



# THE BEAUTY OF HALLOWEEN

Based in New York, Ricky's NYC uses its unique attributes to stand out from other Halloween retailers. By Elizabeth A. Reid

**T**he big standout for Ricky's NYC this past Halloween started on National Walk of Shame Day. The New York-based hair care and cosmetics retailer, which has expanded to become a costume supercenter, teamed up with vodka manufacturer Svedka for a novelty product, the Walk of Shame After, After Party Pack. The two declared July 27 to be the day to "Forget the blame, and embrace your game." Inside the pack, owners could find everything needed for that morning after. The pack was a hit, and the duo teamed up for a new product, the Svedka\_Grl Halloween costume.

Modeled after the robot featured in Svedka's commercials, the costume is form-fitting and sexy, and was a popular choice for many reality TV stars. "Did you see the cover of the *New York Daily News*?" Todd Kenig, Ricky's CEO and chairman, asked in our interview. The front page featured *Jersey Shore* cast member "JWoww" in the Ricky's exclusive costume. Kim Zolciak (*The Real Housewives of Atlanta*) and Coco Austin (*Ice Loves Coco*) were also fans of the get-up for the holiday. Kenig believes the collaboration worked because of Ricky's strong fan base in the Big Apple. "Svedka came to us and they know that we get the most eyes on us. There are eight million people in New York and all the press," Kenig says. "They pumped it out to get press, and we pumped it out getting press, and it became such a limited-edition costume that everyone wanted."

In New York City, Ricky's is a top destination for costumes. As Merri Rosenberg of *The New York Times* wrote, Ricky's is "where a well-dressed vampire shops for fangs." Founded in 1989 by Todd Kenig's father, Al (Todd's brother, wife, and child-

hood friend also serve as executives for the company), Ricky's has always sold wigs and boas. The shop made its official Halloween premiere when Todd Kenig's friend requested a Frankenstein statue. Bringing in a Rubie's catalog, the friend asked Kenig to order the product. Because of the minimum order price, Ricky's was forced to order more accessories—\$3,000 more. That year, the Halloween products sold out. The following year Ricky's ordered \$10,000 worth of products. The next year it was \$100,000. Now Ricky's is ordering in the millions, and has a yearlong costume shop in New York City's TriBeCa.

While the main business for Ricky's NYC is beauty, Halloween makes up 15 percent of its sales. "It's probably one of the most profitable parts of our business, but if we didn't have it we'd still survive," says Kenig. "It's the icing on the cake."

This past Halloween, Ricky's also strengthened its partnership with Rubie's. Along with TV network AMC, the retailer and manufacturer promoted costumes based on *The Walking Dead*. Rubie's secured the license for the popular cable show, Ricky's promoted the products in its store windows, and all three companies benefited. Knowing that zombies would be a hot trend for Halloween 2011, propelled by AMC's series, Ricky's made sure to have them in its stores, and, as always, took the attractive approach. Ricky's beauty background sets it apart from many other Halloween retailers. "What we did was make zombies sexy," says Kenig. "First and foremost, we are a beauty supply store, and we try to incorporate Halloween into the beauty. So it's not just a scary zombie if you see our images. We try to make them pretty." The result? "Zombies: Looking Dead. Feeling Good."

Svedka\_Grl  
Halloween costume





To stay on top of trends, Ricky's starts its Halloween merchandising in December, attending the big trade shows. The retailer goes over the best-sellers from the previous season and takes a look at the new products for the upcoming year. "I have a very creative team," Kenig boasts. "In February, we sit down and look through all the catalogs. We see what direction we want to go in, and then decide on the costumes that fit that direction." By April 15, most of the costume selections are finalized.

Currently, in store and online, Ricky's carries around 10,000 SKUs, with up to 300 adult costumes and approximately 100 kids' styles. Although adults are the main focus, Ricky's carries a variety of children's products, mostly licensed, because of its maturing fan base. The same Ricky's fans from years ago now have their own kids to shop for, he says, and children's costumes please the parents.

Although most of Ricky's Halloween merchandising is wrapped up by mid-April, pop culture events keep the retailer on its toes. Having strong relationships with vendors from its beauty business allows Ricky's to put together last-minute costumes as news erupts. A month before Halloween, Kenig and his crew look at the hottest newsmakers at the moment and try to create a product. Examples from the past include costumes mimicking Sarah Palin, Bernie Madoff, and Joe the Plumber. "[In 2010] we did The Angry Steward—you know, the JetBlue guy," says Kenig. "It was national. It was all over the press, and we made a costume within a month. We try to do that because it's relevant."

Exclusive costumes from this past Halloween included Kim Jong-Il and Prince William (Underwrap Costumes), Che Beret with Hair (Elope), and the "Three New Stooges" of "Arnold," "Weiner," and "Sheen" (under its own brand). The retailer is still selecting items for 2012, but Kenig expects superheroes to be big due to the number of anticipated movies slated to premiere in theaters this year.

At first look, Halloween 2012 falling on a Wednesday may look like a drawback, but Kenig assures business will be brisk. "In New York, that's my favorite. The weekend before

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—Todd Kenig, Ricky's CEO and chairman

Halloween will be the biggest numbers," he explains. "On Monday people forget about it, and then everyone in the city is getting ready for the parties on Wednesday night. Cities are always alive during Halloween night." He expects consumers to buy the big outfits for the weekend events, and pick up smaller items, such as a wig or glasses, for Halloween night—an extra sale. "It's a gimme."



For those outside New York, Ricky's may be coming to a location near you. The retailer is currently working with General Growth Properties and Simon Malls for mall deals. Additionally, the chain is negotiating a deal in Philadelphia. Last year, the team opened a temporary pop-up store in the area and it turned out well; a regular store is the next step.

Ricky's often uses its pop-up stores as a way to test the waters in different areas. At the end of the Halloween season, the retailer scours possible pop-up locations, researching demographics. If the pop-up does well, Ricky's looks into opening a permanent shop at the location. "It's great to open up a pop-up shop, but if you can't have that spot next year, and you do well, you're never going to show the same numbers next year," the CEO says. "It's very important to look for spots that you can do real stores in because that's the real growth."

With approximately 30 permanent stores open right now in New York City, Long Island, New Jersey, and Miami, Ricky's hopes to open up to 10 more stores in 2012. In store, customers around the nation will be able to find the same fun, chic, and trendy products New Yorkers have loved since the retailer's founding more than 20 years ago. "You walk out with a Ricky's bag and it's cool," says Kenig. "You know that something cool and funky is going to be in a Ricky's bag."

