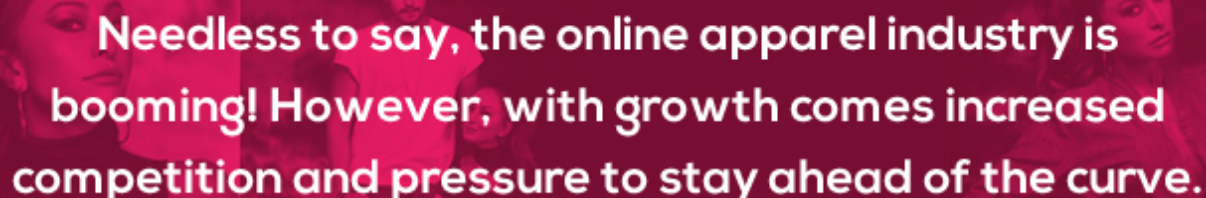# Must-Haves
for the Successful Online Apparel Store

VTEX

www.vtex.com

When it comes to digital commerce, fashion is one of the largest sectors in the overall industry. Here is an overview of the market, and what it takes to maintain a successful online fashion business in today's competitive environment.

As of 2016, the value of the US apparel industry was valued at $343 billion, as US websites sold an estimated $63 billion in apparel – an increase of 11%[1] from the year prior. According to reports from Forrester, however, by 2020, online apparel sales are expected to reach the $523 billion mark[2], growing at a rate of 9.32% per year. That's a significant boost, especially considering that during the same period in recent years, US apparel store sales grew by just slightly over 1%.[3]

Needless to say, the online apparel industry is booming! However, with growth comes increased competition and pressure to stay ahead of the curve.

In a brick and mortar store shoppers can touch and feel the apparel and sales associates can help them decide what to buy – however in the online world, retailers have to be more creative. To win, online apparel retailers need to satisfy shoppers' desire **for a frictionless shopping experience that inspires, surprises, and delights them**. In order to stand out, online apparel retailers should consider the following must-have features.

1 https://www.statista.com/statistics/278890/us-apparel-and-accessories-retail-e-commerce-revenue
2 https://www.internetretailer.com/2016/07/11/whats-driving-online-apparel-boom

