This newsletter provides teaching tips and summarizes article abstracts for case discussions for the following topics:

- Malls Blossom in Russia, With a Middle Class (Chapter 7)
- Fashion Retailer Debuts “Pushy” Promos (Chapter 15)
- British Store Has Figured Out How To Make Men Like Shopping (Chapter 17)
- Variable Online Pricing Gaining More Attention (Chapter 14)
- Now on Twitter: Holiday Shopping Deals (Chapter 15)
- Retailers Try to Adapt to Device-Hopping Shoppers (Chapter 3)
- 7-Eleven Shifts Focus to Healthier Food Options (Chapters 5 and 13)
- Return to the City: Renewal of Inner City Retail Stores (Chapter 7)
- BrainTrust Query: Should Restaurants Change Prices By the Hour? (Chapter 14)
- HSN Evolves and Thrives Under CEO Grossman (Chapters 3 and 5)
- Rivals Object to Walmart Ads (Chapters 14 and 15)
- Top 30 QR Code Uses (Chapter 3)

If you are interested in the textbook please visit www.mhhe.com/levy8e. 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.warrington.ufl.edu/mkt/retailcenter/research/publications.asp
Teaching Tips

Additional Material for Teaching Retail Classes

A website, part of the University of Florida Miller Center for Retailing Education and Research, provides materials for retail class instructors including:

- Nine syllabi from instructors
- Classroom exercises
- Team projects
- PowerPoint slides
- Copies of this newsletter and previous issues
- List of retail links, cases and videos

The website is available at http://warrington.ufl.edu/mkt/retailcenter/teachretail/

Please consider sharing your materials with other instructors through this website by sending your course syllabi, classroom exercises, projects, teaching types, etc. to bart.weitz@warrington.ufl.edu or mlevy@babson.edu
Malls Blossom in Russia, With a Middle Class


Use with Chapter 7, “Retail Locations”

Malls equipped with over 250 stores, amusement rides, ice skating rinks, and multi-screen movie theater complexes are not just located in the United States anymore. Russia is now home to a burgeoning mall market. Recently, Morgan Stanley paid over a billion dollars for a single mall in St. Petersburg. Another mall, named Vegas, located in the cucumber fields outside Moscow is larger than the Mall of America minus the amusement park. Moscow is also home to the Mega Tyoply Stan shopping center which can attract in excess of 50 million shoppers annually. In Russia, malls are still a novelty. The first “Western style” mall did not open until 2000. Russians are mesmerized by the fast food, clothes, electronics and entertainment offerings of the mall. In addition, the warm and cozy interiors attract shoppers during the cold winter months.

The market for malls in the United States is rapidly dwindling as consumers favor lifestyle centers and more convenient shopping formats. Russians, however, are embracing malls as a source of family entertainment. As oil exports in Russia are increasing, wages are increasing as well, affording citizens more buying power. Analysts believe that the growing interest in Russian malls, by both citizens as well as investors, is an indication of a growing middle class in Russia. The International Council of Shopping Centers says that Moscow now has 82 malls. Moscow has more floor space in malls than any other European city, with 34 million square feet. Investors, like Morgan Stanley, are very interested in the growth of malls and the improved economic outlook of Russia. Russia has a flat 13% income tax rate, most Russians own their own home, and health care is socialized. Russians, whose wages are increasing, now spend 60% of their pretax dollars on retail purchases (this includes food). Comparatively, Germans only spend 28% of their pretax dollars at retailers.

Discussion Question:

Why are malls doing so well in Russia?

Malls are doing well in Russia for several reasons. First, the concept of indoor malls is relatively new to Russia, so Russian citizens are attracted to the novelty. Second, the economy is improving dramatically in Russia and consumers have more disposable income to spend on retail purchases. Finally, the warm environment of malls is especially attractive to customers during the winter months.

