

JOOR

Top Industry Trends

That Will Shape
Wholesale In 2022



+ Share Collection

+ Delivery Window

+ Wholesale Prices



This past year has been marked by tremendous change. As we reflect back on 2021, few industries have remained unscathed by the lingering effects of the pandemic and one major result is a fundamental shift in the way people think about their living situations, careers, and daily routines. Seismic changes in the labor market, in addition to continued COVID surges around the world, have contributed in part to massive fluctuations in consumer shopping behavior, disruptions in global supply chain, and high demand for transparency and customer-centric transactions.

During this upheaval, what has remained constant is the rapid acceleration of digital adoption across industries and geographies. Just as consumers quickly came to expect the increased efficiency and flexibility made possible through digital engagement, companies recognized and embraced digital technology as a necessary part of the B2B buying and selling process. With the uncertainty of new COVID variants emerging in different parts of the world, businesses have had to remain agile to set themselves up for success in a volatile market. This environment has further underscored the importance of digital solutions that provide increased flexibility and real-time data to enable quick and informed decision making.

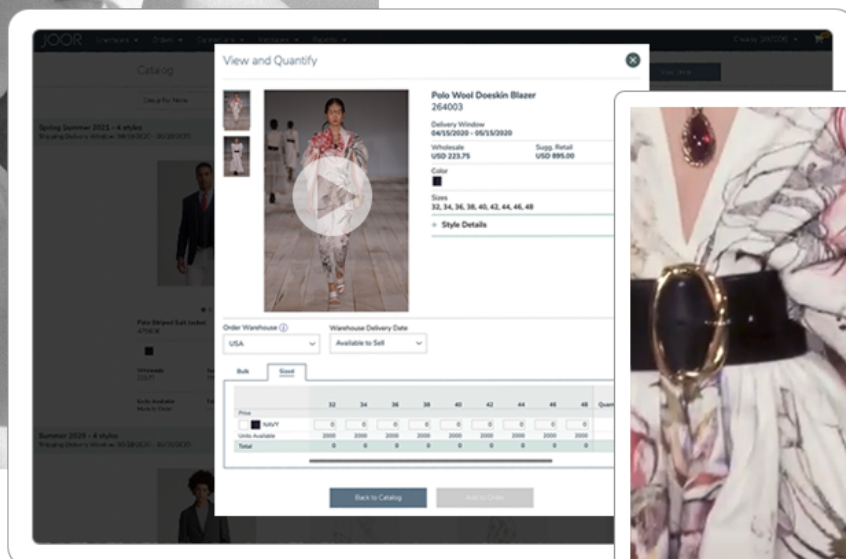
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“The key principles for managing change will be flexibility and agility, alongside operational resilience—a critical capability in an uncertain environment.”

McKinsey & Co, The State of Fashion 2021

While the pandemic drove increased adoption of virtual buying and selling in 2020, this trend further accelerated in 2021 as digitalization opened a pathway into a new standard for wholesale business—one in which the efficiency, ease, and clarity of online transactions are now a necessity. This is evidenced by the increase in buyer and seller activity and engagement on JOOR. Building off of what was already a record-breaking year in 2020, **wholesale transaction volume in 2021 is +60%, retailer logins are +27%, and brand profile visits are +60% over last year.** In addition to networking with existing brand partners, retailers are also leveraging the platform to connect with new brands, and new completed connections totalled almost 400,000. Over the course of 2021, JOOR's already expansive network of brands grew to more than 13,000, while retailer accounts skyrocketed to more than 365,000—an increase of over 100,000 retailer accounts from around the world in the past 12 months alone.

This year, JOOR processed on average \$1.5 billion of wholesale orders per month. This volume of transaction data and vast brand and retailer network provide unique insight into the trends affecting our industry, as well as a vantage point from which to identify opportunities for the coming year. Here are five key trends we've gleaned from this past year's learnings.



1 | The Hybrid Model Is Here to Stay



While travel restrictions during the pandemic resulted in a shift to almost entirely virtual selling, in 2021 a hybrid model emerged that's quickly becoming the industry standard. This new approach leverages a combination of both in-person and virtual selling, with digital technology being used to enhance both experiences.

