

Analyzing the Competitive Landscape of the Adaptive Apparel Sector

Jin Su, Melanie Carrico, and Cadye Murphy, The University of North Carolina at Greensboro
Xiao Tong and Brian Taylor, The University of Alabama

Keywords: adaptive apparel, people with disabilities, Porter's five forces model

Introduction. Adaptive apparel can help mitigate the effects of a daily source of stress for people with disabilities (PWDs); however, its market viability remains largely untapped due to delayed development of new market segments and a disproportionate focus on advanced age PWDs. While niche brands and product line extensions have emerged in the past decade, the adaptive apparel market segment (AAMS) is in its infancy. There is an opportunity for new entrants and untapped competitive advantage strategies because PWDs have approximately \$13 trillion in global spending power, with the U.S. comprising \$8.4 trillion alone (Byrne-Haber, 2020; Kenny, 2023). The AAMS is experiencing rapid growth, projected to reach \$409 billion by 2027 (Coherent Market Insights, 2021). As an underdeveloped sector within the apparel industry, opportunities for advancing the AAMS are considerable. The purpose of this study is to employ an organizational perspective to examine the current competitive landscape of the AAMS, alongside relevant macro-trends and exemplary case examples to enable the discovery of untapped opportunities for greater inclusion for PWDs. Given its delayed development relative to other industry sectors, Porter's established Five Forces model is employed to identify sector-specific firm opportunities, placing the impetus on collaboration between firms and advocates, meaningful brand/retailer partnerships, the need for design-oriented and technological innovations, and key factors in achieving a sustainable competitive advantage, and effectively meeting the clothing needs of PWDs.

Theoretical Grounding. Porter (1979)'s works on the competitive industry forces assert that intra-industry competition is highly nuanced and rests on the strength of five constituent parts: industry rivals; customers; suppliers; potential entrants; and substitute products. Knowing the five forces of competition is crucial to formulating "a strategic agenda of action" (Porter, 1979, p. 139). Central to the model is rivalry among existing competitors, whereby intensity is based on the competitive landscape; growth within the industry; differentiation and switching costs; commoditized products; capacity; and exit barriers. The five forces shape industry competition, thus determining industry profitability (Porter, 2008).

Methods. To provide a comprehensive evaluation of the profitability potential within the AAMS, we conducted an exhaustive investigation of publicly available data sources (i.e., company websites; government and multinational organization reports; trade publications) and relevant academic literature identified using "adaptive apparel" and "adaptive apparel fashion" as keywords. Findings from a previous AAMS analysis were also used.

Results. The findings demonstrate the AAMS's viability and delineate each competitive force (or factor) that shapes the overall competitive landscape of the untapped AAMS.

Competitive Rivalry in the AAMS. Historically, “adaptive” products target older consumers prioritizing comfort and ease of use over aesthetics (Bhandari, 2024). Silverts, a Canadian apparel company established in 1930, is one example of an early entrant with great success in the AAMS. In the 1960s, Silverts recognized the aging population’s unmet clothing needs and pivoted from a mass-market apparel selection to a niche market serving people with dressing disabilities (“Silverts’ History – About Us”, n.d.). 2016 marks the next advancement in AAMS, when Tommy Hilfiger recognized the market need for PWD and collaborated with Mindy Scheier, the originator of the adaptive apparel movement, to develop a mainstream children’s adaptive line (McBee-Black & Ha-Brookshire, 2022). Since its launch, Tommy Hilfiger Adaptive has expanded to include full lines for men and women to cover the functional, expressive, aesthetic and accessibility [adaptive apparel] consumer needs proposed by Hall and Lobo (2017). This represents a pivotal shift in the adaptive apparel market landscape (Pat, 2023). In response, key industry players, such as Zappos, Amazon, Target, and Nike, have entered the AAMS. Though highly fragmented, corporations have incorporated a variety of strategic development endeavors to gain access to the AAMS opportunity. Examples include the creation of private label brands (e.g., Target’s Universal Thread brand); product line extensions of existing brands (e.g., JCPenney’s a.n.a); collaborative ventures with niche brands (e.g., Nike’s use of Kizik’s proprietary technology); and wholesale brand expansion by multinational retailers with wide and deep assortments (e.g., Amazon e-commerce; Zappos).

Threat of New Entrants. New entrants have low entry barriers, negligible retaliation from incumbent competitors, and diversification opportunities from other markets; but the threat of entry is moderate due to variability within the market that is served. If AAMS brand patronage increases, consumers’ willingness to pay is likely to also increase because of the varied, specific apparel needs of PWDs. New entrants must engage in larger-scale production and distribution to maximize cost per unit efficiencies. Their risk is high given the resources required to invest in necessary up-front costs. Since consumers incur few switching costs when purchasing apparel, the likelihood of switching is greater than it would be in a technologically innovative adaptive apparel product.

