FARFETCH

Cowen 5th Annual Future Of The Consumer Conference

2nd April 2019

John Veichmanis
Chief Marketing Officer

$1.4bn 2018 GMV

$619 2018 AOV

FARFETCH at a Glance

1,000+
Supply Partners

1.4m
Active Consumers[1]

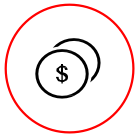
1 Consumer is deemed to be active if they made a purchase on the Farfetch Marketplace within the last 12-month period.
Information on this slide as of 31 December 2018

Farfetch customers are leading the revolution

LUXURY CONSUMERS

Female : Male

70 : 30



Annual Household Income

$105,000

Most expensive recent purchase

$1,500

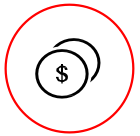
Average age

39

FARFETCH CUSTOMERS

Female : Male

64 : 36



Annual Household Income

$138,000

Most expensive recent purchase

$2,100

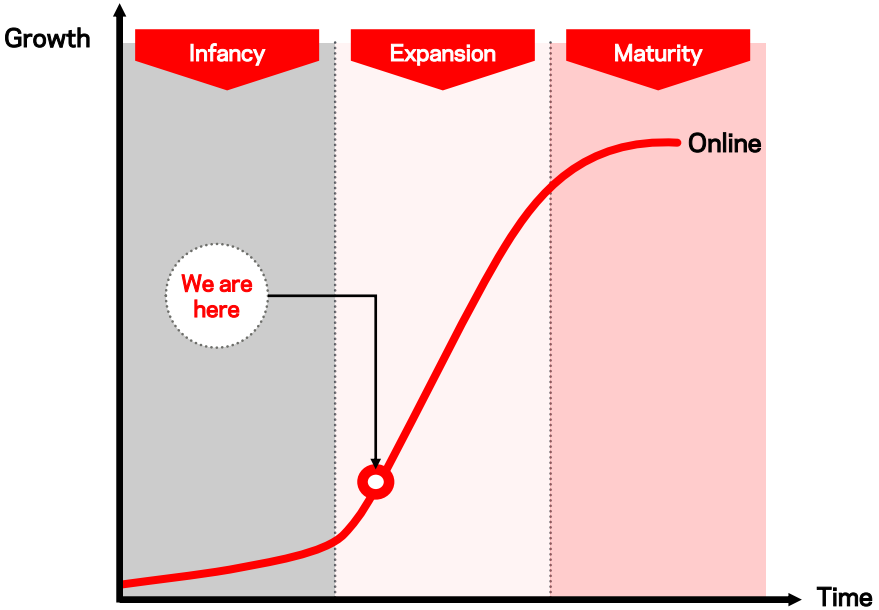
Average age

36

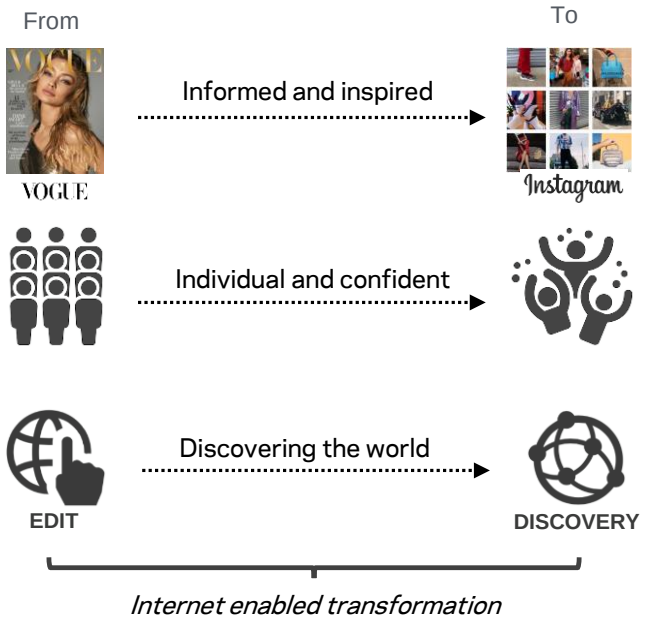
Source: Company Data > Brand Tracker, July 2017. Base: All participants (n=2029)

