

CARBON ARC — INSIGHTS EXCHANGE

Shein + Everlane a data-driven acquisition story

Structured intelligence on the consumers behind two of the most-watched fashion brands in America.

The Consumer Case: What the Data Says About **Shein** and **Everlane** Shoppers

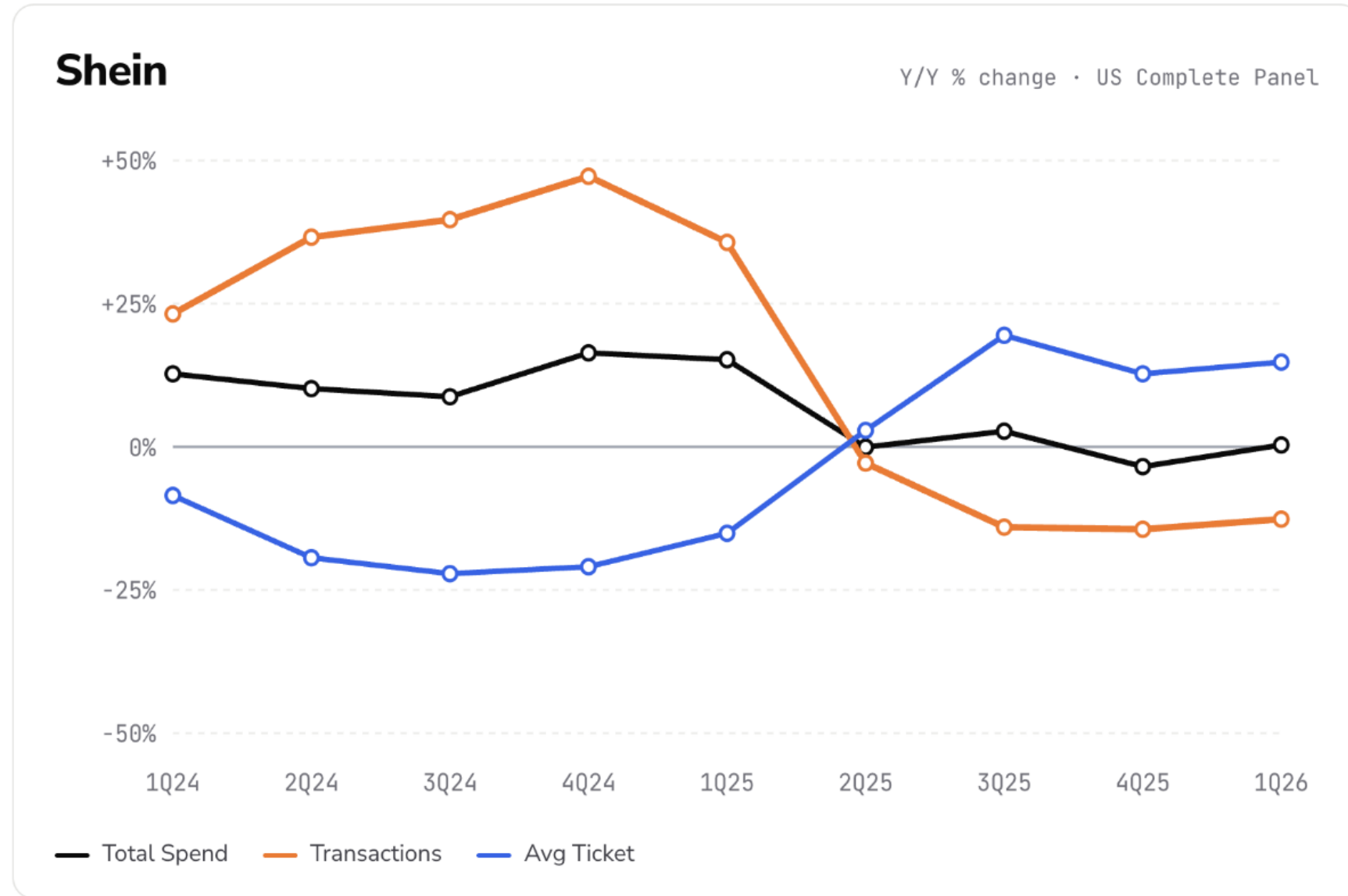
SIX FINDINGS

01 – 06

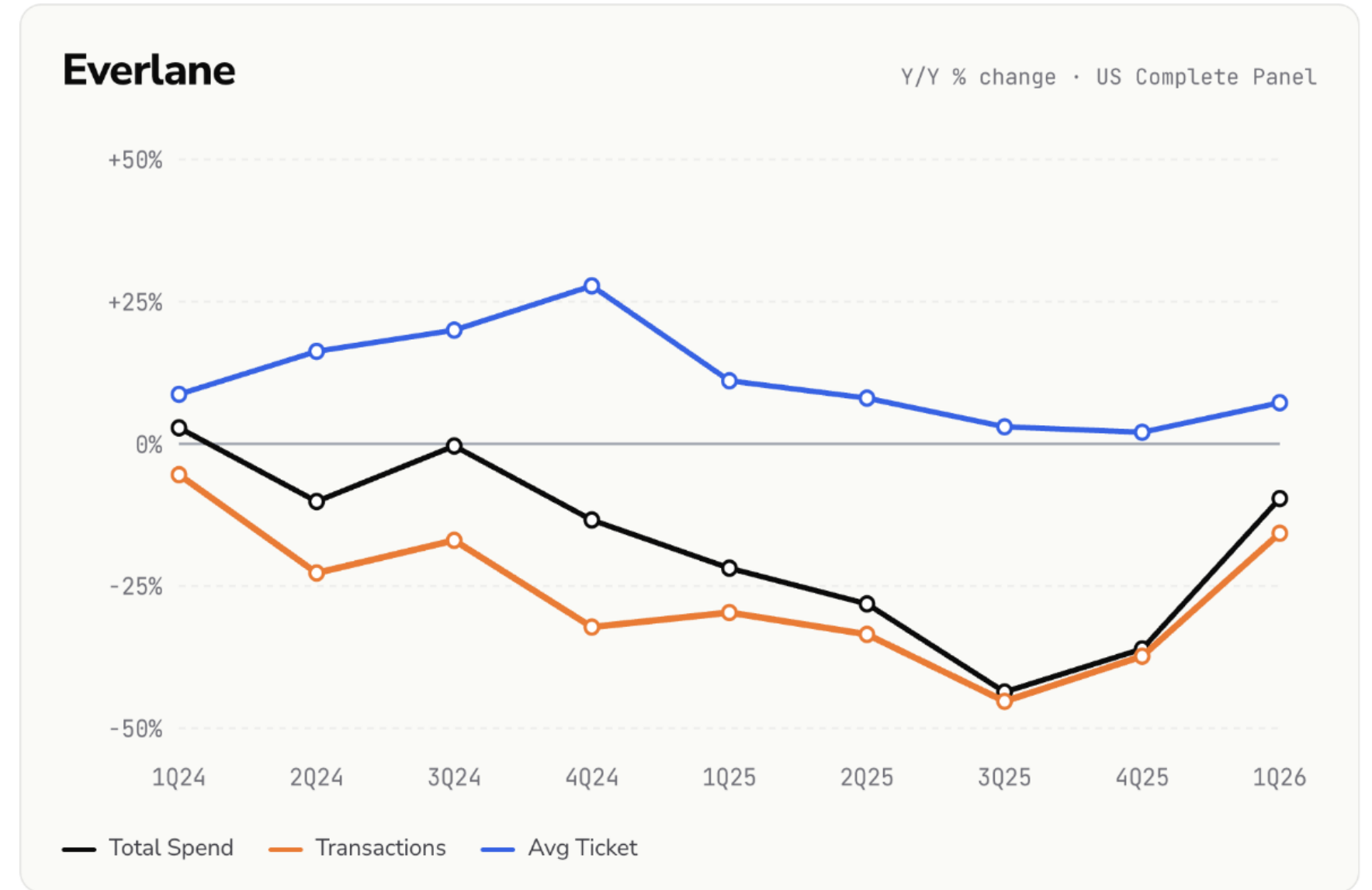
- 01** **Shein's** transactions have fully reversed into double-digit Y/Y declines while **Everlane's** deterioration is broader — losing customers and pricing power through mid-2025 before a modest 1Q26 recovery.
- 02** Of both brands' top 50 card affinities, **only Sephora overlaps**. **Everlane** customers cluster around premium basics while **Shein** customers shop ultra-value and marketplace platforms.
- 03** **Shein's** spend is **50% Gen-Z** and **53% from households under \$45K**, versus **Everlane's** Millennial/Gen-X base peaking in the \$60K–\$100K income range — nearly entirely different customer bases.
- 04** BNPL penetration is a consumer fingerprint: **Shein's** rate reflects a base that finances **small purchases out of necessity**, not aspiration.
- 05** Retention and ticket size tell different consumer stories. **Shein's** shopper is a **frequent, low-commitment** buyer while **Everlane's** is an **infrequent but deliberate** one.
- 06** **Shein's** spend is broadly national (South/Mountain West), while **Everlane** over-indexes in the Northeast and Pacific Northwest — a geographic split that mirrors each brand's demographic profile.

