



SHOKAY

Reducing the Complexities of  
Scaling Ecommerce in China



## About SHOKAY

- Founded in 2006
- World's first sustainable fashion company that focuses on developing luxury products made from yak down
- Design our own products for our SHOKAY Collection and also partner with other brands & designers to use our yak yarn in their own collections
- Consider our success not only in terms of profit but also by how much we are positively impacting the communities we work with.



# Our Origin

In 2006, Carol & Marie visited western China to look for inspirations to start a social enterprise. They observed that Tibetan herders have an annual income of 2800 RMB.



DEVELOPMENT  
NEED

At the same time, they recognized a rising market demand for lifestyle products made in a socially responsible way.



CONSUMER  
NEED

While Tibetan families have limited cash income, they have on average 30-40 yaks, a key asset on the plateau.



RESOURCES

## How did the company get started?

Their observations inspired them to start SHOKAY, a socially responsible lifestyle brand that sources yak fiber directly from the herders to produce well-designed and high quality products.



SOLUTION

SHOKAY











# Why YAKS?



# YAK

Fabric made from yak down has more lustre than wool, handles well and provides excellent heat insulation. Down fibre diameter: 15-22 microns

## 牦牛绒

用牦牛绒编织成的纺织品比起羊毛更具有光泽，更好的手感和出色的保暖性。牦牛绒的直径在15-22microns之间

x600

[www.naturalfibres2009.org](http://www.naturalfibres2009.org)

CNR-ISMAR, Biella, Italy



# Our Supply Chain

## 1. Herders



SHOKAY buys yak down directly from thousands of Tibetan herders in the Qinghai region, which helps them increase their income by 10%-30%.

## How are Shokay products produced?

## 2. Combers & Spinners



Raw yak fiber is outsourced to combers and spinners in other parts of China to clean, dye, and spin hair into fine yarns.

3,246 m

## 3. Knitters & Weavers



Yarns are sent to our hand knitting cooperative in Chongming or other factories (for machine knit/ woven items) to produce into finished products.

Shanghai

0 m



















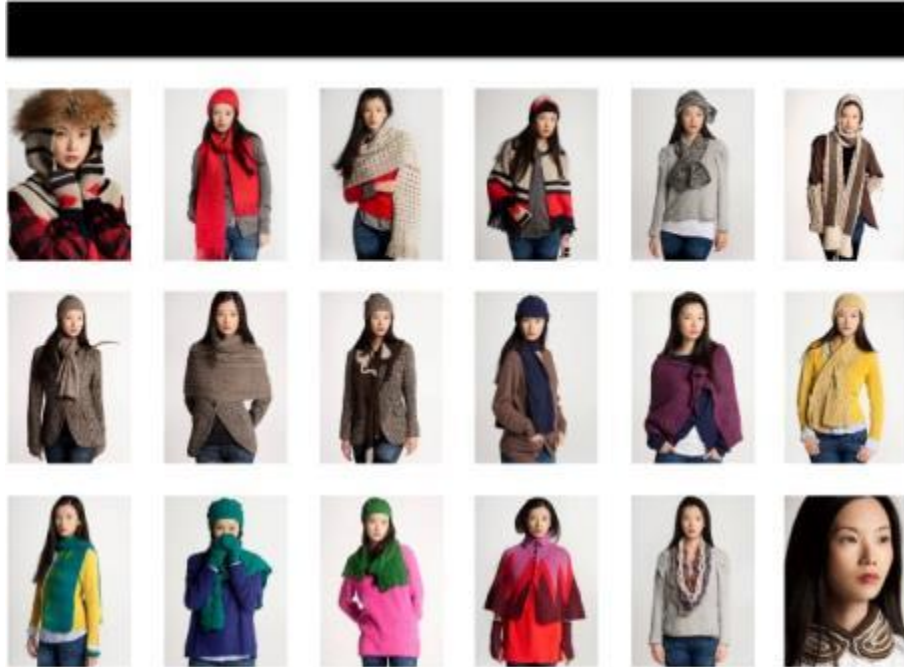








# Our Collections



## Shokay FW2012 Product Launch

Taikang Lu #2106 (in between Lane 210 and Lane 248)  
8/24 6pm-9pm



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Shokay Collections are classic Shokay products that represent timeless elegance with a modern twist. The pieces highlight the softness of the yak down, leaving no doubt its status as a luxury fiber. Shokay Collections are sold in the Shokay Flagship Store in Shanghai and around the world in over 10 countries. The Collection has particularly strong presence in Germany and Japan.