Luxury has been an online laggard but a customer revolution is driving rapid change

The shift from offline to online



…and the customer revolution that's driving it



Media consumption is changing rapidly

Luxury consumers estimate they spend between

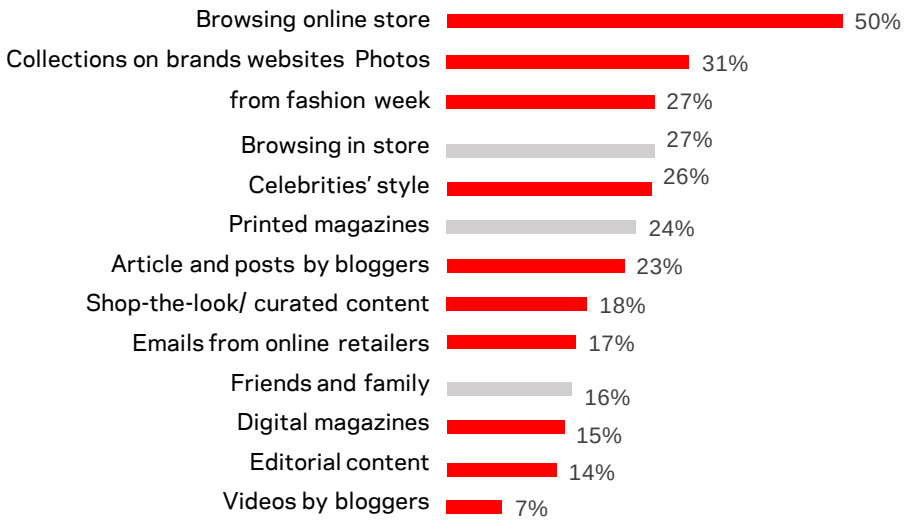
1 and 4 hours

researching fashion every day

70%

of luxury purchases are influenced by online

Sources of Style Inspiration



Source: Company Data > Brand Tracker, July 2017. Base: All participants (n=2029)

Source: Bain & co Luxury Study 2017 Elaboration on Experts interviews; Lit. Research Consumers Survey (2016) n=1856

...which is driving changes in customer need

Source: Company Data > Brand Tracker, July 2017. Base: All participants (n=2029)

We have a fully integrated, 100% digital media mix

Changing Media Consumption

Audience Targeting

Content & Ad Personalization

Brand ---------- Performance

See	Think	Do	Care
Drive awareness of our key differentiators	Tell our brand story through content and inspirational experiences	Always be there at the time of purchase	Provide our existing customers with enhanced digital services and rewards

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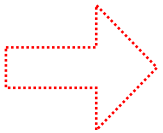
Introducing Farfetch Communities
People | Places | Product

A brand strategy built for digitally native customers

Content Creators

1. Influencers
2. Brands
3. Boutiques
4. Advocates
5. Customers
6. Farfetch



Content Creation

Bring our proposition to life though people

Create a broad range of entry points into our product catalogue so visitors experience our proposition.

Organic Distribution

Content creators selected for minimum follower overlap and hence maximum organic reach

Content published on our own social handles

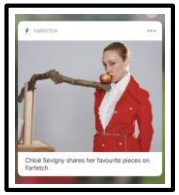
Paid Distribution

Paid media budget used to reach audiences we can't reach organically

Leverage our Audience Management capabilities

Farfetch Communities Ecosystem

Push



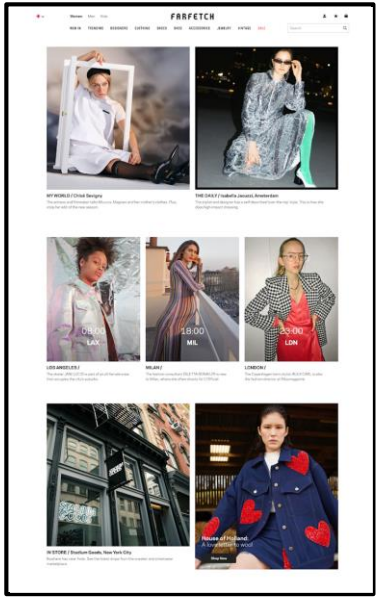
FF Paid Social

FF Organic Social

FF Stories

Email (CRM)

