

# E-commerce in Fashion Industry: Benefits, Challenges & Solutions

Inveon Insights  
2022

**inveon**



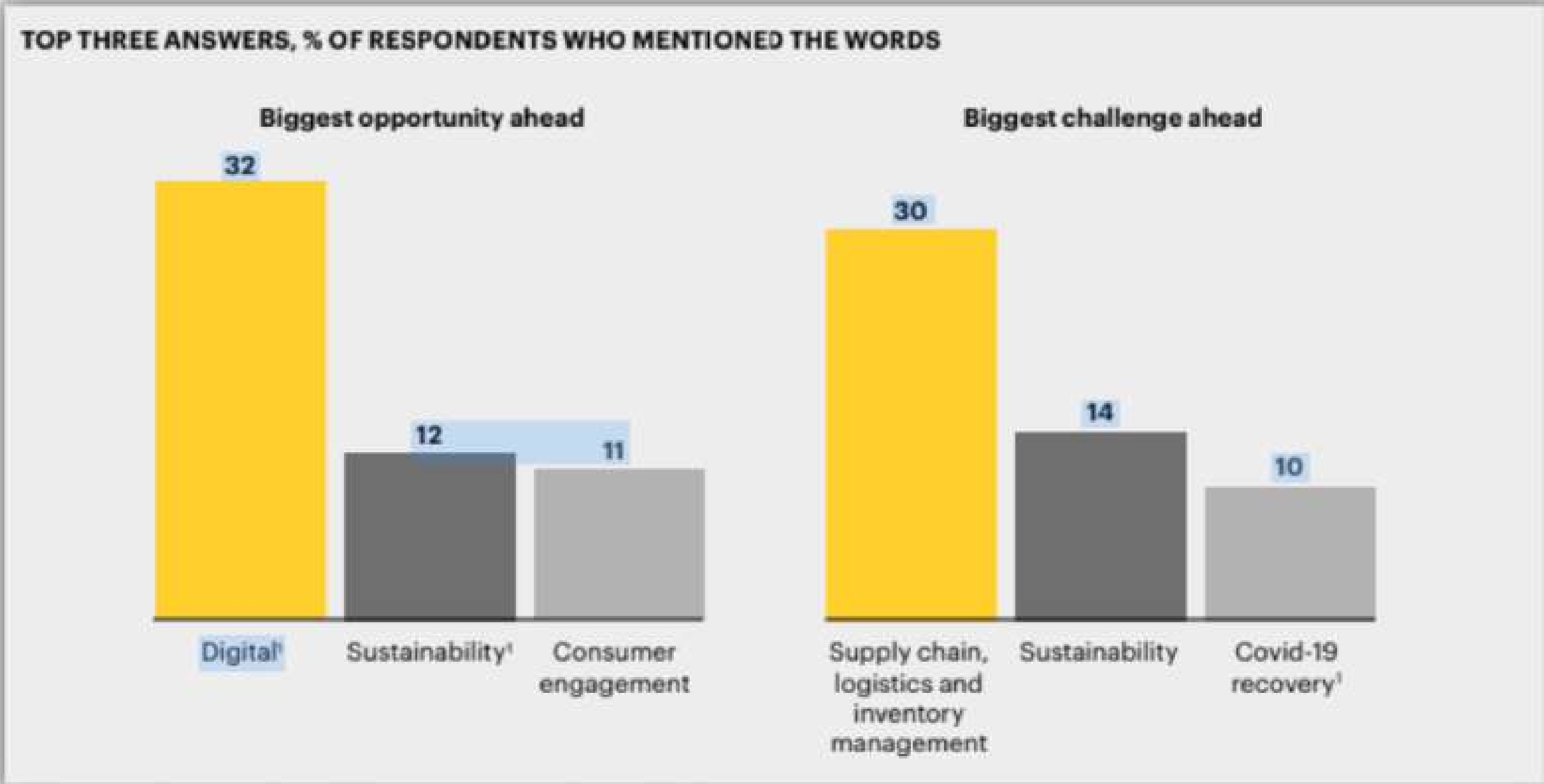


The increasing graph of online sales over the years has affected and changed many businesses, but there is no doubt that the e-commerce fashion industry has been one of the most affected. According to Statista data, the fashion industry has a global market value of **\$759.5 billion** in 2021, and in the next five years, the **7.18% CAGR** of online fashion will push the industry to **\$1.0 trillion**.

