

The global footprint

A 25th anniversary is the perfect opportunity to take a retrospective look at the world footwear market, a chance to reflect on how far we have come in the past two-and-a-half decades and to make some predictions as to what the footprint might be in the coming years.

When *World Footwear* made its entrance twenty-five years ago in May 1987, the world population was a whisper away from hitting five billion (this apparently occurred on July 11

that year). According to the United Nations, in October 2011 the world population had grown to seven billion. Not surprisingly, the demand for footwear has grown at an astonishing rate, fed by increasing standards of living in most parts of the world as the global GDP or gross domestic product has grown from \$16,160.36 billion in 1987 to an estimated \$78,897.426 billion in 2011. Forecasting future growth is not easy, as the world has been through some rocky economic times recently, but it is expected to grow by

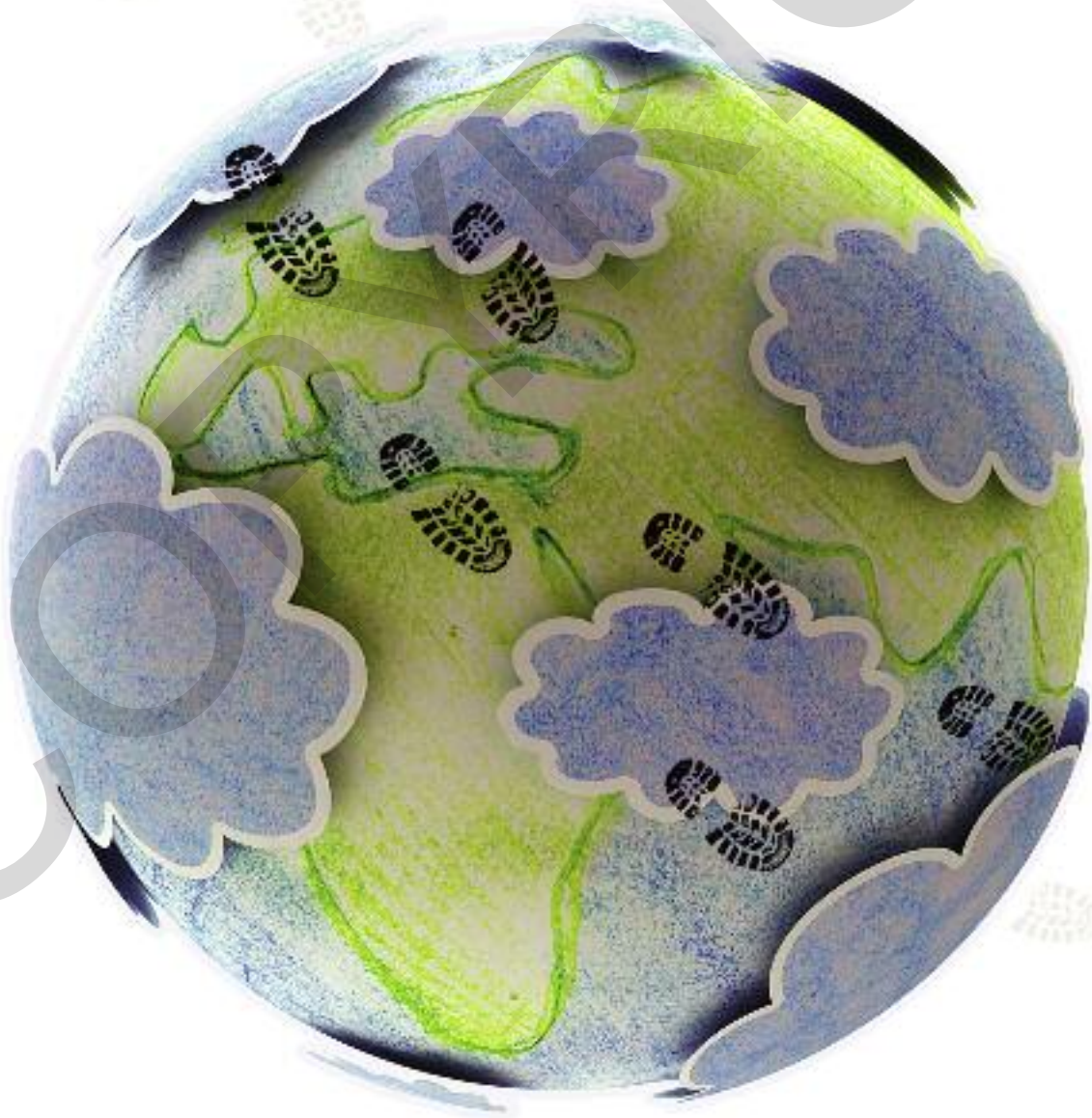


Table 1 - Footwear production 1994 - 2009

Footwear Production 1994 - 2009 (Million Pairs)									
COUNTRIES/REGIONS	1994	1996	1998	2000	2002	2004	2006	2008	2009
CHINA	3,850	4,700	5,350	5,750	6,294	8,100	9,600	9,806	9,500
INDIA	2,550	2,750	3,050	3,350	3,650	3,800	3,850	3,900	4,000
BRAZIL	590	586	516	585	642	800	796	816	814
VIETNAM	176	245	355	445	500	585	715	756	741
NIGERIA	250	270	290	320	350	375	400	440	450
USA	243	221	165	98	59	37	32	30	27
EUROPE	1,500	1,489	1,440	1,307	1,226	1,036	916	856	800
REST N AMERICA	237	268	328	342	283	292	274	293	291
REST S AMERICA	256	238	237	230	229	226	246	257	274
REST ASIA	2,501	2,429	1,995	2,144	2,092	2,102	2,133	2,093	2,085