Homepage



Edit/Set/PLP/PDP

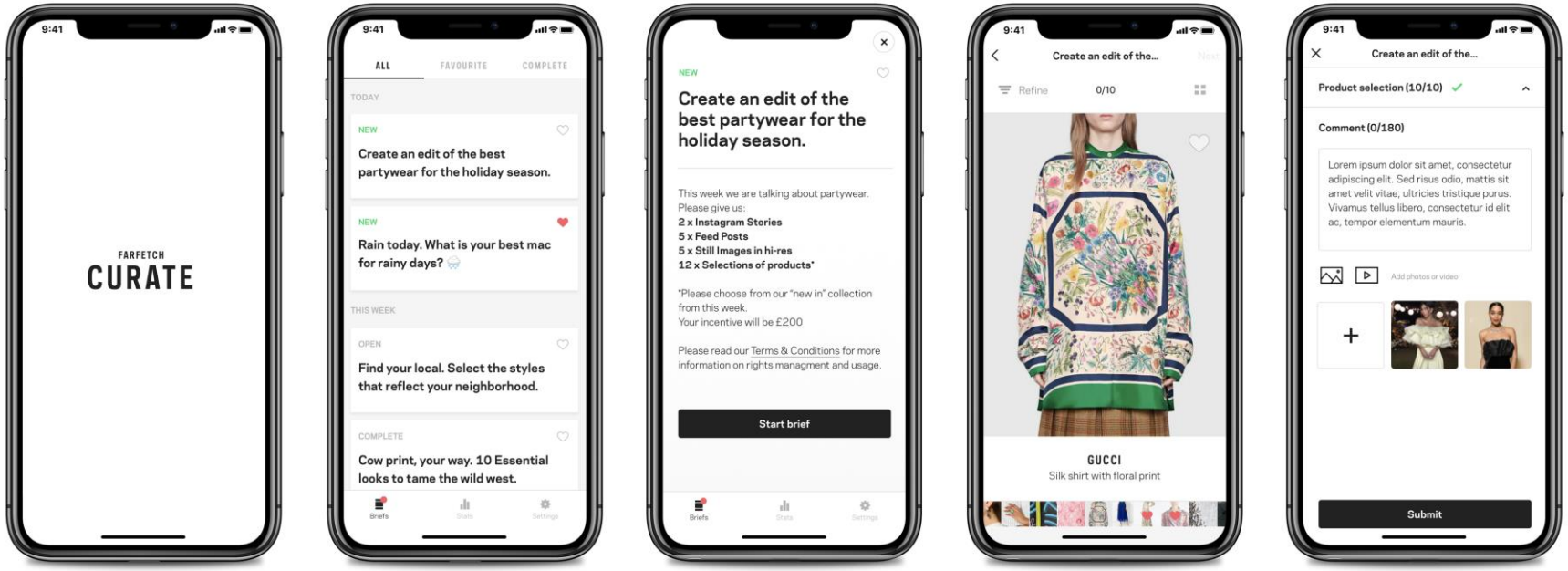
Tier 1 Profile

App

Influencers Own Social

Influencers Own Stories

Content commissioning is completely digital

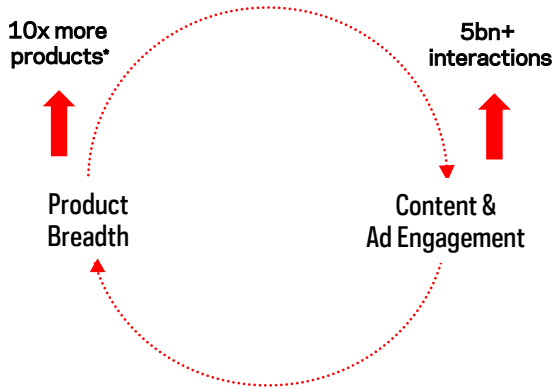


Building customer marketing data loops

See | Think | Do | Care

Brand Engagement

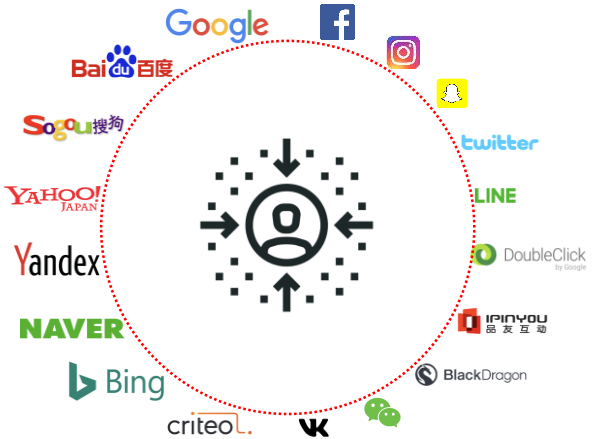
(See & Think)



Data Insights

