How Can FARFETCH Attract More Generation Z Consumers?

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Abstract. FARFETCH, an e-commerce platform, became one of the biggest winners in the fashion industry in 2020. With a relatively younger consumer group than similar platforms, its success is inseparable from its attraction to the youth, including Gen Zers. This study aims to research effective strategies that FARFETCH can employ to attract more Generation Z consumers, indicates its current business model using the seven Ps of marketing, identifies methods for it to gain more Generation Z consumers, and conducts a SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis of its business activities. It contains both the advantages and possible measures to improve FARFETCH in the market of Gen Zer and demonstrates that FARFETCH has good business strategies for gaining Generation Z consumers and indicates some possible ways to improve. The goal of this research is to provide an example to show the application of an innovative fashion business operational model and related business strategies that focus on Generation Z consumers.

Keywords: E-commerce; Fashion; Generation Z; Luxury; Retailing.

1. Introduction

In 2020, the COVID-19 global pandemic was a great shock to the fashion industry all around the world, having a negative influence on a lot of fashion companies. However, the outstanding performance of FARFETCH, an e-commerce luxury fashion retail platform founded in 2007, made it one of the biggest winners in the fashion industry. In 2020, the growth of its stock price was over 400%. Compared with 2019, in 2020, its revenue rose by 63.94%, and the number of active consumers increased by 46.23%. In the last three years, its revenue grew by over 121%, and the number of active consumers increased by over 78% [1]. Moreover, lots of famous organizations invested in it, including luxury fashion companies, such as the Rembrandt Group and Chanel as well as Chinese internet giants, including Alibaba Group and Jingdong.

As a fashion e-commerce platform that mainly concentrates on high-end products, the business model of FARFETCH is innovative. Its business ideas ranging from cooperating with high-quality retailers and brands all over the world and developing from online sales to a combination of online shopping experience and offline stores are noticeable. Its abilities to create a trendy, attractive image among young consumers and keep its high-end positioning at the same time also make it prominent among those similar platforms. Therefore, compared with other competitors, FARFETCH has a relatively younger consumer group and more upper-scale positioning, making it appropriate to use FARFETCH as a case study.

Further, currently, consumers' behaviors are changing very dramatically. Because of the progress of technologies, online shopping is becoming increasingly prevalent and acceptable in society. And the power of Generation Z consumers is keeping penetrating consumption fields. Gen Zers are defined as those who were born between 1997 and 2012, most of whom are used to the internet, the digital world, and new technology. They are one of the most potential consumer groups of many businesses and even more essential for e-commerce platforms. Although they are still not major consumers in many industries, including the fashion industry, with the potential increase in their purchasing power and the development of new technology, they play a key role in the development of platforms such as FARFETCH. At the same time, it is also meaningful to explore why FARFETCH is more attractive compared with other similar fashion e-commerce platforms.

This study explores efficient methods for FARFETCH to attract more Generation Z consumers. It hypothesizes that FARFETCH has good business strategies for attracting Generation Z consumers

and focuses on the advantages and possible improvement of FARFETCH in the market of Generation Z consumers. In addition, this case study also analyzes the impact of the COVID-19 global outbreak on FARFETCH, and even the whole fashion industry in a way. It discusses what fashion companies, especially e-commerce platforms can do to expand their influence after the pandemic. Furthermore, this research not only analyzes FARFETCH, a fashion e-commerce platform with a unique business model but also provides an example of the application of a business strategy for Generation Z consumers.

2. Literature Review

Research on the application of technologies to fashion retailing might reflect part of the business model of FARFETCH as an innovative digital fashion e-retail platform. According to Pantano et al., FARFETCH can be defined as an initiator among luxury retailers because of its process innovation, advantageous technologies and relatively young customer group [2]. Another study emphasized the trend of improving the shopping experience by using interactive digital technology tools to strengthen customers' engagement in fashion retailing [3].

