September 2008

Dear Professor:

This newsletter summarizes article abstracts for case discussions for the following topics:

- The Question of Wal-Mart’s Social Responsibility
- Multichannel Retailing: More than Just Starting a Site
- Challenges in Retail India
- The Talking Fitting Room
- Customer Service in Electronic Retailers
- Stretching Family Dollar
- Retailers Dictate Community Health
- Virtual Shopping for Real?
- Site Location = Brand for Many Retailers
- The Millenial Shopper
- Starbucks Chooses the Wrong Locations
- The New Look of Sears’ Advertising

The articles in this and past newsletters are sorted by chapters in *Retailing Management*, sixth edition. If you are interested in the text book please visit www.mhhe.com/levy7e. Simple registration is required to gain access to the newsletters and other instructor materials. If you would like to see this newsletter and the previous editions, go to http://www.cba.ufl.edu/mkt/crer/research/publications.asp
ABSTRACTS OF RECENT RETAIL ARTICLES

The Question of Wal-Mart’s Social Responsibility

Use with Chapter 5, Retail Market Strategy


Wal-Mart has made some considerable changes to market itself as a company with a strong commitment to being green. For years, the big box retailer has been criticized for underpaying its workers, offering limited benefits, exploiting employees in sweatshops around the world, and engaging in gender discrimination. As the company has pursued a responsible corporate social reputation though, it has realized significant savings.

Wal-Mart adopted a scorecard program to review the way each product is made, its merchandising, and its recycling availability. Vendors have been forced to make changes to their processes if they want to continue to sell to Wal-Mart. For example, the greeting card company American Greetings earns 16 percent of its sales through Wal-Mart, so when the retailer demanded more energy efficient displays, the manufacturer worked to cut back on the large displays that traveled with the cards, which in turn decreased transportation costs. Wal-Mart even began offering promotions and benefits to vendors that scored well on the sustainability scorecard.

In such cases, Wal-Mart saved money on gas for transportation, packaging costs, and other costs, which meant it earned greater profits. However, the retailer has not reached total sustainability, especially in areas that do not lead to greater profits. Its construction sites continue to produce toxic run-off that pollutes groundwater and streams, and the retailer continues to pay fines for such environmentally unfriendly practices.

Wal-Mart certainly appears concerned with minimizing packaging and fuel usage, but it may not quite have adopted the real meaning of “going green.” Ideally, green efforts limit the production of peripheral products. Product with short lifespans that must be produced over and over again in a short period of time are not particularly sustainable. If Wal-Mart’s commodity products continue to be cheaply made and wear out quickly, the retailer is profiting by selling to low-income consumers who must buy products at the lowest prices, even though they will have to purchase those items again in a short period of time.

Discussion Questions:

What is Wal-Mart doing to be more socially responsible?

Wal-Mart is partnering with its vendors to save on packaging costs, fuel costs, and energy. It is making efforts to use its large size to make a difference in the world.

On balance, is Wal-Mart doing more good than harm?

Wal-Mart may be engaging in socially responsible actions in the short run, but in the long run, it still needs to prove that it is willing to make some sacrifices and produce more sustainable products, as well as combat the environmental problems that it causes.
Multichannel Retailing: More than Just Starting a Site

Use with Chapter 3, Multichannel Retailing


When it comes to their sites, e-tailers are still sadly primitive. There are five features that e-tailers should incorporate into their online sites to make it easier for customers to find the things they need and want: interactive merchandising, advanced shopping tools, rich media, advanced search, and social commerce.

But e-tailers continue to set lower standards for their Web sites than they would ever accept for their brick-and-mortar stores. Stores constantly receive fresh merchandise, new products, redecorated mannequins, and new looks to ensure they look different every time a customers enters. Yet most virtual sites fail to change the feeling they communicate at all. If they change anything, most sites simply alter the landing page or home page. A notable exception is Borders.com, whose Magic Shelf changes daily, exemplifying its leadership in this category.

Advanced shopping tools make it less confusing for customers to shop online, whereas existing checkout processes tend to include a lot of archaic transitions that diminish the buying experience. UrbanOutfitters and Nike.com now allow “pageless” checkout, and other e-tailers should follow their lead.

Rich media make it more enjoyable to shop online. Some sites add video clips or special features to complement the product pages. Williams-Sonoma.com plays videos of expert chefs to show how to use cooking tools. MartinandOsa.com uses video clips to show clothing on a person. Text and stock photos alone become mundane, which makes it hard for customers to get excited about purchasing anything.

