

# TREND REPORT

April 2025

cohereOne + J.SCHMID

**We compiled these trends from over 100 brands, comparing year-over-year data for the date range March 1, 2025, to March 31, 2025.**

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This industry update is brought to you by:

**cohereOne**

As the premier direct-to-consumer marketing partner serving Retail Brands, CohereOne's insights and experience grant us an unrivaled depth of visibility into the industry's performance. Our team of marketing professionals has broad experience and a track record of successfully launching or growing consumer-facing brands.

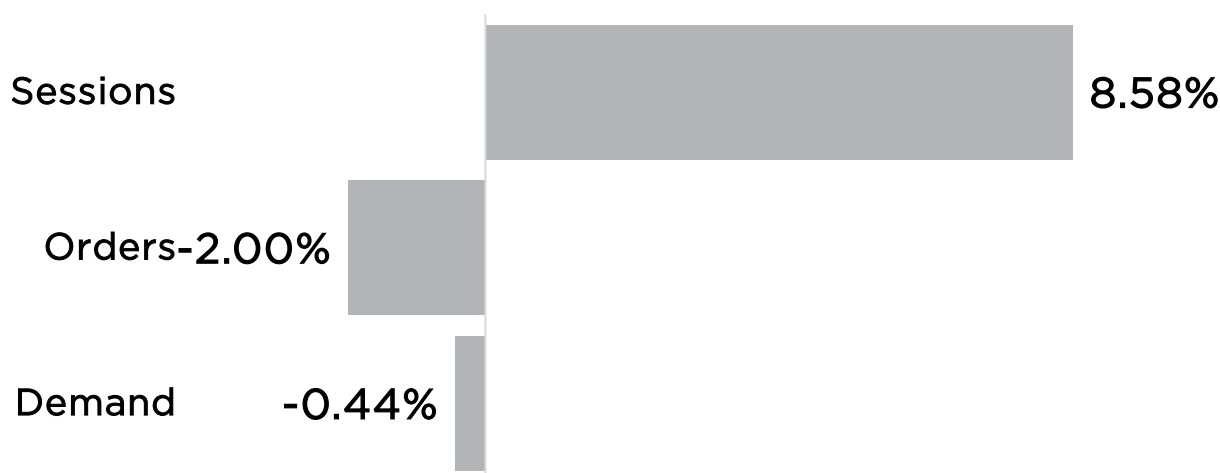
**J.SCHMID**

J.Schmid is a creative and branding agency that helps brands harness the power of human emotion. We're not just designers. Our team of direct marketing experts understands the nuances of selling. We don't view any single channel as a stand-alone piece, but rather part of a brand's integrated, cohesive marketing mix.

# March 2025: Meeting the Challenge

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## March 2025 vs. March 2024



March presented a challenging retail landscape marked by economic uncertainty and shifting consumer behavior. Rising price sensitivity, evolving shopper priorities, and continued ambiguity around tariffs created a cautious climate for both consumers and brands.

While sessions surged by 8.58%, indicating strong top-of-funnel interest, orders dipped by 2%, and overall demand slightly contracted by 0.44%. Shoppers were actively browsing and researching products, but showed hesitation to convert.

Lingering uncertainty around tariffs, particularly in global supply chains, introduced new levels of unpredictability for inventory planning and pricing strategies. In the coming months, brands must remain agile in navigating tariff-related volatility, particularly in supply chain and sourcing decisions, to preserve competitiveness and meet evolving customer expectations.



## **TREND #1**

# 5 Strategies for DTC Retailers to Navigate Tariffs

Retailers must remain agile in navigating tariff-related volatility, particularly in supply chain and sourcing decisions, to preserve competitiveness and meet evolving customer expectations. To stay competitive, brands should adopt these key strategies:

1. **Reevaluate Pricing Strategies** – Adjust pricing through tiered models, bundling, or premium offerings to absorb costs while maintaining value. Transparency about price increases can also help build customer trust.
2. **Diversify Sourcing and Manufacturing** – Reduce dependency on high-tariff suppliers by exploring alternative sourcing options, nearshoring production, or working with multiple suppliers to mitigate risks.
3. **Segment Customers Based on Price Sensitivity** – Analyze customer behavior to tailor pricing strategies. Price-sensitive shoppers can receive discounts, while those valuing exclusivity may pay full price for premium or exclusive products.
4. **Leverage Automation and Operational Efficiencies** – Invest in AI-driven inventory management, automated fulfillment, and streamlined supply chain processes to reduce costs and improve efficiency.
5. **Strengthen Brand Loyalty and Value Proposition** – Focus on personalized offers, memberships, and high-quality service to retain customers and justify price adjustments.

By implementing these strategies, DTC retailers can navigate tariffs, protect margins, and maintain strong customer relationships.



## **TREND #2**

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# **Adapting to Change: How Levi's is Shaping the Future of Retail**

Levi Strauss & Co. is adapting to a retail landscape where consumers are becoming more selective with their spending due to economic uncertainties. To stay competitive, brands must focus on enhancing consumer engagement, delivering exceptional in-store experiences, and introducing innovative products that align with shifting preferences.

