazilian spending levels are expected to exceed the combined total of the next four largest Latin American markets.



While Brazilians are shopping for clothing more frequently than in the past, their shopping habits remain pragmatic—the majority of consumers shop for clothing on sale and plan their purchases.



Quality is one of the most important drivers for apparel purchases in Brazil, but most consumers say they are paying more and getting less value from their clothing purchases.



Brazilian consumers' experience with performance issues like fading, wear and tear, and pilling may be why many are bothered by fiber substitution away from cotton.

Source: Cotton Council International and Cotton Incorporated's *Global Lifestyle Monitor Survey*, a biennial consumer research study. In the 2014 survey, approximately 10,000 consumers (i.e., 1,000 consumers in 10 countries) were surveyed. External Source: Euromonitor International¹

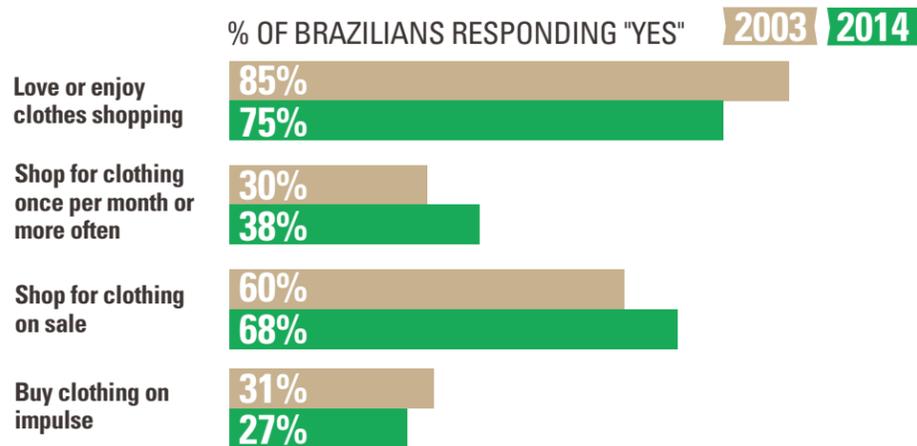


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CONSUMER APPAREL SHOPPING ATTITUDES AND HABITS

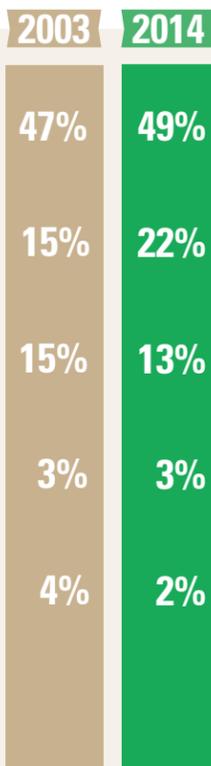
3 in 4 Brazilian consumers say that they love or enjoy clothes shopping.

In this clothing market, consumers report that their shopping frequency increased from 2003 to 2014. However, similar to other global consumers, their tendency to shop for clothing on sale has increased and impulse purchasing has declined.



WHAT RETAIL CHANNELS ARE SHOPPED THE MOST FOR CLOTHING IN BRAZIL?

A noticeable increase in Brazilians' reporting that they shop at independent stores for most of their clothing occurred over the past decade. Overall, preferences for shopping at specific retail channels stayed at similar levels from 2003 to 2014, with chain stores remaining the top retail channel for clothes shopping.



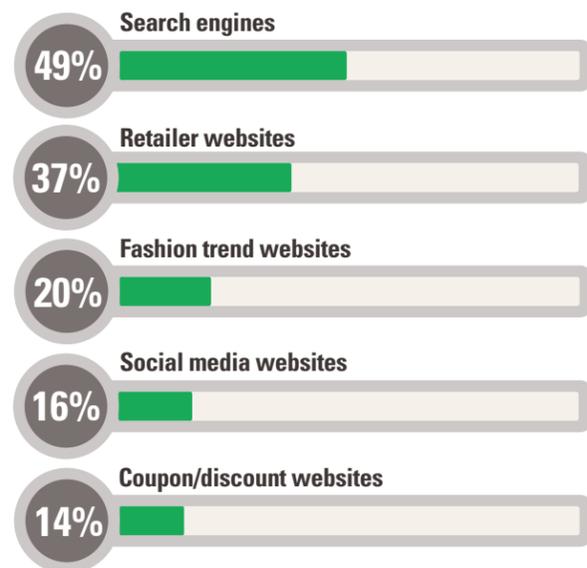
WHAT ARE CONSUMERS' TOP SOURCES OF IDEAS FOR NEW CLOTHES?

TOP 5 SOURCES IN BRAZIL



WHERE ARE THE TOP PLACES CONSUMERS START SHOPPING ONLINE FOR CLOTHING?

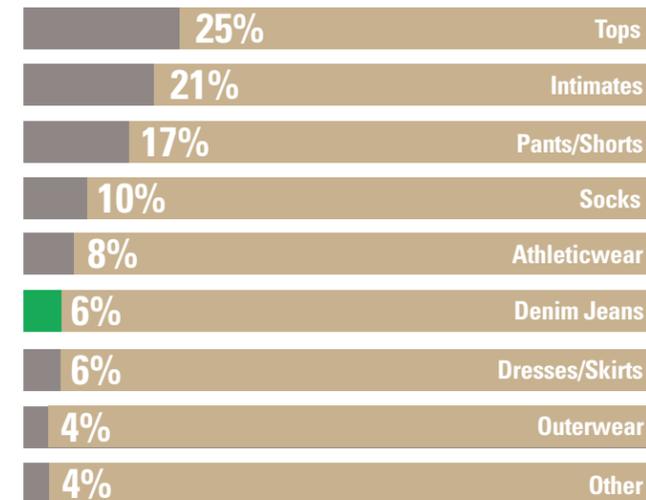
TOP 5 PLACES IN BRAZIL (AMONG THOSE WHO SHOP ONLINE FOR CLOTHES)



DENIM JEAN OWNERSHIP AND PREFERENCES

Brazilian consumers report that their wardrobe consists of 6% denim jeans and they get a lot of utility out of this beloved cotton wardrobe staple—over half of workers say they wear jeans on the job every day.

BRAZILIAN WARDROBE ALLOCATION (UNIT BASIS)



AVERAGE NUMBER OF DAYS PER WEEK CONSUMERS WEAR DENIM JEANS/SHORTS

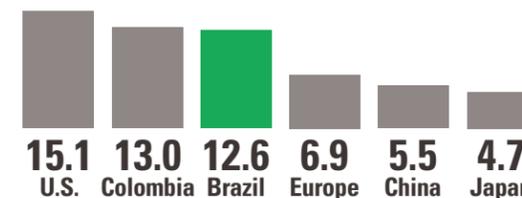
On average, Brazilians wear denim jeans/shorts 4 days a week.



DENIM OWNERSHIP & AFFINITY BY COUNTRY

Brazilian consumers' total denim ownership (i.e., jeans, shirts, dresses, etc.) and jean ownership ranks third globally, only behind Colombia and the U.S.

Average Number of Total Denim Items Owned



69%

Almost 7 in 10 Brazilian consumers say they love or enjoy wearing denim.

BRAZILIAN DENIM WARDROBE ALLOCATION (UNIT BASIS)

Denim jeans and shorts represent 80% of the denim items that Brazilians say they own.



58%

More than half of Brazilian workers (58%) wear jeans to work on a daily basis.