Navigation on e-tailer sites is limited to the choices for which consumers can search. On most sites though, it is difficult to find a red blouse or black jeans sized 24”x30”, because few sites are designed to sort merchandise this way. Instead, they use categories such as brand or maybe basic sizes. Retailers should use specialized search engines like Endeca to predict the different searches customers might want to conduct.

Finally, retailers should exploit the explosion of social commerce online, prompted by Facebook and MySpace. Users cannot shop online together, nor are retailers engaging sufficiently with their customers; they usually do not even track purchases across channels.

Discussion Questions:

What are the five “must have” features for any e-tailer?

*Interactive merchandising, advanced shopping, tools, rich media, advanced search, and social commerce.*

Provide an example of an e-tailer that is particularly good at providing each feature, other than those mentioned in the article.

*Interactive merchandising: Intermixonline.com recommends different looks to customers each time they visit the site, according to a tailored selection of merchandise.*

*Advanced shopping tools: Amazon.com offers its “one-click” quick checkout process.*

*Rich media: Shopbop.com shows videos demonstrating different styles of jeans that flatter specific body types.*
Advanced search: Truejeans.com’s special search system recommends jeans based on customers’ specific measurements.
Social commerce: Talbots.com allows customers to share products with friends by providing a link for them to e-mail the page to friends.

Challenges in Retail India

Use with Chapter 5, Retail Market Strategy


India offers significant opportunity for retailers because of its large population in a relatively small geographic area, including 720 million people younger than 35 years of age. Annual retail sales in the country are $329 billion currently and expected to double by 2012.

The current retail sales are comprised mainly from mom-and-pop stores that sell in street markets. There not sophisticated retailers or national brands for the most part. Yet despite being the world’s fastest growing market, India remains a complicated entry, especially for international companies. The country recognizes 22 official languages and just as many unique cultures.

India also mandates that international companies must participate in a joint venture with a local company to do business in the country. The Indian company must run the operations but can utilize the distribution and supply chains of the International company.

Companies like Wal-Mart and Carrefour have undertaken such ventures, but making them successful is no easy task. Infrastructure in India is virtually nonexistent; few warehouses or refrigerated trucks are available, which means that 40 percent of farmer’s fruits and vegetables perish before being sold.

These large retailers expect for it to take about 10 years to have a stable retail operation in India even though they have succeeded in many other regions throughout the world and are also the largest retailers. For such large retailers it is feasible for them to test out a country over a long period of time, but for other smaller retailers, entering India does not make sense because of the restrictions.

New modern shopping malls are introducing the idea of shopping inside, and many Indian consumers find these air-conditioned modern malls appealing as a form of entertainment. More global brands and new Indian brands have emerged in these malls, increasing the number of brands more than ever before.

Discussion Questions:

What are the advantages and disadvantages of opening retail operations in India?

The large Indian market is currently underserved. However, international companies must be involved in a joint venture partnership to do business, and the infrastructure in India requires a lot of work, so supply chain logistics are very unreliable and slow.

What kinds of products might be best suited for expansion into the Indian market?

Because of the infrastructure concerns, perishable or delicate items are probably not a good choice. However, the middle class in India is growing, so stable items, such as clothing and books, could be very attractive products in new mall environments.
The Talking Fitting Room

Use with Chapter 18, Store Layout, Design, and Visual Merchandise


Until recently, retailers simply have underestimated the importance of dressing rooms. Yet dressing rooms are where customers make the majority of their purchasing decisions. As these customers become more technologically savvy, retailers are recognizing the potential benefits of interactive mirrors, 3D scanners, and holographic sales assistants that improve the selling process.

Most shoppers want to get feedback from their family or friends before purchasing. If no one is with them, they might take a picture of an item with their cell phone and send it to a friend. To make this process even easier, some retailers now allow shoppers to text message or e-mail their friends using a touchscreen in the dressing room, which involves friends in the purchase, even though they physically are located somewhere else.

This social aspect is not the only benefit of such a device. The mirror also suggests complementary merchandise in the store and will superimpose images of the items on the shopper’s reflection. Friends with an online connection to the customer’s dressing room can make purchases remotely; that way, if they decided to purchase a gift for the person, they would not have to worry about getting the right size, because the recipient actually is trying on the garment.

