



eFashionSolutions

12 LESSONS LEARNED IN DRIVING E-COMMERCE SUCCESS

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YOUR LINE. ONLINE. >

12 LESSONS LEARNED IN DRIVING E-COMMERCE SUCCESS

eFashion Solutions understands that as a retailer, you are constantly seeking ways to gain market share and improve performance through gains in same-store sales, gross margin, and inventory turnover – all while controlling operating expenses. Savvy retailers realize that these same improvements are also essential to success in e-commerce. Unfortunately, traditional approaches to e-commerce – such as ASPs, software solutions, and on-demand software – tend to erode already-thin margins.

That’s why the founders of eFashion Solutions – former fashion industry executives – developed a comprehensive outsourced e-commerce solution from the ground up, tailored to the needs of retailers in all fashion categories, including urban, contemporary, intimate, and accessories; luxury brands; entertainment; and retail. This e-commerce platform was designed to mirror the entire Demand-Driven Merchandise Continuum (see figure 1), and enables an integrated e-commerce process covering everything from customer demand through the entire merchandising offer and customer service aspects of the retail business.

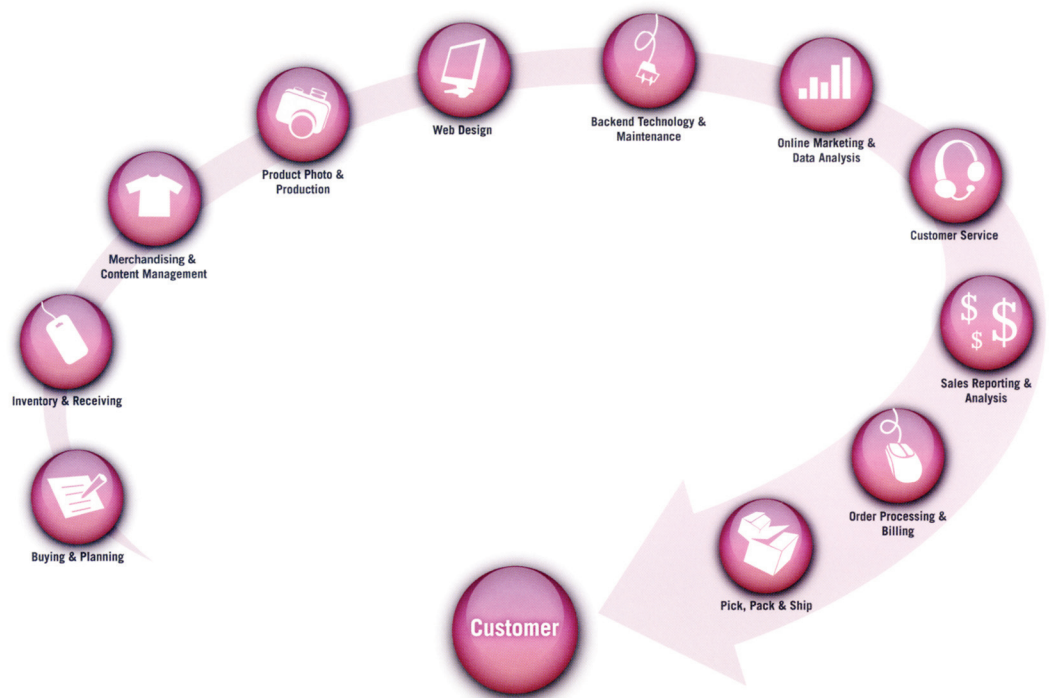


Figure above > eFashion Solutions supports a comprehensive demand-driven merchandise continuum

eFashion Solutions' solution and services provide a platform for growth – one that allows you to focus on merchandise and marketing strategies and growing your business. As you evaluate your e-commerce platform options, consider the twelve lessons we've learned in developing the platform that has fuelled the e-commerce success of leading brands such as **Oscar de la Renta, DKNY, Judith Leiber, Baby Phat, Rocawear, Vanity Fair,** and **Orange County Choppers.**

01 > MERCHANDISING

Without a doubt, the e-commerce market is getting increasingly competitive. To be successful, you need to respond to customer demand by delivering the right merchandise and a positive shopping experience. Online, that means you must constantly refresh your merchandise and the customer experience in order to encourage repeat visits, higher conversion rates, and customer loyalty, as well as to strengthen your brand position.

