Payless advertising prank reveals consumer behavior

By Washington Post, adapted by Newsela staff
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It was called a private launch party of a new luxury brand of shoes called Palessi, designed by Italian designer Bruno Palessi.

A mini-runway was set up in a store, glistening in bright fluorescent lighting. Various shoes sat neatly on individual glass shelves. Los Angeles fashion fans milled about, trying on shoes and posing on the red carpet.

"I would pay $400, $500. People are going to be like, 'Where did you get those?''' a woman said as she tried on a pair of bright-gold sneakers with leopard prints.

The woman was not actually buying a Palessi because there's no such brand, and there's no Bruno Palessi.

Elaborate Advertising Prank

There is, however, Payless ShoeSource — a discount shoe retailer creating this elaborate advertising prank to attract new customers. It hoped to change the idea that the company just sells cheap, unfashionable shoes.

Payless wanted customers "to realize it's more than just a shoe store in the mall," said Sarah Couch, an official for Payless.

The prank also points to a reality about the human mind — that consumers are not capable of discerning the quality and value of the things they buy, said Philip Graves. He examines consumer behavior in Britain. Slap a fancy-sounding European label on $30 shoes, and you have an illusion of high value that people will pay big money for.

"The way that we evaluate things is through associations. If you put wine in a nice bottle, people like it more. If you package things up to look more premium, people will like it more," Graves said.
The campaign was dreamed up by an advertising company in Brooklyn, New York, called DCX Growth Accelerator. A few weeks ago, the company shared its idea with Payless, which had been looking into a different advertising campaign before the holidays.

**Turning The Company Around**

DCX examined what it could do to help turn the company around, said Doug Cameron, who founded DCX. Payless closed hundreds of stores and laid off thousands of employees last year.

His company wanted to do something that stirred people, Cameron said.

First, the team needed a location for the fake launch party, and found what they thought was the perfect one: a storefront at Santa Monica Place. It's an upscale shopping mall that houses fancy stores. The team rented the space for six weeks.

Second, they needed a name, and they wanted something that sounded like Payless. They eventually came up with Palessi.

"I think Bruno came later," Cameron said of the fake designer's name.

**Luxurious Look For Launch Party**

They hired an interior designer to help them create an authentic, luxurious look for the launch party, as well as people who would pose as sales employees. They brought in gold mannequins, a big angel statue in the middle, and gold-painted statues of lions and a giraffe.

The team neatly arranged varieties of stilettos, sneakers, boots and leather shoes on glass shelves. They covered the original brand labels with stickers that say "PALESSI" in a fancy type, slapping on price tags as high as $1,800.

The team also created an Instagram account and began crowding it with random pictures of models and high heels.

Then, finally, they needed potential consumers. They searched the streets and the Internet for social media influencers — fashionable people who look like they're likely to attend this type of event.

On the day of the launch, October 27, unsuspecting attendees lined up outside. The DCX and Payless team waited in the back of the store, watching monitors attached to video cameras. As people arrived, paid interviewers and cameramen asked them what they thought of the shoes and how much they would pay for them. Cameron and his team were in the back, dictating the questions through microphones.

"Palessi is just such high quality, high fashion, taking your shoe game up to the next level," said one man wearing spiked necklaces, holding a high-heeled, knee-high boot.

"For me to experience this as an Italian designer is amazing," said another man with an accent. After attendees purchased expensive shoes — some for $200, $400 and $600 — they were taken toward the backroom. There the prank was revealed.

"You've Got To Be Kidding Me"

"You've got to be kidding me," said a woman who had gushed about a pair of floral stiletto heels.

The team said those who bought the shoes were allowed to keep them for free.

Cat Chang, a Los Angeles diamond designer, was among the unsuspecting fashionistas.
"We wouldn't have ever known. We were really convinced," said Chang, who said she was paid to attend the event.

**Million-Dollar Campaign, Short-Term Benefits**

Graves, who studies consumer behavior, said the advertising campaign, which cost millions, will have just short-term benefits for Payless.

"The next time someone goes into a Payless store, they'd be going into the ordinary Payless environment, seeing the ordinary Payless pricing," he said. They won't see the glamorous, red-carpeted store in Los Angeles.

Couch, Payless's chief marketing officer, hopes Graves is wrong. She said there's more to Payless than physical stores.

"The shopping experience on payless.com is different from the store. It's the fastest-growing piece of the business," she said. "The stores are an incredibly valuable part of the business, but the digital side is the focus of the campaign."

Directions: Use the information found in the article to identify the best response for each item.

**R1: Cite text evidence to support an analysis of what the text says explicitly**

1. Why did the advertising company use the name Bruno Palessi?
   
   A. They wanted to give credit to the Italian designer who designed the shoes.
   B. Bruno Palessi is the manager of the Payless store used in the advertising campaign.
   C. They wanted something that sounded like Payless.
   D. The name was the winning entry from a contest.

**R1: Cite text evidence to support an analysis of what the text says implicitly**

2. What is the MOST LIKELY reason that purchases from the fake store launch were refunded?
   
   A. The company wanted to give shoes away as a way of free advertising.
   B. The company wants to be known as an affordable store with kind policies.
   C. The event was designed to be a publicity stunt, not make people upset.
   D. The buyers would demand refunds later on, so they wanted to deal with it quickly.

**R4: Determine the meaning of words and phrases**

3. Read this line from the section “Turning the Company Around.”
   
   His company wanted to do something that stirred people, Cameron said.
   
   What is the meaning of the word *stirred* as it is used in this sentence?
   
   A. to move a spoon or other implement around in order to mix something thoroughly
   B. to confuse people by misleading them or by making them believe something that isn’t true
   C. to cause someone to feel a strong emotion
   D. to make people angry

**R2: Determine a theme or central idea of a text**

4. Which of the following answer choices accurately describes two CENTRAL ideas in the article?
   
   A. Payless is trying to expand its business through online sales; DCX is generating more interest in the store by developing its website and creating many fake stores.
   B. An advertising company was hired to change shoppers' perceptions of Payless shoes; Payless expects sales at its stores to grow because the fake store launch was so successful.
   C. An advertising company created a fake store launch for Payless to attract new customers for the struggling brand; attendees thought the shoes were a new line of upscale shoes.
   D. Payless hired DCX to help it turn around its business; social media influencers like Cat Chang and Sarah Couch were invited to attend the fake store’s opening.