

# The Personalization Factor

Online retailer finds success in customized women's fashion

by LAURI GIESEN

Customized clothing often means high costs and long waits. But eShakti, an online seller of women's clothing, has come up with a business model that lets shoppers purchase customized dresses that sell for between \$50 and \$100 with waits of only 10 to 14 days.

"With most online stores, the clothes look good on the mannequin but the customer is disappointed when they get the merchandise. It's not what they thought the item would look like. We're not about making the mannequin look good. We want the customer to look good," says B.G. Krishnan, eShakti founder and CEO.

The problem with most clothing is that sizes don't always match the body type. Women with completely different bodies may wear the same size, but the outfit doesn't fit them all the same. "There is a huge need for clothing that fits the individual body of the customer," Krishnan says.

eShakti shoppers typically begin by picking a style they generally like, then provide body measurements and request changes to the basic style, such as adjustments in length, sleeve type, neckline etc. The item is then tailor-made to fit their body and reflect their style preferences.

To help women get the correct measurements, eShakti sends a tape measure to customers who send in their first order — Krishnan says the company

found a lot of women don't even own a tape measure that can get their correct measurements.

## KEEPING MARGINS LOW

Most importantly, eShakti lets women choose styles they believe work for their body type.

"Customization allows women to select clothes that work for them," Krishnan says. "Someone may say, 'Prints don't work for me so I want this style in a different fabric.' Others will say, 'My arms are my best features so I want a sleeve that sets them off.' Another woman may say she is tall so doesn't want the dress too long."

eShakti's designers create basic designs of dresses and outfits; the company makes the specified changes to the basic design to fit customer's preference and body dimensions. eShakti uses an Indian manufacturer to keep costs reasonable; other components of the business model that lower costs include the ability to keep returns down, eliminate sales reps and not have to carry inventory in warehouses.

While Krishnan says most online retailers have return rates typically between 12 and 25 percent, eShakti's rates are only about 8.5 percent because customers are getting what they ask for and don't have as many fit issues.

Keeping the price close to or under \$100 is important to serving the company's core customers: Krishnan says the

The screenshot shows the eShakti website interface with a navigation bar at the top. Below the navigation bar, the heading "HOW IT WORKS" is followed by six numbered steps, each with a corresponding image and text:

- 1. PICK YOUR FAVORITE DESIGN**  
 Choose one (or many) of the dresses, tops, and bottoms in the eShakti collection. SHOP STYLES NOW
- 2. TELL US YOUR MEASUREMENTS**  
 Whether you choose to customize your size or not, we'll always need to know at least your height to give you a great fit. SEE OUR SIZE & FITTING GUIDE
- 3. CUSTOMIZE YOUR DESIGN TO SUIT YOUR STYLE -- IF YOU LIKE!**  
 Want a higher neckline? A lower waistline? Different sleeves? No problem. We customize designs for only \$18.99 per just \$9.99 per item. VIEW DESIGNS
- 4. GET READY FOR YOUR CUSTOMIZED CLOTHING**  
 Your item will be hand-crafted to order and at your doorstep in 10-14 days. SEE SHIPPING INFO
- 5. ENJOY THE FABULOUS FIT OF YOUR ONE-OF-A-KIND PIECE**  
 We hope you'll enjoy your custom design. If you have any issues with your order at all, just let us know and we'll work with you to fix it. SEE OUR RETURNS POLICY
- 6. SEE WHAT OUR CUSTOMERS SAY**  
 We routinely receive and greatly appreciate incredibly feedback from customers on our products and our service. TAKE A LOOK AT RECENT FEEDBACK

At the bottom of the page, there is a video player titled "Introducing the Fast Lane Customizing App by eShakti" with the text "We Design, You Customize" and a testimonial from Audrey Adams: "eShakti is excited to collaborate with Audrey Adams, known as 'Happily Audrey' on our first video!"

The footer contains contact information, payment and shipping options, eShakti app download links for iOS and Android, and social media icons.



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—B.G. Krishnan, eShakti.com



median age is 37, with an age range of between 25 and 45. Customers typically have annual incomes in the range of \$50,000 to \$100,000.

"We're not appealing to the premium market, but we are not a budget market either," he says. "We aim for the middle market."

While a lower overhead helps place eShakti's prices in the mid-range, Krishnan says the company is also willing to keep its profit margins lower to gain volume.

"People tell us our margins are too low," he says. "But we're willing to keep our margins low in order for our prices to be moderate so we can sell on volume, rather than sell just to select people."

But in the end, pleasing the customer is paramount. "More than men, women express themselves in what they wear. We don't want them to be disappointed in what we send them," Krishnan says.

Most don't appear to be. "We get letters all the time from women telling us how many compliments they get on how they look," he says. "They send us pictures of themselves in our clothes and we put the pictures on our website."

While many first-time customers will buy one or two dresses to try the products out, repeat customers often will buy three to five dresses at a time once they know they are satisfied with the company's products, Krishnan says.

#### CUSTOMER INPUT

With the basic model now in place, eShakti wants to expand its offerings. The company recently added a denim section that includes tops and dresses and plans to offer more clothes for fall and winter, including sweaters and coats. It also wants to expand its work wear offerings.

"People like what we do, so we plan to launch 15 to 20 new products every day," Krishnan says. That has already allowed the firm to expand its offerings; he estimates the company has about 1,000 products on the

website compared with about 700 two years ago.

In addition to expanding product offerings, eShakti wants to expand its market presence. The company is currently selling in the United States and Canada with a pilot in Australia. Other markets are also under consideration.

Because clothing is only manufactured when it is ordered, it is easy for eShakti to pull items that are not selling well. "Even before we put an item in our line, we run items by customer panels," Krishnan says. "Those items that have the lowest scores are immediately edited out."

Customer panels are comprised of randomly selected groups of customers who are shown proposed items before they are released. The panels consist of different individuals each time.

Another advantage of eShakti's model is that it allows the company to keep its designs current.

"Most clothing is made in Asia six months ahead of time. Our designers are based in New York where they can see what women are wearing," Krishnan says. "A new design can be in the market within a few days or a few weeks. Then if a design does not sell, we can yank it without worrying about having a lot of the item in stock."

While eShakti currently takes about 10 to 14 days to deliver an order, Krishnan says the firm is looking at ways to reduce that amount of time.

Another unusual feature on eShakti is that the models look more like mainstream America than the runway models featured in many high-fashion websites. Many are actual customers.

"We run ads on Facebook. We've had customers send us photos," Krishnan says. "And sometimes our new customers will ask questions about our company and our existing customers will answer the questions before we can. We could not pay for that kind of advertising." **STORES**

Lauri Giesen is a Libertyville, Ill.-based business writer with extensive experience in covering payment and finance issues.