MIDDLE EAST	442	568	568	557	568	609	565	557	538
REST AFRICA	310	331	301	296	299	305	333	362	363
TOTAL	12,905	14,095	14,596	15,423	16,192	18,267	19,860	20,165	19,883

Table 2 - Footwear imports 1994 - 2009

Footwear Imports 1994 - 2009 (Million Pairs)									
COUNTRIES/REGIONS	1994	1996	1998	2000	2002	2004	2006	2008	2009
CHINA	9	6	7	9	20	50	75	103	107
INDIA	0	1	1	2	3	5	8	23	27
BRAZIL	4	48	29	9	5	9	19	39	30
VIETNAM	0	3	4	2	2	3	4	8	8
NIGERIA	29	30	36	43	45	46	40	40	38
USA	1,425	1,376	1,477	1,746	1,896	2,124	2,371	2,220	2,050
EUROPE	1,811	1,837	1,956	2,205	2,356	2,835	3,369	3,725	3,477
REST N AMERICA	208	206	233	257	287	332	438	436	402
REST S AMERICA	154	180	191	217	198	178	229	261	252
REST ASIA	975	1,047	1,004	1,165	1,425	1,805	2,042	2,078	2,034
MIDDLE EAST	210	251	303	336	340	423	519	531	510
REST AFRICA	293	335	303	349	387	643	1,002	1,163	1,176
TOTAL	5,118	5,319	5,543	6,339	6,963	8,453	10,116	10,627	10,111

Table 3 - Footwear exports 1994 - 2009

Footwear Exports 1994 - 2009 (Million Pairs)									
COUNTRIES/REGIONS	1994	1996	1998	2000	2002	2004	2006	2008	2009
CHINA	2,430	2,635	3,085	3,870	4,300	5,785	7,160	7,550	7,150
INDIA	100	130	33	53	63	60	99	114	130
BRAZIL	165	143	131	164	165	212	180	166	127
VIETNAM	64	124	186	277	333	420	490	531	505
NIGERIA	80	100	120	140	150	170	190	210	220
USA	34	36	36	48	30	30	22	19	18
EUROPE	1,086	1,089	1,125	1,128	1,138	1,118	1,221	1,330	1,249
REST N AMERICA	17	92	91	53	49	22	25	26	25
REST S AMERICA	18	18	23	7	7	14	16	14	12
REST ASIA	912	733	527	539	479	496	548	511	506
MIDDLE EAST	67	88	112	102	110	113	113	110	105
REST AFRICA	29	29	32	45	63	71	77	73	71
TOTAL	5,003	5,217	5,501	6,426	6,886	8,510	10,142	10,653	10,117