Key to effective merchandising is attentive detail to everything from merchandise assortment planning and through in-season management, including monitoring sales, forecasting, and refreshing product offers. But updating your “window display” online is not so simple – after all, you are dependent on your e-commerce solution provider or in-house IT department to implement any changes to your online store. And let's face it – responding to your requests isn't always at the top of their lists. The result? You are often too late responding to consumer demands and market trends.

With eFashion Solutions, you gain a strategic partner who helps you optimize your merchandising. While you develop your merchandising plan, you always have access to our experienced merchandising team who can help you hone your strategy based on their insight into e-commerce success. This enables us to help you build the optimal online merchandise assortment. By pairing our expertise with your insight, we can help ensure a successful online launch and strong comparable sales to your offline performance.

Once your online store is launched, you have access to information about category, line, and page performance from our online store database. We also provide the technology and tools that you need to react to that data and encourage conversions through trend pages, microsites, and other important merchandising tools. For instance, our proprietary content management system includes template-based style guides that allow you to change products and images online based on what's selling or not selling.

And if you need additional help, our merchandising specialists are available to analyze your strategy and help you adjust your approach on the fly. Based on their extensive personal experience in the fashion world, these specialists can help you pinpoint what is and isn't selling by category – and why. Working closely with you and your marketers, they develop a point-of-sale strategy, a promotional calendar, and help you plan the business from a retail flow point of view. The result? You drive more traffic to your online store, get slow-moving merchandise out the door, and take advantage of shifting trends – across all of your channels.

02 > MARKETING

If you are like many other online brands and merchants, in the not too distant past, you believed that you could simply open an online store and customers would come. Instead, you've likely learned that you must market your online presence with as much effort as you market your offline one. But without the right data, tools, and experience, you'll spend vast amounts of your marketing budget trying to lure consumers to your online stores – with little success.

eFashion Solutions has built a comprehensive marketing platform backed by perpetual performance-measuring tools and reports. In addition, we have honed successful marketing strategies across a number of channels, including key word and organic search, affiliate, email, and community-focused activities. And we work closely with our clients to ensure complete marketing synergy and high-quality brand positioning. In fact, we excel at extending our clients' brand campaigns in a manner that builds the brand while also increasing the number of store visitors and conversion rates in a profitable manner. And our efforts have resulted in sales and gross margins for our clients. It's just one reason that we won a Webby Award for our work with DKNY.

03 > CONTROL

You know how critical it is to take advantage of market opportunities and control the total cost of ownership (TCO) of your e-commerce environment – it's what stands between success and failure. Unfortunately, traditional retail technology strategies do not provide you with the control you need, especially if you are relying on a patchwork of point solutions to run your business. Even if you've chosen to work with an e-commerce provider, you will likely find yourself paying for the development and implementation of every needed change, as well as software upgrades. The result? Unanticipated and ongoing costs that cut into your profit margins. Even if you manage your e-commerce platform in-house, you're dependent on your IT group to develop and implement every feature and modification. And you don't have time to spare when it comes to promoting your brand.

eFashion Solutions' Demand-Driven Merchandise Continuum strategy provides you with a comprehensive, integrated, industry-leading platform, one that is constantly evolving to keep pace with market trends. We hire top-notch talent to manage every aspect of our clients' e-commerce business, from buying and planning and product photography to Web design, order processing, and customer service. While we provide the expertise, everything we do is transparent to you. You maintain full control, overseeing our staff as if they were your own.

04 > CUSTOMIZATION & FLEXIBILITY

To stay ahead in the world of e-commerce, and optimize online revenues, you need the flexibility to respond quickly to customer demands and product trends. That means you must be able to customize your online store to keep pace with your ever-evolving e-commerce strategy.

Unfortunately, many traditional e-commerce solutions actually limit your flexibility, making it difficult to incorporate the features you need to merchandise effectively. Customization often ends up being time-consuming and expensive. By the time redesigns are complete, you often have a new or better execution idea, but you're locked in until the next redesign can be implemented. While traditional solutions might look affordable on the surface, they end up eating away at your profit margins as you pay additional fees to customize the solution to your needs. Perhaps most important, you'll miss marketing opportunities due to delays in addressing your merchandising requirements.