While they stay in the dressing room, shoppers can search the store’s inventory for other items, which in turn helps sales associates provide better service to their customers. Such technology placed in a medium-level service retailer, such as Macy’s, probably would make customers feel as though they were receiving an enhanced service level and shopping experience.

Currently, these mirrors have popped up only in high-service retailers, such as Bloomingdale’s flagship store in New York City and Prada boutiques in Beverly Hills and SoHo. For such high-end retailers, the combination of stellar sales associates and innovative technology is creating a level of service never before available.

Discussion Questions:

How will new dressing room technology enhance the customer experience?

The mirror allows customers to include their friends in the shopping trip, even though they are not physically there. The technology also suggests complementary items and details the store’s inventory, which can help customers pick out the right combination to purchase.

Will the mirror increase sales?

Yes, this mirror seems likely to increase sales, because the customer gains access to more options. Involving other people in the purchase also encourages customers to purchase more items. Whether the customer is shopping alone or asks for friends’ opinions through the virtual environment, that customer still gains the opinions of others that support the purchase.

Customer Service in Electronic Retailers

Use with Chapter 19, Customer Service

Electronic retailers, from Circuit City to Best Buy to Wal-Mart, are not made equal. Electronics increasingly have become more sophisticated and complicated, requiring consumers to find more assistance for their purchase and installation. Therefore, electronic retailers differentiate themselves through both service in the stores and services offered to customers after they make a purchase.

Circuit City struggled in the slowing economy, so as a result exchanged their experienced salespeople for younger, inexperienced associates that were less expensive. In contrast, Best Buy moved to find more experienced salespeople who could engage with customers to discover their needs and explain the products the retailer offers. Furthermore, Best Buy provides its Geek Squad service, which helps customers set up the electronic products they purchase.

Many electronic products are similar, with comparable prices, so service often becomes a differentiating factor. In particular, in February 2009, consumers will face the switch from analog to digital signals in broadcast television, which will force many of them to buy a new TV. These customers probably are not among the most technologically savvy, which suggests they will require more assistance when making a purchase.

Customers who are satisfied reading the instructions on their own and looking online for troubleshooting assistance likely head to Wal-Mart, where the service is minimal but the prices are lower. Yet even Wal-Mart is working to hire more experienced salespeople who can sell its electronics, even though it remains the cheapest option in most cases because of its overall lack of service during and after the purchasing process. Wal-Mart even goes so far as to turn off its displays to save costs. Thus, for consumers, many options remain available for buying electronics products; the question becomes how much service they require and the price they are willing to pay.

Discussion Questions:

What differentiates Circuit City’s and Best Buy’s service?

Circuit City mostly hires inexperienced young salespeople who cannot always help customers with in-depth information about electronics products. Best Buy hires experienced salespeople who can help consumers through the selling process and also offers its Geek Squad services for installation.

Does good customer service pay off in the retail electronics business?

Many consumers are not technologically savvy enough to know the difference among the different TV products. In making such an expensive purchase, consumers would prefer to be confident that they have made the right decision. Electronic products are much more complicated than they used to be, and many customers do not even know how to set them up properly, so service becomes a necessary feature for retailers.

Stretching Family Dollar

Use with Chapter 2, Types of Retailers, and Chapter 5, Retail Market Strategy


Family Dollar stores have been around consistently for approximately 50 years, but their strategy has changed significantly. The company began by selling large amounts of cookies, candy, and
snacks at promotional prices, then started carrying carbonated beverages, and then branded products like Coca-Cola, Frito Lay, Kraft, and Procter & Gamble. Now the company faces a real challenge as it attempts to fulfill the needs of low-income shoppers by delivering low-cost items.

As the economy suffers, Family Dollar tries to make it more convenient for low-budget and financially stressed families to shop. The latest assortment addition extends to refrigerated grocery products, such as milk, eggs, and other staple goods. The retailer’s food business has grown 25 percent in the past three years. By making food items a significant part of its revenues, Family Dollar encourages customers to make more frequent trips and substitute for trips to convenience stores.

Another aspect of its strategy focuses on convenient, “fill-in” shopping trips for customers who may be ready for a full grocery shopping trip but can’t afford one because they have not received their paychecks. These customers can quickly fill in some items, such as milk and bread, while they wait to earn enough to go to the grocery store or warehouse club. The company is also upgrading its point-of-sale technology to allow customers to pay with EBT (electronic benefits transfer) and food stamps.

