

Breaking GROUND online

In conjunction with the e-commerce experts at Hubsta, a new phase in consumer buying has hit our shores, bringing a new level of efficiency and sophistication to the realm of ONLINE SHOPPING.

By DAN AHWA

For most designers and retailers, the idea of selling product online is often met with the usual questions. How will this effect my bricks-and-mortar operation? How much investment is involved? Do I need to tweak my returns and exchange policy for my online store? How can I control the logistical side? Despite these valid concerns, the general consensus is that if you want to shift volumes and have better control of your overheads, selling online is something the apparel sector should take more seriously as we move into a new decade.

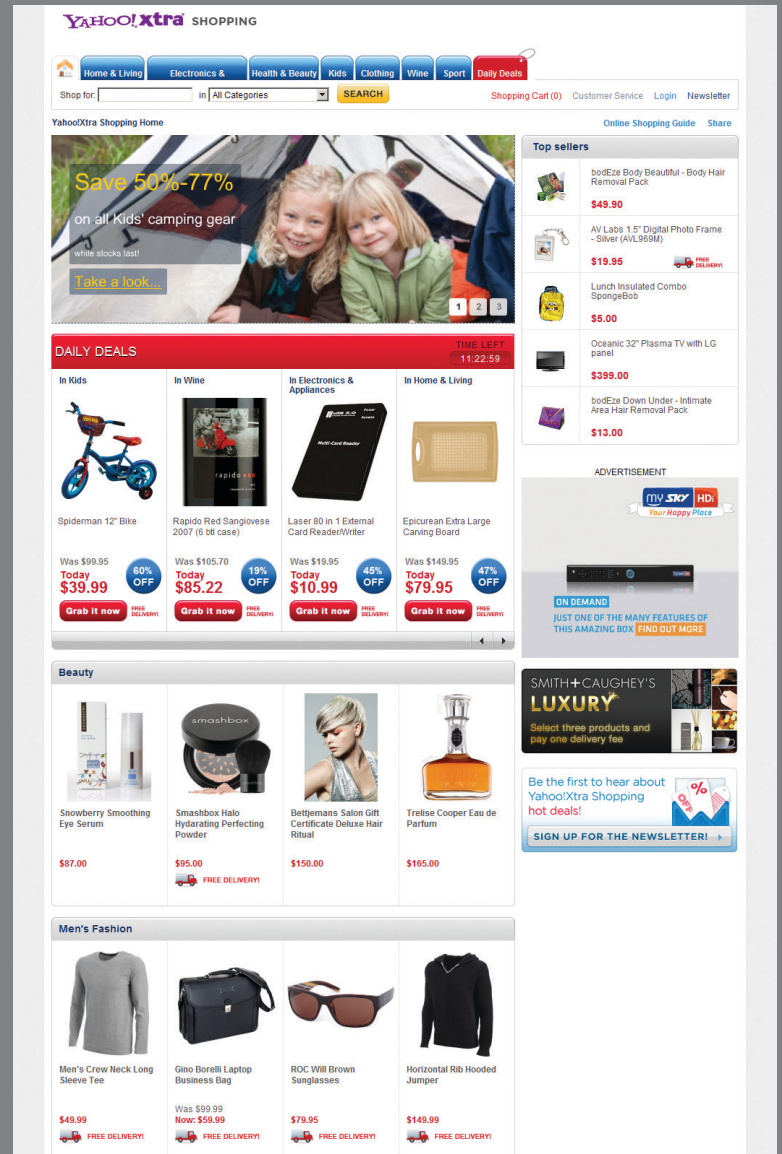
A 2008 Nielsen Online Retail Monitor indicator reported that online shoppers increased to 45 percent of the all 18 plus New Zealand population. It makes sense then that the recently launched partnership between Yahoo!Xtra and online product distribution system provider Hubsta has been well received since its inception in November 2009. "We're committed to providing New Zealanders with an online shopping experience of international standard, and partnering with Yahoo!Xtra will enable us to do just that," says Chintaka Ranatunga, Hubsta's COO.

Yahoo! Xtra is New Zealand's biggest portal with over 2.5 million unique New Zealand users per month, and has been growing its local audience by more than 20 percent year-on-year. It can, therefore, instantly offer its shopping experience to an extremely wide New Zealand audience. Tanja Seselj, Hubsta's fashion category manager, points out that an e-commerce site will support rather than hinder a bricks-and-mortar operation. "Our partners see Hubsta as another sales channel that complements their existing channels with no conflict to existing channels. Their brand and products are exposed to a wide and new audience, brands and retailers compete on a level playing field at a lower transaction cost, customer service is all handled by Hubsta and suppliers are provided with the ability to test new markets and demographics effortlessly and with minimum outlay," she says.

Providing a platform for a wide range of leading brands to connect with a broad range of consumers, the Hubsta model is working towards leveraging the trust and traffic of some of the most visited websites in New Zealand - Yahoo!Xtra, nzherald.co.nz. With a dedicated customer service team, a highly experienced merchandise team and category managers, this is one sophisticated set up that fills the gap within the local online shopping sector. "We realised from the outset that ensuring a wide product selection and highly competitive pricing was the key to providing a satisfying shopping experience, so we concentrated on getting that done before anything else," says Ranatunga. "Experience and relationships gained through running TheDeal have helped a lot with this."

With no monthly fees, no joining fees or hidden costs, leveraging off the Hubsta plan is made easier with the company only charging a commission on successful sales. "Managing a total online product distribution system requires a whole lot of expertise that is a world away from traditional distribution - internet technology, website management, online marketing, email newsletters and search engine management, to name a few, all come into it," says Seselj.

We partner with the most popular websites in the country, trusted brands that already receive millions of visits every week. Then we list suppliers products on custom designed online stores that sit right alongside all of the other great content that their visitors already go there to see," she says. "Across our full category offering we have over 16 000 SKUs (Stock Keeping Unit) with growth projections of over 2 500 SKUs added per month, excluding books & entertainment. The current SKUs are represented by over 500 brands and are growing each month."



A 2008 NIELSEN ONLINE RETAIL MONITOR INDICATOR REPORTED THAT ONLINE SHOPPERS INCREASED TO 45% OF THE ALL-18 PLUS NEW ZEALAND POPULATION