SHOKAY

# Press Coverage







VOGUE

MAGAZINE L'UOMO VOGUE VOGUE GIOIELLO

V Talents V Black V Curvy V TV

V Shows Trends Shopping Beauty Stars News Photo Vogue

Talents

Shanghai Fashion Week 1

The Shanghai Fashion Week as seen by Hart August Hagerty

A Short Film With >

New Talents >

Success Stories >

Talents Shooting >

The Choice of >

Who is On Next? >

Contests and More >

Graduated from >

Vogue for the Young >

Blog From >

Vogue Video Lab >



shokay.com



SHOKAY





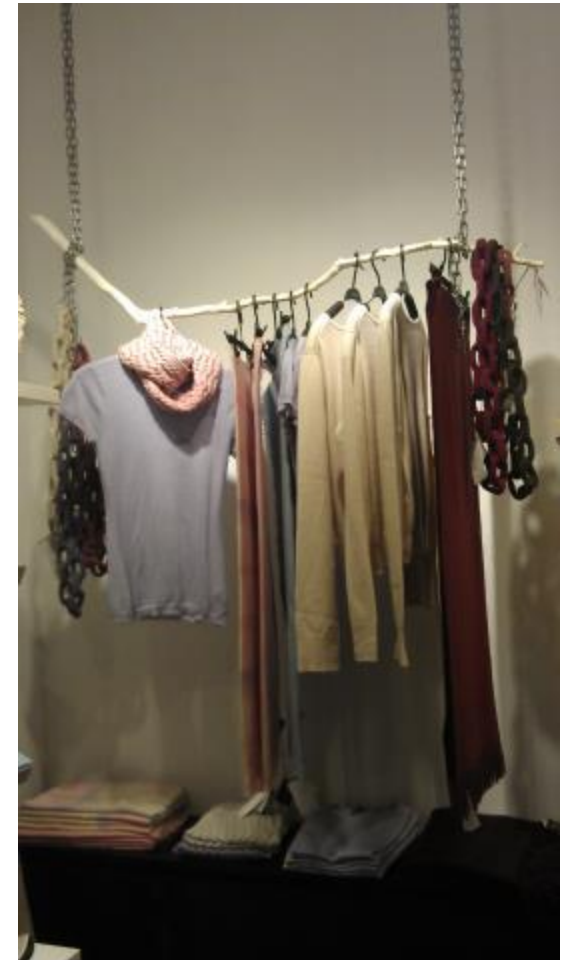
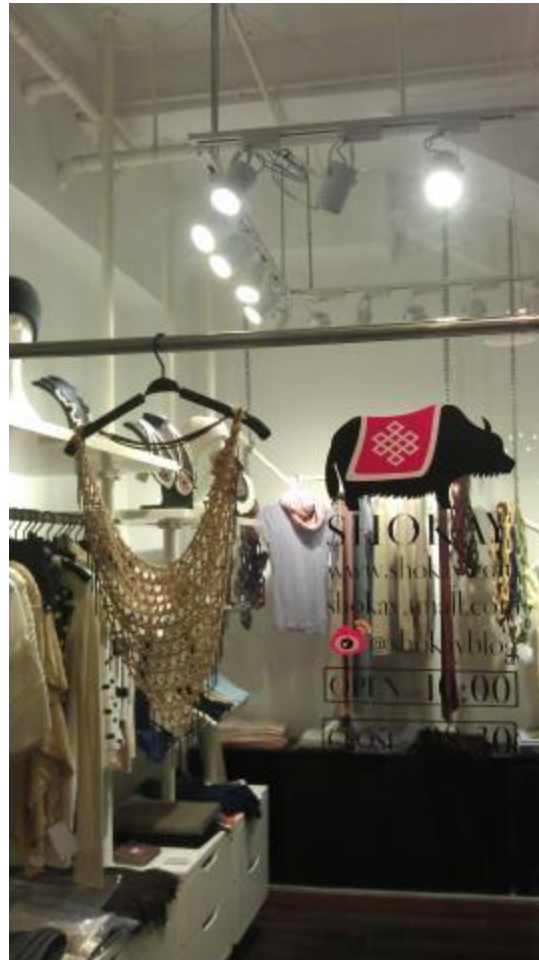






