

# FASHION

Fashion retailers had ups and downs last Christmas. **Becky Waller-Davies** looks at lessons from their performances



## Stock availability was not well managed by all

2015 was the second year running in which several fashion retailers were unable to shift outerwear owing to the warm winter.

Many were prepared having ordered stock more cautiously, while others made the most of an open-to-buy approval with suppliers, which gave them greater agility.

Debenhams, which has in the past suffered margin hits after launching discounting over Christmas, managed to increase full-price sales 5% and attributed success partly to a 23% reduction in outerwear stock on last year. That compares with an average of 5% in other years.

The same strategy was adopted by rivals M&S and Next, albeit less successfully – availability issues hit hard this season.

Another loser when it came to stock was Matalan, which warned on profits after the warm weather and logistical problems at its new Liverpool warehouse hindered online availability.

One indicator of just how poorly fashion performed was Debenhams' prescient decision to lessen its dependence on fashion. Of its sales this year, 45% came from fashion, down from 47% the previous year.

## Trading patterns changed radically

While many retailers found 2015's Black Friday to be a bit of a damp squib, in truth the success of the event was divided between types of retailers.

Online fashion giants such as Shop Direct's Very and Asos

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**Derek Lovelock, Mamas & Papas**



# What we learnt from fashion retailers this Christmas

reaped the rewards of the US import while more traditional bricks-and-mortar retailers seemed to suffer.

The previous year's Black Friday helped to shift excess stock and in 2015 retailers embraced the event for the same reasons, hoping for an uplift in footfall and associated full-price sales. They were disappointed however.

One chief of a prominent footwear retailer listed the Paris attacks, 2014's scenes of Black Friday brawls in store and the ease of finding bargains online as factors which made Black Friday "tricky".

"Everyone put Sales on and we didn't get the footfall or the uplift in full price," he says. "We sold a disproportionate amount of discounted stock so we got the turnover but margins were hit."

Like it or not, retailers agree that Black Friday is not going away anytime soon.

Mamas & Papas chief executive Derek Lovelock says: "I think Black Friday is very firmly established. We have imported this from the States and it hasn't fundamentally changed over there... it might change somewhat but it's not going to go back to being

Sales on Boxing Day."

There is a consensus that the shift to online seen will continue.

## M-commerce continues to rise

M-commerce, while not a new development, stood out this Christmas.

Although desktop sales were flat at Asos, mobile sales rocketed by 85% and the increase in app sales was even more impressive, up 125%.

Shop Direct also reported a meteoric rise in m-commerce – at

its Very brand mobile sales totalled 63% of Christmas sales, an increase of 32% on 2014.

This rise was not limited to retailers. Fat Face and White Stuff both revealed substantial rises in mobile traffic.

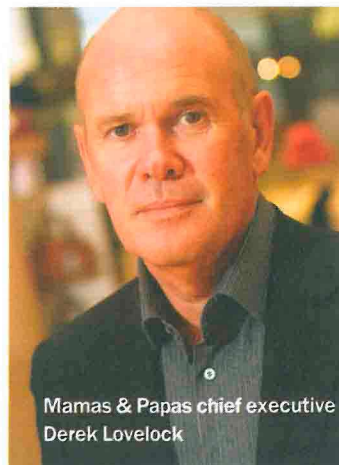
Fat Face reported "triple-digit growth" in the channel, which now represents 76% of online sales, while White Stuff said 65% of its online traffic came via mobile.

## Personalisation gains momentum

2016 has been billed as the year of personalisation and Shop Direct boss Alex Baldock is determined to capitalise on the trend. Knowing the consumer well is the first step towards tailoring experience and Baldock has that down to a tee.

"We know our customer. What she believes in, what she responds to," he says. "Big data, and cutting-edge tech help tailor our marketing, tailor the shop she sees, tailor how we stay in touch. We are zeroed in on her and we tailor everything to her."

**go online for more detail on fashion retailers' Christmas updates: [retail-week.com](http://retail-week.com)**



Mamas & Papas chief executive  
Derek Lovelock

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