



# *Selling Fashion Online in Australia 2019*

*Assessing the online customer experience provided  
by 25 Australian and UK retailers*

Practicology  
a  pattern company

# Selling Fashion Online in Australia 2019

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# Selling Fashion Online in Australia 2019

## Introduction



The Australian online fashion market has become increasingly competitive in the past decade as international brands have launched websites to target Australian consumers, and home-grown competitors have improved their online offers in response.

With an increasing number of clothing and footwear sites for Australian consumers to choose from, we wanted our research to provide a holistic view on what a great online customer proposition looks like. So we have reviewed the site experience, delivery, returns and customer service standards and ranked a group of 15 Australian fashion retailers and 10 UK retailers with Australian websites.

In each case, we questioned whether these retailers had carefully tailored their propositions to the requirements of Australian consumers. The results clearly show how Australian retailers have upped their game in recent years, and the benchmarks both local and international retailers need to aim for.

Whether you are a brand or retailer currently trading online in Australia, or are considering entering the market, this report will provide you with best practice examples, common pitfalls and key industry benchmarks that will help inform your ongoing customer experience strategy.

*Merline McGregor – General Manager Australia*

**For more information on our services email us at [hello@practicology.com](mailto:hello@practicology.com)**

# Selling Fashion Online in Australia 2019

## Executive summary

We conducted research on the experience offered by 15 Australian retailers and 10 UK retailers selling online in Australia, with an open mind as to how well the local players would perform against their international competition.

All website evaluations were carried out using mobile devices to recognise the 33% growth of mobile commerce in Australia and New Zealand in the last year (BigCommerce).

The Iconic topped the rankings (P6), although UK retailer ASOS ranking third demonstrates that Australian fashion retailers cannot afford to be complacent when it comes to their online offer.

At the bottom of the ranking were primarily UK brands, with inadequate customer support, reduced click-and-collect services, and limited payment options impacting their scores. These retailers must improve their offers to match the industry standards in the market (P7).

### Key findings include:

- **Responsive customer service:** Only 24% of retailers provided satisfactory phone support, and just 24% offer an excellent Live Chat option. Customers looking for immediate help are not being served effectively.
- **Slow delivery options:** Australian consumers demand expedient delivery, yet only 44% of retailers can guarantee next-day delivery, even in metro areas.
- **Click-and-collect:** 52% of retailers do not offer click-and-collect, despite the demand for varied and convenient delivery options.
- **Localised payment methods:** Only 20% of UK retailers offer Afterpay, while 100% of Australian retailers do. UK retailers risk losing customers that choose to pay using this method.

*The report was researched and compiled by Sam Gaunt, Jordan Otty, Agata Adamczak and Marcus Yuen.*

In late 2018, we analysed the websites of 15 Australian retailers and the localised Australian websites of 10 UK retailers using mobile devices, as 60% of sessions in our monthly Australian ecommerce benchmark study are on smartphones. To be considered localised, the UK retailers' sites needed to be transactional, offer delivery options to Australia and display prices in \$AUD. We assessed all retailers against the below criteria, and further reviewed the UK retailers against localisation criteria.

**Clear proposition:** Do retailers display delivery and collection details on the homepage, product details pages and at checkout?

**Ratings and review:** Are product ratings and reviews used on product details pages?

**Basket and wishlist:** Are basket and wishlist functions across mobile and desktop?

**Customer service details:** Are contact details easily accessible and clickable?

**Customer service:** How well do retailers handle customer

service enquiries across email, social, telephone and Live Chat?

**Delivery options:** What is the cost and timeframe of delivery? And do retailers offer click-and-collect and next-day delivery?

**Returns:** We identified all the returns options available and checked if returns were free.

**SEO:** We assessed what percentage of keywords ranked on page 1 of Google results, and how many Quick Answers they appeared in.

**Afterpay:** Does each retailer accept Afterpay?



### UK-only criteria

**Currency and price:** Is \$AUD used throughout? Are \$AUD prices rounded?

**Checkout process:** We rated the checkout process for each retailer, looking at address fields and how taxes are handled.

**Sizing:** On each product details page, we checked whether products were shown in Australian sizing and whether size guides included an Australian comparison.

