

Buying Strategy Project: NET-A-PORTER

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Company Mission

NET-A-PORTER's mission is to "deliver incredible fashion for incredible women."

Company History

2000

Net-A-Porter founder Natalie Massanet finds enough backers to start online business

2004

Net-A-Porter starts to become a profitable company and wins "best fashion shop" at BFAs

2008

Net-A-Porter is widely considered to be the only online luxury retailer, and brands are begging to be featured on the site

2010

Net-A-Porter launches "The Outnet"

2011

Mens branch "Mr. Porter" is launched

2013

Net-A-Porter beauty was launched

Number of Stores & Business Size

NET-A-PORTER
operates 4 different
e-commerce stores:

1. Net-a-Porter
2. Mr Porter
3. Yoox
4. The Outnet

The company is the
world's largest multi-
brand luxury retailer

In 2017, they had over
5,300 employees
worldwide.

2017 Revenue:
\$2,355,900,000

Pricing Strategy

Net-A-Porter's pricing strategy caters to customers who see value in luxury goods. They are willing to pay higher prices for items with the prestige that comes with a brand name. They desire the class and social status that come with these brands and believe that owning these items will help them achieve that.



Competitor's Advantages & Disadvantages

	FARFETCH	MATCHESFASHION	SSENSE
ADVANTAGES	<ul style="list-style-type: none">• Product comes from luxury boutiques around the world• Sells women's, men's, and kid's products	<ul style="list-style-type: none">• Carries over 650 designer brands• MyStylist, the store's virtual shopping concierge, available 24/7• Private shopping team• 3 brick-and-mortar stores London• Dedicated to sustainability	<ul style="list-style-type: none">• Carries assortment of luxury, streetwear, and independent designers• Brick-and-mortar location in Montreal that offers personal shopping
DISADVANTAGES	<ul style="list-style-type: none">• Pricing is determined by the boutique partner selling the product, not the company• Weak customer service experience- no online chat	<ul style="list-style-type: none">• Stores only located in London	<ul style="list-style-type: none">• Customer service only available by phone or email• Less brand recognition

SWOT Analysis

Strengths

- Social media presence
- Recognizable, luxury brand names
- International customer base
- 24/7 customer service including personal fashion consultants

Weaknesses

- Luxury price point could deter some customers
- Product reviews not available

Opportunities

- Expand on "Mr. Porter" for men
- Add a home section and kid's section

Threats

- Customers may prefer the in-person experience of shopping luxury

Product Assortment Plan

NET-A-PORTER PRODUCT ASSORTMENT PLAN		
SPRING CAPSULE COLLECTION- DRESSES		
Budget	\$500,000	
Unit Cost	\$500	
Units Needed	1000	
Brands		
Stella McCartney	40%	
Gucci	30%	
Bottega Veneta	30%	
Size Distribution		
Extra Small	20%	
Small	35%	
Medium	30%	
Large	15%	

Style Distribution					
Mini	40%				
Midi	25%				
Maxi	35%				
Stella McCartney = 400 dresses total	Mini	Midi	Maxi	TOTALS	
Extra Small	32	20	28	80	
Small	56	35	49	140	
Medium	48	30	42	120	
Large	24	15	21	60	
TOTALS	160	100	140	400	
Gucci = 300 dresses total	Mini	Midi	Maxi	TOTALS	
Extra Small	24	15	21	60	
Small	42	26	36	105	
Medium	36	22	31	90	
Large	18	11	15	45	
TOTALS	120	75	105	300	
Bottega Veneta = 300 dresses total	Mini	Midi	Maxi	TOTALS	
Extra Small	24	15	21	60	
Small	42	26	36	105	
Medium	36	22	31	90	
Large	18	11	15	45	
TOTALS	120	75	105	300	

Target Customer Profiles



Rachel

- 25 years old
- Lives in NYC
- Trend-setter
- From a wealthy family
- Works in marketing
- Enjoys health + wellness, traveling
- Favorite designers: Aritzia, Jacquemus, Celine, LoveShackFancy



Jessica

- 42 years old
- Lives outside of LA
- Stay at home mom; husband is a lawyer
- Enjoys going to the beach and spa
- Favorite designers: Free People, Stella McCartney, Zimmerman, Gucci



Samantha

- 33 years old
- Lives in Boston, MA but from Tampa, FL
- Works in finance
- Always on the go and busy with work
- Favorite designers: Rag & Bone, Coach, Ralph Lauren