Cultural relevance is a key factor in maintaining brand loyalty. Strategic partnerships with influential figures, such as Levi's collaboration with Beyoncé, help reinforce brand identity and appeal to younger demographics. Campaigns that leverage pop culture references can strengthen emotional connections with consumers and drive engagement.

Diversifying product offerings is another essential strategy. With a growing emphasis on inclusivity, brands are expanding their assortments to appeal to a broader customer base. For example, Levi's has increased its focus on women's apparel by introducing new styles like denim skirts and dresses, addressing an underrepresented segment of its audience.

Beyond product expansion, retail brands must also prioritize digital transformation. Consumers increasingly rely on e-commerce, social media, and personalized shopping experiences. Leveraging data-driven insights to optimize marketing, improve customer service, and refine product recommendations can enhance brand loyalty and drive long-term growth.

By strengthening brand trust, embracing cultural trends, expanding product diversity, and investing in digital innovation, companies can remain resilient in an evolving retail environment while continuing to meet the demands of modern consumers.





## **TREND #3**

# Engaging the Next Generation of Travelers: Strategies for a Shifting Market

Despite economic uncertainties, Gen Z remains committed to travel, prioritizing exploration over everyday luxuries like dining out and shopping. Their approach is reshaping the industry, demanding a shift in how travel brands engage and inspire them.

### **1. Value-Driven Travel Experiences**

Rather than waiting for higher incomes, Gen Z embraces affordable travel options, with 75% taking multiple trips per year. They are strategic spenders, with nearly 60% using loyalty programs to access premium experiences at lower costs. Brands must emphasize deals, discounts, and exclusive loyalty perks to attract this price-conscious yet experience-driven audience.

### **2. Authentic & Immersive Video Content**

Traditional advertising is losing ground to video-first engagement. Platforms like TikTok, YouTube, and Instagram are essential for reaching Gen Z, who prefer immersive, authentic content over polished ads. Travel brands must prioritize interactive, user-generated, and behind-the-scenes storytelling to resonate with this audience.

### **3. Influence of Pop Culture & Social Media**

Gen Z's travel decisions are heavily influenced by pop culture and social media trends. From "gig tripping" (following favorite artists on tour) to visiting destinations featured in popular shows like *White Lotus* and *Squid Game*, they seek unique, story-driven travel experiences. Aligning marketing strategies with entertainment trends and leveraging influencer collaborations can drive engagement.

### **4. Sustainability & Ethical Travel**

With 75% preferring eco-friendly options and 77% factoring sustainability into travel decisions, Gen Z prioritizes responsible tourism. Interest in lower-carbon travel, such as train journeys, is rising. Highlighting sustainable practices and green travel choices in marketing efforts will appeal to this environmentally conscious generation.

### **5. Personalized & Interactive Planning Tools**

Gen Z combines social media with digital planning tools like Google Maps to research and book trips. Travel brands must integrate seamless, interactive trip-planning experiences and offer tailored recommendations based on user behavior.

As Gen Z continues redefining travel, brands that embrace video-driven storytelling, value-focused offers, and sustainable options will stay ahead. Authenticity and engagement are key to turning Gen Z's wanderlust into action.

<https://www.ana.net/>



#### TREND #4

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## Potential Big Break for Catalog Mailers This Fall

In a move that'll have catalog marketers raising their coffee mugs in celebration, the American Catalog Mailers Association (ACMA) just pulled off something big, like really big. The USPS has approved an unprecedented new postage discount specifically for catalog mailers.

Translation: if you're in the paper game, your life just got a lot less expensive. Here's the scoop: Catalog mailers who ramp up their volume this fall can score a 10% discount on postage costs. It's a reward for growth and consistency—a rare high-five from the folks who usually only bring rate hikes. Pending approval, this limited-time incentive will run from October 2025 to June 2026, and it's designed to encourage more brands to invest in print during the critical holiday run-up.

Why does this matter? Because catalogs still work. They inspire, inform, and drive digital action like few other channels can. And now, they're more cost-effective than ever. For performance marketers who know how to blend art and science, this is a golden opportunity.

So if you've been hesitating to expand your print efforts, maybe this is your sign. The mail just got friendlier. Let's get your story in more hands.

[Read more.](#)



## TREND #5

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# Moody's Downgrades Retail; Suggests Path to Stabilize Outlook

Moody's has downgraded the U.S. retail sector's outlook from "stable" to "negative," citing the impact of sweeping tariffs that are set to hurt profitability for U.S. retail and apparel companies and raise prices for consumers. Analysts led by Christina Boni highlighted that apparel and footwear brands, big-box, and department store retailers are among the most vulnerable, while off-price retailers may fare slightly better. The effects are expected to be felt in the second half of 2025 and could drag on earnings into early 2026.

The report emphasizes that restructuring supply chains poses significant challenges, especially for complex products like footwear, making it difficult to modify without compromising quality. With consumer demand already tepid and discretionary categories struggling, higher costs due to tariffs are likely to eat into profitability unless significant price increases or vendor concessions are made. Inflation is projected to rise between 3.5% and 4% this year due to tariffs, further straining consumer spending power.

Moody's suggests that the outlook could return to "stable" if a clear U.S. trade policy emerges, reducing tariff risks, and if consumer confidence and demand improve enough to stabilize the industry's aggregate EBIT and return to slow growth.

