



JP **PRODUCT**
SERVICES

Introduction:

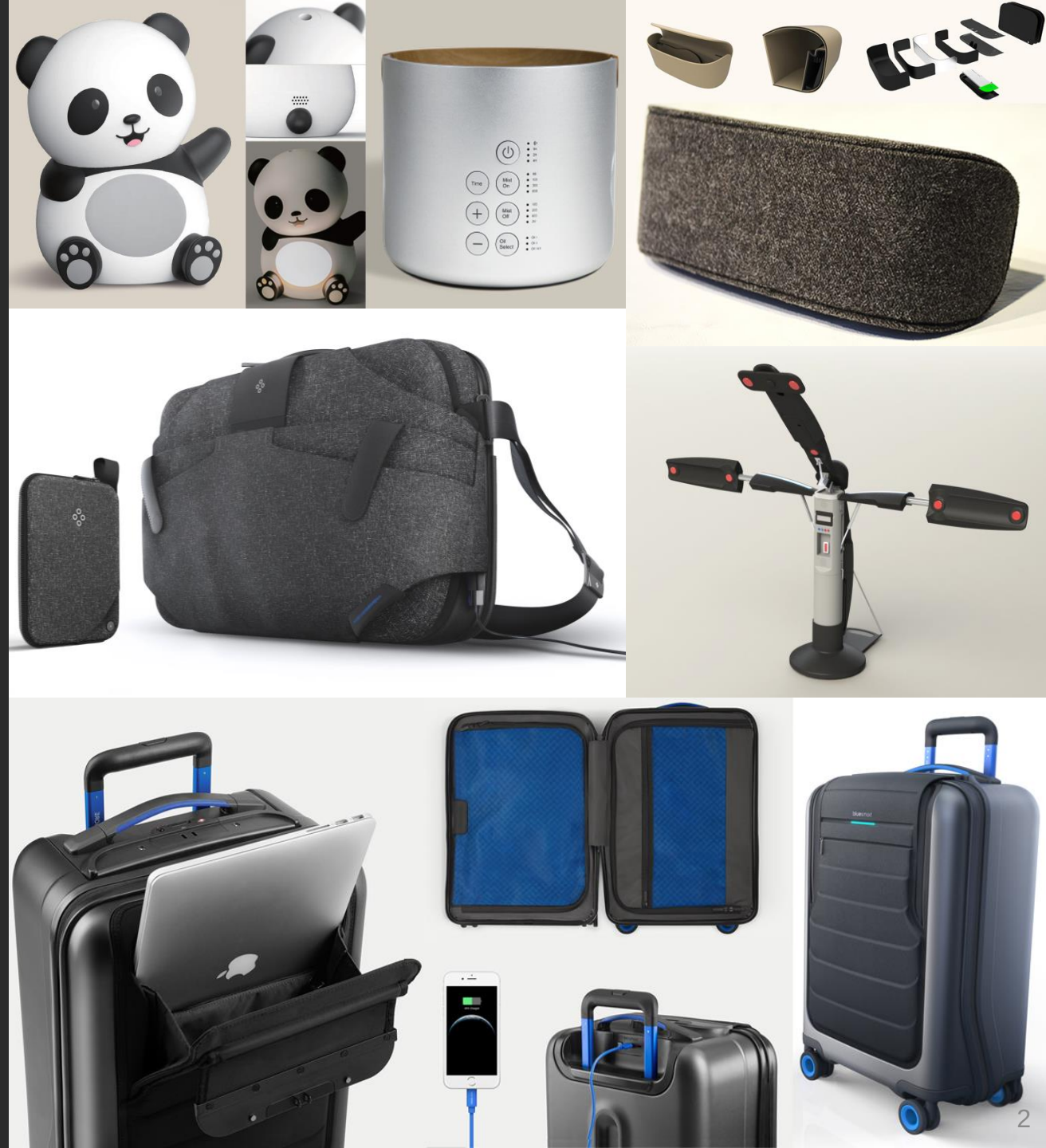
JPproductservices is a consulting service for Product Design and Development