**Merchandising:** Did retailers feature relevant seasonal products on the homepage?

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## Rankings

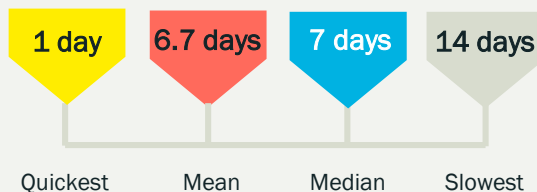
Rank	Retailer	Country	Score	Rank	Retailer	Country	Score
1	The Iconic	Australia	85%	11=	Peter Alexander	Australia	45%
2	Showpo	Australia	73%	15=	Superdry	UK	42%
3	Asos	UK	70%	15=	Boohoo	UK	42%
4	Cotton On	Australia	61%	17=	Gymshark	UK	40%
5=	rebel	Australia	58%	17=	Sweaty Betty	UK	40%
5=	Bonds	Australia	58%	17=	Seed Clothing	Australia	40%
5=	Forever New	Australia	58%	20	Portmans	Australia	36%
5=	Glassons	Australia	58%	21=	Ted Baker	UK	33%
9	Country Road	Australia	52%	21=	Reiss	UK	33%
10	Myer	Australia	49%	23=	Boden	UK	27%
11=	David Jones	Australia	45%	23=	River Island	UK	27%
11=	Glue Store	Australia	45%	23=	Kookai	Australia	27%
11=	Missguided	UK	45%				



# Selling Fashion Online in Australia 2019

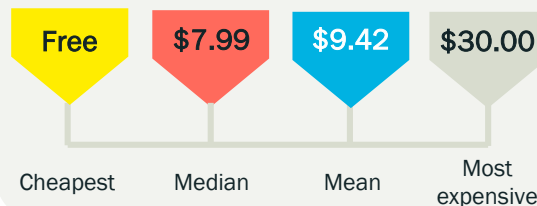
## Key benchmarks

### Standard delivery time\*



\*For delivery to metro areas only

### Standard delivery cost\*



\*For delivery to metro areas only



**44%**

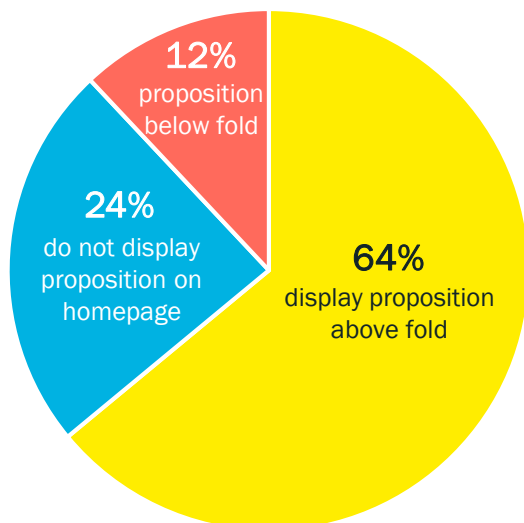
guarantee next day or same day delivery to metro areas