As physical events start to return, the industry does not want to lose the reach and efficiency afforded by virtual selling. This has driven the continued success of JOOR Passport, a centralized digital destination where buyers from around the world can explore and shop the industry's leading fashion weeks and global trade show events. In 2021, the platform hosted 36 events with 2,400 participating brands, attracting 150K retail visitors from 150 countries who purchased 215K products.



Neiman Marcus

shopbop

bloomingdale's

MYTHERESA

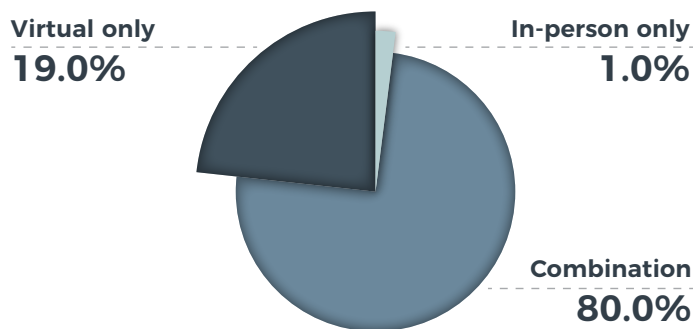
NET-A-PORTER



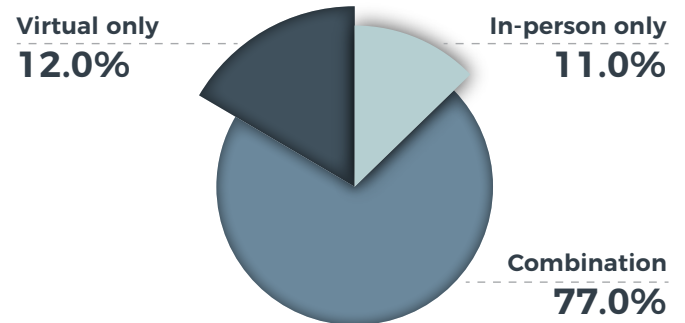
JOOR recently introduced custom QR codes to even more fluidly facilitate the connection between a physical event and a brand's virtual showroom. At the Cabana trade show in Miami, these QR codes were downloaded more than 800 times in two days, revealing how impactful the addition of digital technology can be to connect the in-person and virtual selling experiences.

Heading into the Spring 2022 market season, JOOR's proprietary survey found 80% of brands and 77% of buyers opting for a hybrid approach to buying and selling:

Brands



Retailers



JOOR recognizes the importance of and supports this hybrid business model, with brands and retailers using our desktop platform to facilitate virtual selling and our iPad app and custom QR codes to support in-person appointments.

2

Small Business Advancement

While many small businesses were struggling to survive during the pandemic, those that weathered the storm did so in large part by digitalizing their businesses. Pandemic-driven consumer demand for online goods caused small businesses to launch ecommerce sites in an effort to broaden their reach. On the B2B side, JOOR observed a significant increase in small businesses leveraging our platform to source exciting product, streamline their wholesale process, create greater efficiencies, and drive growth.

On JOOR in 2021:



4.5M

unique products sold



385K

new connections made



1.3M

orders placed

In the next year, we anticipate the continued growth of small and medium-sized businesses (SMBs) for both brands and retailers. The majority of transactions (based on GMV) this year have been made by SMB retailers—nearly 60% of the total. SMBs were also the fastest growing retail segment on JOOR in 2021, with wholesale orders placed by SMB retailers increasing +75% year over year.

JOOR 2021 Order Activity from SMB Retailers:

Number of orders:

+35%

Units purchased:

+66%

Wholesale GMV:

+75%

For SMB retailers, discovering the right product assortment will continue to be essential for sustained growth. Recognizing the need to make discovery faster and smarter, JOOR will soon be launching a new and improved Marketplace, leveraging AI-powered search technology to make finding the perfect product for your store easy and efficient.