Table 4 - Pairs Per Capita Consumption 1994 - 2009

Pairs Per Capita Consumption 1994 - 2009									
COUNTRIES/REGIONS	1994	1996	1998	2000	2002	2004	2006	2008	2009
CHINA	1.2	1.7	1.8	1.5	1.6	1.8	1.9	1.8	1.8
INDIA	2.7	2.8	3.1	3.3	3.4	3.4	3.4	3.3	3.3
BRAZIL	2.8	3.1	2.6	2.5	2.8	3.3	3.4	3.5	3.7
VIETNAM	1.5	1.6	2.2	2.2	2.1	2.0	2.7	2.7	2.8
NIGERIA	2.0	1.9	1.8	1.8	1.9	1.9	1.9	1.8	1.8
USA	6.3	5.9	5.9	6.5	6.7	7.2	8.0	7.3	6.7
EUROPE	3.8	3.9	3.9	4.1	4.2	4.7	5.2	5.5	5.1
REST N AMERICA	2.3	2.0	2.4	2.7	2.5	2.8	3.1	3.1	2.9
REST S AMERICA	2.5	2.5	2.4	2.5	2.3	2.1	2.4	2.6	2.6
REST ASIA	2.2	2.3	2.0	2.2	2.4	2.6	2.7	2.6	2.6
MIDDLE EAST	2.2	2.6	2.6	2.6	2.5	2.8	2.8	2.8	2.6
REST AFRICA	1.1	1.1	1.0	1.0	1.0	1.3	1.8	2.0	1.9
TOTAL	2.3	2.5	2.5	2.5	2.6	2.8	3.0	3.0	2.9

Table 5 - Data for 2010

Data for 2010							
COUNTRIES/REGIONS	POP	PROD	IMP	EXP	CONS	PAIRS/CAP	GDP
CHINA	1,338	10,210	114	7,700	2,624	2.0	5,879
INDIA	1,189	4,100	28	142	3,986	3.4	1,729
BRAZIL	193	894	29	143	780	4.0	2,088
VIETNAM	89	760	8	530	238	2.7	104
NIGERIA	158	475	40	230	285	1.8	194
USA	310	25	2,245	18	2,252	7.3	14,582
EUROPE	597	808	3,955	1,475	3,288	5.5	17,269
REST N AMERICA	229	292	432	31	694	3.0	2,614
REST S AMERICA	198	303	262	11	554	2.8	1,248
REST ASIA	1,426	2,115	2,111	523	3,703	2.6	11,222
MIDDLE EAST	373	564	560	109	1,015	2.7	1,738
REST AFRICA	791	390	1,198	77	1,511	1.9	747
ROW							3,636
TOTAL	6,891	20,936	10,982	10,988	20,929	3.0	63,049

some 2.4% annually to 2020.

The magazine has achieved a status within the industry that few can match internationally and its panel of writers and contributors are acknowledged as experts in their respective fields. Steve Lee, of Steve Lee Associates, is one of them and this assessment of the global footwear market and its future relies heavily on his painstaking assembly of facts and figures that are difficult to come by. Inevitably there is a time lapse in gathering statistics; methods change, too, and so many of the tables focus on the period 1994-2009.

Analysing figures for the period 1994 to 2009, the following table indicates that footwear production increased by a staggering 54% in just 15 years, from a global figure of 12,905 million to 19,883, million, with China being the lead player as shown in Table 1. It was only when the most recent recession really bit in 2009 that footwear production dropped by 1.4% from 2008 (in the same period GDP had fallen 5.1%). There are estimates that put world production in 2010 for all footwear made from any material in excess of 20 billion.