**20%**

offer free returns for all items

### Clear delivery proposition on homepage



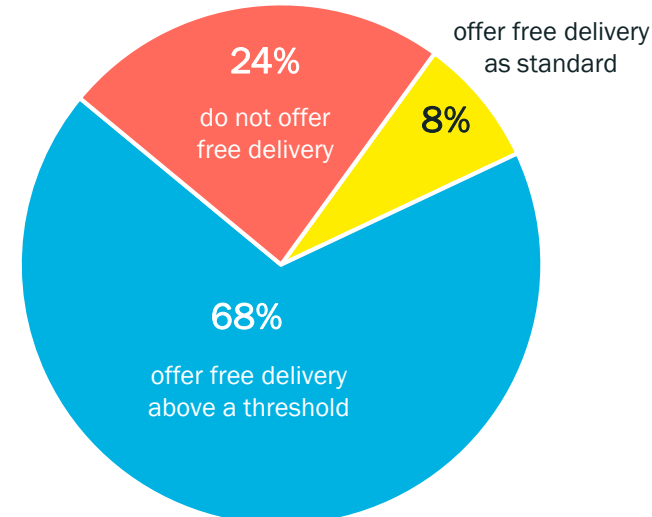
**32%**

have ratings and reviews on product details pages

**48%**

display expected delivery date at checkout

### Free delivery



# Selling Fashion Online in Australia 2019

## Key benchmarks



**100%**  
of Australian retailers  
offer Afterpay



**20%**  
of UK retailers offer  
Afterpay



**40%**  
of UK retailers use  
seasonal product  
merchandising

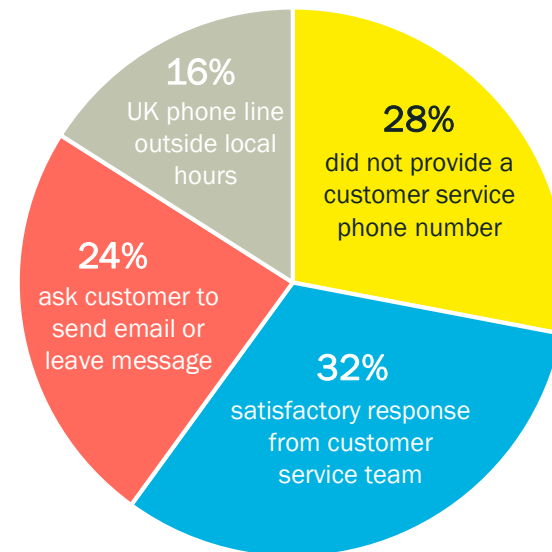


**50%**  
used localised  
measurements/  
suitable size guide

Percentage of keywords that ranked  
on page 1 of Google search results



Outcome of customer service  
phone enquiry



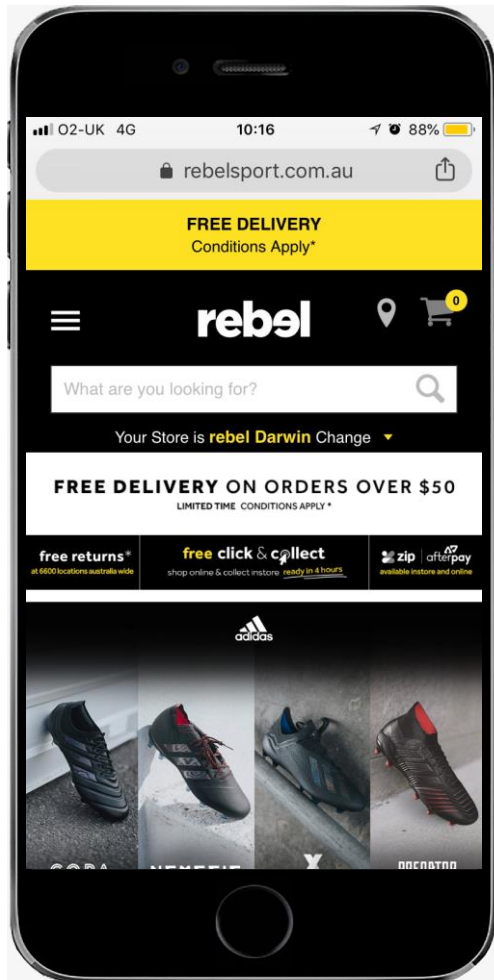
**24%** offer Live Chat

**24%** encourage social  
media use for  
customer support



# Selling Fashion Online in Australia 2019

## Site experience – Clear proposition



An important function of a retailer's homepage should be to clearly display its key propositions. Consumers desire clarity on whether they can receive items as quickly, cheaply and conveniently as possible.

Research reveals that 57% of Australian customers identified easy return services as their biggest demand (SAP). Similarly, 52% of shoppers abandon baskets because of high delivery costs and 31% do so because they dislike the payment options available (Adyen).

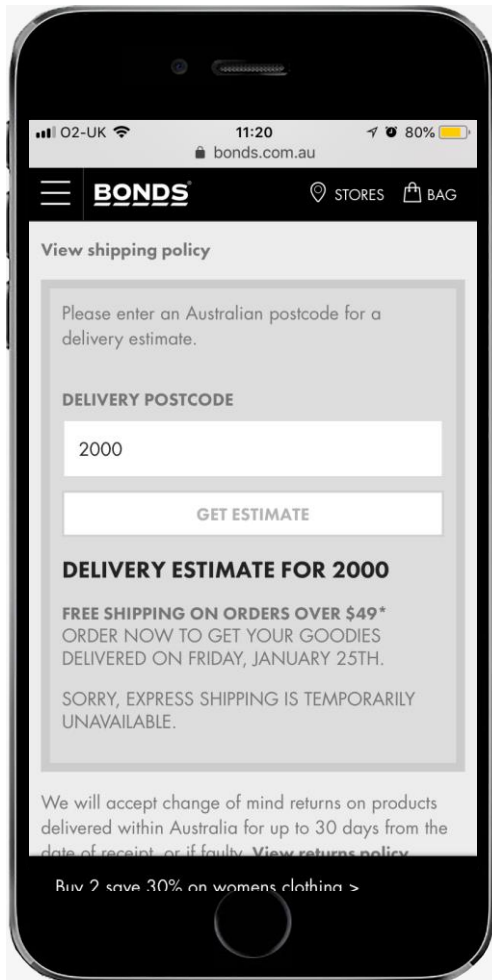
To remove any uncertainty, retailers should display their delivery and returns offering clearly on the homepage of their website. This is even more important for UK retailers trading in the country, as local customers may incorrectly assume that delivery could be expensive and slow and returns processes could be complex.

Our research revealed that 64% of retailers promoted their key proposition messaging at the top of the homepage on their mobile site. Another 12% included the information on their homepage, but appearing below the fold.

Australian retailer rebel excelled in this area, clearly displaying its delivery, returns, click and collect proposition above the fold, as well as additional payment methods.