6 Month Merchandising Plan

NET-A-PORTER 6 MONTH BUYING PLAN						
Sales (LY)	\$1,352,000					
% Planned Increase	10%					
Planned Sales for Period	\$1,487,200.0					
Planned EOM for Period	\$400,230					
Initial Markup %	50.00%					
Planned Reductions %	7%					
	FEB	MAR	APR	MAY	JUNE	JULY
Sales Distribution	15.00%	10.00%	25%	25.00%	15%	10.00%
Stock-Sales Ratio	2	2.1	1.9	2.2	2	2.2
Reductions Distribution	5%	5%	15.00%	20.00%	25.00%	30.00%
Total Planned Reductions	\$104,104.0					
PLANNED MONTHLY SALES	\$223,080.00	\$148,720.00	\$371,800.0	\$371,800.00	\$223,080.0	\$148,720.00
PLANNED MONTHLY BOM	\$446,160.00	\$312,312.00	\$706,420.0	\$817,960.00	\$446,160.0	\$327,184.00
PLANNED MONTHLY EOM	\$312,312	\$706,420	\$817,960	\$446,160	\$327,184	\$400,230
PLANNED MONTHLY REDUCTIONS	\$5,205.2	\$5,205.2	\$15,615.60	\$20,820.80	\$26,026.00	\$31,231.20
PLANNED PURCHASES AT RETAIL	\$94,437.20	\$548,033.20	\$498,955.60	\$20,820.80	\$130,130.00	\$252,997.20
PLANNED PURCHASES AT COST	\$47,218.60	\$274,016.60	\$249,477.80	\$10,410.40	\$65,065.00	\$126,498.60

Integrated Marketing Campaign

Marketing Objectives Timeline

February: Begin promoting capsule collection through social media and magazine features

March-April: Collaborate with influencers/celebrities

May: Outdoor pop-up event

Marketing Goals

1. Reach a broad audience through social media and influencer marketing
2. Create excitement about the "opening up" of society and in turn create excitement to purchase new going out clothes
3. Increase sales

Customer Segmentation

Demographic

- Any gender
- Likely age 25-45
- Likely has college education
- In a professional field
- Upper middle class-high class
- Any ethnicity

Psychographic

- Fashion conscious
- Values luxury/brand names
- Lead a fast paced lifestyle
- Travels often
- Values leisure activities such as spa days and self care

Geographic

- Urban locations
- Live in large cities across the world that are more fashion forward
- Global market

Behavioral

- Willing to splurge on higher quality/brand name goods
- Enjoys shopping and likely to indulge in impulse purchases

Target Marketing

- The target market is mainly Millennials and Gen X, which make up approximately 42% of the population
- These age demographics respond well to both social media marketing and more in person marketing tactics such as pop ups and strong customer service
- The target customer likely lives in or near a bigger city, so in person marketing should be focused there

Positioning

- Net-a-Porter is positioned in the high-growth luxury e-commerce sector
- Perceived as a high quality brand that is both accessible and luxury
- The brand is targeted for women aged 25-45 who value high quality fashion pieces and are willing to spend a bit more in order to achieve that, so should be positioned to uphold the reliability and quality that is expected

Social Media

NEW CAPSULE COLLECTION



May 21, 2021

*Promotional post for @netaporter
Instagram
Feb 1, 2021*



**Net-A-
Porter
Capsule
Collection
Try On**

*Collaborative post on @tesschristine
YouTube
March 1, 2021*

Influencer Marketing

Team up with these influencers in order to promote capsule collection and pop up shop:

- Chiara Ferragni- 23.5m Instagram followers
- Tess Christine- 2.35m Youtube subscribers, 731k YouTube subscribers
- Chriselle Lim- 2.6m TikTok followers, 744k YouTube subscribers



Email/Ad Banners



*Featured on website and promotional
emails*

March 1-May 1, 2021

Magazine Feature

NET-A-PORTER'S SPRING CAPSULE COLLECTION SNEAK PEEK

The sun is out, society is opening back up, and
NET-A-PORTER is opening the door into a **dressy** spring



BOTTEGA VENETA

Open-knit cotton-blend mini dress
\$1,900

GUCCI
Tasseled striped crocheted wool
halterneck mini dress
\$2,700



STELLA MCCARTNEY

Jenny asymmetric draped silk-
seersucker mini dress
\$1,795

*Capsule sneak peek to be shown in
Vogue, Elle, and Harper's Bazaar
Feb. 15, 2021*

Pop-Up Event

- Location: Malibu, CA on the beach
- Attendees: Influencers, top customers from the area, press
- Features: One-on-one styling cabanas, food trucks, live DJ, Instagram photo booth set-ups



Pop-Up Invitation



*Sent to local influencers, top
customers, and bloggers/press
May 1, 2021*

Marketing Schedule

FEBRUARY

- Feb. 1: Launch social media campaign/posts on @netaporter Instagram
- Feb. 15: Magazine features

MARCH

- March 1: Launch influencer collaborations to happen throughout the month
- March 1: Promotional emails/ad banners to stay up through May

APRIL

- April 15: Send invitations/announcements for pop-up event

MAY

- May 21: Pop-up event; promote on social media through @netaporter Instagram and influencer collaborations

Thank you!

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