

RETAIL

## Cond Nast's Style.com shutdown shows perils of entering ecommerce market

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*Cond Nast cited conflicts between managing editorial and commerce as a major obstacle. Image courtesy of Cond Nast Britain*

By DANNY PARISI

Media group Cond Nast abruptly closed Style.com this week, after the company struggled to manage the editorial and commerce sides of the site simultaneously.

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While many publishers are entering the ecommerce business as a means to combat falling revenue, this move by Cond Nast suggests that running a commercial site is more difficult than some publications may have expected. Nevertheless, the fact that Cond Nast is still in the ecommerce game through a partnership with Farfetch suggests that the market for editorialized shopping is still there.

"Successful e-commerce business in this day and age requires exceptional expertise," said Yuli Ziv, founder and CEO of **Style Coalition**, New York. "In a way, this is the flipside of today's technology advancements they created a very low barrier to entry, which makes competition for customer attention online extremely difficult.

"Gone are the days where you could sell an item with a few beautiful editorial photos consumers demand personalization, interactive features, video, authentic reviews and one-click purchases. You have to be a native e-commerce business in order to test and optimize consumer journey so it improves conversion.

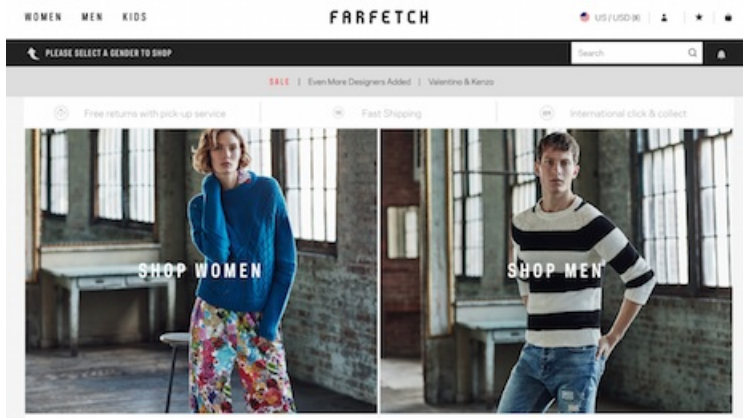
"It is refreshing to see a giant like Conde Nast admitting the challenge and pivoting fairly quickly into a new partnership, much like a startup company would do. It makes sense for the company to focus on what they do best, which is content, and let an expert like Farfetch to take care of the commerce side."

### Style shutdown

Despite a \$100 million investment from Cond Nast and only opening shop a few months ago, Style.com met an unceremonious end on June 13, when the magazine giant abruptly announced its closure.

The ecommerce site, which was the subject of much trumpeting when it was first launched by Cond Nast, was a combination of the company's editorial expertise with the ecommerce model that has become increasingly popular in the fashion world.

But now after just a few months, Style.com is no more.



*The Style.com URL redirects to Farfetch.com. Image credit: Farfetch*

In its place, Cond Nast has inked a partnership with Farfetch, a company that offers a similar experience, combining editorial with the ability to purchase apparel from a number of partner brands directly through the site.

Cond Nast was an early investor in Farfetch, something that has paid off now that the company has ended Style.com.

In a statement to the New York Times, Matt Starker, the general manager of digital strategy at Cond Nast, cited the fact that editorial and commerce just required far too different sets of skills to effectively be run by the company.

Instead, Cond Nast is outsourcing this role to Farfetch.

### **Farfetch partnership**

While Style.com existed in some capacity as a fashion editorial site, it was not until last year that it was reincarnated as an commerce platform.

After Cond Nast first announced its plans to rebrand Style.com in April 2015, the media conglomerate stayed mostly quiet on its plans. The new Style.com enterprise sold merchandise directly through the desktop sites and digital editions of its publications on mobile applications, as well as on Style.com ([see story](#)).



*Jos Neves, Founder, Co-Chairman and CEO, Farfetch. Image courtesy of Farfetch*

The inclusion of branded and native editorial content on ecommerce sites has been a major trend in online fashion retail recently, so much so that Cond Nast has changed up its internal structure to handle it.

Cond Nast has organized the branded content commercial division to handle the growing interest in sponsored content on its digital platforms. Tristan Taylor has been appointed the head of branded content commercial, which will be incorporated into Cond Nast Britain Digital ([see story](#)).

But despite the success of the model, the company just could not keep a handle on Style.com's delicate balance of editorial and commerce. Instead, Cond Nast will rely on the added skills of Farfetch to deliver shoppable content.

"This is an area that the publication industry could learn from bloggers and influencers," said Dalia Strum, educator at the [Fashion Institute of Technology](#), New York. "As writers develop stronger relationships with their audience, the conversion rate increases.

"Unfortunately, the content has typically been the driver within the broader publication industry. We trust who we know, and that stays true, especially for purchases."

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