Finally, Family Dollar works to ensure that its apparel and seasonal assortment vary enough that customers enjoy the “treasure hunt” feel. When it comes to food though, its assortment strategy is the opposite: There will always be a constant supply of the basic groceries that customers need.

**Discussion Questions:**

**What has Family Dollar done to improve its fresh food business?**

*Family Dollar has added refrigerators to its stores to offer milk, eggs, and other staple products that customers need. It has also made its food assortment predictable so that consumers can trust that they will have the basics every time they shop.*

**What might a traditional grocery store do to compete more effectively with Family Dollar?**

*Traditional grocery stores would need prices comparable to Family Dollar’s, as well as convenient access to the basic items shoppers need in a short time. Family Dollar provides a convenient way to pick up a few items, whereas most grocery stores are so large that they cannot be as convenient and efficient.*

**Retailers Dictate Community Health**

*Use with Chapter 5, Retail Market Strategy, and Chapter 14, Buying Merchandise*


In the inner city, the quality of the retailers defines the habits of the community. When it comes to food and residents’ health, the food retailers that are available predict the rates of obesity and diabetes, which often occur as a result of the food choices available.

Low-income areas often lack access to a grocery store, so convenience stores become popular places to buy food. These stores thrive on sales of soda, chips, candy, and ice cream. “Junk food” brands promote their products with in-store promotions, making it easy for the store to sell these products.

In a study conducted by the John Hopkins Center for a Livable Future, the researchers found a correlation between consumers’ health and the areas in which they live. People in low-income
areas suffered significantly higher levels of diseases brought on by poor eating habits. The Healthy Stores Project is working to encourage stores to carry more healthy foods, such as produce, whole wheat bread, and low-sugar drinks and snacks.

But many retailers are reluctant to carry too many healthy foods, for fear that customers will not buy these perishable products. These products are also more expensive for consumers, which encourages consumers to buy junk food, which also often appeals to people’s taste preferences. This constant cycle is difficult to break.

Low-income consumers lack access to healthy groceries because supermarkets are far away, requiring them to drive, which in many cases is not an option. The Healthy Stores Project hopes to get convenience stores to promote healthy products. Whole Foods and grocery stores may carry more healthy products today, but low-income neighborhoods have a hard time even gaining access to simple fresh fruits and vegetables.

**Discussion Questions:**

**Should food retailers be concerned about selling products that are good for customers?**

*Food retailers should be concerned about selling products that are healthy for consumers and promote positive human welfare. Residents of lower-income neighborhoods often lack access to healthier foods, whether because of the expense or because they simply are not available, which leads to a near-addiction to candy and chips that are high in sugar and sodium. If a retailer is not offering healthy options for consumers, it may not be operating in good faith. Consumers are the only ones who can choose between healthy or unhealthy products, but they need at least the option to make that choice.*

**Virtual Shopping for Real?**

*Use with Chapter 3, Multichannel Retailing*


On Zwinky.com, Gaiaonline.com, Stardoll.com, There.com, and Habbo.com, tweens can shop and play on a new virtual playground that allows 8- to 14-year-old customers to create avatars with their own virtual lives.

They also allow tweens to buy virtual clothes for their avatars and play games to earn currency, such as “Zbucks” at Zwinky.com, to buy more virtual items. Tweens may not lead the most glamorous lives, but their avatars attend concerts, parties, and proms and buy designer clothes and makeup. In addition, designer jeans for the avatar cost only 30 cents, compared with $300 in real life, so the sites offer a much more economical way for kids to fulfill their desires.

Retailers such as Jessica Simpson shoes, Cosmetics by Sephora, and adidas sneakers all maintain a presence in the virtual world, offering products for the avatars to buy. These companies sell virtual versions of their real-life products for pennies, which does little to earn them profits in the short term. But if tween visitors like Jessica Simpson shoes, they can test them on their avatars for a few cents before going out to buy (or convincing their parents to buy) the real thing for themselves.

Noting these developments, the Campaign for a Commercial-Free Childhood worries that the virtual world consists only of brands; the entire experience is a commercial. Advertising no longer is limited to clearly distinguished, 15–30-second ads. Millions of tweens already have joined
virtual worlds that consist of nothing but advertising, and Zwinky.com has sold 46 million virtual clothing items, while Gaia online has sold 700,000 virtual Scion cars.