Regarding fashion e-commerce, lots of studies have analyzed various strategies focusing on consumers. For example, a study emphasized the significant effects of consumer values and fashion consciousness on online fashion purchasing practices [4]. In a comparative study about fashion e-commerce, client-orientation strategies in the long term such as using technologies to improve customers' shopping experience, providing customer care services, connecting with customers through social media marketing are considered to be crucial in successful client orientation for fashion e-commerce companies [5]. One research highlighted the importance of e-loyalty on a company's survival and profitability, whereas another suggested that client policies, quality products, and services, innovation, maintaining reputation trust through social networks as well as mailing and receiving consumers' feedback are essential for e-loyalty [6,7]. In addition, factors such as e-convenience, e-enjoyment, e-logistic ease, website visual engagement were found to be associated with online customer experience in a study about clothing e-retail [8]. The helpfulness of online customer reviews and visual presentation for fashion e-commerce was also mentioned in some research [9,10]. Meanwhile, there is a lot of research on factors contributing to online shopping. According to some of those studies, information available, accessibility, product availability, searchability and trust were proven to be able to motivate online shopping [11, 12]. Furthermore, previous studies also discussed some key points for the consumers of online or multichannel shopping. For example, consumer perception of channel integration, consumer empowerment, privacy, content quality, brand interactivity and ease of using mobile applications were emphasized in some research [13, 14, 15].

As the literature on FARFETCH is limited, few studies directly pay attention to this specific case. A thesis analyzed the case of FARFETCH comprehensively and emphasized its unique innovative contribution to the fashion industry, which indicated that FARFETCH created a new relationship between brands and customers, empowering consumers by providing them with more information to compare products effectively [16]. In addition, a study also proved the feasibility and exclusivity of e-commerce in the luxury market by analyzing the case of FARFETCH [17].

This research focuses on the market (especially e-commerce and fashion market) of Generation Z consumers. Therefore, many recent studies about Generation Z consumers, especially their online consumption, are related to this research. For example, Bassiouni and Hackley concluded that the lifestyle of Generation Z consumers consists of a digital, online world, and offline experiences, which promotes their autonomy as consumers on the internet [18]. Qualitative research of some Generation Z students in the United Kingdom revealed that the respondents are used to digital devices and online shopping. In addition to the potential of smart retailing to improve their shopping experience, some of them are concerned about its security and negative influence on the joy of shopping [19]. Another analysis pointed out four main strategies of Generation Z consumers:

30.3 percent of them focus on both discounts and convenience, 30.3 percent of them attach importance to brand and quality, 25 percent of them search for quality products at fair prices, 14.3 percent of them only pay attention to convenience [20]. In a current study about the fashion industry, the effects of advertisements on Instagram, opinion leaders, and user-generated content on the impulse purchases of Generation Z females were analyzed [21]. In addition, a survey whose participants were mainly Gen Zers also elucidates the increasing attention to sustainability and ethics in the fashion industry among them, especially those females [22].

There are also some reports on Generation Z consumers' behaviors. For instance, a report about sustainable fashion shows that Generation Z consumers attach great importance to factors such as style, price, quality, and comfort for decision-making rather than sustainability. According to reports generated by IBM and National Retail Federation as well as Hylink and Weibo, even though social media and online content, especially innovative promotion, have a significant influence on them, they still tend to shop offline [23, 24]. In the fashion industry, although Generation Z consumers spend most of their money on clothing, its growth rate of consumption is decreasing, whereas that of cosmetics and skincare consumption is increasing in China. Moreover, they are fond of sports, street fashion, and domestic products. Their consumption potential, concentration on subcultures, personal interests, appearance, videos, and idols were also emphasized [25, 26].

This study analyzes the business strategy of FARFETCH as a representative case, thus contributing to the research about this innovative platform and fashion e-retail. It also focuses on the application of business strategies to attract Generation Z consumers to a specific platform and provides a perspective for analyzing the preference of Generation Z consumers. Additionally, this paper also takes the post-COVID background into account.

3. Methods

This research utilizes three methods to analyze the business strategy of FARFETCH in the market of Generation Z consumers. First, the seven Ps of marketing are used to show the current business pattern of FARFETCH from seven perspectives (product, promotion, price, place, people, process, and physical evidence), clarifying the current business model of FARFETCH as well as providing the basis for further analysis.