We understand that you will be smarter tomorrow about your e-commerce business than you are today, but that you are often limited by your outdated e-commerce platform and online store design. Based on our understanding your needs and consumer behavior online, we have developed a platform that ensures the utmost technical flexibility. In fact, the unique flexibility and customization capabilities that we provide our clients are largely responsible for our 99% client retention rate. Our platform was built using open source technologies and allows for continual evolution, so you can enhance your brand and the shopper experience every day. With our solution, you can customize your online store design, navigation, trend pages, microsites, shopping cart functionality, and all customer touch points – from the time you launch through all your online store iterations.

And at any time, you have access to our team of specialists who can customize and enhance your online store to accommodate your requirements. In addition, we partner with best-of-breed solution providers who can complement our solution with value-added technologies – so you have access to everything you need to succeed.



05 > INTEGRATION

As a multi-channel retailer and brand supplier, you know the importance of integrating your e-commerce system with existing ERP and CRM systems – it's the only way you can deliver a true multi-channel customer experience. But traditional e-commerce solution providers often struggle to map front-end systems to back-end systems. The result? It takes a lot longer than you expected – or can afford – to get your e-commerce presence launched.

The beauty of our solution is that you can get up and running quickly by opting to use our merchandising system for the launch of your Web businesses. Once your online stores are fully operational and processing orders, we work closely with you to define the specific data and controls that need to be integrated into your existing back-end systems. Based on our extensive retail background on both the business and technology side, we have no problem understanding your data schemas and SKU logic. That means you can focus on scaling your business online while we quickly connect your e-commerce and back-office systems to ensure an efficient deployment.

06 > WORKFLOW

Just how important is it to access timely data about your e-commerce processes and effectiveness? If you want to get to market quickly and capitalize on emerging trends, it's critical. But when you use a traditional e-commerce solution, it's almost impossible to gain the needed insight in a timely manner – you'll find yourself scrambling to pull information out of the slew of people who are all responsible for different aspects of building and running your online presence.

Because the *eFashion Solutions* platform was built from the ground up by industry experts, all processes are seamlessly integrated and interrelated through our Demand-Driven Merchandise Continuum. From digital photography workflow to content merchandising, from purchase orders and warehouse receipts to accounts payable reconciliations to real-time inventory status – you have insight into where your product is at every stage of the e-commerce process. With timely, relevant, and actionable information, you can make merchandising decisions that lead to higher conversion rates and profit margins.

07 > IMPLEMENTATION

When it comes time to launch your online store with an ASP, you'll be at the mercy of the vendor to assign appropriate resources and meet desired timelines. Many – if not all – ASPs do not maintain an in-house professional services team but instead rely upon implementation partners. That means the timing of your implementation is even further out of your control.



eFashion Solutions delivers an unprecedented time to market. When you work with us, you get a high-quality, fully-functional base storefront with rich e-commerce features, templates, and support for HTML and Web services. As a result you can quickly and easily launch a sophisticated and compelling online store. And at any time, you have access to our experienced team of Web developers and designers who have launched more than 30 successful e-commerce stores.

08 > UPGRADEABILITY

You need to continually upgrade your online store to keep pace with ever-changing shopper expectations and e-commerce trends. But if you work with an ASP or develop an in-house e-commerce platform, you'll find that new features are costly and customization is restricted. On top of that, you're at the mercy of others to implement your requests – which often get pushed down the list of priorities.

With *eFashion Solutions*, you'll no longer need to suffer through the waiting and other upgrade issues you experience when dealing with an ASP. We are committed to continuously researching, developing, and deploying cutting-edge features that allow our clients to get the most from their online businesses. Because e-commerce is our sole focus, you can be assured that nothing will compete with our attention to constantly improving our e-commerce platform.

09 > AFFORDABILITY

You can't afford hidden costs when it comes to running an e-commerce operation. But that's likely what you'll come up against when working with traditional e-commerce solution providers. They might appear to offer all needed functionality, and they will claim that the only additional charge will be for implementation. But more often than not, your unique requirements can only be met through expensive custom development work.

eFashion Solutions is more than a solution provider – we are a strategic partner committed to your success. In fact, we share the same incentives for success – building brand, sales, and gross margin. That's why we provide everything you need to succeed – with no hidden costs. In fact, you can take advantage of new features as soon as they become available – without paying extra.