Clean & Easy Navigation

A clean and easy path to purchase is key to a frictionless experience. Providing easy navigation that guides the shopper through attributes to find color, size, material or other relevant information helps them find products quickly and seamlessly. Sorting results and filtering by top reviews, most liked, or by price points also facilitates the search process and allows them to add to the cart much faster. On sale, promoted or trending products should also be front and center on the homepage with an easy to add to cart experience.
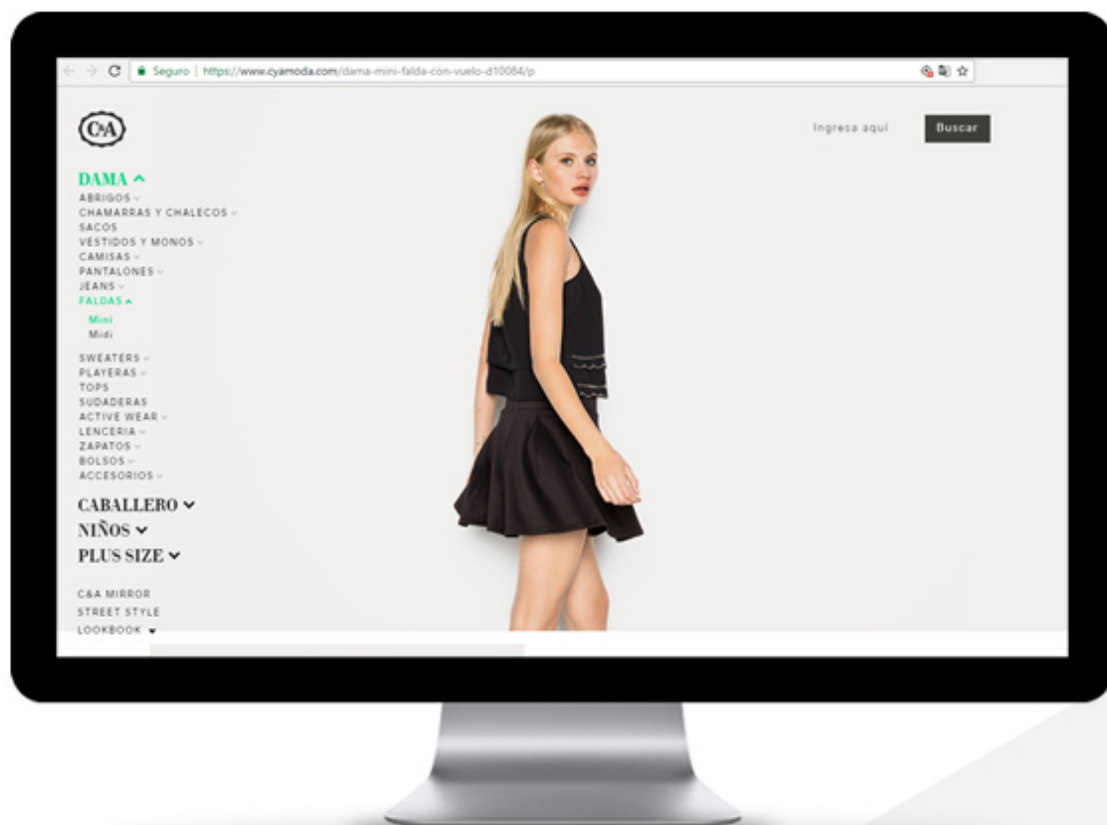
Agency Approach

Navigation and Smart Filtering should be seen as vehicles to educate and guide your consumers, rather than just tools to toggle between features and pages.
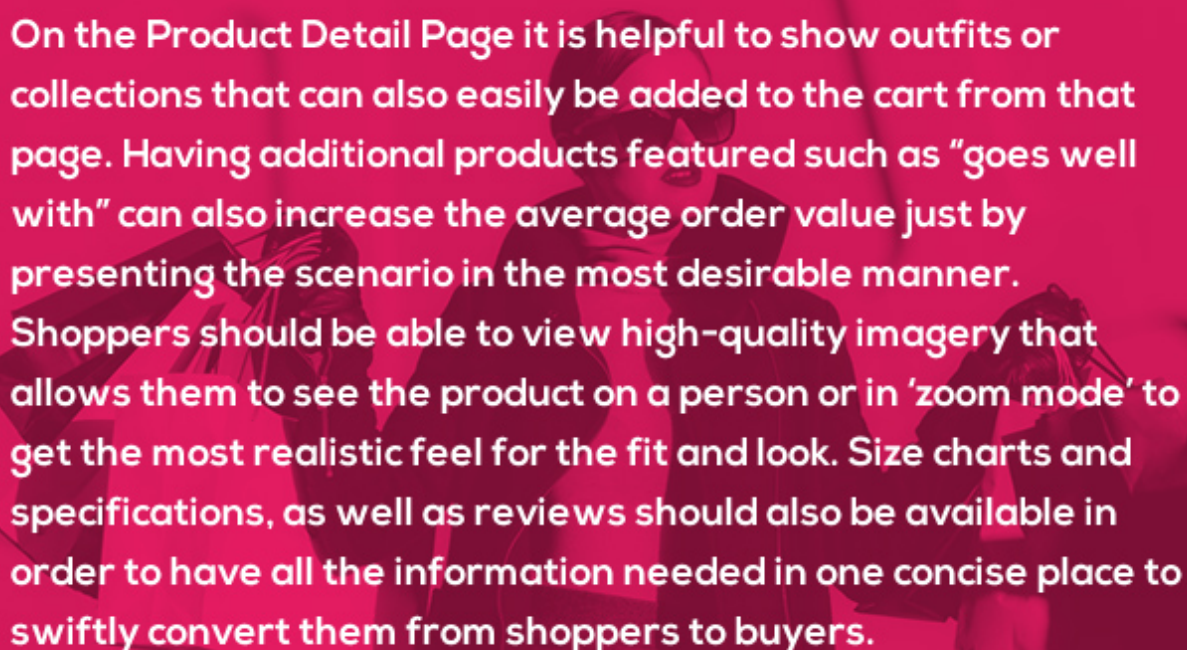
Process/Tech Tips

