

RETAIL

Consumers seeing more value in pre-owned luxury: Reebonz CEO

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Image source Reebonz

By SARAH JONES

In addition to providing an entry point to aspirational consumers, luxury resale is finding a market among more traditional buyers.

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Singapore-based retailer Reebonz caters to affluent consumers' increasing acceptance of secondhand goods, providing a comprehensive platform that delivers both new and used designer merchandise from brands such as Balenciaga, Prada and Fendi. Highly coveted handbag and jewelry pieces have been fetching record prices through ecommerce sales and auctions, reflecting consumers' desire to collect.

"It's evident that consumers are increasingly overlooking the distinction between brand new and pre-owned products," said Samuel Lim, CEO of **Reebonz**. "They are no longer buying into novelty but also true luxury as they become savvier with research, it is the intrinsic value and exclusivity of a luxury piece that they are after."



Samuel Lim

In a Q&A with Luxury Daily, Mr. Lim talks about omnichannel retail, trends in luxury resale and the changing attitudes of luxury consumers.

Here is the dialogue:

What led you and your co-founders to launch Reebonz?

In 2009, Reebonz started as an ecommerce platform in Singapore for customers to purchase luxury in the digital space. The brand was conceived based on two key industry trends: ecommerce was starting to take off in Asia Pacific but there was no clear leader in the industry and the global financial crisis meant that companies were dealing with overstock and were looking to liquidate inventory.

Reebonz was founded with the vision of making luxury accessible, and today we have become the number one online retailer in Southeast Asia, shipping to more than 20 countries globally and carrying more than 130,000 SKUs from over 500 brands.

How did your experience at your previous startups translate to this venture?

We saw a rising trend in luxury consumption in Asia and saw that consumers access luxury products at some point in time. We wanted to be the go-to site with the widest range of luxury items and the brand that consumers could relate to and purchase from whenever they wanted to access luxury items.

We wanted to create an avenue for people to shop conveniently through a single trusted platform, and that's when we decided to create Reebonz, a play on the word 'Ribbons', which is usually associated with unwrapping a surprise or a gift. We wanted to create something that would generate that same feeling of excitement when our consumers purchased from our site.

Over the past few years, how have you noticed consumer behavior shifting when it comes to secondhand luxury? Who is the resale client today?

A new age of affluence and an evolving luxury ecosystem is changing perceptions towards pre-owned luxury.

In the recent publication of our very own Asia Luxury Index, we have seen that pre-owned luxury saw a 30 percent year-on-year sales growth. Celebrity and social media style icons have paved the way for consumers to start seeing the value in pre-owned luxury items with adopting one-of-a-kind vintage designer pieces in their style mix.

The resale client can belong to the segment of shoppers who want to be more pragmatic or value-conscious in their expenditure on luxury brands or they can come from that segment that seeks to own a coveted piece of rare, limited-edition vintage pre-owned accessory to define their lifestyle choice.



Image courtesy of Reebonz

What is the importance of customer service, even when retailing accessible luxury?

We believe that customer service plays a big part of the brand experience and we have created a personalized approach in every single customer service interaction be it offline or online - through our dedicated Member Relations team and our Relationship Managers who arrange for private viewings allowing our customers to view higher-end products before making their purchase. Their core understanding of the brand and their service backed by our quick delivery turnaround, replying to our customers through email and calls and social engagement are ways that we connect with our customers creating brand loyalty.

Even though Reebonz started as a pure-play digital retailer, you have expanded into physical retail spaces. As luxury ecommerce picks up, what role do you see bricks-and-mortar environments playing?

Bricks-and-mortar is a natural extension of a brand's omnichannel strategy. It provides us with the opportunity to extend our relevance to new consumers and enhance existing relationships with our brand advocates.

In addition, allowing a personal face-to-face product experience does satisfy the needs of buyers who would prefer to have that option before purchase. Having an offline presence definitely boosts our brand awareness and more significantly, solidifies the trust and credibility of the brand.

Having strong, integrated distribution channels across our Web site, mobile apps and offline stores aptly delivers on our promise of making luxury accessible.

What brands are performing particularly well on Reebonz currently? To what do you attribute their popularity? Balenciaga, Saint Laurent, Fendi, Ferragamo and Givenchy are some of the brands that consumers are buying into. Their brand appeal, iconic designs and social media influence have contributed to the rise in their popularity.

Based on what you have seen, do logos still hold appeal, or are consumers moving away from overt branding? Fashion preferences are seen moving away from overt branding to emulating subtle yet well-defined symbols of luxury evident in minimalist designs, clean hardware and fine craftsmanship.



Image source Reebonz

With marketplaces like eBay starting to offer authentication of luxury goods, do you consider them a threat to luxury resale specialists such as Reebonz? How do you intend to maintain your differentiation from more mass channels? Our in-house ateliers have years of experience authenticating a wide range of pre-owned luxury products from bags, jewelry to timepieces.

Our C2C Closets app allow customers to buy and sell their pre-owned items conveniently while our White Glove Service, a premium concierge service that includes pick-up, valuation, refurbishing and delivery aims to make the process of selling your pre-owned luxury hassle-free.

As all the pre-owned items sold are authenticated, our luxury ecosystem is a one-stop shopping destination for our customers making luxury accessible at every point of their luxury consumption journey.

What is next for Reebonz? Where is the company headed in the next few years?

We will continue to expand our business in countries such as North America, China and the UK. To build upon our widest range of luxury, we will continue growing our marketplace strategy, opening up luxury collections of individual sellers and international fashion boutiques on our platforms.