

THE BIG STORY

Asos' international

Asos unveiled a 14% jump in pre-tax profits in its half-year results this week. Retail Week looks at some of the overseas rivals trying to emulate its success

Global Fashion Group

Global Fashion Group is comprised of Lamoda, Dafiti, Namshi, Zalora and The Iconic – five separate companies over Asia Pacific, Australia, Latin America, the Middle East and Russia.

Zalora caters to Asia Pacific. Founded in 2012, it focuses on branded fashion and beauty and has local sites in Hong Kong, Indonesia, Malaysia, Myanmar, Singapore and Taiwan.

Australia's The Iconic was founded in 2011, while in Latin America, Dafiti stocks home-wear products as well as clothing and beauty.

Global Fashion Group claims Namshi as the Middle East's leading online fashion destination. It offers kidswear as well as women's and men's clothing from more than 500 international brands.

Lamoda, launched in 2011, offers 1,000 international brands to consumers across Russia, Ukraine, Belarus and Kazakhstan.

It operates its own delivery network, Lamoda Express, across 25 cities in Russia and Kazakhstan and offers an astonishing 365-day return policy.

Many of Global Fashion Group's retailers offer a cash-on-delivery option, crucial in markets where consumers still prefer to pay via cash, or where there is a lack of infrastructure for digital payment options.

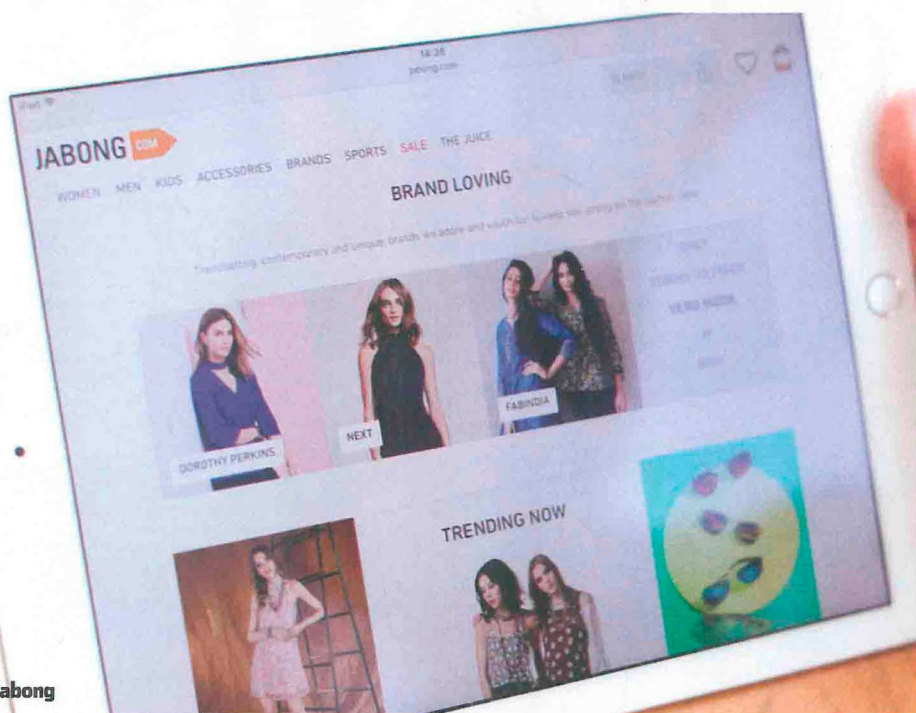
The group is highly profitable: its gross margin stood at 42.2% in its last half, when profits climbed 31% to €192.2m.

It boasts growth figures that Asos would be envious of: net revenues grew 47.5% in the first half of 2016, while net merchandise value, which includes marketplace sales, was up 53.2% to €465m.

While none of Global Fashion Group's individual websites are a match for Asos, together they serve 250 cities and 10 million customers across 24 markets every year.

Koovs

Koovs, which last week unveiled ambitions to expand into new markets, is a worthy opponent to Asos. In fact, its top team is largely made up of Asos alumni.