TOPLINE TRENDS · 1Q24 – 1Q26

Shein Transactions Stalling While Everlane Loses Customers and Pricing Power



Shein's volume surge in 2024 has unwound, transactions are now **down double digits Y/Y** while avg ticket recovers.



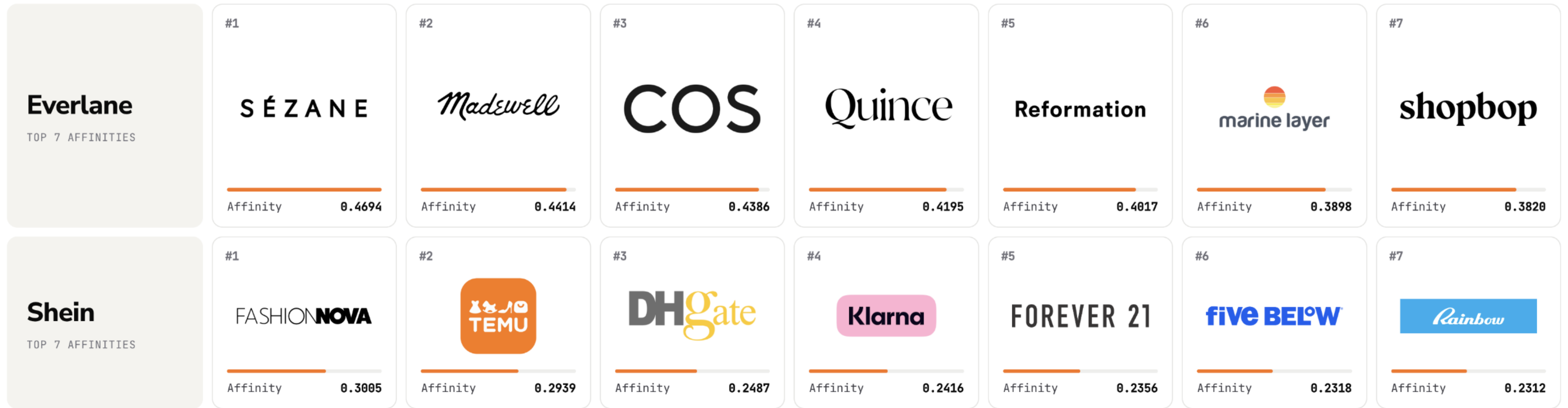
Everlane's deterioration is broader: customers are leaving and spending less, with **declines across spend and transactions** accelerating through mid-2025 before a partial 1Q26 recovery.

CROSS-SHOPPER UNIVERSES

Follow the Spend: Where **Everlane** and **Shein** Customers Actually Shop

Carbon Arc's cross-shopper credit card data reveals starkly different brand universes for **Everlane** and Shein customers — out of both retailers' top 50 card affinities, **only one brand appears on both lists: Sephora.**

ONLY OVERLAP Of 50 + 50 = 100 top affinities across both brands, **Sephora** is the single shared name.