# Selling Fashion Online in Australia 2019

## Site experience – Expected delivery



It is essential that throughout the customer journey, shoppers are provided with the information necessary to complete a purchase. This is particularly important on product details pages.

Our research assessed the level of delivery and collection information displayed here. The data revealed that only 24% of retailers provided a specific expected date of delivery, while 12% did not provide any delivery details on these pages at all.

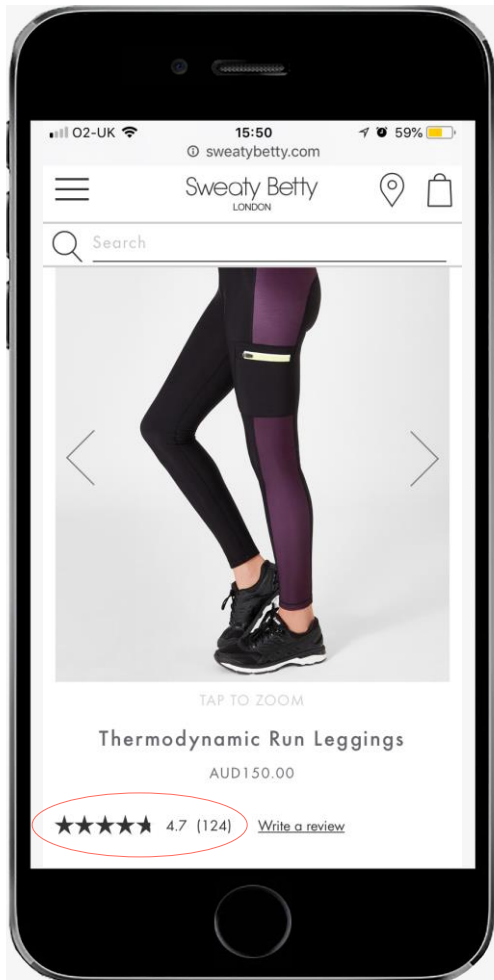
At checkout (after postcode details had been submitted), many retailers still failed to clearly indicate an expected delivery time. 40% only provided standard delivery information, while 12% provided no delivery information at all.

Creating any uncertainty at this stage in the customer journey negatively impacts the customer experience and increases the rate of basket abandonment.

Bonds, provided an excellent customer experience, allowing shoppers to input their postcode on the product details page to reveal all the available delivery options, costs and timeframes. This allows customers to make an informed decision early on in the customer journey, removing any uncertainty before the checkout stage.

# Selling Fashion Online in Australia 2019

## Site experience – Ratings and reviews



The benefits of including ratings and reviews are multifaceted, boosting sales, limiting workload for customer service teams, reducing returns, improving SEO and even informing product development.

When shopping online, customers rely on the social validation provided by online ratings and reviews. In fact, research indicates that 63% of customers are more likely to make a purchase from a site with ratings and reviews (Opinion Research).

Of the retailers in our study, only 32% included ratings and reviews on their PDPs. To compound this issue, despite the functionality being available, customers only left reviews on 12% of retailer sites. Even a relatively small amount of product reviews can make a difference to the conversion rate of a PDP. Research indicates that products with as little as five reviews have a 270% higher purchase likelihood than a product with zero reviews (Spiegel Research Centre).

Retailers should encourage customers to leave reviews by sending follow up emails after recent purchases, offering rewards, and making the process as convenient and straightforward as possible.

UK retailer Sweaty Betty excelled in this area. The majority of products had been frequently rated and reviews were generally thorough and glowingly endorsed the brand.

Customer service remains a vital aspect of the customer experience. Consumers need advice at various times in the customer journey and demand support that is convenient, quick and personal. In fact, 68% of consumers will pay more for products from a company with strong record of customer service (Gladly).

In our research, we tested the customer service provided by each retailer across telephone support, email enquiries and Live Chat.

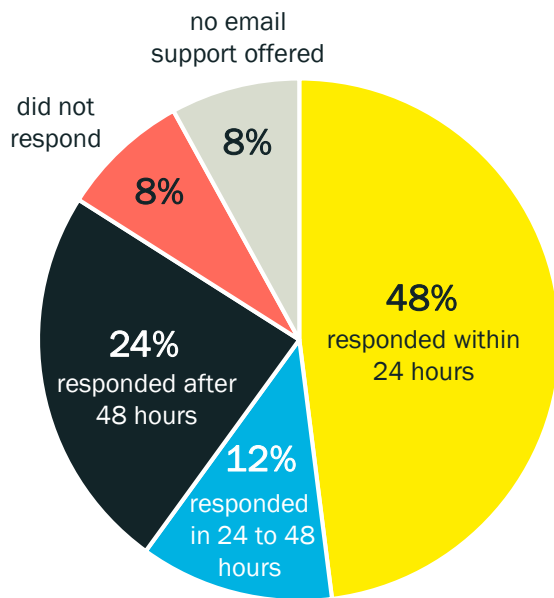
### Email

Best practice dictates that retailers should respond to email enquiries within 24 hours – yet only 48% achieved this benchmark. Customers making email enquiries are often looking for advice and support prior to making a purchase. The 24% of retailers that took over 48 hours to respond and the 8% that did not respond at all risk losing these customers to more attentive competitors.

