Better Buying Purchasing Practices Index Report (BBPPI) 2025

Purchasing Practices Performance in Apparel, Footwear, and Household Textile Supply Chains

Cascale

Better Buying

Contents

Introduction

Escalating geopolitical tensions and unstable trade environments, particularly the introduction of significant new global tariffs on goods imported into the United States, are weakening the predictability of global supply chains.

This global uncertainty and disruption is directly impacting purchasing practices in the soft goods industry, creating turbulence across the entire supply chain, from raw material procurement and production to logistics and inventory management.

Data for the Better Buying Purchasing Practices Index (BBPPI) 2025 rating cycle - the first Better Buying survey to be carried out by Cascale - was collected between April 1 and June 5, 2025, during a period characterized by punitive tariffs, pauses and reversals, court appeals, and administrative stays. On February 1st, the U.S. had announced a 25 percent tariff on goods from Canada and Mexico (postponed for 30 days after both countries threatened retaliatory measures, but eventually taking effect on March 4), and a 10 percent tariff on goods from China, doubling to 20 percent in March and, by April 9, to 145 percent. In February, the "de minimis" exemption for China was closed, while on April 2, so-called "Liberation Day," country-specific tariffs affecting all major sourcing countries were announced, ranging from 11 to 50 percent.

This escalating geopolitical tension and tariff volatility created a stress-test environment for purchasing. The BBPPI measures buyer-controlled practices. In 2025, that stress test exposed weaknesses where resilient practices weren't yet institutionalized: most category scores edged down, especially in Planning & Forecasting. At the same time, buyers with stronger processes sustained or improved performance, indicating that outcomes are largely driven by practice quality rather than macro shocks alone.

This report examines how buyers' purchasing practices differ by supplier region across the seven key categories of purchasing practices covered in the BBPPI:

1. **Planning and Forecasting**
2. **Design and Development**
3. **Cost and Cost Negotiation**
4. **Sourcing and Order Placement**
5. **Payment and Terms**
6. **Management of the Purchasing Process**
7. **Win-Win Sustainable Partnership**

The analysis highlights regional strengths and weaknesses, helping buyers identify challenges and opportunities for improvement, and better understand regional characteristics, in order to develop more tailored, and region-specific supply chain strategies.

Three Better Buying subscribers that have participated in multiple BBPPI rating cycles have been selected for closer analysis. These companies have not only outperformed the soft goods industry average but also demonstrated consistent performance improvements for three consecutive years (2023–2025). Their results are particularly noteworthy given that the industry performance declined across most purchasing practices categories this year, especially in Planning and Forecasting. Against this backdrop, the steady progress of the three subscribers provides important insights that can guide future improvement strategies.

During Q2 2025, 23 buyer companies participated in Better Buying's ninth annual BBPPI rating cycle. Seventeen companies took part in both 2024 and 2025, making year-over-year performance comparisons possible. Each subscriber received in-depth reports showing results across the seven purchasing practice categories compared against a relevant industry benchmark.

It should be noted that this analysis is based on responses from suppliers of 23 subscribers and 12 non-subscribers who participated in the BBPPI 2025 rating cycle. Therefore, the evaluations of each region should not be generalized as fully representative of purchasing practices across the entire region. Readers should keep this limitation in mind when reviewing the findings in the following sections.

Key Takeaways

1. **1,360 suppliers provided 1,598 ratings.** 35 buyer companies were rated, 23 of which were Better Buying subscribers.

2. **The overall score is down on last year:** The 2025 BBPPI soft goods industry overall score is 66, a one point decline from the previous year.

3. **Most category scores have decreased:** Most category scores decreased as the 2025 disruptions exposed weaknesses in buyer processes, especially in Planning & Forecasting.

4. **Big regional differences:** Suppliers in Central and South America gave buyers the highest scores in six out of seven categories. In contrast, suppliers in Western Europe and Eastern Europe, the Middle East, and Africa rated buyers' purchasing practices below the average across most categories.

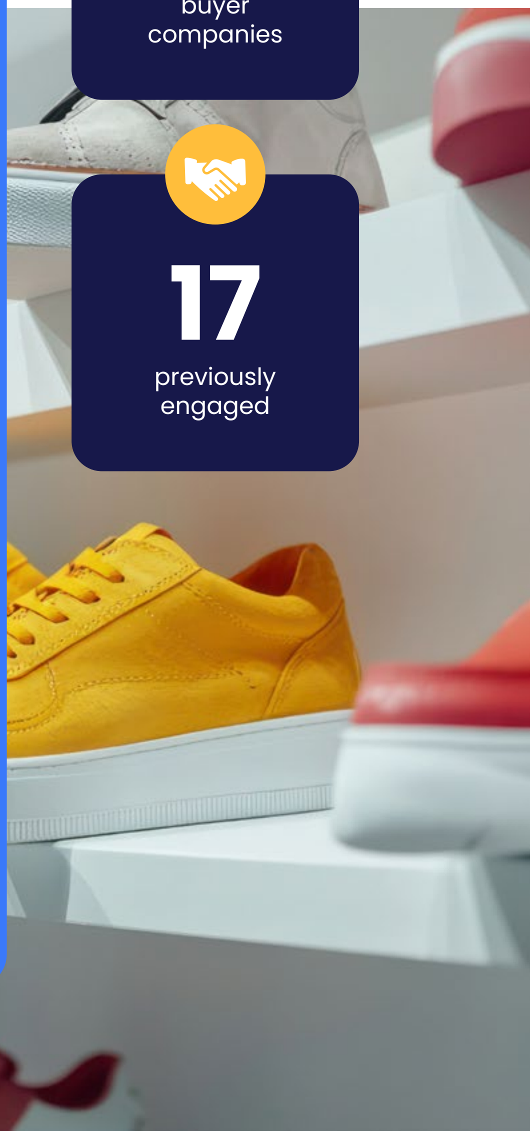
5. **Planning and Forecasting is down 3 points:** In common with previous years, this category is again identified by suppliers (37 percent) as the top priority area for improvement.

6. **Repeat BBPPI subscribers still outperformed the benchmark:** Showing that strong practices can buffer against external shocks.

9th
annual rating cycle

23
buyer companies

17
previously engaged



1. Scores and Ratings

1.1. Overall Performance

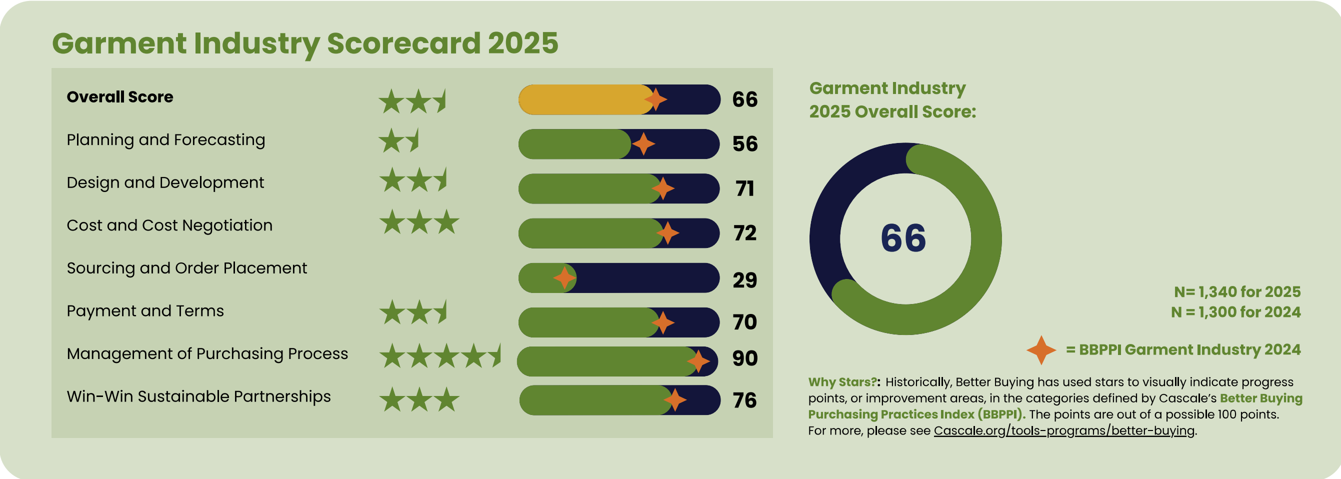
In total, 1,360 suppliers provided 1,598 ratings. Of these, 1,340 were soft goods ratings, while the remaining 258 were hard goods ratings. The analysis presented in this report is based on the 1,340 soft goods ratings, covering 35 buyers. Among these buyers, 23 are Cascale Better Buying subscribers, accounting for 1,314 of the ratings, with the remaining 12 non-subscribing companies whose suppliers had rated them proactively, without having been invited to do so by the buyer company.

The BBPPI 2025 overall score declined slightly, falling from 67 in 2024 to 66 in 2025. Most purchasing practice categories also recorded decreases.

The Planning and Forecasting category showed the sharpest decline, dropping substantially by three points, from 59 to 56. Sourcing and Order Placement was the only category to show improvement, though from a low base. Despite this modest gain, it remains the lowest-scoring category overall and has consistently held this position since the BBPPI rating cycle began, a trend that continued in 2025.

Category	Star Rating	Scores 2024 (n = 1,300)	Scores 2025 (n = 1,340)
Overall	★★½	67	66
Planning and Forecasting	★½	59	56
Design and Development	★★½	72	71
Cost and Cost Negotiation	★★★	73	72
Sourcing and Order Placement		28	29
Payment and Terms	★★½	71	70
Management of the Purchasing Process	★★★★½	91	90
Win-Win Sustainable Partnership	★★★	78	76

Figure 1. Overall Better Buying Purchasing Practices Category Scores and Stars Received



Planning and Forecasting remains the top priority for improvement, with 37.1 percent of suppliers selecting it, more than double the proportion for the next highest category (Cost and Cost Negotiation). This marks a consistent pattern observed over multiple years, indicating that many buyers have yet to achieve meaningful progress in this area.

Suppliers' continued emphasis on Planning and Forecasting as their most urgent concern suggesting that improvements here could provide a foundation for strengthening performance across other categories. Because the seven purchasing practice categories are interconnected, progress in one area can generate positive effects elsewhere. For example, greater accuracy in Planning and Forecasting could ease pressures in Cost and Cost Negotiation by making pricing decisions more predictable, while also streamlining Sourcing and Order Placement through earlier engagement and clearer timelines.

Improvements in Planning and Forecasting can provide a foundation for strengthening performance across other categories.

Table 1. Categories Selected by Suppliers as Priorities for Improvement

Priority	Category	Number of Suppliers	Percentage
1	Planning and Forecasting	497	37.1 %
2	Cost and Cost Negotiation	226	16.9 %
3	Win-Win Sustainable Partnership	191	14.3 %
4	Design and Development	159	11.9 %
5	Sourcing and Order Placement	114	8.5 %
6	Other	56	4.2 %
7	Management of the Purchasing Process	52	3.9 %
8	Payment and Terms	45	3.4 %

1.2. Year-Over-Year Improvements and Declines

Between 2024 and 2025, the overall score declined slightly, reflecting a continuation of the plateau seen in recent years. Most categories recorded decreases, reinforcing the impression that suppliers did not experience meaningful or widespread improvements in buyer purchasing practices.

The most striking change was in Planning and Forecasting, which fell by three points, marking one of the largest year-over-year drops among all categories. The continued decline highlights ongoing challenges in forecast timeliness and accuracy, showing that buyers' efforts remain limited, while global tensions and new tariffs may have further weakened performance.

2025 was marked more by setbacks and emerging risks than by advancement, with buyers needing to prioritize targeted action to reverse the downward trend and rebuild relationships with suppliers.

Other categories, including Design and Development, Cost and Cost Negotiation, Payment and Terms, and Win-Win Sustainable Partnership, each experienced small but consistent declines, pointing to weaker progress than in the previous cycle. Even Management of the Purchasing Process, which has historically maintained the highest scores, slipped slightly. Taken together, these results highlight that 2025 was marked more by setbacks and emerging risks than by advancement, with buyers needing to prioritize targeted action to reverse the downward trend and rebuild relationships with suppliers.

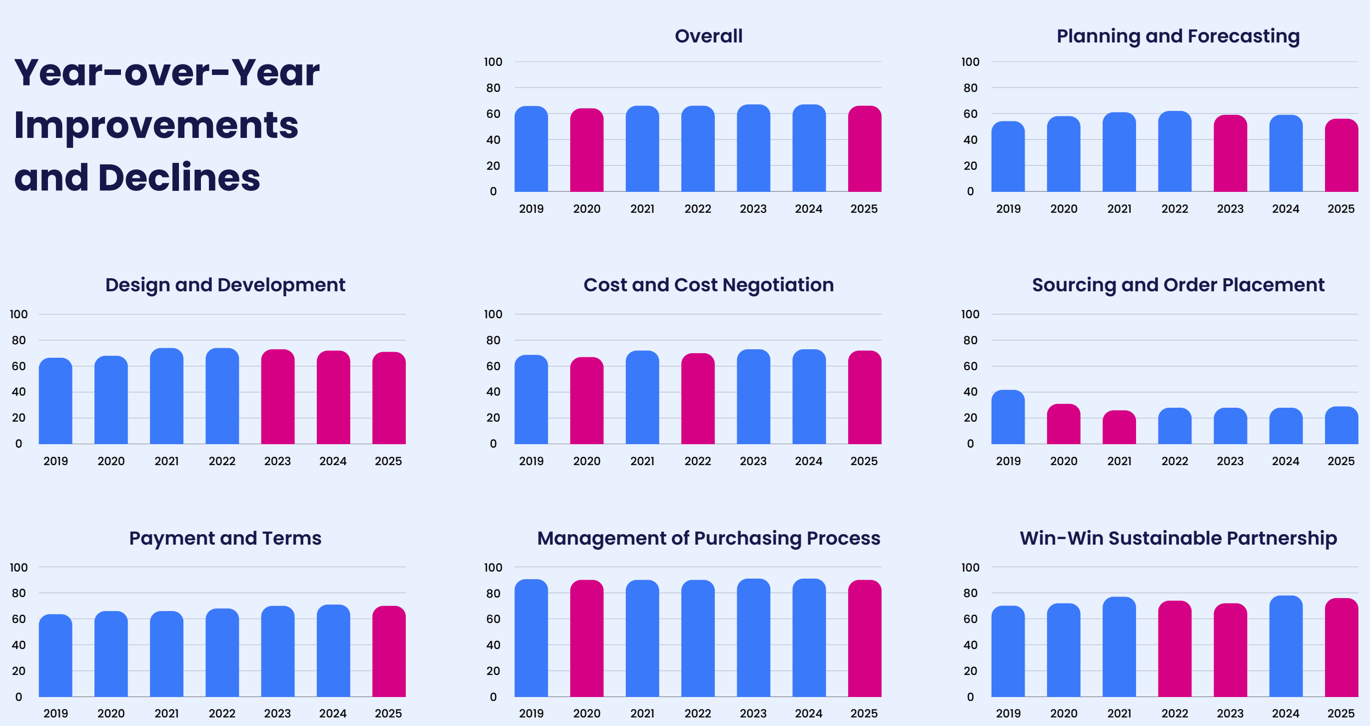


Figure 2. Year-over-Year Increase and Decrease in Category Scores
Note. Blue bars indicate score increases or stability, and magenta bars indicate decreases year-over-year.

