

Specialty Apparel

Key Takeaways

- 1Q25 comparable sales were mixed across brands, with value retailers lagging
- Premium brands kept more full-priced sales, while promotional activity increased at underperformers
- Tariff impact was limited, but the outlook remains cautious for 2H25

	Comps	Sales	YoY Sales % Change	E-Comm % Growth	E-Comm % of Sales	Quarter-End Date
		(millions)				
Abercrombie & Fitch Co.	4.0%	\$1,097.3	7.5%	N/A	N/A	5/3/2025
American Eagle Outfitters	-3.0%	\$1,089.6	-4.7%	5.0%	41.0%	5/3/2025
Carter's	-5.2%	\$629.8	-4.8%	9.0%	N/A	3/29/2025
Cato Corporation	0.0%	\$168.4	-3.9%	N/A	N/A	5/3/2025
Children's Place	-13.6%	\$242.1	-9.6%	N/A	N/A	5/3/2025
Citi Trends	9.9%	\$201.7	8.3%	N/A	N/A	5/3/2025
Destination XL Group	-9.4%	\$105.5	-8.6%	-16.1%	27.5%	5/3/2025
Duluth Trading	N/A	\$102.7	-12.0%	-17.0%	61.0%	5/4/2025
Gap	2.0%	\$3,463.0	2.2%	6.0%	39.0%	5/3/2025
J.Jill	-5.7%	\$153.6	-4.9%	-5.4%	46.7%	5/3/2025
Lands' End	N/A	\$261.2	-8.5%	N/A	N/A	5/2/2025
lululemon athletica	1.0%	\$2,370.7	7.3%	6.1%	40.5%	5/4/2025
The Buckle	3.0%	\$272.1	3.7%	4.5%	18.0%	5/3/2025
Tilly's	-7.1%	\$107.6	-7.1%	-5.8%	20.2%	5/3/2025
Urban Outfitters	4.8%	\$1,329.5	10.7%	N/A	N/A	4/30/2025
Victoria's Secret	-1.0%	\$1,353.0	-0.4%	-3.0%	32.0%	5/3/2025
Zumiez	5.5%	\$184.3	3.9%	N/A	N/A	5/3/2025
Average-Omnichannel	-1.0%		-1.2%	-1.7%	36.2%	
E-Commerce Retailers		(millions)				
Revolve	N/A	\$296.7	9.7%	N/A	100.0%	3/31/2025
Stitch Fix	N/A	\$325.0	0.7%	N/A	100.0%	5/3/2025
Average-E-Commerce			5.2%		100.0%	
Total Average			-0.6%			

*Comps may not reflect underlying business performance, as calculations vary across companies.

U.S. specialty apparel retailers posted mixed 1Q25 results, with top performers delivering solid comp growth, even in a more promotional environment, while laggards faced declining traffic. Average omnichannel comps retreated 1% in 1Q25, nearly matching the 1.1% decline in 1Q24. omnichannel sales, which fell 1.2%. Consumers stayed focused on value amid economic uncertainty, tight budgets, and lingering inflation. Omnichannel retailers with on-trend assortments and clear value messaging captured a greater share of discretionary spending, while undifferentiated players continued to lose relevance. Digital and direct-to-consumer channels continued to outperform traditional stores, widening the performance gap across the sector.

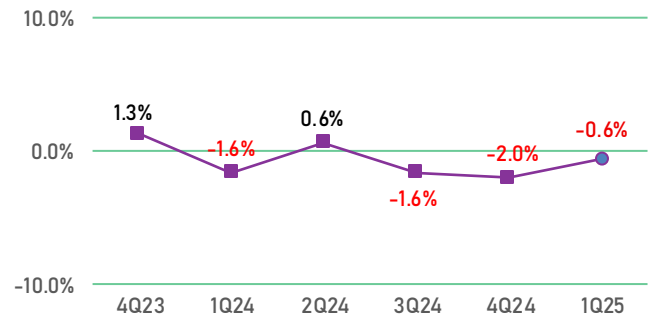
Citi Trends, Zumiez, Urban Outfitters, and Abercrombie & Fitch posted comp sales gains of 4% to nearly 10%. These companies benefited from better assortments, effective brand positioning, and limited markdowns. Proactive purchasing further enabled early buys, partly mitigating higher tariff costs. Zumiez delivered its fourth consecutive quarter of positive comps, up 5.5%, supported by growth in private label and core apparel categories. Surprisingly, American Eagle Outfitters, typically a category leader, posted a 3%

decline in comps and recorded an inventory write-down exceeding \$75 million, reflecting merchandising missteps and weaker demand. Middle-tier performers, The Buckle, Aritzia, The Gap and Lululemon, delivered modest results, with comps flat to up 3%. Lululemon's modest 1% comp gain was supported by strong international growth, though U.S. trends were more muted. Cato remain ed unchanged. Demand in this group stayed steady but unexceptional, with a clear divide between digital gains and physical store headwinds. Victoria's Secret comps were down 1% as sales declined 0.5%, driven by a 3% drop in online sales.

