AlixPartners FDRA

U.S. CONSUMER FOOTWEAR SURVEY

Can footwear consumers absorb another shock?

Finding the value message in a market threatened by tariffs

SPRING 2025

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For the first time in the four years we have run this survey, consumers have signaled they plan to spend less on athletic footwear—the segment with the greatest endurance, usually. After two years of stubborn inflation, consumers are now faced with the prospect of pass-through costs from tariffs, and the wear is showing.

The U.S. personal savings rate, tracked by the St. Louis Fed, has been on a decline from a pandemic-era high of 22.8, and, at 4.6 in January, had continued to retreat from 5.5 the year before. Household debt continues to mount. And now consumers are on high alert for a steep shot upwards in their cost of living as retailers contend with a trade war. Something has to give.

Our research finds that reductions in footwear spend will hit work and dress shoes the hardest (with 29% and 26% net pullback, respectively). Consumers were already in cost-savings mode—43% of respondents expect to spend no money at all on work shoes—and tariffs will exacerbate that trend. Consumers broadly understand that increased duties will translate to increased prices—yet another drag on their budgets.

In December, prior to the announcement of tariffs, we recorded a net 16-point decline in expected spending by U.S. consumers across all categories. Retailers can expect a more pessimistic scenario playing out as tariffs bite, with initial signs that consumers are already pulling forward spending on big-ticket items, and as trade partners engage in brinkmanship.

This may look like a tempered spring followed by a rough fall. Footwear executives are more pessimistic than in past years, the FDRA's Q1 Shoe Executive Business Survey found—footwear companies are particularly exposed to a trade policy showdown, with limited manufacturing capacity outside of highly exposed regions like Southeast Asia. While Sino-American relations have been a focal point in the trade battle, Vietnam has become a major manufacturing hub for footwear and is vulnerable to tariffs potentially as high as 46%.

Of U.S. Consumer Footwear Survey respondents who say they will cut back on spending this season,

55%

cite a 'reduced need for new shoes' as a key reason, while

49%

cite a focus on necessities

Our data do not usually show a significant interest in the second-hand market, and footwear is one of the hardest-working retail segments, wear-wise, but it's worth looking at what happens when a tipping point is reached beyond which consumers pause their shopping: rental services saw a 40-point net decrease in projected demand, consistent with consumer plans to cut back on subscription services.

As consumers look to squeeze more out of each purchase, we find some key takeaways

Material and performance innovation is a slow lever to pull but is a must for differentiation

Provided footwear companies truly understand their target consumer. Among consumers who plan to spend more, **35%** say they are taking part in more activities that require specialty footwear, and the same share said they will buy the same number of pairs but bump up spend per pair as inflation and duties push up prices.

Loyalty doesn't pay

We see declining belief in the power of loyalty programs. Of all the cost-saving strategies consumers considered, sticking with one brand for rewards saw the smallest increase in interest: **Only 5%** of respondents indicated that footwear loyalty programs influence them to shop more often and spend more money. This doesn't mean loyalty programs can't work—they're still a powerful tool for consumer intel.

Consumers want their shoes fast

The number of consumers using buy-online, pick-up-in-store (BOPIS), and curbside pickup has more than doubled year over year. Demand for next-day delivery in the footwear segment is higher than in the broader retail market. People know what they want, and they want it now.

E-commerce hasn't yet solved the fit problem

The survey shows that consumers are just as likely to purchase footwear in-store as they are online, where consumers are neutral on AI features like fit finders and chatbots that could improve the online shopping experience.

Footwear companies have their work cut out for them to leverage the appeal of innovative and specialized footwear models for a consumer base skeptical of price. There are key moves retailers and brands can make, however, to help land their summer campaigns. We explore the underlying trends (see **'A heightened pressure point: tariffs'** in the report), and the moves companies can make, in this, the Spring U.S. Footwear Consumer Survey, produced in concert with FDRA.

Let's step to it.

About the research

Conducted online
February 28 - March 10, 2025, addressing the season of Spring and Summer purchases.

Population
1,006 U.S. footwear consumers
aged 15 and above across all regions, demographics, and income levels.
Nationally representative audience

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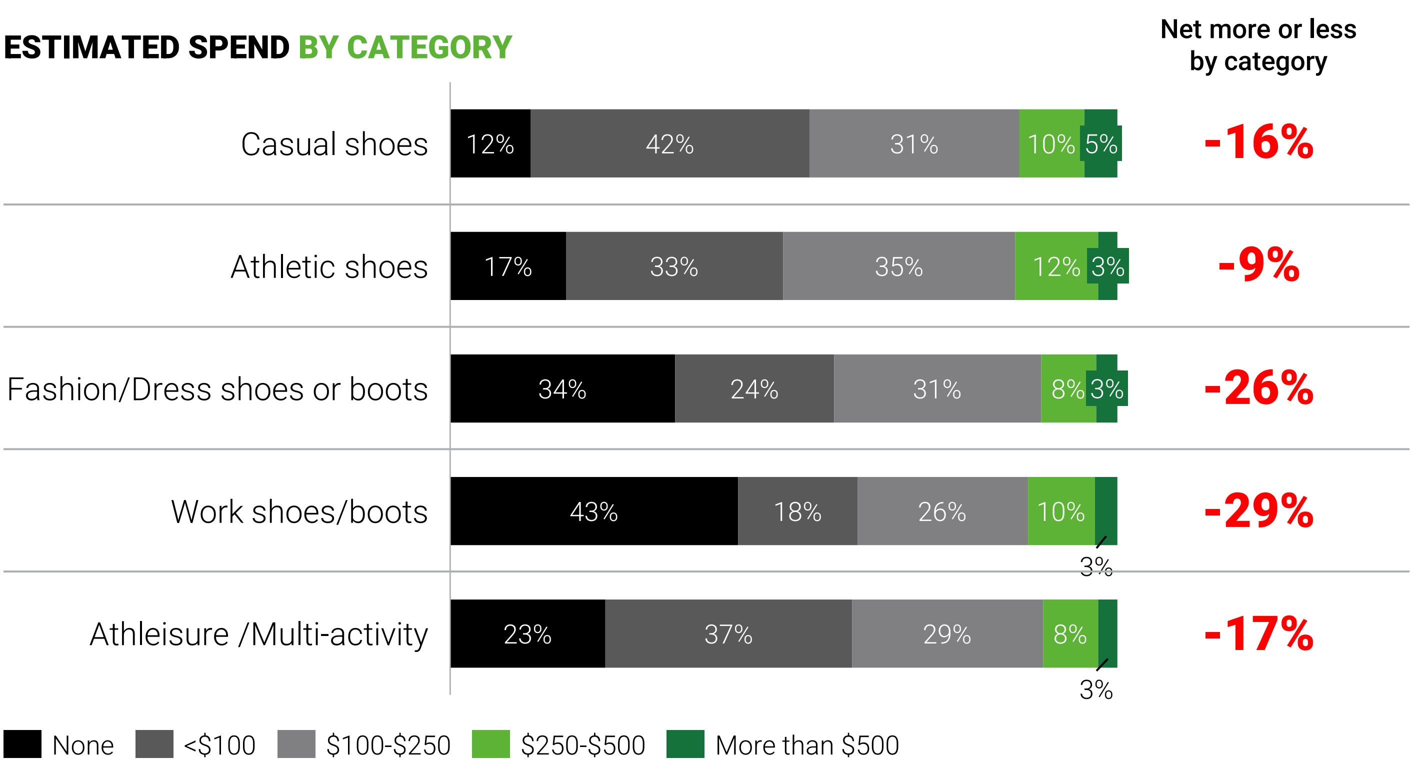
01 Consumers are lacing up differently: high cost can cause the sale to come undone

This year, consumers are more likely to abandon a purchase due to cost: 78% said they had halted a purchase due to price, up 12 percentage points from 2024. 59% said lack of a sale was a reason to ditch the purchase, up 11 percentage points from last year. Consumers were wary and cognizant of the threat to prices from tariffs well before the U.S. warned of sky-high tariffs in April.

