



E-Commerce and Fashion  
GfK seminar 26112008 -  
Grimbergen

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## Be commerce introduction



## Belgian eCommerce state of the art before BeCommerce kick-off on 09-06-05

- Still negative press articles
- Poor figures versus other European countries
- No Trust Label for the consumer



## BeCommerce mission statement

The mission of BeCommerce is to **increase consumer confidence in buying at distance** (internet, catalogue, post, telephone, television ...) for the mutual benefit of both consumers and distance sellers. BeCommerce will enhance consumer trust to buy at distance.



It is all about 'TRUST me'

BeCommerce is:

easy - pretty fast – cheaper – reliable – safe  
unlimited selection – no queuing – no geographic  
barriers - faster service – easy return – catch 24/7

15% to 20% of consumers say they prefer to shop  
online than in real world stores.



BeCommerce strategy

## 1. Reinstore TRUST

⇒ Becommerce trust PR campaign (political lobby & consumer PR campaign)

Reinforcement of the quality & frequency of the communication to the press.



⇒ BeCommerce Trust Label

In June 05 BeCommerce Trust Label started with  
**Ten principles confidence contract for BeCommerce  
Members**

Belgian ecommerce sites officially participating in  
BeCommerce committed to endorse and provide:



1. A consumer friendly site.
2. Accurate contact details of the company available on the site.
3. Clear, unambiguous description of offered products and/or services.
4. A responsive & professional customer support service.
5. A trustworthy, consumer friendly shopping or trading environment.
6. Clear and consumer friendly user terms and conditions.
7. Protection of the privacy of sites users.
8. Safe and secure payment methods.
9. Investments in online consumer education to help building trust.
10. Endorsement of the BeCommerce label when ready for launch.

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In December 06 BeCommerce Trust Label launch after deep talks with Test-Aankoop / Test-Achats

**A BeCommerce Trust Label giving all trust needed to the final consumer**



It costs 550€ for BeCommerce members and takes 2 months in average to get it. The independant company Bureau Veritas is reponsible for the audit procedure.



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Today, 34 Belgian e-shops have been certified, 8 e-shops have introduced their demand

**Next step is to maintain a high qualification level of BeCommerce Trust Label by intensifying communication around it.**





BeCommerce strategy

## 2. **Belgian ecommerce figures monitor**

- eMarket figures coherence & monitoring (ISPA & Ogone).
- 'BeCom' index via InSites:  
reflecting e-commerce turnover.
- 'BeComTrust' index via InSites:  
reflecting consumer trust in e-commerce.

The BeCom index will be optimised & simplified  
in order to get better figures

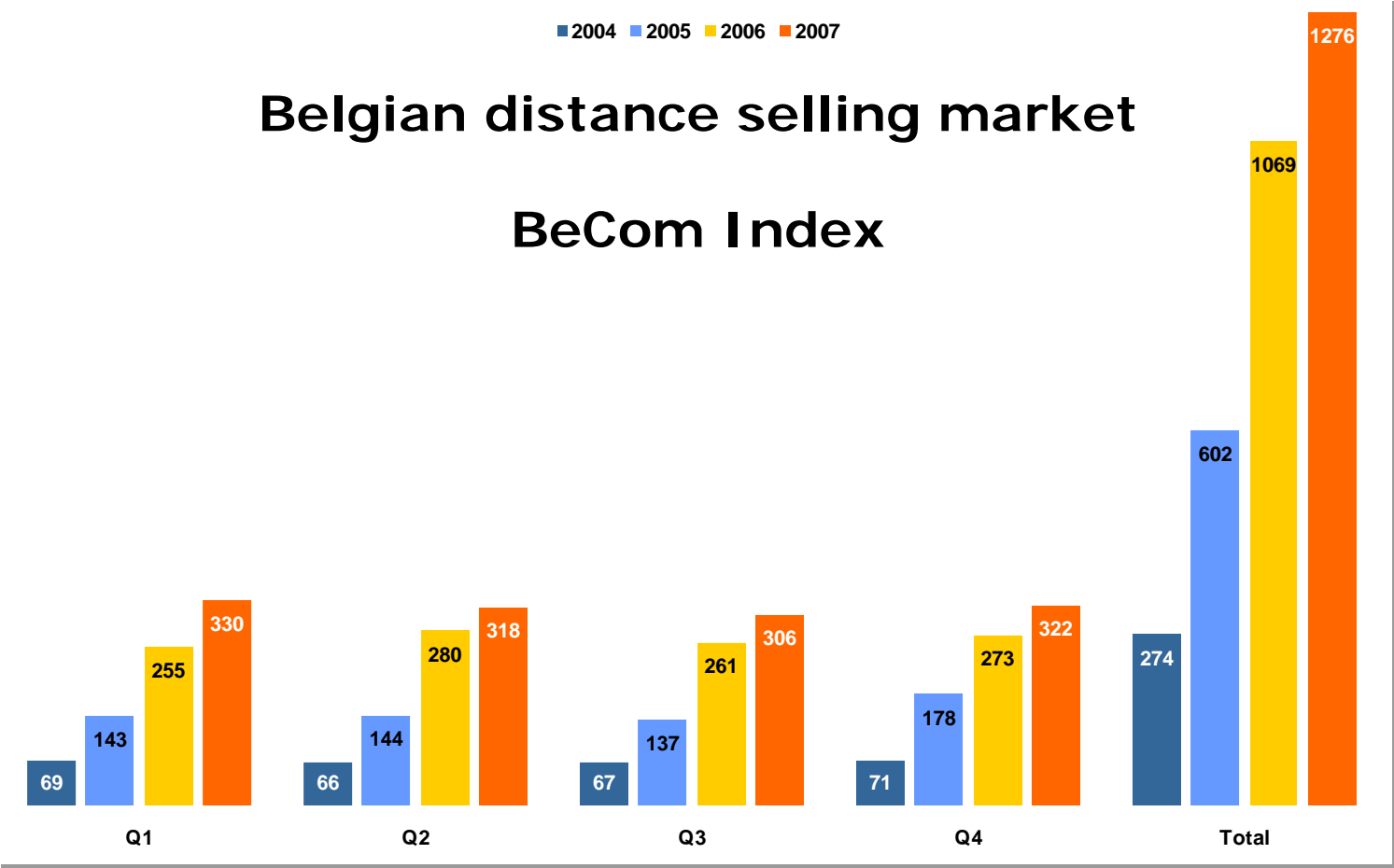


Figures reported in million Euro

■ 2004 ■ 2005 ■ 2006 ■ 2007

# Belgian distance selling market

## BeCom Index





BeCommerce strategy

### **3. Advertising & Network**

Short Term

- BeCommerce Awards April 2009 edition nr 4
- Belgium eBusiness Expo 19-20.03.09 second edition
- Website BeCommerce.be & newsletters
- Task groups: BeCommerce label - Online payment – PR -  
Market figures and Legal & Networking events

Long Term

- eBelgium Congress
- National BeCommerce campaign



The first BeCommerce 'Founding members' are:

- Azur.be – Bivolino.com – Ebay.be  
Dvdpost.be – Dvdzone2.be – FlySN.com –  
Freerecordshop - Gift.be - Proxis.be –  
Neckermann.be – 3Suissets.be – Redoute.be –  
SonyEricsson.be ...
- Today BeCommerce has more than 80 members  
Delhaize : wineworld.be – etc...
- Membership fee very affordable

[be commerce.be](http://be.commerce.be)

2008 Survey over 2007-  
facts & figures distance  
selling in Belgium and  
expectations for 2008



## Situation distance selling 2007

### General remarks concerning the figures

- Based on an online questionnaire in May 2008 about figures 2007 & expectations 2008
- In collaboration with **iVox (Leuven)**
- 1.500 distance selling companies were invited to fill out the online questionnaire
- Sectors NOT included :
  - Tourism : travelling, airplane tickets, train tickets, ....
  - Financial sector : stocks, bonds, insurances, .....



# Situation distance selling 2007

## General remarks concerning the figures

- We talk about **sales B2C**, not about sales B2B
- We talk about **sales figures of Belgian companies**, not about consumer figures (consumers buy on Belgian and foreign e-shops)!
- Extrapolation of the figures with data from :
  - Ogone : market leader payment service provider in Belgium
  - Results of 2005 & 2006

The logo consists of the text "be commerce.be" in a blue, sans-serif font. The text is enclosed within a light green rounded rectangular border. A blue arrow points from the bottom right towards the end of the text.

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## Situation **distance** selling 2007

Online sales by Belgian companies

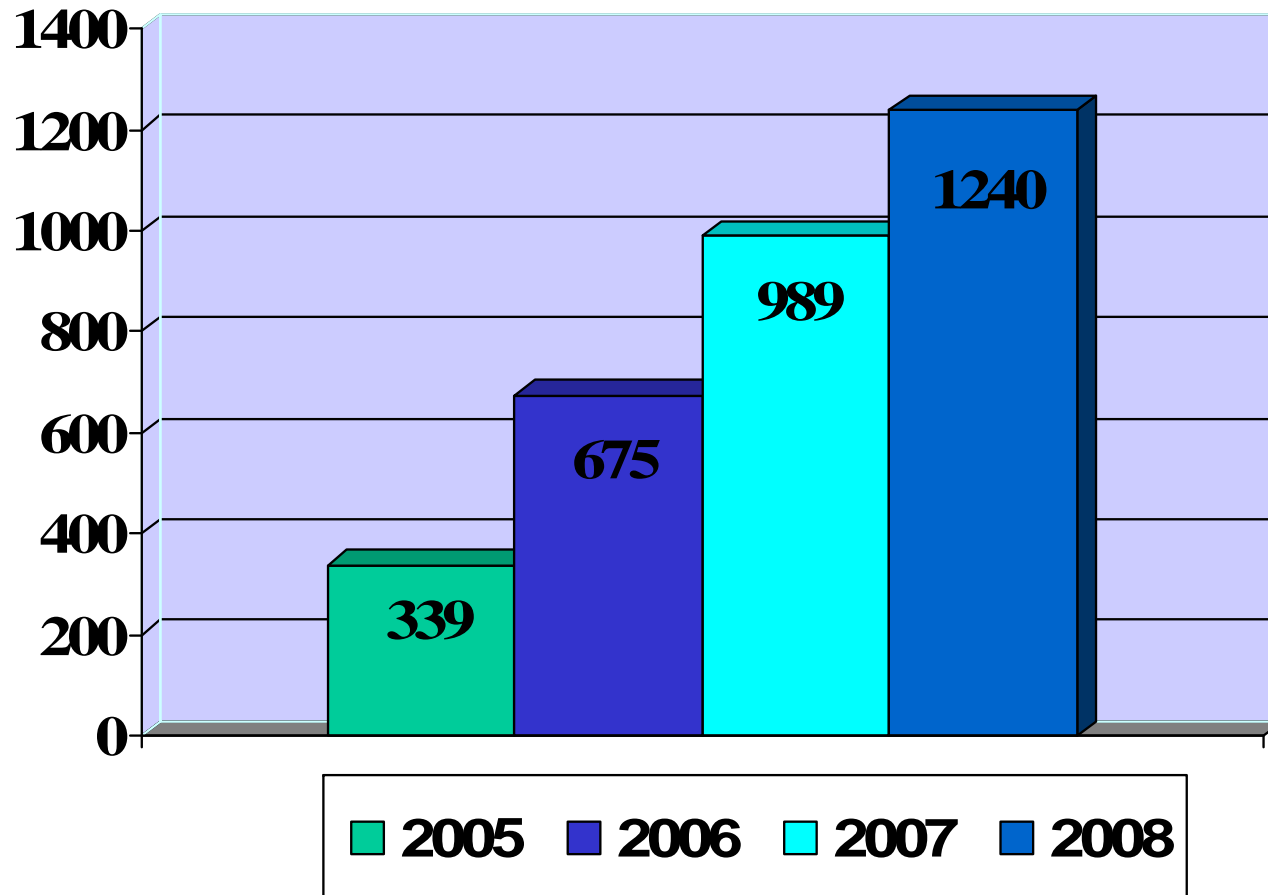
- 2005 : 339 million €
- 2006 : 675 million € (+ 99 %)
- 2007 : 989 million € (+ 46 %)
- **2008 expectations : + 25 %**

