



GLOBAL FASHION BRAND DEFACTO PLANS SIGNIFICANT GROWTH INTO THE EUROPEAN MARKET WITH NEW FRANCHISE MODEL

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Global fashion brand DeFacto records rapid growth in 2022, now operating 500 stores in 5 continents and e-commerce channels in 93 countries—including 12 European countries.

Global fashion brand DeFacto, which is based in Türkiye, announced its intent to continue expanding its network of 34 franchise stores in 13 countries—boosting its investment growth further in the process. Taking strategic steps in line with globalization targets and its vision of “Accessible Fashion”, DeFacto aims to offer its customers luxury at competitive prices, expanding rapidly with the mission to operate in 180 countries by 2027.

DeFacto currently operates more than 500 stores on 5 continents and e-commerce channels in 93 countries—including in 12 European countries. In line with its plans for rapid expansion, the brand has been making significant investments in its “new generation” franchise model in recent years. By 2027 DeFacto aims to operate in a total of 180 countries globally. In their journey so far, DeFacto’s key strategy is its one[1]stop-shop approach: Dynamic merchandise offering that serves the whole family with a diverse product mix.

“New generation” franchise model

As part of the new generation franchise model it has developed, DeFacto aims to provide franchisees with a turnkey retail experience: working as a visionary partner in terms of financial and commercial background. In implementing a franchise process that is managed end-to-end from project process to sales, DeFacto aims to grow its franchise channel by 300% in 3 years.

The most basic feature of this model, which differentiates DeFacto from the rest of the sector, is the seamless integration of franchises into its corporate structure; an approach inspired by the integrated experience it offers across its other channels. As part of this new generation franchise model, all processes associated with franchising will fall under DeFacto’s framework of 360-degree operational excellence—to ensure a consistent, quality shopping experience across the franchises globally. At the core of this strategy is DeFacto’s active involvement in the end-to-end franchising process, from finding the space and construction, to product selection, planning, pricing, and operational efficiency processes. In providing this support and collaboration, DeFacto aims to progress with its business partners, with the opportunities for mutual learning and optimisation at every stage. Ultimately, DeFacto sees this as a chance for its franchises to operate in accordance with the DNA of its brand—and for its business partners to grow in a fast, profitable and reliable manner.

Serdar Ersoy, DeFacto General Manager (Alternative Sales Channel & Business Development) commented, “We are aiming to double our growth rate globally, through both our own investments and our franchise partners. Expansion and franchise by DeFacto aims to help these businesses function as though they are a standalone company; managed with its own dynamism. We have designed this franchise model which is informed by our own experience, instead of implementing the wholesale model adopted by the world in general.”

DeFacto: Building a technology company and fashion brand

Alongside customer service DeFacto also continues to strengthen its omnichannel infrastructure and develop software that leads the transformation of the retail industry with DeFacto Technology—and its developer team of more than 300 people. Among the most exciting recent innovations by the company is DFPOS (DeFacto Point of Sale), the “Android POS” project, which is one of the first of its kind to be implemented in the retail sector, facilitating a seamless shopping experience for the customer by enabling mobile, omnichannel supported payment and return transactions at every point of the store.

Ersoy explained the thinking behind this development: “Our investments in technology continue to make our customers’ shopping journey faster and easier. We share the technology we have developed both within our organization and with our franchises, which are our business partners. The most important of these studies is our DFPOS application, which prevents queues in front of the cash register by offering the opportunity to make payments at any point in the store.”

Ersoy will participate in this year’s MAPIC 2022 conference, alongside leaders from the European and global retail-real estate sector, discussing the company’s exciting future—and its ongoing innovations in customer experience at a specialised technology panel discussion “Taking the customer experience to the next level” on Tuesday, November 29th at 14:30 at the MAPIC Innovation Forum.