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Neiman Marcus, Waterford drive postholiday sales via discount email blasts

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By RACHEL LAMB

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Luxury brands and retailers such as Waterford Wedgwood Royal Doulton, Frette, Kiehl's, Neiman Marcus and Bergdorf Goodman are pioneering the art of cross- and upselling to drive foot traffic through discount email pushes in the post-holiday season.

Significant in-store discounts and free shipping when shopping online are the most prominent luxury brand email blasts. These emails serve not only drive sales but also to cement a brand's value in the mind of luxury consumers.

"Email marketing continues to be a popular option for retailers when it comes to pushing out private or specific sales, especially around the holiday season," said Kathy Grannis, director of media relations at National Retail Federation, Washington, D.C. "The week after Christmas is a very important week for retailers with as much as 10 to 15 percent of their holiday sales coming in that week alone."

Specific promotions

A huge promotion for this year's holiday aftermath is dramatic discounting.

Both retailers and brands such as Neiman Marcus, Tori Burch and Harrods are offering discounts through email basts.



Email blast from Neiman Marcus

Luxury home-goods manufacturer Frette is offering an astounding 70 percent off for a limited time after the holiday season.



Frette's email blast

"Especially this year, brands need to give incentives for consumers to buy products after the holidays," said Milton Pedraza, CEO of The Luxury Institute, New York. "Brands are being expected to discount.

"The best way for a luxury brand to get in contact with its customer base about promotions like this is through email," he said.

Cross- and up-selling

Another promotion is cross- and up-selling. This kind of promotion personalizes sales for a consumer.

For example, if Neiman Marcus notices that a consumer buys a certain brand of suit but has not bought accessories, it will offer limited-time offers on the same brand's shoes or

leather goods.

A promotion such as this allows brands to migrate consumers across all of their products and also draws consumers to retail locations.

"Special pricing offers especially via the web are powerful," said Greg Furman, founder and chairman of the Luxury Marketing Council, New York. "It shows the client that the brand or store knows who they are because it has specific value to them based on their line of interest.

"The brand is keeping the relationship by migrating them to other categories and giving them a special price to stay in the brand," he said. "This is intelligent pricing as opposed to raw discounting."

Brands like Waterford and Kiehl's are promoting free shipping through email.



Waterford email blast

"Email is the future," said Luxury Marketing Council's Mr. Furman. "Some brands may be pioneering it, but others are perfecting it in different ways like offering shipping promotions only available online."

Possible pitfalls

Louis Vuitton and Hermes are luxury brands known for never discounting their products.

While some experts may say that discounting can be harmful for a luxury brand because it makes it lose its status in the luxury sector, intelligent discounting can help a luxury brand.

"I don't think that it harms a brand's mystique, in fact, it can help it," Mr. Furman said. "It ensures the consumer that the brand knows who they are and respects their time.

"It elevates the brand's mystique because they are treated like an individual and that's what luxury consumers are demanding more than ever," he said.

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