

A Look at Tech, Fashion, and Supply Chains in 2022

Throughout the last few years, the fashion and apparel industry, like many others, has faced unprecedented challenges impacting their supply chains. From COVID-related delays and a massive surge in the e-commerce space, to increased prevalence of ESG-related legislation, many businesses have been left wondering how they could be more prepared. More and more the Fashion and Apparel industry is turning to tech to solve their most pressing issues.

From providing digital track and trace solutions for supply chain transparency, to increasing customer engagement, in-store and post-sale, here's our look at tech is changing the game.

The Investment in value-chain tech

by the numbers

+50%

Speed to market

+8%

Full-price sell through

-20%

Manufacturing costs

According to McKinsey, “[c]urrently, the industry’s traceability efforts are hampered by manual processes and unreliable data.” Having access to real-time, reliable data grants brands that visibility into their supply chain operations—driving better decisions around efficiency, costs, and ultimately, granting the consumer insight too.

Many young consumers would choose to shop from a brand that empowers them with the information they need to make informed purchasing decisions in-line with their values (like sustainability), even if the price tag is higher. As recently stated in the joint report put out by McKinsey and Business of Fashion, “In Europe, 60 percent of fashion customers say transparency is important. While just 20 percent currently seek out this information when purchasing, the percentage of customers who are acting on these interests is starting to increase — particularly among younger generations.”

Investing in unit-level identification and authentication technology, protected via blockchain, is among the most accurate and safe methods of providing your consumers, and business, with this data.

“The market for new technology services focused on supply chains could be worth more than

\$20 BILLION

a year in the next five years”
– Reuters

Setting Expectations

The disruptions across supply chains quickly revealed which businesses had transparency throughout, and which did not. Brands with insight into their supply chains were able to accurately report on delivery times before purchase so that consumer expectations were correctly set.

This not only minimized order cancellations and returns in the short term, but ultimately protected from a reduction in brand trust over time.

“Research shows that 70% of greenhouse gas emissions are related to material handling and use. If businesses have insights into how full their aircraft, ship, or truck is, they can determine in real time how efficient their delivery will be.”

– MIT Technology Review

Now, more and more businesses are looking for tech-based solutions like track and trace technology and blockchain ledgers to better plan for delays and reverse logistics alike.

Be The Difference Maker

The challenges brought about by an increase in conscious consumerism, sustainability legislation, and COVID-19, revealed which brands had invested in these technologies beforehand. Now it's proven that these brands not only were better equipped to handle a changing economic and



“of senior fashion executives have invested in such physical “track and trace” solutions when seeking to address supply chain visibility and traceability.” – McKinsey

political landscape, but were able to better bring in and retain customers. Few brands have invested their resources in supply chain and value chain tech, and it will surely be a differentiator moving forward.