

RETAIL

Early access is the way to capture impatient luxury consumers

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Farfetch has partnered with 10 brands for the launch of its new pre-order program. Image credit: Shutterstock

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With consumers becoming accustomed to the speed and convenience of ecommerce, near-instant gratification is becoming as much a selling point for luxury as it is for the entertainment industry. This is particularly true in China, where affluent consumers are willing to pay a premium to get what they want before the general public.

The broad potential of paid early access in China has been validated by the success of streaming platforms such as iQiyi and Tencent Video with the format.

In February 2020, as COVID-19 began to spread through mainland China, both iQiyi and Tencent Video released the studio film *Enter the Fat Dragon* () online as theaters were shuttered, making the movie **available** as part of their transactional video on-demand services for paid subscribers. In the first three days alone, Tencent Video reported that the film generated some 63 million paid views.

iQiyi, which currently has **106 million** paid users, said at the time that it expected paid early-access video "to serve as a healthy development model for the film sector, under the basis that platforms can attract more users by providing high-quality content."

With the global spread of the pandemic came similar pre-order and early-access models in other markets, with Disney+ **rolling out** its Premier Access program, which gives Disney+ subscribers early streaming access to a movie still playing in theaters for **an extra \$30** one-time fee.

But it is not just filmmakers and streaming video services that are rushing to meet consumer demand for advance access. Increasingly, ecommerce platforms and brands alike are experimenting by way of new pre-order programs aimed at affluent and impatient shoppers globally.

Recently, Farfetch **teamed up** with an initial roster of 10 brands, including Balenciaga, Palm Angels and Off-White, to offer a new **pre-order** program.

The move could help Farfetch stand out in a crowded luxury ecommerce market and very well could prove just as popular if not more so in convenience-obsessed China.

According to Farfetch, the program will see buyers receive their items four weeks after appear on the retailer's Web site, and will also help brands manage inventory and minimize waste, tying into the [sustainability trend](#).

Other brands have rolled out pre-order programs as a way to combat the gray market and minimize consumer distaste for "drop" culture, which often sees professional resellers and bots gain the upper hand over a brand's most loyal consumers when new products hit the market.

In August 2020, New York-based Telfar launched its "[Bag Security Program](#)," which gave buyers the ability to make custom pre-order and guaranteed delivery within a few months. As Telfar put it, "letting you get what you want, without the stress." [Moda Operandi](#) and [Kitri](#) are among the others that have rolled out similar programs in the past.

As in streaming video, where early access gives a competitive advantage, offering new collections to VIPs and VICs (very important customers) before they are released to the public is a way for luxury brands to drive sales among convenience-minded consumers. This is a strategy employed not only by retailers and brands, but increasingly by auction houses as well.

The Sotheby's "[Buy Now](#)" platform, which gives consumers access to [authenticated](#) secondhand luxury items without the uncertainties associated with bidding, has proven successful at attracting new consumers in established as well as emerging markets.

In *Jing Daily's* recent report [Chinese Cultural Consumers: The Future of Luxury](#), Cynthia Houlton, vice president and global head of fashion and accessories at Sotheby's, told us that "Buy Now is definitely a source of new customers for Sotheby's, with more than 50 percent of the Buy Now channel buyers being first time Sotheby's customers."

The auction house is currently expanding its Hong Kong-based fashion team to "better understand the demand for luxury fashion in China and how to best position for the growing Chinese Cultural Consumers," Houlton added.

China's current growing [crackdown](#) on celebrity culture makes it critical for luxury brands to consider new marketing strategies to drive sales, and luxury pre-orders offer a way to motivate consumers to purchase without resorting to discounts or other short-term, "pump-priming" methods.

As the sophisticated and discerning [Chinese Cultural Consumers \(CCCs\)](#) become an increasingly powerful group of shoppers, all brands and retailers now must understand how important convenience and ability to stand out from the pack are to this new generation of luxury consumers.

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