

For some e-commerce players, the web sparked considerable growth in 2008

The ticket to growth for at least some retailers last year was offering everyday items over the web at discounted prices. Foreign sales and bold planning helped, too.

Take Aeropostale Inc. Web sales surged 85% last year to \$79.1 million from \$42.8 million at the chain retailer of casual apparel for teens. Unlike many other chains, Aeropostale's same-store sales also grew, though at a more moderate 8% as total sales climbed 19% to \$1.89 billion.

But the web accounted for a much larger share of the business in 2008 than in 2007, rising to 4.2% of total sales from 2.7%.

To build on its momentum, Aeropostale plans to launch a new children's brand, P.S. from Aeropostale, online this summer at ps4u.com as well as in new stores.

Other retailers reporting strong online growth in 2008 include retail chains American Apparel and American Eagle Outfitters Inc., footwear company Skechers USA Inc., and web-only electronics products retailer CableOrganizer.com.

Foreign boost

With an 84% boost in web sales outside of the U.S. and Canada, American Apparel posted a 55% increase in total online sales last year to \$39.37 million from \$25.40 million in 2007, as total retail sales grew 41% to \$545.1 million from \$387 million, and comp store sales increased 22%.

American Apparel's 2008 total online sales remained virtually unchanged as a percentage of total

retail sales, at 11.5%, compared with 12% in 2007, even as the retailer expanded its number of stores last year by 43% to 260 from 182.

In markets outside of the U.S. and Canada, American Apparel

store sales were down 9.3% in the U.S. and 3.3% internationally.

The web once more trumped stores as the sales growth driver for American Eagle Outfitters in 2008.

Last year web sales for American

Eagle grew by 26% to \$307 million from \$243.5 million. Total sales decreased by 2% to \$2.99 billion from \$3.05 billion while comparable store sales declined by 10%. Web sales for the year accounted for 10% of total sales.

And at merchant CableOrganizer.com, an online retailer of cable, wire and products to manage electrical equipment, 2008 sales rose 30.5% to just over \$13 million, the company says.

The retailer also reports a 24.1% increase in orders, a 31% increase in web site

visitors and a 7% decrease in abandoned shopping carts.

The growth came partly as a result of a plan to counteract the economic downturn, says Valerie Holstein, co-founder and CEO.

"When forecasting for 2008, we made a conscious decision to grow our company faster than the economy would shrink," she says. "Toward this end, we actively grew our business in a number of important areas. In addition to ramping up staffing for web design, content creation and inventory growth, we also found new and effective places to advertise, expanded our sales outlet and physical warehouse space to 10,000 square feet, and enhanced our mission-critical product pages and site search capabilities." ○

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realized its sharpest growth in online sales last year, as sales climbed 84.3% to \$12.19 million from \$6.62 million. U.S. online sales grew 43.3% to \$25.48 million from \$17.78 million, and web sales in Canada grew 69.5% to \$1.7 million from \$1 million.

E-commerce sales at footwear manufacturer Skechers USA Inc. increased 13.4% in 2008 to \$18.1 million from \$15.9 million in 2007, an increase of \$2.2 million, the company reported in its 10K filing with the Securities and Exchange Commission. Web sales accounted for 1% of total sales in 2008, the same as in 2007.

Total 2008 sales for Skechers increased 3% to \$1.44 billion from \$1.39 billion in 2007. But the increase in total sales came solely from the opening of 32 stores. Comparable