

## TIFFANY & CO. ▼

*The iconic jeweler opened up in The Grove's 200 square foot pop-up space with a curated selection of merchandise in time for Valentine's Day.*



## ▼ PELOTON

*Peloton has no brick & mortar stores, so their pop-up at Westfield San Francisco Centre offers a rare opportunity to try out the luxury exercise bike in person.*



# WHAT'S UP WITH POP-UPS?

**What do luxury fashion house Louis Vuitton, cult-favorite exercise bike brand Peloton, and your favorite health & beauty startup all have in common? They're settin' up shop – pop-up shops, that is.**

“Pop-up” may sound like a retail buzzword, but it's far from a passing fad. Retailers of all types are giving customers a chance to experience their products and services in real life through pop-up shops – and we're not just talking seasonal kiosks for

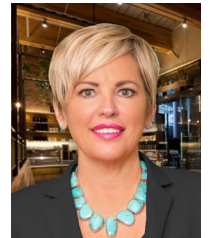
the holidays. Pop-up retail, also known as ‘flash retailing’, is the trend of opening short-term sales spaces. Pop-ups come in all shapes, sizes and tenures and have brands rethinking their game plans for how to reach customers and stay relevant in the evolving retail landscape.

On the ownership side, landlords are embracing pop-ups as a way to fill vacancies left by the decline of traditional brick-and-mortar retailers with experiential retail and a revolving merchandising mix at malls and strip centers. Short-term retailers are often

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willing to lease unique and unconventional spaces and landlords are increasingly taking on the upfront costs themselves to build-out funky, repurposed spaces (such as shipping containers), specifically designed for pop-up retail. The Grove in Los Angeles, for instance, introduced a 200-square-foot freestanding pop-up space in January that has housed the likes of Tiffany & Co. and Ray-Ban, rotates retailers every month, and has a waiting list of brands eager to captivate shoppers with their own immersive and exclusive experiences.

*Louis Vuitton showcased their collaboration with designer Virgil Abloh in a stunning pop-up in the upscale London district of Mayfair.*

*A pop-up pioneer, sportswear brand Adidas wowed pedestrians with a first-of-its-kind pop-up made to look like a giant version of its iconic shoe box.*



Pop-ups can also be found as “stores within a store” such as when Nordstrom and Best Buy join forces with partner brands and allow them to sell their products in-store. Samsung, for example, has set up “Samsung Experience Shops” in select Best Buy locations around the country, offering interactive product demos and product specialists on-hand to answer questions. It’s a win-win: relevant or emerging brands are showcased to a broader, in-person audience and traditional retailers benefit from the opportunity to test new products offerings in a limited run. In-store pop-ups also feed the increasing appetite for exclusivity of customers trying to stave off FOMO (the “fear of missing out”), while keeping merchandising fresh for retailers.

Pop-ups, however, are not just confined to malls and shopping centers, but have also made

their way into nontraditional retail spaces, such as music festivals and public promenades. Adidas made a splash when they debuted a first-of-its-kind pop-up shop made to look like a giant shoe box on a public and highly-trafficked thoroughfare in Amsterdam. The publicity and buzz generated by these kind of out-of-the-box ideas make it clear why pop-ups are a standout in the still emerging realm of experiential retail.

Several years ago, pop-up shops were a new trend. Today, PopUp Republic reports that pop-up retail is a \$10 billion industry – and it shows no sign of slowing down. But, as prolific as they are becoming, pop-ups are not a guaranteed solution for retail vacancy and they certainly do not work in every market.

Pop-ups are part of the greater experiential retail movement in

which consumers are seeking out a personal connection with brands and products that they cannot get on the internet. The opportunity to hop on a highly buzzed about Peloton bike yourself or being able to shop for a new pair of Adidas in what looks like a giant shoe box – is, after all, what makes a shopping trip so special and different from shopping online. ■

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