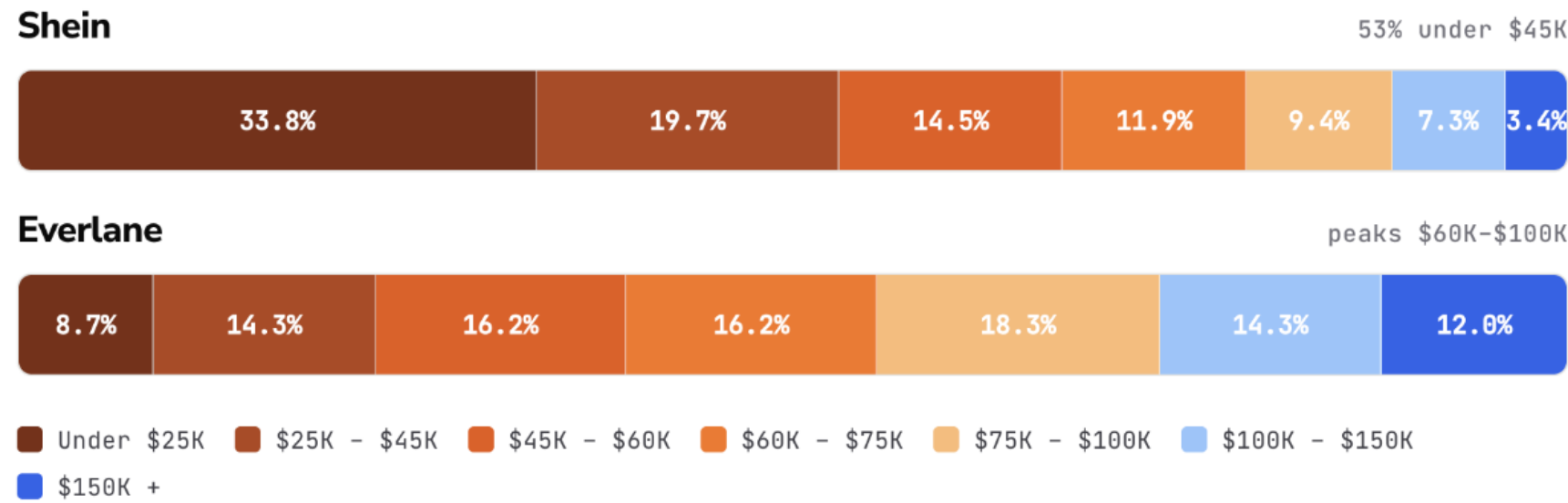


DEMOGRAPHIC SPLIT

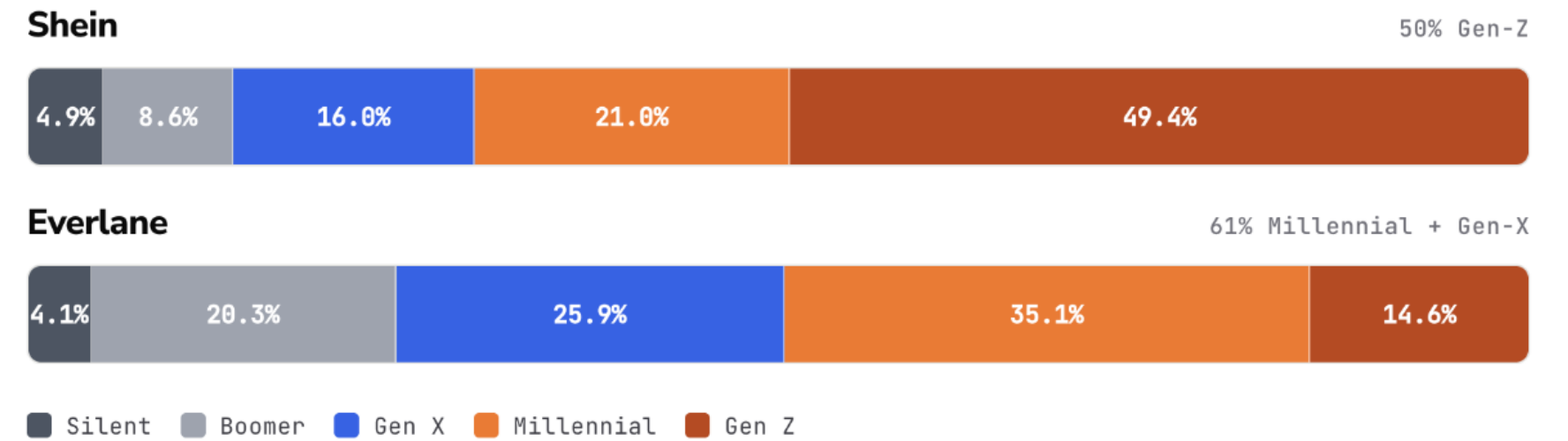
Shein and Everlane Serve Almost Entirely Different Customers

Shein's spend is concentrated among **Gen-Z (50%)** and households earning **under \$45K (53%)**. Everlane's base skews Millennial and Gen-X, with income peaking in the **\$60K-\$100K** range.

