

ShoeDazzle... no longer dazzling — Tech News and Analysis

ShoeDazzle had a great thing going with its shoes-as-a-subscription service, and then it decided to switch business models. Now it's flailing, and people are pointing fingers at new CEO Bill Strauss, but it's not quite that simple.

Denise Lee Yohn in a blog post earlier this year asked the question [Has Shoedazzle lost its dazzle?](#) She argued that the company, which had pioneered the shoes-as-a-subscription service, was making the fatal mistake of changing its business model and becoming a plain vanilla e-commerce player that sold shoes. Yohn didn't say this, so I will: If my previous magazine Business 2.0 were still around, this move would most definitely qualify for "the dumbest list" we used to put out every year.

Ladies loved LA-based [ShoeDazzle's](#) subscription service, which was cofounded by Kim Kardashian. Joy and love were the two emotions ShoeDazzle's customers associated with the company. It was such a brilliant idea that it has inspired copycat after copycat. Startups are aping the model. I thought it was a brilliant model, aptly reflecting the times we lived in, though I wasn't sure about their ability to make money. Maybe that is why the company thought it should switch its business approach!

Today fingers are being pointed at Bill Strauss, a ProFlowers executive who was brought in as the CEO to whip the company into shape. Sarah Lacy, a customer, [using an acid-dipped pen writes](#):

I was happy with the way things were. But since my subscription was suddenly cut off? I haven't bought a single pair of shoes. It may sound silly, but to buy shoes from ShoeDazzle now would feel like I'm spending \$39 on each pair of shoes, rather than spending a free credit.

Effectively, I was saying: Please! Keep taking my money every month forever! And Strauss was saying, "No thanks, I'm going to stop auto-charging you and focus on these people who might want to give us money once or twice."

While it is easy to blame Strauss, let's not forget that these replace-the-founder-with-the-professional-CEO decisions happen because investors [want those changes](#), and the board had to approve the business model shift.

What are the odds that ShoeDazzle will make a comeback? Like Lacy, I am betting that it is mission impossible for founder Brian Lee, who has been brought back as CEO to fix what is clearly a messy situation. The senior employee exodus, while not as acute as Zynga's, is still a pretty big problem. And while Lee can attract new talent,



getting customers like Lacy back won't be that easy!