IN AND OUT

The following two tables illustrate which countries were the principal performers in terms of imports and exports and between 1994 and 2009.

Imports and exports both doubled between 1994 and 2008 before again falling between 2008 and 2009. Four main import sinks took the vast majority of exported footwear in 2009 and the mammoth imports to the US reflect the virtual collapse of footwear manufacturing in that country. Europe, the Rest of Asia (excluding China, India and Vietnam) and then Africa (excluding Nigeria) were the other principal importer areas. China is the undisputed leader in exports, with close to six times the volume of West and East European countries combined.

CHANGES IN CONSUMPTION

The big change in consumption between 1994 and 2009 was increasing demand from China, India and the Rest of Asia. Regionally, Asia dominated

both production and consumption. Europe and the US continued to be major consumers with growing demand in Africa. This dramatic overall increase was however diluted by the increase in global population.

Overall, China consumed 1,429 million pairs in 1994 and this figure had risen to 2,457 million by 2009, India had increased its demand from 2,450 million to 3,897 million in the same period while the US had moved from 1,634 million pairs in 1994 to 2,059 million in 2009. Total footwear consumption in 2009 was calculated at 19,877 million pairs. It is however the pairs per capita figures (shown in Table 4) which are more revealing and highlight where there is future possibilities of growth in consumption.

Even though consumption grew by 53%, pairs/capita only went from 2.3 to 2.9. Interestingly, the advent of cheaper imports into the US from China from the late 1990s to early 2000s actually increased the volume of footwear purchased, with pairs/capita reaching a level of 8 in 2006 before falling back to 6.7 in 2009 as the recession deepened. There are figures that suggest that within the EU, Spanish consumption in 2010 reached 427 million pairs, or an average of 9.3 pairs per person. Consumers in the US in 2010 are said to have purchased 7.5 pairs each, still less than the 2006 figure of 8 pairs per capita.

UPDATE FOR 2010

There was a significant recovery in 2010 driven mainly by Asia. Production and consumption were close to 21 billion pairs whilst imports and exports surged towards 11 billion, so the latter together accounted for 52.5% of total output. Global GDP reached a new high of just over \$63 trillion and pairs/capita once again exceeded 3.0. 2010 also saw the Middle East consume over a billion pairs for the first time (Table 5).

WHERE ARE WE GOING?

By 2024, the world's population will be close to eight billion, which will be a strong basic driver for increases in both production and consumption. The rate of growth is however slowing; it grew

Table 6 - Footwear Production 2009 – 2024 (Million Pairs)

Footwear Production 2009 – 2024 (Million Pairs)									
COUNTRIES/REGIONS	2009	2010	2012	2014	2016	2018	2020	2022	2024
CHINA	9,500	10,210	10,518	10,943	11,610	12,317	13,067	13,863	14,707
INDIA	4,000	4,100	4,224	4,481	4,754	5,043	5,351	5,676	6,022
BRAZIL	814	894	912	930	949	968	988	1,007	1,028
VIETNAM	741	760	783	823	873	926	982	1,042	1,105
NIGERIA	450	475	524	577	637	702	774	853	940
USA	27	25	23	21	20	19	18	16	16
EUROPE	800	808	792	786	787	791	797	805	814
REST N AMERICA	291	292	301	309	316	322	328	335	342
REST S AMERICA	274	303	315	327	340	354	368	382	397
REST ASIA	2,085	2,115	2,162	2,230	2,304	2,384	2,470	2,562	2,662
MIDDLE EAST	538	564	589	618	655	695	739	785	835
REST AFRICA	363	390	399	412	426	440	455	470	486
TOTAL	19,883	20,936	21,540	22,458	23,669	24,960	26,335	27,798	29,355

Table 7 - Footwear Imports 2009 – 2024 (Million Pairs)