Spend Share by Income % of brand spend · 2025



Spend Share by Generation % of brand spend · 2025



53% of Shein spend comes from households under \$45K

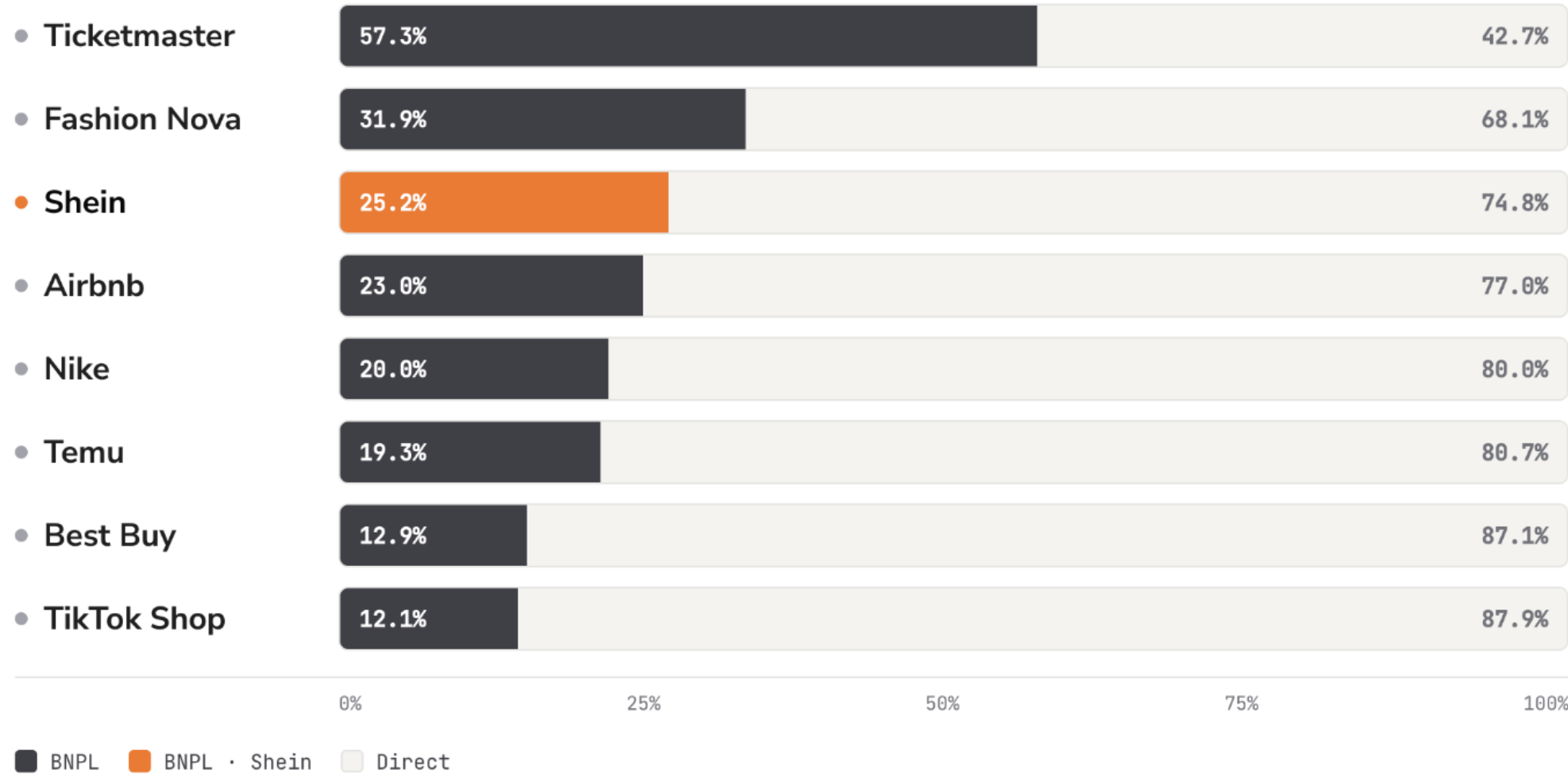
62% of Everlane spend comes from households \$60K - \$150K

50% of Shein spend is Gen-Z

61% of Everlane spend is Millennial + Gen-X

BNPL PENETRATION AS A CONSUMER FINGERPRINT

Understanding the Gen Z / Millennial Consumer



Shein's 25% BNPL rate lands between Fashion Nova (32%) and Temu (19%), but the more telling comparison is Nike and Airbnb.

ASPIRATIONAL FINANCING

Consumers financing aspirational sneakers or weekend getaways are a different story...