Second, some possible ways for FARFETCH to gain more Generation Z consumers are identified by analyzing related secondary data that focus on the consumption preferences of Gen Zers. In this section, data from four reports about generation Z respondents in the last five years is used for the analysis. These reports were published by IBM, National Retail Federation, Global Web Index, and Kearney respectively, which are relatively authoritative sources. Their results and feasible methods for FARFETCH to attract more Generation Z consumers are analyzed from four main perspectives as follows: (1) electronic system, (2) shopping habits and preferences, (3) brands and products, and (4) advertising.

Then, the SWOT model is applied to analyze the situation of FARFETCH in the market of Generation Z consumers in four aspects (strengths, weaknesses, opportunities, and threats), which indicates its current success and possible risks in the market of Generation Z consumers.

4. Results

4.1 Seven Ps of Marketing for Current Business Pattern

4.1.1 Product

There are three main types of products sold by FARFETCH: traditional high-end luxury brands, including Hermes, Gucci, Prada, and so on; popular trendy brands, such as Off-White and Supreme; products from designer brands, especially some cutting-edge and niche fashion designers from all over the world.

As for the product categories of FARFETCH, clothing accounts for the largest proportion, followed by shoes. It also deals in a number of bags and accessories but jewels and household products are relatively few. Recently, FARFETCH began to launch beauty, a new category and provide new products such as skincare, makeup, haircare, and so on in April 2022. In addition, FARFETCH has some other businesses, including operating some fashion brands and providing e-commerce solutions for some customers.

4.1.2 Price

The prices of products sold by FARFETCH are mostly set by cooperative retailers and brands. However, generally, FARFETCH pays more attention to the high-end market; hence, the price of its products is relatively high. In 2021, the median price of FARFETCH was $403, and the range of the price of most of its products was from $150 to $600, which was higher than that of similar fashion e-commerce platforms such as Net-a-Porter and Yoox [27]. Its average order value in 2021 was $612, which indicated the overall prices of products in FARFETCH rose in recent years [1]. But the prices of products sold by FARFETCH are also likely to fall due to the launching of beauty products.

4.1.3 Place

Although FARFETCH has few offline physical stores, its main sales channels are still online because selling through its website and app are dominant. As most products of FARFETCH come from its cooperative retailers and brands, they are delivered by cooperative logistics companies to customers. Picking up goods in physical stores of cooperative retailers and brands or from FARFETCH in person is also available sometimes.

4.1.4 Promotion

FARFETCH mainly advertises online. For example, it launched global brand commercials and made use of social platforms, holding activities on them and uploading promotion videos on YouTube. Moreover, to promote sales, the menu on its website has a tab to show discounted products. FARFETCH has also cooperated with some luxury brands and internet companies, which is beneficial to its promotion.

4.1.5 People

On the one hand, FARFETCH focuses on the shopping experience of its customers. It not only helps its consumers purchase authentic products conveniently from all over the world but also has a humanized site for consumers to select different products based on their brand, category, and style preference. Moreover, it has a policy for consumers to return goods without any reason. On the other hand, FARFETCH also pays attention to the relationship with its partners, such as brands and stores, giving them plenty of freedom, including pricing.

4.1.6 Physical Evidence

FARFETCH set up Store of The Future offline physical stores to show physical evidence. Moreover, its online platform provides original images, model-holding images, and videos of its products from different angles.

4.1.7 Process

First, FARFETCH is very careful when selecting partnerships, which is helpful to ensure product quality. Second, to monitor its processes through technologies, it has relatively sophisticated electronic and data systems. In the meantime, it protects its patents through partnerships. Finally, FARFETCH issues monthly and annual financial reports and makes them available for the public to monitor its financial situation in time.

4.2 Analysis based on Secondary Data of Generation Z Respondents

4.2.1 Electronic System

As an e-commerce platform, an electronic system plays an essential role in the development of FARFETCH. Therefore, ensuring a good electronic system can fulfill the expectations of Generation Z consumers and attract them.

Due to its ability to provide platform solutions and other e-commerce services, FARFETCH has advantages in operating its e-commerce platforms. According to the report of IBM, most generation Z respondents are accustomed to spending their time online and using mobile or smartphones, 62% of them focus on the difficulty of navigating apps and websites and 60% pay attention to the loading speed [23]. Therefore, keeping and making full use of its superior electronic system, increasing the loading speed of its website and app, and making them easier to use by Gen Zers are beneficial to the development of FARFETCH in this market.