Kookai was the most responsive retailer, replying in 16 minutes.

### Social Media

Consumers are increasingly taking to social media to find the answers to their retail queries. Our data revealed 24% of retailers encouraged this on their Customer Help page. Yet 100% of retailers offer the functionality, with some boasting one hour reply times across Twitter, Facebook Messenger and WhatsApp.



Customer service enquiry email response time

### Live Chat

Live Chat remains the customer service channel with the highest levels of user satisfaction. It provides customers with quick solutions to queries, allows them to multitask while browsing, and is a cost-effective alternative to email and phone support.

Despite this, only 24% of retailers reviewed offered an active Live Chat during standard Australian operating hours.

### Phone Support

Customers unable to find instant answers to their queries via Live Chat may look to phone support for a quick solution. However, only 24% of retailers provided an excellent service – answering the call within 3 minutes.

Test calls to 24% of retailers resulted in an automated response asking customers to leave a message or simply email the enquiry instead. This is a poor experience for customers hoping for a speedy resolution.



UK retailers served their Australian customers particularly poorly in this area.

- No UK retailers offered phone support in Australian business hours.
- Just 30% offered Live Chat.
- But 60% provided excellent email enquiry support.

Australian customers of Boden and Sweaty Betty found little in the way of customer service, which could be a blocker to conversion.

Neither provided phone support or Live Chat. Sweaty Betty took 10 days to respond to an email enquiry, while Boden failed to respond at all.

# Selling Fashion Online in Australia 2019

## Delivery options

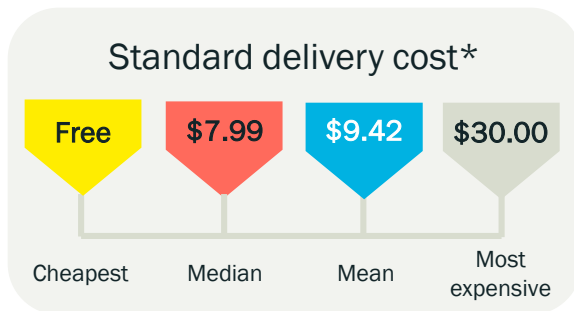
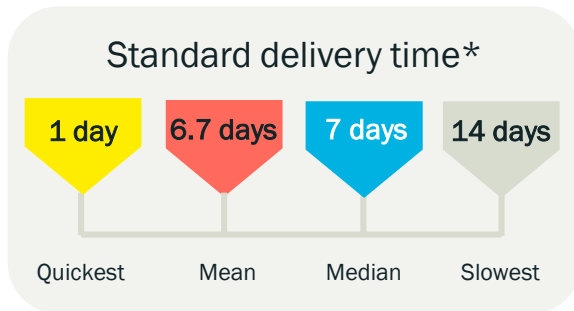
Fulfilment options and an easy returns offering should be a primacy focus for retailers.

Expectations continue to intensify, with consumers demanding faster delivery, convenient collection options and cheap and easy returns. In fact, 61% of Australian consumers value expedient delivery as the most important factor when shopping online (SOTI).

Our research revealed that just 8% of retailers could guarantee next day delivery on all orders, countrywide. This may be explained by the geographical challenge many retailers face providing quick delivery options across Australia.

Retailers have responded to the consumer demand for expedient delivery, with 60% of Australian retailers offering same day delivery in metro areas. However, UK retailers are lagging behind their Australian competitors as none offered this service.

Australian pureplay retailer Showpo offered its customers an excellent fulfilment proposition, offering free next day delivery for orders over \$50 as well as 4-hour delivery within Sydney. In contrast, UK retailer River Island's standard delivery costs \$20, taking up to 9 days – an uncompetitive offer in the market.



\*For delivery to metro areas only



# Selling Fashion Online in Australia 2019

## Collection and returns

Click-and-collect has become a vital fulfilment option, especially for the increasing numbers of customers that demand the flexibility and convenience this service offers.

33% of Australian consumers view click-and-collect as an important aspect when deciding where they shop online (SOTI), yet 52% of retailers in our study did not offer this option.