These virtual worlds often initiate new trends and allow tweens to test out a style. The Project Runway winner Christian Siriano even adopted this idea to test virtual clothes and determine which ones her customers will really want in real life.

Discussion Questions:

How are brands capitalizing on virtual worlds?

Brands are allowing customers to test products for a small price. If the customer really likes the product, he or she can indulge in real life with less risk or chance of postpurchase dissonance.

What are the ethical issues associated with creating virtual worlds for tweens?

Because these worlds do not distinguish between advertising and entertainment content, these young consumers, who generally are most vulnerable to persuasive efforts, likely have trouble recognizing when they are being sold to.

Site Location = Brand for Many Retailers

Use with Chapter 7, Retail Locations


Even in an economic downturn, New York’s Fifth Avenue, London’s New Bond Street, and Tokyo’s Ginza remain high rent districts, literally.

Bergdorf Goodman, Tiffany & Co, and Harry Winston earn brand equity from their location in premiere spots in New York City. The luxury market, or consumers who buy $5000–$10,000 suits with $1000 shoes, want to shop in the best locations and their spending is not slowing with the economy.

Being located on a main street such as New York’s Fifth Avenue can place the retailer as having higher brand equity than a retailer that is off the beaten path. These retailers have developed their brands around such premier locations and will continue to pay whatever it takes to maintain their prime locations.

Such shopping districts are more than just places to buy luxury products; they often become tourist attractions and iconic landmarks for a city or even a country. Retailers that have been in the same location for years build their brand in conjunction with their location. Thus, customers know to expect Chanel, Bvlgari, Cartier, Saks Fifth Avenue, and Bloomingdale’s when they walk down these famous streets.

New York City real estate is the most expensive in the world; between 59th and 42nd Streets, retailers pay $1500 per square foot—or $30 million per year for a 20,000 square foot location. Abercrombie & Fitch just signed a lease for 90,000 square feet of space at 666 Fifth Avenue, paying $2000 per square foot. These locations are limited, so the flagship store located there will pay high premiums.

Discussion Questions:

Does the economy seem to be having an impact on the cost of these locations?
No, the economy has not affected the high rents of these premiere locations. Luxury stores maintain their locations because of the brand equity that they gain from being on, say, New York’s Fifth Avenue.

Does it make sense for a store like Abercrombie & Fitch to pay such high rents?

Yes, because A&F wants to develop a higher-end image, and a flagship store located in a prestigious area can help it do so.

No, because A&F stores are in virtually every mall in America, and it really isn’t a luxury brand. Mainstream consumers can afford to purchase its apparel, so it likely cannot earn enough from sales in its Fifth Ave. store to pay the rent.

The Millenial Shopper

Use with Chapter 5, Retail Market Strategy

Khanh T.L Tran, “Retailing’s Sweet Spot: Stores Look to Lure Millenial Generation,” WWD, July 02, 2008.

Consumers between the ages of 14 and 29 years, or millenials, have considerable buying power and want the latest in fashion and brands. This group takes its cues on what is trendy and cool from runways, celebrities, and magazines, yet they also want to stand out as unique, even as they yearn for products beyond their price range.

The teen idol Miley Cyrus now makes more money than long-time actresses such as Gwyneth Paltrow. Cyrus’s hit TV show, Hannah Montana, has led to her branding everything from shampoo to jeans. She appears in high-fashion brands such as Valentino and recently wore jewelry from designer Fati Parsia on loan. After Cyrus was photographed in the jewelry, the designer’s sales grew by 35 percent.

As her target market, millenials have grown up with “adult-like” trends, not cartoons, as previous generations experienced. To get this group’s attention, designers and retailers have to collaborate. When one of the characters on Gossip Girl, the fictional high school students who spend money like wealthy adults and carry around the best designer brands, sported a handbag from the new designer Foley + Corinna last season, the designer’s sales jumped dramatically and the handbag sold out instantly.

Retailers have a tough time predicting what these consumers will buy, but when a group spends $33.7 billion on clothes, as millenials did last year, retailers are willing to work hard to figure it out. What they have realized is that to get the latest trends to stores in time to keep the interest of millenials, the production-to-delivery process must be quick.

Do not judge the book by its cover! Although millenials are not of an age to be making the big bucks to afford the luxuries that they see on TV and in magazines, that does not mean that they are not purchasing these products. This group has a lot of influence over their parents money.