We see tighter spending across categories, including the normally resilient athletic segment, which sees a net 9-point retrenchment in expected spending over spring and summer. Fashion/dress footwear and workwear will take the biggest hits, followed by athleisure or multiactivity (17% drop) and casual shoes (16% reduction). 43% of respondents expected to spend **no money at all on work shoes,** indicating a cutback on core purchases by trying to extend the life of what consumers already have.

> Athletics are usually the most resilient segment, but even those purchases have slowed. We see a 9-point decline projected by consumers, though price increases from aggressive trade policies could see them put the brakes on even harder.
>
> **Andrew Hogenson**
> Partner & Managing Director



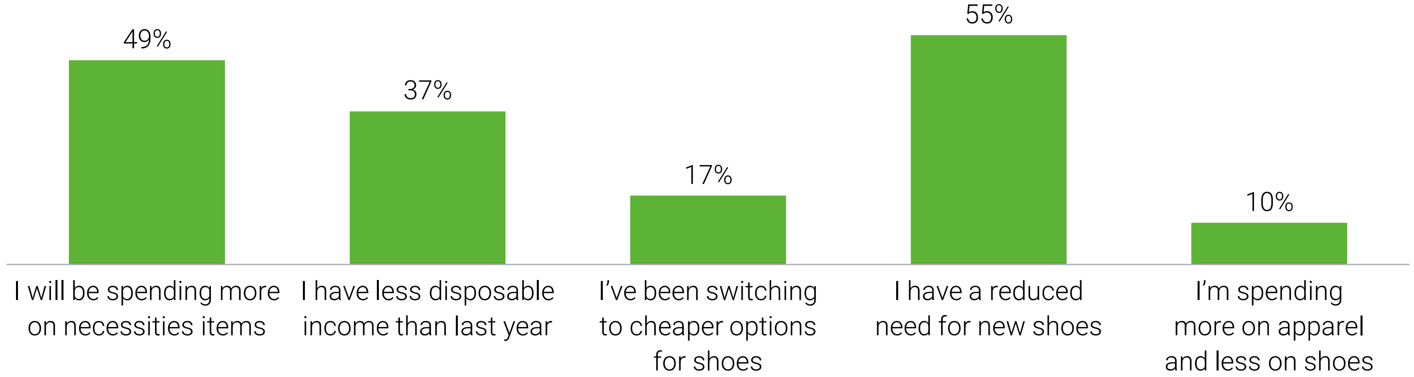
Prior to the coming summer of trade weariness, successive bouts of inflation and economic uncertainty had taken a toll on consumers:

37% of those who will spend less this spring and summer say they have less disposable income than last year, and

55% say they have a reduced need for new shoes.

The breakroom is going to be full of worn-out shoes by fall, with work shoes taking the biggest hit. Nearly half of respondents cutting their spending are dedicating more to necessities. This fits with the AlixPartners Global Consumer Spending Outlook, which flagged cutbacks on all but travel and groceries in 2025.

MAIN DRIVERS OF CUSTOMERS SPENDING LESS



MAIN DRIVERS OF CUSTOMERS SPENDING MORE

Among those who do plan to spend more—a small but mighty sliver—the main drivers are functional:

35% say they are engaging in more activities that require specialty footwear

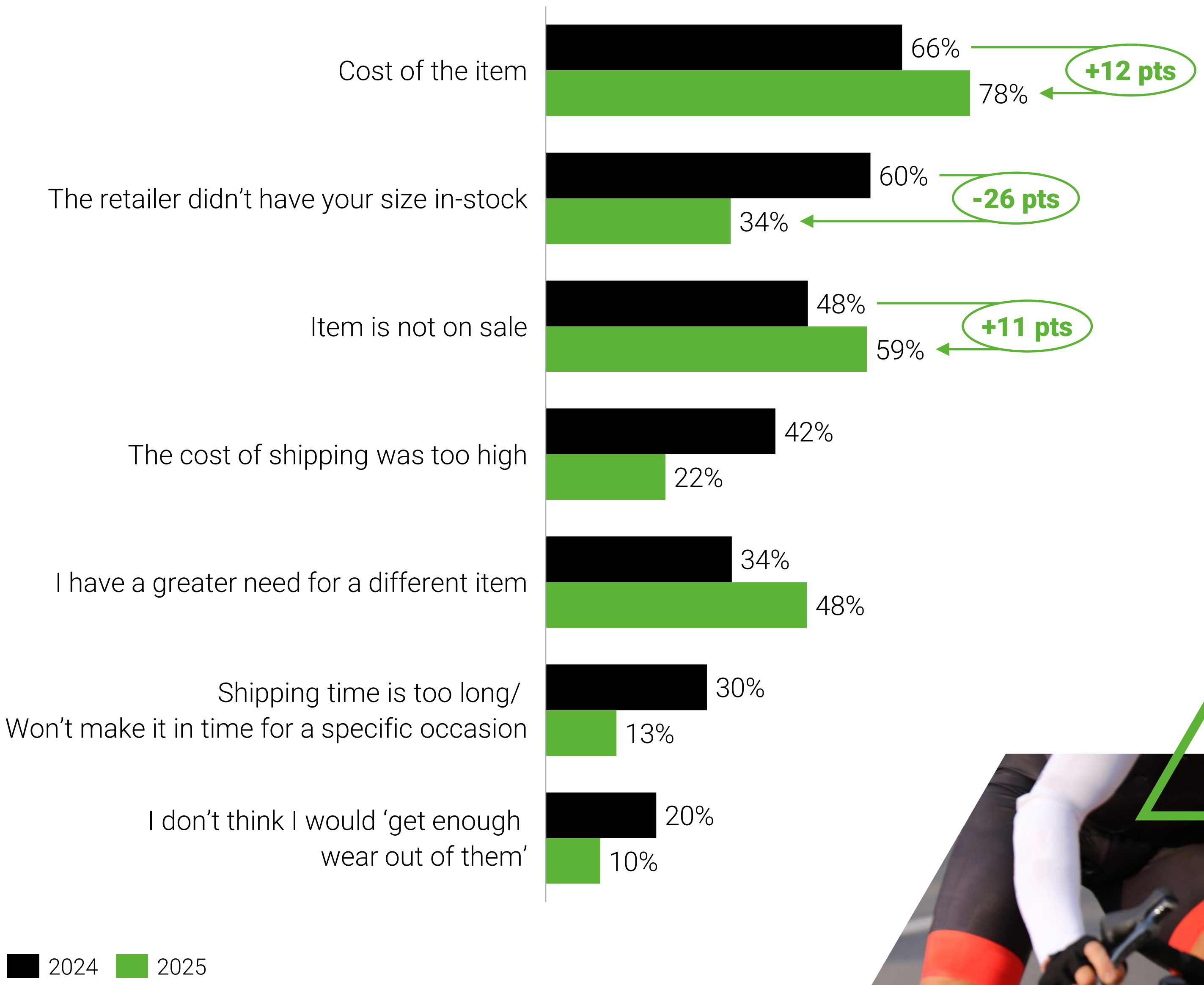
30% are doing a refresh of their closet, and