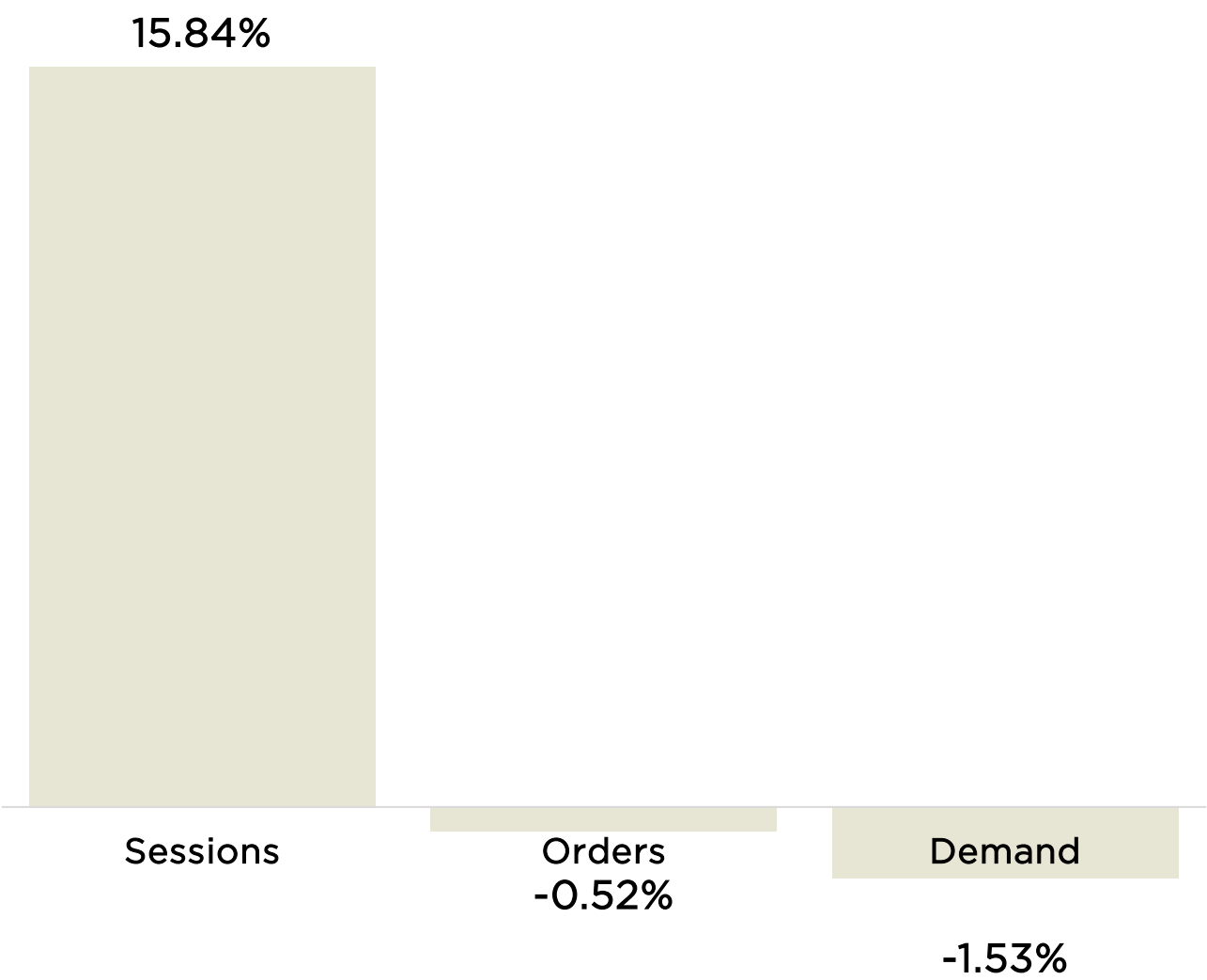
[Read more.](#)



