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Luxury brands must focus on destination in ecommerce journey

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Luxury is going digital. It has been a slower burn compared with other sectors but driven by ecommerce growth, the touchpaper has well and truly been lit.

In the United Kingdom alone, online retail sales topped \$90 billion in 2017, according to data from the Centre for Retail Research, and double-digit annual growth is predicted to take ecommerce's market share to 18 percent this year.

That makes it a big opportunity for luxury brands, whether going direct-to-consumer or selling via online intermediaries.

Burberry, as an example, recently reported that 40 per cent of its online sales were conducted via mobile devices, and it is expanding its global reach through a tie-up with ecommerce marketplace Farfetch.

Demands of ecommerce

But questions and challenges remain.

Research commissioned by WePack recently found that half of firms surveyed (49.7 percent) have no plans to alter the design of their packaging to cope with the demands of ecommerce delivery despite increased chance of wear and tear.

But in the context of ever-fiercer market competition, sky-high demands from today's consumers, and instant brand shaming on social media, particularly for luxury brands, there is no longer an excuse for hiccups in the customer experience.

Getting ecommerce right means grappling with entirely new touch points in a consumer journey that starts in the digital realm and eventually gets delivered to your doorstep in the real world. Damage to a product, therefore, can easily translate into damage to the brand.

Delivering on digital promise

When delivery does not align with expectation, and direct sales are poorly executed, there are repercussions.

It may be the courier, the ecommerce intermediary or the retailer that receives the immediate ire of the consumer, but it is the brand that will ultimately suffer through loss of repeat business.

All of the investment made in generating the sale from product development through to packaging design and advertising can fall down at the final hurdle.

For luxury brands, failure to deliver on the digital promise made at the point of sale also tarnishes the opportunity to foster deeper emotional connections with consumers.

The importance of the brand in the hand or unboxing moment is a crucial part of the process. It is an incredibly powerful physical point of connection where brands can forge deep links with their customer beyond a simple transaction.

Sensory strengths

Orchestrating these personal moments to maximum effect provides luxury brands with the chance to exploit a product's three-dimensional sensory strengths, bringing to life the two-dimensional digital image that exists on a buyer's screen.

Beauty services such as Glossybox are evidence that "postable" does not mean the customer experience has to be sacrificed. Subscribers receive a hand-selected mix of luxury products in a beautifully-designed box created in collaboration with a different designer each month, with the aim of surprising and delighting the recipient from the moment it is picked up from the doormat.

So it is clear that ecommerce has changed the game.

For the luxury brands that are looking to play, it is a case of applying real focus to every part of the new customer journey.

Factoring concerns around delivery earlier into the design process is vital. Agency partners have a crucial role to play here, bringing to bear all their expertise and creativity to turn new challenges into opportunities for innovation.

SMART BRANDS are already sitting up and taking notice of the influence of ecommerce, ensuring they take customer engagement all the way from the screen to the doorstep, making the most of that unique point of contact when a product commands the focused gaze and full attention of a buyer.

After all, in the absence of shelf impact and face-to-face customer service found in stores, when it comes to ecommerce, it is all in the delivery.

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