Garbage in / Garbage out. Managing your product attributes will allow your consumers to receive relevant recommendations instead of an empty or irrelevant grid.

Opportunity

Understanding your user's challenges and goals are crucial to provide appropriate navigation that is relevant and effective. For example, beauty should consider filters that present benefits + regiment information, swim should consider filters for mix/match, fit and silhouette information, and shoes should consider filters for anticipated wear/comfort.

Showcase of Product and Recommendations

On the Product Detail Page it is helpful to show outfits or collections that can also easily be added to the cart from that page. Having additional products featured such as "goes well with" can also increase the average order value just by presenting the scenario in the most desirable manner. Shoppers should be able to view high-quality imagery that allows them to see the product on a person or in 'zoom mode' to get the most realistic feel for the fit and look. Size charts and specifications, as well as reviews should also be available in order to have all the information needed in one concise place to swiftly convert them from shoppers to buyers.

Agency Approach

Product detail pages allow you to control all aspects of your brand communication (PDP's are the new black).
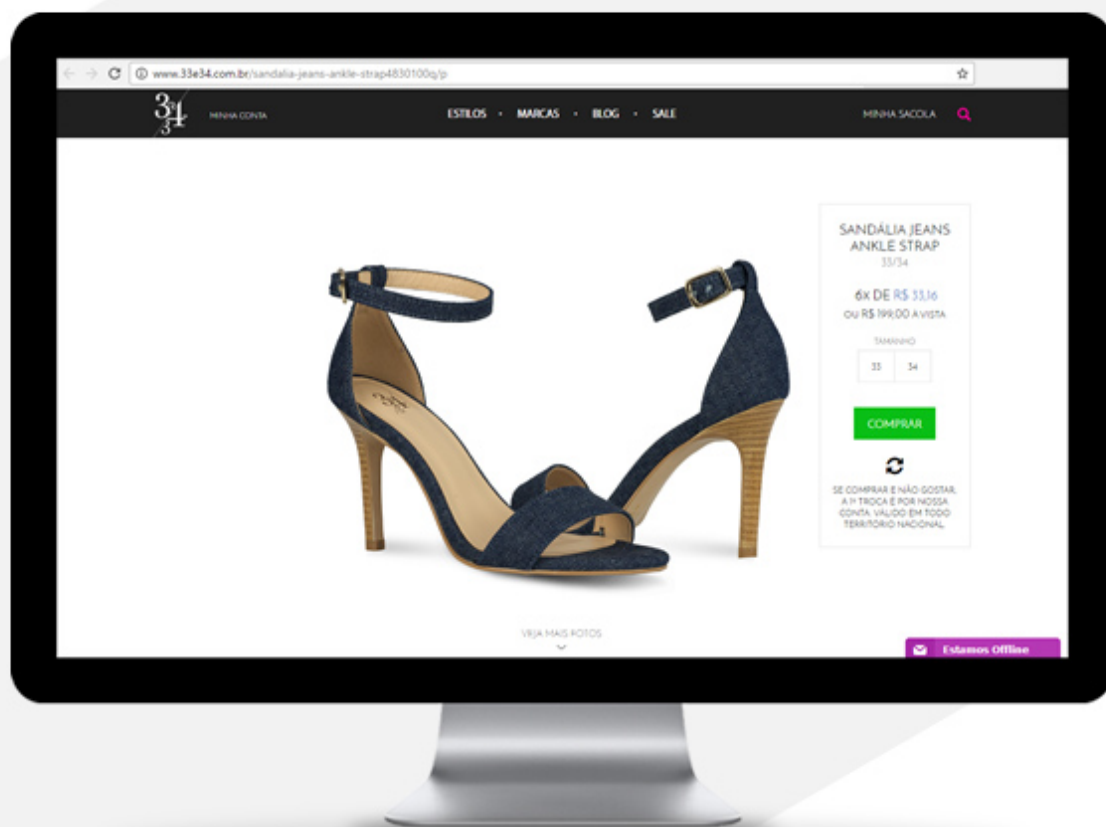
Process/Tech Tips