Global distance selling sales 2007 :

→ 1,150 billion €



## Evolution **online sales** + expectations 2008





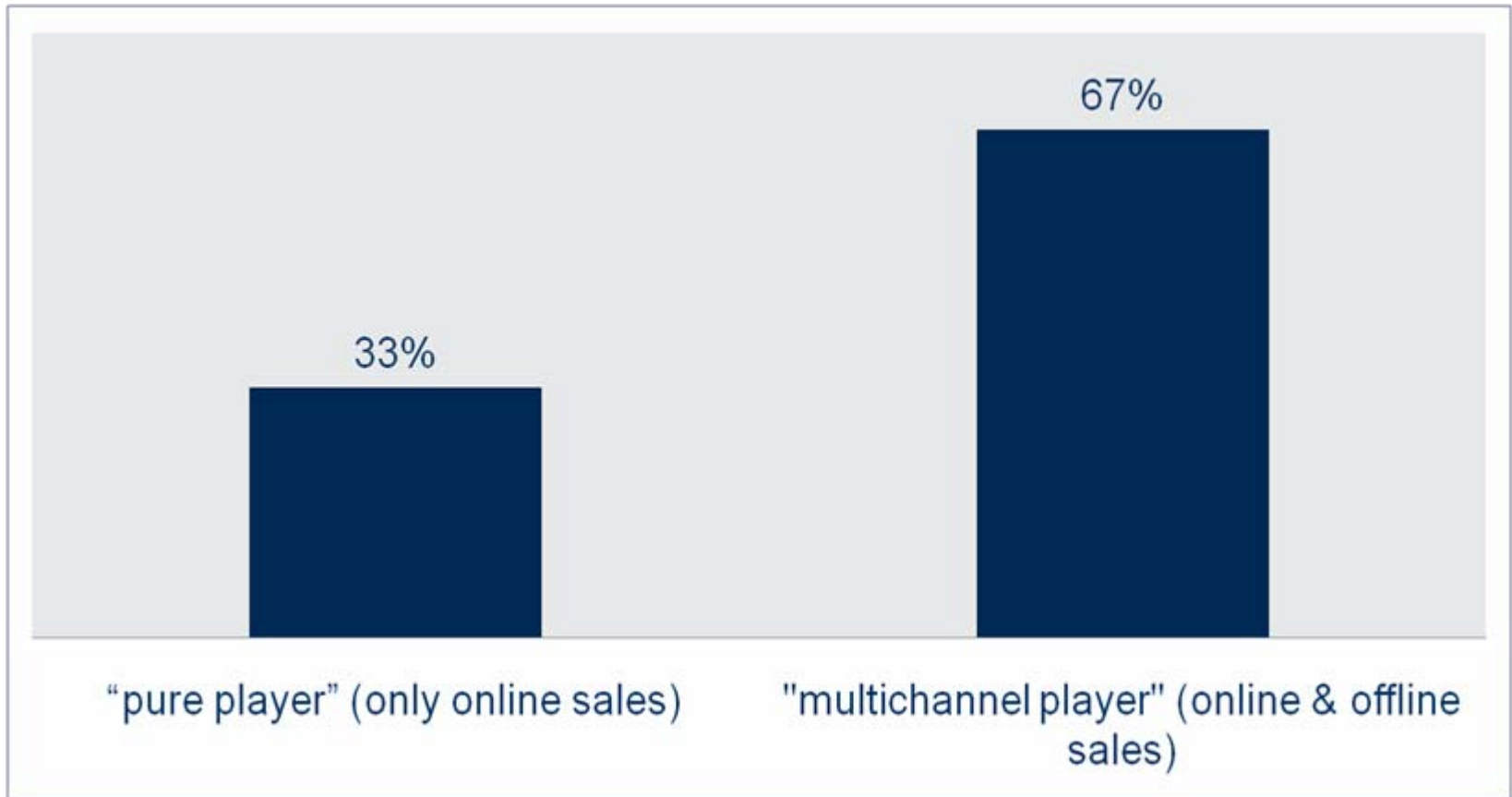
# Number of e-shops in Belgium

Number of e-shops in Belgium

- 2007 : 2.100
- 2008 : **3.100** shops expected
  - + 80 Webshops / Month
  - + 4 Webshops every working day

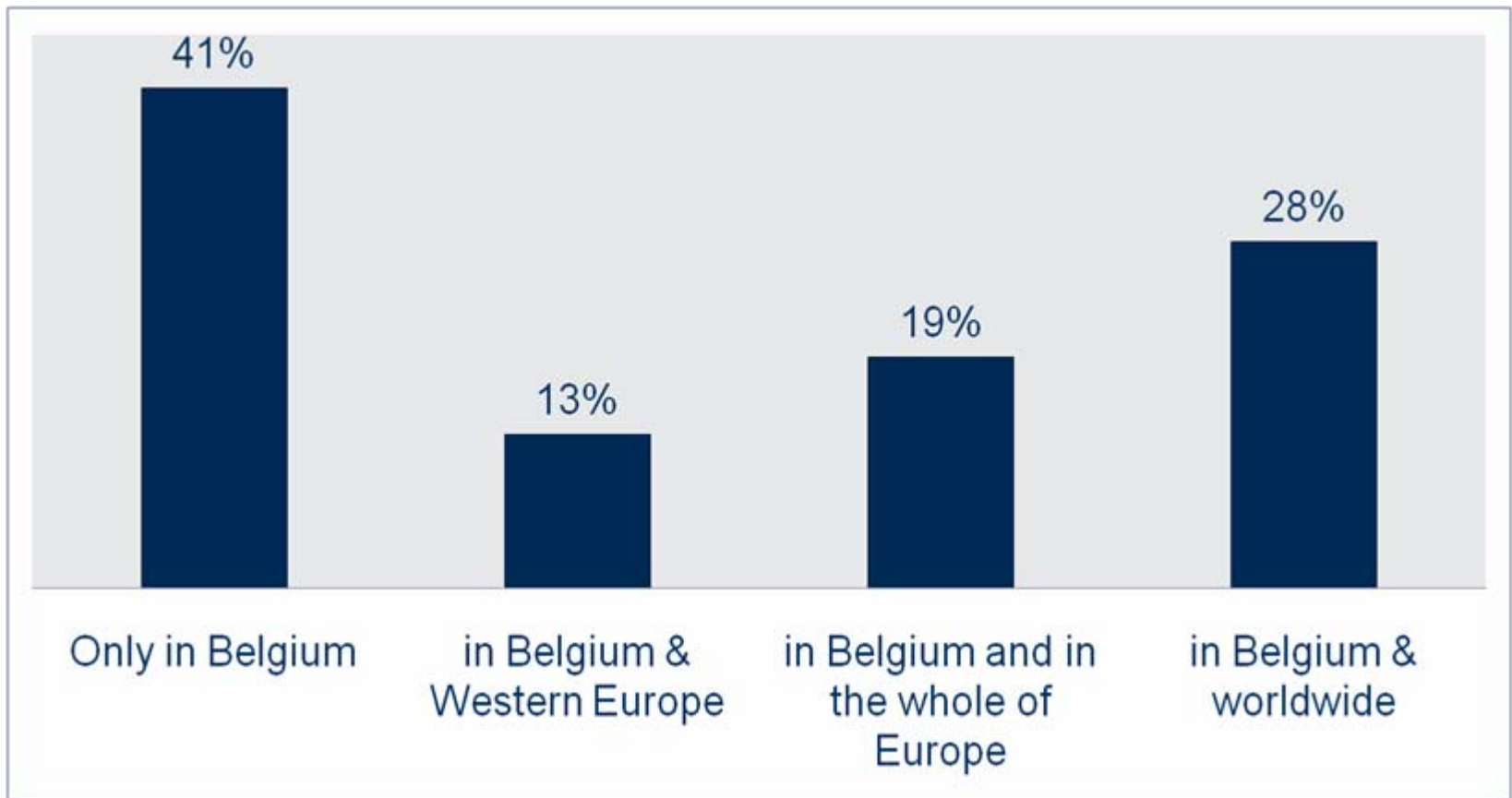
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# Distance selling profile



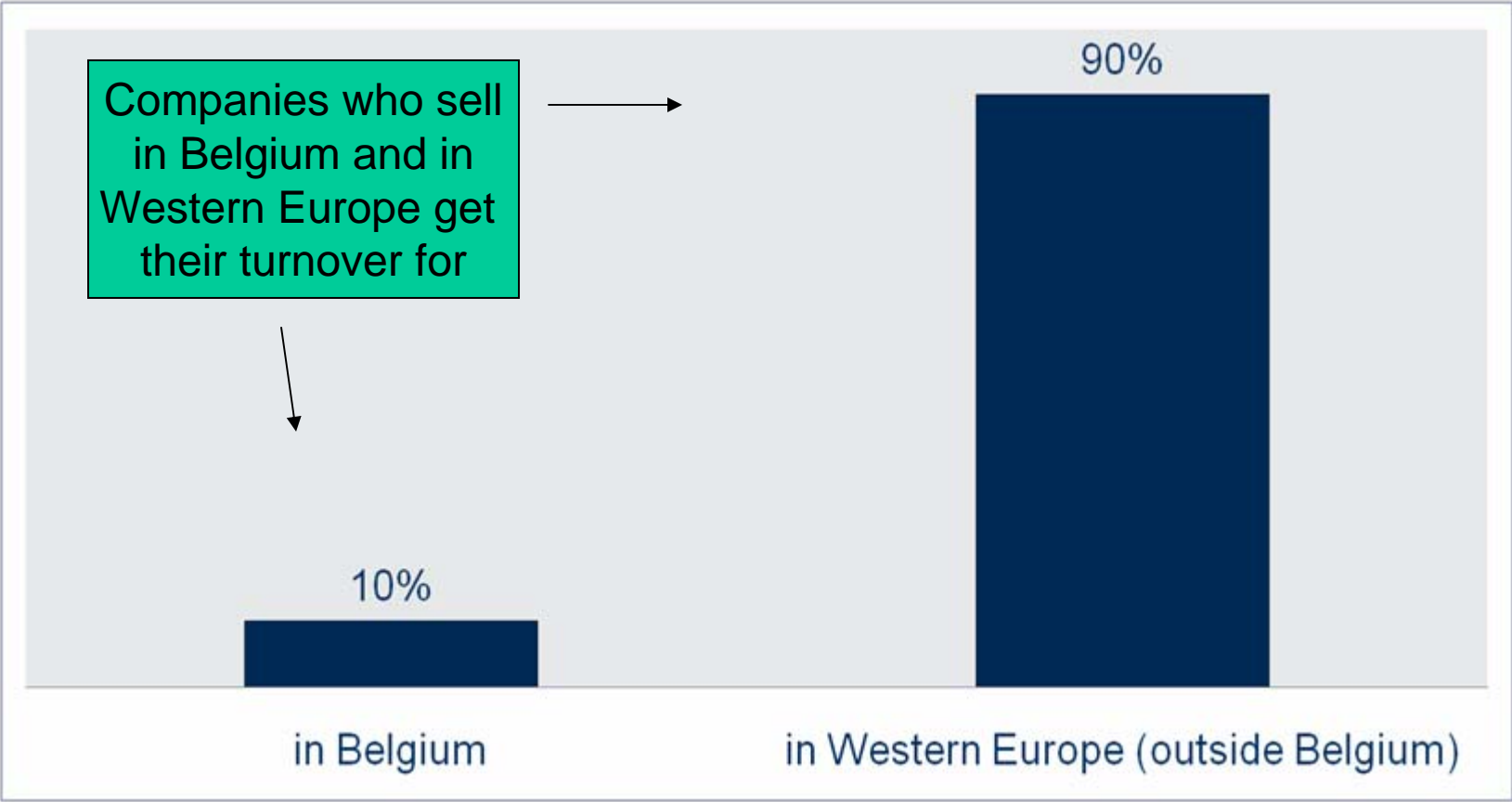
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## Geographical sales spread : % who sells