On average, repeat subscribers achieved an overall score of 69, three points higher than the soft goods benchmark score of 66. However, Figure 3 shows that individual subscriber performance varied significantly: seven repeat subscribers experienced declines, several of them sharp. Four companies lost three or more points, and two recorded the steepest drop of four points.

On average, repeat subscribers achieved an overall score of 69, three points higher than the soft goods benchmark score of 66.

While repeat participation in BBPPI helps subscriber companies improve their purchasing practices and deliver better outcomes as reflected in their higher average scores compared to the soft goods industry, sustaining progress remains challenging. Market uncertainty and ongoing disruption likely contribute to this variability, making it difficult for all companies to maintain consistent gains across purchasing practices.

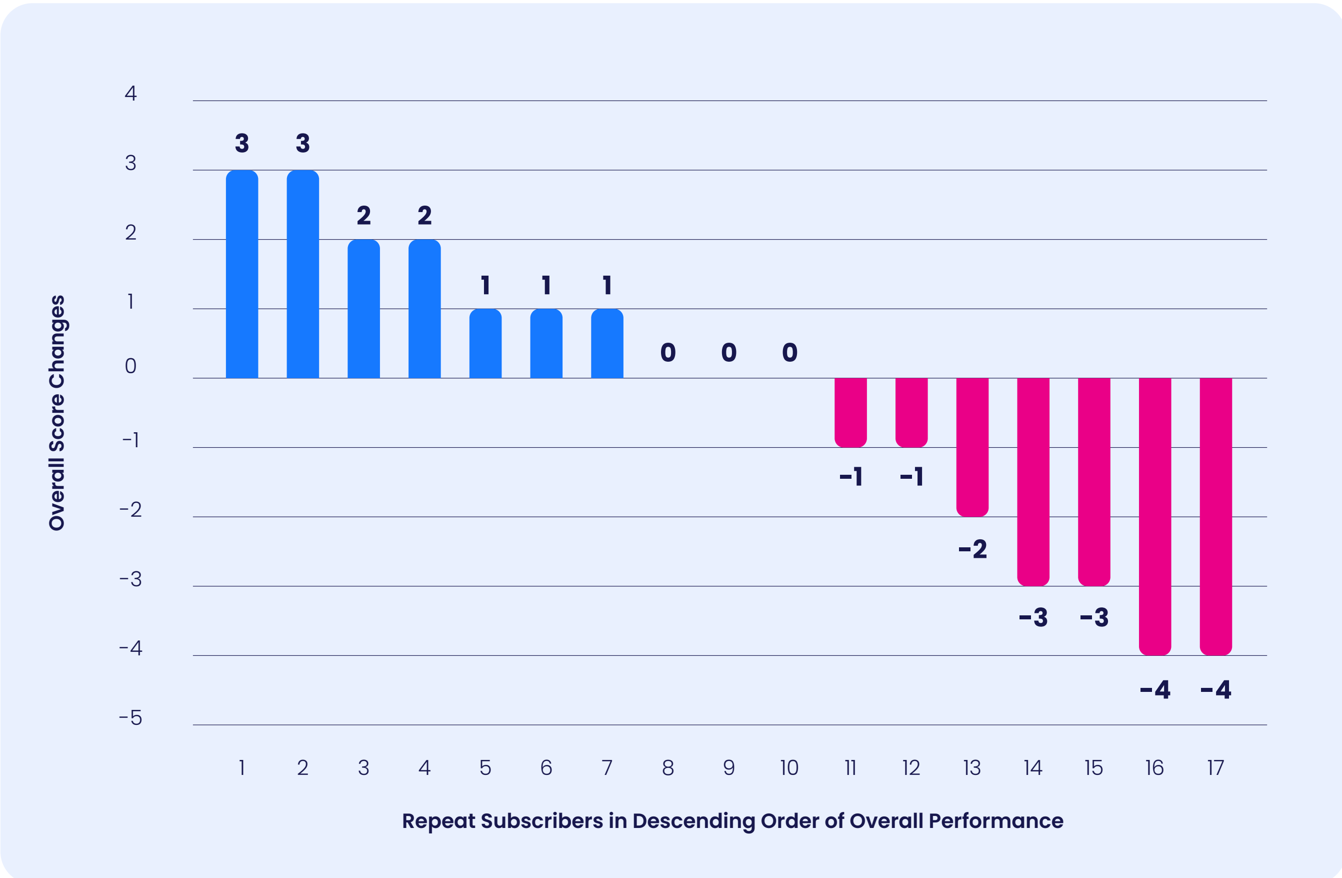


Figure 3. 17 Repeat Subscribers' Overall Score Changes Compared to Previous Rating Cycle

2. Key Findings

2.1. Regional Differences in BBPPI Category Performance

When examining the BBPPI 2025 category scores by region, notable differences are observed in comparison with the BBPPI 2025 soft goods industry average (see Table 2).[1] Suppliers in Central and South America rated their buyers above the average in six out of seven categories, with the exception of Win-Win Sustainable Partnership. This indicates that suppliers and buyers in the region are more likely to maintain relatively cooperative and stable business relationships compared to other regions.

Suppliers and buyers in Central and South America report more cooperative and stable business relationships with their suppliers compared to other regions.

Among the 1,340 ratings, more than half came from suppliers located in China and in East Asian countries. On average, suppliers from both these regions rated their buyers above the soft goods industry benchmark. Notably, both regions recorded particularly high scores in Win-Win Sustainable Partnership, reflecting buyers' strong internal alignment on social compliance goals and contributions to reducing industry-wide audit duplication.

In contrast, suppliers in Western Europe and Eastern Europe, the Middle East, and Africa rated their buyers below the soft goods industry benchmark across most categories. Western Europe in particular recorded notably low scores in Planning and Forecasting, Sourcing and Order Placement, and Win-Win Sustainable Partnership, indicating a clear need for buyers sourcing from this region to improve their purchasing practices.

South Asia, which accounts for the third-largest group of suppliers, also scored at or below the soft goods benchmark in most categories. Payment and Terms was of particular concern, where the region recorded the lowest score among all eight regions, signaling ongoing challenges for suppliers in managing financial stability.

1 Welch's ANOVA – Overall: $F(7, 154.25) = 6.161$, $p < .001$; PF: $F(7, 154.41) = 3.756$, $p = .001$; DD: $F(7, 146.12) = 6.815$, $p < .001$; CCN: $F(7, 155.47) = 4.892$, $p < .001$; SOP: $F(7, 154.75) = 6.748$, $p < .001$; PT: $F(7, 156.67) = 6.028$, $p < .001$; MoPP: $F(7, 153.59) = 1.383$, $p = .216$; WWSP: $F(7, 153.73) = 4.661$, $p < .001$.

Table 2. BBPPI Category Scores by Supplier Region

Category	China (n = 430)	East Asia (n = 333)	South Asia (n = 281)	North America (n = 40)	Western Europe (n = 106)	Asia Pacific (n = 15)	Eastern Europe, Middle East, and Africa (n = 82)	Central and South America (n = 53)
Overall	67	67	63	67	62	67	64	73
P&F	57	59	54	60	47	55	53	67
D&D	69	74	70	73	70	70	69	81
C&CN	74	71	65	75	76	74	69	83
S&OP	31	29	31	27	21	28	27	35
P&T	69	74	64	70	69	84	71	78
MoPP	92	89	91	89	87	88	90	92
WWSP	80	80	70	74	64	69	69	76

Note. *Blue* = Above the BBPPI 2025 soft goods industry average; *Magenta* = Below the average; ***Black*** = Equal to the average. The countries included in each region are detailed in the Appendix: About the suppliers who submitted ratings.

Table 3 highlights an analysis of relative strengths and weaknesses by region. The results show that, even for the same purchasing practice, suppliers' experiences vary depending on regional differences in business environment, communications, and other contextual factors.

By developing targeted improvement strategies that address each region's specific weaknesses, buyers can strengthen responsible purchasing practices across their global supply chains.

Table 3. Relative Strengths and Weaknesses by Region

Region	Strength Category	Weakness Category
China	Management of the Purchasing Process	Design and Development
East Asia	Win-Win Sustainable Partnership	Cost and Cost Negotiation
South Asia	Management of the Purchasing Process	Cost and Cost Negotiation
North America	Planning and Forecasting	Payment and Terms
Western Europe	Cost and Cost Negotiation	Win-Win Sustainable Partnership
Asia Pacific	Payment and Terms	Design and Development
Eastern Europe, Middle East, and Africa	Management of the Purchasing Process	Design and Development
Central and South America	Cost and Cost Negotiation	Payment and Terms

Note. Each region's strengths and weaknesses were identified based on its relative position within each category, using normalized scores across all regions. This means a category may be listed as a weakness even if its raw score is above the soft goods industry average, if it is relatively low compared to that region's other category scores.

2.2. How Global Disruption Reveals Gaps in Purchasing Practice Performance

Planning and Forecasting

Suppliers receiving forecasts or seasonal buying plans

2024
88.3%

2025
84.6%

For suppliers to maintain a stable workforce and production schedule, sufficient visibility into buyers' purchasing plans is essential. Without reliable planning and forecasts, suppliers risk workforce and material shortages or surpluses, which can result in quality issues, production delays, reduced overall operational efficiency, and increased costs. Buyers should treat suppliers as partners and provide visibility to future business. This approach is fundamental to responsible purchasing practices, as it reduces unnecessary risks, prevents last-minute disruptions, and enables suppliers to plan proactively for long-term business stability. In the face of global uncertainty and the current unstable environment, visibility becomes a cornerstone of resilience, allowing both buyers and suppliers to achieve shared goals of efficiency, sustainability, and fair treatment of workers. Although volatility makes forecasting harder, the higher scores of repeat subscribers demonstrate that disciplined processes can insulate suppliers from shocks.

According to this year's survey, 84.6 percent of suppliers reported receiving a forecast or otherwise gaining insight into seasonal buying plans. This represents a decline from 88.3 percent in the previous year and largely contributed to the sharp drop in performance for the Planning and Forecasting category. Although it is increasingly difficult to provide reliable forecasts amid heightened market uncertainty, buyers need to make greater efforts to ensure that all suppliers receive forecast information.

> Providing forecasts well in advance and updating the forecasts regularly, at least monthly, enables suppliers to plan their business more effectively and allocate resources appropriately.

When buyers provide forecasts to suppliers, timeliness, accuracy and consistency of updates are critical. If suppliers are not made aware of forecast changes in a timely manner, discrepancies between actual order volumes and forecasts may force them to rely on subcontracting or leave production lines idle, both of which can negatively affect workers.

Although the overall share of suppliers receiving forecasts declined compared to the previous year, the proportion receiving forecasts 120 days or more in advance rose from 32.6 percent to 34.5 percent. At the same time, those receiving forecasts less than 60 days in advance fell from 31.9 percent to 30.4 percent (see Figure 4). Looking at regional differences, North America stood out, with 58.8 percent of suppliers reporting receipt of forecasts at least 120 days in advance. By contrast, South Asia and Western Europe lagged behind other regions, highlighting ongoing challenges in providing advance forecasts.

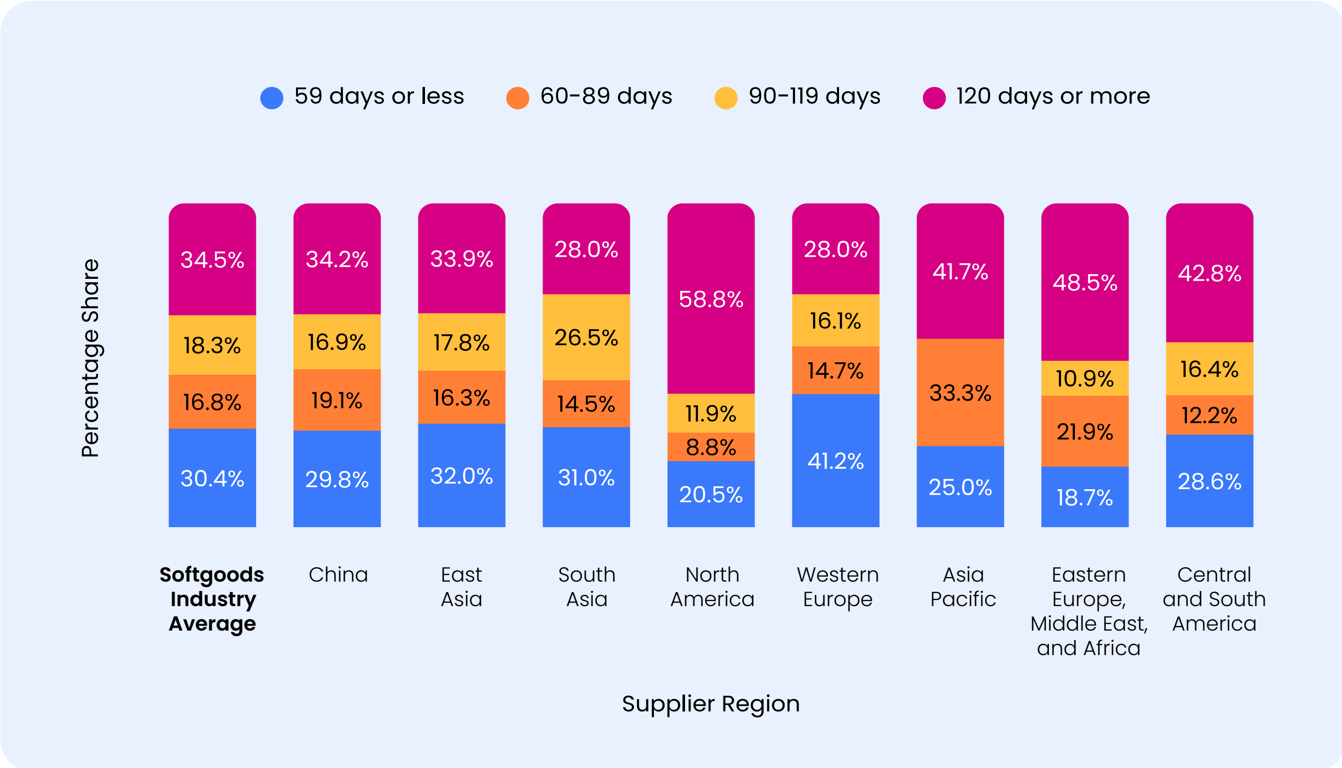


Figure 4. Regional Comparison of Days Forecasts Provided in Advance

Among suppliers receiving forecasts from buyers, 81.3 percent reported receiving regular forecast updates, an improvement from 76.8 percent last year. This indicates that subscribers participating in this year's BBPPI have strengthened communication with suppliers and increased the frequency of updates. By region, the percentage of suppliers receiving regular updates was relatively high in Asia Pacific and East Asia (see Figure 5). In contrast, only 69.1 percent of suppliers in Western Europe reported receiving regular updates.