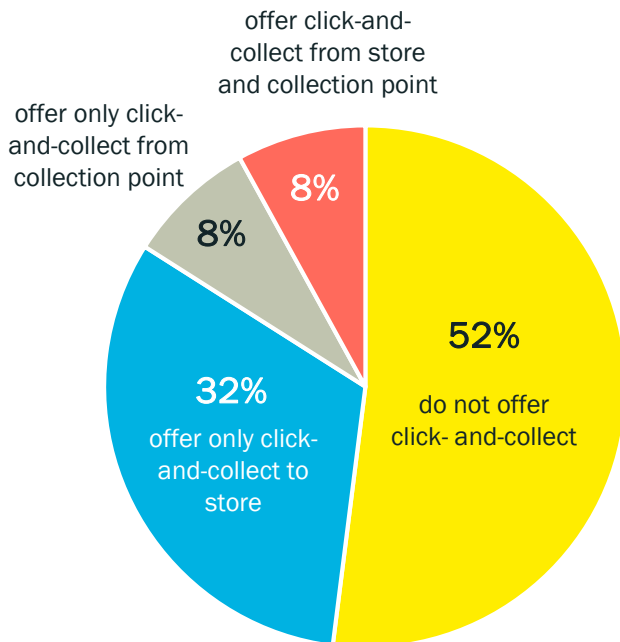


No UK retailers offered click-and-collect to customers – though most don't have stores, they could partner to offer a collection option.

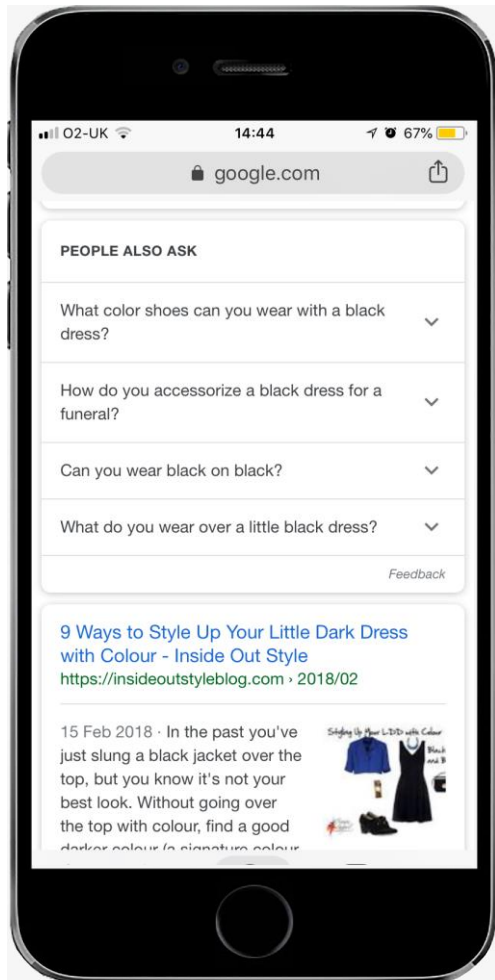
Australian pureplay retailers The Iconic and Showpo have both partnered with ParcelPoint to give customers the option of collecting orders from any one of 1300+ ParcelPoint locations around the country.

Australian consumers are also sensitive to the cost of returns, with 49% valuing free returns as a key aspect of online delivery (SOTI). However, only 20% of retailers offered this service on all products, though it's an important part of the online proposition.

Offering free returns undoubtedly comes with a cost, especially in fashion where consumers frequently buy multiple sizes of the same item before returning unwanted goods. Retailers can look to offset this by personalising size suggestions for logged-in customers and encouraging customers to return items to store.



Retailer click-and-collect offering



Despite the popularity of eBay and the rise of Amazon, Google remains key for consumers beginning a product search. Retailers that prioritise high quality, relevant content and invest in search engine optimisation (SEO) rank higher in Google search results and will be front of mind at the start of the customer journey.

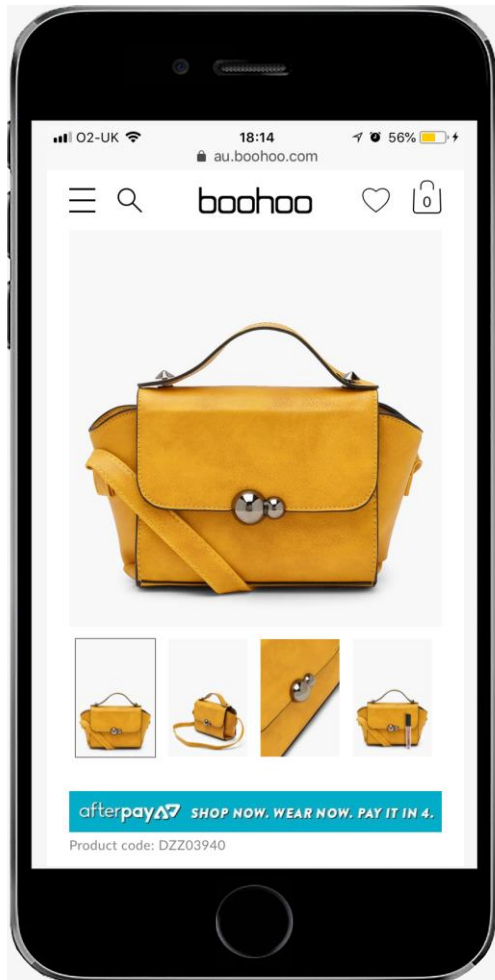
The first criteria we considered focused on the percentage of each retailers' organic keywords ranking on the first page of search results. This gives an indication of the overall visibility of the brand. Our data revealed that for 40% of retailers in our study, less than 15% of organic keywords ranked on the first page.