Creating an experience that is manageable is key. Before committing to a unique fit guide per product or unique content per PDP, ensure that the information can be maintained and managed effectively. It will have much less impact if it is not user-friendly.

Opportunity

Brands have various messages they need to communicate to their consumer. It may be about styling looks, or layering items; it may be about pairing prints together, or it may be about finding the perfect trouser. Whatever it is, we encourage the product detail page to be both educational and inspirational for the consumer. Customer experience is essential to all retail channels, so we invite you to make it worth their while.

Make it Easy to Save & to Buy

Adding to a shopping list or wishlist plus the ability to save for later or share with friends is also ideal as it allows them to halt the shopping process for the moment. However having the ability to pull those items up or add to the cart at a later time needs to be simple and easy, and will allow for a smooth continuation of the process. Checkout should force the user to register with the company once, and address entry and payment and shipping should be simple, error free, and easily paused to go back to editing or adding more products. It should also not require the user to continuously re-enter their information over time through consecutive purchases.

Agency Approach

Saving items should be used for potential purchasing, not as a means to "dream."
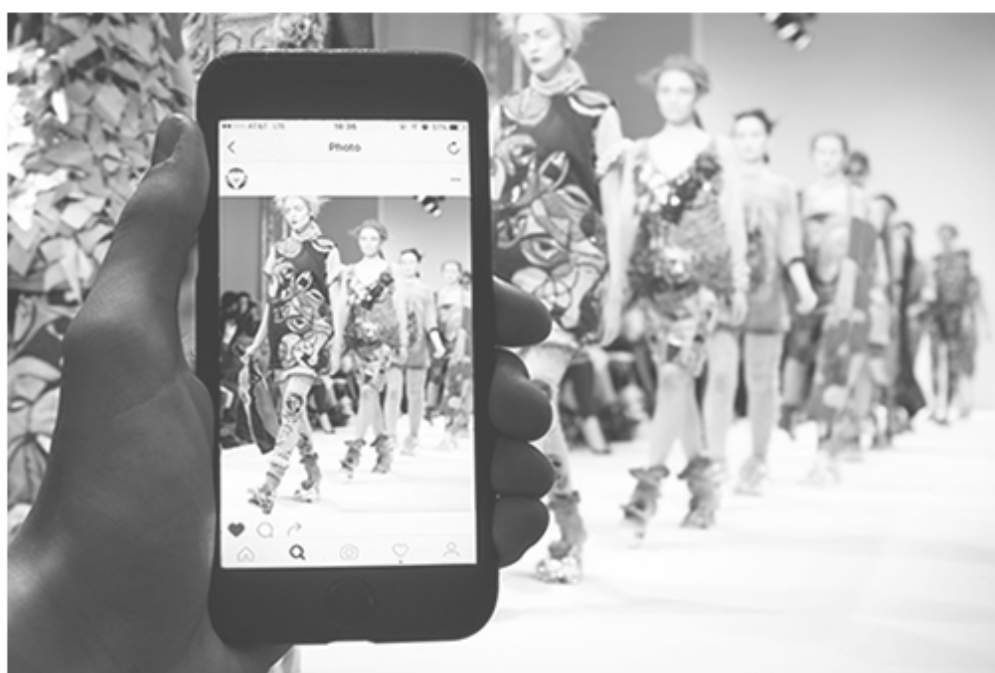
Process/Tech Tips

Working with your platform, loyalty program, or marketing programs in harmony is key to ensure you are using the data captured within the wish lists as a means to remind, communicate with, and incentivize your potential consumer. Make it easy to purchase.