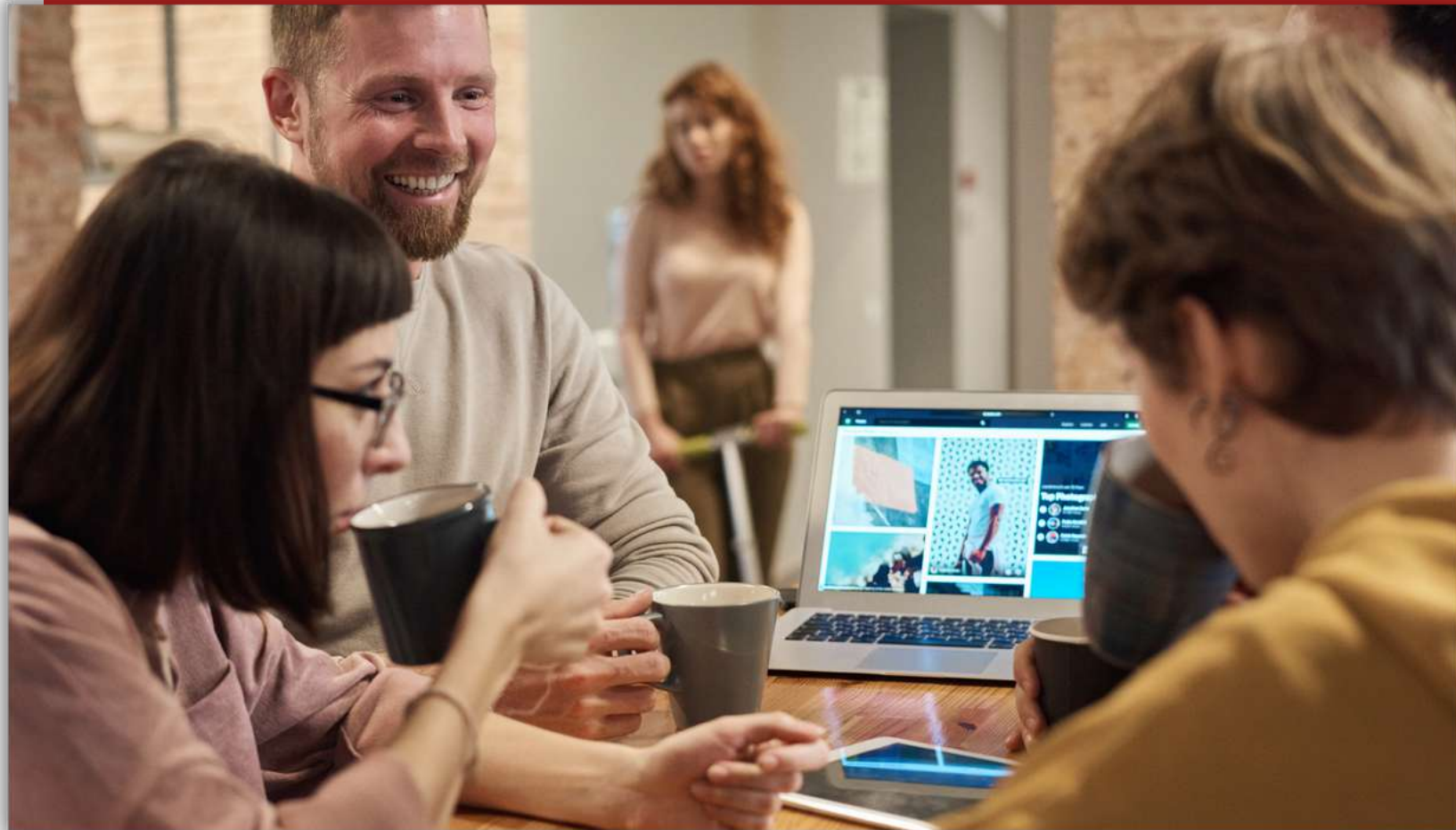
The global pandemic has increased the fashion industry's digital integration, but it is safe to say that the world of fashion was already on the way to shifting online. While industries are experiencing fast digital transition, **e-commerce has provided a multitude of options for retailers in the fashion industry**. Since consumers' screen time has risen during global lockdowns, companies that have embraced online strategies have outperformed their traditional counterparts.



# Digital and sustainability will offer fashion’s biggest opportunities for growth, while supply chain pressures will challenge the industry in 2022



Source: McKinsey



Digital integration is gaining momentum in the fashion industry, and this brings some challenges and solutions. The emergence of new technologies has helped brands enrich their customers' shopping experience. The increasing use of advanced technologies will enable brands to offer more creative and satisfying experiences. According to a McKinsey report, 32% of fashion executives said digital technologies will continue to bring great opportunities in 2022. Increasing awareness of sustainability is also considered as another opportunity for growth in 2022, according to the expectations of 12% of fashion executives.

