

EBay makes a big play for fashion

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In this undated screen shot provided by eBay Inc., the new FASHION destination for clothing, shoes and accessories, is shown.(AP Photo/eBay)

(AP) -- EBay Inc. may be the biggest online clothing seller, but it's still known for selling other people's castoffs. Now it wants shoppers to think of it when looking for trendy duds like hipster jeans and red ballerina flats.

EBay will launch a new fashion microsite Monday. It's the latest in a series of changes that will sometimes have it acting more like an outlet mall or "private sale" Web site.

[EBay](#) is working with major fashion brands and retailers such as Hugo Boss and Lord & Taylor to act as sellers. The new microsite, [fashion.ebay.com](#), will bring together several new ways of selling.

The company began testing "flash" sales - short-term sales of a small

selection of merchandise - late last year. It launched "Fashion Vault" earlier this week, putting it directly in competition with private sales players like Gilt.com and Ruelala.com, which sell trendy clothing and accessories at deep discounts.

EBay also is creating an online outlet mall that so far has enlisted Lord & Taylor; Brooks Brothers and shoe brand Aldo will be added later this spring. Meanwhile, eBay, which sold \$7.1 billion worth of clothing last year and has 10 million buyers just looking for fashion, also hopes to add more exclusive fashions after successful deals with designers Narciso Rodriguez and Norma Kamali.

The new selling formats, along with gallery-style photographs and a better search engine that will make it easier to browse, will eventually be rolled out in other categories including home and garden, technology and media as eBay tries to perk up sales.

"We're really transforming the experience," said Lorrie Norrington, president of eBay Marketplaces, which also includes such e-commerce sites as Shopping.com and Kijiji and accounted for 61 percent of the company's revenue of \$8.7 billion last year. "We're playing to our strengths" in clothing, she said.

The fashion strategy will put it more in direct competition with Amazon.com and traditional retailers like Macy's and Target.

Some analysts are skeptical that eBay can remake its image.

"EBay has a reputation for selling used goods," said Forrester Research analyst Sucharita Mulpuru. She noted eBay's new endeavor will be successful only if it has "great access to a phenomenal supply of merchandise that is priced well, and the site looks significantly better."

EBay, which has 90 million active buyers and sellers, makes money by charging sellers fees for listing merchandise and takes commissions on sales. However, with 200 million average listing worldwide, including 19 million in clothing alone, eBay's site is cluttered and hard to navigate.

That has made it more vulnerable to a growing number of startups such as Glyde.com and Gazelle.com, both of which are gaining popularity because they make it simpler for people to buy and sell items.

EBay has taken steps to help [shoppers](#) and make it easier for sellers to list items.

In an interview with The Associated Press, Norrington argued its new strategy will not make it more difficult for its mom-and-pop sellers to compete. Rather, it will benefit them even more as the big brands will attract more customers to the site overall, she says.

Company officials and analysts noted that working with major stores and suppliers will help build more trust in eBay, which has long grappled with counterfeit goods and auction fraud.

The new strategy will also further boost increased selling at fixed price than at auction. Currently, fixed-price selling accounts for more than half of eBay's business, up from 35 percent two years ago. Norrington expects it to hit 70 percent eventually.

"We'll go where our customer wants us to go," said Norrington.

One goal is getting shoppers to browse more than just search for the name of an item. The new site will feature an improved search engine that will allow shoppers to better shop by brand, trends and price.

The site will also have a new technology that helps buyers find the

desired item more easily by taking a particular item of interest, and based on the picture, see other products that resemble it.

So far, early signs from its big push into fashion have been positive, according to executives.

The private sales, with 40 percent to 70 percent discounts that enlisted such brands as Hugo Boss and DKNY late last year, have fared well. On Monday, eBay teamed up with fashion brand French Connection, featuring \$188 dresses slashed to \$75.20 and \$68 leggings reduced to \$27.20.

As for the outlet mall offerings, many stores have expressed interest because they view the site as an efficient way to get rid of excess goods, Norrington said. The merchandise is anywhere from 30 percent to 50 percent off.

Meanwhile, Narciso Rodriguez's eBay collection has done well since launching in February, according to Kathy Kalesti, president of Narciso Rodriguez. The line is priced from \$65 to \$350 and caters to a different customer from the designer's couture shopper.

"This collection gives us the opportunity to reach a broad, global audience," Kalesti said.

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