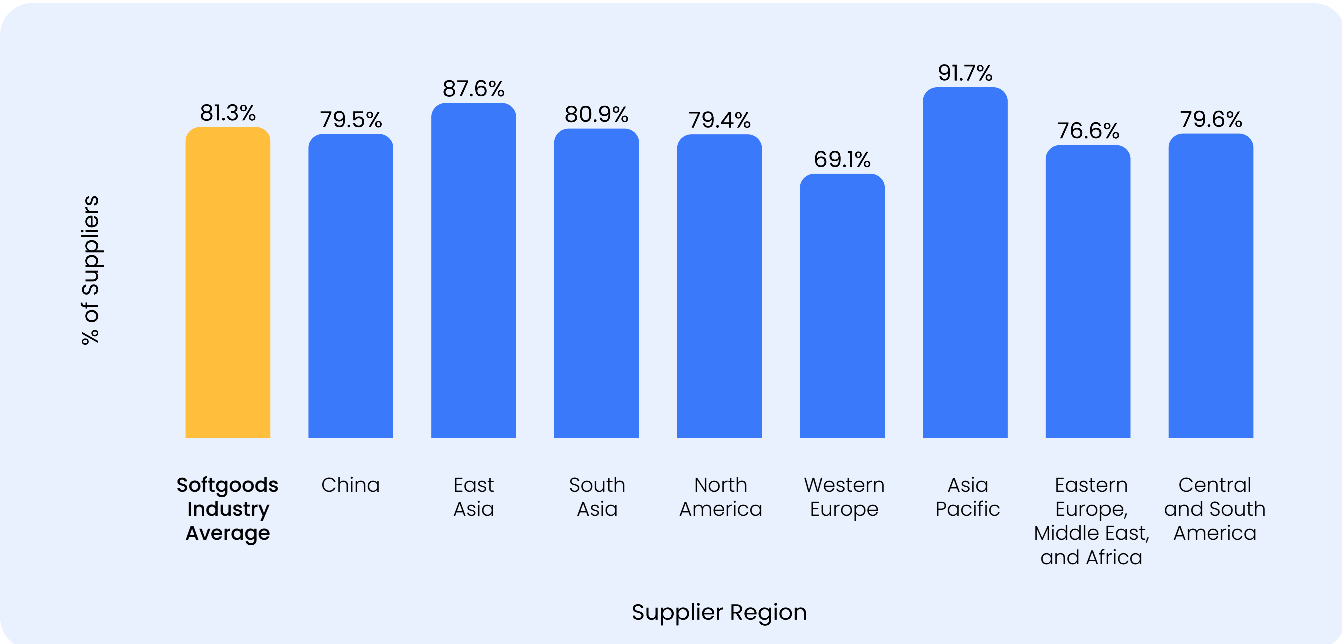


Figure 5. Regional Comparison of Regular Forecast Updates Provided to Suppliers

ONE SUPPLIER IN WESTERN EUROPE SUGGESTED: *"We would like more transparency during the forecasting phase of production numbers but we realise this may not be possible due to the uncertain sales climate at the moment. However it would be helpful to have more forecasting to help us plan the pre-phases of production which are important to set up production in the correct way and to gain time before the actual sale numbers become official."*

BEST PRACTICE

"*The buyer updates a six-month forecast every week on a designated day, which helps us coordinate in advance with material suppliers and secure capacity and production schedules ahead of time. We believe this level of support clearly sets them apart from other buyers."* Supplier, East Asia.

Design and Development

In an uncertain market environment, whether a buyer's request for new product development or sample production leads to actual orders has a direct impact on suppliers' operational stability. When sample development does not result in actual orders, suppliers are unable to recover their costs, creating financial burdens that may also negatively affect worker wages and welfare.

Furthermore, the accuracy of the tech packs provided by buyers is a particularly critical factor. Inaccurate or frequently changing specifications create confusion during production preparation, leading to delays or additional costs. Buyers therefore need to enhance tech pack accuracy, while also increasing the adoption rate of samples to reduce suppliers' burdens.

In the BBPPI 2025 rating cycle, supplier responses indicated an overall decline in tech pack accuracy compared to the previous year (see Figure 6). The percentage of responses reporting higher levels of tech pack accuracy (above 80 percent) decreased, while those reporting lower accuracy (below 59 percent) increased. This trend suggests that inaccurate and inconsistent specifications are adding further uncertainty and challenges for suppliers.

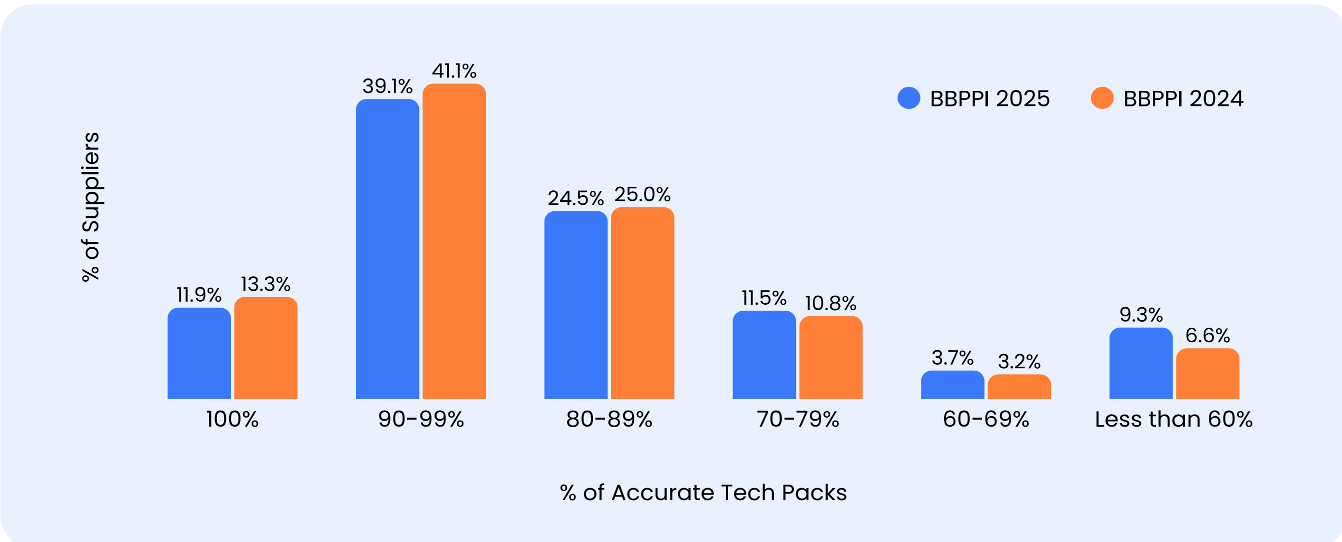


Figure 6. Tech Pack Accuracy

A regional comparison of tech pack accuracy (above 80 percent) shows that Asia Pacific, Central and South America, and South Asia reported accuracy levels above the soft goods industry average. In contrast, Western Europe and Eastern Europe, Middle East, and Africa recorded below average accuracy, indicating that suppliers in these regions continue to receive incomplete or erroneous specification sheets. These results highlight stronger alignment in Asia and Latin America, where suppliers benefit from more accurate and consistent information, but also point to persistent challenges with specification quality in Europe and EMEA.

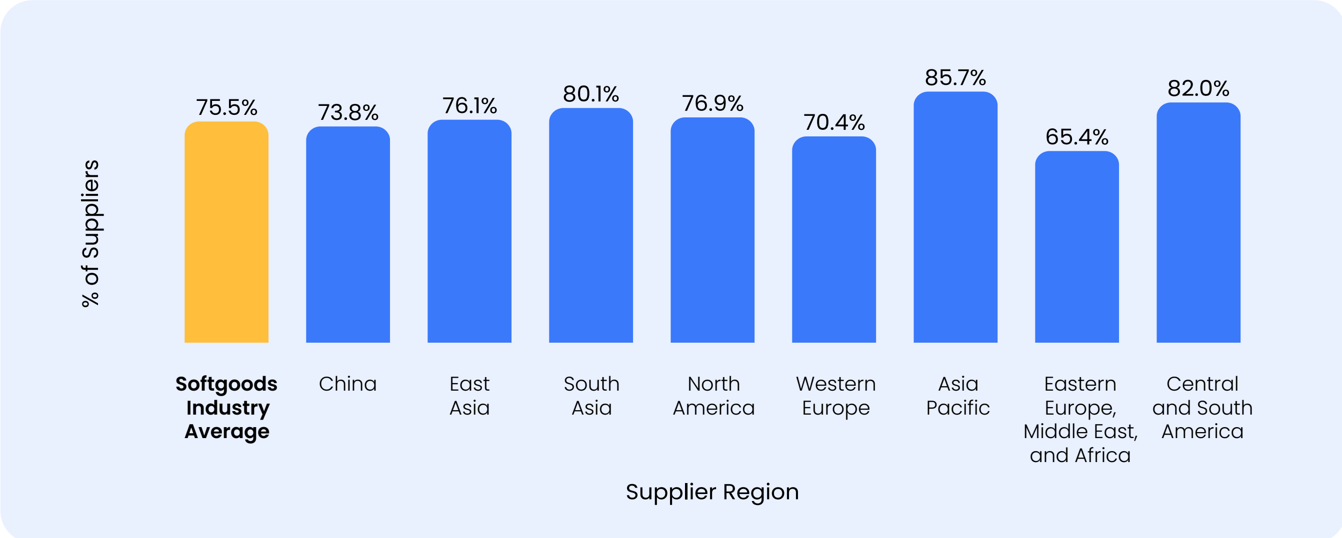


Figure 7. Regional Comparison of Tech Pack Accuracy (Above 80 percent)

ONE SUPPLIER ADVISED: "There is scope for improvement in the timely provision of complete tech packs and specifications. Delays in finalizing critical details such as trims, fabric quality standards, and construction often compress the development timeline and increase the risk of sample rework. In several instances, fabric details are not shared within the necessary lead time, which prevents fabric suppliers from producing sample fabric as per schedule. This results in perceived sample delays; however, the actual cause is the late receipt of the tech pack from the customer, not an internal delay in development."

Cost and Cost Negotiation

One of the most critical factors in supplier operations is whether the prices paid by buyers cover the costs for compliant production. The costs of compliant production include not only raw materials, trims, and labor, but also legally mandated social security contributions, adherence to safety standards, and the provision of decent working conditions. Prices that fail to meet these requirements force suppliers to make tradeoffs such as poor working conditions, unauthorized subcontracting, increased work intensity, and non-payment of full wages and benefits.

Coverage of compliant production costs fell from 48.9 percent in 2024 to 43.2 percent in 2025, with 9.3 percent of suppliers reporting that fewer than half their orders met compliant production costs. Tariffs do not set prices, but when buyers use high-pressure strategies that prevent costs from being reflected, coverage will fall. This shows pricing outcomes are primarily buyer-driven.

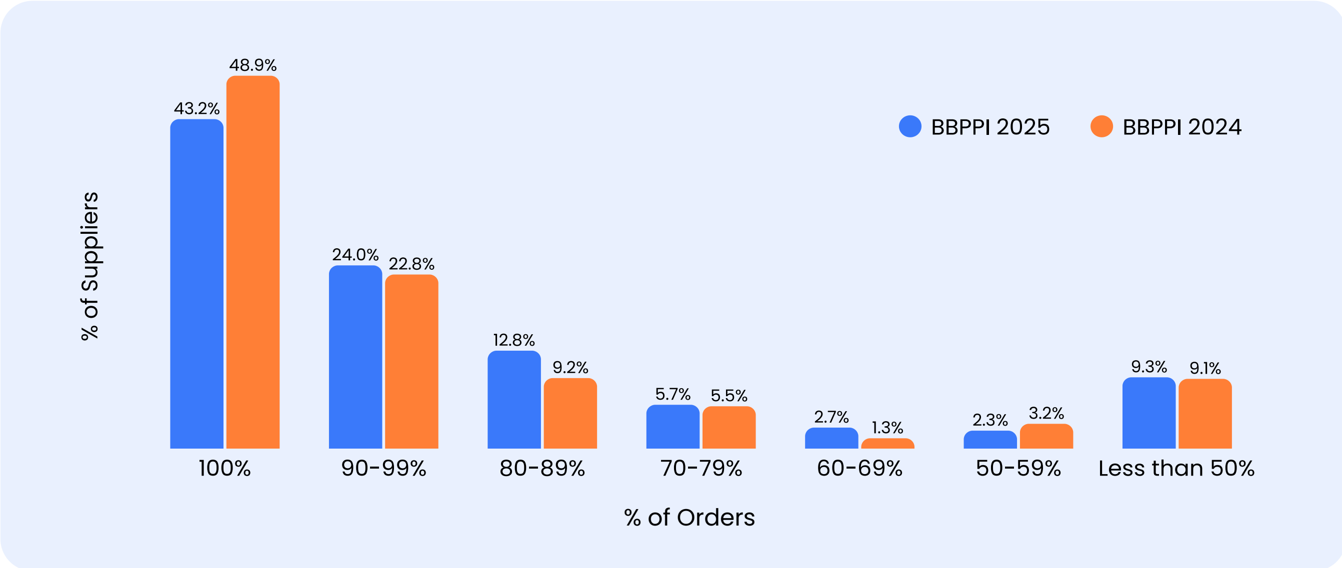


Figure 8. Distribution of Suppliers by Percent of Orders Covering Compliant Production Costs

Figure 9 highlights regional differences in the extent to which suppliers reported that all of their orders covered the costs of compliant production. Asia Pacific and North America were the strongest performers, suggesting that buyers in these regions are taking more consistent steps to ensure that prices fully reflect the costs of social compliance, safety standards, and decent working conditions. By contrast, East Asia and Eastern Europe, the Middle East, and Africa recorded the lowest levels of full cost coverage.

The figure illustrates a clear divide between regions where buyers are more reliably covering compliance-related costs and those where gaps remain significant. While the higher performing regions demonstrate that stronger practices are possible, the weaker outcomes in East Asia and EMEA highlight the continued risk of cost pressures that can push suppliers toward unsustainable practices. Addressing these gaps will be essential for advancing responsible purchasing practices and supporting supplier sustainability across all regions.

