

## BUSINESS

# Value Retail Switches On Virtual Shopping

● The Bicester Village Shopping Collection owner still isn't interested in e-commerce, but it's struck gold with virtual sales and services.

BY SAMANTHA CONTI

**LONDON** — In-store shopping may be roaring back to life in Europe, and China, as vaccination rates rise and lockdowns ease, but Value Retail is no longer relying on that to drive business, or attract customers.

Over the past year Value Retail, which owns The Bicester Village Shopping Collection, a group of 11 luxury discount outlets in the U.K., continental Europe and China, has overturned some old beliefs, and introduced virtual shopping — with success.

It was a radical move, considering that Value Retail has always prided itself on in-store, and village-wide, experiences, high-end hospitality and real-life, personal shopping appointments at swanky spaces inside the villages.

The decision was also unusual because, unlike other large multibrand retailers, Value Retail has no e-commerce channel — and doesn't want one.

But the move was a winner: Virtual shopping allowed Value Retail to drive sales throughout the pandemic when the village shops went dark, and it has become a pillar of the business.

The company said virtual services continue to gain momentum, and have resulted in “strong sales” even after physical retail reopened in England on April 12.

Value Retail said it is now expecting around 10 percent of sales across The Bicester Village Shopping Collection to come from virtual shopping this year.

“Value Retail has evolved owing to the pandemic,” said Scott Malkin, its founder. He said the company's mission is to inspire brands “to deliver the magic,” so when that was no longer possible to do in a physical format, Value Retail shifted to digital.

Malkin and his team are relentlessly focused on serving the brands that operate

its village shops. When the villages were locked down, Value Retail waived rent charges and strategized with the brands about how to move forward.

“We always take the view that we are long-term partners of the brands, and that our interests are aligned. We don't charge traditional rents, we're royalty-based and we don't have traditional leases. We have licensing agreements, like one would have in a department store,” he told WWD in an interview last April.

“And we're raising our game in terms of the service we will provide to our brands. We are making it as easy as possible for them to sell their surplus stock, so as to get their money back into the business, while driving their brand equity and acquiring new customers.”

In an interview following the reopening of U.K. retail last month, Malkin said that during the pandemic, the new virtual shopping offer also “allowed us to embrace the traveler who historically doesn't shop remotely,” via special experiences and personal shopping.

During lockdown, Bicester Village, the group's flagship location in Oxfordshire, England, teamed with American Express Black Card holders on virtual shopping events, which attracted high-spending customers from places such as Saudi Arabia and India.

So popular have the virtual services become that the personal shopping team at Bicester was fully booked throughout the first week of reopening last month for a combination of virtual and physical appointments.

The Virtual Shopping page on all of the village websites remains one of the most visited pages, according to the company, and is proving to be “a key guest acquisition channel for our brand partners,” Value Retail said.

Last month saw the opening of the Bicester Village Personal Shopping TV studio, a backdrop for virtual appointments, private brand collaboration events and trunk shows. It also serves as a professional photography set for product shots that are later WhatsApp-ed to



high-net-worth clients.

More than 80 percent of the brands at Bicester provide their own tailored shopping guidance via phone, email, video and WhatsApp and will arrange shopping at the village, and delivery to the customer's door.

Value Retail's embrace of digital marketing and services is just one part of a broader effort to fine-tune its proposition to brands — and the end-customer.

Malkin said that Value Retail is hiring once again, and the focus is on people with “personal shopping and clientele-ing” skills. The group is also hiring product sourcing teams to work more closely with the brands in a bid to buy more thoughtfully, based on the needs the customers who are shopping in-store, and virtually.

The company has also been spiffing up its physical spaces. As reported in March, Italy's Fidenza Village, one of the 11 sites in The Bicester Village Shopping Collection, has been undergoing a “reinvention” during lockdown, in a bid to serve its customers better.

Last year Value Retail renovated the Apartment at Ingolstadt Village, outside Munich. Those apartments — like the townhouse at Bicester — offer personal shopping services and need to be reserved in advance.

Bicester itself has recently taken on new brands including Jil Sander, Off-White, Vans, Tommy Hilfiger women and kids, and Benefit Cosmetics. Isabel Marant

will open at the village this month, while Dolce & Gabbana, DKNY and Hunter have upsized and refitted their boutiques in the past weeks.

Bicester's restaurants, including Café Wolseley, Farmshop (part of Soho House) and Shan Shui, among others, are serving at outside tables and are set to indoor dining on May 17, in line with the British government's reopening strategy.

The village has also added the upscale baker Biscuiteers and Pizza Terrace by Farmshop.

There is still much demand for pent-up demand for physical shopping, something that the digital screen cannot replicate.

Value Retail said that Bicester's footfall for reopening week in April was “considerably stronger” than footfall during June 2020's reopening week.

Sales per visit were 24 percent higher year-on-year, with almost all brands reporting strong increases in average transaction values, Value Retail said.

Accessories, home and sport/active categories all performed well during the reopening week at Bicester as did apparel categories.

On-site safety features at the villages include thermal scanning on arrival, hand hygiene stations, social distancing marshaling, digital lines, and reduced capacity within the village and the boutiques. Face coverings are mandatory in the village and have to be worn at all times in the boutiques.

## BUSINESS

# Five Four, New Republic to Launch Capsule on Revolve Man

● The greatest hits collection comprised of Five Four's many brands will be supported by socially distanced events in L.A.

BY OBI ANYANWU

**Five Four Group** is heading to Revolve.

The men's fashion company, which operates a namesake label, footwear brand New Republic, knitwear brand Melrose Place and activewear Grand Running Club, is launching a new capsule collection called Three Sixty Five exclusively on Revolve Man on May 10.

The capsule, comprised of 20 products, is considered to be a greatest hits collection of the bestsellers from each brand. There's the New Republic tan Sonoma Chelsea boot and white Kurt leather sneaker, Grand Running Club's asphalt everyday pant in black, French terry hoodies from Melrose Place and indigo stretch jeans by Five Four all

ranging between \$38 and \$150 in price.

Dee Murthy, Five Four Group cofounder and CEO, said he had wanted to work with Revolve for some time and did a small test four years ago amidst the company's rapid growth and focus on its subscription model.

“The Revolve partnership feels like the sky is the limit,” said Murthy. Five Four recently celebrated 19 years in business, and much like the rest of the fashion industry and the world, is coming out

of the other side of the pandemic with a new focus. They're producing fewer products, but connecting with their consumer more and also exploring a dedicated women's offering. The New Republic footwear in this collection is in genderless sizes, as well as the Melrose Place knitwear.

“From a business standpoint, we were almost flat,” said Murthy. “We never worked harder than we did last year

and we're sitting here today. We were adamant about not downsizing. It also made us extremely focused on selling product people want and make huge improvements on.”

New Republic CEO Josh Kaplan added that 2021 has been more positive than the prior year already. “We're seeing an uptick from March,” he said. “So much of our brand is about going places and so March was very positive. April was also very strong and May is off to a strong start, seeing customers buy products they were buying pre-pandemic.”

He is curious about what workwear looks like now, considering many may change their style as they head back to work. “We've had an incredible run in that category for a long time,” he said. “No one is back to work yet so love to see what that looks like.”

In addition to the capsule launch, Five Four and Revolve will host socially distanced events in Los Angeles for fitness, wellness and tequila tasting among other themes.

New Republic CEO Josh Kaplan and Five Four cofounder and CEO Dee Murthy

