

LAND ON MAYFAIR

THE DISTINCTION BETWEEN INTERNET AND IN-PERSON SHOPPING IS IRRELEVANT, SAYS MATCHESFASHION'S CEO, AS THE ONLINE BEHEMOTH OPENS A PALATIAL STORE AND EVENTS SPACE IN LONDON'S MOST PRESTIGIOUS POSTCODE.

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Matchesfashion's new bricks-and-mortar shop in a 19th-century townhouse in London's Mayfair, with sculptures by British artist Nick Hornby



Matchesfashion.com – one of the world's biggest online retailers of luxury fashion, accessories and homewares – has opened a new 465sqm, six-level store in the heart of the toniest shopping precinct in London: Mayfair. It might seem a counterintuitive move for a company that, despite already having three physical stores in London, makes 95 per cent of its sales online (of those sales, 76 per cent are to people outside the UK, in almost 200 countries). But, as you might guess from a leading e-commerce company, this is no ordinary store. Technology is everywhere at 5 Carlos Place, as Matchesfashion refers to its new home. When customers enter the store they can swipe their phone over a QR code and, if they have the Matchesfashion app installed, information on previous purchases, browsing history and sizing will be sent to iPad-armed staff to help them create a personal and tailored shopping experience for that customer. It's a new way of selling fashion," says Ulric Jerome, the company's chief executive. Just don't call it "the store of the future".

"The one thing I always struggle with is when people say things like, 'this is the store of the future,'" Jerome says. "You hear it all the time in the market and it always means lots of in-your-face technology and I don't believe

consumers are comfortable with that." The technology built into Carlos Place is extensive but, if all goes to plan, the customer will hardly be aware of it. There are no virtual-reality headsets and no interactive dressing-room mirrors here. "Retail needs to challenge itself to push the personal experience to a level that has never happened before. And that's what Carlos Place is going to be about and technology can help that," Jerome told WISH just days before the store's official opening in early September. "But you are not going to have the technology in your face, the technology will be seamless in the background." Carlos Place, says Jerome, is about creating an engaging experience for the customer. "It's about commerce, for sure, but it's also about entertaining the customer while they shop and about creating a community." The store of the future, for Jerome, is essentially the store of the past, only better.

The building on Carlos Place is a late 19th-century heritage-listed townhouse built in the Queen Anne style. It's part of a row of similar buildings that belong to the Grosvenor Estate owned by the Duke of Westminster. The strip is also home to stores by Roland Mouret, Jenny Packham, Roksanđa Ilincić and Christopher Kane. The Connaught Hotel is just across the road – as is Goyard – and stores for brands including Loewe, Oscar de la Renta, Celine and Nicholas Kirkwood are also nearby (5 Carlos Place was formerly the studio and retail store of jeweller Solange Azagury-Partridge). And

300m away, on Audley Street, is the London flagship store for designer Erdem Moralioglu designed by his partner, architect Philip Joseph. It was this distinctive design that first brought Joseph to the attention of Matchesfashion founders Ruth and Tom Chapman. "It was Erdem's first store so we tried to embody the persona of his brand," Joseph says; "we made a space that was domestic and warm and inviting, rather than what people might typically think of as a retail store."

Joseph, who with his twin brother, Peter, established the design practice P Joseph almost four years ago, took a similar approach when it came to the design of 5 Carlos Place. "The design has been conceived to accommodate events, talks, launches, catwalk shows – you can change the content of the whole building overnight," says Philip Joseph. The building also has a broadcast facility on the top floor to capture the events and happenings in the store – and livestream or podcast them on Matchesfashion.com – and to create original content. Joseph says the starting point for the design concept came from the history of the building and its unique architectural style.

"But then we always kind of try and overlay a narrative of some sort," he says. "For Carlos Place we came up with the idea that it would be a kind of home for a well-travelled, chic, art-and-design-collecting couple. And that the building sort of appears to be inhabited by someone. Specific artworks were commissioned for Carlos Place such as a hanging sculpture by the artist Nick Hornby, which hangs over the main stairwell. Many original features of the building have been retained and restored with striking colours and contemporary furniture used throughout. "We like to curate the whole experience of a place from the exterior of the building all the way through to the knives and forks in the drawers," says Joseph.