Footwear Imports 2009 – 2024 (Million Pairs)									
COUNTRIES/REGIONS	2009	2010	2012	2014	2016	2018	2020	2022	2024
CHINA	107	114	117	122	128	134	139	145	150
INDIA	27	28	29	32	36	39	43	48	53
BRAZIL	30	29	30	31	33	34	35	37	38
VIETNAM	8	8	8	9	10	11	12	12	13
NIGERIA	38	40	41	42	42	43	44	45	46
USA	2,050	2,245	2,382	2,502	2,603	2,709	2,818	2,932	3,050
EUROPE	3,477	3,955	4,035	4,134	4,236	4,341	4,449	4,559	4,673
REST N AMERICA	402	432	442	458	476	496	516	536	558
REST S AMERICA	252	262	268	274	280	286	292	299	305
REST ASIA	2,034	2,111	2,191	2,286	2,392	2,504	2,622	2,746	2,876
MIDDLE EAST	510	560	571	583	594	606	619	631	644
REST AFRICA	1,176	1,198	1,224	1,255	1,305	1,358	1,413	1,471	1,531
TOTAL	10,111	10,982	11,338	11,728	12,136	12,560	13,001	13,460	13,938

Table 8 - Footwear Exports 2009 – 2024 (Million Pairs)

Footwear Exports 2009 – 2024 (Million Pairs)									
COUNTRIES/REGIONS	2009	2010	2012	2014	2016	2018	2020	2022	2024
CHINA	7,150	7,700	8,011	8,294	8,587	8,846	9,204	9,482	9,816
INDIA	130	142	148	155	165	175	185	197	209
BRAZIL	127	143	146	152	158	164	171	178	185
VIETNAM	505	530	551	574	609	646	685	727	771
NIGERIA	220	230	249	269	291	315	340	368	398
USA	18	18	18	19	19	19	20	20	21
EUROPE	1,249	1,475	1,485	1,502	1,520	1,539	1,558	1,579	1,600
REST N AMERICA	25	31	31	33	34	35	37	38	40
REST S AMERICA	12	11	11	11	12	12	13	13	14
REST ASIA	506	523	541	562	585	609	634	661	689
MIDDLE EAST	105	109	111	114	116	118	121	123	126
REST AFRICA	71	77	79	80	82	84	85	87	89
TOTAL	10,117	10,988	11,381	11,764	12,177	12,562	13,053	13,473	13,957

Table 9 - Footwear Consumption 2009 – 2024 (Million Pairs)

Footwear Consumption 2009 – 2024 (Million Pairs)									
COUNTRIES/REGIONS	2009	2010	2012	2014	2016	2018	2020	2022	2024
CHINA	2,457	2,624	2,625	2,772	3,151	3,604	4,002	4,525	5,041
INDIA	3,897	3,986	4,106	4,358	4,625	4,908	5,209	5,528	5,866
BRAZIL	717	780	796	810	824	838	852	866	881
VIETNAM	244	238	240	258	274	291	309	328	348
NIGERIA	268	285	316	350	388	430	477	530	588
USA	2,059	2,252	2,386	2,505	2,604	2,708	2,816	2,928	3,045
EUROPE	3,028	3,288	3,342	3,419	3,503	3,594	3,688	3,786	3,887
REST N AMERICA	669	694	712	734	758	782	807	833	860
REST S AMERICA	514	554	572	590	608	627	647	668	689
REST ASIA	3,614	3,703	3,812	3,954	4,111	4,279	4,457	4,647	4,849
MIDDLE EAST	943	1,015	1,048	1,087	1,134	1,183	1,236	1,293	1,353
REST AFRICA	1,468	1,511	1,544	1,586	1,649	1,714	1,782	1,854	1,928
TOTAL	19,877	20,929	21,497	22,422	23,629	24,958	26,282	27,785	29,335

Table 10 - Consumption/Capita 2009 - 2024 (Pairs/Capita)