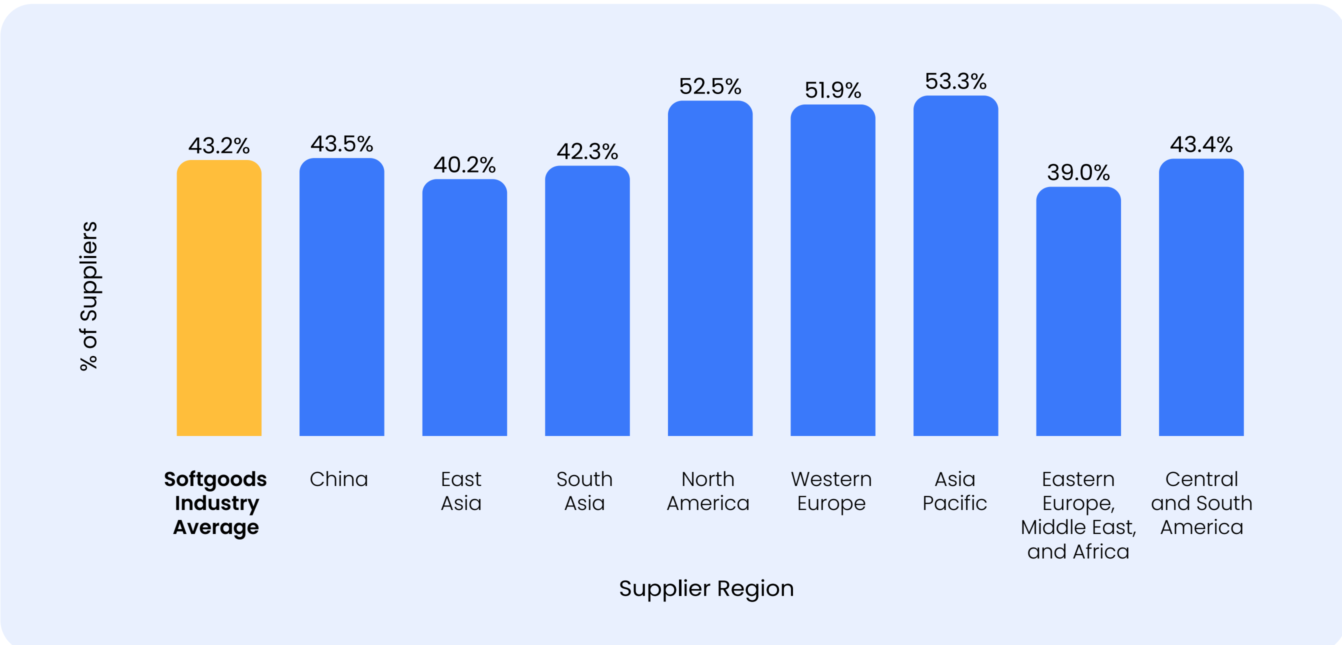


Figure 9. Regional Comparison of Suppliers Reporting 100 percent of Orders Covering Costs of Compliant Production

> Significantly more suppliers in Asia Pacific, North America and Western Europe report that all their orders are priced to cover 100 percent of the cost of compliant production, compared to the industry average.

> The more high pressure cost negotiation strategies used, the less likely that orders will be priced to cover compliant production.

> The number of suppliers reporting high-pressure cost negotiation strategies by customers is up 3 percent compared to last year, at 51 percent.

The cost negotiation strategies employed by buyers are a critical determinant of suppliers' financial stability.

When buyers employ high-pressure negotiation strategies, suppliers are forced to accept orders without reflecting cost increases, leading to distortions in production processes and increasing the risk of labor noncompliances and poor working conditions.

In the BBPPI 2025 rating cycle, 51 percent of suppliers reported experiencing high-pressure cost negotiations, an increase of about three percentage points from 48.4 percent in the previous year. By region, suppliers in East Asia reported the highest incidence of such practices (see Figure 10). In contrast, Central and South America recorded the lowest rate, while Western Europe and China also remained below the soft goods industry average.

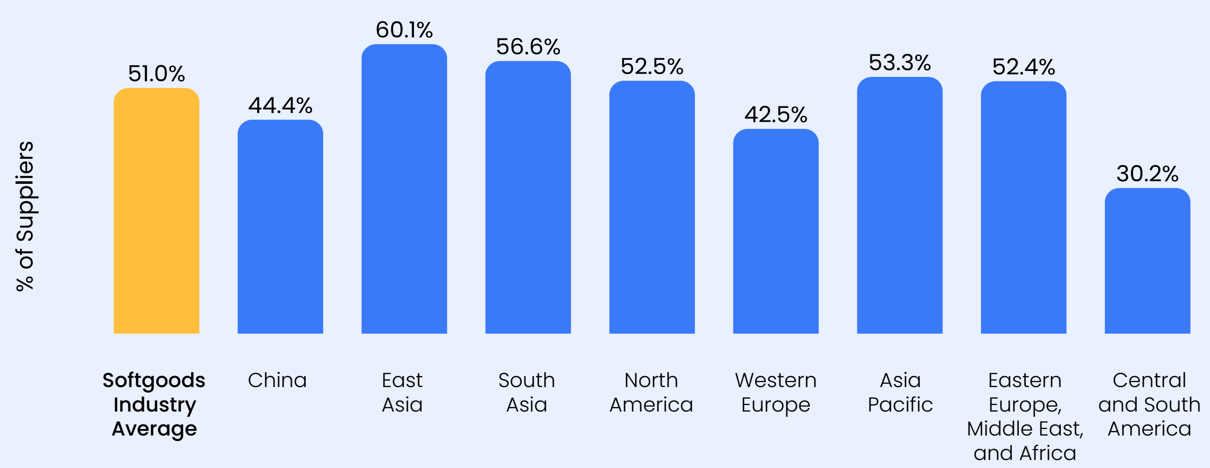


Figure 10. Regional Comparison of Suppliers Experiencing High-Pressure Cost Negotiation Strategies

Suppliers reported three main strategies most commonly used by buyers during price negotiations. The most frequently reported were 'Take it or leave it - meet the target cost or supplier cannot win the order' (53.6 percent), 'Demanding level prices be maintained from year to year, no consideration for inflation' (46.4 percent), and 'Sharing competitors' bids/pressure to meet other competitors across different countries' (42.5 percent).'

A supplier in East Asia reported the challenges of price negotiations: *"Cost negotiations are heavily focused on price, often ignoring real cost drivers such as inflation, raw material increases, and labor costs. Practices such as 'take it or leave it' pricing, repeated renegotiations after production starts, and demands for unrealistic efficiency gains create financial strain and disrupt operations. There is little consideration for supplier investments in compliance, technology, or product development, while administrative requirements continue to grow without any margin support."*

BEST PRACTICE

"The buyer does not place undue pressure on us during the costing process. Instead, we engage in open and constructive cost negotiations based on current raw material prices, which we find fair and collaborative. While the buyer is not directly investing in our operations to help establish high-tech solutions for cost savings, they consistently share valuable ideas and concepts. We appreciate their willingness to advise and share knowledge, which we implement as needed to improve our processes. This ongoing exchange of ideas is highly beneficial and contributes positively to our partnership,"
Supplier, Central and South America

Sourcing and Order Placement

Inaccurate purchase orders or order cancelations after purchase orders have been issued create heavy administrative burdens and financial losses for suppliers, which may ultimately have negative consequences for workers' livelihoods. In particular, order cancelations can cause a ripple effect of damage not only to first-tier suppliers but also across the entire downstream supply chain.

In the BBPPI 2025 rating cycle, 79.3 percent of suppliers reported 90-100 percent purchase order accuracy for bulk production, a decrease of about three percentage points from 82.4 percent in the previous year (see Figure 11). Smaller shares reported lower levels of accuracy, with 2.5 percent of suppliers citing 50-69 percent accuracy and 1.7 percent reporting less than half of orders as accurate. Although these groups represent a minority, their presence highlights that a segment of suppliers continues to face inefficiencies and additional costs due to inaccurate order information.

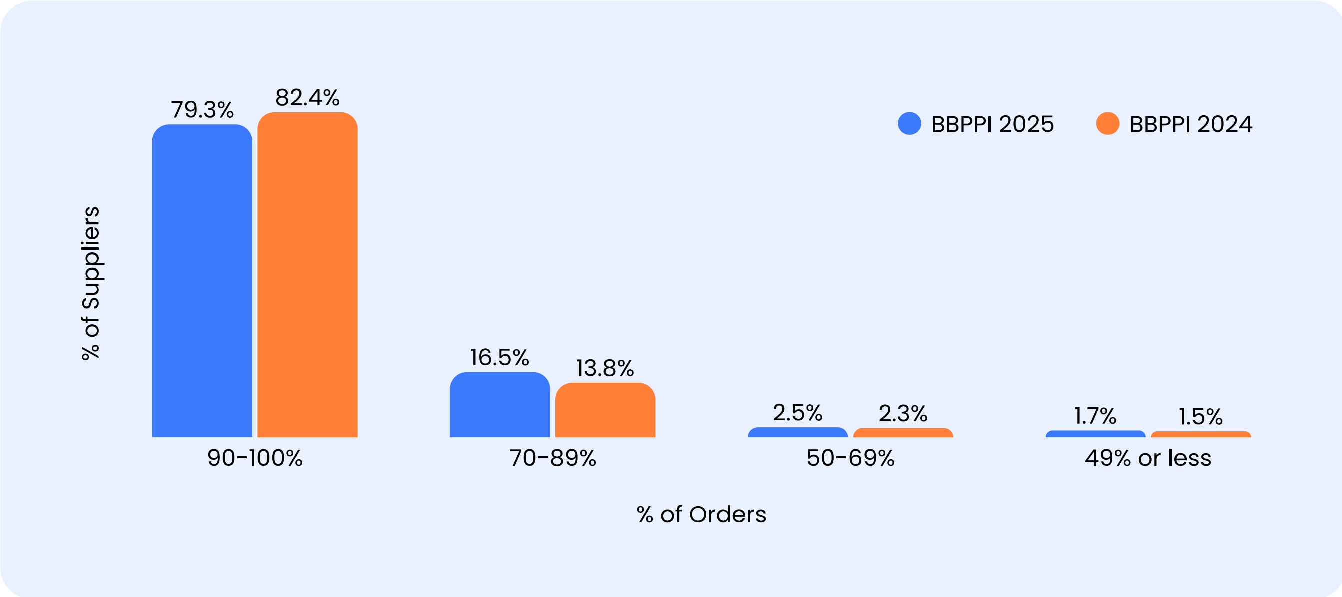


Figure 11. Purchase Order Accuracy for Bulk Production

Figure 12 presents a regional comparison of suppliers reporting 90-100 percent purchase order accuracy for bulk production. The soft goods industry average stands at 79.3 percent, but results vary significantly by region. Central and South America, North America and Western Europe performed strongly, suggesting that buyers in these regions have more robust systems in place to ensure precise purchase order management.

In contrast, some regions continue to fall below the industry benchmark. East Asia reported the lowest level of purchase order accuracy at 71.2 percent, followed by Eastern Europe, the Middle East, and Africa at 73.2 percent. These lower scores indicate that suppliers in these regions are more frequently exposed to inaccurate orders, which can create inefficiencies and financial strain. Although China, South Asia, and Asia Pacific were closer to the average, their results still suggest room for improvement.

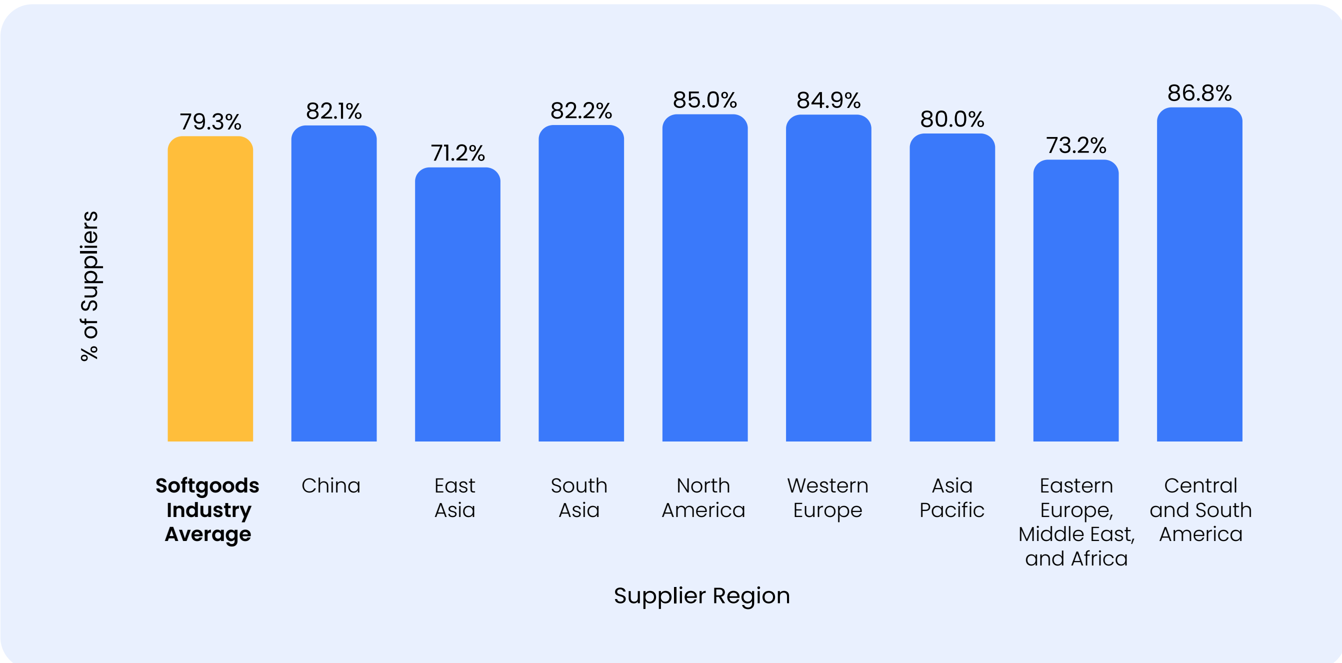


Figure 12. Regional Comparison of Suppliers Reporting 90-100 percent Purchase Order Accuracy for Bulk Production

Monthly order variation is a major challenge for suppliers seeking to plan their workforce and resources. Cascale's Better Buying Order Risk-to-Reward (ORR) metric quantifies this variability, providing an objective measure of the level of risk created by buyers. A lower ORR reflects greater predictability of orders, which in turn has a positive impact on suppliers' operational stability.

In the 2025 cycle, the soft goods industry's ORR decreased 10 percentage points from 96.6 percent to 86.6 percent, marking a notable improvement compared to the previous year. Even with external volatility, the ORR decline shows that some buyers improved order predictability, evidence that disciplined order management is within buyers' control.

By region, East Asia reported the lowest ORR, suggesting that buyers are placing orders with suppliers in a relatively predictable manner (see Figure 13). In contrast, Western Europe recorded the highest ORR at 124.7 percent, reflecting heavy monthly order fluctuations. Buyers should carefully examine whether such high volatility is creating challenges for suppliers in these regions, particularly in terms of production planning and workforce management.