Opportunity

Ensure wish list functionality is visible, shareable, and curate-able. Multiple wish lists for different trips or creating wish lists per room during a home renovations will ensure the wish list is organized and easily available as funding becomes available. When done efficiently, this can be a great tool for the customer aiming to purchase.

Understand the Social Imperative

Do not overlook or underestimate understanding who your customer is and what their habits are! Social is so much more than ratings and reviews or people liking a brand on Facebook. Social is fast becoming a key touchpoint for retailers to engage their audience and drive sales; its relevance only continues to become more necessary. Not only is social engagement a chance to personalize interactions between the brand and the customer, but it leads to a wealth of customer insights. Social is where large volumes of customers tell retailers about themselves: their likes and dislikes, their friends, favorite pastimes, and their shopping preferences. This can be highly useful for companies aiming to tailor their selection and the shopping experience to the exact needs of their clientele.

Agency Approach

Two way dialogues are key.

Process/Tech Tips

Capturing and analyzing the social dialogue is key. Make sure customer service, merchandisers, and product development have access to the feedback the consumer is providing (whether quality, usage, fit, etc).

Opportunity

Determining the balance between the authoritative voice (the brand), verses the advocate (the consumer) is important for brands to agree upon prior to conducting social initiatives. Not every social campaign is effective across brands within the same vertical and targeting the same consumer.

The goal is to pinpoint the right messages and offers that will resonate most with customers based on their needs, desires, actions, and aspirations. This makes data core to any personalization effort.

Online apparel retailers can use the wealth of customer data that is available to them from their own channels, such as from website browsing, online purchases, social and mobile. In fact, many retailers run loyalty programs for the pure benefit of collecting customer information, which they can then use to present customized offers and personalized shopping experiences. They can combine this with third-party data to progress from delivering undifferentiated promotions to the masses in favor of individualized experiences that resonate, grow revenue, and enhance loyalty.

Retailers should capture as much data as possible to support personalization. Even if the capacity or capabilities are not yet in place to analyze all the data, collecting it now is critical to future initiatives. Keep in mind that historical data can never be recreated.

Sample data for personalization:

- First-time visitors
- Repeat visitors
- Abandoned carts
- Customers from a certain geography
- Customers who shop specific categories
- Customers who shop at particular times of day
- iOS shoppers

The low-hanging fruit for driving engagement and sales over social at the outset:

■ Know how customers use social channels.

The one pitfall to avoid is providing a vanilla social experience. With fewer resources to dedicate to social channels, some retailers attempt to engage users the same way across all of them. Yet people do not use all social channels the same way. Treating Pinterest users the same way as Facebook users will quickly turn people off from engaging with a retailer.

## ■ Start on the social channels with the highest audience engagement.

Shoppers find images more engaging than copy, so consider focusing on social networks where images take precedence. Eye-catching content is an excellent foundation to begin with; you want to get their attention from the start.

■ Make it easy to share content.

Buttons for Facebook, YouTube or Twitter on a retail website page no longer suffice. Retailers must make it easier for users to share content and reviews by adding share buttons to all product detail pages. Shoppers should be able to upload photos of themselves with retailers' products and feel encouraged to share in return for rewards and incentives. Interaction can be huge, and making it easy and rewarding for the customer will drive the participation.