Back
One of fashion retailer Cache’s primary objectives with its first mobile app was to include push notifications. When customers download Cache’s mobile app they can choose between receiving push messages or not. The push messages allow the brand to send customers messages based on the customers’ location and shopping habits if customers opt in. For example, if a customer uses the Cache app to browse for new arrivals, the push notification will send the customer a message about a specific item they just checked out. According to Cache’s VP of e-commerce, this allows for an interaction with the customer and an opportunity for the customer to become more engaged with the brand.

Cache has also loaded its 262 locations into the app so that it can target customers at the store level. Cache is trying to incent customers to go into the stores and see new products or take advantage of a promotion. Cache’s mobile app also allows customers to scan Cache’s bar codes as well as develop a personalized wish-list. Cache believes that push notifications are mainstream and customers no longer view them as an invasion.

**Discussion Questions:**

**What is a push notification?**

*When customers download mobile apps, they are asked if they want to opt in to receive push notifications or not. Push messages allow retailers to send customers messages based on their locations, shopping habits and app activity.*

**Would you accept push notification or would consider them to be an invasion of your privacy?**

*Ask students if they accept push notifications when they download mobile apps. Some students might accept push messages from some brands while opting out of others. What are the reasons why they accept some push messages but not others?*
British Store Has Figured Out How To Make Men Like Shopping

The Economist, December 18, 2012

Use with Chapter 17, “Store Layout, Design, and Visual Merchandising”

Typically, retailers have assumed that most men hate shopping. Hointer, a high-tech men’s clothing retailer located in Seattle, but based in the U.K., is attempting to change men’s attitudes about shopping. In Hointer’s new Seattle store, customers will not have to bother with idle chit chat with sales associates or sifting through large piles of clothes. Instead, shoppers can use their smartphone to scan items that they are interested in and choose sizes and colors they want to try on. Once the items are scanned, a message is sent, via a mobile app, to the stock room. From there, the correct sizes and colors are chosen and dropped into a basket in one of the store’s dressing rooms. The entire process takes less than 30 seconds. If the customer likes the jeans, he can swipe his card through a reader and walk out the door without having to interact with anyone.

Every pair of jeans has a tag that tracks its location in the shop, making it difficult for customers to leave without paying. Because of the emphasis on technology, Hointer employs fewer sales associates. This allows Hointer to compete closely with online retailers on price.

Executives at Hointer are trying to make fashion shopping as convenient and stress-free as shopping online for men. Hointer stores its jeans “behind the scenes,” therefore making it easier for Hointer to store more styles, almost 150. Hointer can offer ten times the selection of a normal retailer store; this is especially appealing in markets with expensive real estate costs. This does mean, however, that one store selling 150 styles of jeans, is holding quite a bit of inventory. This worries some critics of the store.

Discussion Questions:

How does Hointer sell jeans?

Hointer has an automated process that allows men to browse jeans without interacting with salespeople. Consumers can scan items and indicate the size that they want. The items are instantly pulled from the storage room and delivered to a dressing room. Customers can swipe their credit cards on the way out to pay for merchandise. The whole process is quick, efficient, and has minimal face to face interaction.

Why is this method appealing to men (more than women)?

Men, historically, are not as interested in shopping and browsing as women. Hointer is banking on men preferring this efficient, non-intrusive style of shopping versus high touch shopping.

From an inventory investment perspective, why are Hointer stores efficient?

Hointer stores the majority of its inventory in the back of its stores, allowing the retailer to stock more SKUs than traditional retailers. However, some critics worry that Hointer is stocking too much inventory and offering customers too many choices.
What other stores would benefit from a similar store layout and display?

Ask students to consider other retailers that might benefit from a similar layout. Students might consider shoe stores where traditionally sales personnel have had to search for shoe sizes for customers. Ask students if they believe food items would work with this kind of layout.

Would you shop at Hointer?

