



BONOBOS

Case study

The future of retail is personal

An interview with Bonobos Chief Experience Officer Dominique Essig

adyen

Plenty of people don't remember life before the Internet. Dominique Essig isn't one of them.

The Bonobos Chief Experience Officer remembers the first wave of internet businesses in the mid-'90s. A Duke graduate, Essig spent more than a decade at Travelocity before taking a leap into the world of fashion ecommerce in 2013. Now she's watching the ecommerce model evolve and doing her part to shape it at Bonobos, the New York City-based apparel powerhouse built on providing better-fitting men's clothing paired with exceptional customer service.

In the past decade, Bonobos has expanded from trousers into a full line of men's clothing. Patrons peruse the collection in brick-and-mortar Guideshop locations.

But no one walks out of a Guideshop with clothing in hand. Instead, the shops are an innovative combo of dressing room and showroom, where a Guide works one-on-one with each customer.

At Bonobos, Essig's team of more than 60 includes everyone from engineers to data scientists to customer service "Ninjas," all of whom aim to give customers a positive shopping experience across channels.

Here, Essig talks about Bonobos' model, personalization, why payments are important, and what all this means for the future of retail.

How are consumer expectations changing in retail?

The consumer always drives what we do. They want you to have a better sense of who they are. They want you to create a better experience for them.

What are they doing online? Offline? How do we marry those together? In our case, it's also about empowering the sales associate. How do you empower them to have a deeper interaction in the store?

How do you make the customer feel more valued? That's the role of technology. Tech and data are for building stronger relationships with our customers.

What is the customer of the future mainly concerned about?

The customer wants to derive value from every interaction so that it's not a waste of their time. They also want to have a sense that the brand understands them — that the brand is curating an experience so it feels more engaging. The consumer wants the brand to know if they spend an hour in the store — that carries forward.

We want our customers to sense that we know who they are, we value their time, and our whole objective is to make the experience delightful.

Why is payments so important to a company like yours?

Our interactions in a store are not typical of what a customer might experience in a traditional retail store. We don't have a checkout counter, so it's important for us to build our model so that every part of the process is seamless. We want the Guide to focus entirely on the consumer.

When they're exploring, when they're educating themselves, the Guide walks with them. The Guide removes the physical barriers and puts so much more emphasis on customer understanding. Did the guy get everything he needs? When there's a seamless experience between online and offline, the Guide can take the time to look the consumer in the eye.

Adyen helps us think more clearly about whatever journey the customer has taken — who they are, what they want, and leveraging their profile across devices.



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Why did Bonobos choose Adyen?

We wanted a payment platform that could be utilized in-store and online, allowing us to continue to focus on the customer and not our payment processes.

As Bonobos continues to grow, how will Adyen help you flourish in this new phase of the business?

It is so important for Bonobos to continue to focus on exceptional customer experience. We do that with our Ninjas (customer service team) and our Guides (store associates). As our customers continue to move fluidly between online and offline, we need to be able to meet their expectations. Adyen allows us to easily manage payments across platforms.

How do you think payments will change going forward?

Omnichannel these days is simply table stakes. Customer expectations are not simply that you're able to sell across channels, but also that the whole experience is intuitive and fluid.

The consumer of today, and tomorrow, makes it clear: there is a need and demand for what I want, when I want it.



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Do you expect to see this translate into instant deliveries?

No. Not every customer believes that they need something in the next hour. I don't think we'll see the extreme version of shipping, which is more like instant gratification. Instead, I think we'll see that customers want to control delivery times — I want this product, and it should be delivered between 6 and 9pm.

They'll also be willing to wait a bit longer if it's a custom product and it's just what they need. As in: I don't mind waiting a bit longer if it's for pants with my custom measurements.

Customization will be key, and the businesses themselves have to balance this with profitability and sustainability.

How will companies reach new customers in an increasingly competitive retail landscape?

Consumers have now developed core relationships with a handful of brands that they identify with. The brands are rolling out new products, but they're also reacting to events in the world. The customer says: This is my core set of fundamental brands — they represent me as an individual. I am always cognizant of how important the brand is to a customer. Consumers are thinking of these brands as their old friends.

Will brick-and-mortar stores eventually go away?

Customer expectations around this are radically changing every single day. But I think customers won't choose one sort of experience over the other. They'll choose both. We're using our technology to fuel better, richer interactions between two humans — which so many of our customers still crave.



What do you find most fulfilling about your job?

The stakes for what customers expect from this combination of digital experience and ecommerce sales just keep getting higher and higher. The evolution of retail is fascinating right now. I see constant movement and pace of change. I find it incredibly exciting.

And what's one thing that surprises you about your job each day?

I never thought I'd be thinking so much about men's pants.

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