

Galeries Lafayette strengthens its digital strategy with their Marketplace powered by Mirakl

At Galeries Lafayette excellent customer experience, both in store and online, is at the center of their strategy. The company continually strives to surprise, attract, and develop loyalty among its customers by carefully selecting products, offering the most recent fashionable items, and providing a truly unique shopping experience.

In their physical stores, one of the keys to Galeries Lafayette's success is the company's ability to create a one-stop-shop for its customers, providing a large selection of carefully curated brands, space being the only constraint. Online, this constraint is non-existent, and Galeries Lafayette seized the opportunity to expand customers' shopping experience by offering a multitude of items 24/24.



A Marketplace guarantees a virtually infinite product supply

To overcome the physical space constraint found in-store, and reinforce their digital strategy, Galeries Lafayette balances their online and in-store selection to best meet customer expectations. For example, the company now offers specific product categories online (e.g. toys, lifestyle, etc.), which have been removed from stores due to lack of space.

Galeries Lafayette wants to provide customers with an attractive and complete assortment online. To rapidly achieve this goal, while avoiding stock shortages, and limiting risks, Galeries Lafayette launched

an online marketplace powered by Mirakl. Here, trusted and meticulously selected third-party sellers can offer additional breadth and depth of product choices, creating an endless aisle so that Galeries Lafayette never misses a sale and is able to rapidly respond to new trends.

Using the marketplace model to extend the product assortment provides Galeries Lafayette with many benefits: profitable growth, merchandising agility, and scalability.

✔ Profitable growth

Galeries Lafayette does not have to pay for inventory or logistics on the marketplace offer; rather, the company receives a commission on sales made. If a product performs well on the marketplace, Galeries Lafayette can provide it in-store as well, having confidence it performs well with customers. This data driven strategy is key to increasing sales and profits.

✔ Merchandising agility

As third-party sellers can be up and running on the marketplace within hours, Galeries Lafayette can react to customer needs quickly. This speed is particularly essential to capitalize on trendy products, which sell at high volumes for a short period of time, limiting the window of opportunity for a traditional retailer to take advantage of the trend.

✔ Scalability

A merchandising team can only manage a limited number of suppliers. With a marketplace, it is possible for a small team to handle hundreds, and even thousands of sellers. This allows for product assortment expansion on a global scale.

The Mirakl Marketplace Platform™ is the foundation for growth

As rapid responsiveness is key in today's digital world, it was important that Galeries Lafayette quickly launch its marketplace in order to remain competitive, while also providing partners with an easy-to-use solution and well-adapted features allowing them to deliver optimal service.

At the same time, Galeries Lafayette needed to ensure that it offered a shopping experience with the highest quality service possible, in line with the prestigious Galeries Lafayette brand. The ability to effectively control the quality of service offered by third-party sellers was therefore paramount. Additionally, the marketplace project could not be too time consuming or demand too many resources from the company.

To achieve this, Galeries Lafayette chose the Mirakl Marketplace Platform because Mirakl's turn-key solution dramatically accelerates time to market, delivers full functionality and scalability at launch, and substantially lowers cost and risk. Committed to ease of use, the Mirakl Marketplace Platform is easy to integrate into any eCommerce platform and Mirakl Catalog Manager makes managing product data quality simple at marketplace scale. The Quality Control feature was also essential to Galeries Lafayette in order to ensure that sellers uphold the Galeries Lafayette brand reputation.



"Choosing the Mirakl Marketplace Platform™ was a no-brainer, especially because our requirement was to quickly and easily extend our assortment via partners, while at the same time maintain strict control over the quality of service on our Marketplace. Mirakl not only makes it easy for us to manage the Marketplace – onboard sellers, integrate catalogs, orchestrate logistics – but it also makes it easy for our seller partners to list products on our site. As such, we are able to improve the shopping experience of who are increasingly demanding of high quality service."

Jean-Philippe Marazzani
Internet Director of Galeries Lafayette from 2014 to 2016

Key results

Galeries Lafayette's marketplace produces tangible results and provides a foundation for future growth. With its marketplace, Galeries Lafayette was able to:

- Increase the number of references and choices for customers with more than 150 additional brands and 200,000 new SKUs
- Drive net revenue growth by expanding into five new product categories including tableware and home decoration, both of which have shown explosive online growth, and increased eCommerce revenue by up to 20%
- Leverage the marketplace as a way to test new products and categories - For example, Galeries Lafayette tested new fashion designers through the marketplace, a category that traditionally carried high risk since product appeal is hard to predict. Through the marketplace two original categories were created: jewelry, available only on the marketplace, and a "Go for Good" section featuring eco-friendly brands.



Mirakl is the global leader in online marketplace platforms, and is trusted by leading retailers, such as:

Carrefour 



El Corte Inglés



Conforama



PARIS
+33 1 72 31 62 00

BOSTON
+1 844 264 7255

LONDON
+44 20 3355 9932

MUNICH
+49 89 205 008 5012