It is increasingly important for retailers to take advantage of every opportunity for visibility that Google provides. Appearing in Quick Answer results (pictured) is a way for retailers with compelling content to appear on the first page of results. Despite this, 28% of retailers failed to appear in a single Quick Answers result.

Ted Baker's SEO results tell an interesting story. Only 17% of its keywords appear on the first page of search results, yet it had the highest percentage of Quick Answers. This suggests that although Ted Baker's content is strong and relevant, its site structure may be making it difficult for Google to easily find this content.

# Selling Fashion Online in Australia 2019

## Localised payment methods



Afterpay is a service allowing customers to purchase items and pay for them at a later date in four bi-weekly instalments, and Australian retailers are offering it both on their websites and in their stores.

It's similar to the payment options provided by Klarna in Europe. These methods are particularly popular in fashion categories with younger shoppers eager to try out their purchases without having to pay the full cost upfront.

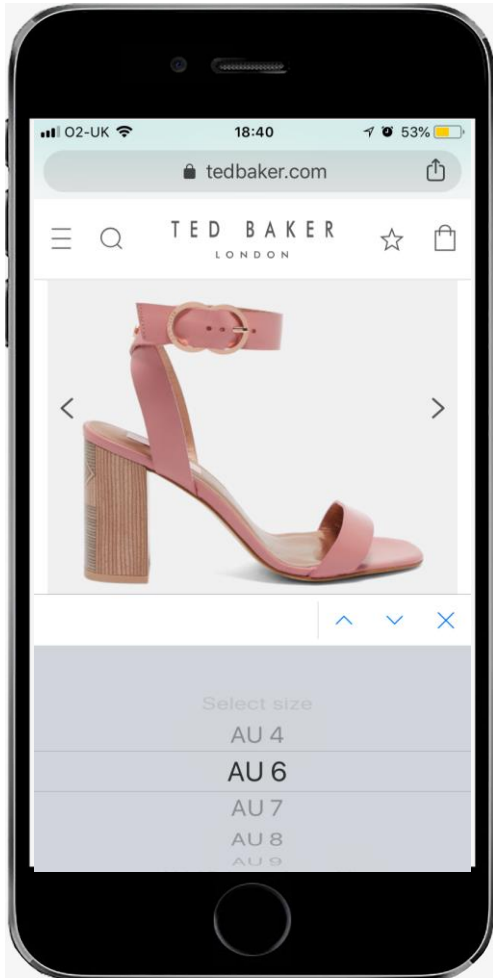
Only 20% of UK retailers in our research offered Afterpay, despite 100% of Australian retailers doing so.

With 31% of Australian shoppers citing limited payment options as a reason for abandoning their basket (Adyen), it's essential that UK retailers catch up quickly.

Boohoo was one of the retailers that had adopted Afterpay and promoted this clearly on its product pages.

# Selling Fashion Online in Australia 2019

## Measurements and size guides



It's essential that product details pages should include fully localised sizing information. Product pages are not only a key stage in the customer journey, but they can also appear as landing pages when reached directly from a search engine.

Non-localised measurements or unclear size guides can deter customers from making a purchase, negatively impact conversions, and contribute to higher return rates if a purchase is made.