35% will pay more for same number of pairs

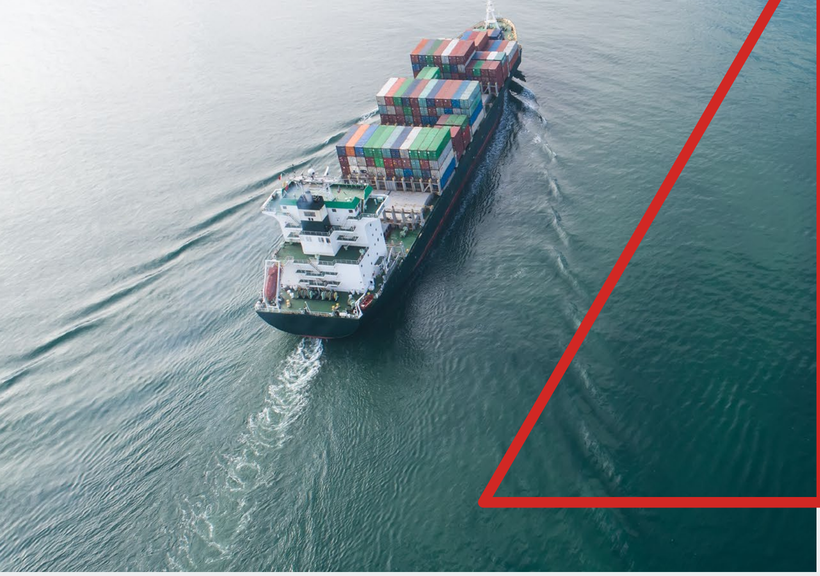
There is a value consideration even among those ready to dole out more.

Last year, inventory issues played a role in why consumers did not convert, but this year high costs and sale activity are hindering purchase at a greater rate

REASONS CONSUMERS ABANDON A PURCHASE



The short of it is that organizations are under pressure to deliver profitable growth in a challenging environment. Footwear companies will need to place greater importance on cost management and SG&A efficiencies to offset incremental tariff costs. At the same time, they need to market effectively to consumers that they may not have been targeting previously, according to the bright spots in demand.



A more severe pressure point: tariffs

There's no way to tiptoe around it: footwear companies are highly exposed to hikes in U.S. tariffs, which will translate to some degree of price pass-through to an exhausted consumer base. AlixPartners analysis has found that price increases of 5% spur a reduction in consumption, while 10% hikes see consumers change retailers. Footwear prices in early 2025 are already consistently up 10 to 15% year over year, which means there isn't much wiggle room left.

We asked respondents how they expected prices to change if 25% tariffs were imposed on imported footwear. While 80% anticipated some level of price increase,

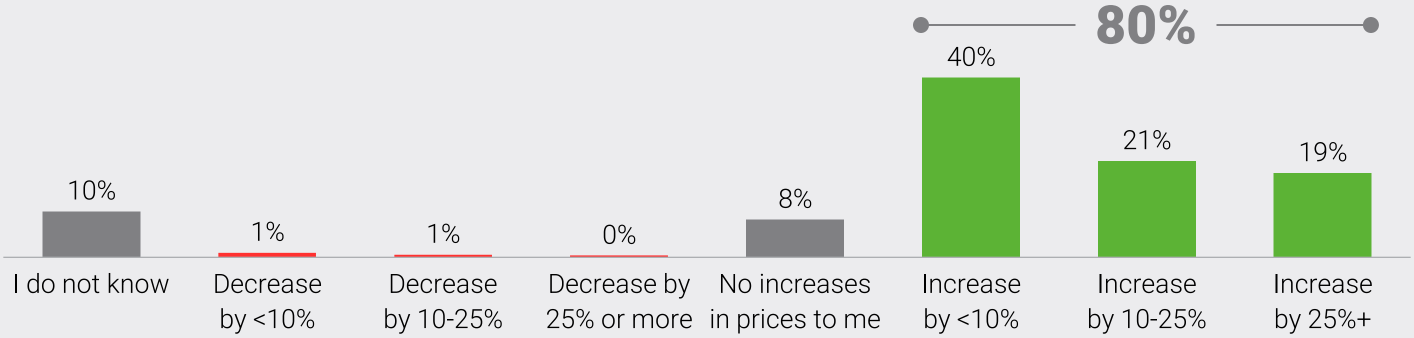
40% expected prices to rise by less than 10%,

with retailers absorbing the rest. This disconnect could suppress spending more than expected in an era of steeper tariffs. A 46% tariff on goods from Vietnam would have a significant impact on footwear companies, which manufacture a **rising share of shoes** there, but consumers clearly would not expect a 46% price increase.

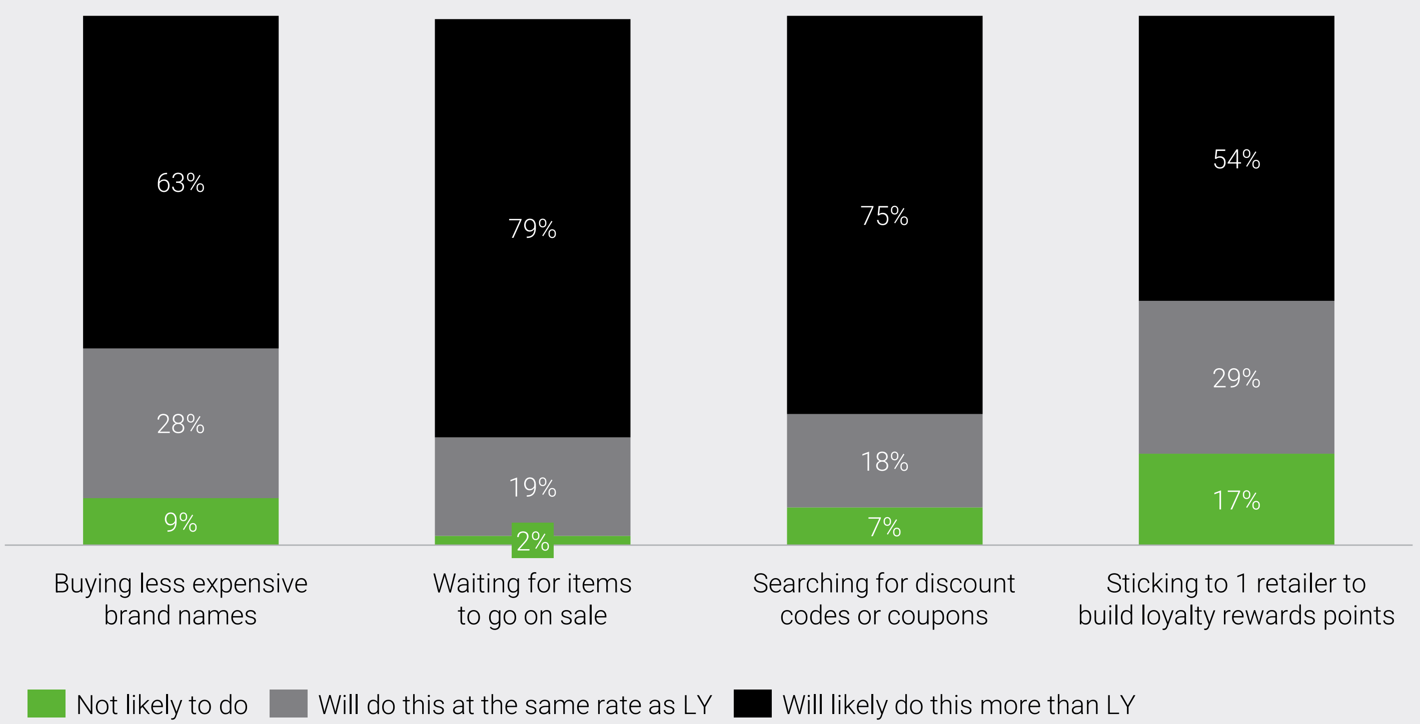
With an awareness of potential price increases, consumers plan to pursue cost-saving activities like waiting for sales (79% of respondents indicated a greater reliance on this over last year) and searching for discounts or coupons (75% of respondents plan to increase these behaviors). Sixty-three percent said they were more likely to switch to a cheaper brand than in 2024.