Consumption/Capita 2009 - 2024 (Pairs/Capita)									
COUNTRIES/REGIONS	2009	2010	2012	2014	2016	2018	2020	2022	2024
CHINA	1.8	2.0	1.9	2.0	2.3	2.6	2.9	3.3	3.6
INDIA	3.3	3.4	3.3	3.4	3.5	3.6	3.8	3.9	4.1
BRAZIL	3.7	4.0	4.0	4.0	4.0	4.1	4.1	4.1	4.1
VIETNAM	2.8	2.7	2.7	2.9	3.0	3.1	3.2	3.4	3.5
NIGERIA	1.8	1.8	1.9	2.0	2.1	2.2	2.3	2.4	2.6
USA	6.7	7.3	7.6	7.8	8.0	8.2	8.4	8.5	8.7
EUROPE	5.1	5.5	5.6	5.7	5.8	6.0	6.1	6.3	6.4
REST N AMERICA	2.9	3.0	3.0	3.0	3.1	3.1	3.2	3.2	3.2
REST S AMERICA	2.6	2.8	2.8	2.9	2.9	2.9	3.0	3.0	3.0
REST ASIA	2.6	2.6	2.7	2.7	2.8	2.8	2.9	2.9	3.0
MIDDLE EAST	2.6	2.7	2.7	2.7	2.8	2.8	2.8	2.9	2.9
REST AFRICA	1.9	1.9	1.9	1.8	1.8	1.8	1.8	1.8	1.8
TOTAL	2.9	3.0	3.0	3.1	3.2	3.3	3.4	3.6	3.7

Table 11

	1994	2024	% increase
Population (millions)	5,607	7,993	43
GDP (US\$ millions)	26,385	104,075	295
Production (Million Pairs)	12,905	29,355	127
Imports (Million Pairs)	5,118	13,938	172
Exports (Million Pairs)	5,003	13,957	179
Consumption (Million Pairs)	13,020	29,335	125
Consumption/Capita (Pairs/Capita)	2.32	3.67	58

21.4% in the 15 years from 1994 to 2009 but is only predicted to increase by 17.4% in the 15 years from 2009 to 2024.

Although a steady growth in GDP is envisaged in the years up to 2024, it is likely to be at a lower level than up to 2009. The estimated impact on footwear production is shown in *Table 6*, with output in 2024 predicted to be close to 30 billion pairs.

It is estimated that production in China will approach 15 billion pairs and that India, Brazil and Vietnam will all be over one billion with Nigeria not far behind, with its mix of local traditional sandal production and more structured footwear. It is believed production in the US will decline even further to 16 million (235 million in 1987) but that in Europe there could be a slight recovery

from 2014 onwards. The expectations of major importing areas are given in *Table 7*.

It is estimated that imports as a percentage of production will fall, with the main footwear producing countries such as China, India, Brazil, Vietnam and Nigeria retaining more production for local consumption. Europe will continue to be the main sink for imports whilst the US, the Rest of Asia and the Rest of Africa will soak up most of the remaining volume. In terms of exports, China will stay far ahead of the pack (*Table 8*) although one could expect India to achieve better results.

The following two tables (*Tables 9 and 10*) cover expectations of consumption. Figures from China indicate that the size of its domestic

market might have been underestimated.

By 2024 it is estimated that, even allowing for the large number of chappals produced and purchased in India, Chinese consumption should be catching up.

Pairs/capita consumption is expected to increase substantially to 3.7 by 2024. The most dramatic change will be in China where it is predicted to double to 3.6. The figure of 8.7 for the US may not be achievable or sustainable; all the others seem reasonable.

Nevertheless, the world footwear market is expected to continue growing through to 2024, driven by an increase in population and GDP. No doubt the world economic picture will influence the forecasts, too, but as an industry, we should remain optimistic as *Table 11* indicates.

Whatever the reality proves to be, *World Footwear* and its associated website www.footwearbiz.com will continue to keep you informed about developments in the global market. 🌐



IMAGE: SAKS FIFTH AVENUE