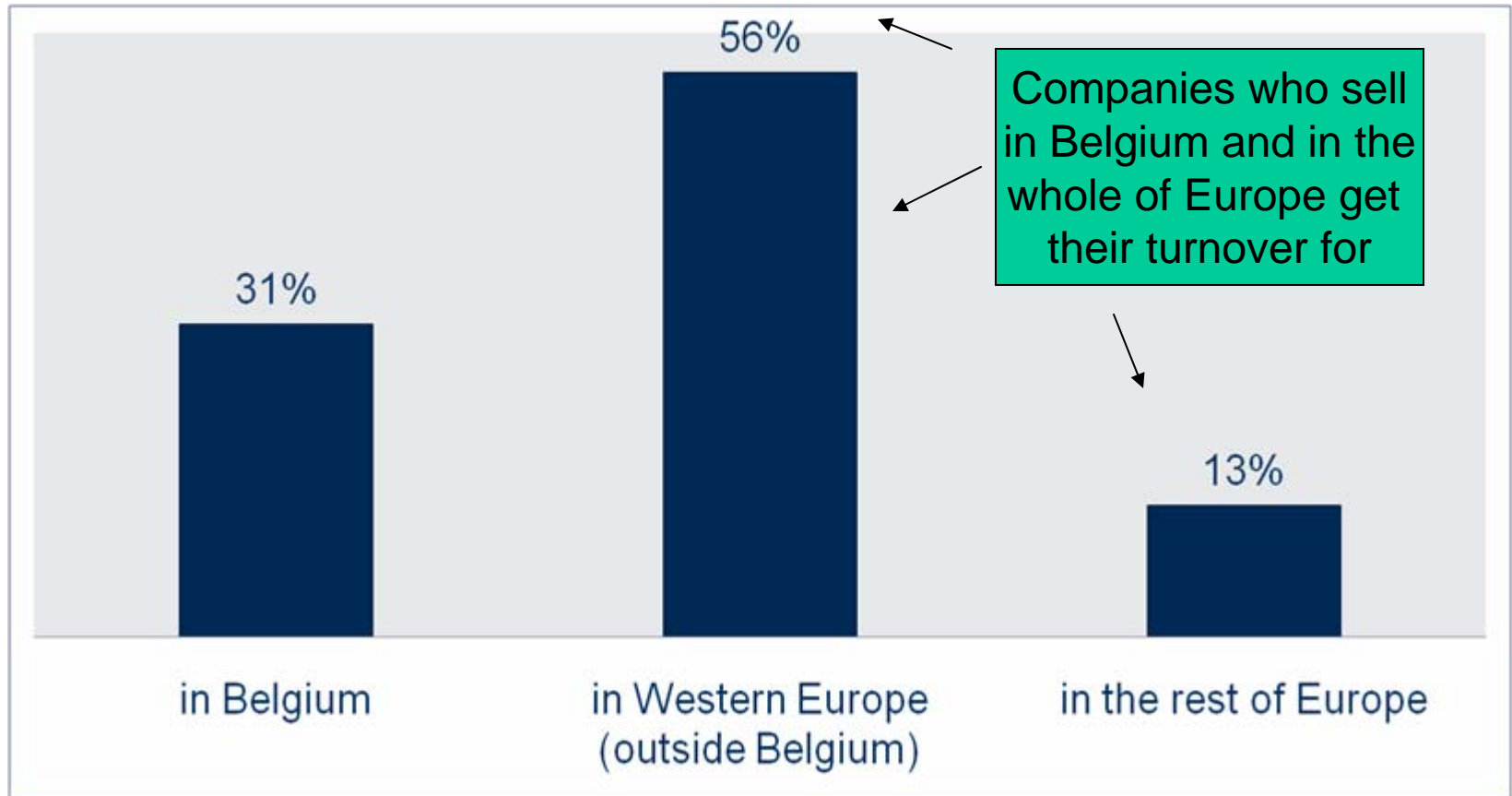


# Geographical turnover (1) : % of turnover

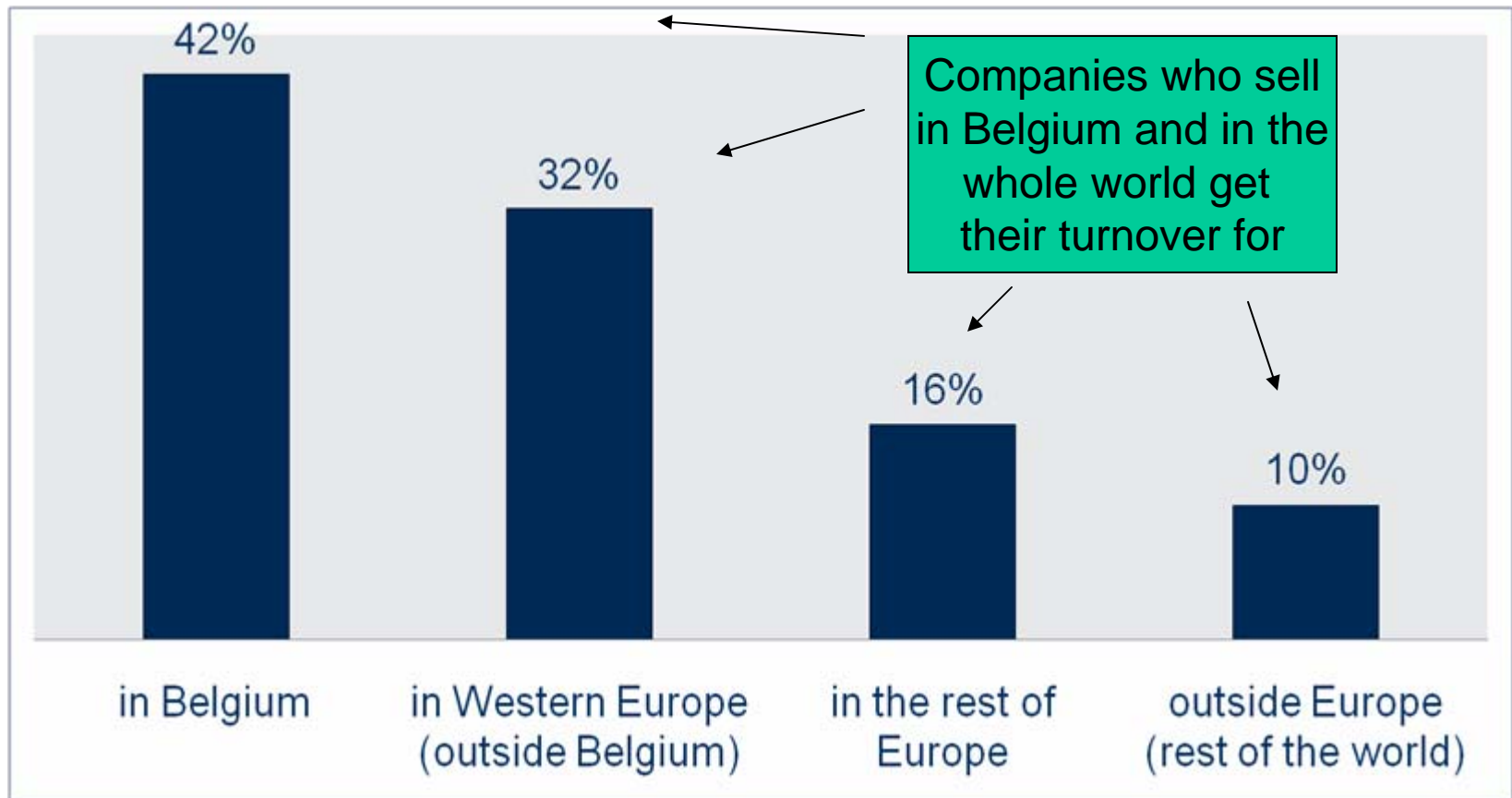


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## Geographical turnover (2) : % of turnover