Ask students if this format appeals to them. Some students prefer the low touch point interaction while some students might prefer more interactive shopping experiences.
Variable Online Pricing Gaining More Attention

Tom Ryan, Retail Wire, December 26, 2012

Use with Chapter 14, “Retail Pricing”

Many retailers, like Staples, Home Depot, and Rosetta Store, are now offering different prices to different consumers based on the consumers’ location, history, or even the device the consumer is using to make the purchase. The Wall Street Journal (WSJ) recently conducted an investigation into the practice and found that many retailers display different prices to shoppers based on the shoppers’ locations. Staples, for example, acknowledged that it uses variable pricing based on the geography of the customer and the differential costs are the “costs of doing business.” However, WSJ’s study found that the pricing differences could be explained primarily by the distance the customer was from a rival company. Orbitz, for example, shows customers using Apple devices higher prices on services versus customers using Windows devices. Browser history, in addition to type of device, is also a tool that retailers use to fine-tune prices. WSJ identified inherent privacy concerns with the practice. In addition, the investigation proves that the Internet is no longer an equalizer in making prices comparable to traditionally hard to reach consumers. E-commerce should eliminate higher prices in areas of less competition, rather than increase them. Regulators in the United States are attempting to implement a “do not track” system to protect consumer privacy.

The practice of variable pricing is not illegal, unless the retailer is varying the price based on race discrimination or other sensitive areas. Some retailers argue that brick and mortar stores already use variable pricing strategies because of real estate costs, inventory, competition, and other factors. Proponents of the practice also suggest that consumers can receive more relevant information and promotions from retailers that mine their browsing history and location data.

Discussion Questions:

How are retailers using variable pricing?

Retailers are using variable pricing via their e-commerce sites. They are charging customers different prices primarily based on the customers’ shopping history and geographic location.

What type of price discrimination is variable pricing?

Variable pricing is first-degree price discrimination. First-degree price discrimination occurs when retailers charge customers different prices on the basis of the customers’ willingness to pay.

Do you believe variable pricing is an ethical pricing practice?

Generally, retailers can sell at whatever price they want to consumers—1st degree price discrimination—if people are willing to pay a higher/lower price, retailers should be able to vary the prices accordingly. However, there are privacy and discrimination concerns associated with variable pricing.

Back
Twitter was the go-to social media platform for many retailers during the most recent holiday season. For example, during the 2011 holiday season, Best Buy just bought ads on Twitter to promote sales during the week of Thanksgiving. During the 2012 holiday season, Best Buy’s strategy included an eight-week Twitter barrage that involved Twitter “parties” which were hour long blocks for groups of people to gather on Twitter and exchange gift ideas. Best Buy also bought ads to encourage Twitter users to post jokes or photos of something blue on Twitter while they were waiting in lines for Black Friday deals.

In 2011, Radio Shack used Twitter, Facebook, and Foursquare for its holiday marketing campaigns. In 2012, Radio Shack’s “24 deals in 24 hours” campaign only appeared on Twitter. During this campaign, Radio Shack gave clues to riddles in tweets and rewarded customers with $100 gift cards.

Consumer-to-consumer conversations about holiday deals, gift ideas, and shopping tips were everywhere on Twitter during the 2012 holiday season. During the week of Thanksgiving, there were over 6 million Twitter posts related to Black Friday. According to Twitter, three times as many retailers bought ads on Twitter in 2012 than in 2011. To continue to grow this market, Twitter is developing a new system that lets retailers target ads to Twitter users based on their hobbies and the brands they track on Twitter. Twitter suggests that for consumers, the tone and signal of personality and authenticity of retailer messages are very important to consumers.

**Discussion Question:**

How have retailers made Twitter an important component of the communications mix?

