

Fashion Ecommerce Transformed

Present and Future Data Trends Influencing Fashion Retail

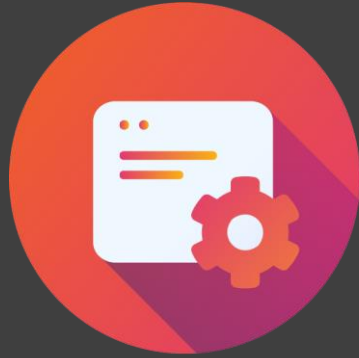


Jim Lofgren

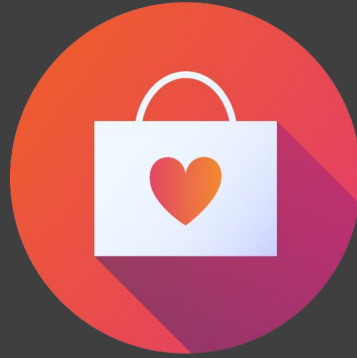
CEO at **nosto** 

@NostoSolutions @jim_lofgren

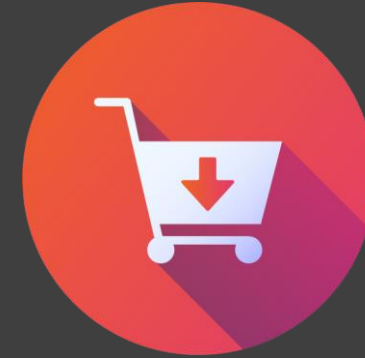
Nosto's Data Footprint



Trillions of consumer interactions analyzed



Retailers in over 100 countries



Data science, research + AI teams

Agenda

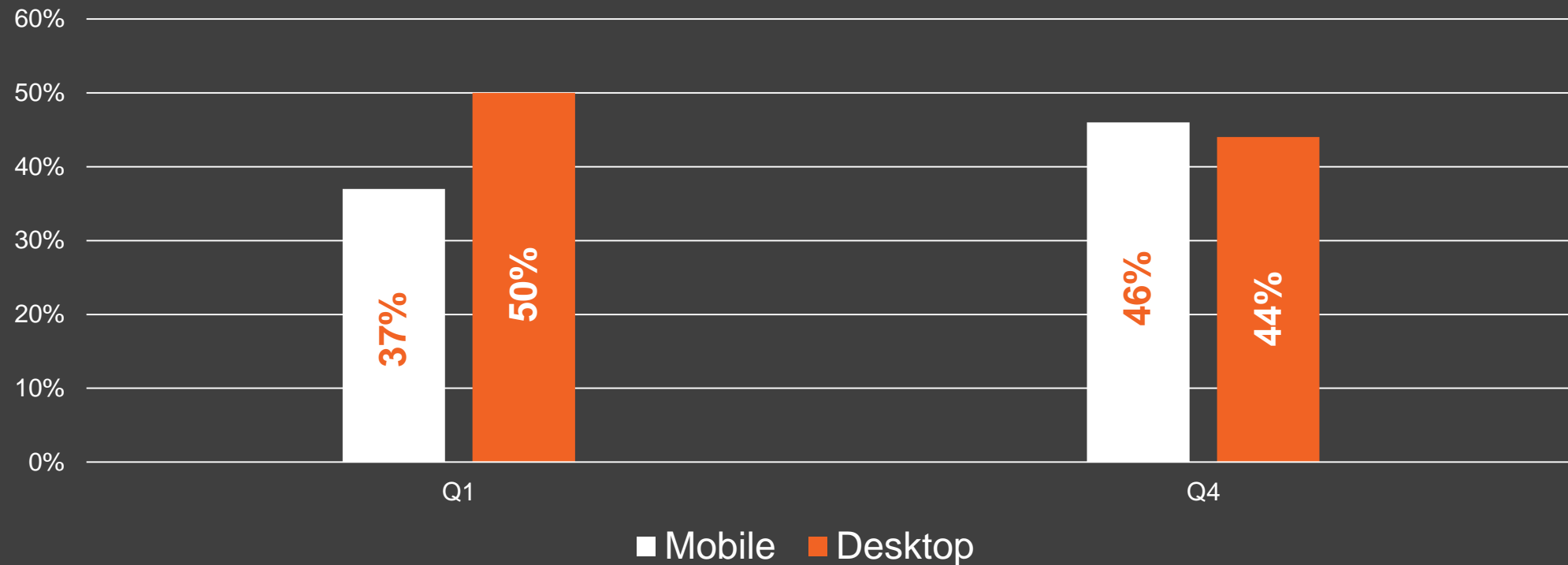
- 1. Data-Driven Trends Uncovered: 5 Trends Affecting Fashion Retail Today**
- 2. Predicting the Future: 5 Predictions for Fashion Ecommerce**
- 3. Setting the Stage: How Retailers are Preparing for the Future** (*Discussion with Rob Trauber, CEO of Johnny Was*)