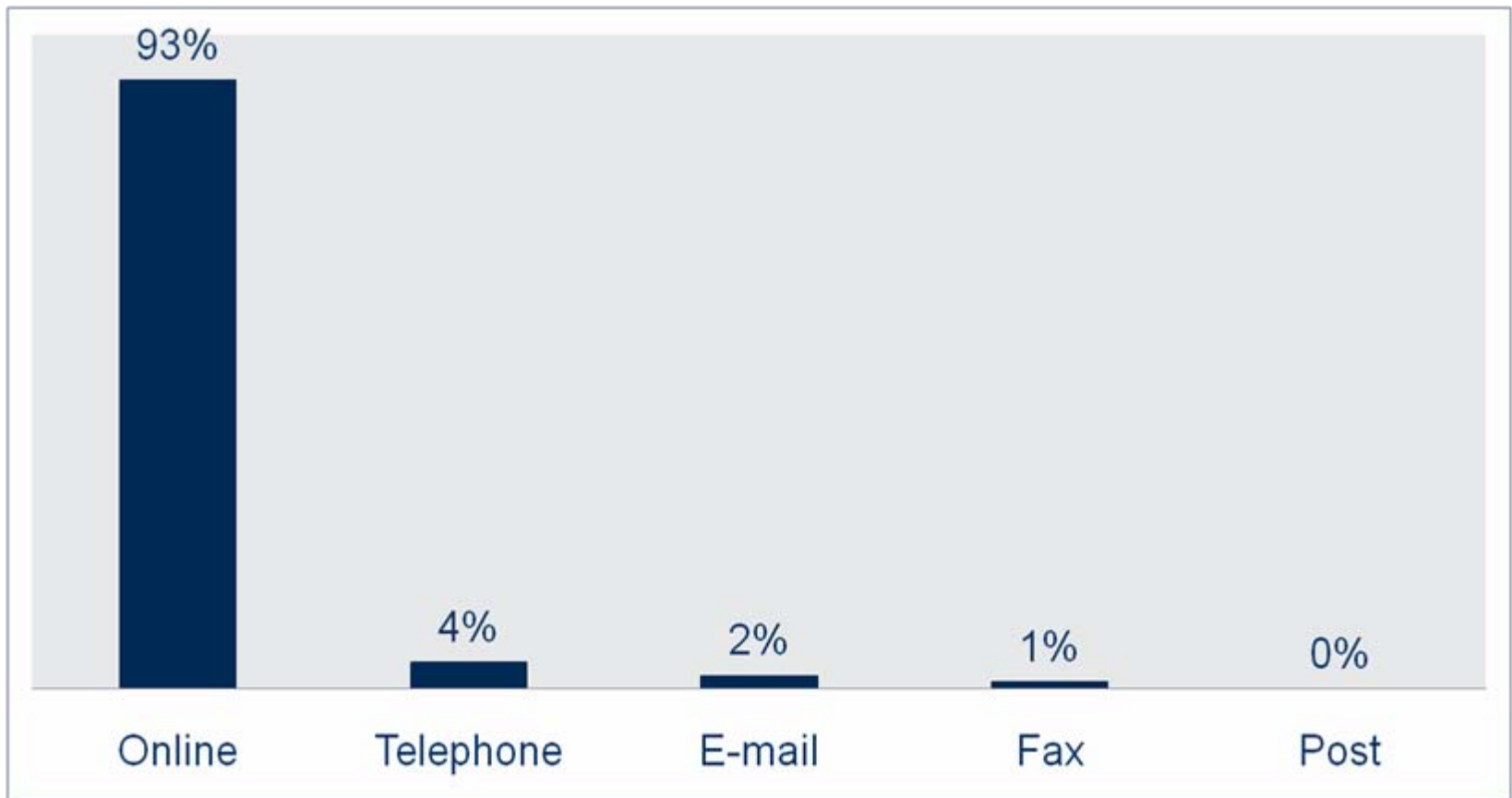


## Geographical turnover (3) : % of turnover



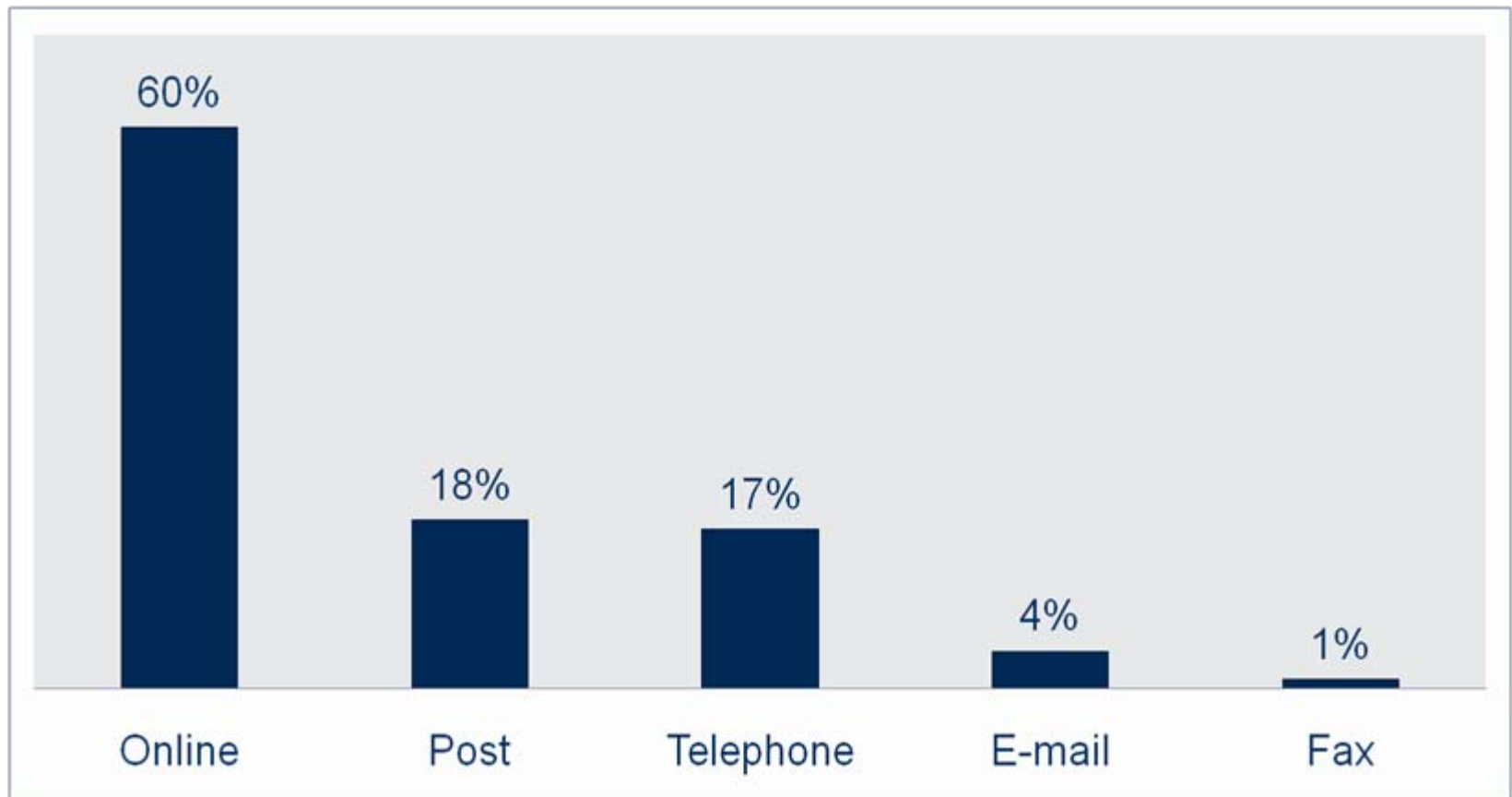


## Ordering methods **pure players**



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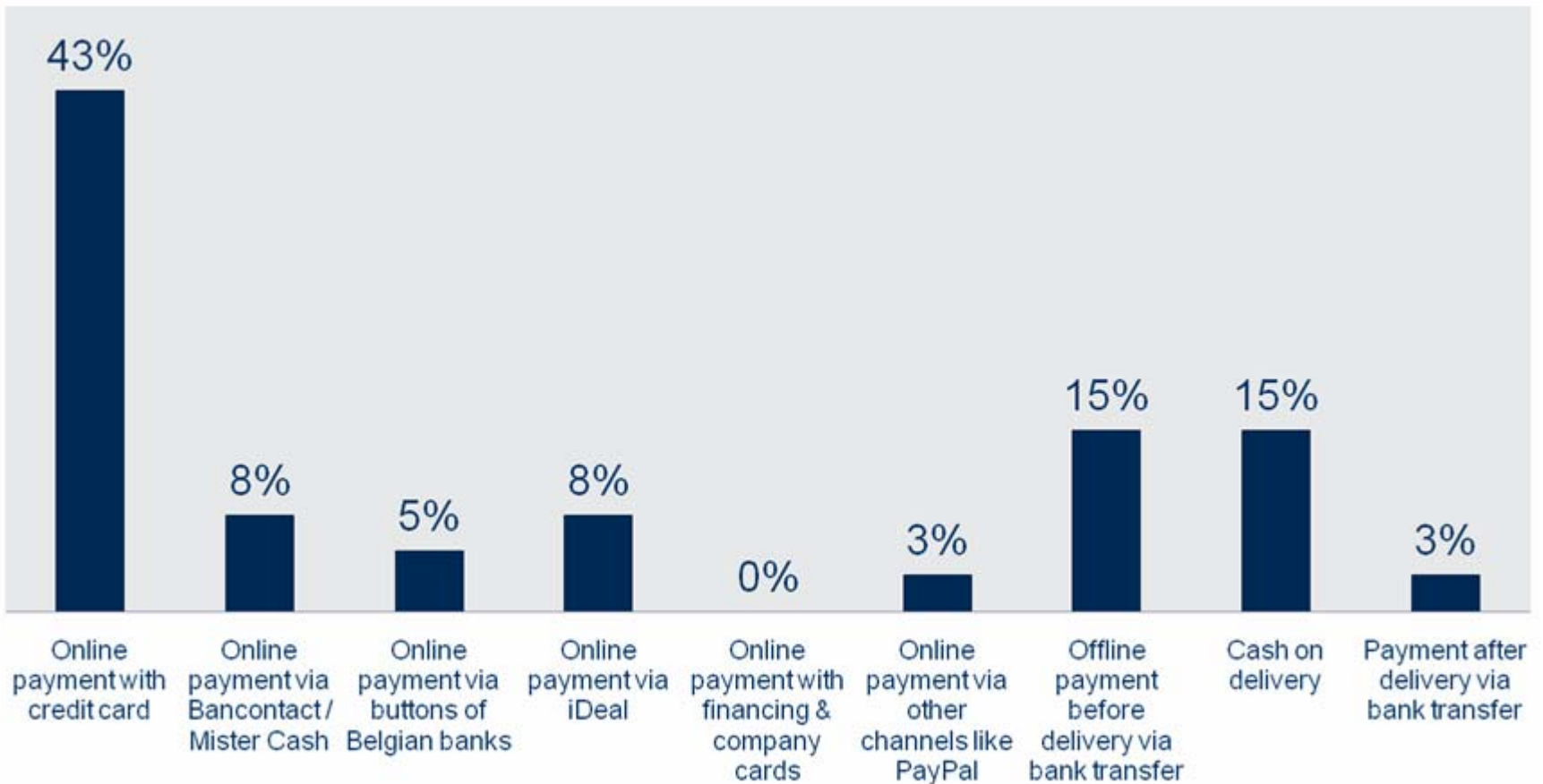
## Ordering methods all **distance sellers**



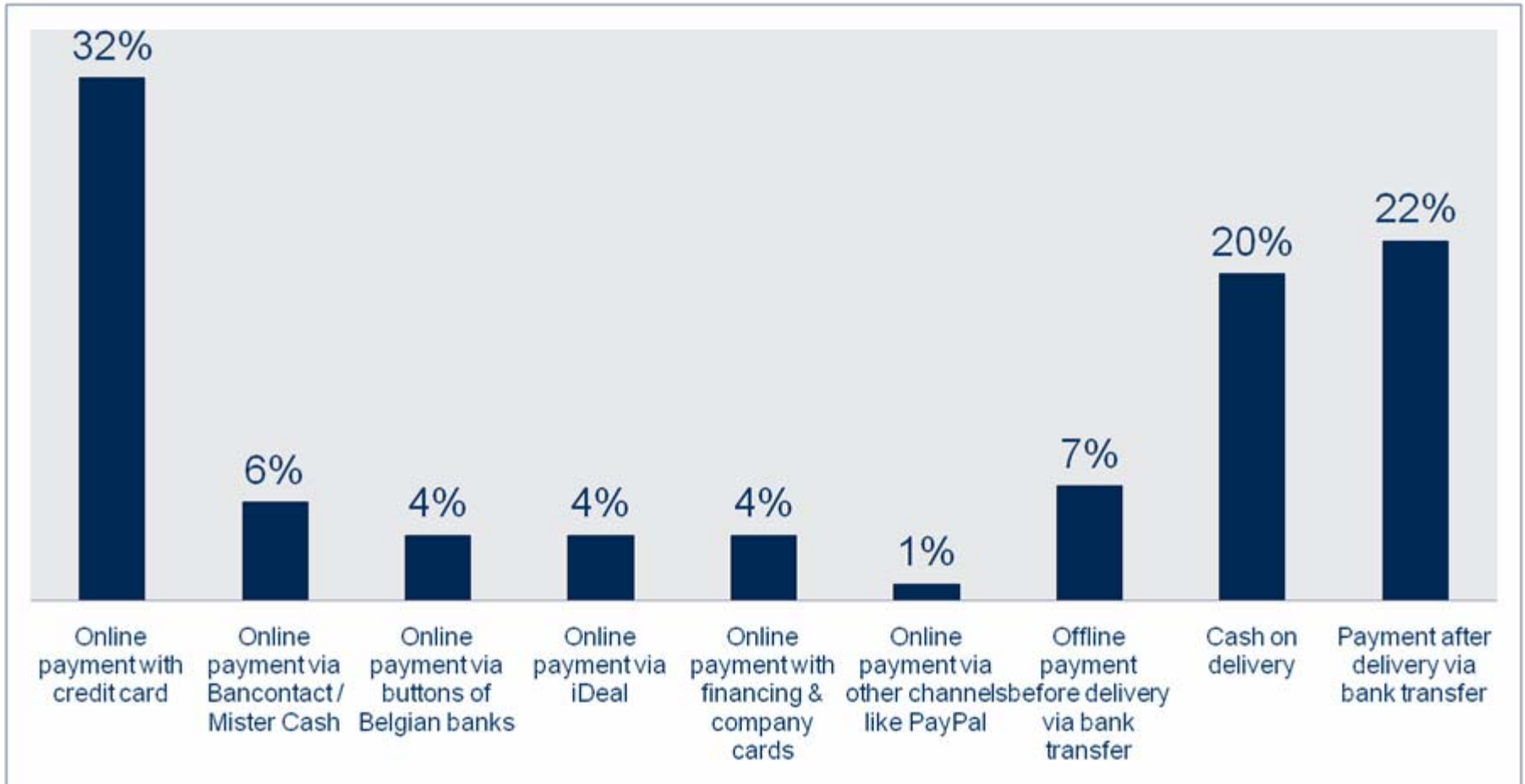
# Payment methods

- Online transactions grow with 60%
- Turnover of this transactions grows with 70%
- Pure players : 67% online payments
- All distance sellers : 51% online payments

