

Prada bets on e-tail and web advertising to get back on growth track

By [Dominique Muret](#) - September 12, 2017

Prada has slowed down in recent months, and is betting on digital to get back on the growth track. On 8th September, the luxury label published disappointing results for the first half of the year, causing a 13.95% share-price tumble on the Hong Kong stock exchange. Boss Patrizio Bertelli explained that Prada is still in the midst of restructuring, but he is confident of its long-term growth notably thanks to the label's digital make-over.



Prada's e-tail website - Prada.com

To make up the ground lost to competitors such as Gucci or Louis Vuitton, which have long had a very active web footprint, in March 2017 the Prada group hired Chiara Tosato, formerly with leading Italian broadcaster Mediaset, putting her in charge of all the fashion label's digital initiatives.

During the financial results' presentation, Prada's General Manager and Digital Director has outlined the group's new digital strategy, which focuses on three vectors: expansion of the e-tail website, improving the online shopping experience via a seamless integration with Prada's brick-and-mortar stores, and more intense, incisive web advertising.

Prada's e-store is already operational in Europe and the USA. By the end of the year it will also be deployed in China, South Korea, Japan, Russia and Australia, and in the rest of the world, notably the Middle East and Latin America, by the end of 2018. By then, the group's objective is to generate 5% of its total sales online.

Specifically, Prada is trying to be "more local, with more user-friendly websites, and direct links issuing from social media such as Facebook." By the end of the year, all Prada and Miu Miu ready-to-wear collections will be accessible online. The new website will be available in 10 language variants, all of them country-specific.

The Milanese label is also seeking to increase the number of partnerships with leading multi-brand fashion e-tailers, as it already works with the likes of Net-a-Porter, MyTheresa, MatchesFashion, and others.

"With our redesigned e-store, we will introduce a new way of shopping, thanks to a fully integrated purchasing experience, in order to exploit all the contact points we have with consumers," said Chiara Tosato.

Prada will offer customers four ways of buying its products, via different kinds of service routes, with the possibility of purchasing online and picking up the goods in-store, of ordering on the web with a personal shopper, of trying a product in-store, downloading it and buying it later on one's online account, or having it home-delivered. On the latter point, Chiara Tosato said the label is working on deploying a same-day home delivery service, city by city, in its main markets by the end of the year.

Finally, with regards to advertising, "it must be a 360 degrees effort." Prada is looking to boost the online advertising budget, leveraging its 18 million Instagram followers and a product range whose items are "among the most recognisable in the world."

"We are planning a blanket coverage on social and traditional media, strengthening our editorial content by putting the emphasis on products and increasingly targeting our communication depending on the contact points with customers," concluded Tosato.

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