

RETAIL

Will Farfetch's Store of the Future be enough to remedy luxury retail?

April 13, 2017



FarfetchOS promotional image

By JEN KING

Online retailer Farfetch is furthering efforts to humanize the retail experience by closing the loop between digital and in-store selling with its Store of the Future launch.

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Unveiled April 12 at Farfetch's invite-only FarfetchOS conference in London ([see story](#)), Store of the Future (SoF) is in BETA, and will link together the online and offline worlds through data touchpoints that enhance and personalize the retail experience for consumers while presenting sales associates with chances to become in-store influencers. As luxury retail is reconfigured to respond to modern consumers' shifting behavior and expectations, technology has gone from a hindrance to an empowerment tool.

"As I always say, 'Fashion isn't downloadable,'" said Jose Neves, founder and CEO of [Farfetch](#), London. "Physical retail accounts for 93 percent of sales today, and even with online growing at fast speed, it will account for 80 percent by 2025.

"Retailers need a way to collect information about their customers while they are browsing in-store, just as they collect data from online searches (Fashion of the Future: The 3 C's of Change; Customer, Content, Commerce. research by Bain & Company, commissioned by Farfetch)," he said. "Store of the Future aims at providing the in-store experience of the future by giving visibility to retailers on what is happening in the store.

"It's the offline cookie that closes the loop, between a great online presence and a complete omnichannel offering and, finally in-store technology which augments the experience of customers in store and overall. The next stage in the evolution of the fashion industry is the connected store, which uses technology to enhance the luxury retail experience to become even more customer-centric.

"Farfetch is at the crossroads of luxury and technology and is well placed to understand its needs and deliver a tailored solution."

Shopping toward the future

Described as the next stage in retail's evolution, SoF is a connected store concept that will leverage technology to

enhance the retail experience, allowing it to become even more consumer-centric.

Through its SoF platform, Farfetch will tailor retail solutions to each brand, in each city and at each store. Data will be the driving force used to personalize meaningful consumer experiences and to create a competitive advantage for its partner businesses.

"SoF is the final piece in the Farfetch Augmented Retail vision, linking the online and offline worlds," Mr. Neves said. "Augmented retail is what we are calling the next retail revolution.

"There is a merging of on and offline retail in which the customer experience needs to continue to be enhanced through data and underpinned by tech - specifically across the Farfetch platform," he said.

"SoF in particular is a modular platform of technological solutions which can be tailored to the solutions to each brand, each city and each store. SoF is focused on humanizing the retail experience, delivering personalization to customers and empowering the in-store sales associates."

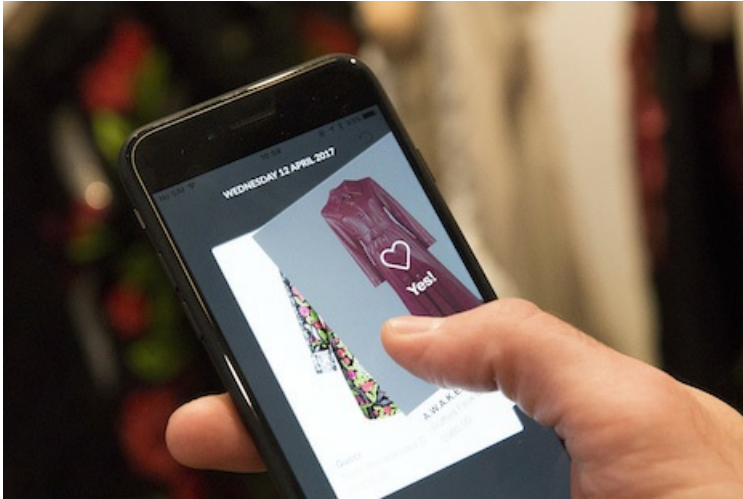


Image courtesy of Farfetch

The retailer's SoF technologies will be launched at Farfetch-owned retailer Browns in Central London and fashion label Thom Browne's New York flagship.

"Implementing these innovations within our stores will fundamentally allow our customers to enjoy a bespoke and effortless experience that harmonizes the best parts of boutique shopping with the speed and convenience of retail," said Holli Rogers, CEO of Browns, in a statement.

"We've had a lot of fun working through the integration of this approach and we anticipate that our customer will experience a new sense of discovery within the retail landscape of Browns," she said.

During Conde Nast International's "Mindful Luxury" conference April 5-6 in Muscat, Oman, Farfetch's Mr. Neves and fellow panelists discussed the paradoxes between luxury and technologies, agreeing that while change is inevitable, innovations such as online platforms will streamline the industry's reconfiguration.



Farfetch founder/CEO Jose Neves

Mr. Neves and executives from Instagram and Style.com agreed that technology has a place in retail, but brands must not forfeit instinct and humanity ([see story](#)).

Farfetch's SoF platform is the embodiment of this concept because the right technologies are being used within the specific requirements of the luxury industry.

Sign, sealed, delivered and customized

In addition to the introduction of SoF, Farfetch also launched two other initiatives that will revolutionize retail.

The first, "Store to Door in 90 Minutes" is an exclusive partnership with Kering-owned fashion house Gucci.

Store to Door in 90 Minutes will allow consumers to shop a capsule of Gucci pieces from the Farfetch Web site and mobile application.



Gucci Ghost tote bag exclusive to Farfetch

Orders placed will be fulfilled directly from select Gucci storefronts in 10 global cities on four continents.

Participating cities for Store to Door include London, New York, Dubai, United Arab Emirates, Los Angeles, Madrid, Miami, Milan, Paris, Sao Paulo and Tokyo.

"We are pleased to collaborate with Farfetch on Store to Door in 90 Minutes," said Marco Bizzarri, Gucci's president and CEO, in a statement. "This service represents the type of new service level that the luxury fashion industry needs to embrace to meet the ever-increasing expectations among luxury customers today, for an outstanding level of service that is flexible and seamless across channels and geographical locations."

Farfetch's near-instant fulfillment model joins the online retailer's current Express delivery option, which ships to more than 190 countries, and Click & Collect, available in 24 markets, as well as its Same Day Delivery service in nine cities.

The third innovation shared by Farfetch is the retailer's Customization program. Farfetch has partnered with technology incubator Platfome and footwear label Nicholas Kirkwood to offer product personalization.

Consumers will be presented with an opportunity to customize Nicholas Kirkwood's signature Beya loafers and

mules. Picking from thousands of combinations, the shoes can be customized in different leathers, exotic skins and colors.

Digital has democratized customization, making bespoke services that were once reserved for only the top clients of the large brands accessible to more labels and consumers.

Via ecommerce platforms, consumers can now play designer, as brands enable them to select everything from embellishments, such as monograms, to the color and fabrication of the fashion item itself. Fashionbi's "Personalization In Fashion" June 2016 report delved into the rise of the personalization trend and customization's role as a luxury brand differentiator ([see story](#)).

"Through the technology developed by Store of the Future we will give sales associates back the biggest luxury that they can provide to customers their time; allowing them to connect on a deeper level to provide a complete experience in store," Farfetch's Mr. Neves said.

"For boutiques and brands, information is power. The data that this type of in-store technology can provide to brands will allow them to attain a greater understanding of their customer, whether they are shopping on or offline," he said.

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