5 Data-Driven Trends Affecting Fashion Retail Today



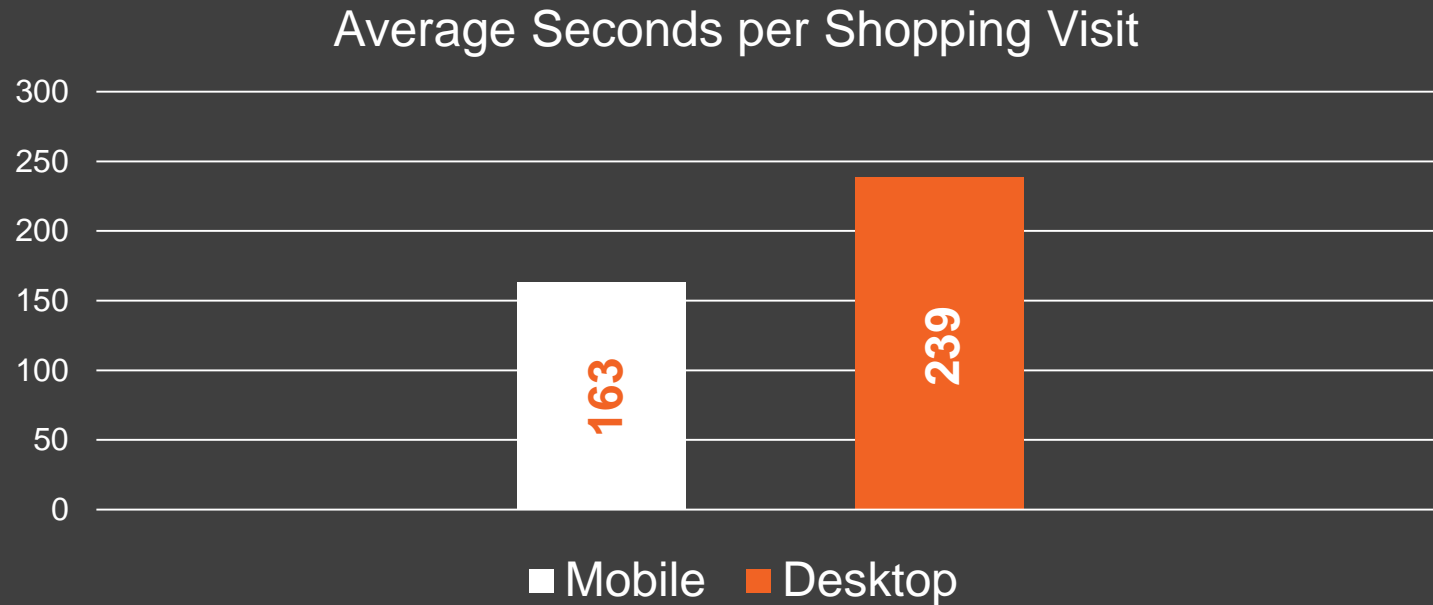
1. Fashion ecommerce has reached the mobile tipping point.

Majority of revenue share in fashion ecommerce now mobile — and it's not going back.



