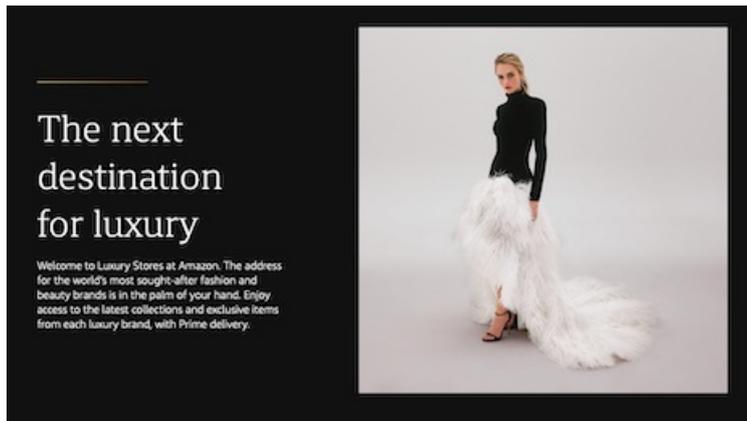


RETAIL

Amazon announces luxury platform in latest push for fashion-forward affluents

September 16, 2020



Amazon's Luxury Stores is launching with Oscar de la Renta to select Prime customers. Image credit: Amazon

By SARAH RAMIREZ

Ecommerce giant Amazon has launched its luxury outpost, as it makes another bid to become a trusted destination for high-end shoppers as online shopping thrives in a post-COVID world.

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Luxury Stores is now available by invitation-only to select Prime subscribers in the United States, creating a sense of exclusivity although there are more than 150 million Prime members. Luxury label Oscar de la Renta is the platform's launch partner, with more brands debuting in the coming weeks and months.

"There's a huge difference between Amazon Luxury Stores and other ecommerce platforms, as Amazon is a daily essential habit and addiction for online shoppers," said Christopher Parr, luxury consultant and editor for [Pursuitist.com](#). "High-end fashion is now at their fingertips with Amazon Luxury Shops, and it is one less place, one less site to shop at."

Luxury Stores

With Luxury Stores, Amazon will empower brands to independently manage their own inventory, selection and pricing. The ecommerce platform will provide brands with merchandising technology to personalize content and engage consumers with features such as "View in 360," auto-play imagery and in-motion graphics.

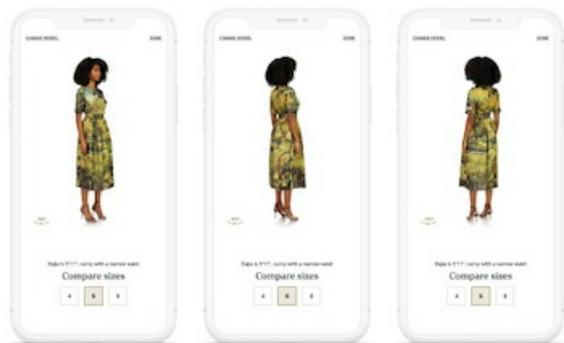
"A lot of people's relationship with Amazon was based on the products it sold, however, during 2020 and the pandemic, it has grown to be a trusted brand that plays an increasingly vital role consumer's lives," said Alasdair Lennox, executive creative director at [Fitch](#), a retail consultancy. "Amazon's luxury model allows the brands complete autonomy.

"They directly manage the presentation and selection process; whilst other third-party platforms tend to curate based on their own data," he said. "This is an online concession arrangement which empowers the brand to reflect its key values and trends for the season, whilst gaining access to audiences on a scale that up to now they could only dream of."

Oscar de la Renta's Luxury Stores offerings include select ready-to-wear, a new perfume and early access to the

fall/winter 2020 collection.

With smartphone shopping showing strong growth, Luxury Stores is currently only available through Amazon's mobile application. According to the company, Amazon shoppers ordered more than one billion fashion products on mobile devices in the last 12 months.



Amazon is giving luxury brands access to its ecommerce technology. Image credit: Amazon

Through the app, shoppers can use Amazon's "View in 360" technology to see a full-circle view of a garment's details and better visualize fit. The online retailer already uses augmented reality features for millions of products, allowing consumers to digitally see how particular items fit into their homes.

"With Amazon's store within a store' experience, shoppers can get up close and personal with leading fashion brands, from the comfort of their smartphone," Mr. Parr said. "With brand videos, stories, and exclusive access it's a safe and accessible experience."

Amazon's suite of technological capabilities makes it a worthwhile partner for luxury brands.

"Partnering with Amazon is a brilliant direction for luxury brands, due Amazon's scale, convenience and reach," Mr. Parr said. "Amazon Prime has 112 million customers in the U.S., and that number continues to grow."

"Even before the coronavirus pandemic, retail was dying," he said. "Luxury brands need to be where the customers are at and need to make the shopping experience exceptionally easy."

The magic of conveniently shopping luxury on Amazon is at the heart of a new video announcing the launch.

Amazon goes luxe with Cara Delevingne and Oscar de la Renta

A collaboration between Amazon and Oscar de la Renta, the short was directed by Bunny Kinney and stars model Cara Delevingne. The whimsical film begins with Ms. Delevingne browsing the Amazon app and then follows as she imagines herself wearing different dresses from Oscar de la Renta.

The glamorous and whimsical video hints at how the Luxury Stores may differ from the typical Amazon customer experience.

"As purchases are sold directly from the luxury brands, all purchases are guaranteed to be authentic," Mr. Parr said. "With peace of mind, it's a smart move for luxury fashions brands to establish their footprint within Amazon's luxury platform."

"Additionally, Luxury Stores purchases are made separately from other Amazon purchases," he said. "It is an exceptional direct and exclusive experience between the customer and the luxury brand."

Luxe opportunity

Amazon's move to luxury fashion has long been expected. Historically, however, Amazon has struggled to attract luxury brands due to a range of concerns, including counterfeit issues and a heavily promotional environment.

"A lot of people's relationship with Amazon was based on the products it sold," Fitch's Mr. Lennox said. "However, during 2020 and the pandemic, it has grown to be a trusted brand that plays an increasingly vital role consumers' lives."

In January, *Women's Wear Daily* reported that Amazon would finally debut a luxury platform in the U.S. during the first half of this year with a concession model that will give labels more control over the look and feel of the

shopping experience, including pricing ([see story](#)).

At the time, it was hard to predict the coronavirus pandemic would delay the launch into the fall. Now, as physical stores continue to struggle due to the coronavirus pandemic, it may be an optimal time for Amazon to strike.

The high-end department stores luxury brands have relied on in the past have not been immune to financial hardships.

In the last 18 months, Barneys, Neiman Marcus Group and Lord & Taylor have all filed for bankruptcy.

"The luxury world has, in the past, put the emphasis on upscale store environments, exclusive clubs and restricted access," said Mr. Lennox. "Recent global developments changed this overnight and luxury category has been struggling to adapt."

Online luxury platforms, such as Farfetch, Moda Operandi and Net-A-Porter, have significant but fragmented affluent audiences that pale in size to Amazon's. Those brands also do not have the same technological and fulfillment capabilities as Amazon.

"Amazon already had an unbeatably sophisticated delivery and returns process, easy access to their platforms," Mr. Lennox said. "Instead, the biggest challenge will be applying a luxury interface onto a mass market platform.

"This will need to feel like a very different experience than the standard Prime shopping journey, but with the same ease of delivery."

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