Areas of Expertise:

- Industrial Design
- R&D
- Design Development
- Design for Manufacture
- Sustainable Adaptation

Current Sectors of Engagement:

- Consumer Electronics
- Tech Accessories
- Travel Goods





Travel Goods Case Study

Brief Trend and Product Direction Analysis

- Luggage -

March 2023

Brief:

Identify current trends and opportunities within the Travel Goods Market

Areas of Interest:

- Market definition & study focus
- State of the market
- Competition analysis
- Style direction
- User experience
- Material options
- Colour direction
- Customization
- Upcoming technology
- Production facts to know
- Cost indicators



Market Definition & Study Focus

- Travel Goods cover a wide range of products across multiple areas but mainly focus on 3 general groupings:
 - Luggage – hard and soft shell suitcases of various sizes and can include wheels and trolleys
 - Bags – backpacks, messenger bags, duffle bags, tote bags, cross-body bags
 - Accessories – garment bags, passport holders, travel wallets, fanny packs, toiletry bags, packing cubes, etc.
- The Travel Goods market is highly competitive with numerous global and strong regional brands

This study will focus on **Luggage** as it is the most valuable of the 3 listed



State of the Market

- Market leader Samsonite combined with its other owned brands has approx. 30% of the market
- All other brands have less than 6% market share making the market generally competitive
- Post pandemic recovery is going well, market size growing 6% per year on average with worth \$30+ billion USD
- US remains the main market with California its largest submarket while China is second and growing quickly
- China re-entering the travel market should result in substantial increases in growth
- Soft-shell luggage is still approx. 60% of the market
- Hard-shell luggage has grown steadily since its release in 2000
- 4 wheeled suitcases account for 55+% of the market and are growing annually

A market open for new entries but with huge competition, differentiation is key while following consistent trends



Competition Analysis

Recent trends show a greater effort at adding additional features and uniqueness to differentiate in a busy marketplace

Samsonite

- Sustainable Materials
- Smart Features
- Lighter weight
- Expandable
- Collaborate with Brands

Tumi

- Sustainable Materials
- Smart Features
- Personalization
- Enhanced Durability
- Designers Collaborations

Travelpro

- New Product Lines
- Pockets for Smart Features
- Lighter weight
- Improved Quality
- New Wheels

Away

- Sustainable Materials
- Smart Features
- Personalization
- New Product Lines
- Designers Collaborations



Style Direction

- Minimalism in style and aesthetic has been the trending direction over the last decade
- Maximization of storage capacity through expandable compartments
- Incorporating Eco-Friendly Materials is increasingly popular and driven by younger consumer demands
- Smart Features are being lent into, if not including technology in the Luggage then allowing devoted pockets
- Customization and Personalization is becoming popular with users wanting more uniqueness

Simple aesthetic but with a clear area of customization and differentiation is needed incorporating eco-friendly measures



User Experience

- Uncluttered and simpler designs trend better than busy and more complicated
- Size perception of the interior is critical to initial impressions
- Secure pockets are popular and compression remains a constant demand
- Optional extras are gaining popularity as upselling options people do use
- Branded interior fabric denotes a higher impression than plain interiors