# Offline Sales Channels

- Direct retail
  - Boutique in Shanghai
  - Events
- Wholesale
  - Boutiques in US/UK/China/Taiwan
- Distribution
  - Boutiques in Germany
  - Boutiques in Japan

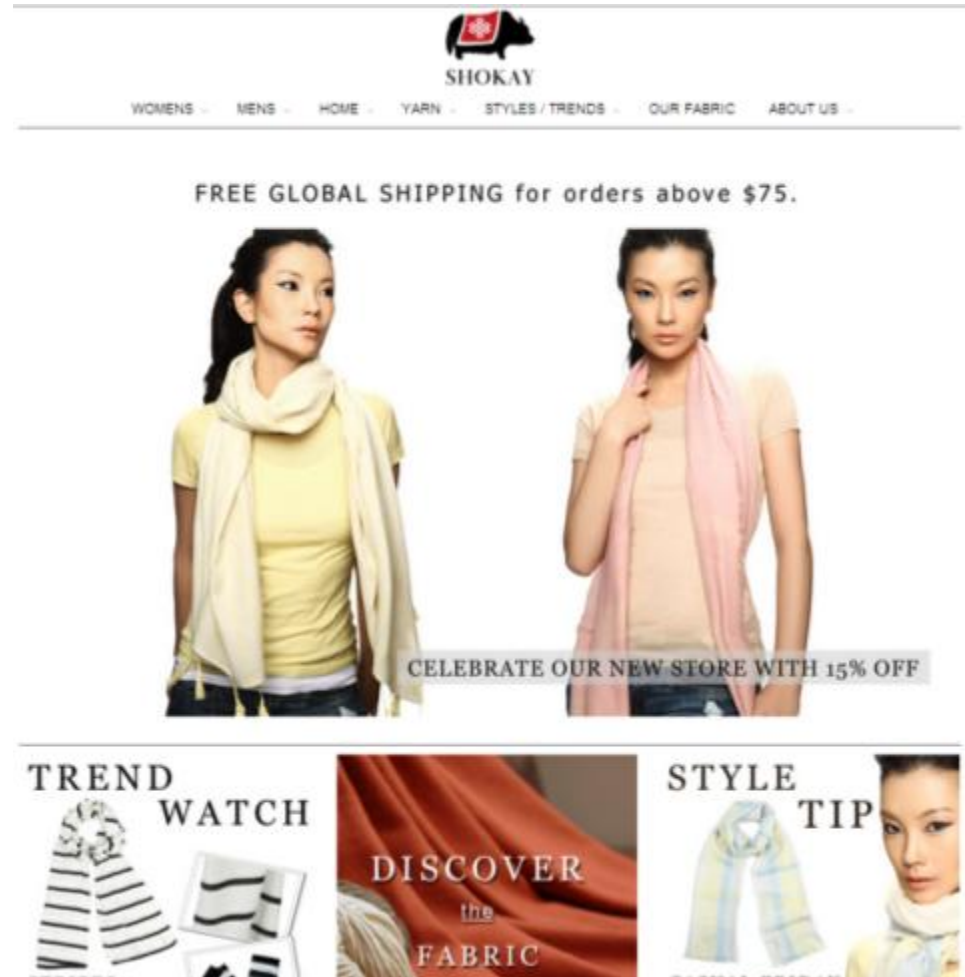




