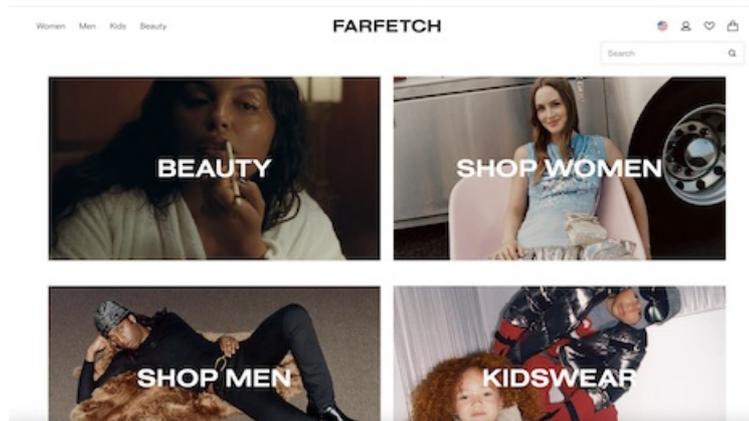


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## Farfetch bets on resiliency of luxury market as it addresses Q3 financial performance

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Online fashion retailer Farfetch is in the midst of restructuring as it aims for profitability in 2023. Image credit: Farfetch

By LUXURY DAILY NEWS SERVICE

Despite the difficult worldwide market, online fashion retailer Farfetch saw a 1.9 percent year-over-year increase in its third-quarter revenue to \$593.4 million.

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That said, the London-based company posted third-quarter losses after tax of \$274.9 million. It is working on internal restructuring and changes to make the firm more profitable.

"Luxury is an incredible industry that has proven to be resilient, and Farfetch's global platform for luxury is on pace to broadly double its size over three years, despite navigating an unprecedented series of global events," said Jos Neves, founder and chairman/CEO of Farfetch, in a statement.

"Through it all, our focus has remained on our mission to be the global platform for luxury while also taking the opportunity to fundamentally re-structure our organization and streamline our cost base," he said.

"As a result, Farfetch is further positioned to seize the significant announced milestones and future opportunities ahead and emerge from this period as an even stronger business set to deliver profitability and free cash flow."

### Focus on product

The world of shopping is changing everywhere, both online and in-store retail environments.

Consumers are valuing not only more selection, but ways to get involved with the product creation themselves.

Farfetch kept this in mind when streamlining its business practices.

Farfetch Marketplace has the largest selection of luxury fashion globally, making sure pieces are also in-season. The platform also wanted to offer more ways for customers to showcase their personal style.

The #YourChoiceYourFARFETCH campaign run by Farfetch further positioned it as a proponent of embracing personal style. Celebrities such as Leighton Meester, Omar Apollo and Paloma Elsesser all were featured in the campaign.

More Marketplace campaigns include the release of Marc Jacobs denim monogram, Acne Studios fall/winter 2022

collection and Stolen Girlfriends Club, the latter being centered around men's knitwear and women's jewelry in the first media solutions partnership for Farfetch.

The platform also grew its reach with Fashion Concierge services, a tool for private consumers to source unique luxury pieces from around the world. The release of Fashion Concierge On Demand helped to expand its services, as it enables request submissions through the Farfetch app.

Other refinements include fresh versions of Farfetch BEAT, including the first safe for sneakers made by Dttling, in collaboration with Stadium Goods.

Tekla bespoke sleepwear sets and restored and customized Contax T2 cameras by MAD are also key to the platform's growth.

Innovation and adaptation have been essential to Farfetch's growth, per the company.

"Our third quarter results show Farfetch is successfully navigating an unprecedented macro environment, with constant currency GMV [gross merchandise value] and revenue growth, significant gross margin and order contribution margin improvements year-on-year and the early financial benefits from our recent initiatives to rationalize our cost base, which are ongoing," said Elliot Jordan, chief financial officer of Farfetch, in a statement.

"Whilst we continue to manage through the current environment, we remain well capitalized to execute on our long-term vision, and I am confident we will return to profitable growth in 2023," he said.

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