Source: Nosto's State of Fashion Ecommerce: Global Data, Trends, & Insights

2. Fashion shoppers are hugely impatient (especially on mobile).

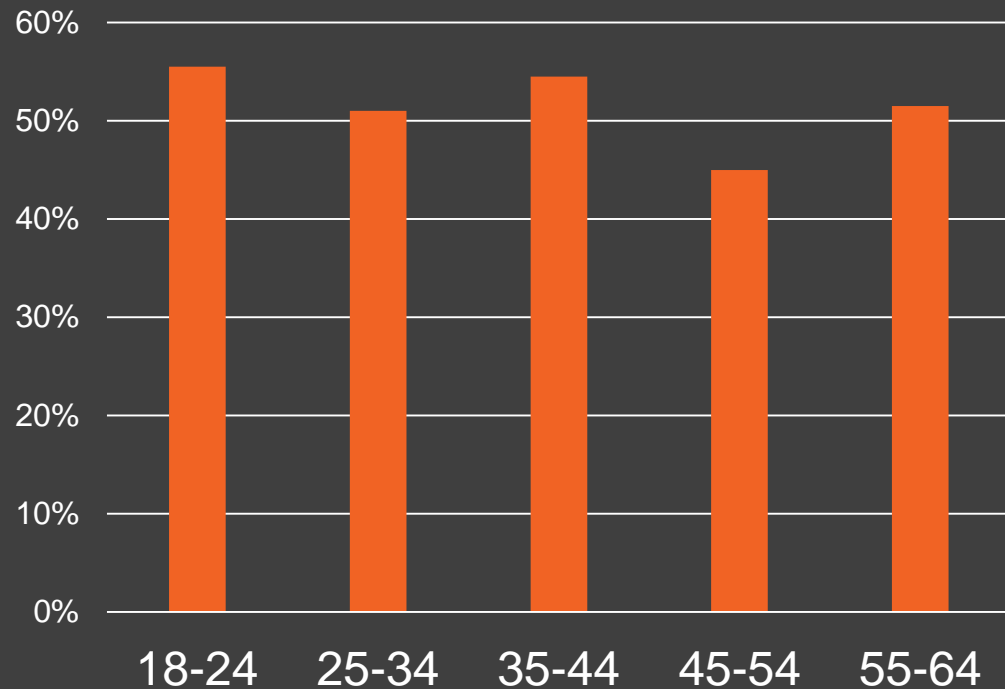


Every 5% shift to mobile results in 2% decrease in total shopping visit time

- 163 seconds per visit (mobile)
- 239 seconds per visit (desktop)
- Mobile traffic % increase = avg. site exposure decrease

Source: Nosto's State of Fashion Ecommerce: Global Data, Trends, & Insights

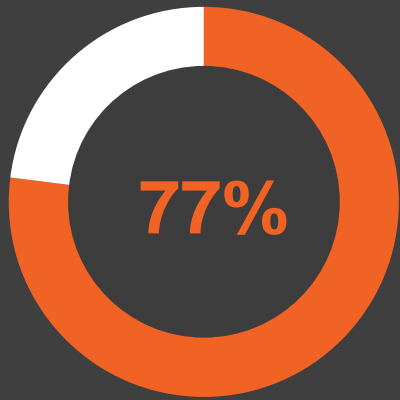
3. Consumer preferences towards sustainability are shifting across all age demographics.



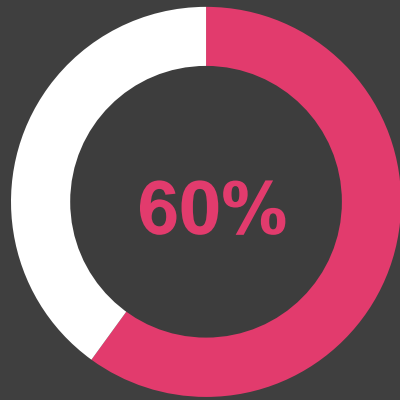
Source: Nosto fashion survey

- Over 52% of fashion consumers want the fashion industry to be more sustainable
- In US, **older demographics are more likely to pay a premium for sustainability** - 45% of 45-54 year olds and 42% of 55-65 (10% higher than average of rest of age groups)

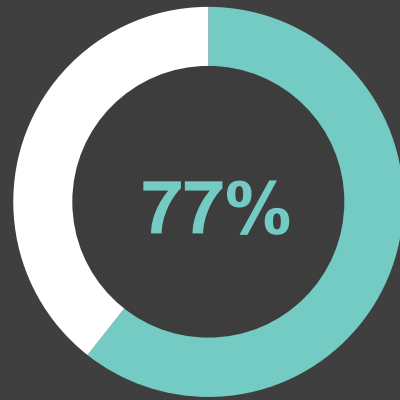
4. Personalization at scale (still) presents challenges for fashion retailers.