*Although Twitter has a smaller audience than Facebook, customers that use Twitter are loyal and very responsive to promotional messages delivered via Twitter. Retailers are using Twitter to announce special promotions like Radio Shack’s “24 deals in 24 hours” campaign. Retailers also used Twitter to announce Black Friday and other holiday promotions.*

Back
Retailers Try to Adapt to Device-Hopping Shoppers


Use with Chapter 3, “Multichannel Retailing”

Last year, visits to e-commerce sites and mobile apps on tablets and smartphones doubled. In addition, the size of the average order was higher on tablets versus PC’s. However, retailers are finding that while customers like to use mobile devices (tablets and smartphones) for browsing and shopping, many customers prefer to use their PC’s or laptops to make the final purchase transaction. Retailers are noticing that consumers use a smartphones to research products, tablets to browse options, and computers to buy. According to research done by Google, 85% of online shoppers start searching on one device (often a smartphone) and make a purchase on another device.

A challenge of this multi-device trend is that retailers can’t track customers as they hop from device to device, as information from cookies does not transfer across devices. For example, if customers put an item in their shopping cart on one device, it will not sync up on their other devices (PC or mobile). Retailers are scrambling to figure out how to sync the shopping experience in other ways, like prompting shoppers to log on. eBay, however, has found a way to sync customers devices so that their information like shipping and credit card details transfers across devices.

At ModCloth, an online women’s retailer, most customers browse merchandise on the phone and add items to their wish list and then purchase the items elsewhere. To capitalize on this behavior, ModCloth asks shoppers to log in to the website via phone or PC in order to store information like credit card numbers and shopping carts. If a ModCloth customer adds an item to her list on a laptop, and the item is about to sell out, ModCloth can send the customer an email. The customer then accesses the email via a phone or other device to buy the item. ModCloth has found that customers using multiple devices and are logged in are 2.5 times more likely to place an order than customers on a single device.

Other retailers that can sync information across multiple devices include Amazon.com, Nordstrom, Target, Macy’s, and Gap. Retailers whose e-commerce systems cannot accommodate multiple devices include Newegg, Kohl’s, RadioShack, and J.Crew.

Discussion Questions:

How and why do people use multiple devices to research, browse, and buy?

Many customers use their smartphone to find information about a product, their tablets to browse comparable products, and their laptops or PC’s to make the final purchase. Some customers feel more comfortable purchasing from their computer than their mobile devices.

Why is this a problem for some retailers?

This is a problem for some retailers as they are not set up for shopping cart information or browsing history to transfer from one device to another.
How can retailers overcome this problem?

Retailers can overcome this problem by syncing information in several ways. The easiest way to do this is to ask customers to log on after they have browsed for a few pages. This allows retailers to attach search history and wish list items to a customer’s log in information.

Do you shop using multiple devices?

Ask students if they research, browse and buy in the ways listed in this article. Why are some students more inclined to make the final purchase on their laptops or PC’s versus other students who will purchase via mobile apps?
7-Eleven convenience stores are best known for Big Gulps, Slurpees, and nachos. 7-Eleven is now revamping its strategy to appeal to more health-oriented customers. Over the past year, 7-Eleven has begun offering a line of fresh foods like yogurt parfaits, crudité, and lean turkey sandwiches. By 2015, the retailer hopes to have 20% of sales come from fresh foods in its North American stores. 7-Eleven’s strategy is to become a food and beverage company that appeals to consumers’ healthier needs.

Convenience stores are historically more nimble than traditional retailers. In the 1980’s convenience stores added Pac-Man arcade games in order to keep customers in stores longer. Convenience stores installed A.T.M.’s and collected transaction fees to increase revenue.

Convenience stores are facing some current challenges like increased competition from quick service chains like Dunkin’ Donuts and Starbucks. In addition, the sale of cigarettes has decreased. Cigarettes used to be a major profit driver for convenience stores. Convenience stores are banking on fresh foods to recover some of their losses, as fresh foods are a fast-growing category.