NECESSITY FINANCING

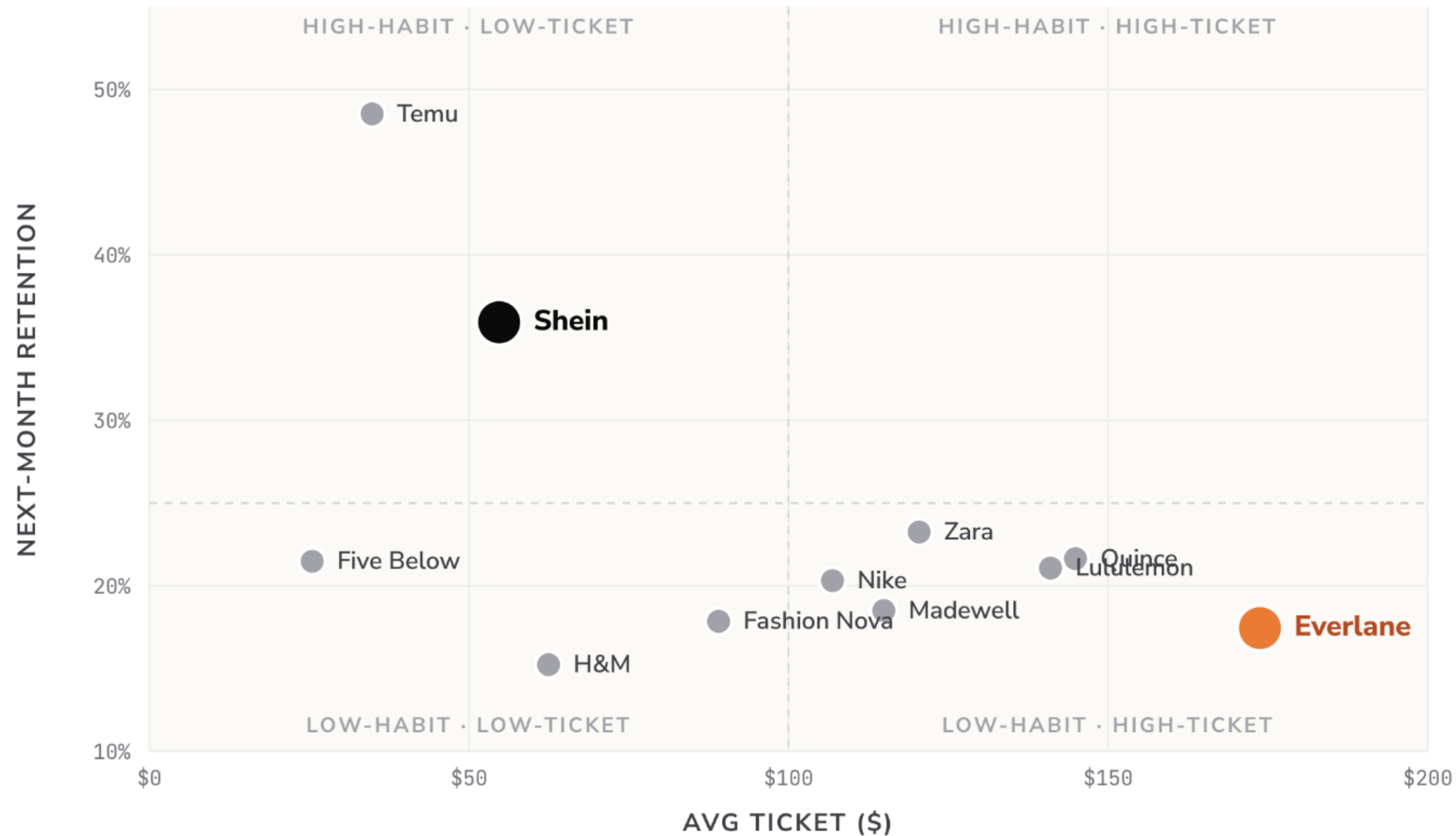
...from those splitting a \$31 order into \$9 Klarna installments.

Carbon Arc's intraday panel provides a valuable read into Gen Z and Millennial spending behavior.

THE ACQUISITION THESIS

Shein Wins on Habit. Everlane Wins on Basket. The Acquisition Bridges Both.

Shein retains customers at 2x Everlane's rate but at one-third the avg ticket (\$55 vs. \$174). Everlane's Millennial, middle-income shopper is the demographic Shein doesn't reach. The acquisition is a **move upmarket, not a consolidation play**.