Consumer Acquisition

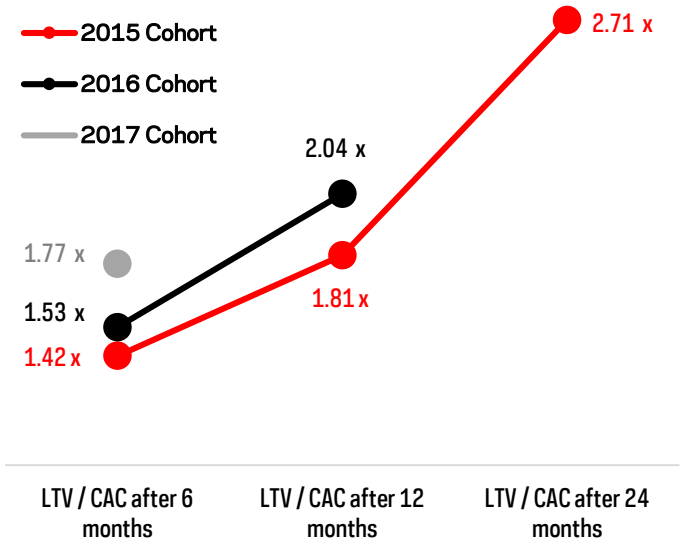
(Do & Care)



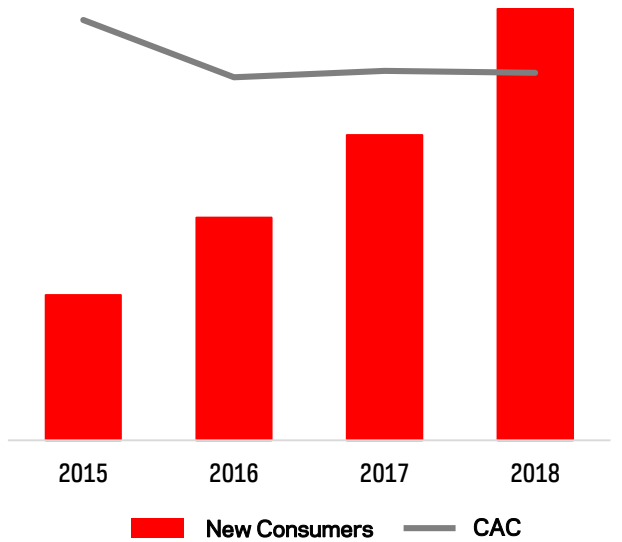
* As of May 31, 2018 Farfetch marketplace had 10x more SKUs than the closest competitor

Our data loops strengthen our unit economics

Lifetime value of a consumer to consumer acquisition cost ratios



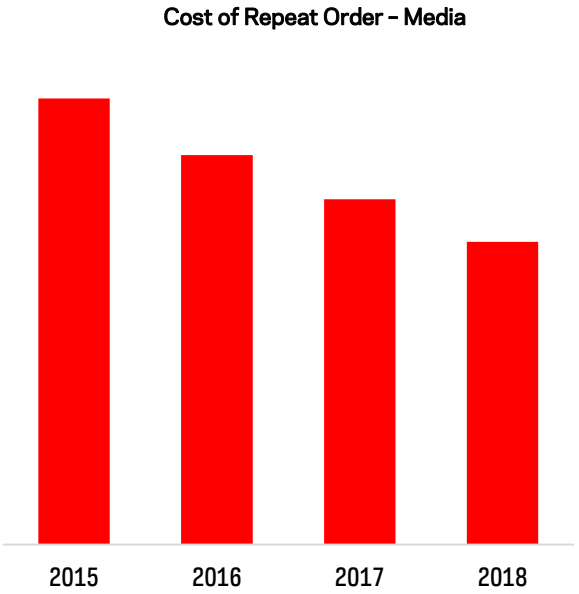
New Consumers and CAC ($) (2015-18)