Consumers are anticipating even more pressure on their wallets with tariffs and intend to shift behavior to focus on cost-saving activities

CONSUMER PERCEPTIONS OF 25% TARIFFS IMPACT TO PRICES



CHANGES IN BEHAVIOR BASED ON TARIFF INCREASES



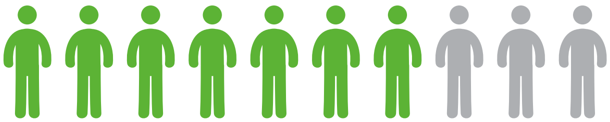
Even as trade policy fluctuates, economic certainty has already taken a hit, and consumers are on alert. This will impact spending patterns.

Understanding the full impact of tariffs on a brand encompasses the impact likely to be felt by your competitors. Knowing where a company may have an advantage due to a different country or origin mix could provide insight into the level of pressure competitive brands are under and can guide pricing decisions.

02 Athletics have slowed, but innovative features can draw buyers

Carbon-plate sneakers don't have a lot of flex with older age groups, who are focused on durability over specialized features. Overall, younger consumers show a willingness to spend more on athletic shoes.

Among 18-44-year-olds,



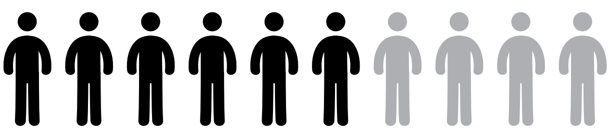
7 | 10 would pay more for custom fit and personalization

think Nike and Zellerman's 3D-printed, customized Air Max 1000 and running brands like Hilda—but interest in this facet drops to less than

3 | 10 for 45-54-year-olds

We see a similar dynamic around innovations in performance (e.g., traction and energy-return) and tech (e.g., sensors, step-counters, and GPS), which get a tepid response from consumers over 45.

Older consumers are focused on durability,



6 | 10 of respondents over 45

are willing to pay more for strong or robust construction.

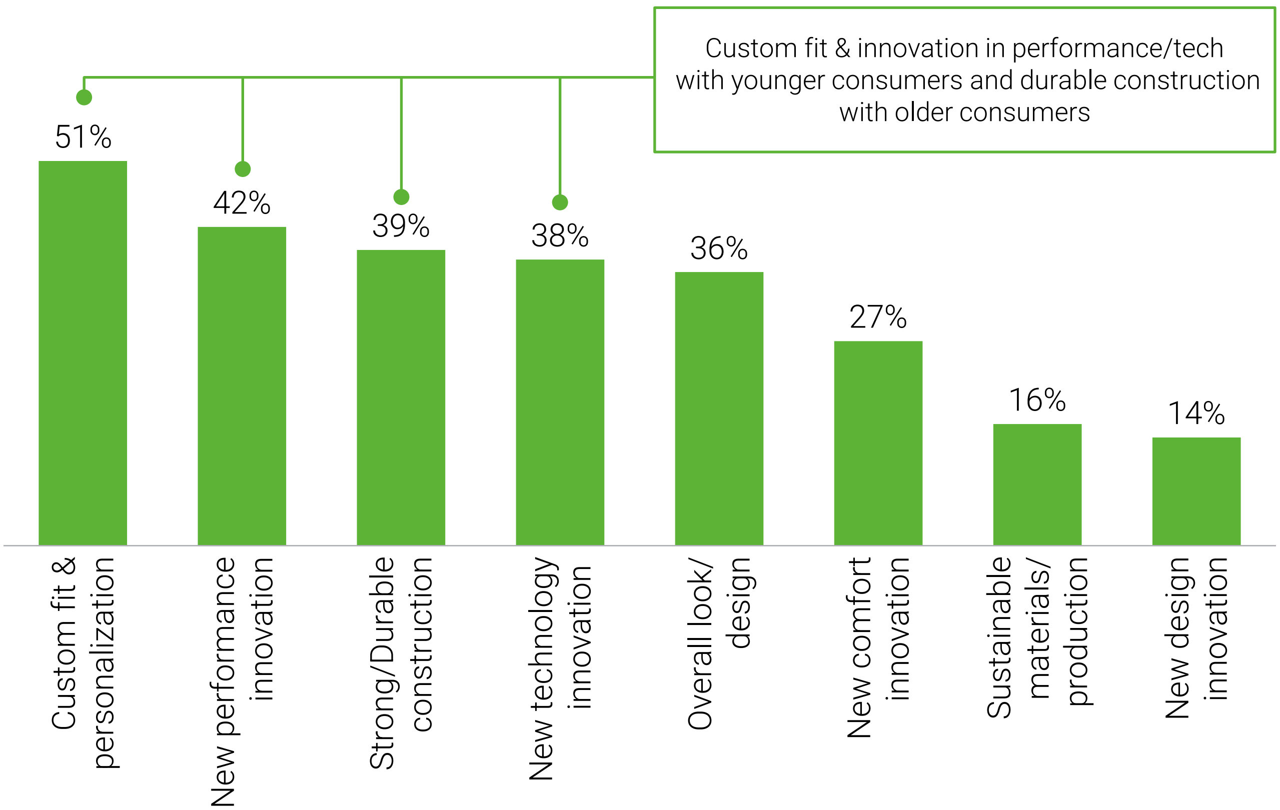
> While consumers continue to be willing to spend more on the athletic segment, headwinds are more persistent today given the macro environment, and we see weakness in a historically resilient segment. We also see diverse spending habits and preferences across different demographics—younger consumers favoring personalization, innovation, and tech integrations, and older consumers valuing comfort and functionality, and construction."