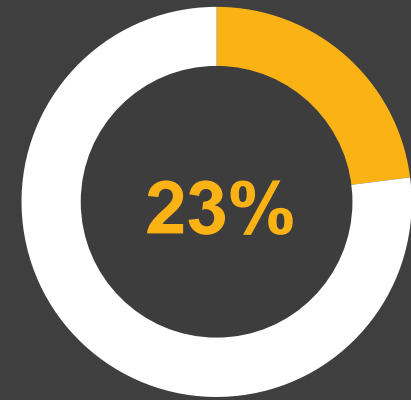
77% of marketers believe real-time personalization is crucial



60% of marketers struggle to do it



77% of large online retail consumers expect multi-channel personalization



23% of them actually experience it.



Average fashion retailer globally uses over 8 different analytics and commerce technologies.

Sources: Adobe, Segment

5. “Omni-convergence”: DTC brands go offline, bricks-and-mortar invest in digital, and no one is prepared data-wise.



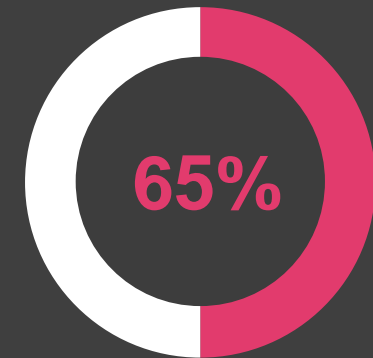
5,000 store closures in 2018



50%+ DTC brands opening physical locations



Nike Live: Cultural-specific retail hubs curated by online data



65% of retailers are unhappy with their current omnichannel data centralization.

Sources: Fox Business, Medium, Iterable

Predicting the Future: 5 Predictions for Fashion Ecommerce



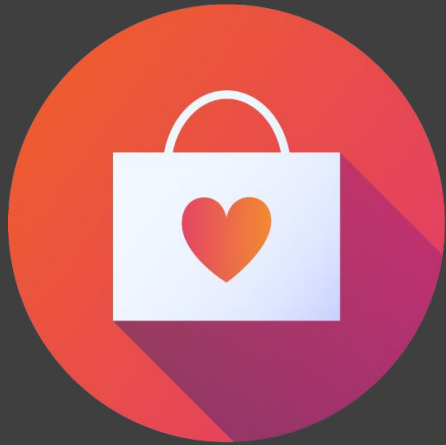
1. Instagram commerce: Not a cure-all for purchases, but opens floodgates for micro-conversions.



- Low percentage of orders via last-click
- Shoppers discover products while browsing app, but then search directly
- Challenges in measuring dark social
- Attribution gap across fashion retail: spend on influencer marketing, but see a return via other sources (e.g. direct traffic)

Source: *New York Times*

2. More retailers will embrace the power of behavioral data



- Many retailers today are using rule-based and stale CRM transactional data
- Shifting towards harnessing behavioral data across all channels

Source: *New York Times*

3. Data privacy legislation makes behavioral data essential for retailers



- Can't rely on third party data or PII
- More inferences from anonymized sources (clickstream, on-site engagement etc.)

Source: *New York Times*

4. Visual search/image recognition goes mainstream



- Deep learning technologies now “off the shelf”
- Better training data available everywhere
- Practical improvements lowkey, but emerging

Source: *Search Engine Journal*

5. CDPs advance across enterprise retailers, but still a challenge across mid-market retail



- Challenges of adopting CDPs in mid-market retail:
 - Expensive solution
 - ESPs trying to move in, but not intelligent enough to deliver quality experience
 - CRM platforms trying to become CDPs, but some are only transactional-based
- 78% of organizations have/are developing CDPs

Source: *New York Times*

Setting the Stage: How Retailers are Preparing for the Future

Discussion with Rob Trauber,
CEO of Johnny Was



JOHNNY WAS

Q&A



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