Because we understand what it's like to operate on tight budgets and constantly be measured on performance, you'll never have any P&L surprises with us. There are no unexpected professional services' fees. With our turnkey solution, you can build a revenue channel on a platform that delivers a predictable TCO (both now and in the future). And because you can easily add new brands and online stores to our platform, you can be sure to seize all revenue-generating opportunities – affordably.



10 > CUSTOMER SERVICE

Superior customer service can set you apart from the competition. But handling customer service inquiries in-house can be overwhelming. And when you outsource to a call center, your products are often being represented by people who know nothing about your brand and offerings. Remember, it only takes one poor experience for a customer to walk away for good.

Because *eFashion Solutions* manages every element of our clients' online stores, we are highly sensitive to customer service and can instantly satisfy customer needs. Knowing that solid customer service starts with a deep understanding of what's being sold, we hire models to try on and review every single item that you sell. This approach enables our customer service representatives to do more than answer the phone – it means they can represent your products in a knowledgeable way.

In addition to responding to phone inquiries, email, and live chat about your products, our specialists can walk your customers through everything from navigating your online store to placing an online order – whatever it takes to encourage purchases and customer loyalty. In fact, we offer full customer service care, covering returns management, payment processing, and logistics. But don't just take our word for it – here's what a Forrester Research analyst said about us in Investor's Business Daily newspaper: "They have New York fashion school students in their call centers, so they are very specialized and they offer a greater value proposition than a more general e-commerce provider like a GSI or Amazon."

11 > CREATIVE SERVICES

You know how much is involved in representing your brand online – it encompasses everything from copy writing and Web design to styling, makeup, and photography. But it's a drain on finances and internal resources to try to manage all of that in-house.

As a complete end-to-end service provider, *eFashion Solutions* becomes a virtual extension of your brand. With an organization of more than 150 talented individuals with direct experience in the fashion industry – backed by proven and streamlined processes and methodologies – we alleviate the need for you to maintain a large in-house crew to ensure that your brand is accurately represented.

For example, while our photography professionals provide the creativity and experience needed to produce the high-quality images the fashion industry demands, our well-honed workflow leads to unparalleled operational efficiency. By connecting our sophisticated digital photography system with our warehousing system, we are able to align photo shoots with your time-to-market needs. As soon as your production pieces



arrive in our warehouse, we are notified of any photos that need to be shot. We shoot photos of your live product, not your samples, so consumers receive exactly what they see. You have access to a Web-based photo approval system, allowing you to edit and review photos, as well as submit special requests – all through a Web interface. The result? Photographs that accurately represent your brand and enhance visual display, delivering higher conversion rates, increased sales, and lower return rates .

12 > REPORTING

To ensure e-commerce success, you need real-time and accurate insight into how well your promotions and sales are going. Many traditional e-commerce providers inundate you with information that is not sorted, analyzed, or reported in a way that allows you take immediate, meaningful action. Do you really have time to aggregate all of the information? And can you do it quickly enough so that the data is still relevant? If you're like most retailers, the answer to both is "no".

eFashion Solutions knows just what information you need to make decisions that increase conversions and revenues. That's why our platform provides timely, relevant, and actionable information that allows you to adjust your business in response to performance and trends. Backed by a Web-based merchandising reporting system that you can access from anywhere in the world, you gain the information that you need to control and react to the business. You can generate reports to align with the retail 4-5-4 accounting calendar or the Roman calendar, as well as with your planning and forecasting systems. With this information, you to quickly assess weekly and monthly sales, how well you are performing against your plan, and the effectiveness of your promotions. Furthermore, based on your company's merchandising strategy and rules, our system can recommend re-orders, price adjustments, and optimal stock levels.

Whether you need to adjust your promotional strategy, mark down certain items, or offer items exclusively on the Web, *eFashion Solutions* provides you with relevant data in a timely manner – summarized in a way that allows you to optimize your decisions. If you're not convinced that our Web-based reporting makes a difference, consider our client results. On average, eFashion clients realize comparable store increases consistently above 25% and a greater than 50% increase in their conversion rates.



SIGN UP NOW FOR E-COMMERCE SUCCESS

Online retail success often hinges on the e-commerce platform and partner you've chosen. If you'd like to take advantage of the same expertise and unparalleled platform and services that have helped launch, maintain, and optimize the e-commerce operations of leading luxury and urban fashion brands, contact us today at **201.601.4299** or check out our website at www.efashionsolutions.com.

