



H&M Hennes & Mauritz AB in Apparel and Footwear

August 2023

INTRODUCTION

Scope

Executive summary

STATE OF PLAY

H&M Hennes & Mauritz AB's global footprint

Company overview

H&M explores new markets and segments to diversify the business

European crisis leads to high inflation and disruption of the global economy

The rising cost of raw materials will have a significant impact on performance

EXPOSURE TO FUTURE GROWTH

2030 goals: Double revenue, halve carbon footprint and increase profitability by 10%

COS taps into new customer segments by expanding its market presence

H&M's fourth place in the market to be challenged over the forecast period

COMPETITIVE POSITIONING

Relative performance

H&M is best positioned in Europe

Key categories and markets

Smaller H&M brands continue to gain relevance

Convenience: A key factor for price-sensitive consumers

Brand, portfolio and omnichannel strategies must combine with innovation

OMNICHANNEL: THE PATH FORWARD

Digital or physical: H&M's hybrid approach

Physical channel remains key, but is now seeing growth in digital engagement

H&M and John Lewis join forces to create a unified retail experience

H&M's O2O (online-to-offline) experiences: Bridging the gap between digital and physical

H&M's digital strategy: Empowering the future of fashion retail

EXPANDING BOUNDARIES

Embracing new horizons: H&M's response to industry challenges

Womenswear is H&M's largest category, but menswear is poised to grow faster

Unlocking new pockets of growth for H&M

H&M embraces inclusive fashion: Expanding into plus size with activist collaboration

H&M enters sportswear by launching its Move collection

Sportswear growth slows, but still outperforms apparel and footwear overall

SUSTAINABILITY AMBITIONS

Environmental action from the world's top fashion players

Navigating sustainability in a bid for transparency

Impakter index acknowledges H&M's sustainability progress, with room for improvement

H&M's steps towards net-zero target

H&M's Pre-Loved resale programme and circular business models

THE BATTLE FOR GEN-Z GETS TOUGHER

Competition between H&M and Shein intensifying

Shein's ambitious expansion plans in Mexico might impact H&M's share

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Differentiation will be key for H&M future growth

H&M merges Weekday and Monki brands in new youth-focused strategy

Artifact 001: Digital engagement targets youth via Weekday brand

KEY FINDINGS

Key findings

APPENDIX

Projected company sales: FAQs (1)

Projected company sales: FAQs (2)

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