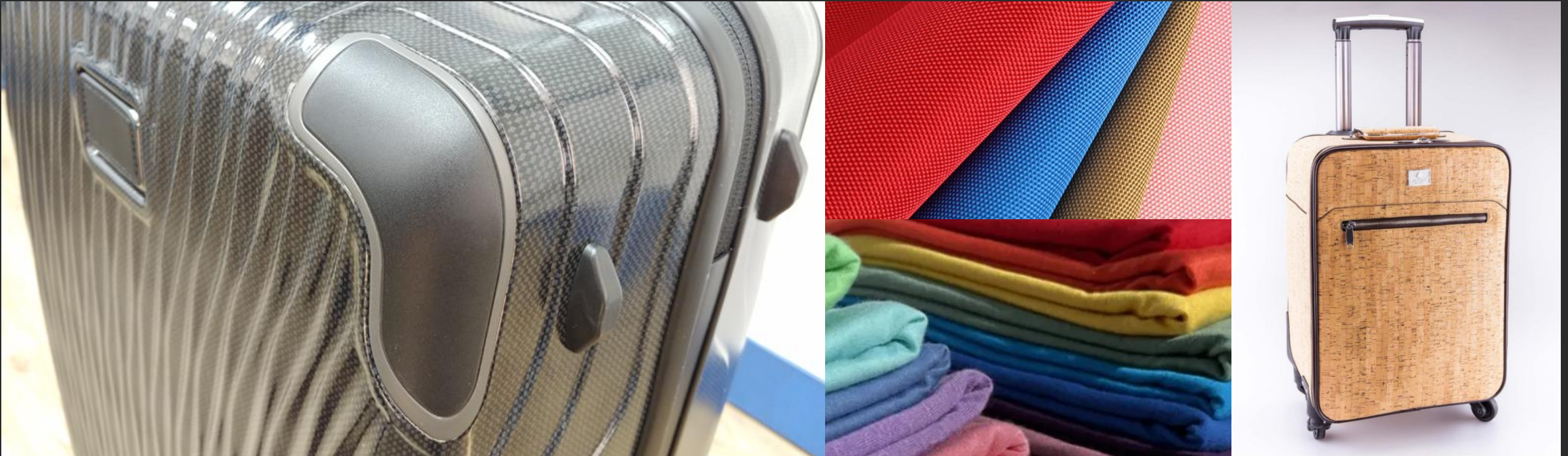
Intuitive usability is key while giving the impression of security, adding too much will reduce the impression of usable size



Material Options

- PC remains the main material used for Hard-Shell Luggage
- Samsonite and its owned brands (Tumi/American Tourister) are increasingly using its patented SRPP material
- Delsey and Victorinox use combinations of SRPP and PC while fabric companies are developing SRPP variations
- rPET is increasingly used for interior linings with Taiwan a main source of this material
- Bamboo, Cork, and Hemp are being utilized by some smaller and start-up companies as USP's

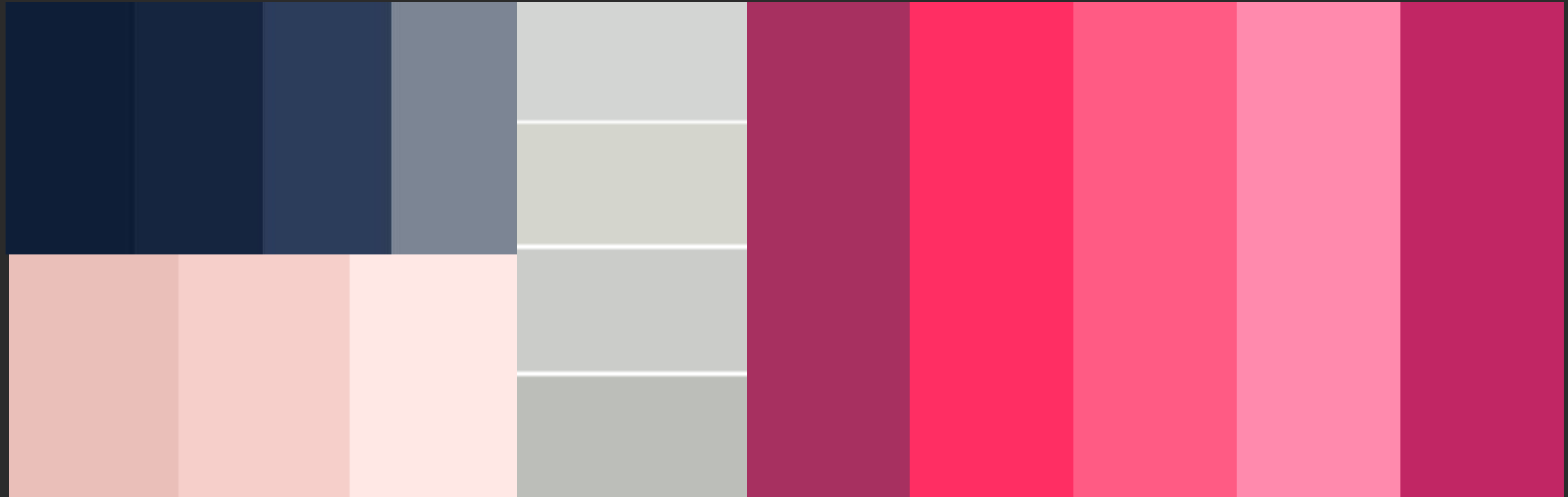
All efforts should be made to use SRPP and integrate some degree of recycled or eco-friendly materials into the story



