

COLUMNS

## Apparel: What bricks-and-mortar retailers and ecommerce players can learn from each other

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*John Roswech is executive vice president of brand solutions at Criteo*

By **John Roswech**

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Amazon is set to overtake Macy's to become the number one clothing retailer in the United States in 2017.

Meanwhile, Ralph Lauren has just announced it is to close its flagship Fifth Avenue store in Manhattan, and we can all see the effects of store closures in shopping malls and high streets across the globe.

Shrink rap

J.C. Penney (138 stores), Macy's (68 stores) and Payless ShoeSource (400) are just some of the many retail giants to announce store closures in recent weeks. Sears and Kmart's futures are the subject of much speculation.

Closures are affecting malls, too.

The Limited has shuttered each of its 250 stores, opting for an ecommerce-only approach.

Crocs is closing 160 of its 558-store portfolio, while once super-hot Abercrombie & Fitch and Guess are closing 60 each.

American Apparel is yet another high-profile fashion casualty.

But predicting the death of physical retailers would be naive.

Target, for one is opening some 30 stores this year alone, aggressively expanding its network of smaller, urban-style stores, currently just 32 out of its 1,200-strong portfolio.

Lululemon expects to open more 30 stores in North America alone, but many in the newer hyper-local smaller formats and some not selling yoga pants.

Among Target's openings is a 43,000-square-foot space opposite the iconic Macy's on 34th Street, which boasts a massive 2.2 million square feet.

Despite the size gap, Target's move is symptomatic of the industry-wide trend towards rightsizing and rationalization.

The contraction from staid players indicates there is simply too much physical space in an era where so many bulk and basic purchases are now made online, from athletic socks to higher-cost, quality bespoke apparel.

This applies across the board, but particularly among the larger department stores where differentiation appears to have been neglected in the rush to land grab.

Physical retailing is incorporating new thinking from ecommerce.

Where bricks-and-mortar stores have typically stood out compared to ecommerce is in the enjoyment of shopping, and taking something home that actually fits.

In more ways than one, each can learn from the other.

Room for growth

Now, as evidenced in our latest [Apparel Report: Reconciling the Tech with the Tactile](#), the latest trends in ecommerce fashion retailing are addressing those issues, seeking to turn negatives into opportunities.

If online cannot be tactile, it can be more emotionally engaging.

Videos, curated collections and storytelling about how to wear collections and the brands themselves are on the rise.

Fit is the other major hurdle online. Return rates are still around 28 percent.

While it is true that millennials, in particular, enjoy buying in bulk and then choosing from the range at home just for fun, there is a much bigger and wasteful problem of lack of standardized sizes forcing returns.

New 360-degree viewing software and the rise in complimentary return policies and new labeling technology are improving the situation.

For the 46 percent of shoppers who enjoy showrooming checking out an item in a physical store and then buying it on Amazon or elsewhere online the stores themselves have evolved a more relaxed approach to the practice.

The smaller physical footprints place a greater emphasis on display and knowledgeable sales staff, making the tactile experience more fun and leading to a sale, be it in-store or online.

The 69 percent of us that "webroom," on the other hand, enjoy that marriage of an ecommerce storefront to the in-store tactile experience.

Webroomers do not want to wait for their purchases even one day. They do not want to pay for shipping and, most of all, like to touch and feel a product before buying.

Increasingly, more confident shoppers are asking stores to match the online price, too.

Getting personal

Smart physical retailers are using pop-ups within stores for product sampling and personalized exclusives.

These retailers are re-introducing coffee shops or other refreshment areas to enhance that in-store experience. They should be learning from the likes of Amazon and Google about two-, one- or same-day shipping, no-questions-asked returns and the quality of real-person, live customer service their number one advantage.

Also, they should reassert their own brand stories and storytelling. It is something that digital rivals often lack. And they can now get from runway to store far quicker.

Gone is our patience for are the six-month "seasonal" wait in a global always-on world.

Ecommerce fashion retailers can look to enhance the fun of the online shopping experience through new technology from 360-degree viewing and personalized fit visuals such as eBay's magic mirrors.

The online players can emulate the spontaneous purchase of the in-store shopper through applied use of programmatic to suggest what shirt that goes with what jeans and sponsored products.

It goes without saying they should be always on especially in holiday times when physical stores are not.

Above all, both physical and digital retail can learn personalization from each other.

IF THERE WAS one overriding built-in problem with the rise of the giant box stores that are now so quickly falling out of favor it was the de-personalization of the experience.

Words such as bespoke, customer service and personalization are back in fashion because they all make the potential buyer feel special. And married to new in-store technologies they make apparel buying what it is supposed to be: fun.

*John Roswech is executive vice president of brand solutions at [Criteo](#), New York. Reach him at [j.roswech@criteo.com](mailto:j.roswech@criteo.com).*

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