

Sports-loving Brazilians boost local sportswear markets

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Brazilians are a sports-loving people. It is not difficult to imagine how much they care about their sportswear. Even in their casual times, a great number of Brazilians take their sports dress as their casual clothes.

According to the survey of Instituto de Estudos e Marketing Industrial – IEMI, it indicates in Brazil there are about 3,200 sports dress manufacturers and distributors, mainly in Sao Paulo, Santa Catarina, Rio Grande do Sul, Paraná, Rio de Janeiro and major states. Among them, around 90% are small-and-medium-sized companies; the total employees are about 155,000. Compared with last year (2011), the output of Brazilian sportswear is 708,800,000. Compared with the year of 2010, it grows 0.4%.

In 2011, Brazilians' consumption of sportswear is about 812 million pieces. The imported sportswear is only 3.12% of it. Compared with 2011, this year's output will grow 4%; the total consumption will also grow 5%. In terms of sportswear value, it is about 5,400 million US dollars last year.

Most of Brazilians like to do sports. Among all ball sports, soccer is definitely the most favored and most popular sports. In addition to the outdoor soccer, indoor soccer and beach soccer games are gaining their popularity because of the promotion of press media and the good results of Brazilian soccer players.

Sports-loving Brazilians Love Brands

In recent years, Brazil's national sports teams continue winning prizes including volley ball and basketball games, which also wins more favor of Brazilians. Once a Brazilian tennis player once won an international prize and local media made all related reports, soon playing tennis became favorable and fashionable. For instance, in Sao Paulo and some other states, there are well-established golf, ping pong and badminton clubs. Because baseball and softball are less reported by Brazilian press media, they are neglected categories of ball sports. In fact, there are state or local sports associations related to these ball sports. Estimated, in Brazil, there are more than 30,000 amateurs or players. And most of them are Japanese descendants.

Apart from ball sports, because Brazilians care about beauty and health by nature, many of them usually do sports at fitness clubs. Right now there are about 7,000 fitness clubs in Brazil. And the registered members are about 280,000-. Additionally, cycling, sailing, swimming and hiking and so on are also fashionable sports in Brazil.

In Brazil, brands mean quality. Therefore, sporting goods business people now put more and more emphasis on branding. And most Brazilian consumers tend to choose brands with high publicity. Currently the well-known brands include Adidas, Olympikus, Flexfit, Nike, Puma, Reebok, New Era, Mizuno, Topper, Rainha and so on. And among the brands, there is one thing in common: comfort feelings, creative and modern design. These are the most attractive features for Brazilians.



Sportswear Market - Skyrocketing Sales

Overall, Brazil's textile and garment industries faces the increasing cost because of overestimating Real in the exchange rate to USD, heavy duties and so other factors. Plus, the increasing import of textiles and garment products has challenged the local industries severely. As a result, the number of laid-off employees has been rising. For example, Americana City of Sao Paulo State is famous for its textile industry with 1,600- companies. Many of them are small-and-medium-sized enterprises. Totally, there are 40,000 employees around. Last year, high up to 2,100 staff in Americana City were laid off. And this number is 17.5% of the whole laid off staffs of the textile and garment industries. Obviously, it is the consequence of 15%-less yearly output of the industries in 2011.

According to the statistics of Ministerio do Desenvolvimento, Industria e Comercio Exterior --- MDIC, only in 2005, there was 292 million US dollars trade surplus of Brazil's textile and garment industries. In the following years, the trade deficit has been on the rise. In 2011, the deficit is 4,749 million US dollars. If the situation is not improving, the trade deficit will

soar up to 6 billion US dollars. In order to assist Brazil's textile and garment industries, the Brazilian government takes protective measures, such as, imposing closer inspections on imported products, increasing the import rate to 35% and cutting the industrial products rate to 0%, etc. Now many eyes watch whether these policies to help the Brazilian textile and garment industries out of the critical dilemma.

Even though Brazilian textile and garment industries are facing such a dilemma, sports-loving Brazilians stimulate many local garment manufactures to shift their production focus to sportswear. For example, Lupo in 2010 promoted its own brand sportswear for the first time. They estimated to sell 300,000 pieces. Surprisingly, the sales volume reached 500,000 pieces. Last year, the sales result was even more than one million pieces. Estimated, the sales, compared with 2011, will grow 60%. Another example, Alpargatas in recent years has promoted three brands of sportswear including Mizuno, Topper and Rainha. In 2010, the sales volume in total was 2 million pieces. In 2011, its sales growth rate, compared with 2010, is more than 2 digits. Alpargatas predicts, under the broadcasting effect of large sports games as well as Brazilians' nature of loving health and beauty, Brazilian sportswear market is of great potential. Before the World Cup 2014 and the Olympic Games 2016, the sales of Brazilians' sportswear in comparison with casual clothing will increase 9%.



Functional sportswear is not popular yet

At present, the retailers like Track & Field and Centauro provide functional sportswear. Still it is not very common. Its sales ratio at the Brazilian markets is not high. The main reason is functional sportswear is far more expensive than the traditional knitting sports clothes. At the industry express that there is great room for Brazilian textile manufacturers to enhance their technology to produce functional sportswear. Most of the functional sportswear is mainly made from the imported functional sportswear made in China or made in Taiwan or they process the imported clothing and make sportswear locally and then sell them at the local markets.

In 2011, both Brazil's import and export value of sportswear increase

Import	IEMI in its public report indicates that the import value of Brazil's sportswear is 124 million US dollars. According to the statistics of MDIC, among them, the import value of knitting race sportswear, skiing and swimming suits from January to May of 2012 is 9.09 million US dollars; in 2011, it is 12.39 million US dollars; in 2010, it is 8.95 million US dollars. China, Indonesia and Vietnam are the major supplying countries. As to non-knitting race sportswear, skiing and swimming suits, in 2010 the import value is 10.66 million US dollars; in 2011, it increased to 17.73 million US dollars; in 2012, from January to May, the import value is 10.41 million US dollars. China, Vietnam and India are the main supplying countries.
Export	IEMI reports that Brazil's export value of knitting and non-knitting race sportswear, skiing and swimming of 2011 is 17.81 million US dollars; in 2010, it was 17.31 million US dollars; in 2009, 17 million US dollars.

At present, Brazilian sportswear manufacturers or importers start using different marketing tools such as website, exhibitions or phone calling to the low-stream clients. Some of them even setup their own retail shops and sell the products direct to customers. Now, Centauro and Disports, etc. exclusively sell sports products. Renner, Riachuelo, and some local dress chain stores also setup a specific area for sportswear.

Estimated, in 2014 and 2016, Brazil is going to hold the World Cup and the Olympic Games. Undoubtedly these two worldly sports events will stimulate great consumption at Brazil's local markets for sportswear. Therefore, Taiwanese sportswear business people shall not miss the chance. Either participating in sports exhibition or making contact with TAITRA will be a good channel to extend business in Brazil.