Moreover, it is not easy to find its terms, conditions, and privacy policy when using the app of FARFETCH. Although they can be found on the website of FARFETCH, they are not highlighted or in a conspicuous place. More than 70% of the generation Z respondents attach importance to the security of their information, such as payment information, health conditions, and locations. More specifically, 61% of them expect brands to offer secure storage and protection of personal data; 43% want to be provided clear terms and conditions on how to use their information; and 39% need clear explanations about the data the sites will collect and how it will be used [23]. Hence, FARFETCH should put more emphasis on its protection of personal information and data and provide clear interpretations about its security measures and how the information will be used.

4.2.2 Shopping Habits and Preferences

Catering to the shopping habits and preferences of Generation Z consumers is another way for FARFETCH to capture them. Currently, FARFETCH has both advantages and disadvantages in this area. The business model of FARFETCH aims to connect customers in different countries and regions with brands, boutiques, and department stores worldwide, which can satisfy Gen Zers' desire to explore the world. Based on the report of the Global Web Index, 55% of generation Z respondents like to explore the world and 49% are interested in other cultures or countries [28]. Furthermore, 39% of them want to be the first to try new things. As an e-commerce platform providing trendy and fashionable products globally, FARFETCH can help the youth acquire a diversified shopping experience and stimulate their desire to purchase products from other countries. Its positioning is consistent with the preference of Gen Zers.

Although Gen Zers are more used to the digital world, many still prefer shopping offline. Moreover, although most generation Z respondents sometimes purchase through websites or apps, 67% of them shop in offline stores most of the time [23]. Another report presents more detailed information that 81% of Gen Z respondents still like to purchase in-store and 74% of them pursue "well curated store experience focused on a limited number of products." Moreover, 73% of respondents said they go to physical stores to discover new products; 86% are looking for "exclusives and promotions" and 77 % pay attention to personalized recommendations when shopping [29]. These results emphasize the importance of physical stores, which can become new channels for FARFETCH to gain popularity among Gen Zers. Although FARFETCH has a lot of physical boutique partners, its offline stores are still relatively few at present. Additionally, FARFETCH can implement its plans to launch offline stores and provide consumers with a fancy shopping experience as well as sell some latest products, especially limited products from trendy designers and foreign countries. Further, recommending personalized and discounted commodities can contribute to Gen Zers' online shopping experience.

4.2.3 Brands and Products

When it comes to brands and products, some opinions of Gen Zers are different from those of other consumer groups. Launching some categories of products and changing some products' features are helpful in increasing purchasing among Gen Zers.

Some products, especially those from street fashion brands and next-generation designers sold by FARFETCH, conform to the preference of Gen Zers. The most popular brand qualities among Generation Z consumers are innovative (56%), trendy/cool (42%), and young (38%) [27]. However, the beauty, personal care, and sports products sold by FARFETCH are relatively limited, although these products are popular among Gen Zers as they pay more attention to personal appearance and health. In the fashion category, 43% of Generation Z consumers purchase personal care products [23]; 40% are fond of personal healthcare or fitness and exercise; 47% take care of their appearance; and 66% of female generation Zers are interested in beauty and cosmetics [27]. Adding these types of products might be helpful to attract Generation Z consumers. Additionally, the most attractive brand actions among Generation Z consumers are making them feel valued (40%) and offering customized or personalized products (35%) and 62% and 37% of male generation Zers are interested in gaming and e-sports, respectively, launching jointly designed products with game companies may be a beneficial plan [27]. Finally, when selecting products, 66% of Generation Z consumers emphasize products' quality and 45% consider the brand's social responsibility and environmental awareness [23]. Therefore, apart from ensuring the quality of all products and having enough commodities with the latest styles, FARFETCH can promote some environmentally friendly products and its charity activities.

4.2.4 Advertising

Adverts and activities performed on social media are the main methods that FARFETCH employs to market its products, and it can continue using these methods as they are effective. Although only 44% of the generation Z respondents watch TV and movies in their free time, at least 72% usually use social media [23]. Thus, 72% are more likely to purchase from brands they follow on social media, with 26% of actually using social media to purchase [30]. Making use of its plenty of experience in this respect will be advantageous for FARFETCH to gain more Generation Z consumers.