Raj Konanahalli
Partner & Managing Director

Interestingly, the amount of so-called 'drip' causes a spike in interest for those 18 and under (65% would pay more for the overall look or design of a shoe) and in the 45-54-year-old age bracket (midlife is apparently a great time to up the fashion stakes). Everyone else just wants a shoe that will do the job and fit into their budget.

To drive spend in categories where customers are more engaged, like athletics—design & innovate based on your core customer preferences

ATHLETIC SHOE FEATURES CONSUMERS ARE WILLING TO PAY MORE FOR



	Custom fit & personalization	New performance innovation	Strong/Durable construction	New technology innovation	Overall look/ design	New comfort innovation	Sustainable materials/ production	New design innovation
Under 18	29%	18%	35%	18%	65%	35%	41%	18%
18-24	**74%**	**75%**	15%	**74%**	19%	13%	9%	5%
25-34	**64%**	**64%**	33%	**58%**	22%	10%	9%	15%
35-44	**72%**	51%	22%	**52%**	35%	29%	24%	21%
45-54	27%	20%	**60%**	12%	52%	30%	16%	10%
55-64	21%	19%	**66%**	2%	47%	44%	15%	10%
Over 65	23%	11%	**61%**	7%	47%	41%	16%	14%

As for the takeaway, in a crowded market these innovations can help to differentiate products, but the addendum is that features have no selling power **unless they are positioned for the target market.**

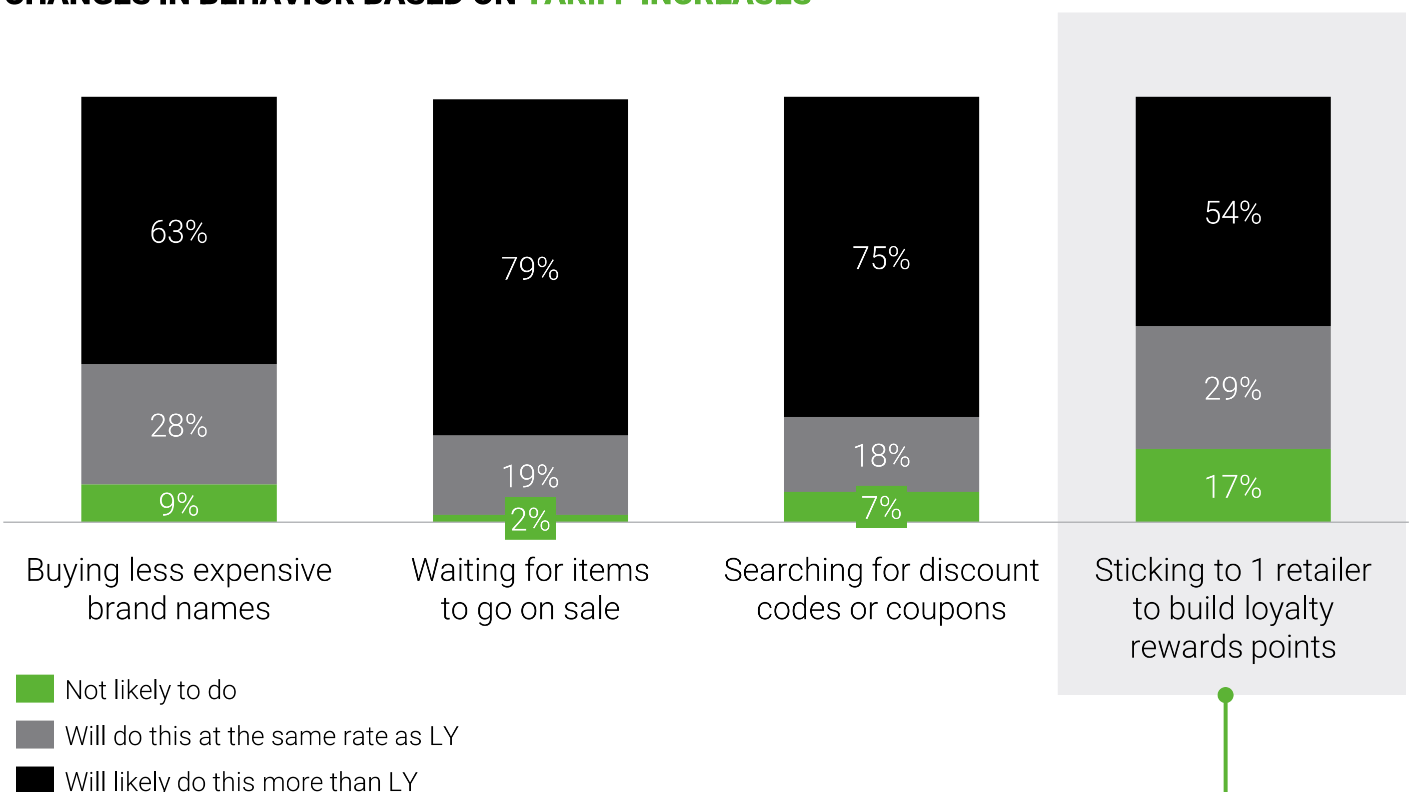
Investments in innovation and customization will take time to roll out properly, so it's not a short-term play in any case. Comprehensive vendor selection and proper calendar management could help to expedite implementation if there's a solid case among target consumers.

03 Loyalty costs too much

The AlixPartners Consumer Sentiment Index found pronounced skepticism around loyalty programs, with less than a third of consumers rating retailers' loyalty programs as effective, relevant, or likely to incentivize them to shop more. This trend is even more pronounced in the footwear sector.

When we asked consumers to rate the likelihood they would engage in various cost-savings methods, we found that sticking to one retailer came in a distant fourth after waiting for a sale (79% say they are more likely to do so this year), searching for discounts or coupons (75% say likewise), and switching to less expensive brands (63%). Seventeen percent of respondents said they would not likely stick to a given retailer for loyalty rewards, and almost half indicated they would not increase their focus on loyalty programs. This is a weak response overall.

CHANGES IN BEHAVIOR BASED ON TARIFF INCREASES



Why consumers are less likely to stick to one retailer for rewards

01 Consumers feel that footwear loyalty programs are less effective than programs from other sectors

02 Only net 5% of respondents indicated that footwear loyalty programs influence them to shop more often and spend more money