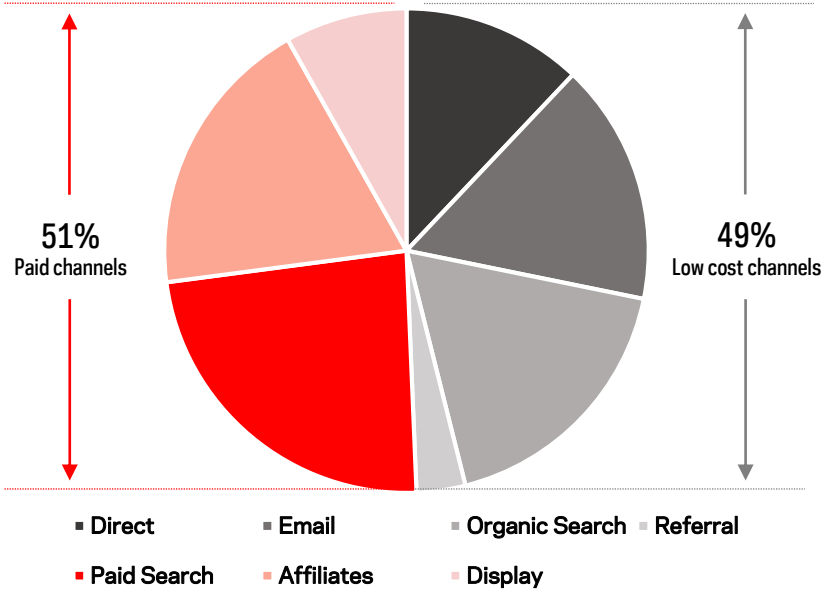
Source: Farfetch internal data
Note: Consumer Acquisition Cost (CAC)

Our data loops strengthen our unit economics

The cost of generating orders from existing customers continues to decline



Despite a significant increase in traffic, we've maintained a well balanced media mix



Source: Farfetch internal data > Jan - Dec 2018

Developing a media business based on our core principles

FARFETCH
MEDIA SOLUTIONS

Brand ⟶ Performance

See	Think	Do	Care
Drive awareness	Brand Story Telling	Increase sales	Increase frequency

Media Solutions Product Suite

Native Display	Bespoke on-site destinations Rich media experiences	Sponsored product network Social re-targeting	Dedicated email Push notifications

Audience Targeting

5th Annual Future Of The Consumer Conference

Our unique approach

The world of luxury is changing quickly, driven by changing media consumption and a desire to discover

We have a unique proposition that's hugely compelling with the new luxury audience

We have a unique data advantage that enables us to deliver consistent and predictable results

We are approaching a new marketing frontier by combining art and science to build a global luxury brand

FARFETCH

Appendix

Farfetch Access

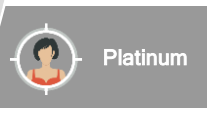
1 Identify

Operationalise and scale capability to identify High Value Prospects

Database matching with 3rd party datasets

BIN *(Bank ID Number)* identification at checkout

Database enrichment



Protect and Retain

Drive Frequency

Offer

2 Channel

- Dedicated App
- Increased media investment to enhance share of voice
- App Distribution
- Expanded channel mix- WeChat, Line, SMS, Push, WhatsApp, Direct Mail

3 Product Range

- First look New In
- First look Sale
- Fashion Concierge
- Influencer recommendations
- Early access to New In
- Early access to Sale

4 Price and Benefits

- Farfetch Access Points
- Loyalty partner benefit swaps
- Express delivery
- Free shipping
- Accelerated tier migration for HVPs

5 Service

- Personal stylist
- Dedicated customer service line
- Extended returns
- Customer service line