By using technology, the fashion industry can become more environmentally friendly, and sustainable methods such as second-hand shopping, repairs, fashion redesign and recycling, and fair and ethical shopping may become more common. Fashion brands need to offer a flexible service through **a powerful e-commerce platform** in order to keep up with the rapidly changing agendas of consumers. In addition, creating different and creative experiences by using many features of e-commerce such as AI shopping assistants and virtual fitting rooms creates an advantage in competition with other brands. When all these are provided, mentioned implementations paves the way for success in e-commerce for a fashion brand.





# Requirements for a fashion brand to be successful in e-commerce

Considering the evolving market and the necessity for e-commerce fashion, brands in this field need to have particular qualifications when it comes to optimizing their online platforms and successfully reaching customers. Every fashion brand wants to be successful in the e-commerce space. But only some can be. In order to stand out, strengthen your presence, and increase your sales, there are a couple of essential requirements a fashion brand must have to create a strong digital presence:





## >> Captivating Design

Website appearance is crucial to consumers' first impressions. The first step in the buying process should give an idea of the brand. A website whose interface is not user-centric can lead to low sales and high bounce rates. For such reasons, keeping your online storefront attractive can be paramount for good results. While designing the website, it should be ensured that the users can easily find what they are looking for.

However, looks aren't everything. While improving your UX and providing an outstanding design, it is also essential to have a fast and user-friendly website. It can sound like a lot of work. However, with the right platform and expert UX designers, you can start and grow your e-commerce business in a blink of an eye.



## >> Omnichannel Implementation

Today's consumers are literally everywhere, so brands should be wherever the consumer is. Consumers often expect to have smooth purchasing options from mobile applications to social media platforms. By determining which channels your target audience active in, a **seamless omnichannel service should be provided** on the necessary platforms. Thus, a better user experience is provided and brands can develop new strategies by gaining useful insights, as they will have a good grasp of all pre-sales, sales, and post-sales processes across channels.







## >> Hyper-personalized Experiences

A brand's goals tell its customers who they are and what they value. The environmentally friendly business approach maintained as a brand should be reflected in all channels used by the brand. The ecological understanding to be created in the Product and service personalization is the most attractive method for connecting your customers in the digital world. When a customer feels that their needs are taken into account, that they are no longer a number with purchases made from a faceless retailing giant, this person will turn into a loyal customer.

That's why achieving hyper-personalization can mean huge profits for e-commerce businesses and help them to distinguish their online store from others in the market. **Among the forecasted trends for this year,** hyper-personalization was a promising topic, and its future looks bright with the use of new technologies. To be successful in the world of e-commerce and to maintain growth, a highly personalized user experience is required. The quality of the service supplied to respond to current requests and needs determines how successful the users' purchase experience will be.



## >> Reducing return rates

According to Statista data, the most returned products among consumers are in the clothing category with a rate of 88%. This situation may be alarming for fashion brands that carry out e-commerce operations. Returned products are costly for the brand and have negative effects on the environment. In order to prevent this situation or to reduce the possibility of returns, brands should provide sufficient information about the products and prefer creative presentation styles. E-commerce brands should benefit from many options provided by the digital environment such as size calculators, online shopping assistants or virtual fitting rooms, etc.