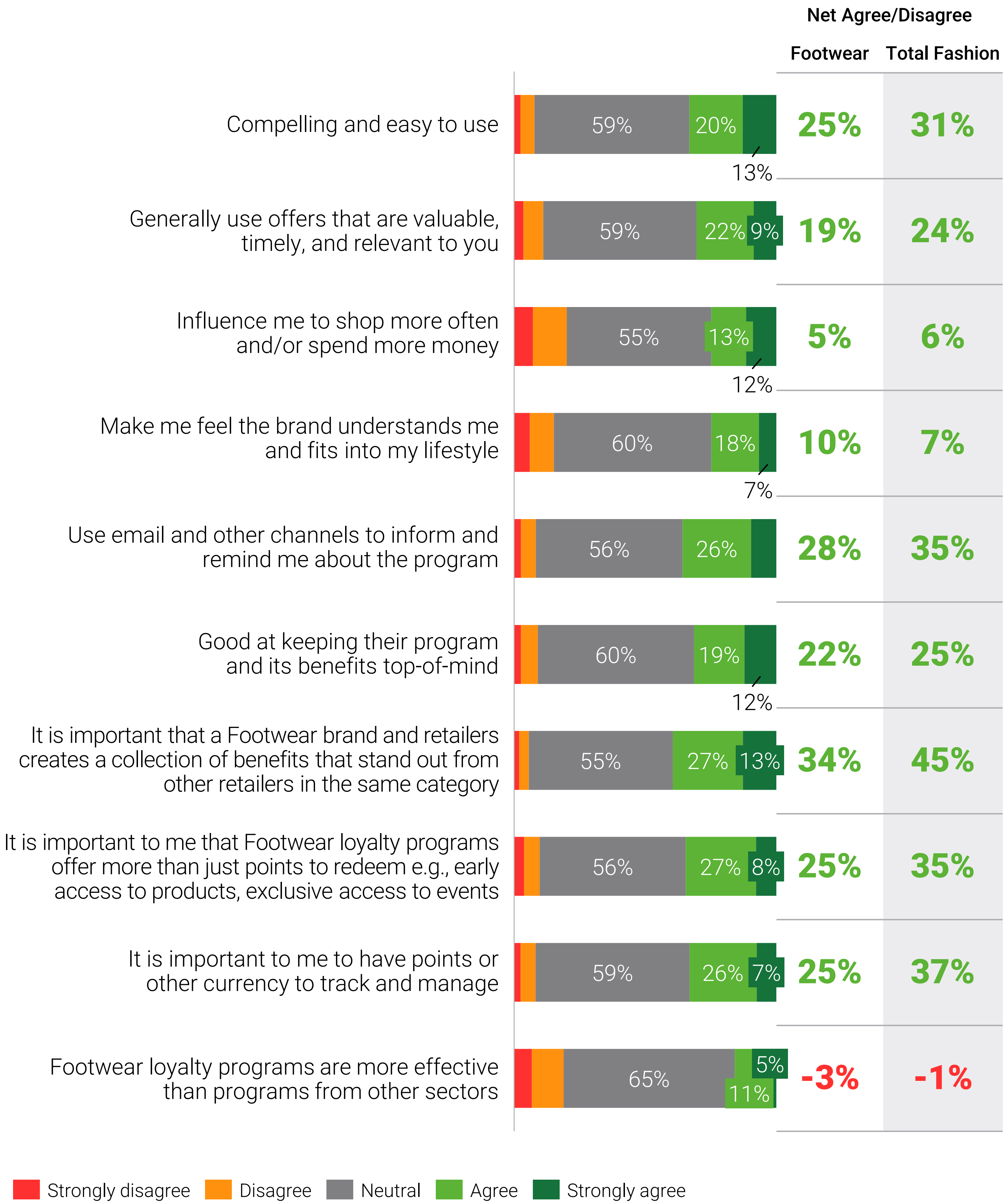
Still, well-designed loyalty programs can be key drivers for shopping behaviors. In addition to encouraging consumers to spend more, loyalty programs can also drive shopping in adjacent categories (apparel, accessories)—especially with the trend for coordination, monochromatic, or matching sets on the up.

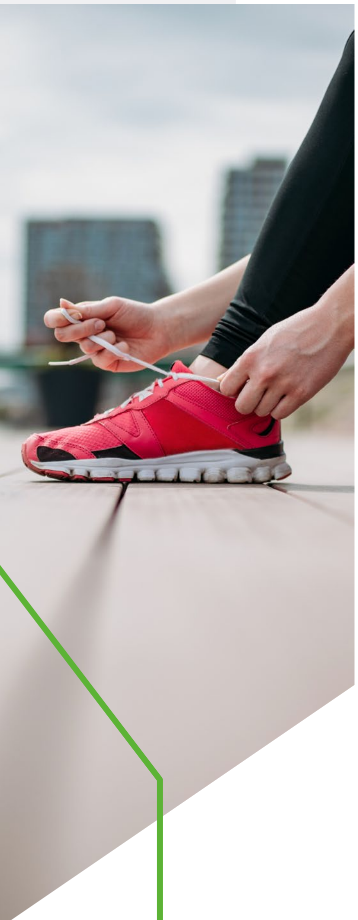
We see higher stickiness for loyalty programs in fashion as a whole, which could provide more of a play for retailers. However, the key driver this season will be price: sales and discounts.

> Cost-savings mode shifts the behavior of the consumer, and brand loyalty takes a hit. We found that sticking to one retailer came in a distant fourth after waiting for a sale, searching for discounts or coupons, and switching to less expensive brands. Retailers need to know their target customer and make a strong case."

