

Fast Fashion on Its Last Legs – Thank Millennials

It's become a joke by now. But the fact that young people are broke has changed how they see consumption as a whole.

In switching from single-serving to long-lasting and in prioritizing quality over quantity, they no longer see fashion as young people did 10 years ago. And as retail giants that cater to young women either close shop or lose their market share both in the United States and in Western Europe, experts and industry insiders wonder what's up. Could millennials be killing yet another industry?

If you're looking for a short answer, it might be a fat and loud yes. But when we look at the specifics, it's clear the situation is a bit more complicated than that.

While millennials [trail behind](#) older generations when it comes to income, they are also the group with the highest student-loan debt load.

As many fail to find jobs within their fields when they're fresh out of college, plenty of millennials are then forced to enter a turbulent job market, filled with part-time gigs and positions that pay much less than they were expecting to make. The result? Less spendable income.

As millennials struggle to put their money to work, still [dreaming of owning homes but not being able to](#), they find it difficult to prioritize anything that won't offer them real value in the long run. As expected, fast fashion is one of the first items to fall to the bottom of their list of wishes.

And as demonstrated by what's going on with the [funeral industry](#), the need for solutions that are lasting but also affordable is also giving rise to a new movement, one that

focuses on ethics as the basis for any business transaction.

When it comes to fashion, brand, quality, and versatility all come first. But as these items tend to be more expensive than items sold at major retailers such as the Charlotte Russe chain, which is now [filing](#) for bankruptcy, [apps](#) that let consumers rent high-fashion items are quickly becoming popular. Offering brand-item owners the chance to earn some extra income while giving the budget-minded consumer more choices, retailers' apps are filling the void as young people feel trapped and unable to renew their wardrobe.

When you think of how brilliant this solution is, it's hard to find something negative about this new dynamic – unless, of course, you're the owner of a large retailer.

To Survive, Companies Must Adapt

Consumer behavior will always change. Whether because of the country's economic trends or just because of cultural shifts, consumers are seldom constant when it comes to what they prioritize and can afford. If stores want to remain relevant in the midst of a changing economy, they must understand that reality.

According to [data](#) from both Europe and the U.S., the travel, telecom, and entertainment industries are seeing a major boost thanks to young consumers. But in the meantime, fast fashion consumption is down.

Nowadays, people between the ages of 18 and 29 spend nearly \$20 less per day than they did a decade ago. So fast fashion companies either underestimated the trend or completely ignored the potential consequences of how young consumers are choosing to spend their money. And they are now starting to face the consequences.

But as some companies lose territory, others take over.

For millennials, a hostile economy made them big renters. And that trend has spread into both fashion and real estate, after growing thanks to the development of what we know as the sharing economy.

Now consumers are much more likely to rent their cars, living spaces, and wardrobes and, by the same token, use these same rental services when needed. They are not going to waste their extra cash on new clothes – not because they don't wish they could, but because they have other priorities.

So watch out, fast fashion. Millennials and even younger consumers are not going to keep you afloat.

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