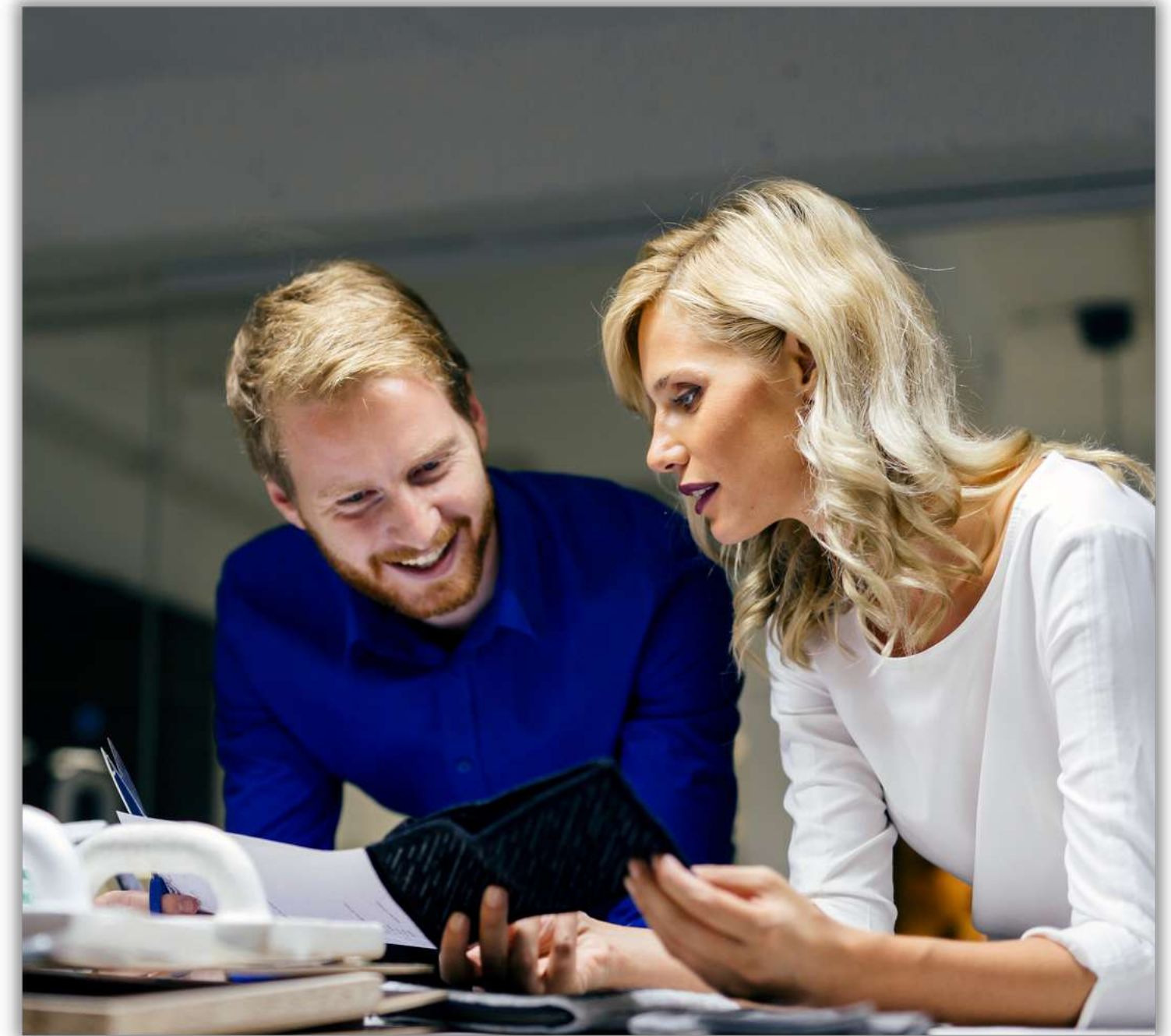
## >> Customer service is the key

Customer-focused service is the greatest priority for a successful e-commerce store in fashion. This can be an important source of competitive advantage to gain loyalty and recurring orders. It is a fact that situations that require customer support such as exchange and return in the clothing industry are more common than in other industries. Just like when providing omnichannel service, being available through every channel that consumers need is the key to quality customer support. Whether it's a live chat, automated or live email, phone call, or through social media platforms, brands should always focus on the specific needs of customers.

The crucial part is not only just being responsive, dealing with queries in a timely way, and so on. A lot of people can respond to emails in a timely manner, but if you want to stand out from the crowd and be both efficient and effective at customer service, you need to offer more than just standard services

# E-commerce Fashion Industry Trends

With the changing market dynamics and consumer profiles, new trends are on the rise. Brands should keep up with the agenda of consumers to stay ahead of the competition and create their strategies in a way that will always evolve for the better. Sustainability is undoubtedly one of the most talked-about topics in the fashion industry. Recently, when the effects of the climate crisis have begun to make themselves felt intensely, especially Gen Z's involvement in the game brings to light the concerns about the environment. Currently, many big brands have a collection of recycled products, recycling projects for products that are no longer used, and sustainable shipping and packaging options.



