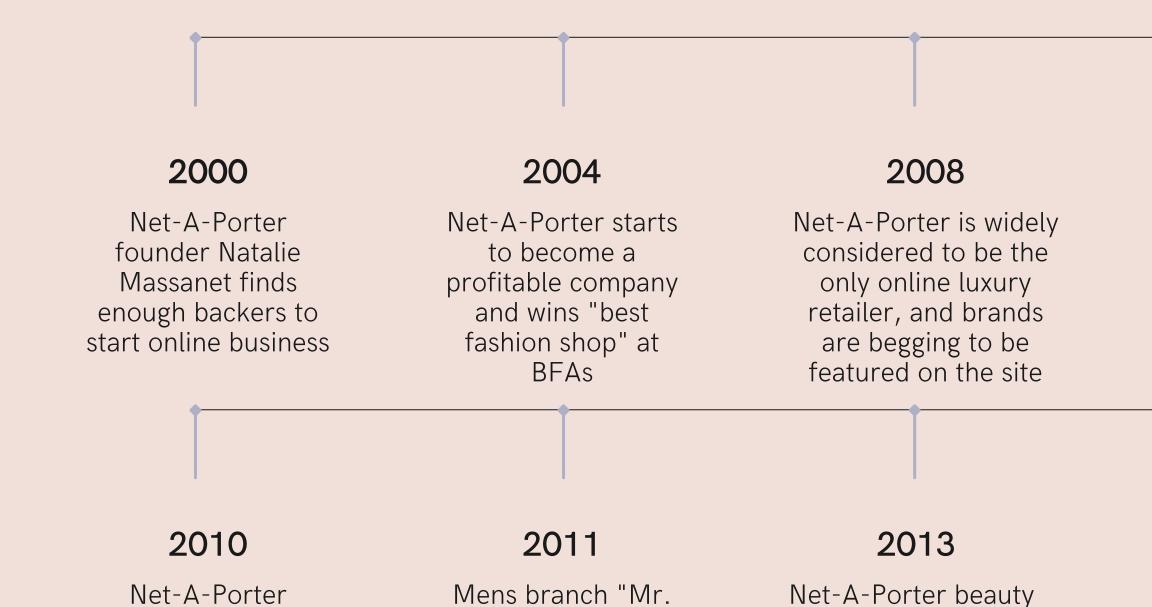
# Buying Strategy Project: NFT-A-PORTER

Isabella Wood Tejal Thurnauer FASM245

# Company Mission

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

# Company History



Porter" is launched

was launched

launches "The

Outnet"

## 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> <li>Product comes from luxury         boutiques around the world</li> <li>Sells women's, men's, and kid's         products</li> </ul>	<ul> <li>Carries over 650 designer brands</li> <li>MyStylist, the store's virtual shopping concierge, available 24/7</li> <li>Private shopping team</li> <li>3 brick-and-mortar stores London</li> <li>Dedicated to sustainability</li> </ul>	<ul> <li>Carries assortment of luxury, streetwear, and independent designers</li> <li>Brick-and-mortar location in Montreal that offers personal shopping</li> </ul>	
DISADVANTAGES	<ul> <li>Pricing is determined by the boutique partner selling the product, not the company</li> <li>Weak customer service experience- no online chat</li> </ul>	Stores only located in London	<ul> <li>Customer service only available by phone or email</li> <li>Less brand recognition</li> </ul>	

# 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       40%         Mini       40%         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         Medi		1				
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	Medium	36	22	31	90	
TOTALS 120 75 105 300	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		1	1		
% 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				\$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

## Geographic

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

## Psychographic

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

## **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



May 21, 2021



Net-A-Porter Capsule Collection Try On

Promotional post for @netaporter Instagram Feb 1, 2021 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 **dress**y spring



#### **BOTTEGA VENETA**

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







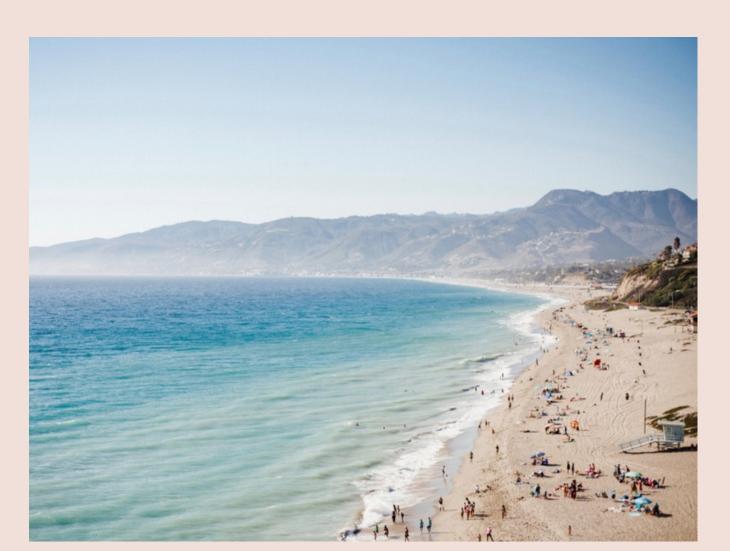
#### STELLA MCCARTNEY

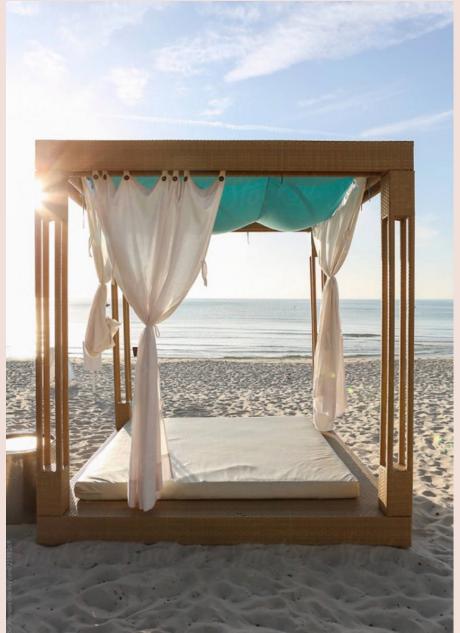
Jenny asymmetric draped silkseersucker mini dress \$1,795

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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