Harness the Power of Customer-Generated Content

Apparel retailers can add a massive sales impact by incorporating user-generated content into their sites and marketing initiatives. While not completely personalized to each consumer, user-generated content feels personal due to its authentic and relatable nature. People trust and give more credibility to content and opinions shared by peers and like-minded shoppers than that content that is generated and presented exclusively by retailers.
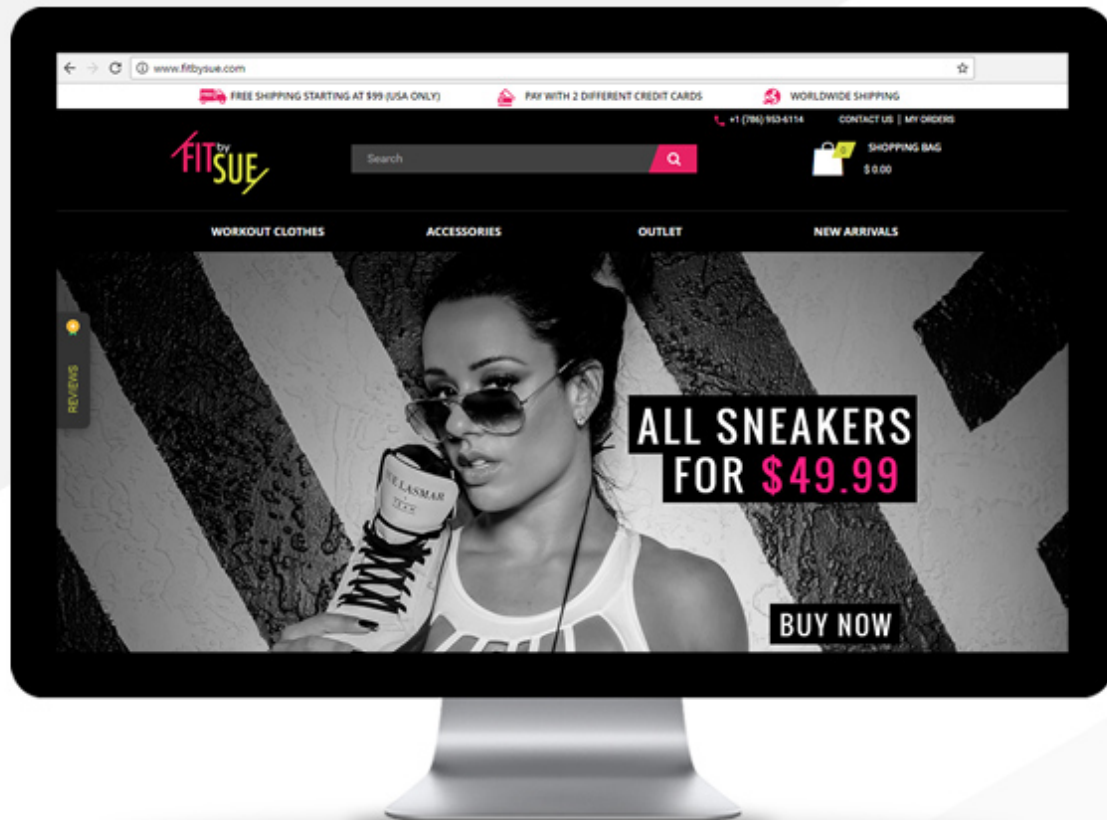
Deliver Differentiated Experiences / Personalized Experiences for Greater Results

Free shipping, low prices, or volume discounting is no longer enough to lock in customers. To compete, apparel retailers must differentiate around the shopper experience. Retailers need to differentiate by satisfying a broader and deeper set of customer needs and desires. Customers who feel they are receiving individualized service and treatment are more satisfied and remain more loyal than those who don't. For example, allowing customers to return clothing they have already tried or delivering personal products to their workplaces (so they won't miss a home delivery requiring signature, for instance) shows a level of service that encourages customer loyalty. Delivering differentiated experiences that speak to shoppers' wants, needs, and latent desires helps build a community of enthusiasts with emotional ties to retail brands – ties that won't be broken by a large retailer's one-off price promotion. And these customers represent the easiest and fastest source of revenue for helping a retailer grow from the low millions to high double-digit millions in revenue per year.

