Pop-Up Shops Aren’t About Sales

The pop-up model is being embraced by online retailers, brands testing new concepts and anyone else who wants exposure to shoppers without commitment to a lease.

Joseph Fuda runs a sparsely appointed studio on Toronto’s Ossington Avenue strip, but on this particular Saturday afternoon, the space feels like a vibrant marketplace. At least 50 people are crammed into the narrow gallery, browsing baroque textiles, leather purses and beaded jewelry. For one week only, Canadian-born, Mumbai-based fashion designers Amrit Kumar and Mriga Kapadiya are selling their NorBlack NorWhite line at Fuda’s Oz Studios. The temporary shop gives the Indian business a chance to spread the word among the city’s style brigades in the hope of turning them into regular visitors to the company’s online boutique.

Such short-term, pop-up stores have been sprouting with growing regularity in high-traffic areas of major cities. The format, introduced about a decade ago by fashion labels seeking quick hits of intense exposure, is gaining popularity today with operators large and small. A ramen eatery popped up in a vacant shop in Vancouver’s Gastown; the Guggenheim Museum set up pop-up “labs” to host discussions of urban issues; one-night-only table-tennis clubs have appeared in London, U.K. Restaurants are giving the trend a mobile twist by using food trucks to bring their fare to different locations. A pop-up can showcase almost anything, as long as its presence is temporary—although that can mean a day or a year.

Pop-up outlets are often test-runs to gauge the viability of a permanent location, but there are many other reasons businesses are jumping on the trend. Retailers of seasonal goods see pop-ups as opportunities to grab a desirable short-term location without making the commitment to a year-round store. Existing retail chains may use a pop-up store to raise their visibility with new consumers. Online merchants find pop-ups particularly appealing because the format lets their customers touch and feel the merchandise and, as with NorBlack NorWhite, boosts exposure.

“The pop-up is a great way to be opportunistic, no matter what you sell,” says self-styled “retail prophet” Doug Stephens, based in Toronto. For instance, Tesla Motors has rented a small shop on a high-traffic strip in Brussels that’s also home to Versace, Louis Vuitton and Prada. “It’s a very small space,” says Stephens, “just the car and marketing collateral. Obviously, they had procured that space purely to make a statement: this is the company we keep.” With its small size and limited inventory, the Tesla store serves as a showroom for the brand.

Stephens believes that pop-ups are partly a response to a new consumer mindset created by the unprecedented range of products and services we can access via the Internet today. “We have a totally
different frame of reference when it comes to selection and newness,” he says. “The idea that you
would build a shopping centre, put 150 shops in it and not change that lineup for 10 years is insane.”

Pop-ups also closely align with the growing showrooming trend. In a recent survey of 3,000 shoppers
in the U.S., U.K. and Canada, 70% said that they showroom—that is, check out products in-store and
then buy them online. Large retailers are “freaking out right now over showrooming,” says Harley
Finkelstein, chief platform officer at Shopify, an Ottawa-based developer of e-commerce tools. “They
have massive stores with massive overhead and people are coming in, playing with [products] and
then buying them elsewhere.” Rather than fearing the new shopper behaviour, Finkelstein argues
chains should accept the sea change and adapt to it, perhaps by opening smaller stores intended to
serve simply as showrooms.

Retail increasingly demands a multi-channel sales strategy, and pop-up stores should be part of the
mix, says Finkelstein. He points out that roughly one-third of the 65,000 online merchants who use
Shopify’s e-commerce platform also sell off-line, be it through a permanent store, a temporary
location or in a group venue like a farmer’s market.

[660 words]

http://www.profitguide.com/industry-focus/retail/pop-up-shops-arent-about-sales-58706
(accessed on April 5, 2016)

Refer to the text to answer the following questions. Use complete sentences and your own words.

1) What was being showcased at the Oz Studios on the Saturday afternoon mentioned in the article?
2) What was the aim of this endeavour?
3) When was the pop-up shop format introduced and in which business sector?
4) What sort of location is ideal for a pop-up outlet?
5) The pop-up format is also being used in other trade sectors. List at least two.
6) Provide three reasons why businesses are using pop-up outlets.
7) Why does Doug Stephens think that maintaining a stable shop lineup in a shopping centre is
   “insane”?
8) How do most consumers now shop, according to a recent survey in the U.S., U.K. and Canada?
9) Why are large retailers concerned about this recent shopping habit?
10) What does Harley Finkelstein mean when he says that retailing now demands a multi-channel
    sales strategy?
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Tema di: LINGUA INGLESE

Part 2: WRITING

Choose either A or B. Clearly mark your choice on your exam paper by writing “A” or “B”.

A. Imagine you work for “ShopChance”, a new e-commerce company that is sending out a promotional e-newsletter to retail merchants with tips on how to boost their business and cut costs. Prepare an article of about 250 words for the newsletter with some tips, using ideas you have collected from the text as well as your own ideas.

OR

B. You work for “Carpe Diem”, an exciting new start-up that finds and organizes pop-up shop settings, locations, occasions and situations for retailers, and you have been asked to contribute a guest post to a popular blog in the fashion trade. The blog has a 250-word limit for guest contributors. Write a post of about 250 words promoting “Carpe Diem” and its business.