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# BY INDUSTRY

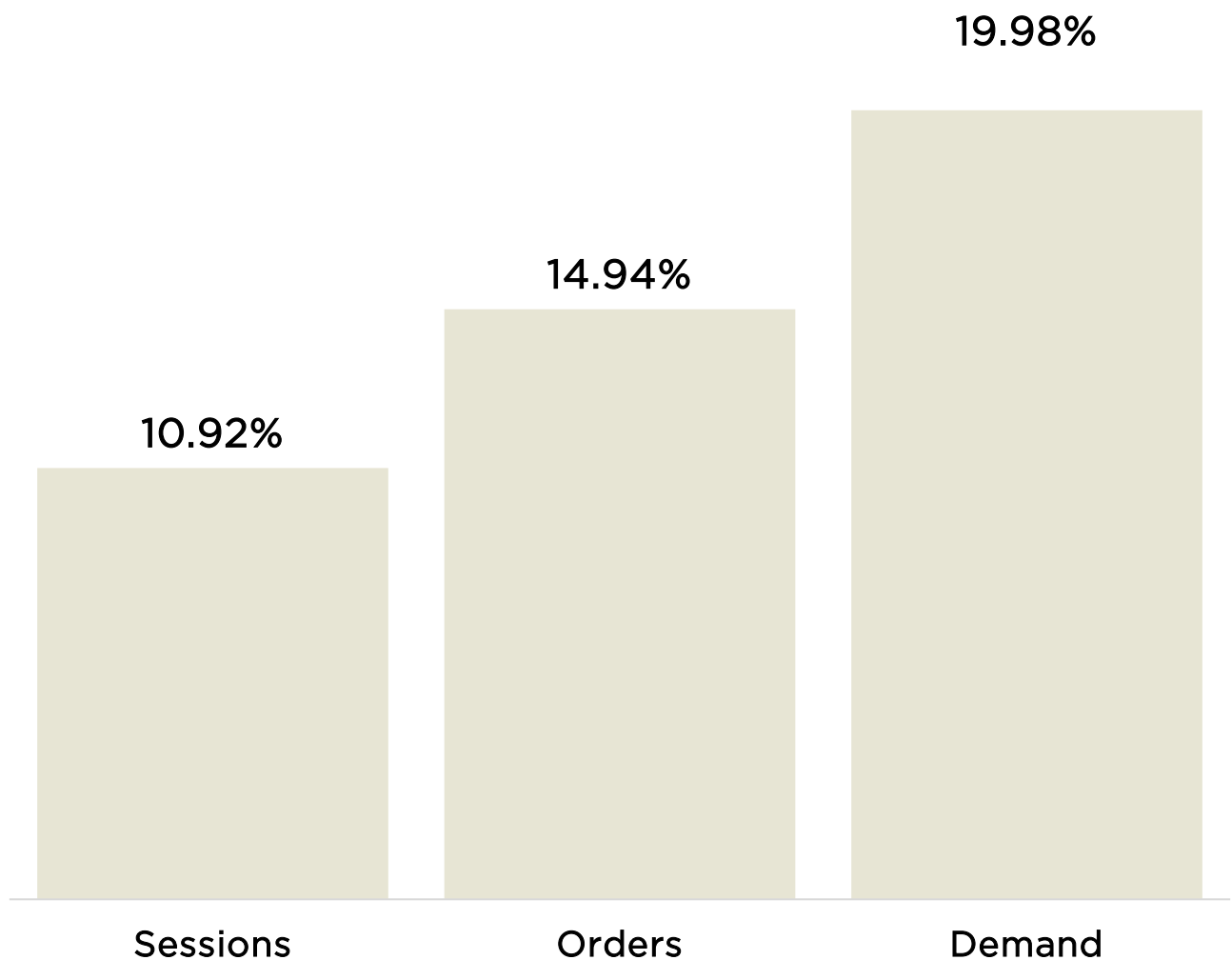
APPAREL



# Apparel Industry

In March, Apparel/Fashion brands experienced a modest increase in web sessions, up 15.84% compared to March 2024. However, this uptick did not translate into higher conversions, as orders declined by 0.52% and demand decreased by 1.53%. Rising prices and economic uncertainty have driven shoppers towards more affordable items, and resale platforms, impacting overall demand and order volumes.

