

RETAIL

Vestiaire Collective president Fanny Moizant: “Building trust is the key to our success”

October 28, 2019



Fanny Moizant is cofounder/president of Vestiaire Collective

By **Limei Hoang**

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There has never been a better time to be at the helm of a pre-owned fashion company.

Interest in secondhand luxury goods is at an all-time high, thanks to shift in consumer values towards sustainability and the growing use technology and social media, companies such as **Vestiaire Collective** have grown its business into a leading global platform that now serves a community of nine million members.

For cofounder/president Fanny Moizant, the journey of Vestiaire Collective has always been entwined with the use of digital in every aspect of the business. From product curation to customer interaction and user participation, digital has been a key component to helping the company understand its customers and demands better.

"We knew right from the beginning that the launch of Vestiaire Collective in 2009 would answer to the needs of digital," she told Luxury Society in an interview. "There was no doubt in our minds. We wanted to tap into the convenience of being able to buy or sell from anywhere in the world, at any time and gather a global audience of fashion addicts."

Personalization is also key to Vestiaire Collective's success, said Ms. Moizant, who ensures her users are able to customize their experience on the platform, with the use of filters and alerts to save them time and ensure customers are only receiving the information they want.

"Digital answers to the consumers' lack of time and addresses our desires to shop within an environment that is 100 percent tailor made. It also helps us learn about their preferences, share similar products and ultimately help them hunt for the treasure they have been looking for."

The pre-owned luxury market is estimated to be worth around 22 billion (\$24.5 billion), accounting for around 7 percent of the total luxury market and is growing at four times the pace of overall luxury demand, according to report by Altagamma and Bain for the Fondazione Altagamma that was published in January.

Growing interest in the sector has meant there has been a flurry of financial activity surrounding companies such as Vestiaire Collective and its peers as seen with the initial public offering of [The RealReal](#) in June, U.S. department store [Neiman Marcus](#) purchasing a minority stake in [Fashionphile](#) in April and further funding being raised for Vestiaire Collective.

In June, Vestiaire Collective completed a 40 million round of financing that it said would be used to grow its presence in its existing markets in Asia in Hong Kong and Singapore as well as explore new markets such as China and Southeast Asia. It also plans to use the funds to improve its platform capabilities so that it can provide a more seamless user experience for its buyers and seller.

"We recently rolled out a seller rating system in support of our direct shipping service currently available in Europe only where products under 200 euros from trusted and expert sellers can be shipped directly to buyers, which means cheaper, faster and ultimately more efficient service with a reduced carbon footprint," Ms. Moizant said.

While the company, which sells clothing, bags and accessories from brands such as [Louis Vuitton](#), [Dior](#) and [Prada](#), could not comment on its revenue, it was able to disclose that its orders have increased by 57 percent year on year and that orders from its Asia-Pacific region had recorded similar numbers of growth of 54 percent year on year.

Some of the biggest challenges that the company faces, particularly in its new markets, are brand awareness and eliminating the stigma associated with buying second-hand, Ms. Moizant noted.

"This is why we focus on educating consumers to change their mindset and promote a circular lifestyle," she said.

"Building trust with our customers is the most important [factor], in both established and new markets. We do so by carrying out vigorous authentication and quality control methods, as well as having a seller rating system."

Interestingly, demand for pre-owned items is mostly being driven by its European markets such as France and Germany.

"Pre-loved fashion is more of an established concept in these countries so they are in the habit of regularly purchasing from Vestiaire Collective," Ms. Moizant said.

"In Asia Pacific, Hong Kong is a market with huge supply," she said. "Our VIP consignment services here is very popular and we often see brand new items come through our doors from VIP customers, many of them are bags in pristine condition or clothing that has never been worn, still the original tag from time of purchase."

At a time when issues like sustainability are at the forefront of consumers' minds, Ms. Moizant hopes to help educate consumers about the benefits of resale as a form of practicing circular fashion.

"Sustainability and circular fashion are buzz words these days and resale is one of the easiest ways to support a circular economy," Ms. Moizant said.

"The fashion industry is changing rapidly with the explosion of social media," she said.

"It is now dictating fashion trends and popularity and has led to the growth of cult must-have items. Micro bloggers with extremely targeted positionings and unique audiences have triggered the move from exclusivity to inclusivity in fashion," she said.

"We are therefore putting greater marketing efforts in social media, where the younger generation has been voicing out a lot more about sustainability and ethical issues. Our aim is to educate consumers."

Looking back, Ms. Moizant believes that the biggest influences on the business have been technology and social media.

"Ten years ago, social commerce did not exist," Ms. Moizant said.

"Now the luxury market is easily influenced by social media, an influencer posting a bag they're looking for and tagging a brand can instantly generate traction and drive further awareness and traffic," she said.

"Technology has made information more immediate and readily accessible to everyone. It has opened up new ways for luxury brands to communicate to their customers. Especially social media platforms, which include video content such as [YouTube](#) and Instagram TV."

While the platform has always existed in the online area, Vestiaire Collective is experimenting with physical retail space as part of its omnichannel offering, launching a global series of retailer partnerships.

Earlier this year, it partnered with multibrand retailer **JOYCE** in Hong Kong to feature an in-store pop-up where customers could drop off their pre-owned items to be sold on Vestiaire Collective in exchange for store credits.

The company followed this with a sustainable fashion pop-up in Milan in collaboration with **Eco-Age** and **Camera Nazionale della Moda**, an in-store exhibition, currently on show at Parisian department store **Le Bon March** until Oct. 31, and a year-long partnership with British luxury department store **Selfridges** commencing on Oct. 30.

"The series of partnerships fully conveys the digital world of Vestiaire Collective within a physical environment and we will continue to explore new opportunities with retailers," Ms. Moizant said.

AS RESALE GAINS in popularity, Ms. Moizant expects to see further collaboration between platforms such as Vestiaire Collective and luxury brands.

"While resale can present a challenge to brand who may still want to control their brand perception, the fact that pieces are being resold after decades is a testament to product quality and value," Ms. Moizant said. "They could also attract potential customers if you get someone who can't qualify for those original purchases yet.

"They're becoming fans of your brand, maybe at a different age or stage than they would have normally," she said.

"With the likes of **Stella McCartney**'s sustainable partnership with The RealReal and the launch of a handbag resale service at **Farfetch**, we expect to see more luxury brands tapping into the resale market as they see that the relationship could be mutually beneficial rather than being in direct competition."

*Limei Hoang is an editor with **Luxury Society**, Geneva, Switzerland.*

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