Q&A: Why Dagne Dover Opened a Pop-Up Shop in NYC

... and How the Company Feels About Retail Tech

ARTICLE

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Having already established an online presence, Dagne Dover unveiled a pop-up store in New York City's SoHo neighborhood last summer. The company, like many other direct-to-consumer (D2C) brands, is testing out the waters before expanding into permanent brick-and-mortar locations.

eMarketer recently spoke with Vadim Grinberg, vice president of consumer growth and insight at Dagne Dover, to discuss what the retailer has learned since opening up its pop-up location, as well as how it feels about retail tech and handles cart abandonment.

Dagne Dover unveiled its pop-up store in June 2018. What's been the response? Are you looking to launch a permanent brick-and-mortar shop?

We are looking into permanent locations. The space in the [SoHo] store is really large, and ultimately, we're comprehending how much space we need.

The storefront is a place for us to see how customers react to our products, what people who have never heard of us like and what they

want to see and why.

It also gives local customers a place to say, "Oh, my God, I've seen your ads constantly. I follow you guys. I love it. I just can't make a purchase without seeing it in person."

You can walk into the store, try out a bag with props we provide—everyday items like sneakers or a water bottle. You're able to see just how much of your stuff fits, which is usually all of it and then some. You're able to see which product is right for you, in the traditional sense of shopping for a bag where you're trying on in front of the mirror.

As you look to possibly launch a permanent location, are you also thinking about retail tech and incorporating that into the shopping experience?

The thing that we're closest to right now is probably automated chat. We want to find a way to make it strongly branded—and by branded, I don't mean necessarily having Dagne Dover signs, but you feel like you're talking to someone.

There is a drive for consumers to be spoken to where and when they want to be spoken to. If you prefer getting a text, we'll give you a text. If you prefer getting emails for your promotional material or marketing material, we'll just send you emails. We try to figure out that cadence, but we know it's not just emails, social, etc. There's so much more to it. And that's what we're mostly looking at right now.

When it comes to other tech, like augmented reality [AR], a lot of other bag brands—especially luxury bag brands—let you look at their bag on your desk or floor or in the bed and see what the size would look like. It's really cool, and if we can do it really well we probably would. But to do it really well, we'd need a lot of dedicated content creation and time and work.

Let's shift the focus a bit to talk about one of my favorite topics: cart abandonment.

[As a consumer], I have things in my cart on various websites that 1.) I just forgot about and 2.) maybe that day I was really excited about getting that product, but now I'm like, 'Wait a second, let's be smart

about this.' Most people I know shop like that. In fact, one of my co-workers told me once, "Put it in your cart for a month, and if you don't want it after a month, remove it. You don't need it."

There's a variety of reasons why someone may be adding to their cart, and you have to look at the proportion of consumers—especially on certain websites when they see a lot of promotion-heavy marketing—who put something in the cart hoping in a few hours or days they'll get some sort of deeper discount, right? People sort of fall into this promotional loop. We're trying to really avoid that.

So how do you deal with it?

Depending on what you want to actually sell and how to do it, you can use that as a tool to understand the path to purchase that the consumer is in—aka, are these consumers looking for a discount or not. You can't exactly know unless you ask them, but the more you as a business serve ads to people who don't need that and then convert those types of audiences, it'll help you drive conversion that way.

The way I think about it is, what additional information does the customer need to be able to either buy or join our community? Because for us, it's not just about purchasing a product; it's also about being evangelical about the brand. We see a lot of people on Instagram, for example, tagging their friends in certain launches and posts where maybe that person is not a customer, but they're so active on Instagram that when they see our organic content, they essentially become sales people for us. We want to enable that.