

APPAREL AND ACCESSORIES

Tamara Mellon plans brand investments after \$50M Series C

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Leave Him On Red debuts on Instagram TV. Image credit: Tamara Mellon

By STAFF REPORTS

Footwear and accessories label Tamara Mellon is looking to expand its workforce and retail presence after closing a \$50 million Series C funding round.

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Since its relaunch in 2016, led by cofounders Tamara Mellon and CEO Jill Layfield, the direct-to-consumer brand has taken a differentiated approach towards luxury, seeking to make high-end shoes more accessible. This strategy appears to be working, with the brand posting triple-digit growth in 2018.

Rethinking luxury

This latest funding round was led by Centricus, a London-based investment firm that has a minority stake in fashion label Hussein Chalayan. Other investors included NEA and Quadrille Capital.

Following this latest investment, the company has raised a total \$87 million in capital.

"Tamara and I are thrilled to have Centricus join our impressive group of investors," Ms. Layfield said in a statement. "They are a smart and thoughtful team with an incredibly important global perspective.

"We are also very grateful to our customers and employees who have been with us for an amazing two-and-a-half years, and can't wait for what comes next," she said.

Tamara Mellon's sales grew 136 percent in 2018, with about a third of its total sales coming from repeat buyers.

Digital is a key channel for the primarily ecommerce-driven business, and mobile traffic grew 80 percent year-over-year in 2018.

This digital focus also extends to customer service. Tamara Mellon uses Apple Business Chat, which enables associates to speak with consumers directly via iMessages, providing high-touch attention in a digital format.

Last year, Tamara Mellon expanded into bricks-and-mortar with the opening of a store in Los Angeles, fueled by its \$24 million Series B ([see story](#)). Taking an alternative approach for a shoe store, the footwear is displayed in fixtures

resembling an individuals' closet.

Earlier this year, the brand also grew its categories with sneakers and handbags.



Tamara Mellon first teased its rebranding before launching. Image credit: Tamara Mellon

Tamara Mellon also aims to undermine the idea that luxury must be exclusive with an installment plan that lets lower-income customers afford luxury goods by paying for them over time. The move is part of a larger effort from Tamara Mellon to take luxury "out of the ivory tower" and make it into something that anyone can aspire to ([see story](#)).

With this new funding, Tamara Mellon plans to grow from 40 employees to 60 this year. It will also put funding towards material innovation and retail expansion.

"We are pleased to be supporting Tamara, Jill and their exceptional team at this crucial stage of Tamara Mellon brand's development," said Nizar Al-Bassam, cofounder of Centricus, in a statement. "The personal luxury market has attractive fundamentals and is ripe for disruption, driven by millennial preferences for engagement with brands and access to products.

"Centricus has made a number of recent investments in the luxury space, and we see an exciting opportunity to support Tamara Mellon Brand in further developing the brand, channel and product strategy that harnesses insights from data science to unlock the brand's significant growth potential," he said.

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