

Meet Four Online Retailers That Mastered Brick-And-Mortar Locations

They All Learned the Same Lesson: Physical Retail Boosts Sales



Everlane's first store on Prince street in New York City's prestigious SoHo neighborhood. Courtesy of Everlane.

Contrary to headlines, ecommerce and brick-and-mortar retail are not competitors, they're compliments to each other. That's what the best retailers understand. As the retail Old Guard rushes to build out their own e-commerce experience, at the other end of the spectrum, e-commerce brands are rushing into physical locations. Making the jump is no easy feat. Here's four stores that have set an example of how to it's done, according to **Kenne Shepherd**, whose design firm (**Kenne Shepherd Interior Design Architecture PLLC**) is behind some of the nation's most exclusive retail locations.

Everlane

For years Everlane swore it would never open a brick-and-mortar location.

"We are going to shut the company down before we go to physical retail," Everlane founder Michael Preysman told the New York Times.

Everlane, a socially minded clothing brand, now operates two locations; New York City and San Francisco. Although the stores are relatively small — 2,000 square feet in New York, 3,000 square feet in San Francisco, their impact for the brand has been huge.

"They're looking to bring transparency and quality to retail. The whole design ethic, for the product, website and store is very clean," Shepherd said. "The physical location has the same cohesive, branded identity as the site. It's a breath of fresh air to have that level of commitment in retail."

Transparent pricing and attention to how and where products are made are a huge focus for Everlane, turning the retail industry on its head by clearly displaying the sourcing, cost to manufacture and mark-up. That same transparency exist in the physical locations, where stands display the information for each in-store product.

"Good store design is crucial in providing an in-store experience that reflects who the brand is," Shepherd said. Shepherd has visited the New York location several times since it opened, and she said the store is routinely packed with customers. With an established proof of concept, expect to see an Everlane coming to a high street near you sooner than you think.

Casper

As Mattress Firm shutter stores across the country following a bankruptcy filing, Casper Mattress is surging ahead. Chief Executive Philip Krim told CNNMoney that Casper plans to open 200 stores across the country in the next three years.

Casper started as a pure online play, seeking to revolutionize the industry by delivering vacuum-packed mattresses directly to consumers. After four years of success online, Casper rolled out 19 pop-up stores. Krim said the locations beat expectations, convincing the company to expand deeper into brick-and-mortar.

Casper found what several e-commerce brands have found when opening their first physical locations; the brick-and-mortar stores actually drive online sales. For most e-commerce retailers like Casper, the reason is simple; customers can try the product before they buy it.

For Casper, physical locations also help to differentiate the brand from online competitors that have cropped up with the same business model.

"By opening stores, they are upping the ante to compete, and less well-funded competitors may be at a disadvantage," Barbara Kahn, a marketing professor at Wharton told CNN Business.

Away

Instagram's hottest luggage brand is putting down physical roots. Away, a luggage and travel brand aimed at wanderlust-filled millennials, now has seven brick-and-mortar locations. Like others, Away experimented with pop-up shops, deciding to open permanent locations based on their success.

"We discovered that there was an appetite for this in New York for having a physical presence, being able to touch and feel and get it the same day and being able to interact with our customers," Away co-founder Steph Korey said at the New York City's store launch.

Unlike others, Away's brick-and-mortar strategy is a little different. While the company has locations in exclusive shopping districts like New York City's SoHo, the company is also pursuing locations within airports. Earlier this year, Away opened a temporary retail stand inside the international Terminal 5 at Chicago's O'Hare International Airport.

For a permanent location, Away signed a lease for a 1,200-square-foot space at the northeast corner of State and Cedar streets in Chicago's Gold Coast. The retailer will fit right in, directly next door to Warby Parker and near other fellow e-commerce brands' Bonobos and Indochino physical locations.

Amazon

Amazon is continuing to reinvent its brick-and-mortar locations. With 17 successful bookstores, Amazon is branching out into a new concept it calls Amazon 4-Star. The concept is simple, the store only sells Amazon products with an average product rating above four stars. Inside the 4,000 square foot store, customers will find various tables and displays that fit certain Amazon search criteria, like Most-Wished-For or Trending-In-New-York.

"The thing that's interesting about the Amazon 4-Star store, is that it doesn't have that cohesive brand to expect in a e-commerce brick-and-mortar location." Shepherd said. "It doesn't have that identity, but with all the products and brands, it wouldn't really be possible. It's really a modern, updated bookstore."

Like the site, the store displays various customers reviews for each product in-store. Digital price tags for each item change throughout the day based on the price on Amazon.com, which can fluctuate. Some items are cheaper if you have an Amazon Prime membership, which costs \$119 per year and comes with perks like two-day shipping and a wide variety of music and movie downloads.

"All these online retailers are finding, once they open a retail location, it drives sales," Shepherd said. "We're truly at a convergence of online and brick-and-mortar. The big question is; which end are you coming at it from?"