In order to create the best line up of fresh food offerings, 7-Eleven has hired culinary and food science experts to study the industry and create a portfolio of fresh food products. 7-Eleven hopes to offer items like the Bistro Snack Protein Pack which includes pita rounds, cheddar cheese, grapes, celery carrots and hummus. The retailers is also retooling existing products like jelly doughnuts and tacos to mini sized portions. Products are also tailored to geographical locations. For example, a 7-Eleven in Miami might offer customers a hot Cuban sandwich and Northeastern 7-Eleven’s offer customers the Turkey Gobbler during the holidays. 7-Eleven also recognizes that some customers want healthier options, while some customers are excited about less healthy options.

Discussion Questions:

Why is 7-Eleven offering healthier food options?

7-Eleven is offering healthier food options to meet changing consumer needs and tastes. Customers are becoming more health-oriented. 7-Eleven is not currently known for its healthy offerings and is hoping to become more of a destination store for these customers. Healthier options also have a relatively high profit margin.

How is 7-Eleven going about developing these new products?

7-Eleven has hired culinary and food science experts to study trends in the industry and develop a portfolio of new products that appeal to the health conscious, on-the-go consumer.

Have you tried the new healthier options?

Ask students if they have tried, or plan to try, 7-Eleven’s healthy food offerings. Do they think this strategy will be successful for 7-Eleven?
Return to the City: Renewal of Inner City Retail Stores


Use with Chapter 7, “Retail Locations”

In the 1970’s and 1980’s, there was a great urban flight as families moved from urban town centers into the suburbs. Suburban shopping centers started growing significantly during this time in response to the growing demand. In the suburbs, customers are more reliant on automobiles for transportation as public transportation is less available.

Fast-forward to this decade, and there is a definite trend among young families to return to the city. Urban environments offer more lifestyle choices, more job opportunities and more unique shopping options. In addition, homeownership is down 66% among people under 44 as the cost of homeownership is too much. Renting is more attractive to some people because of the flexibility and freedom it provides. Young families are also choosing to live urban lives as they can be closer to their children while they are at work.

Now, after decades of building in the burbs, many retailers are moving back into the cities. Nordstrom Rack is opening urban locations in Columbus, Cleveland, Milwaukee, Chicago, Seattle, New York, Boston, Birmingham, and Washington D.C. Whole Foods is opening new stores in Detroit, Chicago, and Newark. Both Target and Walmart have focused expansion on downtown locations with smaller store formats. Retailers have to alter their assortments to meet the needs of the urban shopper as well as accommodate the smaller store format. For example, Home Depot found that customers in its urban stores wanted smaller ladders, grills, and paint than its suburban shoppers. Food retailers have also found that some large size containers do not fit in smaller apartment refrigerators.

Younger customers have great spending power and their priorities and needs have changed from the traditional suburban environment. Retailers are following their lead and trying valiantly to meet those changing needs.

Discussion Questions:

Which retailers are opening stores in inner cities?

Retailers like Nordstrom Rack, Whole Foods, Walmart, and Target are opening stores in inner cities.

Why are they opening them?

Home ownership is down and many young customers and young families are moving back into the city for the amenities that urban living provides, including public transportation and more lifestyle options. Retailers are refocusing their building efforts on urban locations to meet the needs of this demographic and their shifting lifestyle preferences.

How are these inner city stores different than their suburban counterparts?

Many of the new inner city stores are in smaller formats. They are also offering different assortments of merchandise that are more appealing to urban shoppers than suburban shoppers.

Back
An empty table is lost revenue for a restaurant. In order to capitalize on hourly changes in demand, many restaurants are now implementing a variable pricing strategy. The theory behind this is that dinner on a Monday night at 5:00 pm shouldn’t cost the same as dinner at 8:00 pm on Saturday night. Restaurants are betting that customers used to paying for VIP tickets or extra leg room seats will also be willing to pay more at premium dining times.

Deal sites like Groupon are helping restaurants drive traffic during slower periods. Mobile apps like Leloca give customers first-come, first-serve deals when reservations come open. Savored, a foodie website, offers discounted meal services based on reservation times.

