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Farfetch's "blockbuster year" sees record gross merchandise value

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Farfetch grew its brand partnerships in 2018. Image credit: Farfetch

By STAFF REPORTS

Ecommerce group Farfetch's gross merchandise value grew 55 percent year-over-year in 2018 to reach \$1.4 billion.

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In the fourth quarter, the company received 945,200 orders, an increase of 57.5 percent over the same period of 2017, while average order value fell slightly. 2018 saw Farfetch make key acquisitions and deals, as well as an initial public offering.

"By all measures, 2018 was a blockbuster year for Farfetch," said Jos Neves, founder, CEO and co-chair of Farfetch, in a statement. "We continued to lead the online personal luxury goods market, growing GMV 55 percent for the year more than twice as fast as the industry.

"We also exited our first decade as a company with an incredible foundation for realizing our platform vision globally, including in China, with the announced acquisition of Toplife solidifying Farfetch as the Premier Luxury Gateway to China," he said.

"Over the next 10 years, the luxury industry is expected to grow to an estimated \$500 billion, and online sales will potentially grow to represent an incremental \$100 billion opportunity. Farfetch is uniquely positioned to capture the lion's share of this opportunity."

Gaining ground

Farfetch's revenues grew to \$195.5 million in the fourth quarter, up 54.6 percent.

By the end of 2018, Farfetch Black & White had 17 clients, including Emilio Pucci and JW Anderson. Earlier this month, the company linked with Harrods to power its ecommerce ([see story](#)).

Farfetch also added a number of luxury brands to its multi-brand marketplace, including Giuseppe Zanotti and Altuzara.

In November, Italian house Ermenegildo Zegna expanded its online offerings with a partnership beginning in the United States for a capsule collection.

Online retailer Farfetch will now be including Zegna fashion in its ecommerce platform. The fashion house's Ermenegildo Zegna XXX US Capsule Collection became available on Farfetch's Web site starting Nov. 5 ([see story](#)).



Zegna's new XXX collection. Image credit: Zegna

The company appointed Holli Rogers, the CEO of Farfetch-owned retailer Browns, as its chief fashion officer.

To scale its fulfillment in Europe, Farfetch opened another warehouse in Rome.

2018 also saw the debut of Farfetch Access, a loyalty program that rewards repeat business through perks such as access to sales, free shipping and personal styling services.

"I am thrilled with our record GMV performance and the growth of Farfetch during 2018, which exceeded expectations," said Elliot Jordan, CFO of Farfetch, in a statement. "Our increasing scale has enabled us to leverage our efficiencies and lean into our customer proposition with new initiatives such as our *Access* loyalty program, to boost the lifetime value of our customers and enhance long-term shareholder value."

Looking ahead, Farfetch is working with online Chinese shop JD.com for better access to the country's luxury shopper market.

The two entities are expanding on their partnership to build what they are calling "the Premier Luxury Gateway to China." JD.com's luxury-specific Toplife entity will merge into Farfetch's China edition ([see story](#)).