## HOME

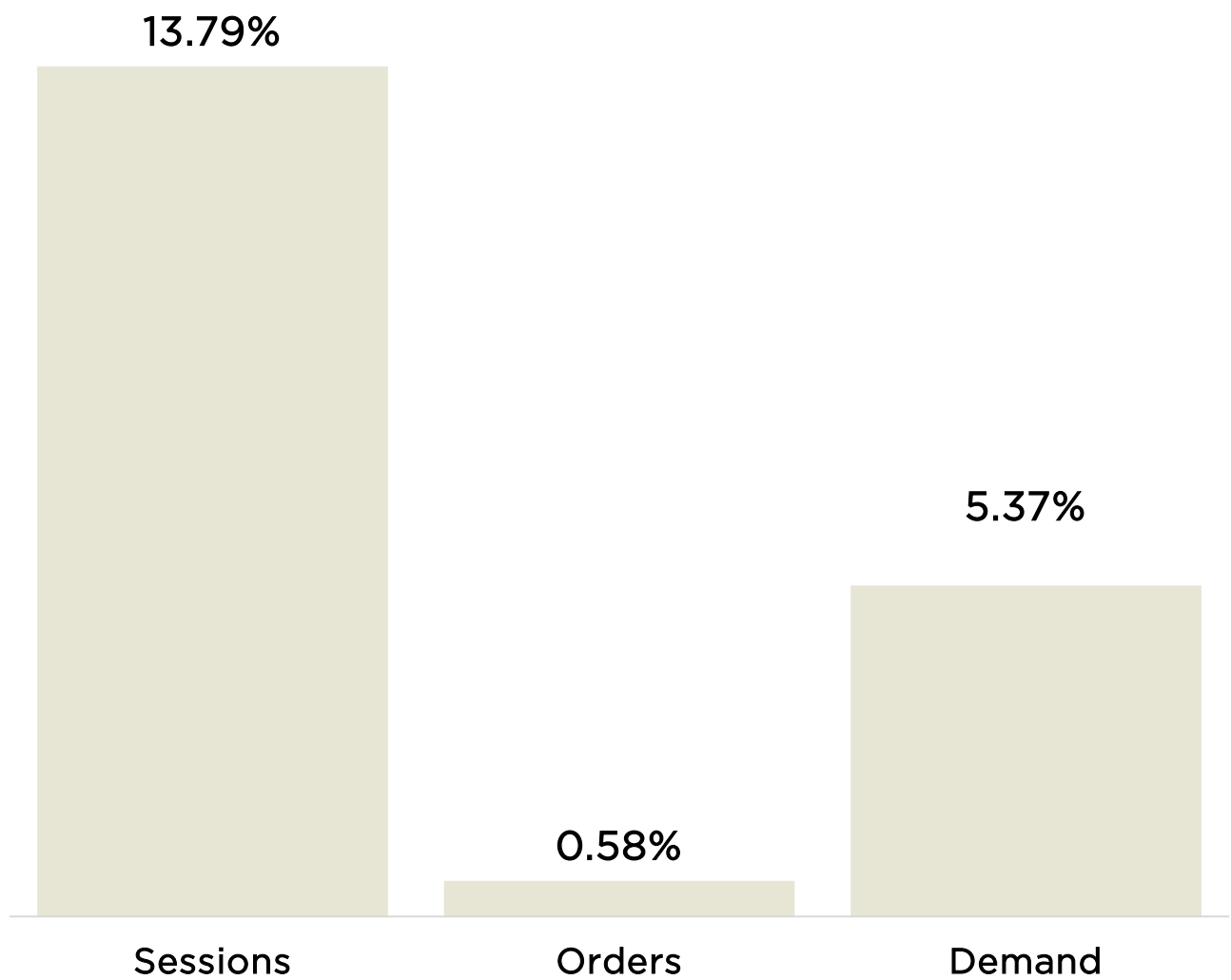


## Home Brands

Home brands saw sessions increased 10.92% compared to March 2024, while the anticipation of upcoming tariffs likely fueled a surge in orders (up 14.94%) and demand (up 19.98%) as consumers and businesses sought to purchase goods before potential price increases. Conversion rates and average order values (AOVs) continued improvements from last month.

While tariffs may pose a challenge in the future, Home retailers appear to be benefiting from consumers anticipating higher prices in the near term.