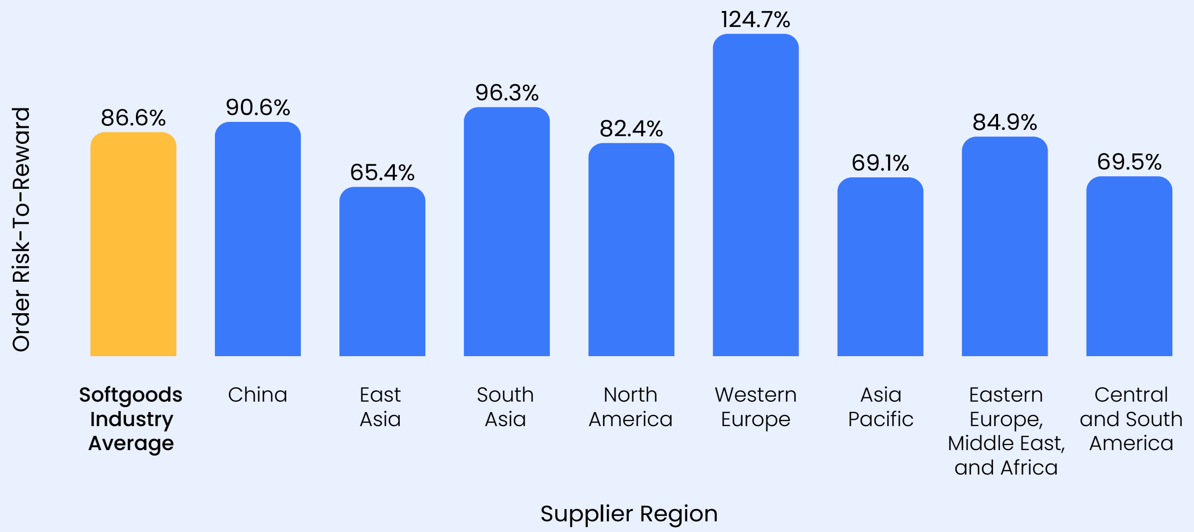


Figure 13. Regional Comparison of Order Risk-to-Reward (ORR)

A SUPPLIER IN SOUTH ASIA DESCRIBED THE DIFFICULTIES CAUSED BY HIGH ORDER VARIABILITY: *"This variability was two fold over 2024. During the beginning and middle of the year, the orders were much lower than previous years which caused us to do layoffs as well as not have over time. As a result, we lost many workers who left for other industries. Then, towards the end of the year, the orders were suddenly larger than they ever were in the last three years and then we were trying to get more workers. The large variance was hard to manage."*

ONE SUPPLIER IN CHINA HIGHLIGHTED CURRENT CHALLENGES AND SUGGESTED AREAS FOR IMPROVEMENT: *"The current biggest challenge is that there is an obvious off-season and peak-season difference in orders. This imbalance makes it difficult for the factory to maintain a stable production rhythm, resulting in idle production capacity due to insufficient orders and further pushing up the production cost per unit product. Or excessive orders cause overloaded operation, which in turn leads to delivery* *delays or product quality that the brand can adopt the order distribution. For production and inventory some non-urgent orders duction in the off-season; risks brought by a single adjusting the delivery cy- the order fluctuations, efficient resource utiliza- costs."*

BEST PRACTICE

"What strategies can brands adopt to balance order distribution? Suppliers suggest planning production and inventory management in advance, arranging for non-urgent orders to be produced off-season, and adjusting the delivery cycle to smooth out order fluctuations."

decline. It is suggested strategies to balance example, by planning management in advance, can be arranged for pro- diversify the seasonal product. Reasonably cle can also help smooth thereby achieving more tion and lower operating

Payment and Terms

Payment terms are a critical factor for suppliers, directly tied to their financial stability and business continuity. Since production-related costs, including sample development, are incurred as upfront investments, timely and full payment from buyers is essential to stabilize suppliers' cash flow and ensure the proper payment of worker wages and legally mandated benefits.

Figure 14 illustrates supplier-reported rates of on-time payment for bulk production invoices. In 2025, 78.0 percent of suppliers reported that all invoices were paid on time, representing a decline of 2.1 percentage points from 80.1 percent in the previous year. This shift indicates a weakening in overall payment practices. Of particular concern, suppliers reporting 59 percent or fewer invoices were paid on time increased from 1.2 percent in 2024 to 3.0 percent this year. This trend suggests that the payment practices of some buyers may be exposing suppliers to heightened financial risks, undermining cash flow stability and potentially jeopardizing compliance with wage and benefit obligations.

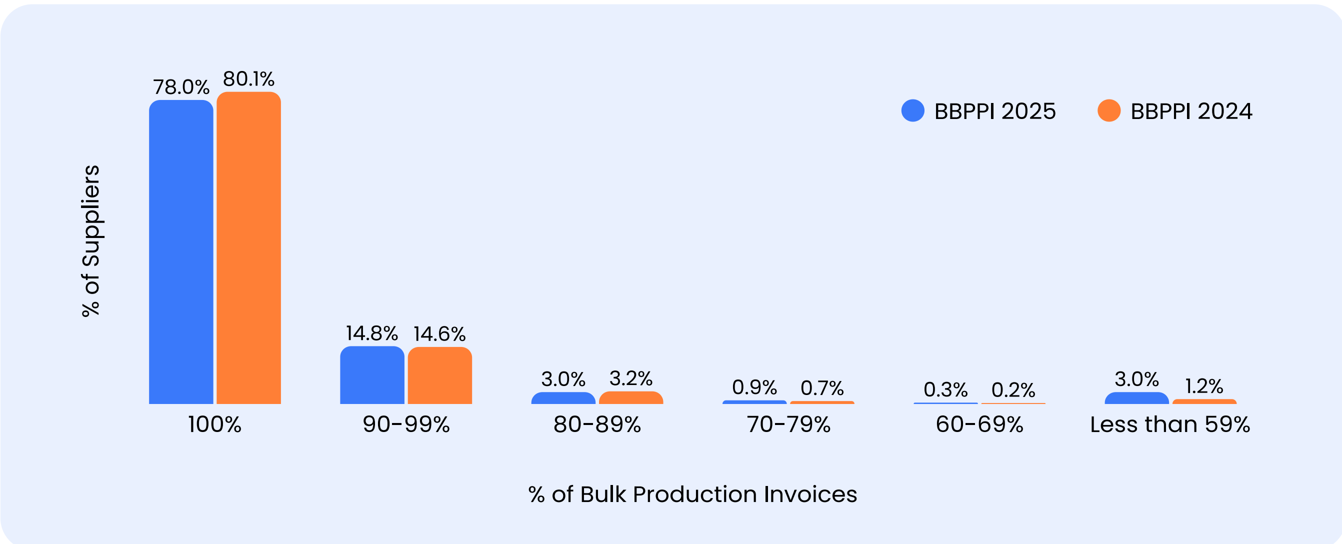


Figure 14. Distribution of Suppliers by Percent of Bulk Production Invoices Paid on Time

By region, suppliers in Western Europe and Central and South America reported lower rates of on-time payment, indicating a clear need for improvement in these areas (see Figure 15). Since timely payment is a key factor directly affecting suppliers' cash flow and their ability to pay worker wages, buyers sourcing from these regions should carefully review their payment procedures and ensure strict adherence to contractual obligations.

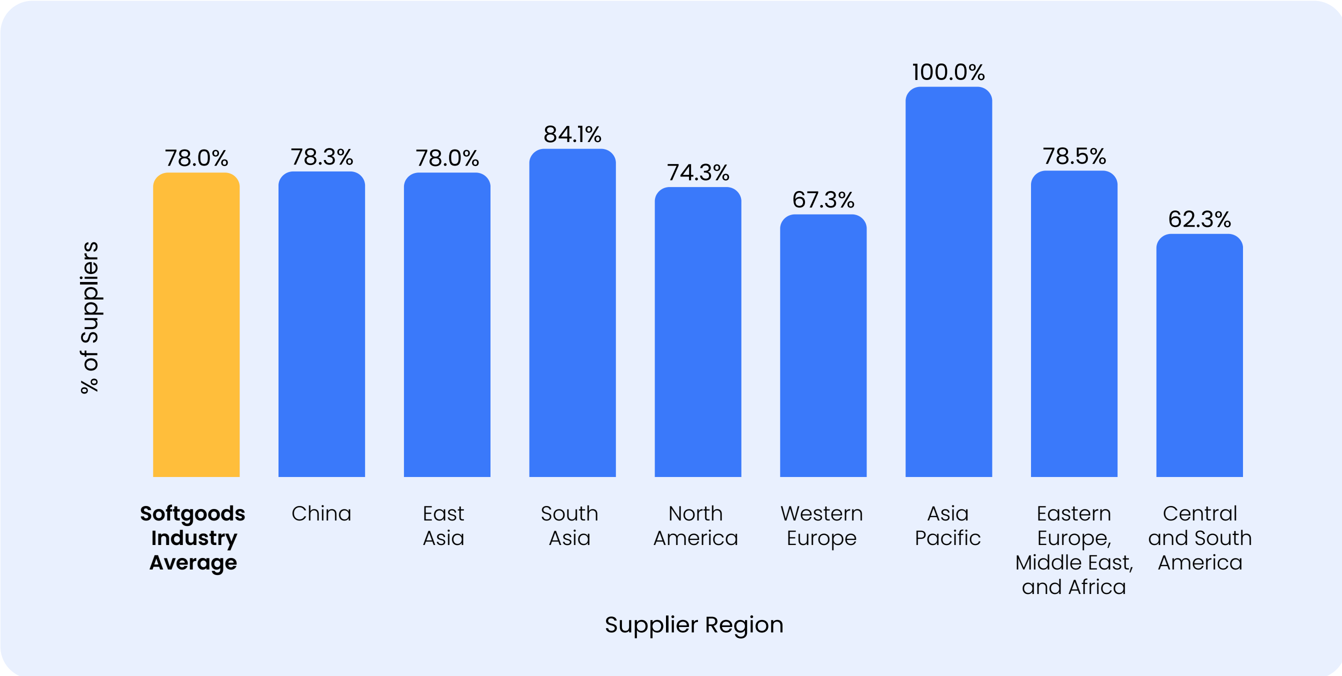


Figure 15. Regional Comparison of Suppliers Reporting 100 percent of Bulk Production Invoices Paid On Time

Excessively long payment terms place significant strain on suppliers' cash flow and limit their ability to pay workers' wages and legally mandated benefits on time. Buyers therefore need to establish reasonable payment conditions that do not shift production costs onto suppliers. Better Buying recommends that payment terms be set at 60 days or less.

In 2025, 43.6 percent of suppliers reported receiving payment terms within 60 days. However, clear regional differences were observed (see Figure 16).

> Suppliers in China, as well as in South Asia, more frequently reported payment terms of 91 days or longer, suggesting that suppliers in these regions may be experiencing greater financial pressure and cash flow instability than those in other regions.

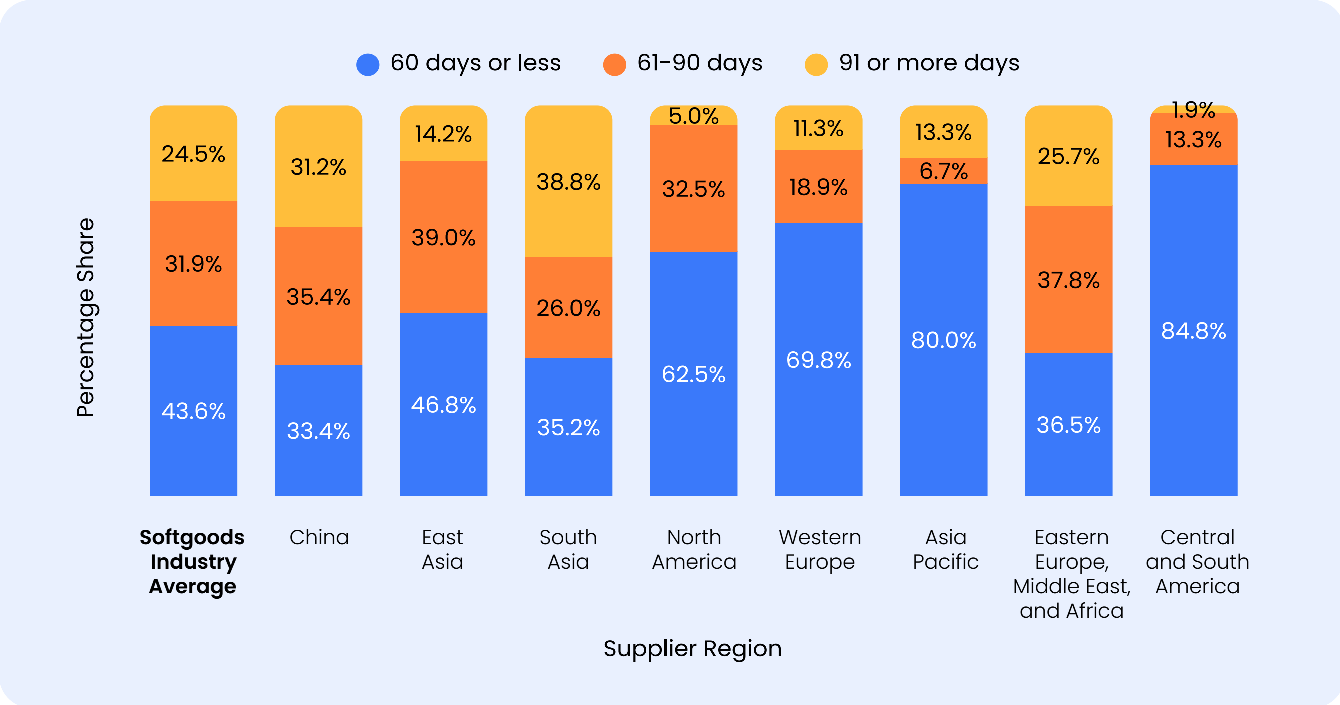


Figure 16. Regional Comparison of Agreed Payment Terms by Length

ONE SOUTH ASIA-BASED SUPPLIER SUGGESTED: *"Currently, the payment terms offered are quite extended, which puts considerable financial strain on suppliers, especially in a high-cost environment with rising raw material and labor expenses. Long payment cycles limit our ability to reinvest in production capacity, innovation, and compliance initiatives. We suggest reassessing payment terms to make them more supplier-friendly, such as transitioning to 60-day terms or offering partial advance payments for bulk orders—especially for long-lead production."*

Management of the Purchasing Process

A clearly defined Time and Action Calendar (T&A Calendar) covering the period from pre-production to final delivery is an essential planning tool for both suppliers and buyers and helps keep both parties accountable for their respective tasks. When this calendar is agreed with suppliers, it helps increase transparency and allows buyers' own staff and suppliers to plan for upcoming processes. An agreed T&A Calendar enables suppliers to systematically prepare for material procurement, workforce management, and production processes, helping to prevent delivery delays and avoid excessive overtime.

Meeting deadlines, in particular, is a critical factor that enables suppliers to plan and carry out work

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"One best practice we've observed is the buyer's structured purchasing calendar and clear critical path management, which helps with planning and resource allocation. Communication from the buying and production teams is generally consistent, and there is a disciplined approach to tracking approvals and timelines. The use of digital platforms for order management and documentation has also improved efficiency and reduced errors. Additionally, the buyer maintains regular touchpoints with vendors, which supports alignment and quick issue resolution during key stages of the production cycle." Supplier, East Asia.

efficiently without unnecessary time pressure. In the BBPPI 2025 rating cycle, 60.1 percent of suppliers reported that buyers met their deadlines, a decrease from 62.8 percent in the previous year. This suggests that nearly 40 percent of suppliers may have experienced time pressure as a result of buyers failing to adhere to agreed timelines.

