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RETAIL

## Fashion subscription boxes are on the rise, could luxury follow suit?

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Stitch Fix was one of the top ten online apparel retailers last year. Image credit: Stitch Fix

By DANNY PARISI

Starting with the success of Birchbox, subscription boxes have become increasingly popular over the last few years, but it is yet to be seen if this retail model can translate to high-fashion.



A look at the current landscape seems to suggest so, with a large number of fashion-oriented subscription boxes popping up at a variety of price points. Stitch Fix, one such fashion subscription service, was one of the top 10 retailers for online apparel sales last year, according to NPD.

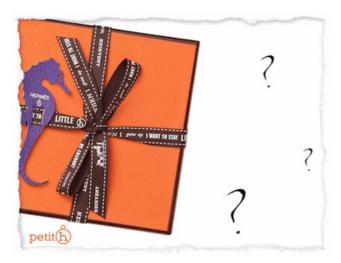
## Subscription services

Subscription boxes are appealing for a number of easily visible reasons. They give customers the option to have a curated selection of items delivered to their door each month without having to go through the process of selecting and purchasing those items individually.

Many subscription boxes also offer the option to return unwanted items, offering even more utility to customers.

In the past few years, more of these subscription services have been popping up in the apparel sector.

The aforementioned Nordstrom-owned Trunk Club is one of the most popular forms of online apparel shopping in the industry, and others such as Fabletics and Golden Tote have been bringing in huge numbers of customers each quarter.



Petit h surprise box. Image credit: Herms

According to a survey from NPD, 15 percent of consumers have used a subscription box and another 15 percent are planning to in the future, putting the total average awareness of and intent to use subscription boxes at around a third of all consumers, representing a major share of the market.

This industry is continuing to be complicated by the addition of Amazon, which historically has disrupted nearly every new category that it enters, with Prime Wardrobe (see story).

Membership in fashion subscription boxes is growing. Stitch Fix, Trunk Club, and Le Tote subscription membership went up by 5 percent and average annual spend per purchase increased to \$170 for each, according to NPD.

## Fashion box

In terms of luxury, a number of brands have already begun experimenting with the subscription box model.

British retailer Selfridges teamed with subscription sample service Birchbox to create a limited-edition beauty box. Selfridges announced the launch of its partnership with BirchboxUK over social media as a way to spread awareness for the beauty box among established and aspirational consumers (see story).

Similarly, Opulent Jewelers, a dealer in brand name estate and vintage jewelry with a specification in high-end pieces, offers a quarterly subscription box, Opulent. This service features jewelry from Cartier and Chopard, among others (see story).



Selfridges x Birchbox. Image credit: Selfridges

Nordstrom is one retailer that bet early on the subscription box model when it acquired Trunk Club in 2014 (see story).

Herms is another player in the luxury industry, which recently experimented with a subscription-box-like service that

was available for a limited time.

The monthly offer was available with three price tiers. The PM box for \$240, suitable for both genders, a MM box best suited for women with a price of \$440 and the GM option, available for \$580 and best for female consumers (see story).

While this was only a brief experiment with subscription boxes, Herms and other luxury brands are likely to continue adopting more subscription-like models as the share of the apparel market, and especially online apparel sales, increasingly moves towards subscription boxes.

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