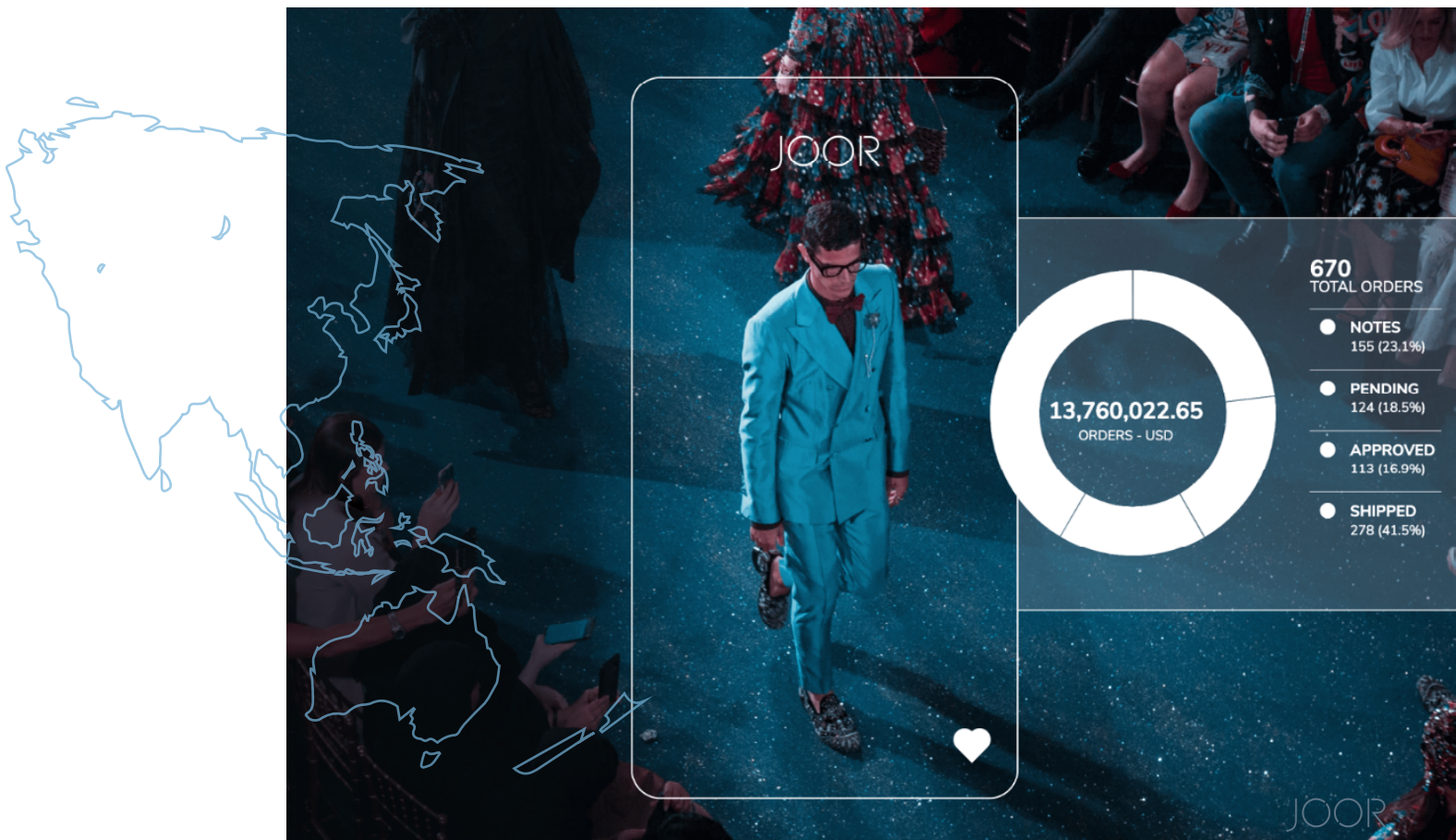


3

Expansion Throughout APAC

By 2024, the Asia-Pacific (APAC) region is predicted to represent 40% of global menswear and womenswear sales, according to data and analytics company GlobalData, due to a high population density with increased spending power and economic growth. Consumers in Asia are avid online shoppers and open to adopting new technologies. Even before COVID-19, China was a digital leader in the B2C space. According to McKinsey, China accounts for 45% of global transactions and penetration of mobile payments was three times higher than in the U.S.