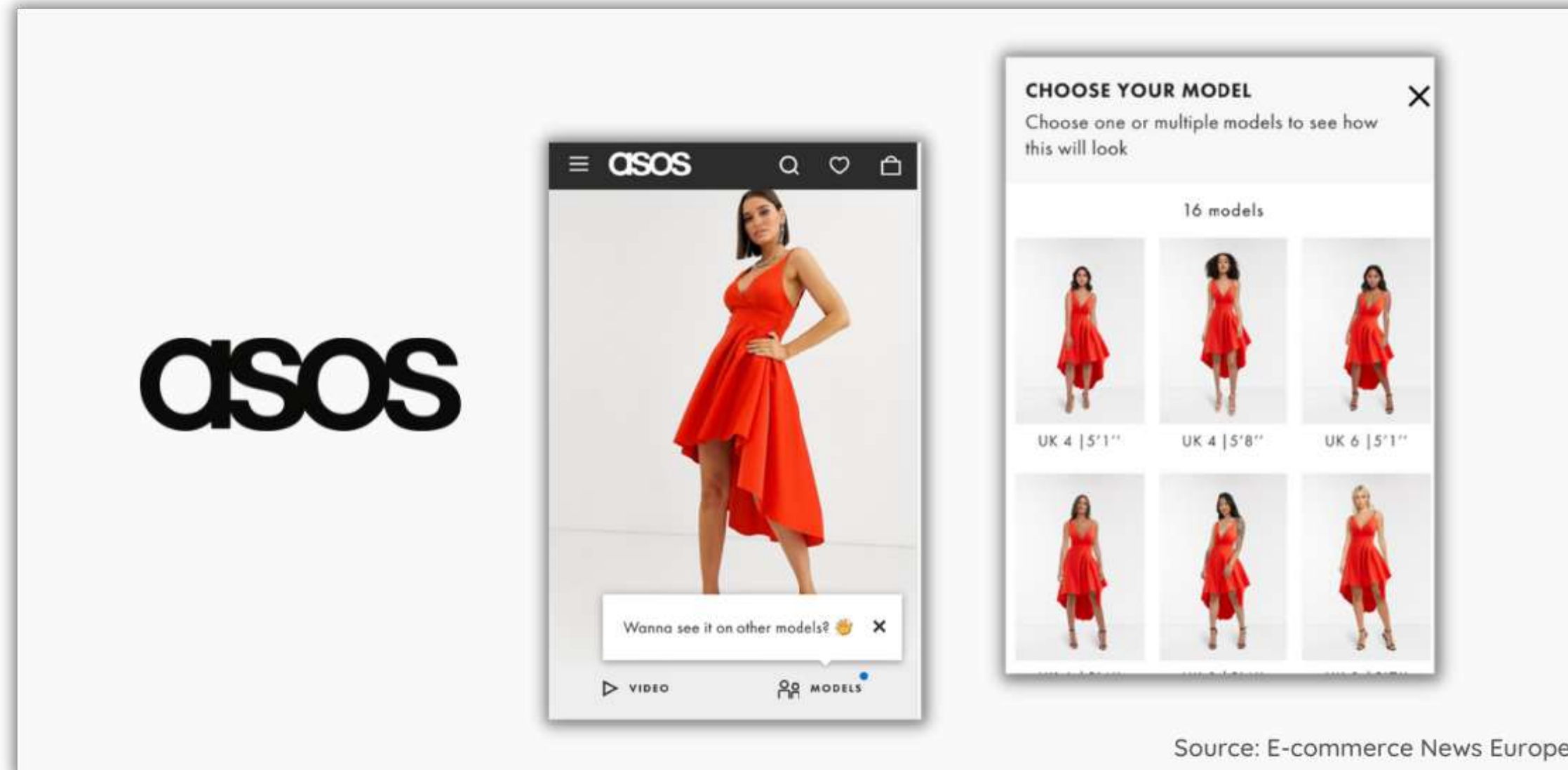


Patagonia's approach to this issue contains an inspiring example; Patagonia is taking another step toward sustainability with the launch of its WornWear online store for pre-owned Patagonia clothes. Customers can turn in worn Patagonia clothes for credit for a new or used Patagonia item. Worn Wear allows customers to collaborate with Patagonia to prolong the life of their clothes.

**patagonia®**



Source: WornWear



Another issue that creates excitement in the future of the fashion industry is the **effects of technology** on this sector. The widespread use of high technology such as artificial intelligence and augmented reality has created new opportunities for fashion brands. Asos: See My Fit AR system is a good example of how to use augmented reality engagingly. It digitally maps the clothes to the models, taking into account the size, cut, and fit of each garment. The simulation shows online users what a garment might look like in 16 different models, each with a different body type, age, and ethnicity.



## Closing Remarks

It would not be incorrect to say that fashion e-commerce is developing and evolving at a rapid pace, and this rate will only accelerate as technological advancements. This renews hope for the future and points to **unlimited growth** that opens up the world with e-commerce, unlike traditional stores. Of course, like every industry, fashion e-commerce has its barriers, but these challenges are waiting to be overcome by working with the right e-commerce partner.