Sonia Lapinsky
Partner & Managing Director

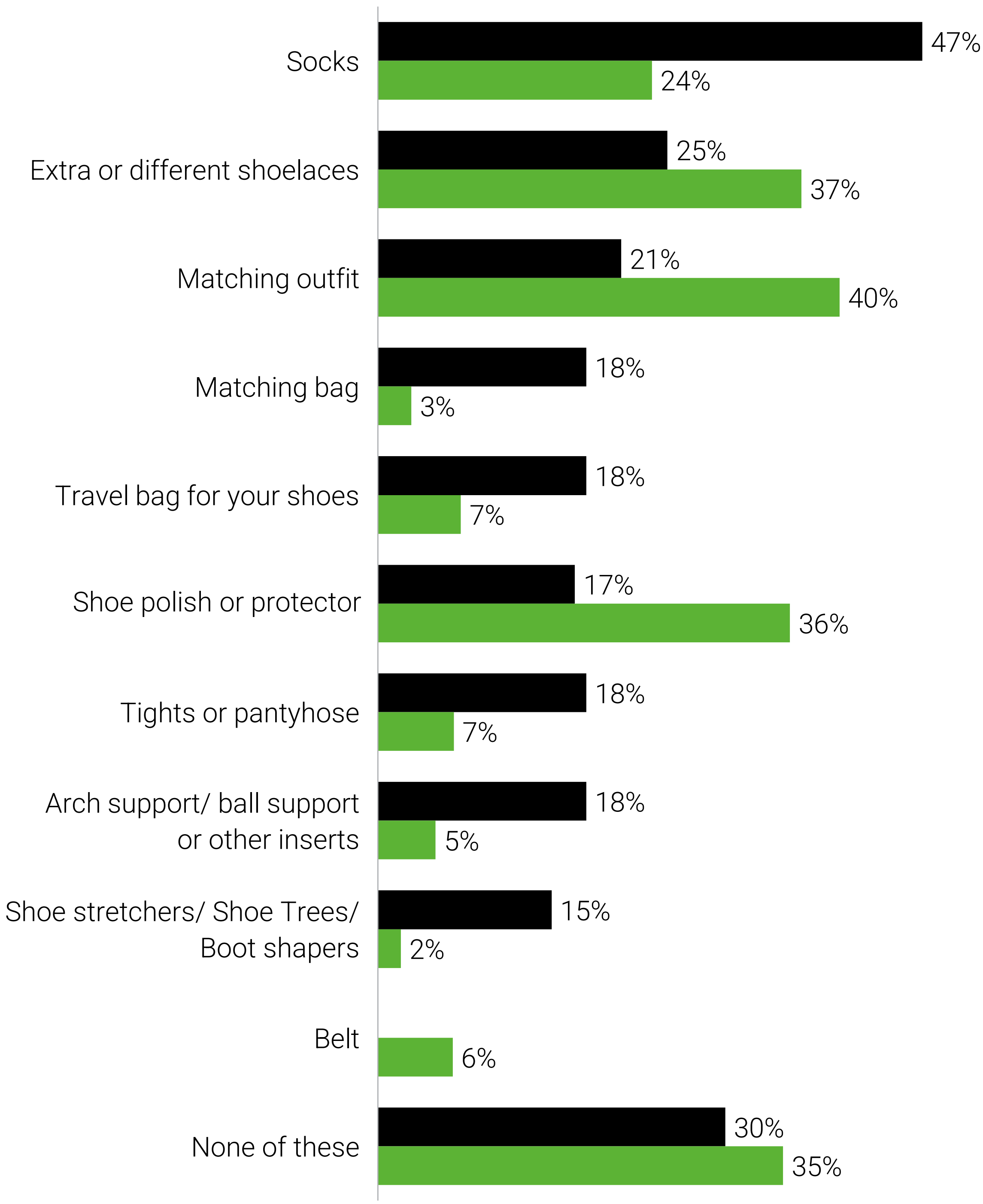
CONSUMER OPINIONS ON LOYALTY PROGRAMS





Once customers are in the door, there are some opportunities to maximize baskets: the trend for coordinated outfits has seen an uptick in purchases of matching items (40% of respondents, up from 21% in 2024). We also see higher interest in shoe polish—for those shoes to last—and extra or different laces.

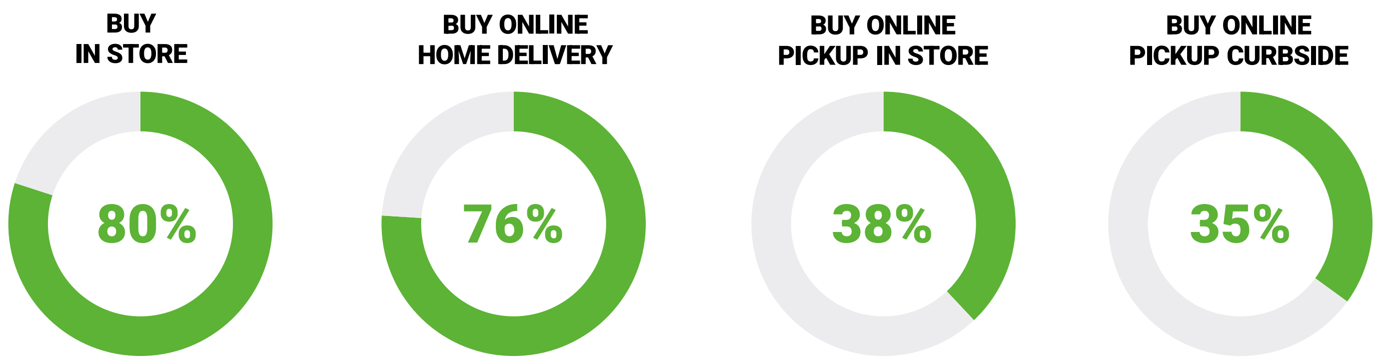
WHAT ELSE CONSUMERS WILL PURCHASE WITH THEIR SHOES



04 They like their shoes fast

Stores remain the top mode of purchase for footwear consumers, used by 80% of respondents (down 2 percentage points from 2024), followed by online purchases delivered to home (76%), each well above BOPIS and curbside pickup, which saw an uptick from 2024 to 38% and 35%, respectively.

PREFERRED METHOD OF SHOE PURCHASING



Why is this?

We expect that the fit puzzle remains a key determinant for customers who want instant gratification without the chore of returns.

Online purchases are approaching parity with in-store, but with the added drag of managing returns if the fit isn't right. We will discuss the online fit puzzle later in this report.

One challenge for online retailers is consumer expectations around speed of delivery:

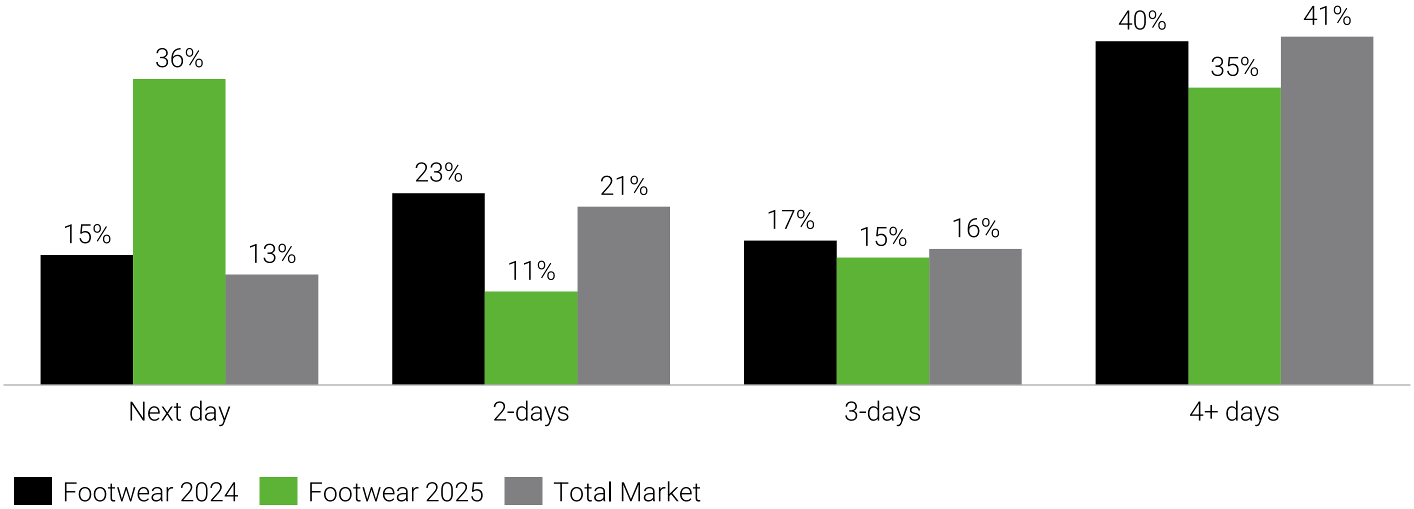
36% expect next-day delivery, more than double the share that held that expectation in 2024.

Since delivery expectations are costly and hard to meet, retailers should maximize their in-store experience: planning and allocations need to meet the increasing desire for product as soon as possible. Consumers want to be able to see where their size and model is in stock now. Retailers must also address returns as a friction point.

99% of consumers say free returns matter.

