Walmart partners with subscription-based children’s clothing startup, Kidbox

Walmart is getting into subscription-based fashion with today’s announcement of a partnership with Kidbox — a sort of “StitchFix for kids” where parents receive a personalized, curated box of children’s clothing on a seasonal basis. The deal will see Kidbox offered to Walmart.com’s online shoppers, where they can fill out a short style quiz, then receive their box of four to five fashion items for around $48 — or 50 percent off the retail prices of the bundled items.

The boxes are available in Sizes 0 through 14 for girls and 0 through 16 for boys, and include styles like sweaters, denim, dresses, graphic tees and more — based on whatever is seasonally appropriate. Kidbox today also has relationships with more than 120 fashion brands, including BCBG, Butter Super Soft, C&C California, Puma and others.
Like other subscription fashion box businesses, Kidbox last year launched its own private labels, too, based on its understanding of consumer trends and interests. To determine what will sell, the company leverages data it gleans from things like the initial style survey, customer feedback and by noting which items are most purchased or most returned, among other factors.

“Walmart has done a lot over the past year to establish itself as a go-to retailer for all things fashion, and we’re honored to partner with the retailer to expand its kids’ assortment online, while also saving parents time and offering them the value and convenience of a stylebox,” said Miki Berardelli, Kidbox CEO, in a statement. “At Kidbox, we pride ourselves on understanding kids’ fashion preferences while also creating moments for them to learn about the importance of giving back,” she added.
For Walmart, the partnership allows the retailer to enter into the subscription-based fashion business without having to build out its own service from the ground-up. Nor does it have to figure out the logistics involved with something like its own version of Amazon’s Prime Wardrobe, which heavily promotes in-house brands, but can be difficult to use because you can only shop Prime Wardrobe apparel — not all of Amazon Fashion.

Walmart also sees Kidbox as a way to expand its growing children’s apparel assortment, which has added more than 100 brands over the last year, including Betsey Johnson, Kapital K, Levi’s, Limited Too and The Children’s Place. More broadly, it wants to further increase its investment in online fashion — whether that’s by hosting high-end retail like Lord & Taylor; offering branded storefronts like those from Bonobos or Nike; doing celeb collabs like those with Sofia Vergara, Ellen DeGeneres and Kendall & Kylie; or by acquiring fashion brands like ModCloth, ShoeBuy, ELOQUII and others.
Walmart Kidbox shipments will also contribute to the subscription businesses’ “give back” program, where each box purchased translates to clothing given to a child in need, in partnership with Delivering Good.

“We are thrilled to partner with Kidbox to introduce our first kids’ subscription apparel service offering premium fashion brands at a substantial savings,” said Denise Incandela, head of Fashion, Walmart U.S. eCommerce. “Over the last year, we have significantly expanded our portfolio of kids’ fashion brands as part of our broader effort to establish Walmart.com as a destination for fashion. Our partnership with KIDBOX enables us to round out our offering with additional national and premium kids’ brands.”
The partnership with Walmart follows Kidbox's raise last year of $15.3 million in Series B funding to expand and scale its business. Canvas Ventures led the round, which saw participation from existing investors Firstime Ventures and HDS Capital, plus new strategic partners Fred Langhammer, former CEO of The Estée Lauder Companies Inc., and The Gindi Family, owners of Century 21 department stores.

Kidsbox isn't the only subscription fashion box business to turn to traditional retail in recent months. This February, Kidbox rival Rockets of Awesome took a $12.5 million investment from Foot Locker, which will sell Rockets of Awesome merchandise on its own website and in its Kids Foot Locker stores.

By comparison, Kidbox's deal with Walmart does not include an investment. The businesses declined to share the details of their arrangement, however.

But Walmart could put some of its brand in Kidbox in the future, perhaps.

“The team will continue to onboard other brands as the offering expands,” a Kidbox spokesperson said, avoiding an answer to a question about Walmart's participation in the boxes themselves.

Kidbox today competes with StitchFix, which has its own kids’ line, and Amazon Prime Wardrobe, which lets customers shop for girls, boys or baby, in addition to adult apparel.

The startup doesn’t share its customer numbers or revenues, but claims 1.5 million “community” members, which is a combination of Facebook fans and email subscribers (where overlap is a given).