



An Alexis Bittar bracelet.

RETAIL

ShopRunner Adds Brands

- New contemporary labels include Alexis Bittar, Alice + Olivia, Bebe and others.

BY VICKI M. YOUNG

ShopRunner is adding more contemporary brands to its fashion offering.

The members-only service now has strategic partnership agreements for Alexis Bittar, Alice + Olivia, Bebe, Joie, Kooba and Lucky Brand. They join ShopRunner's existing contemporary fashion portfolio, which includes Narciso Rodriguez, Rebecca Taylor, Stuart Weitzman, Hudson Jeans, Spanx, Cole Haan and Calvin Klein. Retailers include Neiman Marcus and Bergdorf Goodman.

ShopRunner members can now take advantage of their membership benefits when they purchase merchandise from the brands partnering with the online service platform. Those benefits include free two-day shipping, free returns, two-click checkout and exclusive member offers. Although ShopRunner is sometimes dubbed an Amazon wannabe since the free two-day shipping rivals the latter's Prime membership benefit, the service platform actually has a different business model.

Scott Thompson, chief executive officer of ShopRunner, said, "We're not a marketplace....We get the member to the brand, and the transaction happens there."

Thompson noted another distinction between his firm and Amazon for fashionistas is that the merchandise bought at the brand's site is for current season offerings,

whereas many of Amazon's apparel offerings are often from past seasons.

ShopRunner handles the back-end of the fulfillment process, including customer service details such as delivery confirmation via e-mail and notification of expected delivery date. For ShopRunner's services, it gets a percentage of every purchase made by a member from its brand partners. Shoppers can either go to the brand's site and note at checkout that they are ShopRunner members, or visit ShopRunner's site and click on a brand, which then reroutes them to the brand's Web site.

According to Thompson, members get early notification of special events, usually 24 hours, before they become available to the general public.

ShopRunner began operations in October 2010. At the time, there were 15 partner sites, which included Calvin Klein Underwear, Bare Necessities and Sports Authority. Today it has more than 150 partners.

The service's operation was started by Michael Rubin. Rubin created Global Sports in 1998, later renamed GSI Commerce. GSI was sold to eBay for \$2.4 billion in 2011. eBay took over the order fulfillment component for large retailers, while Rubin bought back the consumer businesses of GSI: licensed sports merchandiser Fanatics Inc.; flash-sale site Rue La La, and ShopRunner. All three are now part of his new firm Kynetic.

Alibaba invested \$200 million in August 2013 for a minority stake in ShopRunner.