Laggards, including Torrid, Carter's, J.Jill, Tilly's, Destination XL, and The Children's Place, reported comp declines of 4% to over 13%, weighed down by lower store traffic and heavy reliance on clearance sales. Margin pressure was especially pronounced among brands exposed to value-oriented and lower-income customers. The Children's Place was the weakest performer, with comps down 13.6% due to e-commerce declines, as it raised the minimum free shipping threshold to \$40, coupled with weaker in-store traffic and structural challenges. Despite recent equity financing and debt reduction under Mithaq Capital, liquidity remains tight and cash flow volatile, underscoring ongoing execution risk. Carter's also struggled, with comps falling 5.2% as inflation and higher interest rates constrained young-family spending.

Overall, 1Q25 results highlight a widening gap between brands with product relevance, pricing power, and supply chain agility, and those more vulnerable to promotional drag, supply chain disruptions, and macroeconomic headwinds. Looking ahead, some companies have adopted a more cautious outlook for the second half of 2025, with tariffs emerging as a central risk. Most leading brands have diversified sourcing away from China to countries such as Vietnam, India, Indonesia, and Central America. Other mitigation efforts include renegotiating vendor terms, adjusting freight strategies, and pursuing cost controls or selective price increases. Gap, Duluth Trading, Urban Outfitters and lululemon intend to selectively increase prices or maximize full-priced selling to increase average unit retail (AUR). In contrast, not all players have the scale or financial flexibility to absorb these tariff pressures, for example, J.Jill, whose new CEO suspended FY25 guidance. Retailers with clean balance sheets, adaptable supply chains, and differentiated value propositions are best positioned to weather the impacts of tariffs and gain market share in a weak demand environment.

Specialty Apparel Average Quarterly Sales



For questions or analytical support, please call:

Gerard Machado - (800) 789-0123, ext. 152

2025 Seasonally Adjusted Retail Sales (Monthly % Change Year-Over-Year)				Upcoming Comparative Periods		
Source: U.S. Census						
	Apr'25	May'25	Jun'25	Jul'24	Aug'24	Sep'24
Total Retail Sales	4.8%	3.5%	3.9%	3.0%	1.9%	2.0%
Retail Sales Ex Auto	4.0%	3.7%	3.3%	3.4%	2.2%	2.5%
Retail Sales Ex Auto and Gas	5.2%	4.7%	4.1%	3.6%	3.2%	4.1%
By Category:						
Furniture & home furnishings	7.7%	5.9%	4.5%	-0.7%	-1.0%	2.5%
Electronics & appliance	-0.2%	-2.1%	-0.2%	3.7%	-0.6%	-4.9%
Building materials, garden equip. & supplies	1.9%	-0.3%	-1.1%	0.3%	-0.3%	1.4%
Food & beverage stores	2.6%	2.3%	2.5%	2.8%	1.6%	2.6%
Grocery stores	2.8%	2.5%	2.7%	2.8%	1.5%	2.5%
Health & personal care	8.6%	7.9%	8.3%	6.3%	4.5%	7.1%
Gasoline stations	-7.0%	-5.8%	-4.4%	1.3%	-6.7%	-10.7%
Clothing & clothing accessories	4.3%	3.4%	3.9%	2.8%	0.3%	2.3%
Sporting goods, hobby, musical instrument & book stores	1.3%	0.7%	1.6%	-7.1%	-3.7%	-2.2%
Footwear	-0.9%	0.4%	TBD	1.2%	-6.5%	-7.6%
General merchandise	2.6%	2.6%	3.2%	2.8%	1.4%	2.6%
Department stores	-3.9%	-2.7%	-3.6%	-4.8%	-6.1%	-3.4%
Nonstore retailers	7.9%	7.6%	4.5%	5.8%	6.6%	7.2%
Food services & drinking places	6.9%	6.2%	6.6%	4.3%	4.2%	4.3%

*Sporting goods figures are not seasonally adjusted

This report is issued to the Subscriber for its exclusive use only and is compiled from sources which RetailStat, LLC ("RetailStat"), does not control and unless indicated is not verified. RetailStat, its principals, analysts, writers and agents do not guarantee the accuracy, completeness or timeliness of the information provided nor do they assume responsibility for the information reported herein nor for failure to report any matter omitted or withheld. This report and/or any part thereof may not be reproduced, and/or transmitted in any manner whatsoever. Any reproduction and/or transmission without the written consent of RetailStat is in violation of Federal and State Law.