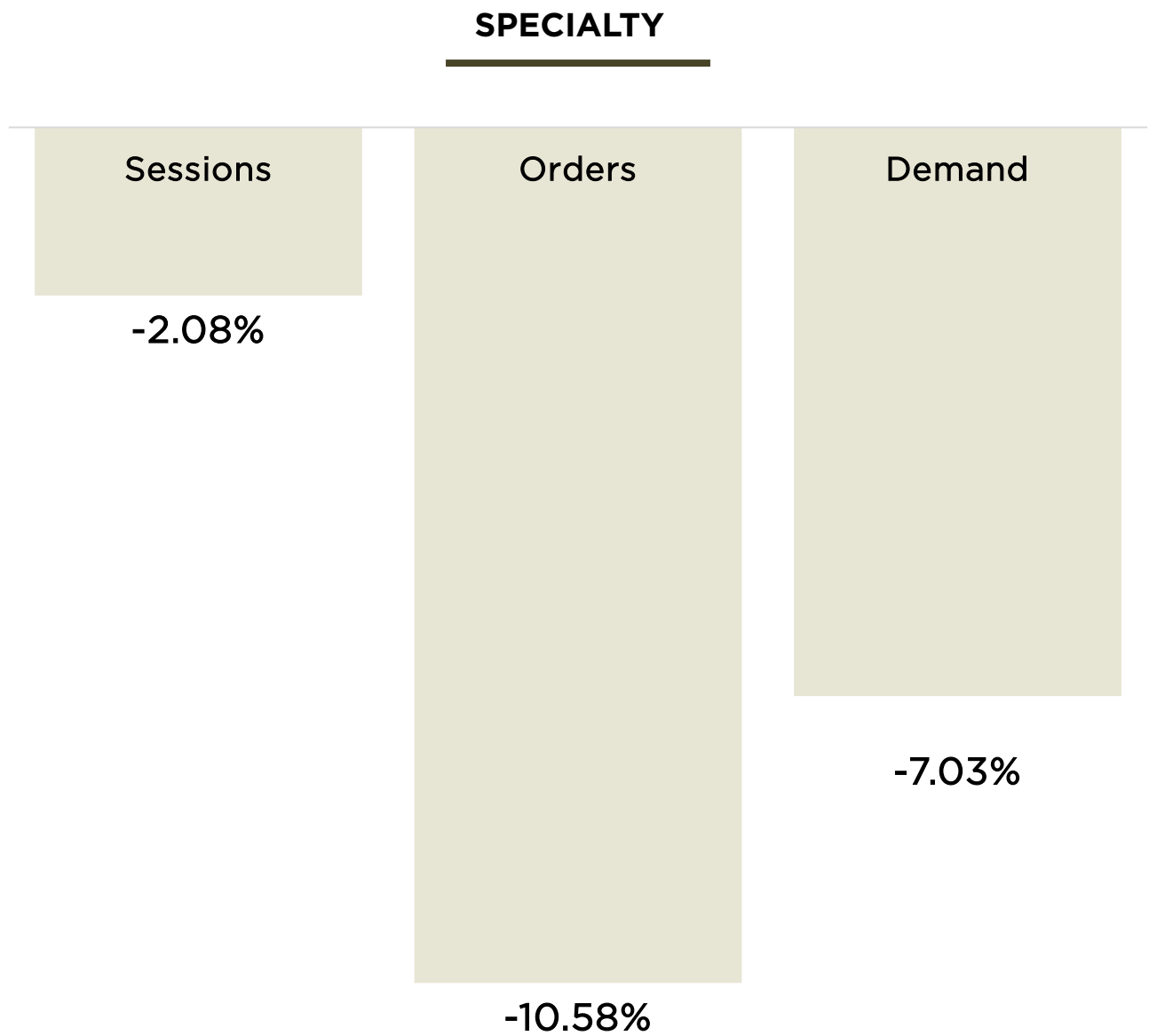
## OUTDOOR



## Outdoor Industry

Outdoor brands saw sessions rise 13.79%, demand up 5.37%, and orders grow slightly by 0.58% compared to March last year. Consumers continue to be value-focused, however AOVs are up. Outdoor apparel is outperforming hardgoods.



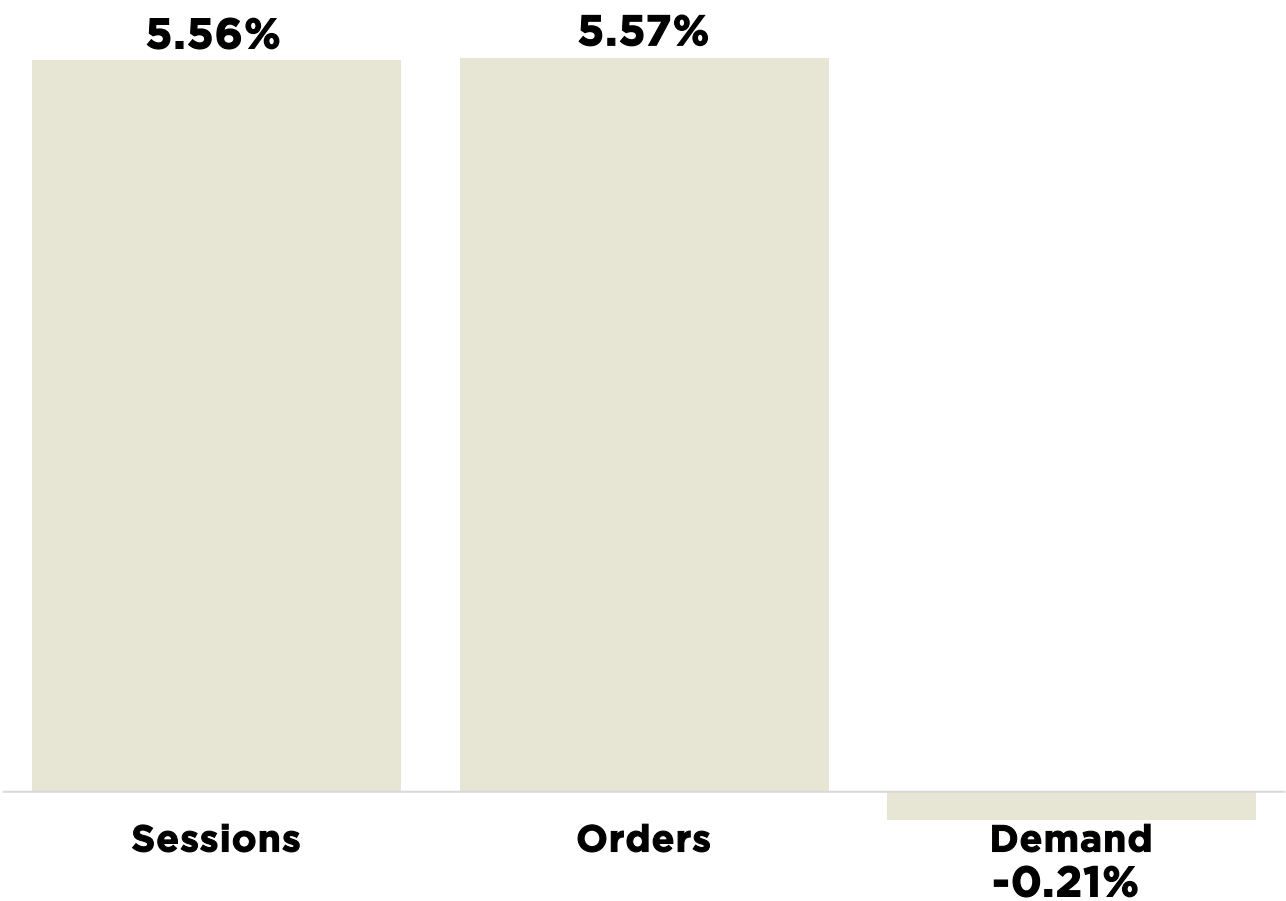


## Specialty Brands

In March, Specialty brands saw sessions down 2.08%, orders down 10.58%, and demand down 7.03%. Discretionary purchases, like specialty goods, are seeing the greatest impact from weakened consumer sentiment and ongoing impact of moderated consumer spending and inflation.