Agency Approach

Effective personalization is in; online stalking is out.

Process/Tech Tips

Establishing personas, product data management, content management, smalt filtering, and proper testing/data analysis will ensure you are creating an experience that is relevant and effective.

Opportunity

There is a massive opportunity for engaging in political trends (items to wear to the women's march or when protesting), weather trends (global warming and impact on what product we merchandise and when, strategically), regiment requirements (k beauty is a 12 step process that can be catered to your preferences), and lifestyle (easily packable items for your lifestyle and wanderlust)

Focus on Content + Commerce

To further differentiate the shopping experience, online apparel retailers should integrate content at all relevant touch-points. Personalized and contextually relevant content strengthens engagement and increases the likelihood of turning a browsing visitor into a buying customer. When the right content is delivered to the right person at the right time, it's as if the retailer has a virtual salesperson exclusively handling the customer-touchpoint.

Recommendations, related products, and creative content (e.g., hero spots) are among the easiest personalization tactics to implement. Other top content personalization techniques include location-specific content, related products on cart pages, and loyalty pages. Once the right content is identified, retailers can leverage data analytics, supported by digital commerce platform capabilities and other specific technologies to incorporate them into personalization efforts.

Dedicate Efforts to Marketing

Marketing is crucial to your online store's success, and you should dedicate time and funds towards it. This aspect can be tremendous in regards to your sales, so don't underestimate the power of different marketing campaigns. Driving traffic is of utmost importance so jump on it every way you can; this is directly related to your sales. Whether it's paid advertising or other means, it's a necessity for stores just starting out to be able to capitalize on their reach.

Test & Refresh

Managing an online apparel retail site can never involve a system of "set and forget it effort." Retailers should contentiously test and refine their efforts regarding all aspects of the business. A/B and multivariate testing enables retailers to test multiple variations of personalized content to determine which versions better and more efficiently engage shoppers.

Not only should a site be designed and optimized for web, but it needs to be optimized accordingly to fit the specs for all screens, or you just will not be capturing all the conversions possible.

Conclusion

Competition in the online apparel vertical is fierce. It is therefore critical to deliver a differentiated shopping experience that stands out from the rest and meets the desires of today's shoppers for a **frictionless shopping experience that inspires, surprises, and delights.**

Online apparel retailers that address and excel at delivering the key must-have features will soon expand their reach, deepen customer engagement and increase sales.
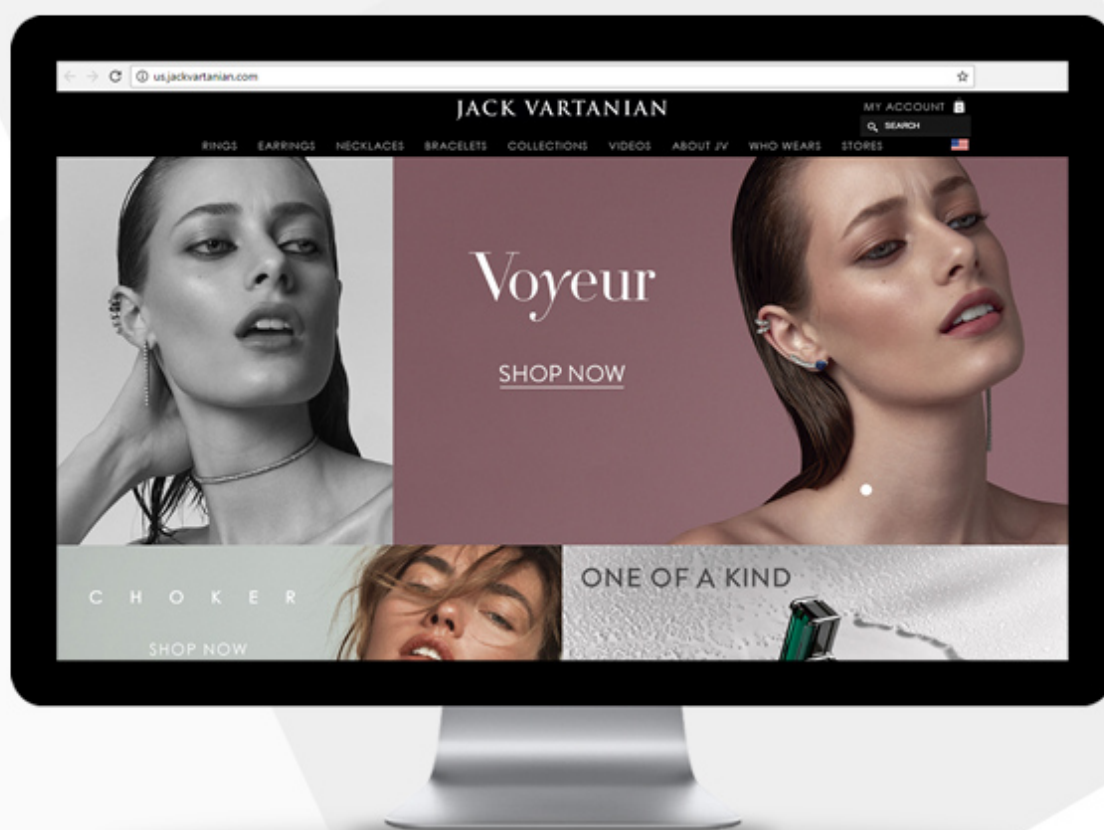
ABOUT VTEX