# Payment methods pure players

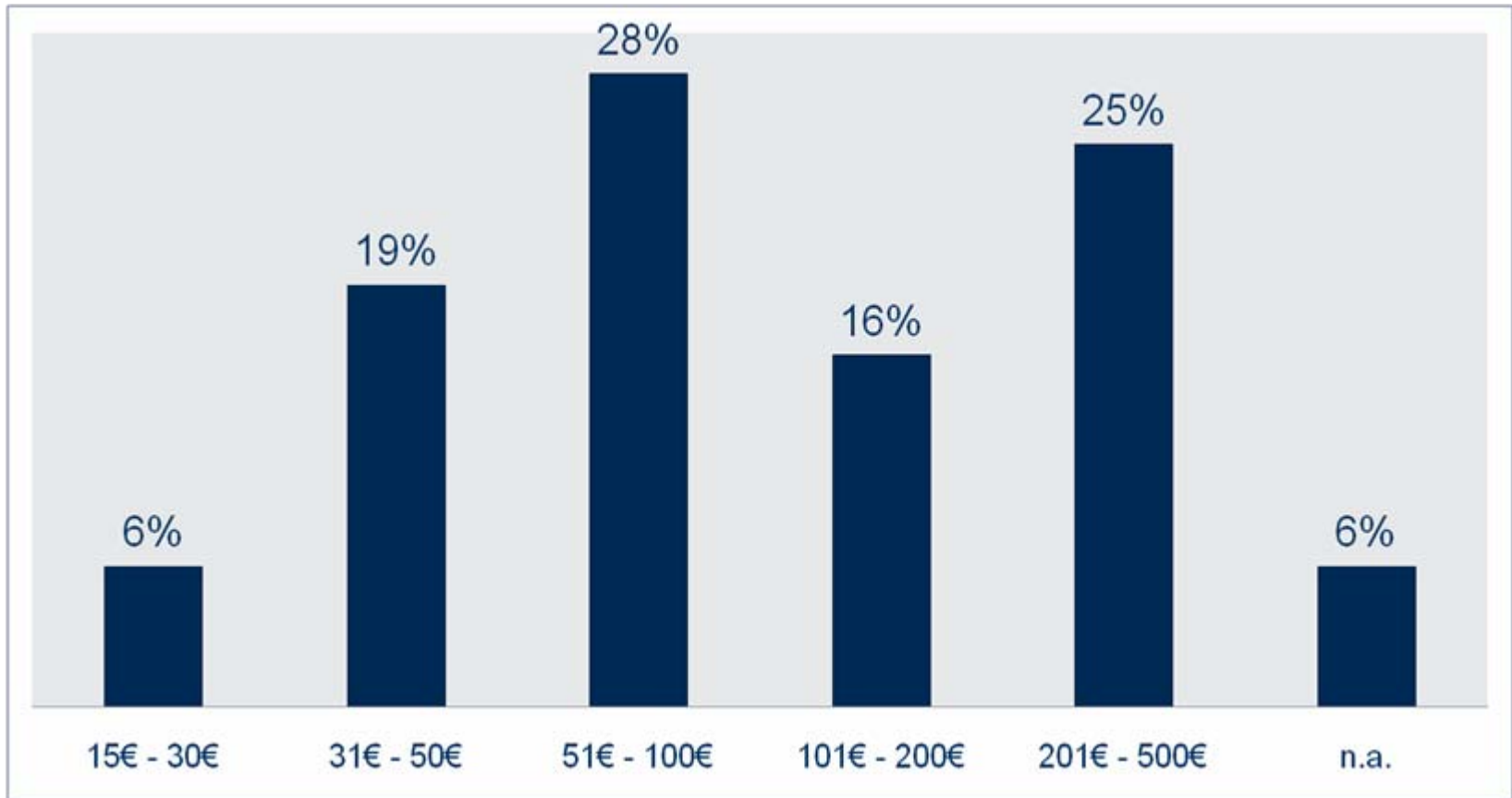


## Payment methods all distance sellers



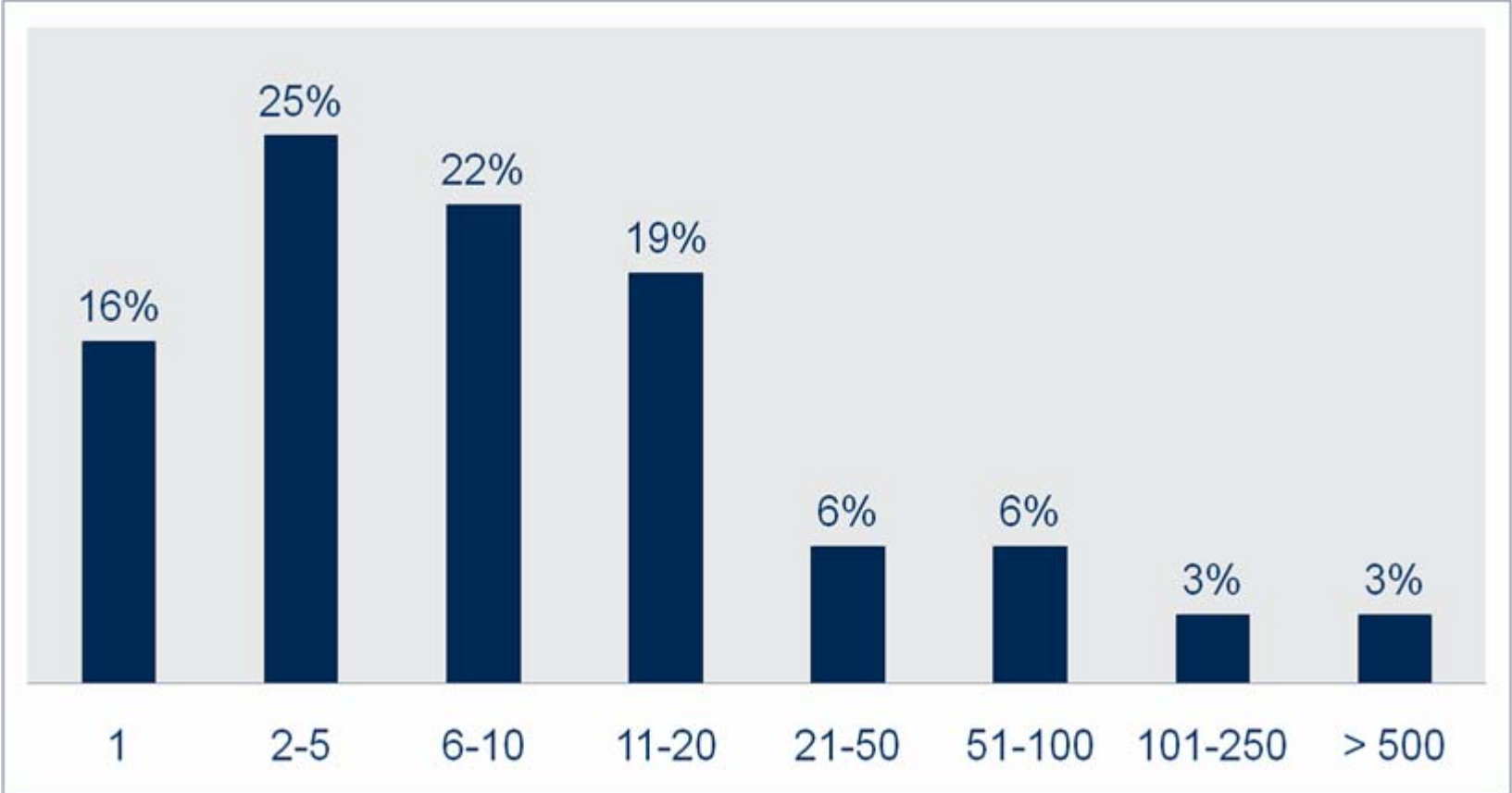
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# Average amount per order





# Employment



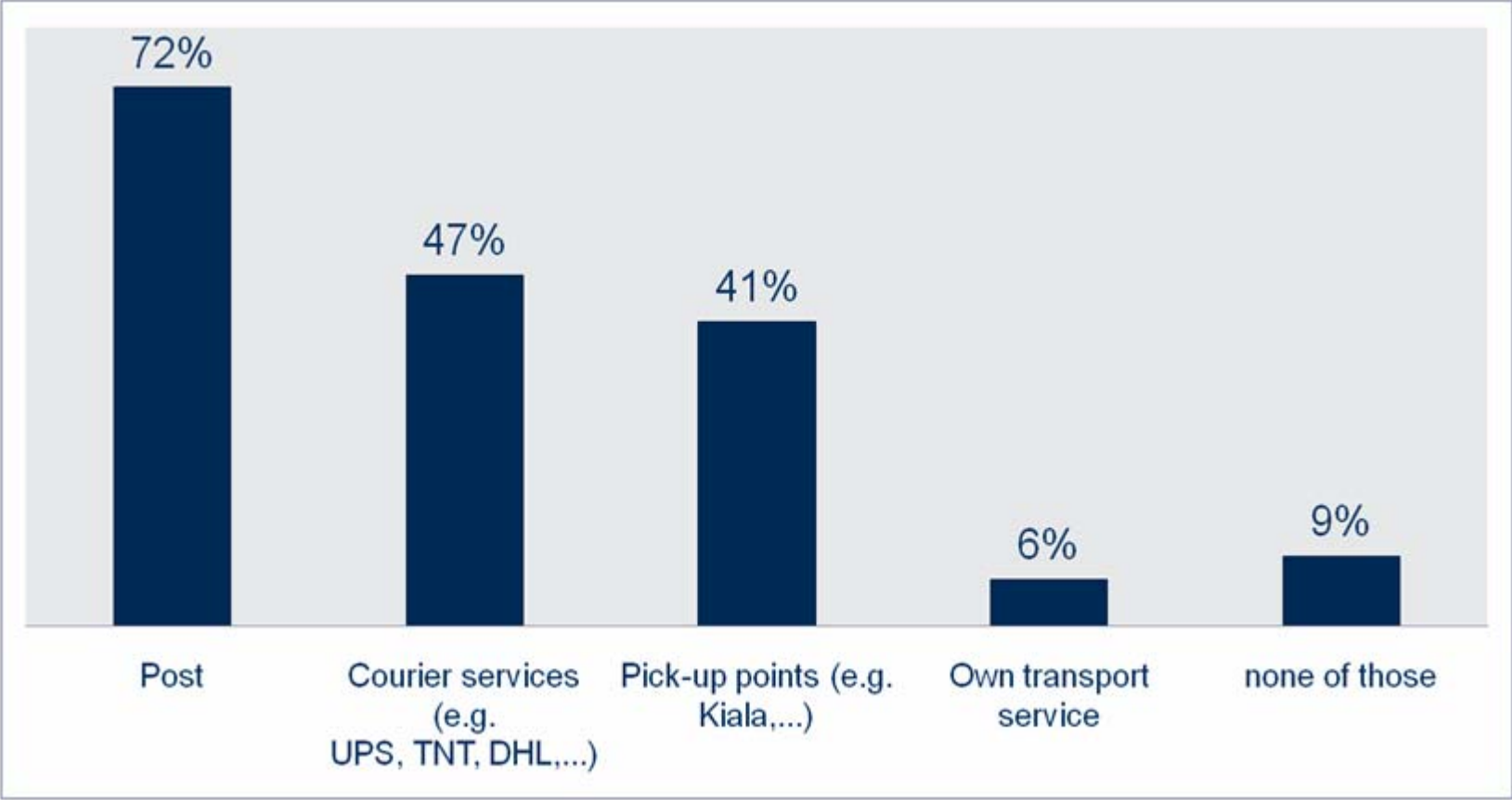
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# Employment

