

Yogurt Stop attracts paparazzi crowd

BY TOM KAISER



An intimidating array of toppings

What happens when Kim Kardashian, Richard Simmons and Leonardo DiCaprio walk into a yogurt store? If you're Shoshana Joseph and Marta Knittel—owners of West Hollywood's Yogurt Stop—your fledgling franchise gets major free press and street cred just when you need it.

While every store, sidewalk and Starbucks in this star-studded hamlet seems to have its celebrity connections, the loyalty of Yogurt Stop's famed clientele has created some "only in Hollywood" situations that Joseph and Knittel hope to leverage as they begin adding their first franchised locations this year.

"We have every celebrity you can think of—Miley Cyrus, Tyra Banks, Leonardo DiCaprio, Lucy Hale, Lindsay Lohan, Rachel Zoe, Jaimie Alexander, Gene Simmons, Kristin Chenoweth," Joseph said, explaining Yogurt Stop's appeal to the red carpet crew. "They shy away from hanging out anywhere" in public, "so they all hang out in the store."

Their favorite frequenter is quirky fitness guru Richard Simmons, whose arrival they describe as "like a floor show." He's been known to sing his way through the toppings bar, do impromptu jumping jacks while loading up his yogurt and put on song and dance shows for all in attendance.

When one customer ordered a 32-ounce yogurt to celebrate his birthday, Joseph said Simmons started yelling, "Dear Jesus, please help this man to not eat so much!"

"Richard is such a funny man," she added. "When any other celebrities come in, they don't really care, but when it comes to Richard Simmons everybody wants pictures of him."

Kim Kardashian recently graced the store with an appearance, said Knittel, and she offered the selfie queen her yogurt on the house as long as Kardashian walked out of the store with the branded side of the cup facing the scrum of paparazzi.

Celebs aside, Yogurt Stop is a one-store brand looking to break out in 2016. The pump-it-yourself yogurt is hormone- and antibiotic-free, and can be paired with an intimidating array of toppings that are baked in house—white chocolate chip cookies, granola, rainbow sugar cookies, chocolate, red velvet and carrot cakes, banana bread, coconut macaroons, fresh fruit delivered every day and seasonal toppings like pumpkin and zucchini breads.

“We don’t pretend we’re a health food store,” Joseph said, after extolling the benefits of her “very, very clean” yogurt. “The bottom line is you can be as healthy or as decadent as you choose to be.”

Beyond the 100-plus flavors of yogurt, the store also carries smoothies, cookie and donut sandwiches, custard, gelato, antioxidant drinks and pies with sassy names like WeHo Party Fun Pie, Three Fruit Delish Pie and It’s Been a Rocky Road Until Now.

Joseph and Knittel also added clothing sales for an added revenue stream and another attraction in a neighborhood populated with upscale retailers. So far, clothing revenue comprises less than 5 percent of total revenue, although that number is expected to rise with the upcoming completion of an online store.

Yogurt Stop opened its doors in early 2009 with three owners, but differences in strategy led Joseph and Knittel to buy out two of the founders to assume full control of the brand in 2013. They immediately implemented changes in merchandising and design, with a longer-term focus on setting Yogurt Stop up for franchised expansion.

“One of the keys to being successful is showing the customers that you care about them and you want to constantly make their experience more enjoyable and exciting—you’ve got to keep your business fresh and I think a lot of people forget that,” Joseph said.

Tweaking the store’s design was one of the first, most obvious changes, with a focus on bringing in more natural materials and creating a living room-type experience to encourage customers to stay longer during each visit.

“The vision was bringing in a lot of wood, bringing in the earth, bringing in the comforts of home, living room, wood tables, wood benches, and bringing in additional revenue streams with yogurt shakes, yogurt protein shakes and cake shakes,” Knittel said.

In an article about the pedestrian-friendly ways of the neighborhood, LA Magazine called Yogurt Stop its “first reason to move to West Hollywood.” Local food reviewers seem to agree, as its Yelp page is populated with positive feedback for the toppings, ambiance, even its sexy logo, but dinged by a few negative comments about higher prices than competing establishments.

“We get repeat customers from all over the world,” Knittel said. “That sounds clichéd, but it’s a fact because even to this day we get people saying, ‘Oh my god I came here because my friend was here six months ago from London and said I had to go to Yogurt Stop.’”



Yogurt Stop in West Hollywood draws crowds

Even with an in-house baker and regular shipments of fresh fruit, Knittel said the company's cost of goods has never exceeded 27 percent of gross sales, which is kept down by a low amount of wasted inventory due to the nature of the yogurt business.

The initial batch of franchised locations will also have their own bakers, as well as full selection of flavors, toppings and clothing, but Knittel added they might consider adding a commercial kitchen to bake toppings in a central location once the store count grows.

During 2016, Yogurt Stop hopes to add 10 locations to its current one, initially focused on California, Texas and Florida—warmer climates with high-traffic locations, neighborhood density and higher median household incomes. The investment range for franchisees will be \$335,000 to \$420,000.

Following eight months of development work in preparation to franchise, both are looking forward to expanded roles to support an eventual corporate office.

“Every step we take is another natural transition for us in the seasons of life,” Joseph said. “Yeah, there are a lot of challenges, but everything's a challenge—you just roll with it and then it takes you to the next stage.”



Who can choose from house-baked creations