

APPAREL AND ACCESSORIES

Luxury Shoe Club looks to simplify secondhand sales

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Luxury Shoe Club is looking to change fashion resale. Image courtesy of Luxury Shoe Club

By SARAH JONES

Fashion platform Luxury Shoe Club is aiming to change the way women buy and sell secondhand footwear through a trading system.

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Luxury Shoe Club is a membership-based trading platform where women can swap gently used shoes with others. Secondhand shoe sales are on the rise, and LSC saw an opening to make the exchange of pre-owned footwear easier and more worthwhile.

"After talking with hundreds of shoe-loving women over the last couple of years, it became apparent to us that the current way to buy and sell pre-owned designer shoes was broken," said Scott Van Valkenburgh, CEO and co-founder of **Luxury Shoe Club**, Raleigh, NC. "Shoe-loving women are still confronted with the common, everyday struggles around buying, selling and caring for their shoes.

"When you see how much it costs to sell your shoes on consignment sites like The RealReal and the pain and the time and hassle of eBay and Craigslist, we wondered why women who have the same shoe size couldn't just trade the shoes they no longer wear with each other," he said. "And with this, the idea to create the Luxury Shoe Club membership approach and trading platform was born."

Stepping up

Propelled by rising demand and prices for designer footwear, the secondhand market for high-end shoes has also grown. Today, pre-owned luxury shoes are an \$800 million business.

Many women have unworn shoes sitting in their closets, which are estimated to total around \$1 billion. Luxury Shoe Club was founded in response to the need for an easier way to get rid of unwanted footwear.



Luxury Shoe Club wants to change secondhand selling. Image courtesy of Luxury Shoe Club

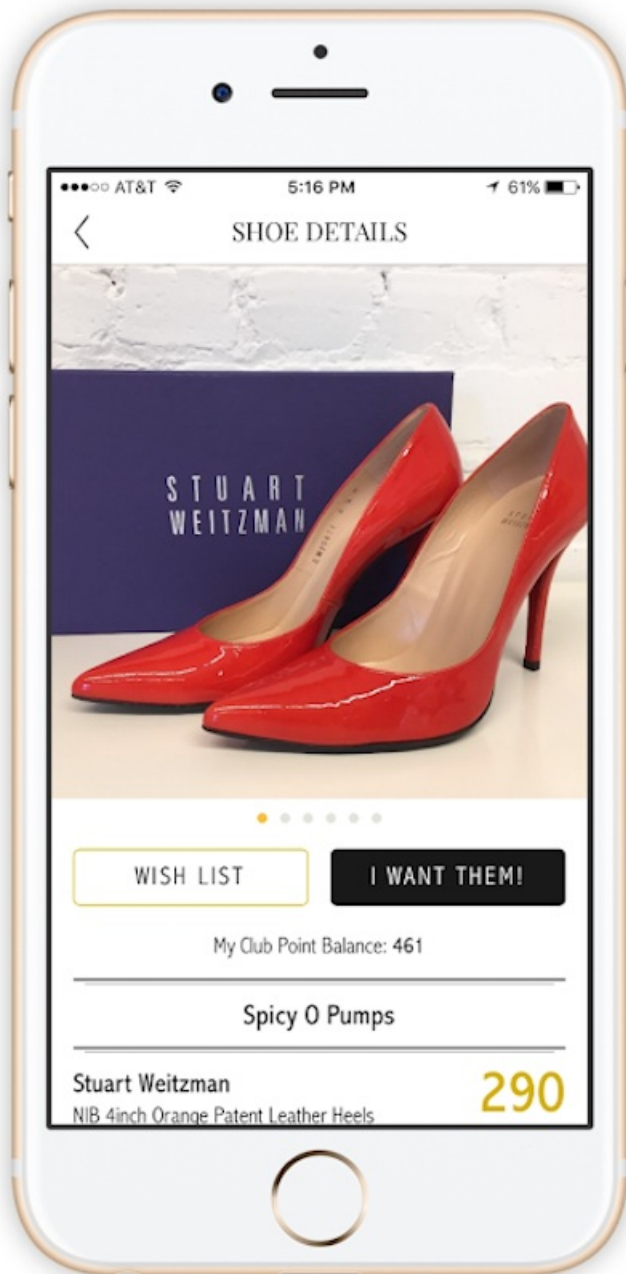
Rather than using money, the trading platform pays users in points, with each point equal to \$1.