Supplier Power. Due to massive production in worldwide apparel producing countries, supplier power is negligible, and is even more so threatened by adaptive apparel brands/buyers’ impetus of proprietary technology development in adaptive production, design features, and materials (Welty, 2022). Conversely, the suppliers of the white label tech products have considerable leverage, as exhibited by Nike’s investment in adaptive shoe brand, Kizik (Li et al., 2023; Taylor, 2022).

Customer Power. Relative to other apparel industry segments, customer power is low, given highly specialized adaptive garments with few competitor alternative options. However, adaptive apparel products are susceptible to consumer price sensitivity. Consumers leverage customer power when considering mainstream alternatives. Notably, in light of the industry’s long-term neglect in addressing PWD-specific needs, customer power is considerable.

The Threat of Substitutes. The threat of substitutes is low, given the limited availability of adaptive apparel products. Until recently, PWDs have made trade-offs when dressing themselves, either by wearing adaptive garments that often sacrifice style, choosing ill-fitting mass-market clothing, or investing in alterations. The threat of substitutes is higher among

younger consumers who prioritize attributes related to fashion trends and clothing that does not appear to be modified.

Case Study. MagnaReady, an adaptive apparel technology company in North Carolina, exemplifies competitive advantage built on uniqueness, as demonstrated by the impact of pioneering magnet integration into designs (Henry, 2016). MagnaReady licensed its magnet technology to PVH Corporation in 2016, with PVH's MagnaClick technology achieving product line expansion from men's dress shirts to women's dress shirts and children's uniforms, as well as retail channel expansion via wholesale distribution to Amazon, Kohls, JCPenney, and Belk.

Conclusion. The research findings point to the power of technological incorporation as well as the benefits of collaborative integration. In sum, more marketing research at brand and retailer levels is needed to reveal opportunities to assert power, which depends on greater knowledge and understanding of the unmet clothing needs among PWDs.

References

- Bhandari, B. (2024). Adaptive clothing brands in mainstream fashion. *Journal of the Textile Association*, 84(3), 151-154. <https://tinyurl.com/yc8h9hwe>
- Byrne-Haber, S. (2020, June 11). People with disabilities control \$8 trillion in spending. *Medium*. <https://tinyurl.com/ymb442ys>
- Coherent Market Insights. (2021, November 21). *Adaptive clothing market worth US\$408.76 Bn by end of 2027, says Coherent Market Insights* [Press release]. PR Newswire. <https://tinyurl.com/59pehcc2>
- Hall, M. L., & Lobo, M. A. (2017). Design and development of the first exoskeletal garment to enhance arm mobility for children with movement impairments. *Assistive Technology*, 30(5), 251-258. <https://10.1080/10400435.2017.1320690>
- Henry, Z. (2016, January 20). *How this adaptive clothing startup scored a deal with a billion-dollar retailer*. Inc. <https://tinyurl.com/ew2mzh2v>
- Kenny, B. (Host). (2023, December 5). Tommy Hilfiger's adaptive clothing line: Making fashion inclusive [Audio podcast transcript]. In *Cold Call*. Harvard Business School. <https://tinyurl.com/yabcc7p7>
- Li, M., Zhao, L., & Srinivas, S. (2023). It is about inclusion! Mining online reviews to understand the needs of adaptive clothing customers. *International Journal of Consumer Studies*, 47(3), 1157-1172. <https://doi.org/10.1111/ijcs.12895>
- McBee-Black, K., & Ha-Brookshire, J. E. (2022). "I am going to educate the industry": how an advocate became a key competitive resource for the adaptive apparel market. *Journal of Fashion Marketing and Management: An International Journal*, 26(1), 179-194. <https://doi.org/10.1108/JFMM-10-2020-0218>
- Pat, K. (2023, October 3). *Empowering inclusivity: The adaptive clothing market's rise to serve diverse needs*. LinkedIn. <https://tinyurl.com/3486u7c5>
- Porter, M. E. (1979). How competitive forces shape strategy. *Harvard Business Review*, 57(2), 137-145.

- Porter, Michael E. (2008). The five competitive forces that shape strategy [Special issue]. *Harvard Business Review*, 86(1). 78–93.
- Silverts' history—About us—Silverts*. (n.d.). Retrieved March 5, 2024, from <https://www.silverts.com/history>
- Taylor, G. (2022, July 20). Nike-baked Kizik naps \$20 million, plots first stores. *Sourcing Journal*. <https://tinyurl.com/ya4p2a72>
- Welty, M. (2022, September 27). *The true story behind Nike FlyEase and who they pay for it*. Complex. <https://tinyurl.com/yad4p3d9>

Note. This work is supported by the Higher Education Challenge Grants Program, [grant no. 2023-70003-38778], from the U.S. Department of Agriculture, National Institute of Food and Agriculture.