By region, suppliers in most areas reported buyers' deadline compliance rates below the soft goods industry average, with the exceptions of China and South Asia.

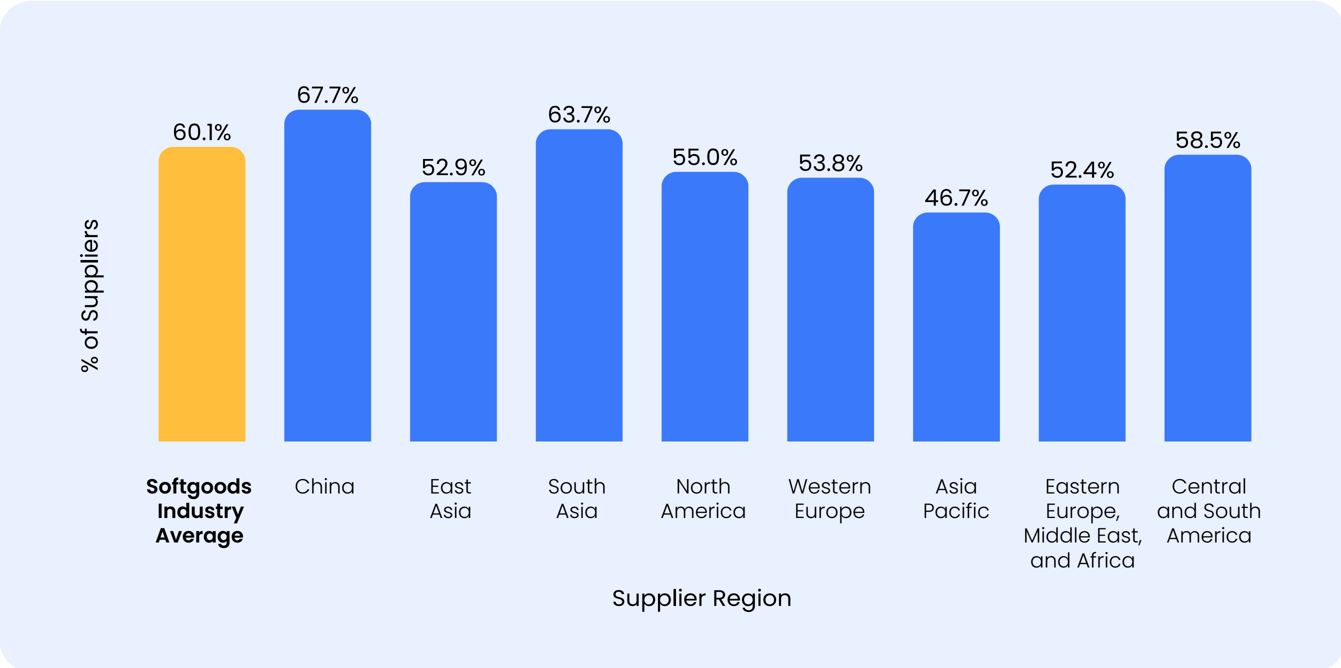


Figure 17. Suppliers Experiencing No Missed Milestones by Buyer

Win-Win Sustainable Partnership

To drive meaningful improvements in sustainability, buyers need to incorporate supplier perspectives into the process of setting corporate social responsibility (CSR), compliance, and environmental sustainability goals, and ensure these values are consistently aligned across buyers' internal departments. If the requirements set by buyers' sourcing or product development teams conflict with sustainability objectives, suppliers may be forced to make difficult trade-offs.

In response to the question on the types of demands made by buyers' sourcing and product-focused staff that conflicted with CSR/compliance/environmental sustainability requirements, 85.2 percent of suppliers reported that no conflicting demands were made. This suggests that most buyers have integrated sustainability expectations across internal functions to deliver a consistent message to suppliers. However, 14.8 percent of suppliers still reported experiencing conflicting demands, highlighting the need for buyers to strengthen internal alignment and collaboration to ensure consistent policies.

By region, Asia Pacific and Western Europe recorded comparatively lower levels of 'no conflict' responses (see Figure 18). In these regions, suppliers may still be pressured to prioritize demands from buyers over sustainability, and improvements are needed to prevent such conflicting situations.

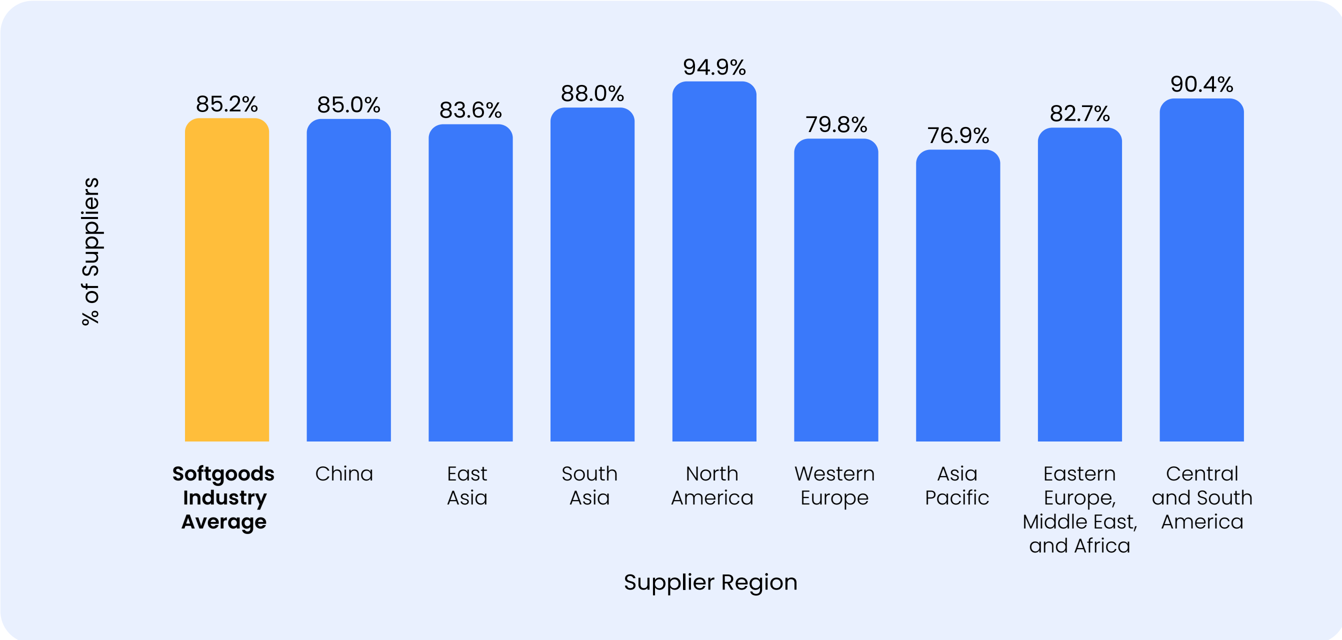


Figure 18. Regional Comparison of Buyers Making No Conflicting Demands with Sustainability Requirements

Accepting recently completed third-party audits, rather than requiring suppliers to undergo buyers' own audits, helps avoid duplication and significantly reduces audit fatigue for suppliers. This practice not only lowers administrative and financial burdens but also allows suppliers to redirect time and resources toward improving working conditions and compliance.

Figure 19 compares, by region, whether buyers accepted suppliers' recently completed audits. In North America, 25 percent of suppliers reported that buyers did not accept completed audit results, suggesting that these suppliers may face duplicate audit requirements. To foster cooperative and sustainable partnership, buyers should place greater emphasis on recognizing external audit results and building trust-based partnerships with their suppliers.

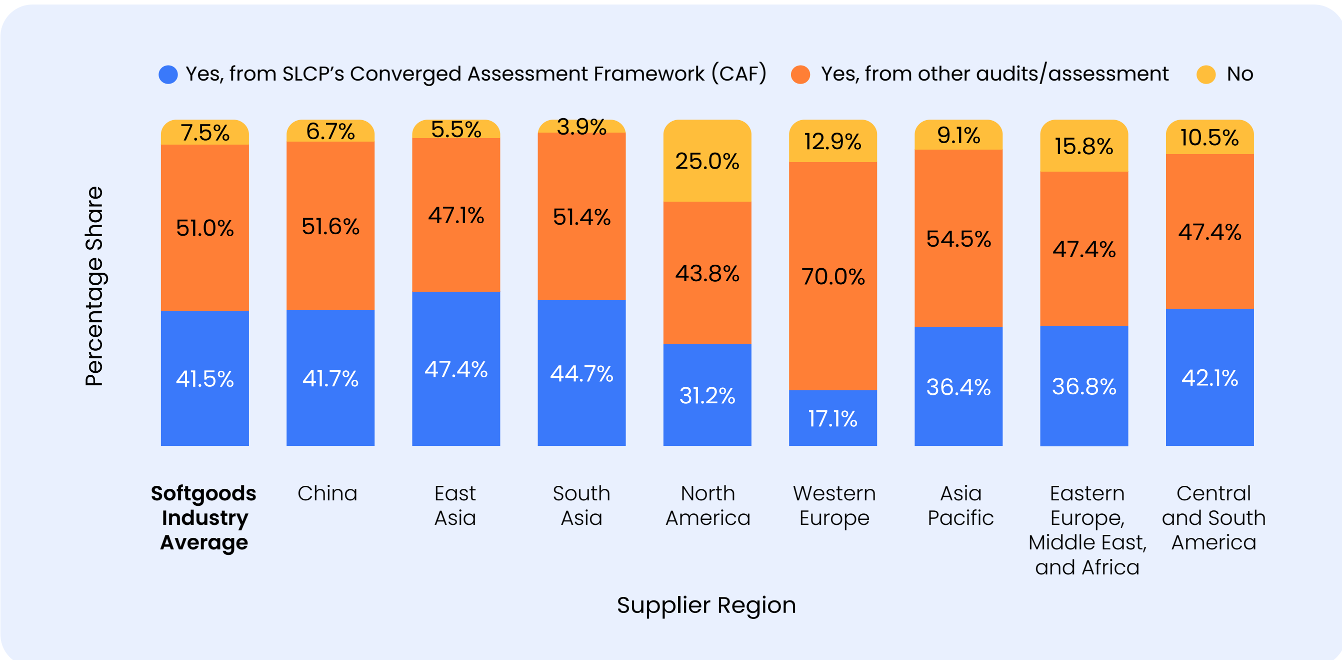


Figure 19. Regional Comparison of Recently Completed Audits Accepted

BEST PRACTICE

"We are actively working on sustainable approaches in collaboration with the buyer, particularly in the areas of sustainable fabrics, trims, and chemicals. In addition, we are engaged in a targeted collaboration with the mill to develop laser-friendly fabrics. This initiative aims to reduce or eliminate the need for chemical applications on garments, thereby promoting more environmentally friendly production methods. These joint efforts reflect a shared commitment to sustainability and innovation. We appreciate the buyer's support and encourage continued collaboration to drive further advancements in sustainable practices across the supply chain." Supplier, South Asia.

2.3. Subscribers Showing Strong Performance in 2025

Even amid ongoing global uncertainty, trade disruptions, and the pressures of tariff issues, some repeat subscribers have continued to strengthen responsible purchasing practices and achieve sustained performance improvements. By tracking their purchasing practices annually through BBPPI data, these buyers have been able to identify opportunities for improvement and take action accordingly. Leveraging supplier evaluation data over the long term has likely enabled buyers to review internal processes and reinforce partnerships with their suppliers.

This section highlights the key 2025 results of three buyers that have participated in BBPPI for three consecutive years and demonstrated consistent year-over-year improvement in their purchasing practices.

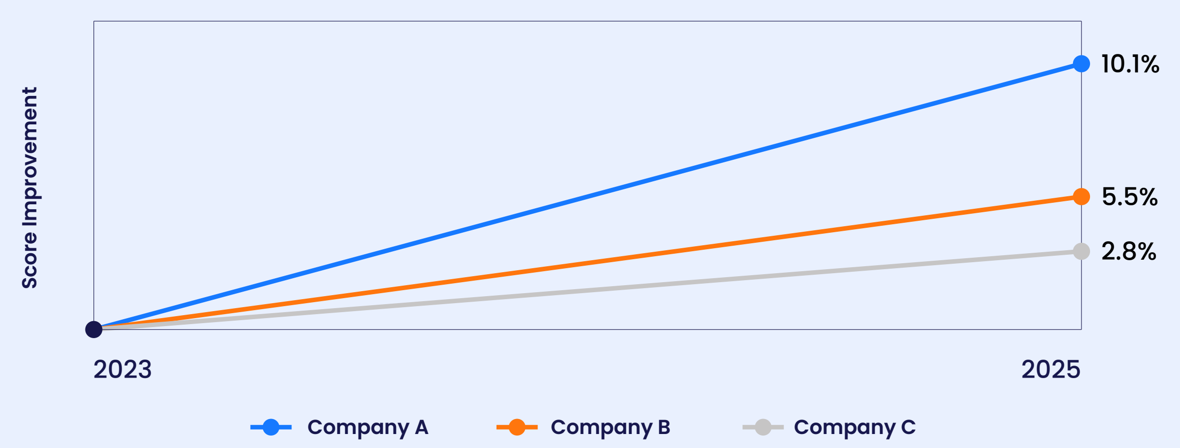


Figure 20. Overall Score Improvement of 3-Year Repeat Subscribers
Note: The chart shows the percentage improvement in each buyer's score from 2023 to 2025, using 2023 as the starting point.

Strengthening Visibility Through Advance Forecasting

One common feature across the performance of the three repeat subscribers is relatively high performance in the Planning and Forecasting category. On average, the three companies scored 64 points, which is eight points higher than the soft goods industry average of 56. This suggests that these buyers are taking a more systematic approach to providing forecasts, particularly in terms of timeliness, accuracy, and regular updates.

> The three repeat subscriber companies that have improved their scores, year over year, all reserve capacity in advance, and perform far above the industry average in Planning and Forecasting, the practice that suppliers consistently name as the most important area for buyers to focus on improving.

Figure 21 illustrates suppliers receiving forecasts and those receiving forecasts 120 days or more in advance of production across the soft goods industry average and three repeat subscriber companies. The industry average shows that 84.6 percent of suppliers reported receiving forecasts, while more than 98 percent of suppliers across all three subscribers did so. For forecasts provided 120 days or more in advance, the three companies reported rates ranging from 38.5 percent to 45.1 percent, all above the industry average, suggesting that the three subscriber companies are performing better than the broader market in supporting suppliers with advance planning.

