

BATH TOWELS

\$2.47B

Total Bath Towel Sales in 2016

\$28.1B
2016 Home
Textiles Universe\$27.6B
2015 Home
Textiles UniverseUP
1.8%

Call It a Wash

BY JENNIFER MARKS

Last year wasn't exactly robust for the bath towel category. Volumes shifted around, but sales remained flat at \$2.47 billion.

Department stores, not surprisingly, lost some ground to discounters and off-pricers. And while e-commerce is growing its share in bath — as in every other home textiles category — bath towels are an outlier in making a slower shift online.

Consumer research released by Cotton Incorporated earlier this year found that shoppers still want to reach out and touch their towels before they buy them. Only slightly more than half of consumers research towels online vs. 62% who

And with consumers purchasing new towels every 1½ years, it's not a lack of demand that's suppressing growth. Rather, it's a scramble for shelf space among suppliers that's holding prices down even as better quality is being woven into the product.

"The broad market isn't growing. The supply side is getting sliced up," said Charles Gaenslen, ceo of Loftex Home.

In a hotly contested market, margins are being even more compressed on both the retailer and supplier sides.

"Retailers are watching inventory levels more closely, and the supply chain is being further condensed and the proverbial pipeline is becoming shorter," said Jeffrey Kambak, ceo of U.S. operations at Trident. "The shorter cycles are putting performance demands on suppliers."

Bari Textile Mills also saw the market bumping along last year, but has noticed things starting to uptick a little this year, according to Dan Harris, senior vp of marketing & product development.

"One big problem is over-capacity worldwide. That pricing pressure is good for retailers, but it's bad for innovation," he said.

Sales were good overall on basics and new round beach towels last year for Amrapur Overseas. The company did especially well with basic solid towels configured in six-piece sets offered in six to eight colors. "This is a standard inventory program for us and continues to do well," said ceo Kevin Wadhvani.

So far this year, 600 gsm and 700 gsm towels are performing well, both in programs from India and Turkey. "Fashion towels are

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Distribution channels

2016 total retail sales: \$2,470 million flat from \$2,470 million in 2015

	2016	2015	% CHANGE
Discount department stores/supercenters	\$1,296	\$1,290	0.5%
Specialty stores	\$747	\$747	0.0%
Department stores	\$251	\$258	-3.0%
Direct-to-consumer	\$78	\$76	1.9%
Warehouse clubs	\$50	\$50	0.0%
Other	\$48	\$48	0.0%
Total	\$2,470	\$2,470	0.0%

turn to the Internet when considering top-of-bed purchases.

Further, 67% do their browsing for bath towels in-store rather than online, and 77% complete their purchase at a retailer.

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FAST FACTS: BATH TOWELS

Avg. # of
items owned
and used
regularly:

9.4

Avg. years
before
shopping for
new towels:

1.5

Avg. price
paid
per
towel:

\$13

Source: Cotton Inc. 2017 Home Textiles Survey

BATH TOWEL SHOPPING JOURNEY

% who prefer the following take place online or in store

	Online	In-Store
Browse	33%	67%
Research	54%	46%
Purchase	23%	77%
Re-Purchase	33%	67%

Source: Cotton Inc. 2017 Home Textiles Survey

WHY THEY BUY

Top 5 reasons to purchase bath towels

Softness	63%
Quality	61%
Price	61%
Absorbency	61%
Hold no odor	58%
Durability	55%

Source: Cotton Inc. 2017 Home Textiles Survey

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also doing extremely well for us," said Amrapur vp design and product development Dawn Rochelle Fields. "We are introducing a new towel this market, Air Cloud, with a wonderfully soft and luxurious fiber creating a super soft towel collection. The staple yarn size is longer than most at 29mm, with a finer construction, offering 85%-90% absorbency."

Sharadha Terry Products sees significant interest in convenience products, especially towels that dry quickly and are easy to care for, said Vikram Krishna, director. "The non-twisted construction still remains the best performer across categories of construction," he noted. "In the luxury category, plush yet not too heavy towels are the most popular."