Colour Direction

- Black is universally the most used colour globally
- In the US Grey and Blue (Navy) are the next most popular
- Rose Gold is the fastest growing non-standard colour in the US
- In Asian markets brighter colours are more popular after Black, with Red and Gold are highly popular
- Variations of Pink are increasingly utilized by all companies with softer tones currently popular

A black option is needed but variety is key to spreading broad appeal without appearing too conservative



Customization

- Colours – only pre-set colours are offered due to production limitations of offering fully customized colours
 - Personalization – laser engraving, stickers, embroidery, name plates and covers are offered by some
 - Smart Features – removable power banks and smart locks are optional extras with some luggage
 - Interchangeable Parts – Rimowa and Victorinox offer a limited range of interchangeable handles and wheels
 - Custom Accessories – Luggage Tag customization is widely available including from Samsonite and Away
- Vital to differentiation, options on the market are simple and limited, potential market advantage can be found here



Upcoming Technology

- Production technology is largely the same industrywide with the difference of SRPP shells which are unique
- Reliability Testing and Quality Standards require specialist equipment only devoted suppliers have in-house
- Material technology is the fastest innovation area in the market especially with regards to eco-materials
- Smooth Wheels and secure Handles/Trolley components are seen as trade secrets and treated as technology
- Personalization is adding new technologies to the sector but this is mostly outsourced by producers

Technology in the area is limited and mainly linked to functionality, an area to be expanded depending on regulations



Production Facts to Know

- China remains the main producer with Thailand, Vietnam, Cambodia, Indonesia and the Philippines alternatives
- Production methods are largely the same industrywide with the difference of SRPP shells which are unique
- Reliability Testing and Quality Standards vary depending on country and factory used in-line with the unit cost
- Hard Shells are produced through vacuum forming which has a high defect rate
- Soft Goods are produced mostly by manually operated sewing machines with some limited CNC stitching

Current circumstances mean exploring outside of China is needed while understanding the overall supply chain impact



Cost Indicators

- China cost is increasing each year but still offers a wide range of costs depending on location and quality level
- Cost is mainly driven and directly impacted by the size, material and features included
- Components are made by several suppliers and additional costs can be incurred for import and handling fees
- Factory Overhead, Labour Costs, Administration Fees, Logistics and Tax can vary wildly between suppliers
- Reliability standards directly relate to costs as ability to pass tests adds to the overall cost
- Customization and Personalization can greatly add to cost as suppliers are not setup to support flexibility

Features need to be analysed for overall impact on usability and user impression and eliminated if not highly favourable



Summary of Findings

- Minimal design should be followed but unique visual features are key to being noticeable in a crowded market
- Cost-efficient additional features are key with expandability a must and compression capability a coming trend
- Including technology isn't necessary but pockets and compartments that complement them is a must
- Eco-materials should be added as much as possible with an effort to provide easy replacement of components
- SRPP should if at all possible in any composition be used to reduce weight
- As much Customization and Personalization as possible is a must to attract customers in a crowded market

Space in the market exists for new or expanded lines but differentiation is key to standing out from the crowd





Thank you

If this Case Study has raised interest in this area
Let's continue the discussion

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