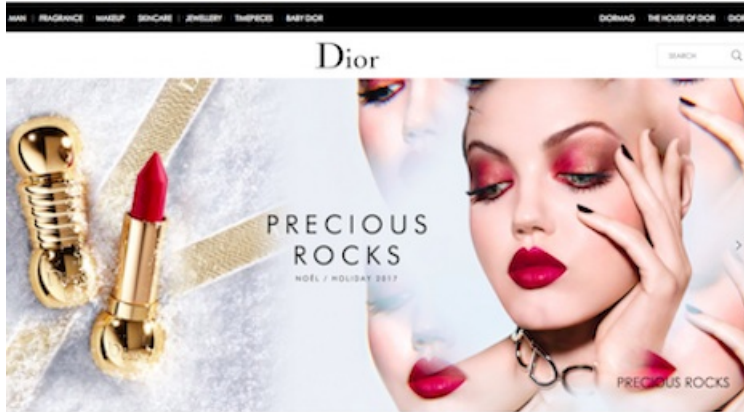


COLUMNS

Q3 2017 luxury site performance analysis

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Dior's Web site rocks as the best-performing desktop Web site, according to Catchpoint analysis for the third quarter of 2017

By **Mehdi Daoudi**

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Recent signs show luxury ecommerce sales bucking the trend of slower global luxury sales overall.

According to Bain & Co., worldwide luxury sales online and in-store declined in 2016, due in large part to widespread physical store closures. However, online sales are on a positive trajectory, showing a double-digit increase from 2015 to 2016.

With so much riding on the Web, luxury companies must focus on winning the hearts and minds of online shoppers. Their success depends in large part on their ability to deliver exceptionally high-performing fast, reliable digital interactions.

According to the most recent statistics from Kissmetrics, 47 percent of site visitors expect sites to load in 2 seconds or less. Another 40 percent view 3 seconds or less as acceptable. Against this backdrop, here is a look at how the leading luxury sites performed in the third quarter of 2017.

Luxury desktop sites: In Q3 the top five desktop performers were, in this order: Dior, Porsche, Chanel, Patek Philippe and Audi. This is the same ranking as Q2, with the exception that Chanel and Patek Philippe swapped places (Chanel was #4 while Patek Philippe was #3 last quarter).

In Q3, the average Webpage load time was 3.68 seconds a 4 percent speed improvement over the Q2 average of 3.82 seconds.

Total downloaded bytes a key influence on Webpage load times decreased quarter over quarter (from 4.13MB in Q2 to 4MB in Q3), although the number of hosts and items (which we are seeing exert an equal if not greater impact on Webpage load time) actually increased (from an average 32 hosts and 116 items in Q2, to 34 hosts and 120 items in Q3).

Roughly half the sites in our desktop index performed above the industry average, with the other half performing below the average.

In our Q1 2017 analysis, we referenced a study by Exane BNP Paribas Researchers, which graded 32 leading luxury sites on the basis of 18 different criteria, spanning the categories of reach, customer experience and engagement.

...based on the basis of 10 different criteria, spanning six categories of reason, customer experience and engagement.

One key finding was that in spite of an ongoing, obvious distinction between the leaders and the rest, the gap between the two groups seemed to be narrowing.

From Q4 2016 to Q1 2017, we saw clear evidence of this trend in the desktop category (site performance levels clustering closer to the top).

The trend abated a bit from Q1 to Q2, but in Q3 we see it emerging again, with the most sizable movement being sites ascending from the 3-second category to the 2-second category.

There were also more sites in the 1-second category this quarter (two: Dior and Porsche), compared to Q2 when only one site achieved this distinction (Dior).

Quarter to quarter, the exact same number of sites (nine) were in the 4 seconds or greater category.

Luxury mobile sites: In Q3 the top five mobile performers were, in this order: Porsche, Dior, Chanel, Audi and Patek Philippe. These are the same top five performers as Q2, although the order has been shaken up (in Q2 they were ranked Dior, Porsche, Patek Philippe, Audi and Chanel).

Interestingly these are the same five companies leading in desktop performance, showing their clear commitment to Web performance excellence overall.

In Q3, the average Webpage load time was 3.77 seconds a slight performance decline from Q2's average of 3.70 seconds.

Total downloaded bytes in Q3 (3.76MB) increased slightly over Q2 (3.68MB), while the number of hosts and items also increased slightly quarter to quarter (33 and 112 respectively in Q2, to 34 and 116 respectively in Q3).

While slightly more than half the sites in our index delivered better than the industry average in Q2 (and slightly less than half delivered below), the exact reverse happened in Q3.

Slightly less than half the sites delivered above the average, while slightly more than half delivered below the average. In fact, the exact number of sites above and below average flip-flopped quarter to quarter.

When it comes to the trend of performance levels clustering closer to the top, we saw this a bit in the mobile category (although not to the same extent as desktop) from Q4 2016 to Q1 2017.

Similar to desktop, the trend abated from Q1 to Q2 2017, but unlike desktop, we do not see this trend resuming among mobile sites in Q3.

In Q2, 3 seconds was the biggest category, and while some of these sites moved up to the 2-second category in Q3, a fair amount also dropped to the 4 seconds or more category.

In fact, the 4 seconds or more category is now slightly greater in Q3 (10 sites) than it was in Q2 (9 sites).

It is important to note, however, that the luxury mobile sites' performance is still quite strong relative to the broader market.

According to Google's DoubleClick, the average load time for mobile sites (across industries) over 3G connections is 19 seconds.

Conclusion

The luxury retail sector is at an inflection point, as technology advances are upping the ante on shoppers' expectations for fast, reliable interactions.

With the holiday season upon us, it will be interesting to see how these sites perform over the next quarter, when many organizations bulk up their content, especially on desktop sites. Their intention is to create rich, compelling online experiences during this all-important sales period, but all too often the inadvertent impact is slowed pages.

THE KEY will be continuing to keep a close eye on page weights, as well as the number of hosts and items that tend to increase during the holidays. Within the items category, heavy images can be a particularly common culprit.

This will be important for desktop sites to maintain their upward performance momentum, as well as mobile sites, which should be striving as a group to move in a similar direction as desktop.

The performance levels for both categories are commendable, but as shopper expectations for Webpage load times grow increasingly razor-thin, the luxury sites must constantly be in adjustment mode.



Mehdi Daoudi is CEO of Catchpoint

*Mehdi Daoudi is CEO of **Catchpoint**, New York. Reach him at mehdi@catchpoint.com.*

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