FARFETCH does not open the comment function for consumers, and it does some advertisements with celebrities. Although celebrities are influential, Gen Zers pay more attention to the connection with friends and comments from friends and noncelebrities. According to IBM and National Retail Federation, 72% of generation Z respondents use social media to comment on their friends' posts; 62% want to share their photos and videos; 45% like to share opinions; and 46% take their friends' recommendations and opinions into account when shopping [23]. On social media, 60% of Gen Z respondents value comments from noncelebrities, and 51% of them focus on endorsements from celebrities when shopping online [28]. Therefore, although FARFETCH can advertise by cooperating with celebrities that are popular among the youth, they should encourage more common consumers to comment positively on their shopping experience and hold more related activities on social media.

4.3 SWOT Results

4.3.1 Strengthens

1. As a global fashion e-commerce platform, FARFETCH has a natural attraction to Generation Z consumers who are used to the digital world.

2. Its global operations can satisfy the curiosity of young people to explore the world, thus having the potential to expand among Generation Z consumers.

3. Its cooperation with trendy niche or next-generation designers and street fashion brands attracts the youth.

4. As a platform that has the ability to provide solutions and services in e-commerce, FARFETCH has the advantage of building a comprehensive electronic system.

5. FARFETCH has plenty of experience in developing its influence through social media as it is an efficient way to draw the attention of Generation Z consumers.

6. Compared with its competitors, other similar fashion e-commerce platforms, the average age of FARFETCH's current major customers is younger, which makes FARFETCH easier to capture the market of Generation Z consumers.

4.3.2 Weaknesses

1. Since FARFETCH does not have plenty of experience in operating offline stores and the number of its offline stores is relatively few, its ability to attract Generation Z consumers through offline channels is comparatively weak, although most Generation Z consumers are still used to shopping in stores now.

2. The average order value of FARFETCH in the marketplace was over \$550 in five recent years (FARFETCH, 2021). However, the average spending of generation Z is only \$115 each month (YPulse, 2020). The proportion of Generation Z consumers is still not large, and their purchasing power is not enough. As a result, it is possible many Generation Z consumers could not afford to shop on FARFETCH.

3. Although most Generation Z consumers spend most of their money on clothing and shoes, they tend to purchase more beauty and personal care products, and their attention to appearance is increasing. However, FARFETCH just launched beauty products, so it still sells a few of these products.

4. The process of FARFETCH to deliver products to customers involves multiple participants including itself, express companies and partners. The complicated process makes it more difficult to guarantee the quality of products and solve customers' problems in time and correctly.

4.3.3 Opportunities

1. The COVID-19 pandemic might make some people switch to online shopping and get used to it, and people's consuming habits might also be changed because of the outbreak, which will be helpful for the development of FARFETCH in the market of Generation Z consumers.

2. The acquisition of New Guards Group, Off-White's parent company, and the cooperation with companies, such as the Rembrandt Group and Jingdong, can contribute to the further expansion and comprehensive development of FARFETCH among Generation Z consumers.

3. FARFETCH plans to open physical stores to provide an innovative and enjoyable shopping experience, as well as combine online and offline shopping experiences, which sounds interesting and it might be very attractive for Generation Z consumers.

4. As mentioned above, FARFETCH just began to launch beauty products that are very popular among Generation Z consumers. This decision is likely to expand the influence of FARFETCH among Generation Z consumers.

4.3.4 Threats

1.   If some fashion e-commerce platforms, such as YOOX, NET-A-PORTE, and Next launch new strategies in order to focus on Generation Z consumers, they might cause threats.

2.   Some social e-commerce platforms with younger target consumers, such as Dewu, might threaten the development of FARFETCH in the market of Generation Z consumers.

3.   If some e-commerce giants, such as Amazon and Jingdong, enter the market of fashion e-commerce, they might attract a large number of Generation Z consumers.

4.   With an increasing number of customers, the difficulties of quality monitoring and customer services will also increase.

