



# SHOCK

## PROFILING SHOCK: HOW THE 30-YEAR-OLD BOUTIQUE CONTINUES TO THRIVE

### westhampton beach

- Shock is a boutique that offers stylish, fashion-forward apparel, shoes and accessories with personalized customer service.
- Shock expanded its presence in Westhampton Beach to three stores in 2000; Baby Shock, which offers kids' apparel and toys, and Shock Ice Cream, purveyors of ice cream and sweets.
- Elyse Richman is the main merchandise buyer and frequently features undiscovered brands. She derives inspiration from fashion and trade shows; most of Shock's lines come from Australia and Canada.

In this report, the latest in our series of retail company profiles, we look at Shock, a boutique based in Westhampton Beach, New York. We recently met with the company's Co-founder and owner, Elyse Richman, who told us Shock's history and how the company has evolved and improved its retail experience for customers.

#### About the Company: Creating a Distinctive Shopping Experience

Shock was founded in 1985 by Elyse Richman and Jeff Disick. Their goals were to create a distinctive shopping experience by offering on-trend and tailored-to-local products, coupled with personalized customer service.

Today, Shock has expanded its presence in Westhampton Beach to three stores; Baby Shock, which offers kids' apparel and toys, and Shock Ice Cream, purveyors of ice cream and sweets. Shock and Elyse Richman have become an integral part of the Westhampton community.

Shock caters to a wide audience of consumers between the ages of 16 and 60. The common thread at Shock is the desire to share Richman's personality through stylish, trend-forward clothes, shoes and accessories.

Richman is the main merchandise buyer and often introduces undiscovered brands. She derives inspiration from fashion and trade shows; most of Shock's lines come from Australia and Canada. The shop has become a source of style and inspiration for many because the company truly understands local consumers' quest for fashion.

#### Elyse Richman: From Fashion Designer to Boutique Owner

Richman has extensive experience in retail and merchandising. While she was getting her degree from the Fashion Institute of Technology, Richman founded her own apparel manufacturing company. She began designing t-shirts and sweatshirts with a focus on products for the younger demographic, which Richman characterized as, "young and hip clothing." She received her first order from Henri Bendel in 1980 and soon her apparel was in stores such as Nordstrom and Macy's, and as far away as St. Barths, Marbella and Lebanon. In 1985, Richman and her partner Disick took their retail experience to Westhampton Beach, New York. Richman said they named the store, "Shock," since her partner had diabetes and would often go into "shock."

#### Differentiated Merchandise and Customer Experience

There are several factors that differentiate Shock’s offerings:

- Richman’s buying expertise and willingness to introduce undiscovered brands. The Shock store offers a range of merchandise, from beach wear to casual to cocktail party. Popular brands include Flowers by Zoe, Butter, Lisette (Canadian), and So Nikki. Shock also offers a private label line, including sweatshirts and hats.

**Figure 1. Baby Shock: Butter Sweatshirts (Left), Shock: Merchandise Assortment by Color (Right)**



Source: Fung Global Retail & Technology

- Compared to most retailers that sort by brand, Shock and Baby Shock are merchandised by color, classification and trend. This offers a unique shopping experience.
- To help drive in-store traffic and provide a more personal, tangible customer experience, many brick-and-mortar retailers are adding an element of “retailtainment” to their stores. Richman saw an opportunity to drive traffic to her two neighboring stores by opening Shock Ice Cream directly next to her other stores. But like her merchandise, Richman wanted to offer a unique product. She introduced the Carnival Cone, a mix between cotton candy and soft serve ice cream which had millions of people across social media talking about her creation.



Shock Ice Cream: Carnival Cone  
Source: eatingnyc on Instagram



## FLASH REPORT

**Multi-Generational Customer**

Shock's target audience is a 20-to-60-year-old woman who lives in a mid-to-upper-income household. The price range for Shock's merchandise is \$40-\$160 and the average transaction is \$200.

Baby Shock offers boys' and girls' apparel, and accessories and toys. The products are for newborn to teen girls and newborn to age seven for boys. The target audience is mothers and grandmas. Prices range from \$5-\$80 and the average transaction is \$100.

**Challenges of the Business: Seasonal Location and Offline**

Richman noted they face seasonal challenges. Since the Hamptons are a summer haven, traffic often declines during the off-seasons. Shock holds sidewalk sales in September and October and participates in events such as Small Business Saturday. The company has not developed an online business yet. Richman plans to roll out an online store and increase social media marketing in the future.



FLASH REPORT

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