The bridal fashion industry readies itself for Generation Z

By Triana Alonso - 16 April 2019

Bridal brands are still trying to fully grasp the needs and wants of millennial brides, but many are already facing a new challenge: how to cater for Gen Z shoppers. For brides born after 1995 will become the sector's main target demographic by 2030, and they have their own interests and likes. To attract them, the industry will have to embrace experiential concepts beyond traditional retailing, offer more personalisation and transition their retail models into omnichannel. How can a business thrive in a highly fragmented market and spark customer interest from digital natives?

Currently, millennials account for four out of five engagements and spend more on weddings than any other age group, supported by their average disposable income and the fact that they are at that age when people commonly get married. On the other hand, more and more Generation Z couples are choosing to tie the knot, with this age group now accounting for 6% of all brides. Whilst Gen Z brides currently spend on average 20% less than their millennial counterparts, they are poised to spend more than any other demographic by 2030, when this generation becomes the largest consumer of wedding dresses. This is according to a new study titled “Millennial and Gen Z brides: the bridal sector in 2020,” published by IESE professor José Luis Nueno to promote Valmont Barcelona Fashion Week - a leading bridal fashion event taking place on 23-28 April.

EXPERIENCES AND PERSONALISATION WILL CAPTIVATE THE BRIDES OF THE FUTURE

The report highlights the development of experiential concepts and a move away from traditional retailing as a key trend for the sector for the coming years. Whilst in 1985 products represented 64% of sales and all things related to the experience accounted for the remaining 36%, these two formats will reach similar levels by 2030, when products will make up for 52% of sales, while experiences represent 32% and experiential products 16%.

Young couples have started rejecting the idea of having a traditional wedding, choosing instead to have personalised details that echo their personal style and philosophy. According to the report, today’s brides seek “originality, uniqueness and digital and creative experiences.” That is why bridal companies are encouraged to
originality, uniqueness and digital and creative experiences.” That is why bridal companies are encouraged to take a double approach. On the one hand, they must differentiate their offering, which involves identifying and understanding their key clients. On the other hand, they need to focus on improving their targeting efforts, using their customer knowledge to develop and market products that cater for their customers’ needs and preferences. Finally, brands must consider adapting their physical stores in line with new customer behaviours.

The study also emphasises the need to build and maintain customer relationships via online strategies, and that embracing the latest technologies will be imperative as the bricks-and-mortar shop “will be transformed by incorporating video walls, digital signage and smart mirrors to adapt to the needs and the omnichannel behaviour that is synonymous with the latest generation of buyers,” Nueno said.

THE BRIDAL FASHION BUSINESS, IN TERMS OF MARKETS

According to a forecast from Global Industry Analysts, the bridal market will be worth 80 billion dollars (67.99 billion euros) by 2020. But despite offering great opportunities, the sector is highly fragmented, facing fierce competition from China, and in dire need of a revamp. In terms of demand, Nueno said there are plenty of growth opportunities. “Despite its slight decline, Europe should be a priority market for brands which have yet to leave their country. In the case of traditional markets, with little or no growth, new ways should be sought through complementary segments such as party dresses or accessories,” he said.

Outside Europe, the United States is a market with growth potential. There, wedding dresses are sold at high prices, but the market is very competitive. “It requires a certain size and brand to be able to compete in this market,” Nueno said. Meanwhile, Latin American countries, particularly Mexico, and Gulf countries including Saudi Arabia, Kuwait and Qatar are very attractive for bridal fashion brands, as they combine a more positive (or less negative) evolution of the number of weddings and number of millennials. But these high growth countries, including China, require different and complex operational formulas, which is why the study recommends brands to enter these market only once they have expanded in Europe.

In terms of supply, China continues to lead the production of wedding dresses, manufacturing up to 12 million units every year. 75% of these dresses are shipped to other countries. Vietnam is the world’s second largest manufacturer of wedding gowns, followed by the United States and Spain. With more than 2.2 million dresses produced, the American market expects to see demand surge over the next few years. And in terms of exports, Spain is the second largest exporter of wedding dresses after China, with 74% of all output shipped to other countries. Additionally, global sales of wedding dresses, party dresses, eveningwear, accessories and shoes increased to 1.35 million euros in 2018. The sector now accounts for 4.8% of Spain’s fashion and textile revenue and it employs more than 13,400 people across over 730 companies. And it has become a leading region.
and it employs more than 13,400 people across over 730 companies. And it has become a leading region nationwide, representing 41% of total revenue to 236 million euros.

BARCELONA, A LEADING BRIDAL HUB FOR THE WORLD

With bridal season in full swing, including trade shows and events in London, New York and Si Sposaitalia, the sector’s key players will descend on Barcelona for the upcoming Valmont Barcelona Bridal Fashion Week later this month. It will take place on 23-28 April at Fira de Barcelona’s Montjuïc venue. Now in its 29th edition, the event will be held in partnership with Swiss cosmetics company Valmont for the first time in its history. And this year’s show is set to be a big one, with the number of participating brands growing by 13% after five years of stable growth. The professional trade fair will host a line-up of 429 labels, composed mostly of international names from the United Kingdom, the United States, Italy, Holland, Germany France and Turkey. Meanwhile, event organisers said up to 64 key buyers have confirmed their attendance, including a large number of North American, Chinese and Japanese buyers.

On the runway, leading Spanish brands including Jesus Peiró, Rosa Clará and Pronovias will be joined by eight new labels. The new line-up will be headlined by Marchesa, the American brand founded by Keren Craig and Georgina Chapman, the ex-wife of scandal-ridden Hollywood producer Harvey Weinstein. The label has kept a low profile since the #MeToo accusations, and now is keen on making a grand return to the limelight by hosting a fashion show on 24 April at the Royal Palace of Pedralbes. Elsewhere in the calendar, The Atelier, the Malaysian brand led by Jimmy Choo as creative director of the bridal collections since 2017; Zac Posen’s ZAC; American label’s Maggie Sotero and Mori Lee; and Israel’s Flora will present their collections. And additionally, the event will host, for the second time in a row, the Elle International Bridal Awards on 27 April.

After welcoming world-renowned bridal designer Reem Acra to Barcelona Bridal week last year, Ester Maria Laruccia, event director, reiterates her strategy. “With Marchesa’s participation, we take a step further in our...
Laruccia, event director, reiterates her strategy. “With Marchesa’s participation, we take a step further in our commitment to fashion, design and creativity with an international impact, putting Barcelona once again at the center of the global agenda,” she told FashionNetwork.com in an exclusive interview.

“Valmont Barcelona Bridal Fashion Week is a catalyst for trends, the scenario in which the protagonists of the international industry come together to show, sell, buy and, above all, define the trends that will come in the coming months,” she concludes. More on the highly-anticipated event and the sector’s key trends, from 23 April on FashionNetwork.com.

By Triana Alonso
Translated by Barbara Santamaria