

Zara turns to “shoppertainment” to boost sales

Article

The news: Zara will bring its live-shopping shows to the US, UK, and Europe this year, following success with the format in China, per Reuters.

- The broadcasts will showcase specific women’s collections, and will be hosted by two “very well-known” names in fashion, a spokesperson told Reuters.

- The feature is expected to launch between August and October.

How it will work: The retailer is tweaking its approach to live shopping to suit Western audiences, which have yet to show the same enthusiasm for the format as consumers in China.

- While its China broadcasts typically last for 5 hours, Zara is going shorter for its new endeavor, with shows between 45 minutes and 1 hour.
- The retailer is opting to host the live shows exclusively on its app and website for the time being in an attempt to exert maximum control over aesthetics, as well as drive more shoppers to its owned channels.
- Shoppers will be able to ask questions, comment, and react with emojis.

The play: Zara's live-shopping experiments in China helped the retailer boost sales and reach more shoppers, despite a shrinking store footprint.

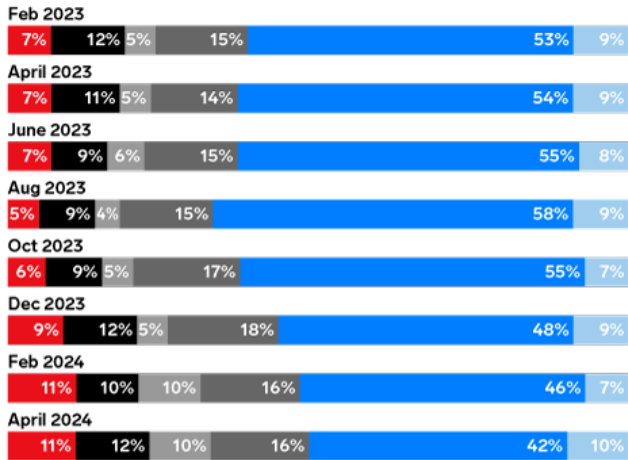
- The brand's livestreams on **Douyin** attract roughly 800,000 unique viewers per show, helped by a more laid-back style compared with the more traditional "hard-sell" approach favored by China's top creators.
- In Q1, Zara saw a 50% increase year over year in the number of products that sold out in most sizes, according to data from Edited cited by Reuters. That's despite having roughly one-third the number of stores as in 2019.

The big takeaway: Zara is betting that live commerce's entertainment factor will draw in Western viewers and eventually drive sales, but it has an uphill battle ahead of it.

- Over half (52%) of US adults are either uninterested in or unaware of livestream shopping, per The EMARKETER Ecommerce Survey conducted by Bizrate Insights.

How Interested Are US Adults in Livestream Shopping*?

% of respondents, Feb 2023-April 2024



- Use it regularly
- Have used before, but don't use regularly
- Have not used, but very interested
- Have not used, but somewhat interested
- Have not used and not interested
- Don't know what this is

Note: numbers may not add up to 100% due to rounding; *buying a product/service via a live, online stream on a website or social platform
Source: "The EMARKETER Ecommerce Survey" conducted in April 2024 by Bizrate Insights, May 1, 2024

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