# Online Sales Channels

## Branded site

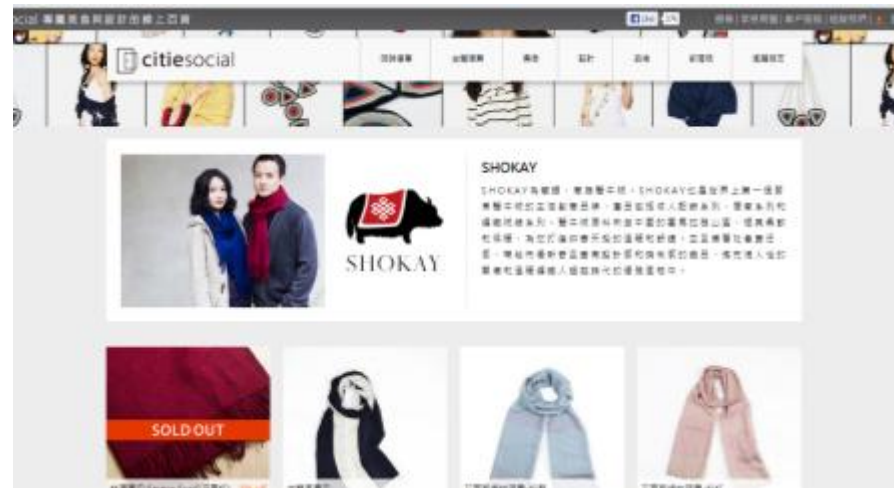
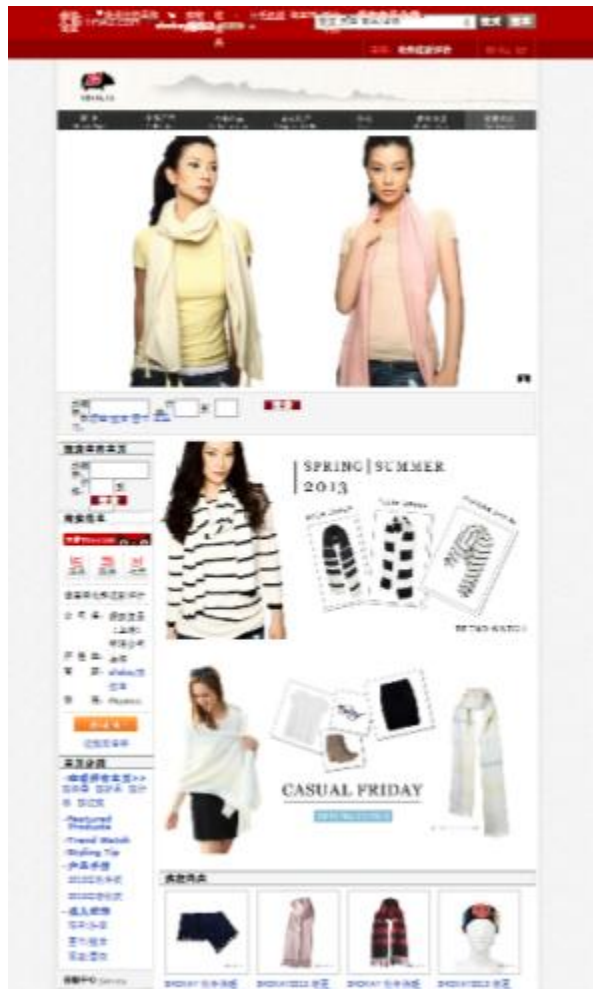
- [shop.shokay.com](http://shop.shokay.com)
- [shokay.jp](http://shokay.jp)
- [shokay.dk](http://shokay.dk)







