

An online tech shopping service called Enjoy set to expand

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Enjoy, an online concierge service for gadgets, is expanding beyond San Francisco and New York City nearly a year after it was launched.

The startup, founded by former J.C. Penney CEO and Apple executive Ron Johnson, will be adding certain neighborhoods of Los Angeles this week and then Chicago in May. The service allows customers to order high-end gadgets ranging from cameras and [fitness trackers](#) to drones on the Enjoy website and have them delivered for free by an expert who will show clients how to use the device. Visits last about an hour.

"We're trying to reinvent the way people buy [technology products](#). We've learned a lot, and we've seen positive momentum," said Johnson, who oversaw the expansion of Apple stores for 12 years before he took the top job at Penney. He was on the job for 17 months when he was fired from the department store chain in April 2013 after spearheading a disastrous turnaround plan.

Enjoy now has 150 employees and has expanded to 150 products from 29 when it first launched in May 2015. Enjoy's list of partners also has grown to 25 from nine. The lineup includes Microsoft, Hewlett-Packard, AT&T, Jawbone and Garmin. The company just added Apple products like Apple TV and Apple's iPad Pro as well as new Wi-Fi solutions like AirPort Express. Johnson said the products selected are premium and are not heavily discounted in the marketplace.

Customers order online and then can designate when they want the

product delivered. The timeframe for delivery is as soon as four hours from the time of purchase. Johnson has said the products are not sold at a higher price than rivals because its costs of operations are low. Instead of opening stores, Enjoy is investing in its people who receive benefits and are not contractors. And employees can set their own flexible work schedules.

Returns amount to just 1 percent at Enjoy, below the 10 percent industry average, Johnson said. He declined to say how many customers have signed on, but he said a majority are now repeat shoppers. The company has raised about \$80 million, but Johnson declined to say how much he's spent so far.

But Johnson acknowledges he's learned some lessons too, particularly that customers want same-day deliveries.

"When they want something, they want it today," he said, noting that logistics is a hard nut to crack. Johnson said Enjoy's engineers are constantly testing the model. But he said that 97 percent of the time, Enjoy deliveries are on time or early. Enjoy purchases inventory and stores it in warehouses located where it offers its services.

Johnson also said Enjoy customers are younger than he expected. A majority are in their 20s and 30s and are looking for someone to help them set up their gadget.

Johnson said Enjoy has to adapt to different markets. For example, in New York, experts use the subways, while the San Francisco's Bay area, they travel by car.

Johnson said he's learned from his past job experiences, particularly at Penney, where he quickly got rid of most discounts and changed to an everyday low price strategy, without testing it on customers. The tactic

led to shoppers fleeing.

"Most people felt we had a great vision. We moved too fast," he said, referring to his time at Penney. So, he added, "You really don't want to be in a hurry. Great things take time."

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