This rapid growth and digital adoption has also carried over into B2B. According to JOOR, APAC sales tripled versus the same period a year ago. While Japan is currently the largest APAC market on JOOR (approximately 30% of total), China is in the number two position and showing the fastest growth.



JOOR anticipates continued demand from brands and retailers in this region and, earlier this year, opened an office in Shanghai—the first global B2B platform to launch operations serving brands and retailers in mainland China. Building upon its leadership position in North America and the EU, this new foothold in China, in addition to its existing presence in Japan and Australia, solidly positions the company to support global brands looking to grow sales in the APAC region and local brands looking to expand internationally. This is evidenced by the success seen in 2021, with APAC-based brands accepting almost 50% more orders and selling over 80% more products on JOOR than in 2020.



APAC retailers bought over \$2B in goods across nearly 25K retailers on the JOOR platform in one year.

**Wholesale Orders Based
on Retailer Location:**



North America

45% of JOOR GMV

+54% increase over last year



EMEA

44% of JOOR GMV

+56% increase over last year



APAC

11% of JOOR GMV

+85% increase over last year

4

Sustainability Still Reigns

Sustainable fashion grew despite the pandemic, as consumer demand for fashion with less negative social and environmental impact continues to rise. To meet this growing need, the B2B industry has seen retail buyers increase their interest in buying sustainable product lines—our research shows that **nearly one third of retailers expressed a specific interest in discovering sustainable brands** during the Spring 2022 market season.

The digitalized wholesale experience on JOOR represents a more sustainable future in a number of ways. Because buyers and retailers can conduct business virtually from anywhere in the world, there is less need for physical travel, reducing plane and car emissions. Virtual showrooms featuring fully rendered 3D garments also mean reduced sample production—reducing excess waste and saving money—and the ability to share curated digital collections replaces the need to house multiple sample sets around the world. Additionally, JOOR is working on providing information regarding product sustainability further upstream, allowing retailers to use this data to inform their purchasing decisions. Brands no longer need to waste time and resources at tradeshow handwritten orders—with the use of JOOR's iPad app and wholesale management tools, they're able to streamline all of these processes, collaborating from assortment selection to payment processing all in-platform.



Sustainability is the #1 most clicked category across all of JOOR Passport. It represents 18% of clicks on ALL style stories across our 36 events this year.

30%



Brands on JOOR have reported saving 30% on sample costs by adopting JOOR's digital wholesale solution, a benefit to both the environment and the bottom line.

5

Renewed Focus on Supply Chain

One of the most widely talked about challenges in 2021 has been the disruption in the supply chain. Across nearly every industry, supply chain issues have caused bottlenecks around the world, creating product delays, shortages, and sometimes price increases—and fashion is no exception.

To succeed now and in the future, it's of the utmost importance that companies focus their efforts on addressing these continued vulnerabilities in order to thrive in this challenging environment. JOOR supports brands and retailers in this effort through the following ways:



Inventory Management - With JOOR's wide array of seamless ERP integrations, buyers have real-time visibility to available inventory, so they can immediately see what's in stock at any given moment in time.



Vast Network - JOOR's vast network and industry-leading marketplace make it easy to connect brands holding excess inventory with retailers in need of goods, efficiently assisting brands with reducing overstock.



