



They don't look for bargains, and most don't look too closely at the price tags, either. What they are after is quality in products and customer care, and the entire shopping experience. As Gan Tian finds out, haute couture starts with a browser.

DIVAS ONLINE



These are the high-tech haute couture shoppers. They are not searching the web for the cheapest bargains online. Far from it. They are after the real thing — designer labels that are hard to find in China, or luxury products from international industry leaders.

Take click-happy fashionista Cheng Lulu, a 38-year old who watches every catwalk show during Milan Fashion Week — virtually. Her dream is to drag the dress she wants from the catwalk to her shopping cart, click to pay with her credit card and wait for its arrival the next day, pretty packaged and delivered by a polite courier.

Her dream is about to come true, although the polite courier may still remain an illusion.

The YOOX Group has announced its entry into the Chinese market, and that's good news for the high-end online shoppers. The group first helped Emporio Armani launch its Chinese online store (www.emporioarmani.cn) last November and it is opening another three to five single-brand websites in early 2011, rumored to include Jil Sander, Dolce & Gabbana and Valentino.

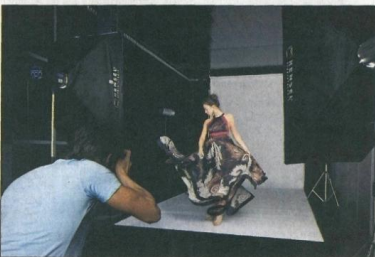
Before another year is out, the Group intends to launch its own multi-brand online shop, www.thecorner.com.

"The demand is there, but there is currently no high-end quality service. There is still a large gap in China at present with lots of quantity, but quality, in terms of customer care and shopping experience, is still lacking," says Federico Marchetti, founder and president of YOOX Group.

Marchetti saw the fast-growing demand for luxury products on the Internet coming and he founded the YOOX Group in Italy in 2000.

The letters X and Y in its name indicate human chromosomes. At the same time, they remind people of the word "luxury". The "O" looks like the number zero, which represents binary elements, the web that connects shoppers with luxury products.

"We pioneered this market from scratch, because nobody opened high-end fashion online in Italy 10



Top: thecorner.com appeals to the online fashionistas. Middle: Haider Ackermann's collection on thecorner.com. Bottom: A photo shoot for the YOOX Group at the Bologna Studio.

years ago. We somehow created a market," he says. The highly profitable high-end e-commerce company now serves 67 countries.

Marchetti visited China in 2002, and thought it was not time to enter the market. The country was still building the commerce infrastructure, and technology and service were far from perfect.

Now, he thinks the market is ripe. The experts agree.

"In 2005, 8 percent of all Internet users lived in China. By 2015, that figure will be 20 percent," says Zia Daniell Wigler, senior analyst from Forrester Research, a US-based technology and market research company that provides pragmatic advice to global leaders in business and technology.

China is the now second-largest market in luxury goods after the United States, and is expected to overtake the US within five years, according to the World Luxury Association. The Forrester Research Asia Pacific Online Retail Survey shows the retail market online in China has reached \$49 billion in 2010, including both B-to-C and C-to-C.

It is a trend that benefits both consumers and the fashion companies.

Marchetti says he wishes he could replicate the success here on the Chinese mainland elsewhere.

The YOOX Group's latest move is to shift its call center, storage and packing facilities to the mainland, where it aims to offer more personalized service to Chinese consumers.

Other online luxury boutiques, although not physically in the Chinese market yet, have already made available services to consumers here. They include www.raffaelo-network.com, an Italian luxury label and www.net-4-porter.com, a British shopping site. Both charge extra for shipping and freight, and consumers may also have to pay taxes. Italian site www.raffaelo-network.com accepts Alipay, the largest third-party electronic payments service provider in China.

Most of the high-end websites provide Chinese language editions, but products are still marked in international sizes.

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SHOPPING SITES JUST A CLICK AWAY

Share and save using Chinese shoppers are finding fashion online. Gan Tian looks into the fashion.

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