# BY REVENUE

TIER 1 BRANDS / \$100M+



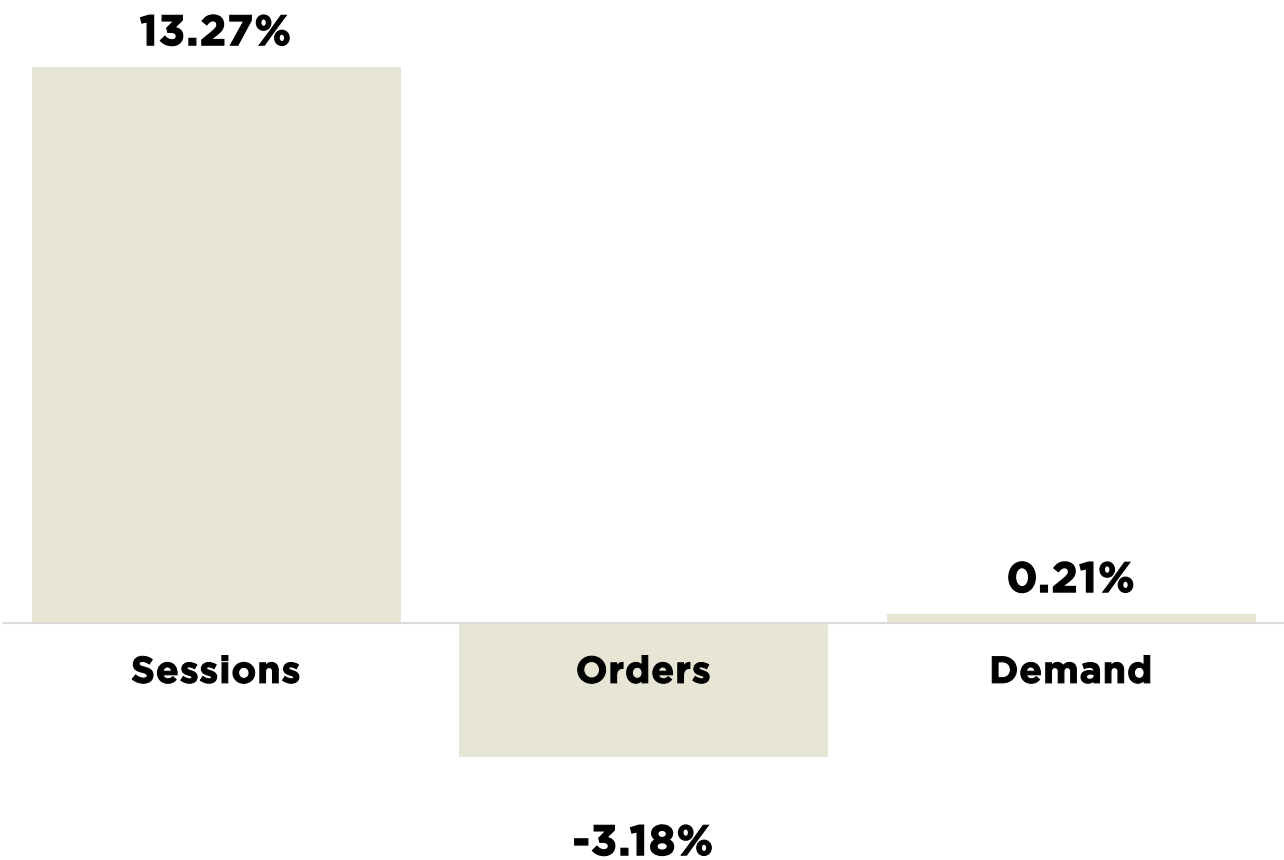
# Tier 1 Brands

March is showed a rebound for Tier 1 Brands with 5.56% increase in sessions, after a -1.93% drop in February.

Brands also saw a contrast in orders from last month with a 5.57% increase compared to -1.33%. The February dip aligned with a decrease in sessions. March is showing a recovery in orders and sessions from the post-holiday slump into Spring.

There was less than a 1% demand change in March indicating stabilization after February’s significant drop in demand, down 11.55%. This is a good indication that brands are stabilizing and mitigating further declines.