In a nutshell, all the above-mentioned strategies and requirements complement each other and, if matched correctly, **strengthen the brand image, guaranteeing increased sales and sustainable success in the long run.**







**Inveon's comprehensive and scalable omnichannel infrastructure, InCommerce,** provides an attractive and user-oriented online commerce presence that your organization needs and allows it to compete in the e-commerce industry.

**Get in touch** with us today and benefit from the richness of e-commerce in the fashion world.





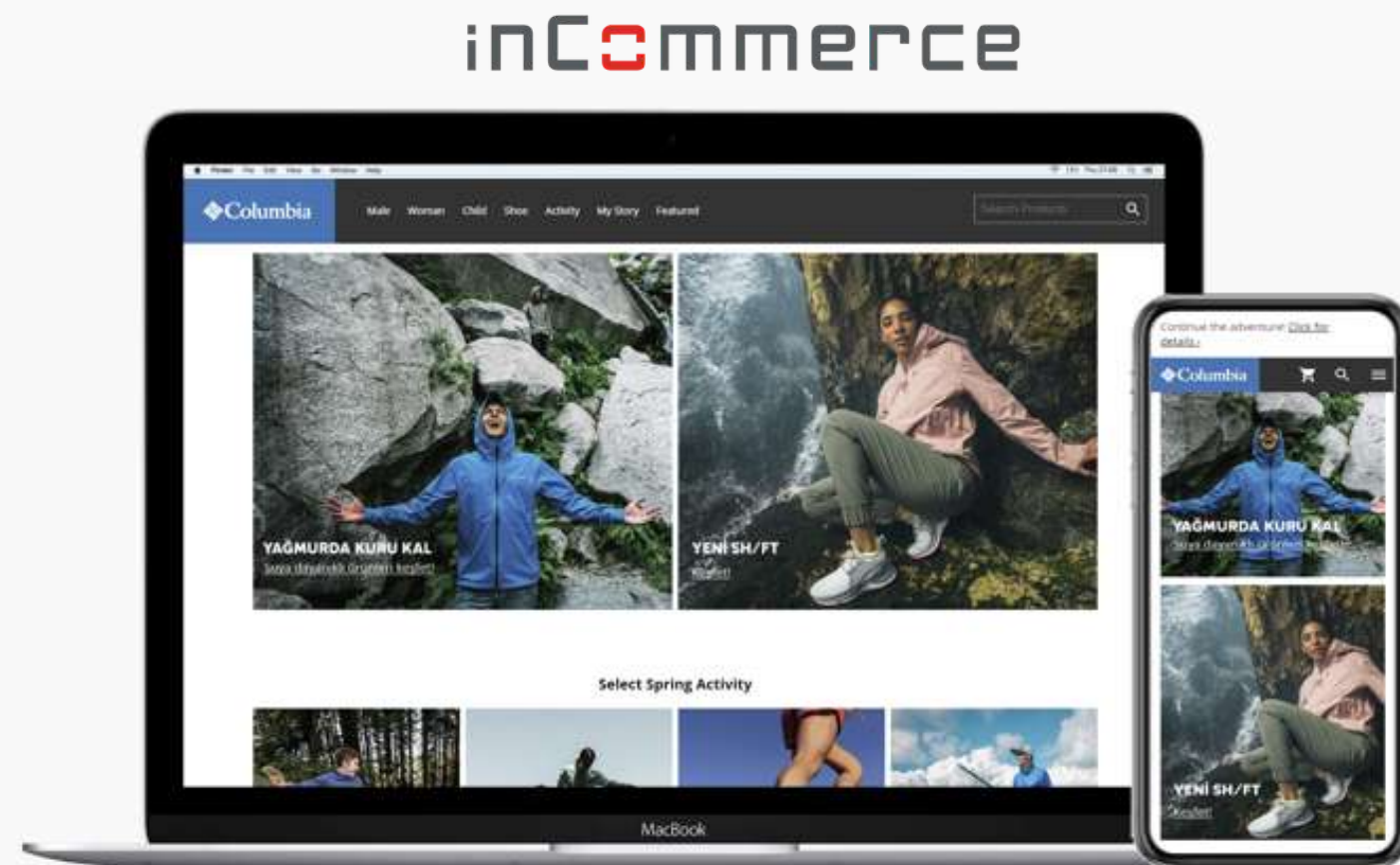
**Inveon helps you get the benefits that  
e-commerce has for the fashion industry**

Schedule a call with one of our e-commerce experts  
today.