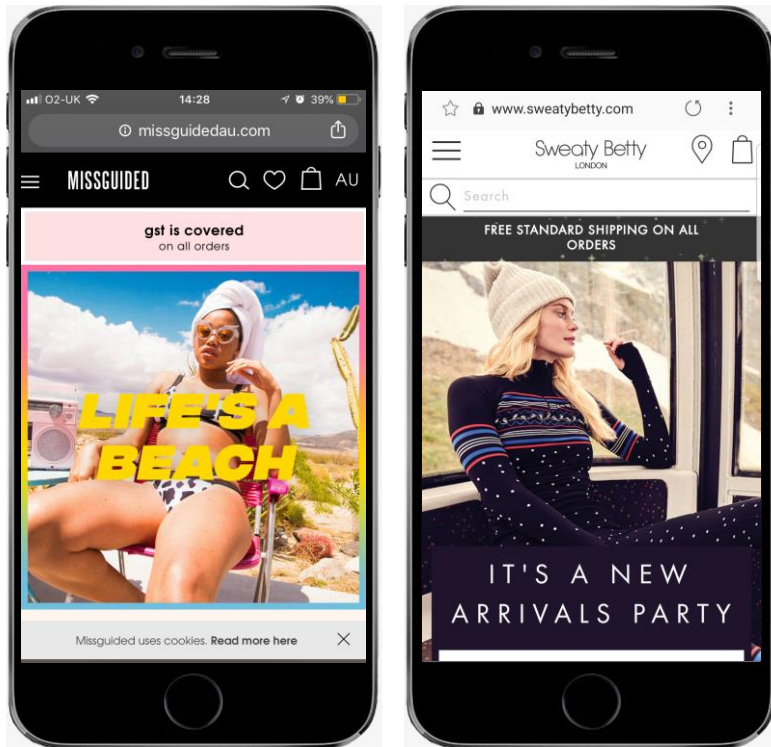
The difference between Australia and the UK is limited, as the only dissimilarity in sizing is with women's footwear. Yet, failing to localise correctly can create a jarring experience for the customer.

Our research revealed that 10% of UK retailers used non-Australian sizing, but provided a suitable size guide, while 50% of retailers included size guides that did not include an Australian comparison.

Ted Baker provided its Australian customers with a simple user experience, clearly showing the localised sizes on the PDP and removing any ambiguity.

# Selling Fashion Online in Australia 2019

## Localised seasonal merchandising



It is essential that retailers strive to provide customers across the globe with a localised experience. This should not only centre around currency, language and customer service, but also on the merchandising of products.

Australian summer and UK winter fall at the same time, yet only 40% of UK retailers promoted suitable summer products, while 30% promoted unseasonal ranges.

Showcasing an irrelevant, unseasonal range of products is an immediate indicator to customers that they are shopping with an overseas retailer. This can create concerns about long delivery times, complicated returns processes and extra import duty costs.

The UK retailers that localised their merchandising have streamlined the journey, nudging customers towards products they are more likely to be interested in, boosting conversion rates and sales.

Missguided's (left) summer offering will undoubtedly resonate more with the Australian shopper than Sweaty Betty's (right) promotion of its winter range.

**Shout about your delivery and returns:** Consumers demand clarity around delivery and returns and want to know how to receive their orders as quickly and cheaply as possible. Make sure your proposition is clear at the top of your homepage and provide customers with expected delivery dates on product details pages and at checkout.

**Customer service:** Live Chat and telephone customer service provide customers with immediate answers to their enquiries at crucial stages in the customer journey. Despite this, many retailers did not allow customers to get in touch using either of these methods. If you can't offer Live Chat, then try to ensure you respond in a timely manner to queries through email or social channels.

**Convenient collection:** Australian consumers are demanding more convenient and flexible fulfilment options when shopping online. Click-and-collect is desirable if it allows customers to get products more quickly or without paying a delivery fee. If this is not an option, look to partner with third party fulfilment companies and tap into their countrywide network of collection points.

**Afterpay:** Buy now, pay later services are becoming very popular, especially among the younger generation of shoppers. Every Australian retailer in our research now offers Afterpay, so to avoid losing customers to one of your competitors, look to integrate this payment method.

**Localise localise localise:** For overseas retailers, it is essential that you localise your offering for the Australian consumer. Ensure your trading team have experience of the market and keep abreast of key local dates, cultural nuances, language differences and seasonal variations in your product offering.



# Selling Fashion Online in Australia 2019

## About Practicology

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Practicology is a strategic multichannel consultancy founded in 2009 with offices in the UK, China, Hong Kong, UAE, USA and Australia. In September 2018 we were acquired by Pattern Inc, an online marketplace specialist and one of the top 10 Amazon sellers globally.

Our mission is to help our retail and consumer brand clients around the world to solve their digital and omnichannel challenges; ultimately to sell more and build profitable relationships with their customers.

The retail and consumer brands we have worked with include: Carlton United Brewery, Converse, David Jones, Jenny Craig, Kathmandu, rebel, Rip Curl, Snooze and Under Armour. We have also conducted extensive CX benchmarking research on retailers around the world on behalf of Google.

In Australia we support our clients with a wide range of ecommerce, design, social and digital marketing advisory and ongoing support services. For international brands we can also help to set your Australian strategy, localise your online offer and provide outsourced ecommerce marketing, social media and trading services.

For more information please contact us at **[hello@practicology.com](mailto:hello@practicology.com)**