35.9%
RETENTION · SHEIN

\$54.72
AVG TICKET · SHEIN

Frequent, low-commitment buyer. Highest repeat rate alongside Temu; ticket sits near the bottom — a habit, not an investment.

17.4%
RETENTION · EVERLANE

\$173.75
AVG TICKET · EVERLANE

Infrequent but deliberate. Highest avg ticket on the board, paired with the lowest retention — the considered purchase.

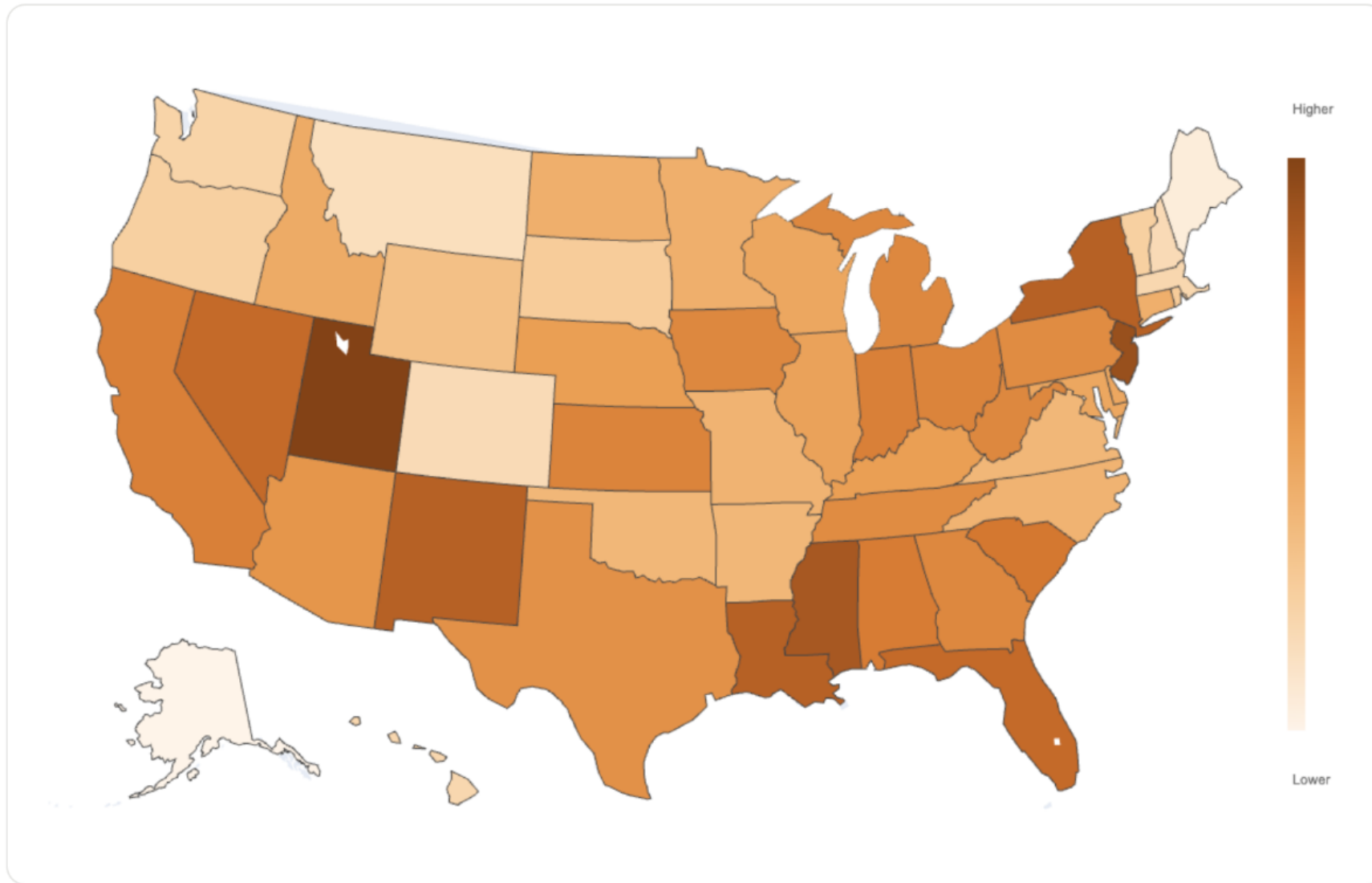
Next-month retention = share of a brand's customers in a given month who made at least one additional purchase the following month.

