

Ecommerce Thriving In The Economic Downturn

Amid the doom and gloom in retail in the UK, there's one clear shining light – online eCommerce. This is particularly true for fashion.

Boo.com notwithstanding, fashion has been playing catch-up online. The ecommerce categories that first took off were simple, uniform products like books, CDs and electrical goods along with services like travel and hotel bookings. Fashion took longer; high street retailers were concerned of the impact of cannibalisation on their bricks and mortar whilst web 1.0 technology didn't do justice to the clothes.

Now all that's changed. Thanks to the advances in design and usability from ecommerce web design specialists like Pod1, users can zoom in to see the detail of fabric, turn a model around to see the behind as well as the front, see the material move on the catwalk, and more. Coupled with more secure online payment and the ability to return products, consumers are increasingly confident in buying clothes online. In turn, high street fashion brands are seeing some impressive returns from their online store. Invariably, Pod1's customers' eShops become their flagship store within months of having launched – and all are seeing year-on-year growth too.

The category has also seen a number of new pureplay fashion brands such as figleaves, Asos and Net-A-Porter who are showing particularly impressive growth online. Asos recently reported that sales over the last two months had more than doubled, having increased by 107% in the six months to October. The category has also seen innovation in the form of online designer discount outlets like Private Outlet and Brand Alley who are thriving as customers look for bargains and brands look to offload excess stock.

Web design company Pod1 predicts that the fashion category will see more innovation: more video content, more product ratings and feedback, more ways for stores to add value to returning customers. Indeed, given the amount of competition online, innovation is a given as fashion brands look to steal a march on the competition. The real challenge for the ecommerce design company is in being able to combine novelty, a great brand experience and easy shopping in one site.

But we also predict that we'll see more bargain-hunting. As the downturn bites, changes in consumer behaviour will accelerate — we will use the internet more to shop around and, given it's ephemeral nature, fashion will not be immune.

The UK is at the online frontline. The UK internet population is 70% of the total population and growing. People here spend more time online than in any other European country, averaging 33 hours a month. The UK's population is one-fifth the size of the US's but it has 60% of that country's ecommerce spend.

In the first half of 2008, 18.5% of UK media spend was directed online, more than double the amount directed online in the US.

Operating in the leading ecommerce market in the world, UK businesses are in a prime position to understand today's consumer and accelerate in a slowdown. Ecommerce is a vibrant and growing industry. Ecommerce design company Pod1 predicts that not only will online shopping thrive in the downturn but it will be the motor of the recovery.

Moreover, history tells us that during economic slowdowns, winners get ahead. The performance gap between the most successful companies and their competitors actually widens during these periods.

Fortune favours the brave. Online is the place to invest.

To see how some well-known fashion brands succeeded in the ecommerce venture visit: [Pod1 Web Design Agency](#)