VTEX is the only True Cloud Commerce platform in the digital commerce market with an auto-scaling elastic cloud infrastructure that leads to higher conversion rates, stronger customer loyalty and lower TCO. Utilizing the exclusive patent-pending SmartCheckout™ technology - a secure, intuitive and easy password-free process, VTEX presents an excellent option for digital commerce. Companies running the VTEX platform have seen a 54% increase in conversion rates, and a significantly lower rate of cart abandonment. Since 2000, VTEX's pioneering R&D teams have provided customers all over the world with a comprehensive, fully-adaptable, omni-channel solution that keeps pace with ever-changing customer expectations. VTEX is trusted by over 1,000 clients worldwide including Walmart, Danone, Whirlpool, Coca-cola, Pandora, Avon and Lego. To learn more about VTEX, please visit: http://en.vtex.com.

Connect with VTEX Cloud Commerce through our Blog. Join the conversation on Twitter @VTEXTrueCloud.

ALEX SONCINI

Alex Soncini (alex@vtex.com) has over 17 years of experience in the digital commerce industry and is passionate about the retail transformation. Computer Engineer and Master in Project Management, Alex has participated in hundreds of omnichannel commerce projects helping companies with digital strategy.

Co-founder of VTEX eCommerce Cloud Software, he has driven the company to expand in emerging markets, which has over 2,000 live customers in 16 countries. Currently, he leads the company's North American expansion.

For two years, Alex also coordinated the E-commerce Platform Committee of the Brazilian Chamber of Electronic E-commerce. Additionally, he is an international speaker for many of the main emerging markets digital commerce events, and a teacher at the most recognized universities in Brazil.

COLLABORATION

One Rockwell is a premier digital agency based in New York City, and we greatly appreciate their collaboration on the creation of this white paper. Their expertise, industry knowledge, and "Agency Approach" has brought about much insight, and it has enriched the content provided as a result.

ABOUT ONE ROCKWELL

One Rockwell is a full-service digital agency with exceptional abilities in intelligent commerce. With clients such as Oscar de la Renta, Mara Hoffman, and Juice Beauty, One Rockwell is a true digital destination for serious brands looking for serious growth. Contact hello@onerockwell.com to receive more information.

COLLEEN OATES

Colleen is One Rockwell's Managing Director, where she oversees new business, client services, and service offering development. Colleen works closely with One Rockwell clients in regards to finding the white space within a heavily saturated digital industry.