

Just a few years ago fashion e-business was all about last season's goods and major discounts. But now the fashion business is stepping up the game, selling its freshest goods online. Dansk Daily asked two new e-players to share some of their wisdom.

By Mathias Vestergaard
& Helle Rohde Andersen, Gademode.dk

Danish fashion brands like Designers Remix Collection, Wood Wood, Dyrberg/Kern, and Vondahe are currently launching their own online stores, but e-business can be tricky. The breakthrough of e-business revolutionized the way people bought electronic equipment, and e-business has made competition increasingly fixed on price. Through optimization of supply chains and massive advantages of scale, online retail is dominated by the Goliaths – according to industry insiders, profit margins can be as low as 10% in consumer electronics, effectively driving out small competitors.

Compared to electronic equipment, fashion products are much less standardized and implementing a successful e-commerce strategy is a totally different ballpark. Danish retail chain Deres recently launched a new online-store in collaboration with e-business specialist SmartGuy.dk. Managing Director of SmartGuy.dk, Nikolai Kærgaard, explains:

“Two years ago, online fashion stores were primarily outlets selling last season's clothes, driven by major discounts. Today, online fashion shopping is about the latest collection and customers are willing to pay full price.”

Thus, the online store doesn't threaten existing Deres retail stores. Instead it strategically functions as a supplementary sales channel.

“The online store can be more convenient, since you can do your shopping from home,

“In a traditional store, the customer can try on the clothes before buying, but with our 14-day money return policy, we have simply moved the fitting room from the store to the customer's own home.”

and get a broader selection of styles to choose from,” says Nikolai Kærgaard. In some of the major Deres stores, computer kiosks have been set up to allow customers to access the e-store, which is convenient if a particular product is sold out. Asked about the traditional benefits of going to a retail store, Nikolai Kærgaard explains: “In a traditional store, the customer can try on the clothes before buying, but with our 14-day money return policy, we have simply moved the fitting room from the store and into the customer's own home.” According to Nikolai Kærgaard, most male shoppers actually prefer trying on clothes at home.

What makes the SmartGuy.dk and Deres collaboration different is its great extent. With eight years of e-business know-how, SmartGuy has lived through the whole dot-com bubble and the subsequent burst, and Nikolai Kærgaard believes that the biggest challenge of e-commerce is still

mostly practical. “Logistics and warehouse management are paramount to a successful e-business,” he says.

This is confirmed by Carla Camilla Hjort, founder of the creative collective Artrebels.com, “one of our biggest challenges is to manage our supply and inventory” she says. While Deres.com focuses on existing brands like Levi's, Diesel, and Miss Sixty. Artrebels focuses on upcoming Danish designers out of the mainstream. This has proven to be a popular approach with more than 40,000 unique visitors each month. “I knew we could sell simple t-shirts, but I was curious as to whether people would buy the expensive designer stuff,” says Carla Camilla Hjort. “The results have been great. It seems that a lot of people are willing to pay for good design online.” She then adds: “You can't feel the quality of the item in an online store, you have to rely on images. We take 10-14 pictures of each item to show all angles and details.”