5.   Discussion

5.1 Strengths–Opportunities

In recent years, the influence of FARFETCH as a digital platform among Gen Zers is expanding due to the COVID-19 pandemic. FARFETCH can do the following to create a comprehensive fashion empire with more Generation Z consumers: (1) it should make good use of its global operations and experience of advertising through social media; (2) it should combine its business model and opportunities brought by the pandemic with its acquisition of New Guards Group, Off-White's parent company; (3) it should cooperate with companies, such as the Rembrandt Group and Jingdong; (4) it can be benefited from global operations and launching beauty products different from other e-commerce platforms and (5) after the pandemic, FARFETCH can launch some innovative, trendy products from next-generation designers and street fashion brands in their offline store, which will provide a fresh shopping experience and build up new channels to gain more Generation Z consumers.

5.2 Strengths–Threats

Compared with similar fashion e-commerce platforms such as YOOX, NET-A-PORTE, and Next, the cooperation with trendy, niche, or next-generation designers and street fashion brands helps FARFETCH sell some products that are more popular among Generation Z consumers, which makes FARFETCH easier to keep its advantageous position in the market of Generation Z consumers. Meanwhile, the experience of serving e-commerce platforms can help FARFETCH build a better electronic system compared to its competitors. Moreover, comprehensive e-commerce giants, such as Amazon and Jingdong, usually only dominate only one or several countries, such that the global operations of FARFETCH benefit its development in the market of Gen Zers worldwide. In addition, FARFETCH's experience of influencing consumers through social media can compensate for the difference between it and social e-commerce platforms such as Dewu in using social media to influence Generation Z consumers.

5.3 Weaknesses–Opportunities

By cooperating with companies, such as the Rembrandt Group, Jingdong, and Alibaba Group, FARFETCH can compensate for its lack of experience in operating physical stores, learn how to monitor the quality of products and provide customer services, as well as acquire more sources of beauty and health care products and some other cheaper products because they might be more affordable and popular among Gen Zers. The launch of beauty products might also help FARFETCH provide more kinds of products that Generation Z consumers are able to afford. During the COVID-19 pandemic, the disadvantage of the immature development of physical stores weakened. After the pandemic, FARFETCH's plans of opening offline stores can help it overcome its weakness related to physical sales.

5.4 Weaknesses–Threats

As almost all competitors of FARFETCH are also e-commerce platforms, the weakness of lacking physical stores is not a serious problem in competition. However, a lot of competitors are able to provide more beauty and personal care and cheaper products. Thus, FARFETCH needs to overcome threats in these aspects.

5.5 The Global COVID-19 Pandemic and FARFETCH

Without a doubt, the global COVID-19 outbreak affected the business of FARFETCH significantly. Different from most other fashion companies, the pandemic contributed to the success of FARFETCH in recent years rather than did harm to its development. The main reason why the situation happened was that when it came to FARFETCH, the negative impact caused by its weaknesses was decreased and the advantages of its business model played a greater role due to the COVID-19 global pandemic, which brought it more opportunities and contributed to its outstanding performance. In the market of Generation Z consumers, the situation was even more distinct.

Firstly, and most directly, the pandemic decreased people's frequency, especially for those Gen Zers who pay much attention to their appearance to shopping offline. Particularly for garments and shoes, the main products of FARFETCH, although people were used to visiting physical stores to shop and try them, they had to stay at home for more time. Thus, if they still wanted to purchase those kinds of fashion products, using e-commerce platforms like FARFETCH to shop online would be a convenient way instead.

At the same time, the pandemic also led to a great strike on tourism, which prevented people, particularly the youth including those Gen Zers who like traveling and shopping all around the world from purchasing the latest fashion products in offline stores abroad. As a result, as an e-commerce platform aiming to provide fashion products globally, FARFETCH was able to fill the gap and gain part of those consumers.

Simultaneously, due to the harm to offline business, many partners of FARFETCH such as brands and stores, particularly those niche fashion brands preferred by Gen Zers also needed to depend more greatly on it to sell their products. Therefore, it is likely that FARFETCH had opportunities to gain more products of high quality.

Moreover, since people spent more time at home during the pandemic, their demand for many kinds of beauty products, notably cosmetics and fragrances decreased. At that time, FARFETCH did not start to sell beauty products. Thus, the decreasing need for beauty products did not affect the business of FARFETCH.

Finally, it was also possible that the pandemic made the promotions of FARFETCH more effective. As mentioned above, FARFETCH tended to advertise online, while it was good at expanding its influence by using social media. During the pandemic, people spent more time on the internet, which would make the strategies for FARFETCH to advertise more influential, especially among those Gen Zers who were more used to the digital world.