Discussion Questions:

Who are the millenials?

Millenials are consumers between the ages of 13 and 24 years.

Why are retailers and their vendors pursuing them so vigorously?
Millenials have considerable buying power and are anxious to keep buying the next best trend.

What are retailers doing to attract them?

Retailers are delivering products to stores as quickly as they can. They are also engaging in collaborations with celebrities and brands that millennials like best.

Starbucks Chooses the Wrong Locations

Use with Chapter 8, Site Location


In 2004, Starbucks stated its goal: To have 15,000 stores in the United States. But its aggressive store openings in pursuit of that goal have prompted an unprecedented number of store closings.

To meet Wall Street’s expectations, the company opened a lot of stores in a short period of time. Its location selection standards, which initially demanded that stores open only in the very best locations in an area, began to decline as it became more important to open a store than to wait for the best location. The best locations were also disappearing. As a result, Starbucks opened stores that were in close proximity to existing stores, which cannibalized sales.

The declining economy then worsened the effects of Starbucks’ bad location decisions, because many new stores opened on the basis of predictions about future housing developments and the predicted traffic patterns they would create. But many of these developments were canceled or put on hold when the housing market crashed, leaving stores in locations without any people.

Starbucks enjoyed its position as the darling of Wall Street and perhaps thought that it could do no wrong. The company figured that consumers had an endless need for caffeine, even in hot climates. But today, 70 percent of the stores being closed are those that opened after 2006, which demonstrates that in the past three years, the company lost track of the standards and original mission that initially led to its success.

To get the company back on track, Howard Schultz, an original founder of Starbucks, returned as CEO, and former leadership executives have returned as well. The company claims it will reposition its focus onto the quality of store locations. It has introduced a new coffee blend, Pike Place Roast, named after the location of the first Starbucks store, as an indication of its return to its roots. Even in stores, the coffee retailer is pushing a focus on service and product quality to ensure the commitment to its original model.

Discussion Questions:

What is wrong with Starbucks’ location strategy?

Starbucks’ location strategy was the basis for its earnings growth. The more stores it opened, the more successful it would be. But its selection of second-class stores has cannibalized the sales of stronger performing stores.

Could you have predicted this turn of events for Starbucks a few years ago?

Probably not—it seemed like everyone believed Starbucks had the perfect approach to its market. That attitude may have been part of the problem. That is, perhaps Starbucks got too comfortable and stopped competing on the features that made it a success in the first place.
The New Look of Sears’ Advertising

Use with Chapter 16, Retail Communication Strategy


During this year’s back-to-school season, Sears will target 8- to 14-year-old customers through the digital world. Partnering with social, virtual, and entertainment networks—including Facebook, MySpace, Seventeen, CosmoGirl, Nickelodeon, and Disney—Sears hopes to position itself as a cool brand for this age group of tweens.

On its Web site, Sears features virtual boutiques, fashion shows, and competitions for avatars, along with a variety of customized games. The Arrive Lounge touts a theme of “Don’t just go back. Arrive” to push the back-to-school season. Vanessa Hudgens hangs out in the lounge, allowing tweens to view behind-the-scenes footage with the actress.

In this virtual environment, tweens can play and interact with their friends, with Sears acting as the facilitator. In the virtual fashion show for example, tweens dress their avatars in Sears’ clothes; ideally for the retailer, they will then want to dress themselves in the same fashions in real life.

With this new approach, Sears is increasing its digital budget and deemphasizing traditional media. The struggling retailer remains unsure about the return on this nontraditional marketing approach, but it appears that the interactive relationship it is developing with this target market may enjoy both short-term success and long-term support for the brand.

By collaborating with Vanessa Hudgens, a popular figure especially among this age group, Sears has positioned itself among the cool icons. For now, the retailer just has to wait and see whether its fun games and cool options will translate into sales in the back-to-school season.

Discussion Questions:

How is Sears using alternative media to reach its tween customers?

Sears is creating digital games and virtual fashion shows for tweens to interact with one another. By creating the platform for this socialization online, it hopes tweens will consider Sears a cool brand of choice.

Is tweens an appropriate market for Sears to pursue?

Absolutely. In addition to having some of their own discretionary buying power, tweens often influence where their parents shop, which means Sears may be able to attract multiple age groups to shop by targeting just tweens.