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Jaguar picks viral marketing with Gilt flash sale

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By TRICIA CARR

Jaguar North America is partnering with flash-sale site Gilt.com to offer one exclusive package that includes a specially-designed 2013 Jaguar XJL Ultimate, a vacation and a \$2,500 Gilt credit.



The Jaguar sale goes live today at noon Eastern Time and is the most expensive item ever offered on Gilt.com at \$155,875. Though some may argue that offering products on Gilt.com could dilute the Jaguar brand, this tactic seems to be effective in this instance since Jaguar is offering only 30 of the XJL Ultimate models in the U.S. and would not reap the sales benefits from a large-scale campaign.

"The strategy was dictated by the limited number of Jaguar Ultimates available," said Al Ries, chairman of marketing consultancy Ries & Ries, Roswell, GA. "The 30 vehicles for sale will generate less than \$5 million in revenue, so Jaguar could not afford to run an advertising program.

"Furthermore, how would the company allocate the 30 vehicles to its more than 100 dealers?" he said. "The Gilt deal solves this problem, plus it provides publicity for the Jaguar brand.

"The publicity alone is probably worth the effort since most consumers probably do not know that Jaguar sells \$155,000 vehicles."

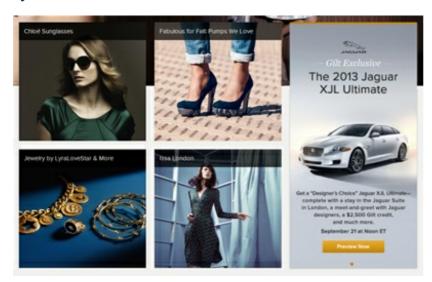
Gilt declined to comment directly on this matter. Jaguar North America did not respond before press deadline.

Fit for a Jaguar driver

The Jaguar package includes a "Designer's Choice" XJL Ultimate model, a three-night trip to London to stay in the one-and-only Jaguar suite and a \$2,500 Gilt credit. The sale is accessible only to Gilt members.

The Designer's Choice model has a "Polaris White" exterior with jet black interior trim.

The XJL Ultimate has features such as lightweight aluminum construction, two iPads and keyboards for use by backseat passengers, a business table that elevates in the backseat at the touch of a button, a chiller box and beverage flutes and a 20-speaker Meridian sound system.



Jaguar flash sale preview on Gilt.com

The buyer will also receive a trip to London for two.

Guests will stay at the Jaguar suite at 51 Buckingham Gate, a Taj hotel. Amenities include private butler service, private dinner made by a Michelin-starred chef, meet-and-greet with Jaguar's Design Team and a bottle of Lanson Champagne.

Flash and it's gone

Luxury marketers seem to use flash sales sites as a marketing channel instead of focusing on the discount. This can prevent brand dilution.

For example, Jaguar's sister brand Land Rover previously partnered with Gilt.com to raise awareness for the new Range Rover Evoque model.

The site offered a package Oct. 3, 2011 that included the "Prestige" Evoque model, a trip for two to the Land Rover Experience Driving School in Britain and a \$5,000 Gilt credit. The price of the package matched the price of the vehicle.

Also, Gilt's travel site Jetsetter offered two U.S. vacation packages that included a two-hour off-road drive at a Land Rover Experience Driving School.

Meanwhile, Magellan Jets partnered with flash-sales site Rue La La earlier this year to offer an exclusive discount on the private aviation company's 25 Hour Jet Cards in an effort to build brand awareness.

For a limited time, consumers could buy 24 hours of private jet service plus a free bonus hour on the brand's midsize, super midsize and large jets.

Though Magellan offered a discount, the price was set so that only true affluent consumers could purchase the vouchers.

For instance, the super midsize jet packages included the Citation X or Citation Sovereign jets for \$191,640 and the Challenger 300 or Gulfstream 200 jets for \$204,000 (see story).

Marketers likely get increased exposure from flash sales to a demographic that is interested in luxury brands.

"There are a lot of very wealthy people who are too busy to shop, so the Jaguar offer might tempt them," Mr. Ries said. "Luxury brands continue to run these types of promotions, which usually indicates that they have been effective."

Final Take

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