Though the global COVID-19 might also cause some negative impacts on FARFETCH, for example, its supply chain and the operation of its offline stores were likely to be affected, FARFETCH was able to make full use of its unique business model, while some of its disadvantages could no longer affect its development negatively during the period.

Although FARFETCH benefited during the pandemic, it is necessary for it to make some changes in its strategies to adapt to the new situation in the post-COVID age. Firstly, FARFETCH can adjust the categories of its products, which it is doing now. After the pandemic, people's demands for beauty products are possible to revive. Therefore, it would be a good time to launch those products. According to the latest news, FARFETCH not only launched beauty products, but also acquired beauty retailer Violet Grey to prepare for the change, which will be beneficial to its business after the pandemic as well as the attraction to Generation Z consumers [31]. Similarly, it may also be appropriate for FARFETCH to develop its offline stores at that time because people

may start to shop offline again. At the same time, FARFETCH should strengthen its customer services and guarantee the quality of its products to retain its customers who were attracted during the pandemic. Although the business model of FARFETCH is innovative, the process of delivering products to customers involves itself, courier companies, and multiple partners in different regions. As a result, the complicated process creates more difficulties in monitoring the quality of products and customer services. With increasing customers, if FARFETCH could not guarantee the quality of its products and solve customers' problems in time, it will lead to the leaving of customers, especially those Generation Z customers who are easily attracted by new things.

To sum up, this study verifies the hypothesis that FARFETCH has good business strategies for attracting Generation Z consumers currently by analyzing previous studies and reports to have an insight into the current situation. The latest decisions of FARFETCH can also show that it is on the right track to penetrate the market of Generation Z consumers. Its goal is to show an example of the application of comparatively successful innovative business strategies in the market of Generation Z consumers, which can provide more information about effective business models for e-commerce platforms to gain more competitiveness in this market. At the same time, this research also takes the background of the COVID-19 global pandemic into consideration and analyzes how can to develop in the post-COVID age. This case study will be beneficial to researchers in this field and the management of e-commerce platforms. However, this study has some limitations. First, it does not include an analysis of primary data, such as first-handed survey results and in-depth interviews of generation Z respondents. Second, the direct analysis of the official information published by FARFETCH is relatively small.

6. Conclusion

This study analyzes both the advantages and possible measures to improve FARFETCH in the market of Gen Zers. It demonstrates that the hypothesis is true, that is, FARFETCH has good business strategies for gaining Generation Z consumers and indicates some possible ways to improve. Although the COVID-19 global pandemic also had some effects on its business, the current success and potential of FARFETCH are inseparable from its emphasis on the youth, especially Generation Z consumers. While many fashion companies, especially luxury brands, are still mainly focusing on the market of middle-aged and elderly people, FARFETCH has created an innovative business model that is more attractive to younger consumer groups, including Gen Zers. By combining fashion, technologies, and global cultures, it succeeded in not only shaping a trendy, fashionable, and inclusive brand image, but also keeping a luxury positioning. The business model works well among younger consumers, especially Gen Zers, though it is also facing some challenges. Although FARFETCH still has some room for improvement in the market of Generation Z consumers, its present appeal to these consumers is worth mentioning. And FARFETCH is also adjusting its business strategies positively to adapt to the post-COVID age. In addition, this study also analyzes the consumer behavior of Gen Zers, especially when it comes to e-commerce platforms or the fashion industry. It points out some potential strategies for FARFETCH, as well as other similar platforms to attract more Generation Z consumers and implies the impact of the pandemic to fashion e-commerce platforms.

This research can help readers learn more about the business model of e-commerce platforms, especially those concentrating on fashion and preferences of Generation Z consumers and the effects of the pandemic on them. Its findings can be implemented by the management team of FARFETCH or similar platforms to adjust their business strategies. While business actors might reflect and improve their strategies in the market of Generation Z consumers based on the findings of this study, researchers in this field may benefit from the information related to innovative business models and consumer behavior of Generation Z consumers. Further research can analyze Generation Z consumers' behavior more deeply using other methods, such as first-handed surveys and interviews, or explore the business strategies of similar platforms.

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