“Koovs’ core territory, India, is the fastest-growing ecommerce market in the world”

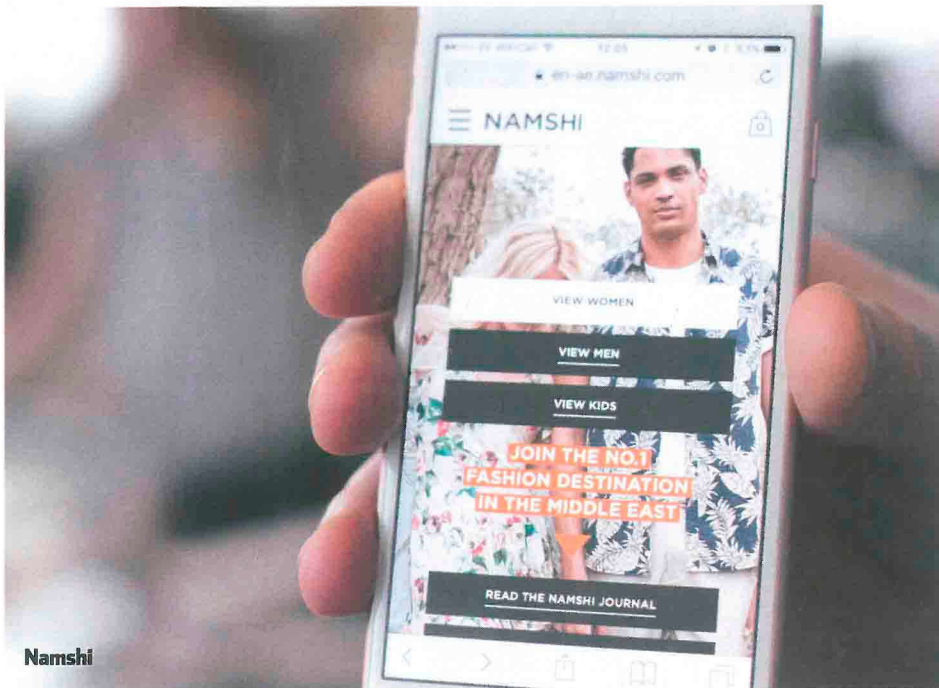
Executive chairman Lord Alli was chairman of Asos between 2000 and 2012, chief executive Mary Turner was also on the Asos board, and chief creative officer Robert Brady was product director at the UK fashion retailer.

Koovs' core territory, India, is the fastest-growing ecommerce market in the world,

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etail rivals



Namshi



Koovs

and it has the teenage fashion market there engrossed.

The London-listed etailer has set its sights on expanding into the Middle East and Asia-Pacific through distribution partnerships, and will launch its private label collection this summer on Souq.com – the Middle East's leading ecommerce player.

Like Asos, Koovs' own-brand is hugely popular – its Private Label Collection is its best-selling brand, accounting for 40% of sales.

Koovs' objective is to become "India's leading western fashion destination" by 2020 and it has five strategy pillars: building its private label; bringing international brands to India; extending designer

collaborations; improving delivery and price propositions; and developing technological innovations.

Koovs revealed this week that full-year sales rocketed 87% to £18.6m in its year to March 31 and its registered users jumped 80% to 1.8 million.

Zalando

The German fashion etailer was founded in 2008 and has since established itself as Europe's largest fashion etailer.

The retailer was focused exclusively on footwear when it launched but has since expanded into clothing across menswear, womenswear and childrenswear categories.

The pureplay retailer operates in 15 European markets including the UK, and last year reported sales of €3.6bn (£3bn) – double that of Asos.

What is more, the average basket size of the German retailer's shopper is 15% larger than that of Asos, which has a younger target customer with less disposable income.

Zalando may be steaming ahead of Asos in terms of sales and profits, but one area where it has some catching up to do is its own brand offer.

The German etailer stocks 1,500 brands, but its own-brand products only account for 10-20% of its sales, while Asos' accounts for half of its revenue.

Jabong

The Indian fashion etailer was co-founded by Arun Chandra Mohan, Praveen Sinha and Lakshmi Potluri in 2012, selling apparel, footwear, accessories, beauty products and fragrances.

Headquartered in Gurgaon on the outskirts of Delhi, the business clocked up gross sales in excess of \$100m in its first year.

By March 2013, Jabong was shipping almost 7,000 orders a day, a number that had doubled to 14,000 just six months later.

Similar to Asos, Jabong has both its own online store and a marketplace, for which it provides marketing, logistics and delivery to third-party sellers.

At the last count, its own online store sold more than 90,000 products from 1,000 different brands, including River Island, Miss Selfridge, Dorothy Perkins and Mango.

Such was its presence in the Indian market that Amazon was reported to be in talks to acquire Jabong in October 2014, but it was eventually snapped up by Myntra, a subsidiary of etail giant Flipkart, last July.

Earlier this year, Jabong said it expects sales to surge 40% in 2017/18, driven by planned expansion to its product range, investments in marketing and refining its mobile app.

Despite its success in its homeland, Jabong's venture into overseas markets was not so fruitful. It set up an international ecommerce platform called Jabongworld.com, which attracted traffic from the US and Malaysia, but was shut down last year.