- 82% of the distance sellers employ between 1 and 20 persons
- Pure players : 20 people is the maximum
- Extrapolation : 32.500 people in Belgium are active in distance selling (subcontractors not included)

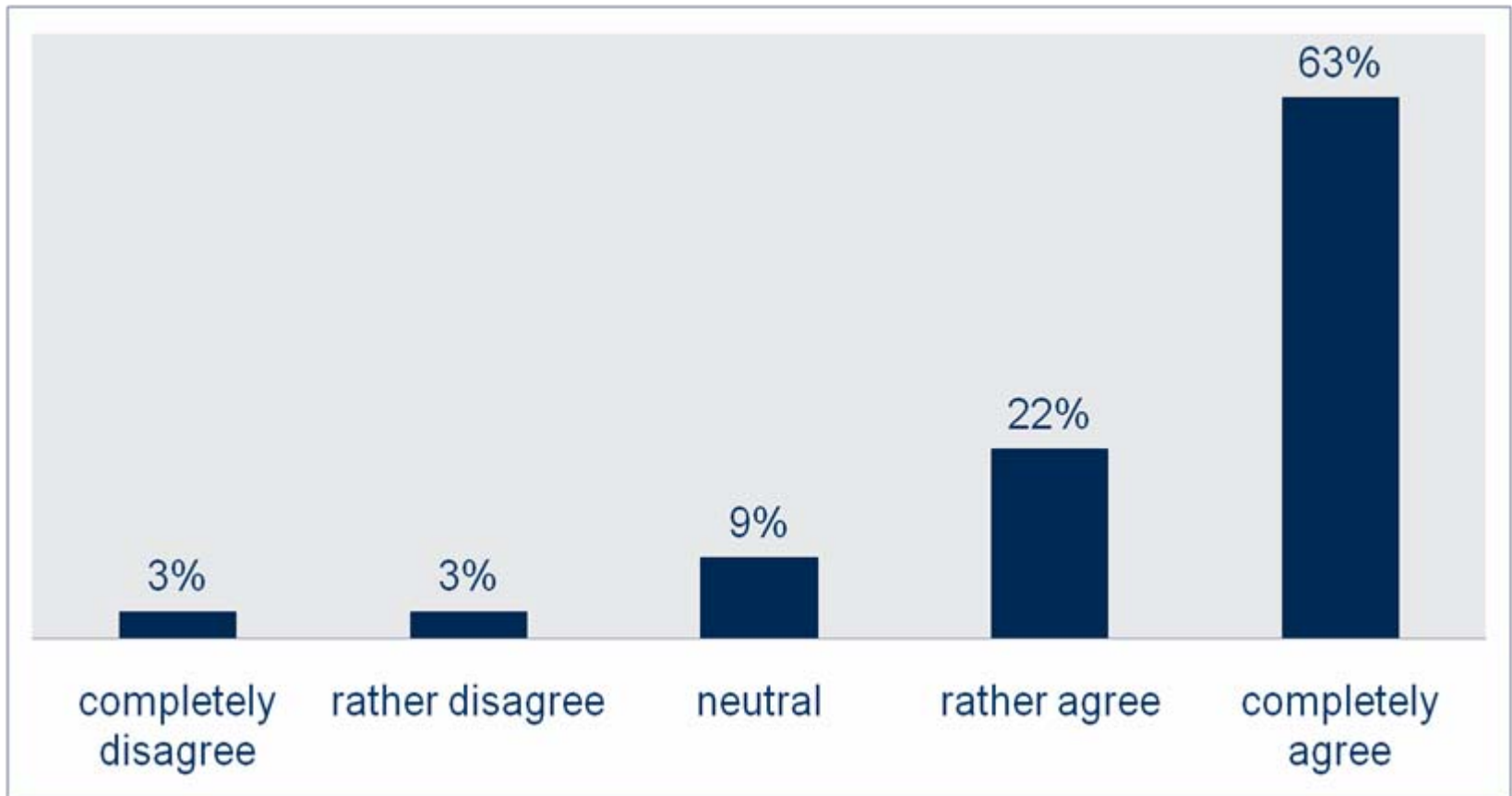


# Delivery methods

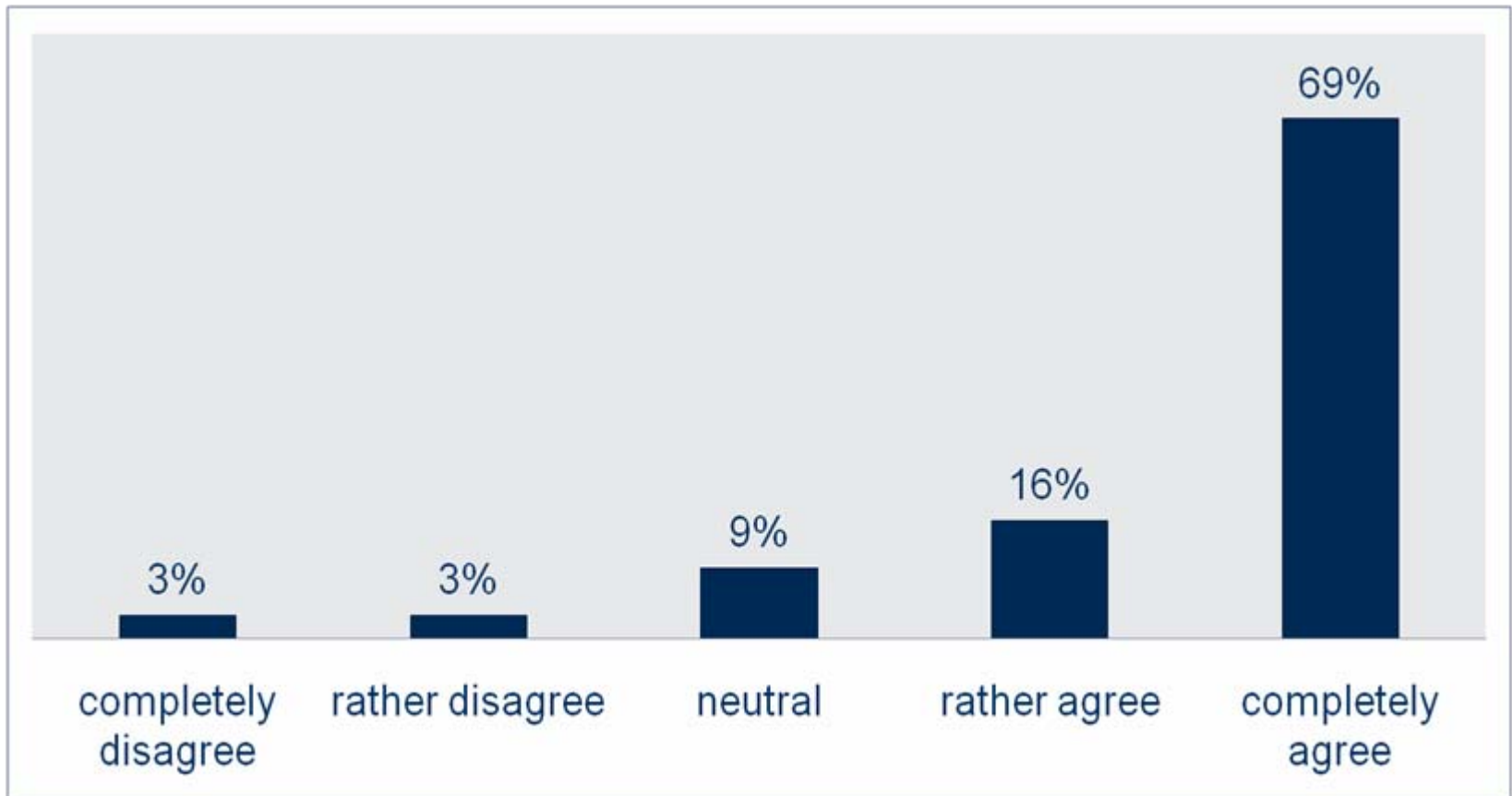




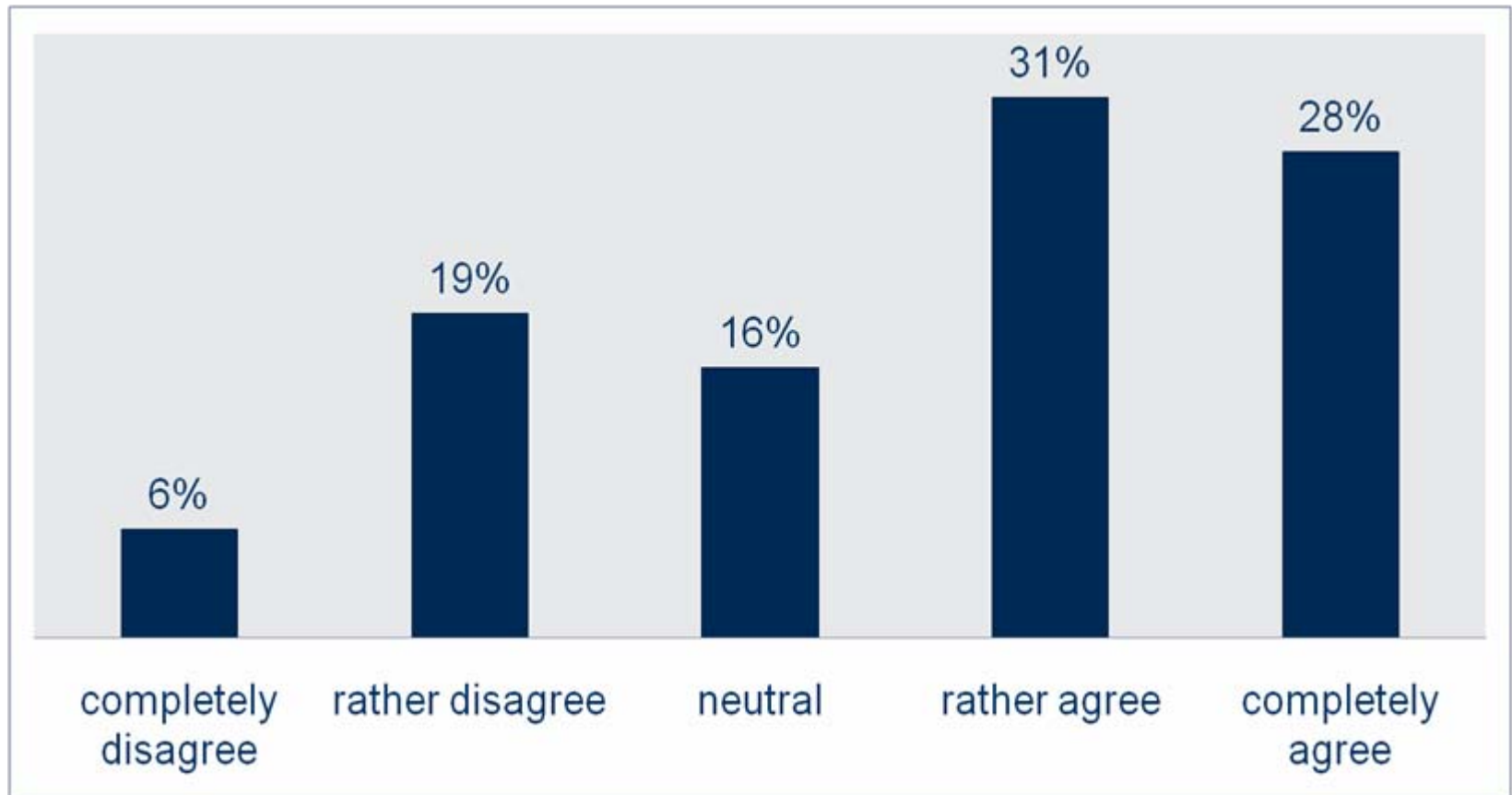
Opinion : the Belgian distance selling market will continue to grow in the next 2 years