TIER 2 BRANDS / \$15M-\$100M



## Tier 2 Brands

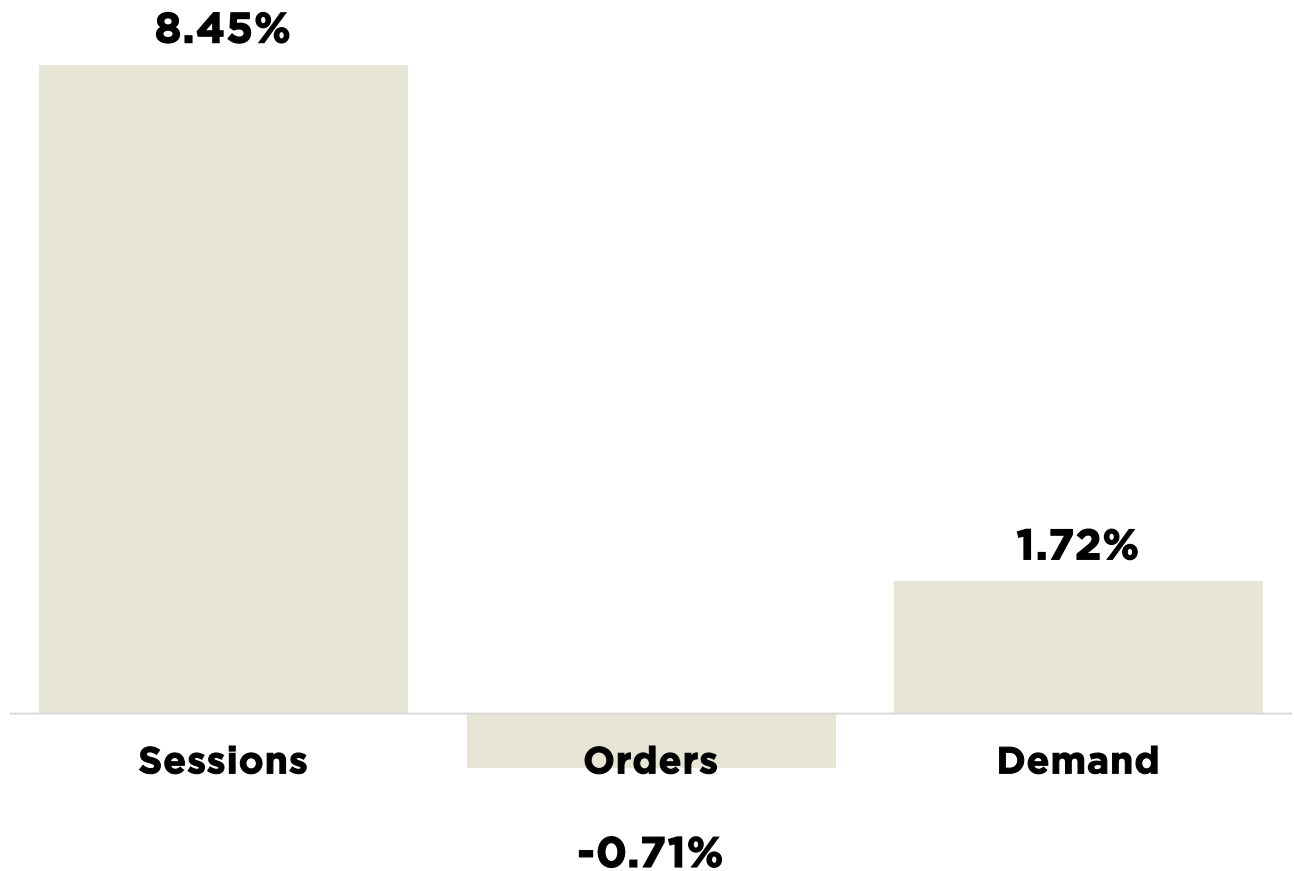
In March, sessions increased 13.27% for Tier 2. Increased browsing could be due to new spring products and promotional campaigns pushing up traffic significantly from last months engagement.

Orders were only down 3.18% this month, after a drop of 10.41% in February. A smaller decline in orders could indicate there are still challenges in conversion but an increase in potentially better – tailored offers for the new season

Tier 2 brands saw a positive increase in demand 0.21%, although less than 1% it is a significant increase from last months 6.05% drop in demand. This could be attributed to targeted marketing, refined product offerings, or an improvement in their positioning within the market.



## TIER 3 BRANDS / \$0M-\$15M



## Tier 3 Brands

Tier 3 saw a notable increase of 8.45% in sessions in March. A significant improvement compared to February showing that these brands are successfully capitalizing on increased interest for the new season.

The decline in orders this month was much less severe, with a -0.71% decrease compared to February down 9.66%. An improvement in conversion rates are improving, a good indication that maybe due to targeted promotions, website experiences, and more appealing product offers for spring.

Tier 3 brands also saw demand increase 1.72%, after February was down -8.48%. The increase is modest but reflects a positive shift in consumer behavior and stabilizing demand.

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# IN THE NEWS

IN THE NEWS



July Postage  
Increases Announced

The USPS announced postage increases to take effect in July, including a 5-cent increase in the price of a First-Class Mail. The increase raises prices approximately 7.4% across services.

[Read More →](#)



Tariffs drop  
temporarily to 10%  
for most countries

President Donald Trump dropped new tariff rates on imports from most U.S. trade partners to 10% for 90 days to allow trade negotiations with those countries.

[Read More →](#)



Aaron Zansler Named  
Midland  
Environmental Affairs  
Manager

Midland Paper appoints Aaron Zansler to lead sustainability efforts as Environmental Affairs Manager. He will leverage his experience with environmental sustainability and regulations to advance MIDLAND's commitment to a sustainable future.

[Read More →](#)



We Shape Brand  
Experiences

Every interaction shapes your brand experience—so we've built our agency to ensure those interactions are seamless, intuitive, and aligned with your customers' needs. We take a holistic approach to creating impactful, memorable connections that drive lasting loyalty.

[Watch the Video →](#)