Showroomprivé sees first-half growth

By Matthieu Guinebault - 30 July 2018

Event sales platform Showroomprivé reported a 3% increase in sales for the first half, ended June 30, 2018, on the back of an 8.1% revenue lift in the second quarter.

The gain was the first sign of the company's "Performance 2018-2020" plan in action, according to management.

The French did remain company cautious, however, with EBITDA margin contracting 0.2% to -0.8 million euros. The drop was attributed to the disposal of remaining inventories from 2017, a decline in activity in the first quarter, increased sales activity, and a growth in investments made last year, as part of its three-year plan.
In the first quarter, buyer numbers remained stable at 2.3 million with 7 million orders taken at an average spend of 126.7 euros per shopper, down 1% on last year. The average order volume per shopper remained stable at 3.1%, down 1.9%, over the last six months, while the shopping cart average increased slightly to 41 euros, up 0.9%. Mobile continued to attract new buyers, representing 67% of revenues, up 5%.

"After a difficult first quarter, marked by commercial demands, the return to growth that we saw in the second quarter 2018 is encouraging," said Thierry Petitle, who co-founded the firm with David Dayan. Petitle went on to confirm the pertinence of "the strategic choices as part of our "Performance 2018-2020" plan. "These have allowed us to support the improvement of results and prepared us for a better year-end, a pivotal period for the group. We remain focused on executing our strategic plan, which will enable us to take advantage of the group's full potential," he added.

The first half was marked by the activation of three pillars of the strategic plan. At the end of June, the company deployed SRP Media, the media entreprise built around targeting the 'digital woman'; an offensive taken by ShowroomPrivé, allowing the company to make the most of its huge client database for advertising purposes within the segment.

Secondly, the boost to the firm's omnichannel tie-up with Carrefour: some 600 click-and-collect points were launched, alongside the conducting of cross-campaigns.

The platform also said that it made "tangible progress" in terms of internalising logistical flows, while the supply of drop shipping (supplier-direct delivery) has been reinforced and a new mechanised warehouse has been deployed.

In 2017, the portal recorded revenues of 655 million euros, up 21.4 %. However, EBITDA contracted 53.8%, down to 13.1 million euros, or representing 2% total revenues.

By Matthieu Guinebault
Translated by Benjamin Fitzgerald

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