What is retail all about now? It's a question that has occupied Jerome as the online luxury retail industry has become more competitive. "The online customer today is interesting because they are really mature," he says,

referring to their sophistication rather than their age. "Everybody is connected now so it's not about looking for the customer now, which is what it was 10 years ago. It's literally that everyone has raised their game and everyone has to be innovative now to attract customers."

A report by Bain & Co. estimates that the share of business of online in the total luxury market today is 9 per cent. In 2012 it was 2 per cent and by 2025 it is projected to be 25 per cent. However, Jerome doesn't like to think of customers in terms of online and offline. "In reality that number is not relevant any more because how do you define online share? In reality a lot of your physical transactions are going to be enabled through online and vice versa and so segmenting the two isn't relevant, it's just one market. And that's what I think Carlos Place is – we are not differentiating any more between the physical and the digital world. We are just trying to make it easy for the customer."

According to Jerome a physical store space is now an opportunity for a brand such as Matchesfashion to build stories. If you have the digital component, he says, then finding a way to create content for it is a natural evolution. "We have always been very 'physical digital' – we've done a lot of events around the world in the last 10 years," says Jerome. "We have been meeting customers in a lot of different locations and we just wanted to bring it to the next level." For the company's 30th anniversary last year it staged three pop-up houses in New York, Los Angeles and Paris for five days at a time; as well as featuring its edit of fashion collections it also hosted a series of events, from yoga classes to designer interviews, livestreamed on Facebook. "And over those three weeks where we created those three events we reached about 45 million people in the world," he says. "People got switched on by the idea that something very authentic was happening in a physical space and they wanted to be part of the conversation."

Left to right: Peter Joseph, Ulric Jerome and Philip Joseph



The first two floors of Carlos Place, excluding a basement for storage and staff rooms, are dedicated to retail and will be open to the public, the merchandise mix changing every two weeks. The full breadth of Matchesfashion.com's product mix is available to customers via in-store iPads and can be delivered to the store to try on in 90 minutes. For the launch of Carlos Place Prada took over the store with more than 100 exclusive products for men and women. There were even Prada-branded pinball and vending machines. The next two floors feature a handful of individually decorated personal styling suites for private shopping, which customers can book online. On the fifth floor is a café (during the Prada takeover it was transformed into an outpost of the brand's Marchesi café in Milan), which will house different chefs and restaurant residencies throughout the year. It will also double as an event space for cooking demonstrations, panel discussions, flower-arranging classes and even live music, all open to the public and broadcast in some way via the adjoining media hub on the fifth floor. The content from these events can be found on Matchesfashion.com under "What's On". In the first two months since opening more than 40 events have been staged at Carlos Place.

During November and December events at Carlos Place include a takeover of the private shopping suites by Gucci to showcase its Décor collection. There will be an in conversation with fashion designers Katie Hillier and Luella Bartley. The artist John Booth will create a special bedroom installation and a range of

handpainted ceramics for the store, while designer Richard Quinn launches an exclusive collection of pyjamas for Matchesfashion at Carlos Place.

Carlos Place opens at a critical time for Matchesfashion. The company was founded by the Chapmans in 1987 in Wimbledon and it quickly became renowned as one of the most innovative multi-brand boutiques in Europe with a knack for spotting and nurturing emerging talent. The store introduced brands such as Prada, Celine, Dolce & Gabbana and Bottega Veneta to the UK market and in 2007 they decided to get into the emerging luxury fashion e-commerce industry. Jerome was hired in 2013 as chief operating officer and was appointed chief executive in 2015. Last year Tom and Ruth Chapman sold their stake in the business to the private equity company Apax Partners in a deal that, according to reports at the time, valued the company at £800 million (\$1.1bn), and the Chapmans stepped down from the day-to-day running of the business into an advisory role. For the 12 months to January sales grew by 44 per cent to £293m. Carlos Place was Tom and Ruth Chapman's vision, but Jerome is the executive who has shepherded the project through.

Even the measure of success of the project is unconventional: Carlos Place won't be judged by its sales per square metre, but by the level of engagement with Matchesfashion customers. "How many times they come back, the number of RSVPs we get to the events, the noise in the market, the brand awareness. All of that combined," says Jerome. "Sales? Of course, but it's a different world." **W**