As soon as shoes are listed via LSC's iPhone application, the platform determines the footwear's resale value and gives the owner 50 percent of the amount in points. Once the shoes are sold, the seller gets the full price in points.

This is different from consignment, which typically charges a fee to the seller, which can be upwards of 40 percent of the resale value. Consignors also often get paid after an item sells, rather than up front.

"The beauty of this model is Club Members immediately earn points to shop other members' shoes closets without having to wait until their shoes sell," Mr. Van Valkenburgh said. "For women who love shoes, who have beautiful shoes they no longer wear just sitting in their closet, who want new looks and styles at a fraction of the cost, Luxury Shoe Club is the only place to go."

The application-based platform is also social, allowing women to connect with each other over a shared love of shoes.



Luxury Shoe Club is officially launching its app this month. Image courtesy of Luxury Shoe Club

LSC works around a tiered membership, offering users perks for an annual fee that ranges from \$49 to \$149. These include money off shoe repair, free shipping and discounts when buying with points.

"With great features like personalized shopping, express shipping, free shipping boxes, at home pickup and a seven-day return policy, shopping and selling pre-owned luxury shoes has never been easier," Mr. Van Valkenburgh said. "We basically took all the things we hated about buying and selling shoes like getting shipping boxes, dropping packages off, listing shoes for sale and dealing with returns, etc. and changed it to make it crazy simple and easy to do.

"As a bonus, we even provide members home pickup and delivery anywhere in the U.S. for polishing and repair of their shoe investments with the world's best cobbler," he said. "We're only one of two cobblers certified by Christian Louboutin in the U.S."

Each membership also gives back, with a portion of the fee going to women in need.

After beta testing its iPhone app since February, LSC is officially launching its platform this month. For a limited time, memberships will be available for free with shoe listings.

Secondhand sales

Pre-owned typically brings to mind advertisements for used cars, but owning something secondhand goes far beyond the automotive industry among luxury brands.

Every industry from watches and jewelry to clothing and handbags has some sort of secondhand market for luxury items, but in this trade, questions arise surrounding the authenticity of the products and the price for a pre-owned item. The increase in the secondhand market since the recession 10 years ago has left a lasting trend in the luxury world that sparks the attention of luxury brands and their consumers ([see story](#)).

Consumers are adjusting their perspective on ownership, leading to the rise of alternatives to traditional purchasing in the fashion and beauty categories.

According to a webinar from Euromonitor, titled "The New Consumerism: Impact on Beauty and Fashion Industries," the convergence of consumers' thriftiness and desire for sustainability is creating new models for consumption, such as rentals and secondhand marketplaces. Rather than the former lifespan of a garment or cosmetic, in which the consumer bought a new item from the brand itself or a retailer and then disposed of it, today's products are taken on a less wasteful path ([see story](#)).

Online marketplace The RealReal's fastest-growing market segment for the first half of 2017 was not millennials, but the coming-of-age Gen Z demographic who are outpacing their elder counterparts' sales by 35 percent. According to The RealReal, the Gen Z consumer is an early adopter of consignment and the "lifecycle of luxury," preferring secondhand Chanel, Herms and Louis Vuitton goods, making the resale market an opportunity for brand discovery ([see story](#)).

"Women really now appreciate and see value in pre-owned luxury," Mr. Van Valkenburgh said. "With the last five to 10 years of where there has been such an increase in consumption of luxury goods, there is an over-abundance of new-in-box and gently loved items available sitting in women's closets."

"Now with trading platforms like Luxury Shoe Club, it's never been easier to think about different ownership models and preventing landfills from filling up," he said. "As for the future, we have plans to expand in new areas and plan to launch Luxury Bag Club and Luxury Watch Club in the future."