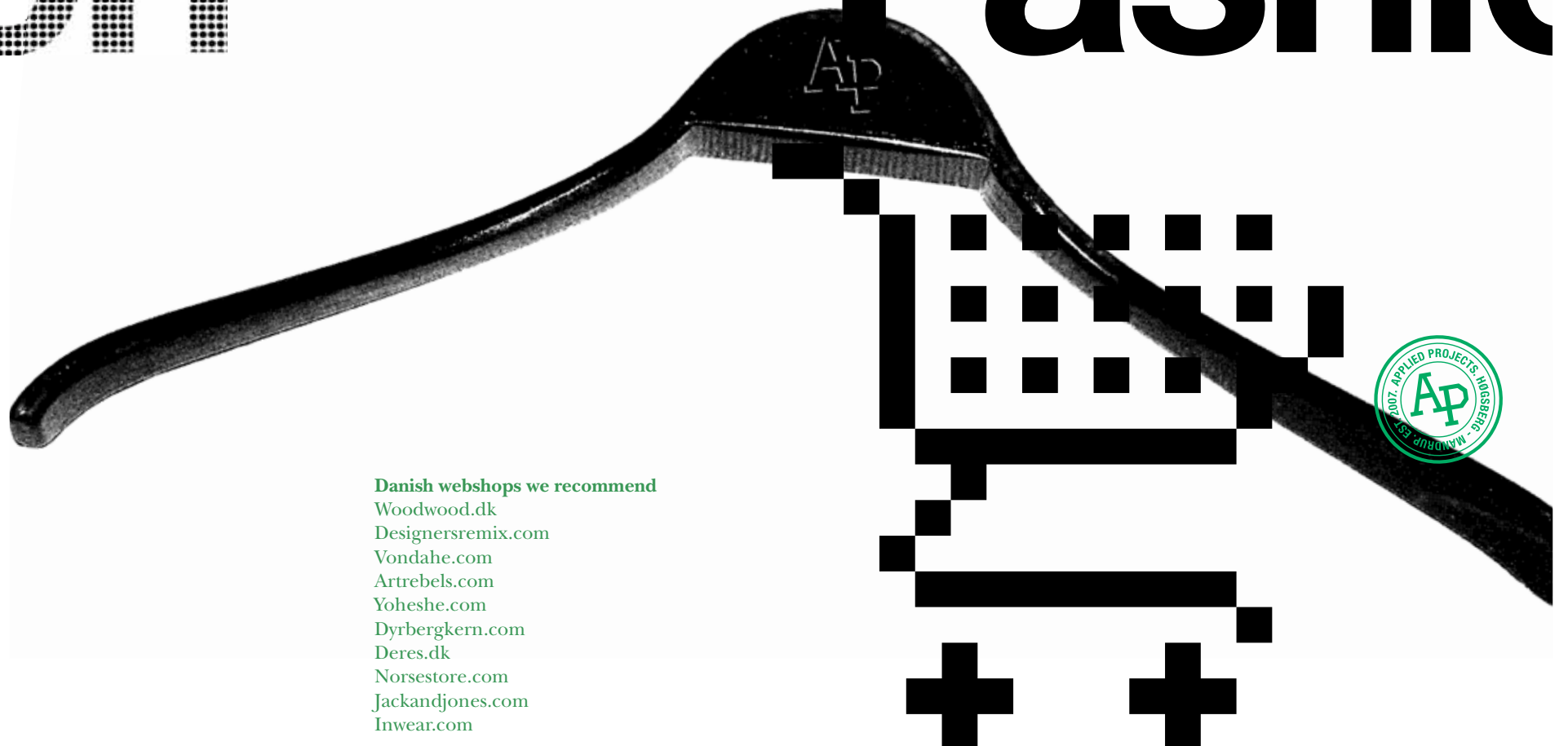
The aim of Artrebels is to create an online space for Danish designers to showcase their products internationally. Carla Camilla Hjort explains: “Many of these designers would never be able to set up their own web shop and generate enough traffic, but when we put them all together it

has a lot of potential.” While international luxury brands like Gucci and Chanel are constantly worried about brand devaluation, an upcoming designer has no brand value to lose. “Artrebels has become a brand in itself, and all the designers benefit from this,” Carla Camilla Hjort says.

These two sites demonstrate how different business-models can succeed in the world of online sales. Artrebels is a David, Deres a Goliath, but with their radically different approaches, they won't have to fight over customers.

son
on

Online Fashion



Danish webshops we recommend

Woodwood.dk
Designersremix.com
Vondahe.com
Artrebels.com
Yoheshe.com
Dyrbergkern.com
Deres.dk
Norsestore.com
Jackandjones.com
Inwear.com