GEOGRAPHIC FOOTPRINT

Shein Is National. Everlane Is Coastal.

Shein

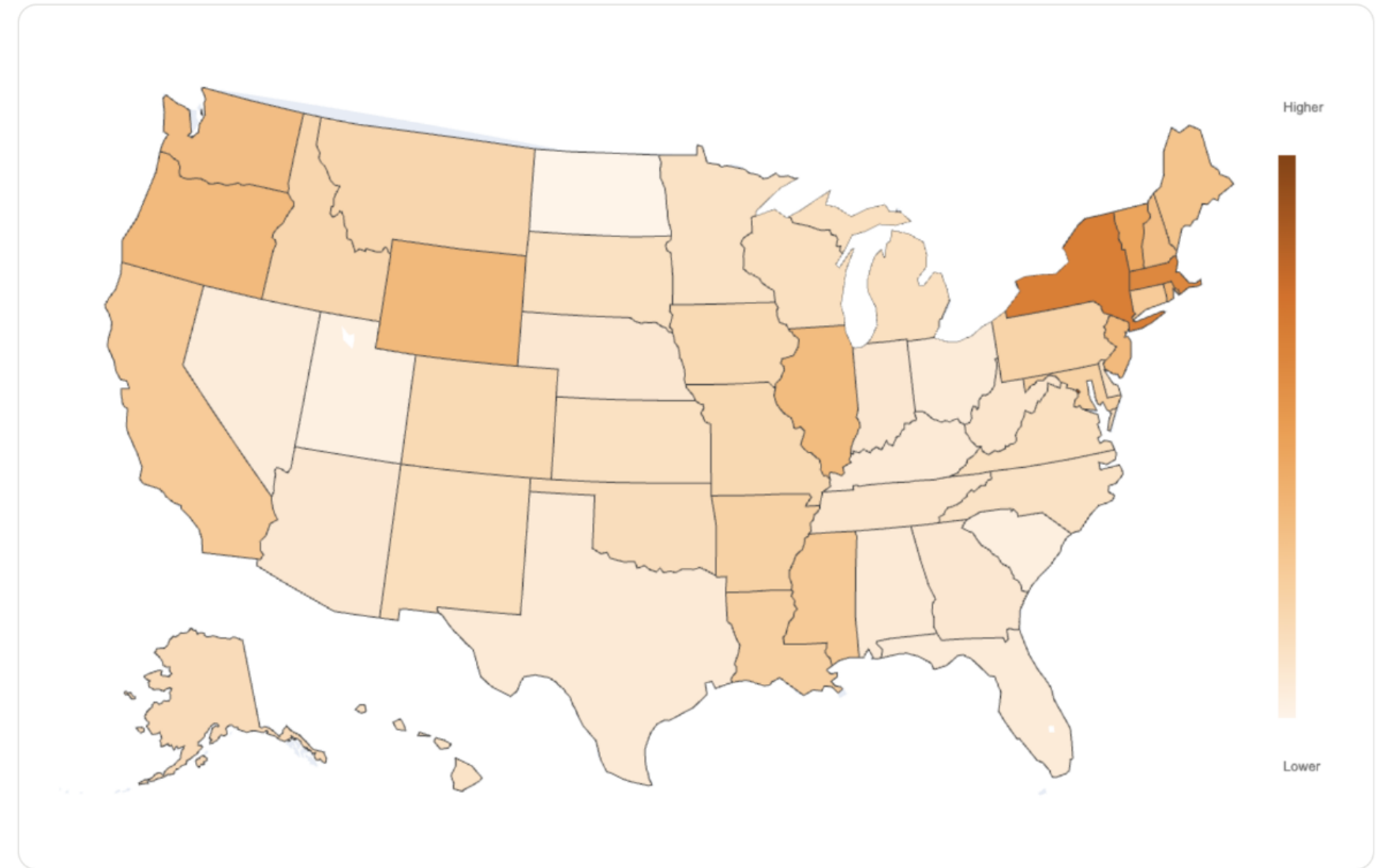
DEBIASED SPEND SHARE · 2025



- South
- Mountain West
- Broad national distribution

Everlane

DEBIASED SPEND SHARE · 2025



- Northeast corridor
- Pacific Northwest
- Coastal over-index

Shein's spend is distributed **broadly across the US**, with heaviest concentration in the South and Mountain West. Everlane over-indexes sharply in the **Northeast corridor and Pacific Northwest**, consistent with its Millennial, higher-income customer profile.