Loftex is getting good reactions to its new Made in Green certification from Oeko-Tex, a consumer-facing, traceable sustainability label. To earn the label, manufacturers must prove to third-party testers that the products are free from harmful substances, manufactured in an environmentally friendly way and produced under socially responsible conditions.

The program launched at JCPenney over the summer. Loftex's new molecularly tagged CertainT towels made from recycled PET fibers will roll out at retail this fall.

"For us, the interest in traceability and sustainability is pretty significant," said Gaenslen.

Trident is also pleased with the response it's getting to its sustainable manufacturing processes, new fiber developments and ability to use more common fibers in better ways, said Kambak.

"Where the sustainability-conscious consumer was a niche just five years ago, the growth of this demographic has been explosive," he added. "Whether we want to credit the Millennial gen-

eration or not, more consumers care about the environment now than at any time in our history."

In terms of fashion, several manufacturers remarked on the re-birth of the jacquard business this year.

"The last couple of years, retailers slacked off on jacquards a little, but they're coming back hot and heavy," said Gretchen Dale, executive vp for strategic corporate planning at Loftex.

Bari Mills has added additional jacquard looms in response to the renewed interest in jacquard coordinates, said Harris. "When you walk into the bath department, it's usually a sea of solid color terry towels," he added.

Trident has plans to add more jacquard capacity next year, according to Kambak.

"On the fashion front, this past year has brought forth more texture, yarn dyed textures, piece dyed textured solids, and a resurgence of yarn dyed-jacquard constructions," he said.

While basics are bread and butter for Amrapur Overseas,

it too is pursuing more fashion forward bath, including textures, jacquard designs on the body of the towel and on the dobbie hems. Yarn dyed towels have become a staple in its collections, with colors and patterns changing each season.

"Washing treatments are becoming more popular, following apparel, with enzyme and sand washing, which create a heathered or mélange look," said Fields. "Hem treatments are also on the rise, adding that special touch and rejuvenating the category. Fringe is an example of this."

At the end of the day, however, all the extra value and new design are going into products that remain locked in existing price grids, suppliers agreed.

"We're all fighting fire with fire," said Loftex's Gaenslen. "That will continue. Right now there's probably some of the best value out there for consumer." **H&TT**

SOURCES OF INSPIRATION FOR BATH TOWEL PURCHASES

Store displays	45%
Retailer websites	25%
Friends/Family	22%
TV	18%
Magazines	18%

Source: Cotton Inc. 2017 Home Textiles Survey

ABOUT THE NUMBERS

Home & Textile Today's Bath Towels Database report reveals 2016 and 2015 market share product data through key distribution channels. All retail sales figures are estimates and are for the U.S. only. All figures are rounded.

DISTRIBUTION CHANNELS

Department stores are full-line operations carrying a variety of merchandise, including national and regional stores. Examples include Macy's, JCPenney, Bloomingdale's, Sears, Belk, Dillard's, Kohl's and The Bon-Ton Stores.

Direct-to-consumer includes retailers with primary distribution through the Internet, catalogs, television and/or home parties. Examples include Amazon, BrylaneHome, Cornerstone Brands, Hanover Direct, HSN, Lands' End and Overstock.com, among others.

Discount department stores/supercenters include discount, off-price and dollar stores, such as Walmart, Target, Kmart, T.J. Maxx/Marshalls, Ross Stores, Big Lots, Tuesday Morning, Shopko, Family Dollar and Dollar General.

Specialty stores include retailers that specialize in tex-

tiles, as well as stores that carry textiles at full price and may or may not carry housewares, small appliances, gourmet foods, apparel, jewelry and personal care items. Examples include Bed Bath & Beyond, Ikea, HomeGoods, Pier 1 Imports, Restoration Hardware and Crate & Barrel.

Other includes gift and home accent specialty stores, furniture stores, home improvement centers, military exchanges and designers, among others.

Warehouse clubs include Costco, Sam's Club, BJ's Wholesale and local and regional warehouse clubs.