

Valentino and YNAP join forces for online push

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Valentino and online luxury group Yoox Net-a-Porter have struck a deal to expand the reach of the Italian fashion house's e-commerce business, the latest sign of how the internet is disrupting the luxury industry.

Luxury goods groups have been laggards in embracing e-commerce believing for too long that consumers would balk at spending hundreds of euros online for a dress or handbag.

But as consumers have embraced shopping at a click, luxury groups have been scrambling to catch up especially as the broader outlook for the industry dims. Goldman Sachs estimates that online sales of luxury goods will rise 15 per cent a year until 2020. By contrast the investment bank sees overall luxury industry growth of 1 to 4 per cent in the short to medium term.

The agreement between Valentino, which is looking at a stock market listing in the next 12 months, and YNAP integrates online the inventories of all Valentino's bricks and mortar boutiques, its warehouses and its online store Valentino.com.

In practice it means a businesswoman based in London could now see a Valentino €3,200 dress in printed crepe de chine while sitting at home on a Sunday night, buy it online, arrange to pick it up in Valentino's Milan store on Monday

afternoon where she is in town for business and wear it for an evening work event in the city.

"Whether they want to shop online, pick up in-store, have items delivered to separate locations, the options are endless," said Federico Marchetti, YNAP chief executive.

So-called omnichannel shopping has become the holy grail for luxury retailers seeking to prise more from their often jet-set customers at a time when overall luxury spending is seen as being

The move by YNAP, led by Federico Marchetti, comes as online competition has increased



flat this year, say industry analysts. For luxury brands getting all their inventory online also means they are able to better tailor their products to consumer demand and use data to learn more about their customers, analysts add.

The move by YNAP comes as online competition has increased among luxury retailers with private equity backed start-up sites including London-based Matchesfashion.com, and Farfetch.

Matchesfashion.com last week announced that annual revenues had jumped 61 per cent to £204m, mostly from online sales.