Opinion: the competition with foreign distance selling companies will increase in the next 2 years



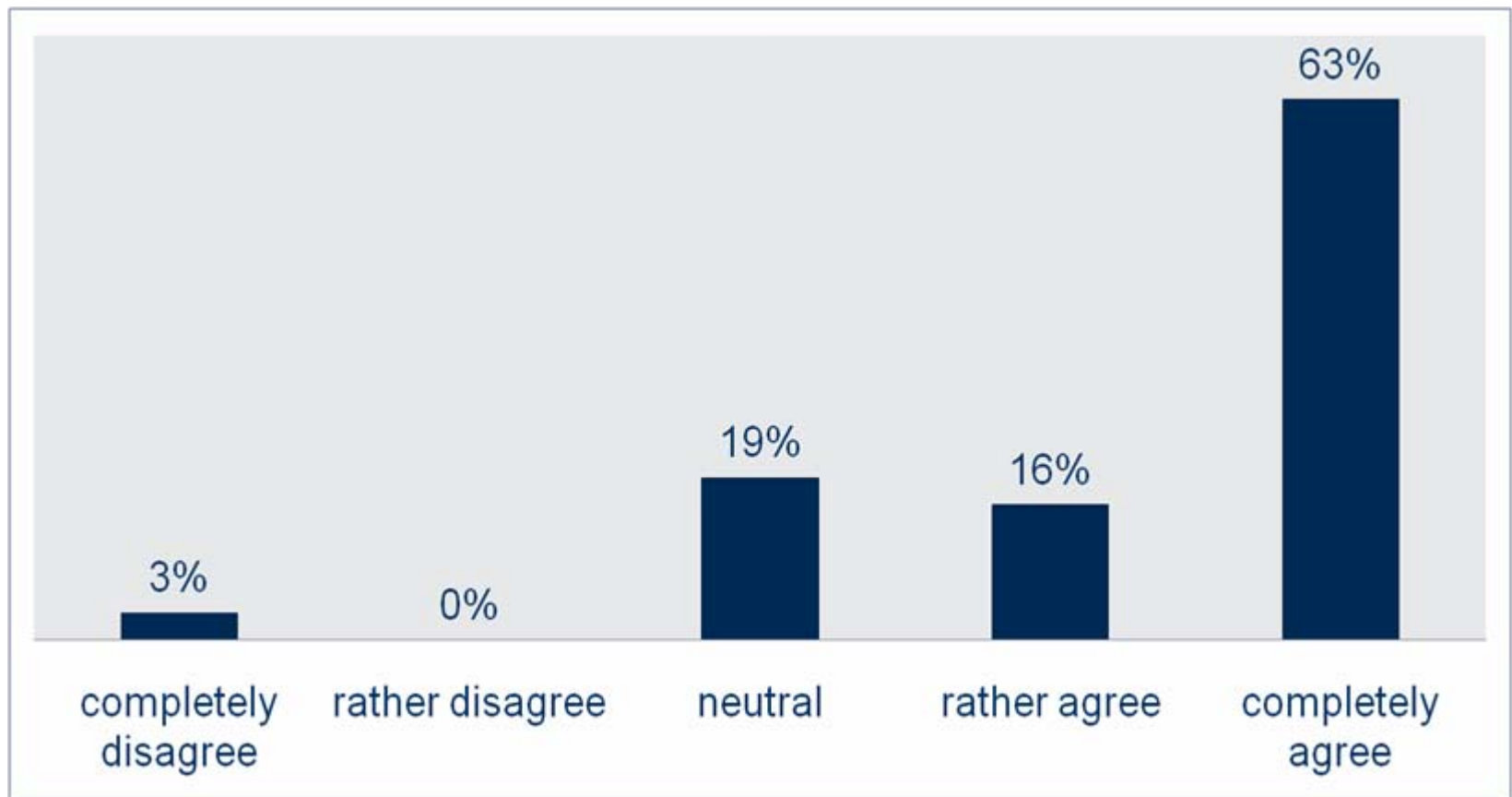
Opinion: the Internet will become the main ordering method in the next 2 years



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Opinion: it is important for an e-commerce website to be certified by an independent body



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Summary

**Fashion topics**



# Fashion e-Mass Customization & Co-Creation



**85% of the world population is online**

**More than 50% have bought online last month**

**Fashion is the second  
most popular product segment (36%)**

**Fashion has the top increase, from  
20% to 36%**



## Custom Clothing: US market figures

- ▶ Lands' End's commitment to customers has always been an industry benchmark and the resulting customer response has been phenomenal. ***In 2003, custom clothing sales grew 72 % over 2002. About 27 % of jeans and chinos turnover sold online are custom made.*** On average, custom clothing buyers increase their annual spending on both custom and regular clothing by 39 percent. And they're a loyal bunch: ***The retention rate is 34 percent higher than for other online shoppers.***
- ▶ A Jupiter Research study conducted last November revealed that 51% of people surveyed said they would pay an **extra \$10** to have a pair of pants custom fitted; 28 percent said they would pay \$20; and 18 percent said they would pay \$30.
- ▶ ***25 % of USA online webshops offer Custom Clothing*** Ralph Lauren, Tommy Hilfiger, Timberland, Nike, Adidas, Landsend, Jc Penney, Jos a Bank, Rochester Big & Tall, ...
- ▶ Marks and Spencer UK launched custom-fit shirts end 2007



## ***Mass Customization***

*"Producing goods and services to meet individual customer's needs with near mass production efficiency."  
(Tseng/Jiao 2001)*

## Custom Clothing = The Long Tail of Fashion



**Filters & recommendation technology** will guide the customer from “one-size-fits-all bestsellers clothing” up to the high variety choice in custom clothing. Filters & recommendation technology will guide the customer from “one-size-fits-all bestsellers clothing” up to the high variety choice in custom clothing.

1-800-963-4816

Customer Service

Shopping Bag

My Account

Ordered this item before? [Reorder Here](#)

## MEN'S CUSTOM DRESS SHIRTS



FABRIC

FEATURES

FIT

FINISH

step 2

## Choose Your Features

Next, choose the styling features you want for your Lands' End Custom Dress Shirt.

- [How Custom Works](#)
- [About shirt fabrics](#)

All Custom Dress Shirts include: Four-piece bias-cut mitered back yoke, gauntlet button, folded joined seams.

### Choose a fit



**Traditional Fit**

Not blousy, but generously cut to afford plenty of ease, with a 2" chest-to-waist drop.



**Tailored Fit**

A little less ease. The 3 3/4" chest-to-waist drop means this shirt will fit your form a little bit closer, without restricting your arm movement. Still plenty of room across the shoulders; arms won't feel held back.

### Choose a collar



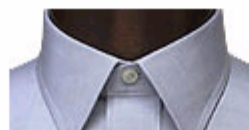
Buttondown



2-Button Buttondown



Traditional Straight





MÄNNER

FRAUEN

FAVORITEN

ALLE ANSEHEN

HOME > FUSSBALL > AUFBAUEN

VON VORNE BEGINNEN

### Air Tiempo Rival Premium iD

EUR 100.00



#### 1. DESIGN 6 von 11



#### Farbe Innenfutter



#### Farbe Schnürsenkel



#### Farbe Seitenteil



#### Farbe Außensohle



#### ANSICHTSOPTIONEN



- 2. PERSONALISIEREN
- 3. FERTIGSTELLEN
- 4. ANSCHAUEN

Design your own shirt

My Shirts Basket 0 items

STEP 1: FABRIC

STEP 2: FEATURES

STEP 3: EXTRAS

STEP 4: FIT

REVIEW

Shirt Price £ 30.00

Choose a collection

Choose from our three collections each with its own range of quality fabrics



Easy to Iron  
£30.00



Autograph  
£35.00



Luxury  
£49.50

Choose a fabric

To see alternative fabrics, change the collection



Outline  
Stripe



Windowpane  
Check



Twill



Twill



Textured  
Fabric



Wide Stripe



Fine Stripe



Check

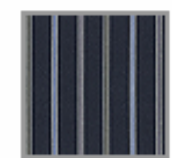


Pictorial representation is for guidance only

Fabric



Inside back



Monogram



Fit



### SHOP BY BRAND

### WHAT'S NEW

- New Arrivals
- Father's Day Gifts
- Beach Essentials
- City Tees
- The Big Pony Collection
- Sale**

### SHOP BY CATEGORY

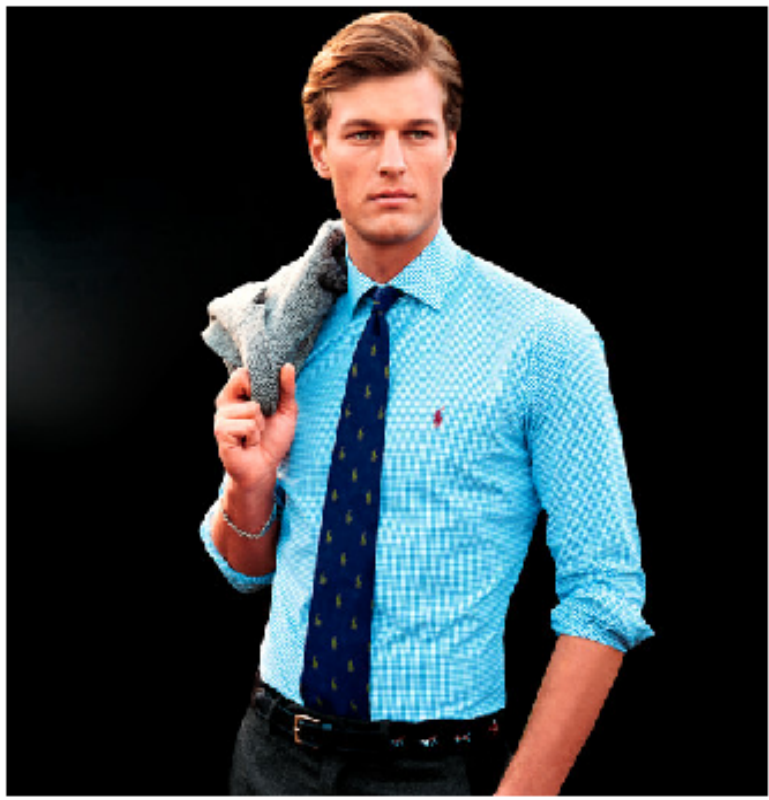
- Apparel**
- Polos
- Sport Shirts
- Dress Shirts
- Sweaters
- Tees & Fleece
- Rugbys
- Pants
- Chinos
- Jeans
- Shorts
- Swim
- Outerwear
- Sport Coats & Vests

