

COMMERCE

American Express lends database for flash-sale partnership

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By RACHEL LAMB

European flash-sale site Vente Privee found a new U.S. partner in American Express, using its high-end email audience to gain insight into the mind of the affluent consumer.

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Luxury Daily

Vente Privee is a members-only flash-sale site similar to the likes of Rue La La and Gilt Groupe that offer discounts on luxury brands for limited amounts of time. American Express sent out an email that alerted its opt-in database of Travel + Leisure readers of the partnership, indicating that these wealthy consumers are likely to enjoy this partnership.

“One thing American Express Publishing offers is insights into the affluent customer,” said Paula Rosenblum, managing partner at [RSR](#), Miami. “The partnership with Vente Privee will help identify buying patterns and affinities for the luxury market, including those who are aspirational to it.

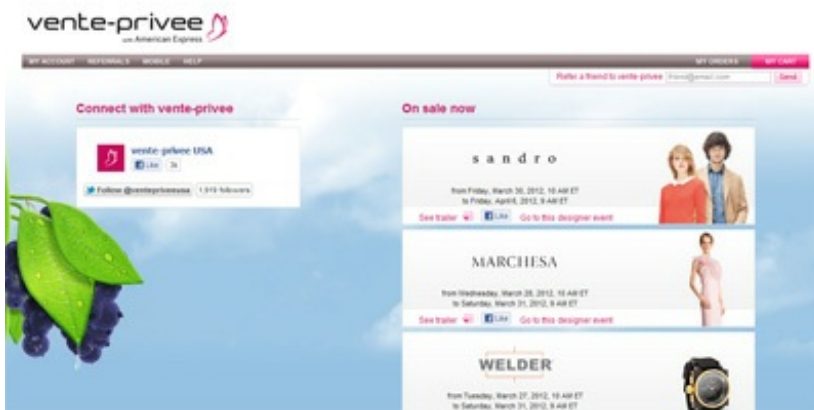
“American Express charges merchants premium prices,” she said. “So being associated with luxury theoretically mitigates that impact, and the fact that it’s growing its database of customer insights only enhances brand value to the merchants it wants to serve.”

Ms. Rosenblum is not affiliated with [American Express](#) or [Vente Privee](#), but agreed to comment as an industry expert.

Female marketing

Current sales on Vente Privee include Sandro, Marchesa, Safavieh and Welder.

The sales are listed in a row on the right-hand side of the Vente Privee site. Consumers can choose to watch a short trailer from the brand, like the sale on Facebook or go to the sale.



Vente Privee homepage

There is also a section of the Web site that hints at upcoming sales and the opportunity to like the site on Facebook.

American Express sent out an email blast of the partnership to an opt-in database for its Travel + Leisure publication.

Travel + Leisure has a mostly-affluent audience, which is probably why the brand chose this particular database.

The headline in the email read “You're invited: Save up to 70% on luxury brands.”



Vente Privee email

Inside, there is a picture of a male and female, meant to attract both genders, and some more information on the partnership.

Furthermore, including the “You’re invited” message hints to the exclusivity of the offering, which affluent consumers always appreciate.

The email includes multiple links and invitations for consumers to sign up as a Vente Privee member.

“Vente Privee is unarguably one of the first pioneers of the high-end online flash-sale business model,” said Courtney Albert, brand consultant and strategist at Parker Avery, Atlanta. “Even though it has been very successful in Europe and has immediate brand recognition there, in the United States it is virtually unknown.

“By having American Express vouch for them in a sense and offer incentives to their credit cardholder base, Vente Privee will have an easier time getting over the credibility factor,” she said. “Additionally, American Express provides a stronger voice for Vente Privee to tell their story or history, which is always important in the luxury goods industry, whether being sold at a discount or not.”

Flash in the pan

The rewards for Vente Privee are obvious, since a partnership with a brand such as American Express means that an opt-in database of affluent consumers are given full access to the site.

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Obviously, affluent consumers do not need to worry about whether or not products are discounted because money is not an option.

However, experts are speculating whether or not this move could dilute the American Express brand.

“Luxury brands that feature their products on these sites always have the chance of diluting their brand in the eyes of the consumer,” Ms. Albert said. “Brands are faced with the decision of what to do with excess stock and are looking for channels to move that inventory.

“However, flash-sale sites provide luxury brands with a somewhat controlled forum – member only access and only available for a brief time, as opposed seeing their brand in a discount store hanging on the same fixture as a low-to-mid tier brand,” she said.

Other luxury brands have dabbled in flash-sales sites while holding on to their luxury status.

For example, department stores Nordstrom and Saks Fifth Avenues have outlet stores Nordstrom Rack and Off-Fifth, but keep affluent stores coming into their full-priced retail locations.

Consumers could really just look at this partnership as a way for them to save money while being backed by a brand that it trusts.

“American Express can win on two levels,” Ms. Albert said. “If the overall partnership is

success by converting more shoppers, they will get an instant return on their investment.

“Secondly, the win is greater if that shopper pulls out his or her American Express card to complete a purchase,” she said.

Final Take

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