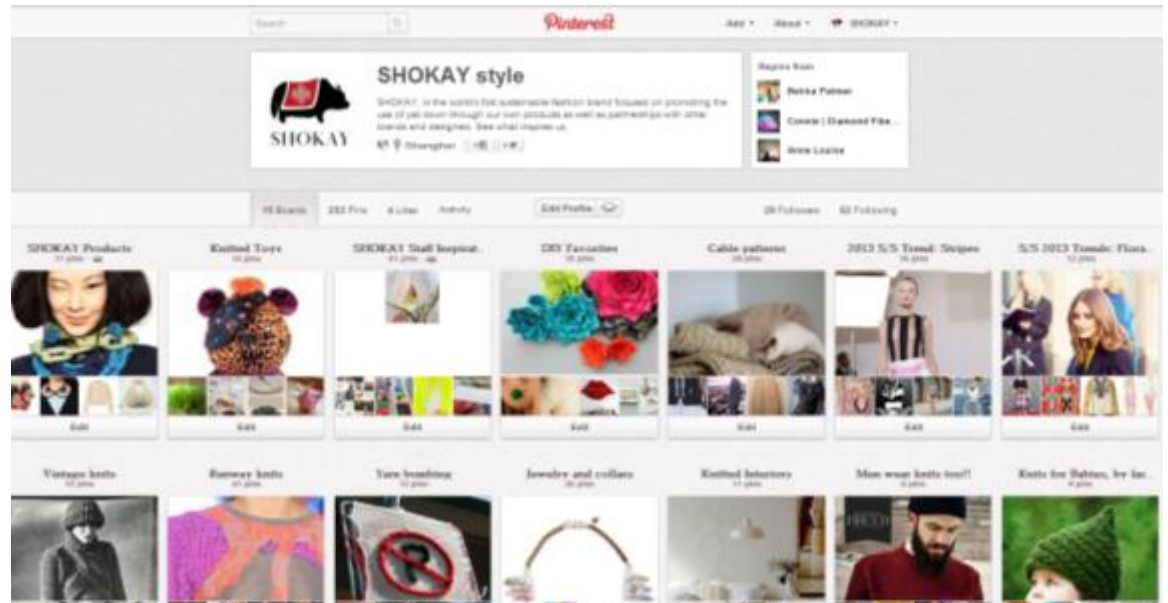
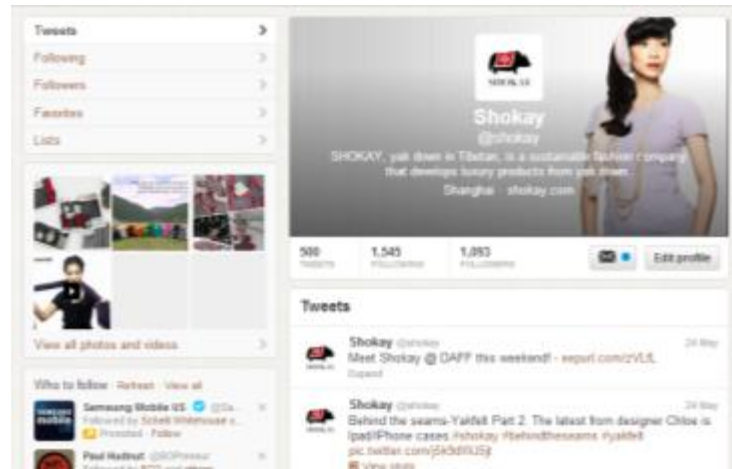
# Mega Sites & Channels



- Megasite
  - shokay.tmall.com
- Vertical channels
  - i-modec
  - Nuandao
  - Magibuy
  - ...



# Social Media







# Challenges: Marketing



- YES we have product photos....BUT each site has different specification for photo sizes
- YES we have campaign photos...BUT it takes time to ensure all of the online, offline, and social media channels are updated to the most consistent message
- Between all the social media channels, it takes a lot of time to continuously generate content and maintain them!



# Challenges: Operations



- YES we have a central warehouse storage with inventory managed in a ERP system...BUT it is not automatically synced with all of our branded sites, mega sites, and other online channels
- YES we keep track of customer data...BUT the data sits with the database of each individual system
- YES each system has analytics...BUT it is hard to have an integrated view of how you are doing as a whole





## Challenges: Delivery



- YES we can ship directly from our warehouse...BUT we will need to add manpower as the volume increases
- Need to have dedicated person/team dealing with all of the packing & shipping logistics



# Challenges: Customer Service



- YES we can respond to customer inquiries via the phone and email....BUT in the beginning it is not cost effective to have a team focused solely on customer inquiries when the volumes are small...yet if they are doing other things, they may not respond to customers immediately
- As volume increases, we would need to add more staff. More staff means more training.





## Solutions

- Option #1: Build in-house team
  - How cost effective is it?
- Option #2: Outsource different processes to different vendors
  - How to integrate everyone's work?
- Option #3: Managed commerce
  - Can Bleum fully manage each step, in an integrated manner that is efficient and cost effective?



# Can we focus on doing what we had originally set out to do?