Men >> Create Your Own



## CREATE YOUR OWN TIE

ADD YOUR PERSONAL TOUCH TO SIGNATURE RALPH LAUREN STYLES



Enlarge Image



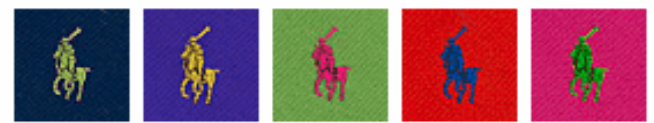
### STEP 1 SELECT YOUR PATTERN

AVAILABLE PATTERNS



### STEP 2 SELECT YOUR COLORS

AVAILABLE COLORS



### STEP 3 MAKE IT YOUR OWN



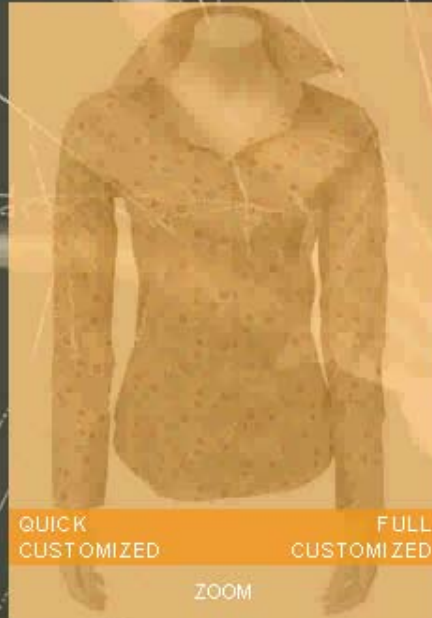
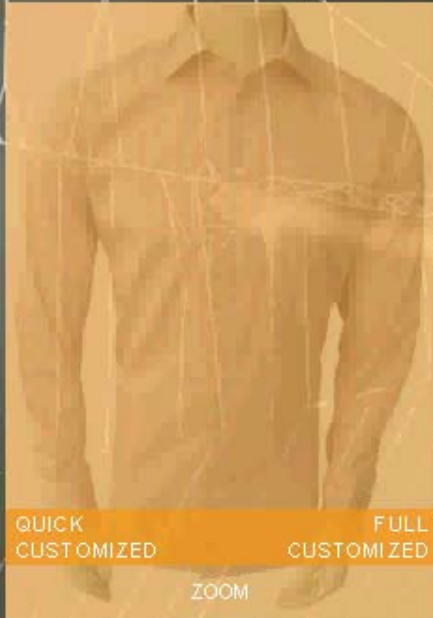
## CASE STUDY

### The Bivolino.com ConceptStory

*«If every man is an individual, then how can he be satisfied with products that are not made uniquely for him ? »*

Bivolino.com was born in 1998 from a desire to meet individual fashion needs. Strong of our 50 years know how, our vision is to answer all your personal needs and desires in terms of fashion. Thanks to Internet and our revolutionary customizing patented technology, we are able to give you the inspiration for creating your own style.

Starter Award 2004 in The Netherlands  
Promotional Product of the Year 2004  
BeCommerce Silver Award 2006



[FREE FABRIC SAMPLES](#)

[CREATE YOUR ACCOUNT](#)

[MY FIRST PURCHASE](#)

FABRICS [MEN](#) [WOMEN](#)



Your business powered  
by BivolinoServices

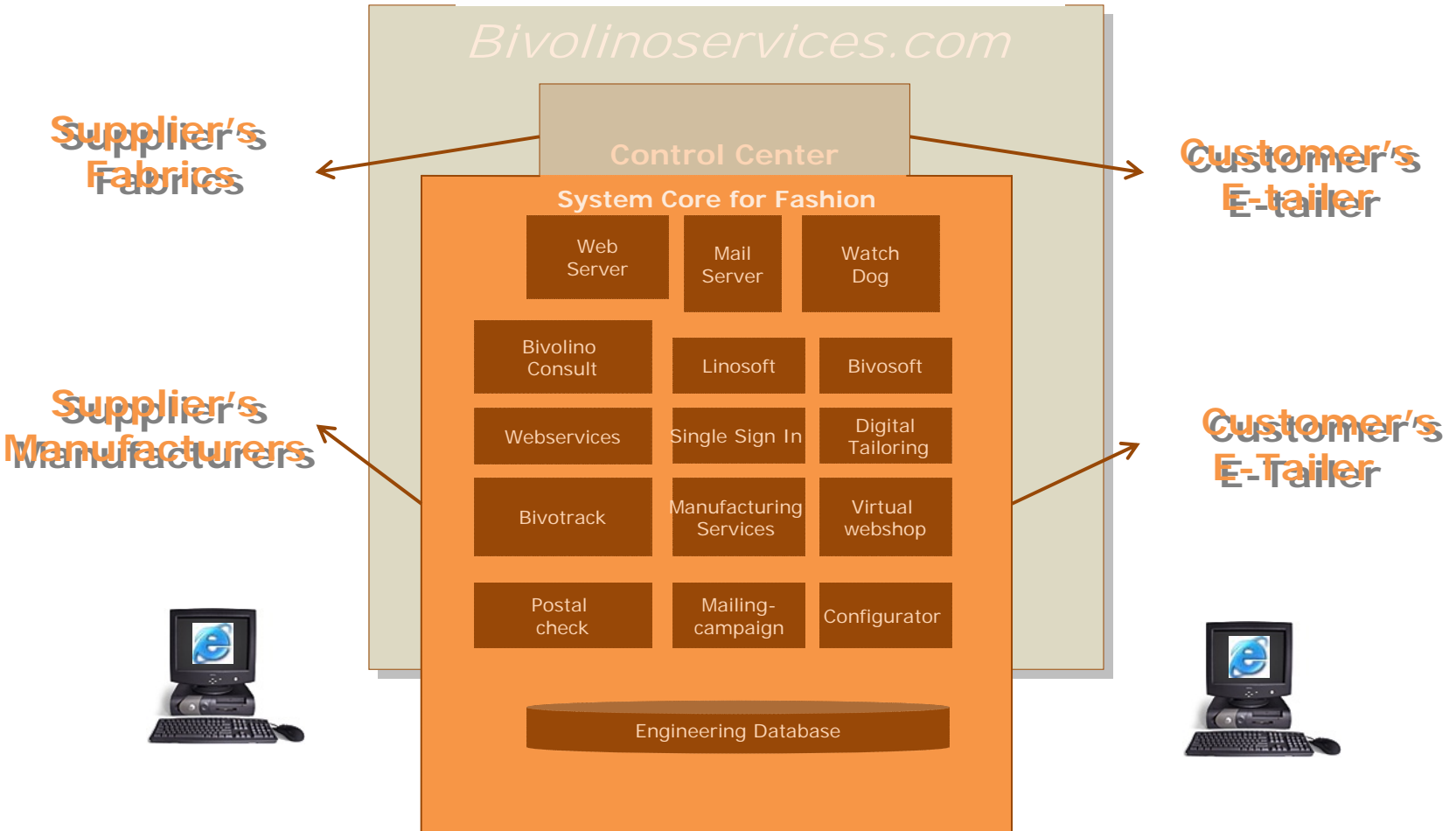
## Bivolino Services

integrates the complete clothing Supply Chain, from the front-end collaborative design toolkits up to manufacturing and e-fulfilment. The concept of process platform planning is proposed to support variety synchronisation from design to production.

BivolinoServices.com is therefore empowered to execute unique consumer-winning value at the lowest cost through the collaborative, real-time synchronisation of product services generated from the toolkits.

The platform is interactive, collaborative, configurable, modular, scalable and generic.

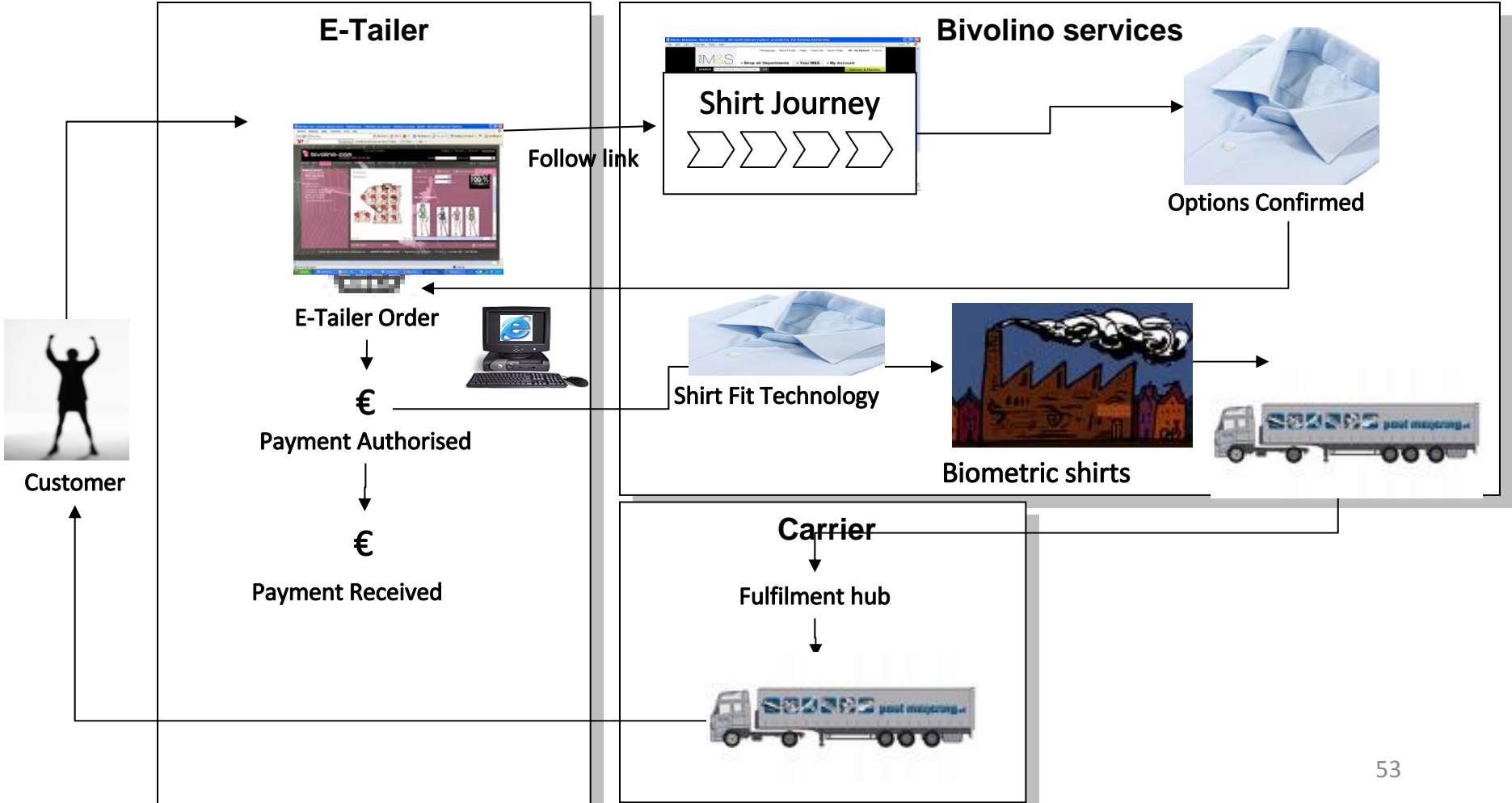
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Combination of third parties Asp's  
SaaS, SOA

Process

Flow





## The Mass Customization Benefits

### *For the consumer*

- product satisfaction : fit & uniqueness
- hedonistic process satisfaction :
  - pride of authorship
  - peer recognition & emotional factors
- new shopping experience
- new differentiation possibilities



be commerce.be

# The Mass Customization Benefits

## *For the retailer*

- value competition instead of price
- reduced planning risk, inscreased flexibility
- new cost strutures
- reduction of inventory, fashion risk
- real customer relationship management
- customer knowledge
- life panel without panel effects
- « lead customer » information
- higher market research efficiency
- using custom operations as learning / pilot fields for mass products

[be commerce.be](https://be.commerce.be)

Thank you !