**Get in touch!**

# A fulfilling digital commerce platform to deliver an exceptional customer experience

Inveon inCommerce is the agile way to build, launch and expand your e-commerce business across channels, marketplaces and partners.



 Columbia

Let's take your business to the next level!

## Microservice Architecture

Enjoy highly performed operations, ease of integrations and maximum speed through microservice architecture

## Omnichannel Promotion Management

Take a deep-dive into the world of promotion and discount management with an advanced promotion management module

## Headless Structure, Supreme Flexibility

Through inCommerce's headless structure, easily customize your platform and provide a seamless experience to your customers

## Advanced OMS

Effectively manage your omnichannel operations and eliminate operational complexity with inCommerce's strong order fulfillment algorithms

## Real-time Tracking & Insights

Master your data by tracking brand-specific consumer journeys and detailed data dashboards of the reporting module

## Mobile-first Operational Management

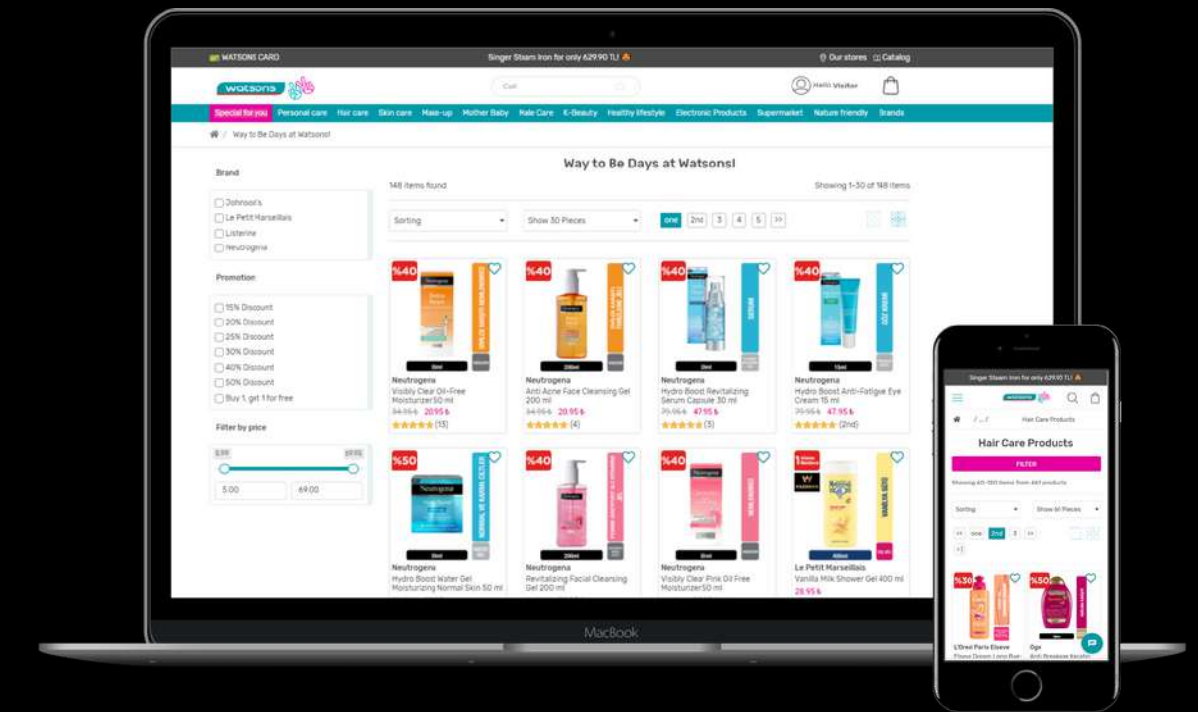
Utilize a comprehensive range of tools to excellently control your operations wherever you are with inCommerce's fully responsive and mobile-compatible admin panel