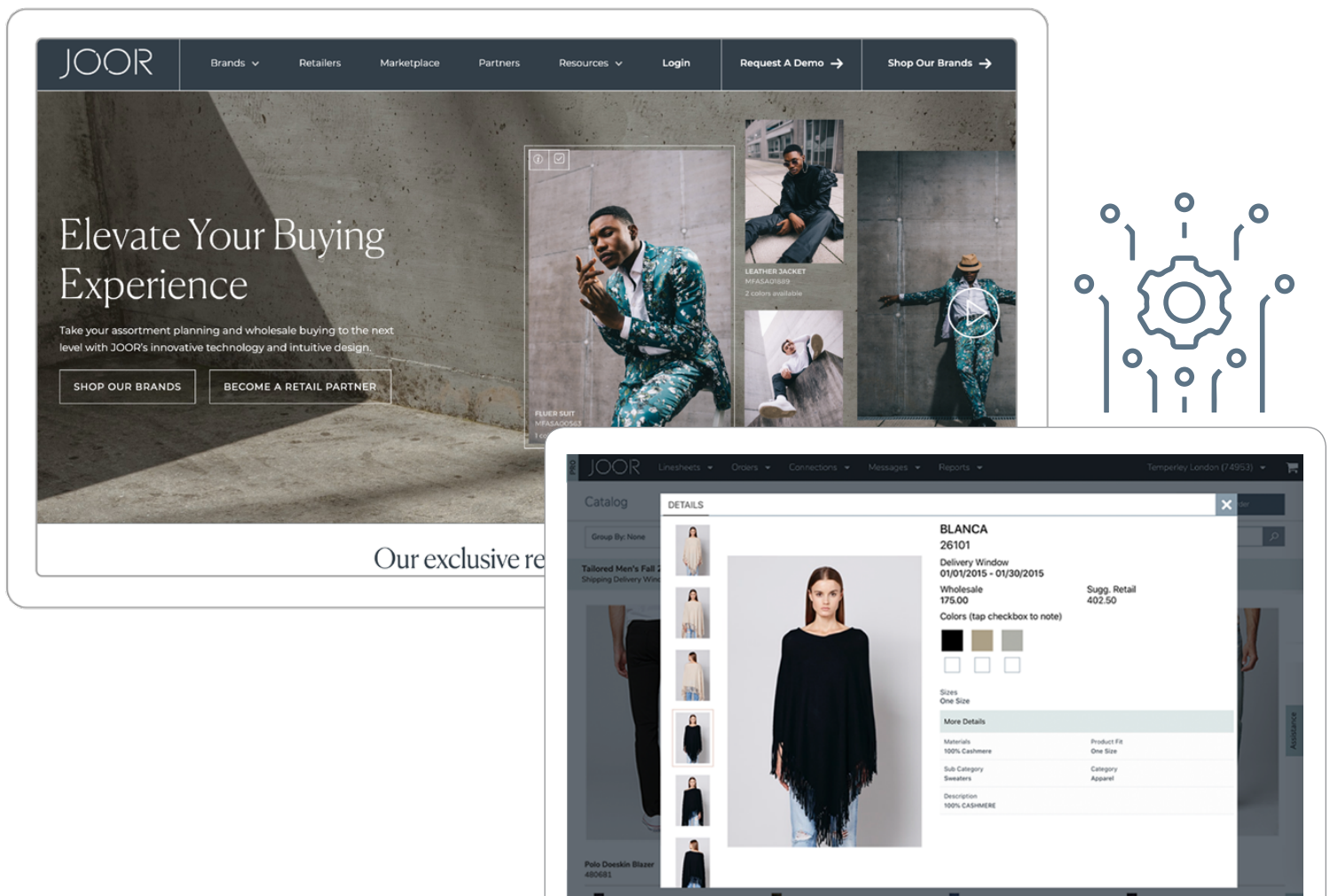
Faster Ordering - Brands and retailers are interested in going to market earlier to ensure they receive goods in time. JOOR enables digital appointments from anywhere in the world, streamlining the ordering process and getting goods in front of consumers more quickly.



One Digital Ecosystem - Because JOOR operates within one digital ecosystem, changes and delays can be communicated immediately—for example, if a style is canceled or a timeline is modified, brands can notify their retailers right away and offer an alternative to ensure no one is left unprepared.

Transparency, planning, and communication will be key when dealing with supply chain disruptions, and JOOR's innovative wholesale management solutions can help prepare your business for navigating this turbulent market.

The past two years have brought unprecedented challenges and sparked tremendous innovation throughout the wholesale landscape, and companies have been forced to be more agile to survive. Coming out of a time steeped in uncertainty, we see these trends not as challenges but opportunities for growth amongst the volatility. One significant constant throughout the pandemic has remained the same: an increase in digitalization is vital across every function of business and in our everyday lives, creating efficiencies and fostering connections necessary for driving growth.



For more information about how JOOR can support your business, [request a demo](#) or register for a free retailer account today. The future of wholesale is JOOR.

JOOR