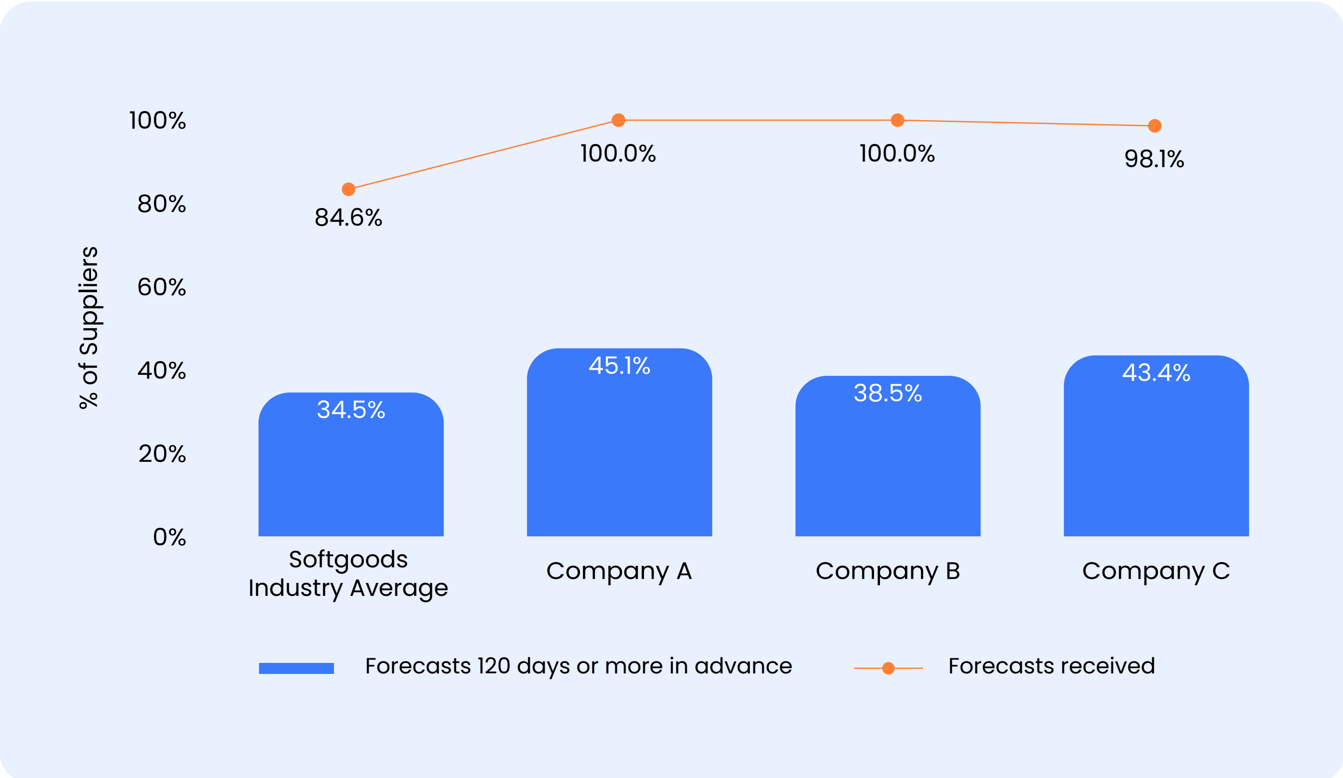


Figure 21. Forecast Received and Provided 120 Days or More in Advance of Production by Three Repeat Subscribers

In addition, suppliers of all three subscribers reported a 100 percent 'Yes' response to whether their buyer reserved capacity in advance of production. This indicates that the three subscribers not only provide suppliers with sufficient advance forecasts but also reserve capacity before production begins. Such visibility and trust-based collaboration contribute positively across purchasing practices overall, reinforcing stability and strengthening partnerships with suppliers.

Suppliers to all three of the repeat subscriber companies reported a 100 percent 'Yes' response to whether the buyer reserved capacity in advance of production, significantly above the soft goods industry average score of 84.6 percent.

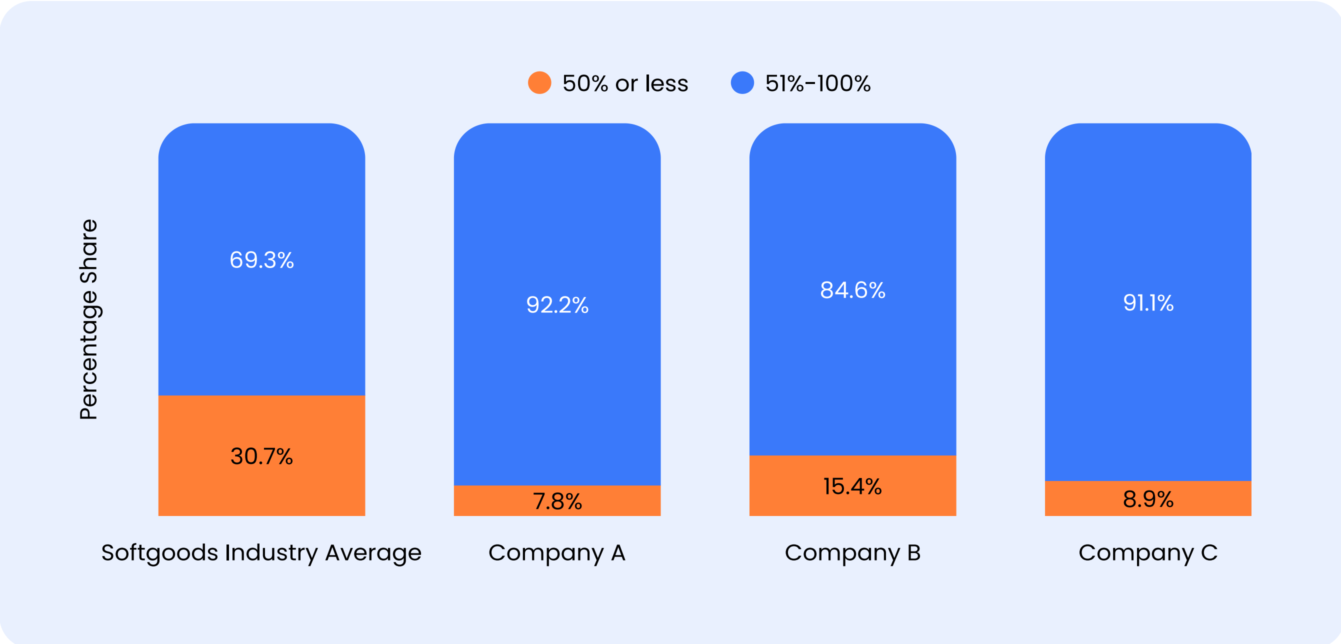


Figure 22. Sample Adoption Rate by Three Repeat Subscribers

High Sample Adoption and Fair Compensation

Suppliers of all three subscriber companies reported a high share of sample adoption rates above 50 percent, exceeding the soft goods industry average (see Figure 22). This indicates that samples requested by the three subscriber companies were likely to result in actual orders. A high adoption rate is a mutually beneficial practice, as it reduces wasted effort and resources associated with repeated sample development. It is also a positive signal that buyers view suppliers not merely as manufacturing partners but as strategic partners engaged from the earliest stages of product development.

All three of the repeat subscriber companies that have consistently improved their scores, year over year, show stronger commitment to compensating suppliers for unadopted samples, compared to the industry average.

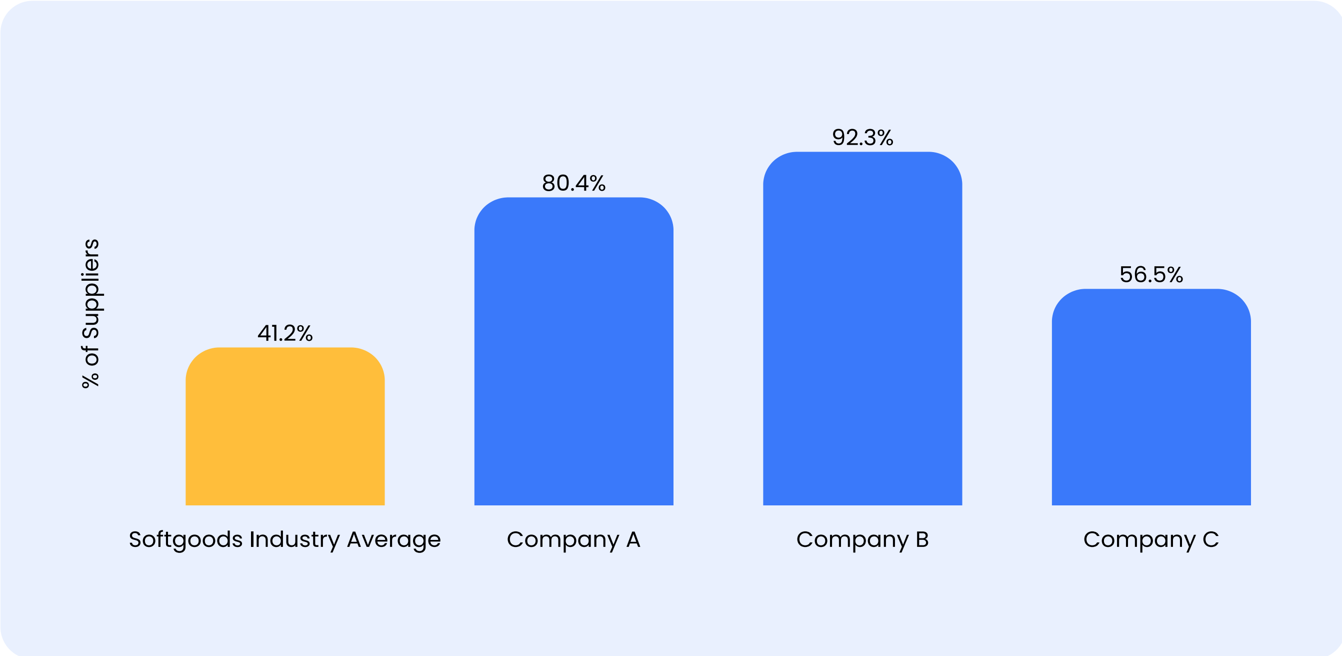


Figure 23. Suppliers Receiving Compensation for Sample Development

Sample development requires significant time and cost for suppliers, and appropriate compensation is therefore essential. While only 41.2 percent of suppliers industry-wide reported receiving payment for sample development, all three companies scored above this benchmark. (see Figure 23). These results suggest that the three subscribers demonstrate stronger commitment than the industry overall to fairly compensating suppliers for sample-related costs. Ensuring payment for sample development is an important aspect of equitable purchasing practices, as it reduces financial strain on suppliers and supports more sustainable buyer supplier relationships.

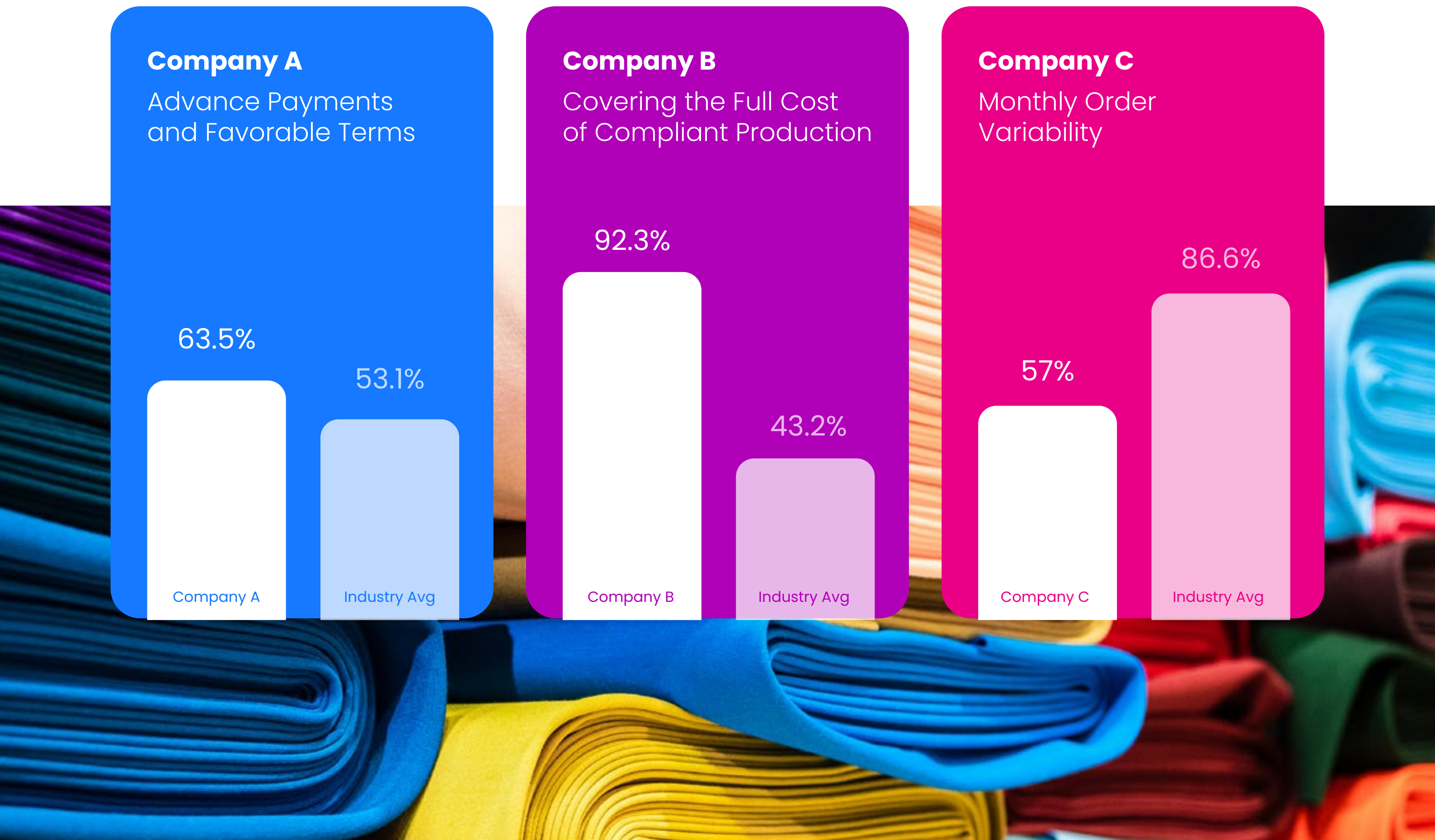
Strengths of Individual Buyers in Purchasing Practices

In addition to the commonalities previously described, the three repeat subscriber companies each demonstrated their own strengths in purchasing practices.

Among Company A's suppliers, 63.5 percent reported receiving advance payments or favorable terms from the buyer, more than ten percentage points higher than the soft goods industry average of 53.1 percent. This indicates that Company A actively works to ease suppliers' financial burdens. Since suppliers must cover all costs associated with production such as materials and labor from the start of production, advance payments play an important role in stabilizing cash flow and reducing risks such as delayed wage payments.

For Company B, 92.3 percent of suppliers reported that their buyer covered compliant production costs for all orders (i.e., 100 percent), far exceeding the soft goods industry average of 43.2 percent. This suggests that Company B applies costing practices that align with CSR/sustainability requirements.

Company C reported an ORR of 57 percent, nearly 30 percentage points lower than the soft goods industry average of 86.6 percent. This indicates that Company C maintains more consistent monthly order volumes. With predictable ordering patterns, suppliers working with Company C were likely able to reduce challenges associated with excessive labor demands during peak seasons or underutilization of workers during low seasons.