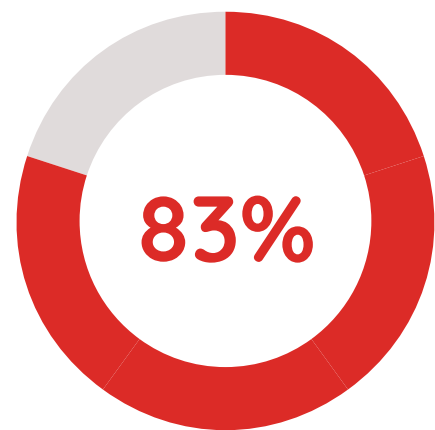


## Unlock growth potential & empower your brand: GrowthLab

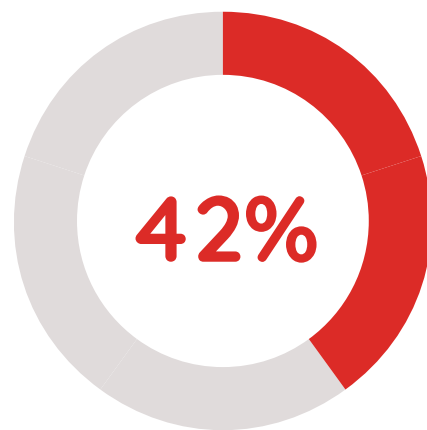
- Keep the pulse on your store with inCommerce's real-time data stream
- Uncover growth opportunities using behavioral segments
- Take the guesswork out of growth with our proprietary next-best-action methodology



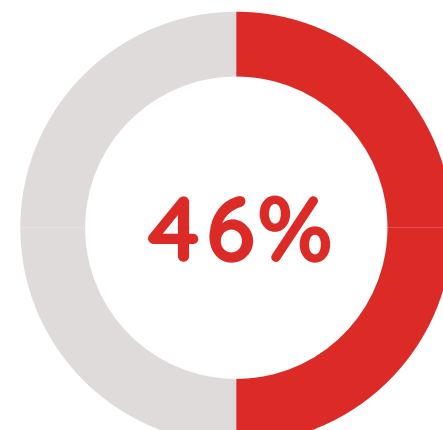
## After 12 months of working with Inveon, our clients achieved:



An average increase  
in revenue



An average increase  
in traffic



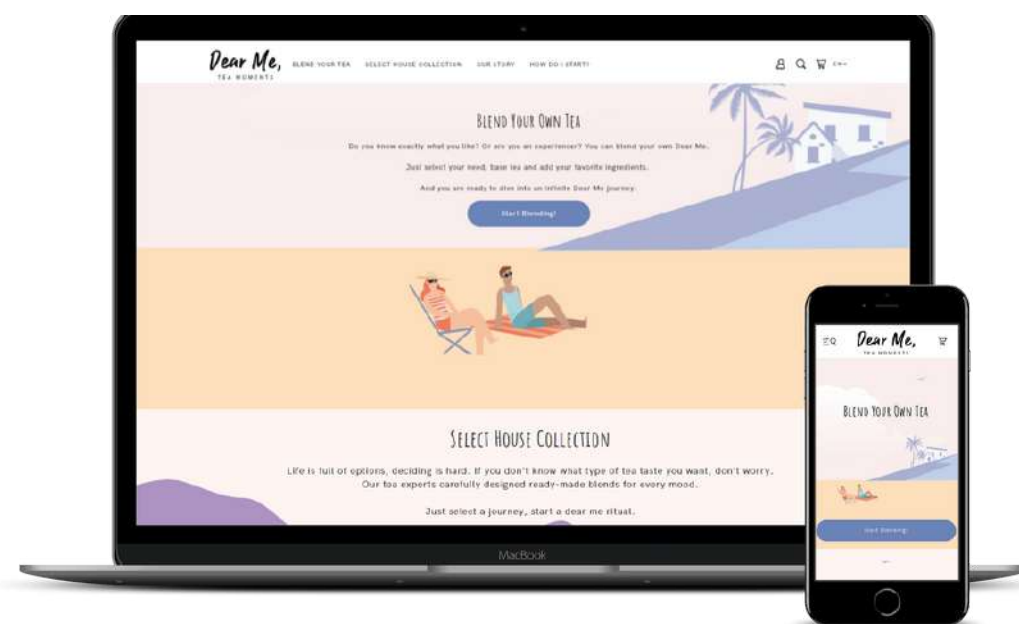
An average increase  
in conversion rates



## Highlights from our clients

- Offering products in 90 countries under a single platform and increasing global revenue by 400%.
- 5x increase in the number of visitors during the Singles Day Campaign. (Gold Stevie Winner for Online Marketing Campaign of the Year)
- Omnichannel revenue reached 1.5 times higher than e-commerce site revenue within 6 months.

## About Inveon



Inveon provides enterprise companies a unified & scalable digital commerce platform that enables sustainable growth.



## Our Offices

- Istanbul, Turkey
- London , UK
- Geneva, Switzerland
- Dubai, UAE



\$1B

annual e-commerce volume



60+

global customers



70M

online shoppers



15+

countries

For more information, get in touch with us

info@inveon.com



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