

RETAIL

## Department store's online sales success relies on product guides: report

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*Image courtesy of Bloomingdale's for its online shopping*

By BRIELLE JAEKEL

As Amazon continues to threaten department stores, luxury retailers are fighting back by intertwining purchasing options with editorial content, according to a new report from L2.

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While Amazon's discounts help it appeal to the masses, it lacks in areas such as editorial content and an aesthetically pleasing shopping experience. Luxury department stores shine in this area and must effectively balance editorial content with purchasing capabilities to compete with the online giant.

"To more effectively compete against Amazon, over three-quarters of brands in L2's Digital IQ Index: Department Stores 2016 have invested in some form of guided selling content on their Web sites for example look books/style guides, branded blogs, videos, how-to tutorials," said Sam Lee, sector lead at L2. "However, the visibility of these tools, and whether they are shoppable, varies widely.

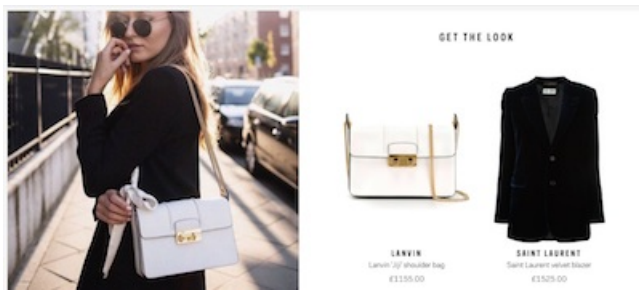
"Department stores should enhance the visibility and shoppability of editorial content and better integrate user-generated content across their sites in order to improve conversion," she said.

### Guided selling

Department stores that provide some sort of guide with a purchasing element have the ability to oust Amazon. Those that do see an average of 12 times more page views compared to those that do not.

For instance, editorial content online such as look books, how-to articles and blogs that allow the user to purchase are seeing success. But the experiences and what is being done varies from retailer to retailer.

Product pages that incorporate editorial content can drive sales and make a lasting impact on consumers. But only 7 percent of department stores merge editorial content onto product pages.



*Farfetch promotes products featured in Instagram posts from the community*

A major loss point for department stores is the lack of retailers that place product recommendations above the fold. Only 12 percent of retailers that leverage product recommendations place the content in the beginning directly where consumers are likely to see it, missing a huge opportunity.

Brands that leverage guided selling features saw 15.3 million page views from June to August this year, compared to those that did not, which only saw 2.9 million page views. Retailers that incorporated add to cart directly through overlay saw 71.2 million page views in that time period compared to those that did not at only 20.3 million page views.



*Ferragamo readies ready-to-wear ecommerce in shoppable feature*

Department stores have a big opportunity to connect with shoppers on digital channels as 40 percent of consumers look for inspiration for shopping online, causing 77 percent of department stores to incorporate guided selling features.

#### Examples

In one example of a brand merging editorial and purchasing, online retailer Farfetch sought help from social influencers to inspire purchases for this year's fall and winter through the use of imaginative imagery and organic activity.

Farfetch's #TheOne campaign aggregated content posted on Instagram by special influencers. The curators promoted posts regarding the one item they cannot live without this fall and winter, hoping to usher in purchases

through direct links and inspire posts from general consumers as well ([see more](#)).

Also, Mr Porter commemorated Italian fashion house Prada's first foray into selling menswear online by devoting its weekly online magazine to the label.

Mr Porter started carrying more than 150 pieces from Prada's runway, mainline and Linea Rossa collections, marking the first time the brand's ready-to-wear is available via ecommerce. Prada was among the luxury labels taking bigger moves into online selling, having launched its women's wear with sister site Net-A-Porter earlier this summer ([see more](#)).

"Department stores that offer at least one form of a guided selling tool on their Web site generate 12 times as many page views as those that do not," Ms. Lee said.

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