3. Recommendations for Buyers

Adapt to Global Volatility

This year, the sudden emergence of tariff issues contributed to heightened uncertainty and global tensions during the rating cycle. With additional tariffs possible next year, their impact is likely to become more visible in the results. Tariffs may shift again in 2026, but the results show that resilient practices like forecast SLAs, PO accuracy, cost coverage, ≤60-day terms, are what determine supplier experience. As a consequence, purchasing practice performance may show clearer regional differences, and suppliers could face heightened risks. Buyers should take proactive steps and develop adaptive strategies to sustain progress and mitigate potential disruptions.

Take a Regional Approach

Regional differences in purchasing practices show that suppliers' experiences are shaped by local contexts and business environments. Buyers should adopt region-specific strategies, learning from higher-performing regions and directing additional support to those facing persistent challenges, to foster more balanced and sustainable improvements across their global supply chains.

Strengthen Forecasting

Forecasting continues to be a critical area where buyers fall short, causing major instability for suppliers. Buyers should provide clearer and more reliable visibility into future demand, supported by timely updates when conditions change. Doing so will help suppliers plan resources effectively, manage risks with greater confidence, and maintain steady operations even in volatile market environments.

Think Long-term

Long-term, stable and predictable business supports suppliers to provide decent working conditions, optimize production, and reduce negative environmental impacts. Buyers should focus on formalizing long-term commitments and true partnerships with suppliers, so that when unexpected shocks such as the sudden changes to trade tariffs occur, the foundations are in place to co-creating solutions, and weathering the storm.

Leverage BBPPI Data to Drive Improvements

The improvements made by repeat subscribers show that steady progress is possible even in a difficult environment. Buyers looking to improve should leverage their BBPPI data not only to benchmark performance but also to identify gaps, and embed sustainability and fairness across all their purchasing practices.

4. Appendix: Methodology

4.1. About Better Buying Data Collection

The data presented in this report was collected during the Q2 2025 rating cycle that ran between April 1 and June 5, 2025. A total of 23 buyer companies engaged with Better Buying through paid subscriptions (Table A1). In addition to providing a supplier list (full or partial) and invitation letter to Better Buying, these subscribers directly approached their suppliers to solicit participation during the rating cycle. Better Buying used the contact information and invitation letters provided by subscribers to contact their suppliers and urge them to take the opportunity to give honest and anonymous feedback about their buyers' practices. The overall response rate averaged 58.6 percent – a 12.9 percentage points increase from the Q2 2024 data collection cycle – and ranging from 27.2 percent for a very small subscriber to 100 percent for a large subscriber surveying only its strategic suppliers. Apart from reaching out to the subscribers' suppliers, Better Buying also requested other suppliers globally to submit ratings for their buyers with whom they had an active working relationship. As a result, Better Buying received ratings for 12 buyers who are not currently subscribed (Table A2).

Table A1. Better Buying Subscribers Rated during 2025 Rating Cycle

Subscriber	Headquarter Country
Amazon Services, Inc ❖	
Amer Sports Sourcing Ltd ❖	Finland
American Eagle Outfitters ❖	United States
Communaute LLC dba DÔEN	United States
EILEEN FISHER, INC ❖	United States
Everlane ❖	United States
Gap ❖	United States
KiK Textilien und Non-Food GmbH	Germany

Subscriber	Headquarter Country
Lululemon ❖	Canada
Macpac New Zealand Ltd ❖	New Zealand
Mango ❖	Spain
Marks & Spencer ❖	United Kingdom
Nike Inc. ❖	United States
SanMar ❖	United States
Under Armour ❖	United States
VF Corporation ❖	United States

Note: Some subscribers have not given permission to be named.

Table A2. Non-Subscribers Rated during 2025 Rating Cycle

Colosseum Athletics Corporation	Fanatics Apparel, LLC ❖	L.L. Bean, Inc. ❖	Rodd & Gunn
Columbia Sportswear Company ❖	Fenix Outdoor ❖	Patagonia Inc. ❖	Sainsbury's Supermarkets Ltd. ❖
Decathlon SA ❖	Inditex ❖	Puma ❖	Target Corporation ❖

❖ = Cascale members

4.2. Participation in 2025 Rating Cycle

A total of 1,651 ratings were submitted in the 2025 rating cycle. Of those, 53 ratings were rejected during the data verification and cleaning phase because these were either duplicate ratings or ratings from suppliers who did not demonstrate a business relationship with the rated buyer over the last one year. Of the total, 258 ratings were for buyers whose largest orders were for products other than apparel, footwear, and household textiles; those are classified as 'hard goods' ratings and are separately analyzed and reported on elsewhere.

A total of 1,598 verified (1,340 soft goods and 258 hard goods) ratings were submitted. Non-subscribers received a total of 36 ratings (26 soft goods ratings and 10 hard goods ratings). In this Index Report, a total of 1,340 soft goods ratings (including ratings submitted for non-subscribers) were used. As shown in Table A3, out of the 35 buyers rated (23 subscribers and 12 non-subscribers), the largest number of buyers was headquartered in the North America region (60percent).

Table A3. Location of Rated Buyers

Region and Country	Frequency (n = 35)	% of Buyers
Asia Pacific	3	8.6%
Japan	1	2.9%
New Zealand	2	5.7%
Europe/United Kingdom	11	31.4%
Finland	1	2.9%
France	1	2.9%
Germany	4	11.3%
Spain	2	5.7%
Switzerland	1	2.9%
United Kingdom	2	5.7%
North America	21	60.0%
Canada	1	2.9%
United States	20	57.1%

Note. 'n' refers to the number of unique buyers rated.

4.3. About the Suppliers Who Submitted Ratings

Better Buying always protects the anonymity of suppliers by withholding the raw data and identities of those who submit ratings. The ratings in 2025 were submitted by 1,360 suppliers across 61 countries (see Table A4).

Eighty-two percent of suppliers were factory owners that collectively employ nearly 7.5 million workers in their 4,216 factories. The average number of factories the suppliers owned was 3.8. A majority of factory owners were OEM/Finished Goods/End Products Processing (Whole Package Producer/Assembler, 78.9 percent), followed by OEM/Finished Goods/End Products Processing (Final Product Assembly/Primary Contractor/CMT, 33.0 percent), and Intermediate Goods/Sub-Component Assembly (6.0 percent). Most frequently suppliers reported having business with 10 buyers during the last year. On average, suppliers had been in a business relationship with the buyers they rated for 12 years, ranging from less than one year to 100 years.

Table A4. Location of Supplier Headquarters

Region and Country	Frequency (n = 1,360)	%
Asia Pacific (Australia, Japan, New Zealand, and Samoa)	19	1.4%
American Samoa	1	0.1%
Australia	1	0.1%
Japan	16	1.1%
New Zealand	1	0.1%
China/Hong Kong/Macao	549	40.4%
China	434	31.9%
Hong Kong	106	7.8%
Macao	9	0.7%
East Asia (all others except China/Hong Kong/Macao)	276	20.3%
Cambodia	4	0.3%
Indonesia	35	2.6%
Korea, Republic of (South Korea)	64	4.7%
Malaysia	3	0.2%
Myanmar	1	0.1%
Philippines	5	0.4%

Singapore	16	1.2%
Taiwan	84	6.2%
Thailand	11	0.8%
Vietnam	53	3.9%
EEMEA (Eastern Europe/Central and Western Asia, Middle East, and Africa)	68	5.0%
Bahrain	1	0.1%
Egypt	6	0.4%
Greece	1	0.1%
Israel	1	0.1%
Jordan	5	0.4%
Mauritius	1	0.1%
Morocco	2	0.1%
Tunisia	1	0.1%
Turkey	46	3.4%
United Arab Emirates	4	0.3%
Latin America (Caribbean, Mexico, Central, and South America)	41	3.0%
Argentina	2	0.1%
Belize	1	0.1%
Brazil	5	0.4%
Colombia	2	0.1%
Dominican Republic	1	0.1%
El Salvador	7	0.5%
Guatemala	6	0.4%
Honduras	5	0.4%
Mexico	4	0.3%
Peru	8	0.6%
South Asia	239	17.5%
Bangladesh	88	6.5%
India	90	6.6%
Pakistan	44	3.2%
Sri Lanka	17	1.3%
North America (United States and Canada)	47	3.5%
Canada	5	0.4%
United States	42	3.1%

Western Europe/United Kingdom	121	8.9%
Austria	2	0.1%
Belgium	3	0.2%
Denmark	1	0.1%
France	3	0.2%
Germany	37	2.7%
Ireland	1	0.1%
Italy	27	2.0%
Lithuania	1	0.1%
Netherlands	3	0.2%
Poland	1	0.1%
Portugal	13	1.0%
Slovakia	1	0.1%
Slovenia	2	0.1%
Spain	15	1.1%
Switzerland	1	0.1%
United Kingdom	10	0.7%

Note. 'n' represents the number of unique suppliers submitting ratings, not the number of ratings submitted.

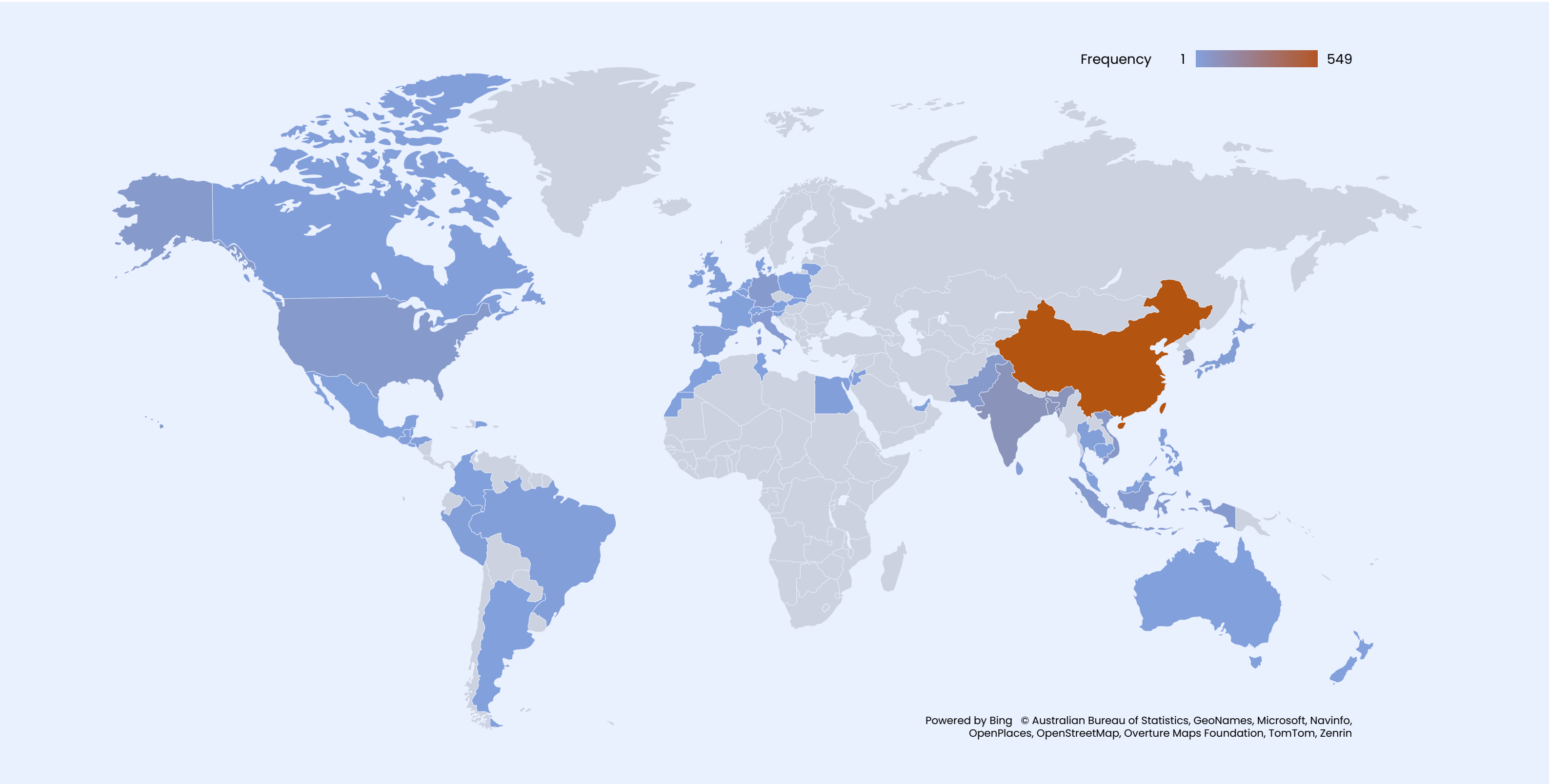


Figure A1. World Map of Supplier Headquarters
Note. Countries in gray indicate no suppliers submitted any ratings.

4.4. Data Analysis and Star Scoring

Better Buying uses a 0 to 100-point scoring system to calculate category and overall scores. The star 'grading' formula shown in Table A5 was applied. A rating of 0 stars indicates the worst performance and 5 stars indicates the best.

Better Buying uses the weighting system outlined in Figure A1 to determine the weight of each purchasing practices category to the overall score.

Table A5. Stars and Corresponding Numerical Scores

Numerical Score	Stars Awarded
96-100 points	★★★★★
90-95 points	★★★★⯪
84-89 points	★★★★☆
78-83 points	★★★⯪☆
72-77 points	★★★☆☆
66-71 points	★★⯪☆☆
60-65 points	★★☆☆☆
54-59 points	★⯪☆☆☆
46-53 points	★☆☆☆☆
37-45 points	⯪☆☆☆☆
36 or fewer points	☆☆☆☆☆

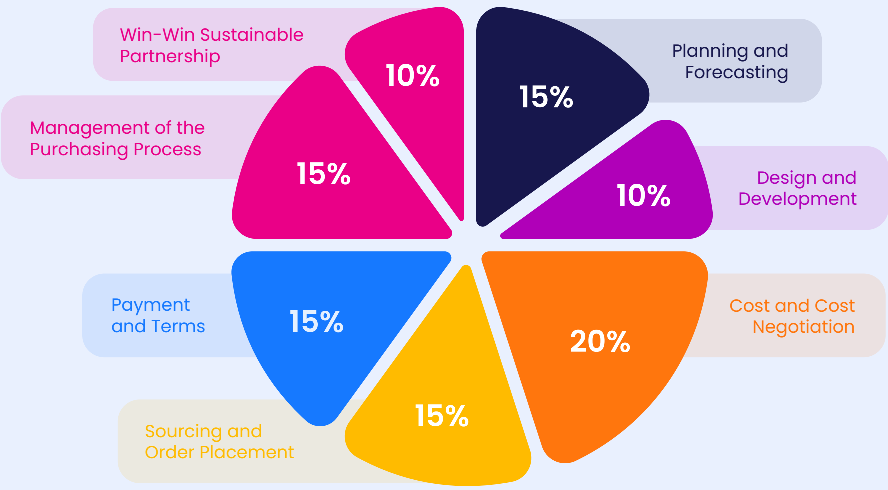


Figure A2. Weight of Seven Categories of Purchasing Practices to the Overall Better Buying Score www.cascale.org

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