Delivery expectations in footwear are significantly higher than the market, highlighting that these consumers are looking for instant gratification

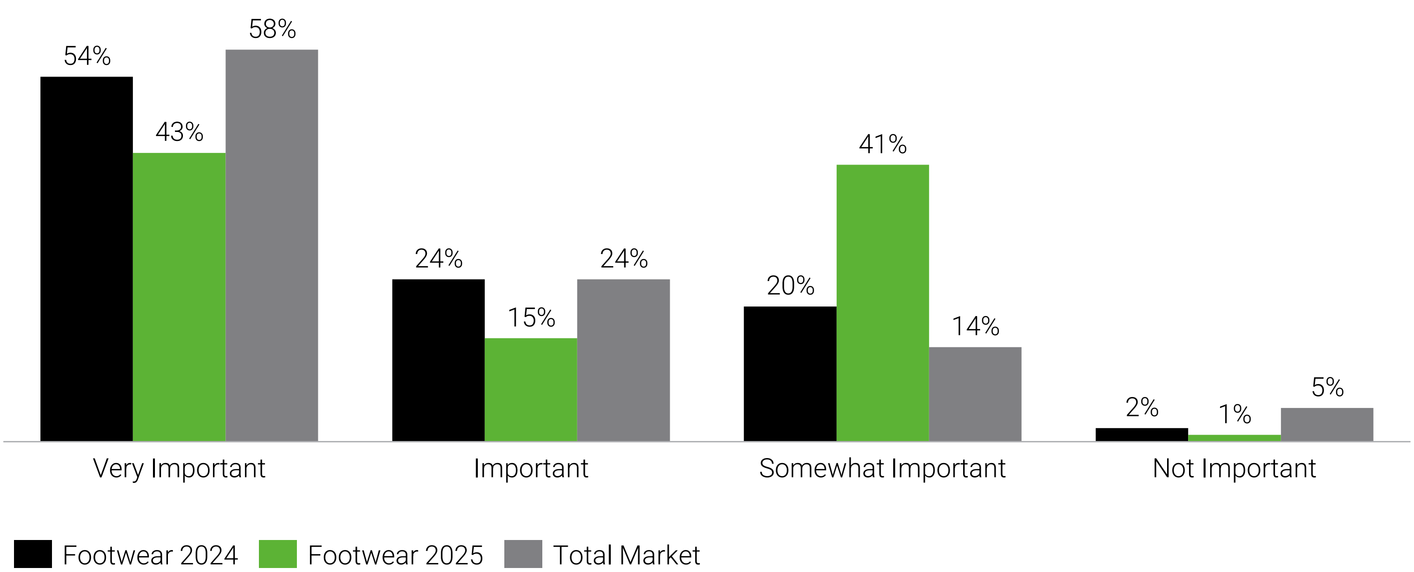
SERVICE EXPECTATIONS FOR FREE SHIPPING



Source: Total Market- Home Delivery Survey 2024

58% of consumers indicate that free returns plays an important or very important role in purchase decisions, slightly lower than the total retail market

IMPORTANCE OF FREE RETURNS



05 E-commerce hasn't solved the fit problem

The main reason why consumers purchase footwear in-store is to ensure the right fit. In e-commerce, the technologies that attempt to solve for fit

- Virtual try-ons
- Chatbots
- Fit finders

see a neutral response from consumers. This could be a matter of education, but more likely, the kinds of technology that customers could rely on to deliver a true fit-match are not yet fully trusted—features announced with fanfare in years past have yet to take hold.

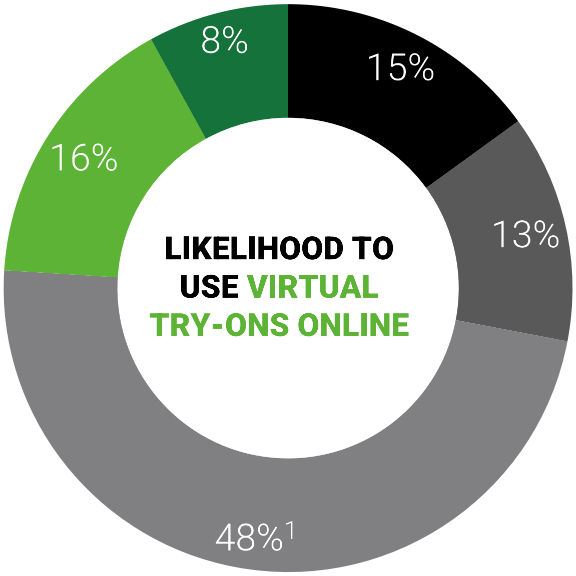
Added to that, we have the issue of inconsistent fits within the same brand.

In the meantime, price comparison tools, image search abilities, product recommendations, and restock alerts can all improve the online experience in ways that customers do appreciate.

> We are almost at the point where online sales are equal to in-store, but there is one major barrier: returning wrong-fit items is a drag. There have been AI-enabled developments in online fit advisors and tools, but we aren't seeing high levels of trust in these just yet."

John Breuninger
Director

Older generations are not comfortable with AI tech like virtual try-ons and fit tools, while younger generations are more open to it



	Very unlikely	Unlikely	Neutral	Likely	Very likely
Under 18	12%	41%	29%	18%	0%
18-24	4%	6%	79%	6%	4%
25-34	4%	5%	66%	21%	5%
35-44	6%	4%	57%	15%	19%
45-54	25%	26%	26%	19%	4%
55-64	26%	25%	25%	12%	11%
Over 65	35%	23%	20%	17%	6%

Very unlikely Unlikely Neutral Likely Very likely

1. Most consumers are neutral to **virtual try-ons** – likely as robust technology does not yet exist

Younger consumers, with many miles still ahead of them, are more open to AI innovations in fit.

Footwear companies should consider investments in these areas and ensure that these are prioritized in the IT roadmap.

A comprehensive assessment of IT hardware, software, and services to prioritize what is relevant to the customer can be helpful.

Where the rubber —or EVA—meets the road

Overall, it's a challenging economic environment for footwear as consumers, wary of trade wars, inflation, and threats to their income, plan on a more austere summer than in recent years.

To maintain share and profitability, brands and retailers need to focus even more intently on delivering the value that their target customer seeks, in ways they are willing to pay for it. Operationally, this will require much more precision—in pricing, inventory, and expense—than may be the norm for many. While this may require new skills, new approaches, and new tools, those that thrive through this turbulence will be those that address these requirements head-on.

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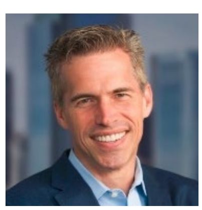

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FDRA

ABOUT FDRA

FDRA is governed and directed by footwear executives and is the only trade organization focused solely on the footwear industry. Serving the full footwear supply chain, it boosts its members' bottom lines through innovative products, training, consulting on footwear design and development, sourcing and compliance, trade and customs, advocacy, and consumer and sales trend analysis for shoe retailers around the world. FDRA supports 500 companies and brands worldwide, representing 95% of the total U.S. footwear industry.

ABOUT ALIXPARTNERS

For more than forty years, AlixPartners has helped businesses around the world respond quickly and decisively to their most critical challenges—circumstances as diverse as urgent performance improvement, accelerated transformation, complex restructuring and risk mitigation.

These are the moments when everything is on the line—a sudden shift in the market, an unexpected performance decline, a time-sensitive deal, a fork-in-the-road decision. But it's not what we do that makes a difference, it's how we do it.

Tackling situations when time is of the essence is part of our DNA—so we adopt an action-oriented approach at all times. We work in small, highly qualified teams with specific industry and functional expertise, and we operate at pace, moving quickly from analysis to implementation. We stand shoulder to shoulder with our clients until the job is done, and only measure our success in terms of the results we deliver.

Our approach enables us to help our clients confront and overcome truly future-defining challenges. We partner with you to make the right decisions and take the right actions. And we are right by your side. When it really matters.