Yet, restaurants still struggle with elasticity of demand. Executives are battling important decisions with implementing variable pricing strategies, like: Does increasing prices on the weekend shift demand to other days? Should we explore more daily deals to boost sales during slower hours? and Can we selectively increase the prices of certain items during certain times?

Discussion Questions:

Why are restaurants varying pricing at different times of the day/week?

Restaurants are varying prices to increase demand during slower hours (by offering lower prices), and increase revenue during peak hours (by offering higher prices).

What are the advantages and disadvantages of this strategy from the restaurant’s perspective?

Some of the advantages include increased traffic and increased revenue. Having an empty table means that the restaurant is not making any money; driving traffic during off times, although at a lower price, still generates revenue for the restaurant. However, if restaurants increase their prices during peak hours, this might shift demand from customers to enjoy the lower prices offered during non-peak hours.

Would you take advantage of such a strategy?

Many students are always looking for a deal and would likely favor the variable pricing strategy targeted toward non-peak hours. Restaurants and bars have been offering happy hour deals for years in order to drive traffic during earlier hours. The strategy in this abstract is similar to a happy hour strategy which many students have probably participated in.
HSN Evolves and Thrives Under CEO Grossman


Use with Chapter 3, “Multichannel Retailing” and Chapter 5, “Retail Market Strategy”

Mindy Grossman is CEO of HSN (Home Shopping Network). She came to the company in 2006 after rebranding Ralph Lauren. Since she has been at HSN, she has revamped the brand from top to bottom making it a more sophisticated retail hub without the previous hyper hosts who would shout “Call now, now, now!” and “You CANNOT miss this amazing deal.” Today’s HSN host is more consultative and takes on the role of a personal stylist. HSN also showcases celebrities like Serena Williams and Rod Stewart and high-end designers like Iman, Carlos Falchi, and Naeem Khan. HSN is trying to capture the customer interested in the experience, not just a coupon. Whatever HSN is doing is working; the company’s stock is up 54% in the past six months.

Grossman’s growth strategies for HSN include:

- HSN is developing more ways for customers to interact with the brand. This includes: live TV concerts, more interactions on Pinterest, and casual HSN games on Facebook.
- HSN will do more data mining of its database of 59 million shoppers. HSN knows that its average customer is younger and more digitally active than previous customers.
- HSN will begin partnering with more big brands like Coca-Cola and Toyota.
- HSN may buy other brand name companies to diversify. It recently purchased Seattle-based retailer Chasing Fireflies.

HSN is not planning to grow through brick and mortar stores. Instead, HSN plans to be a multichannel retailer through all the other channels, TV, Web, catalog, mobile and social.

Discussion Questions:

What is HSN’s retail strategy?

*HSN’s retail strategy is to engage with customers using multiple channels, not just TV. They are a TV, Web, catalog, mobile and social retailer these days.*

What’s new on the horizon for HSN?

*HSN will grow by doing more market research, partnering with big brand names, buying more businesses, and developing new touch points for engaging with customers.*

Do you shop there? Why or why not?

*Ask students whether or not they shop there. Do they consider it an outdated retail experience? If they have not shopped there before, would they consider it after reading this article?*
Rivals Object to Walmart Ads


Use with Chapter 14, “Retail Pricing,” and Chapter 15, “Retail Communications Mix”

Last year Walmart launched an aggressive promotional campaign that claimed it had better prices than some of its competitors. This campaign was launched last spring in 31 U.S. cities in an effort to regain market share and its reputation as the low price leader. The ads generated a 1.2% boost in same store sales. Walmart states that because of the reality show style of filming, the ads can be filmed on Tuesday and launched on Thursday delivering powerful, current, and targeted messages.

Walmart boldly named these retailers in its advertisements, including: Toys R Us, Best Buy, and several regional supermarket chains. These retailers are outraged and many are claiming that Walmart ads cite inaccurate prices or are comparing different products with different specifications. Walmart, however, is standing behind their ads claiming, “We are confident on the legal, ethical, and methodological standards associated with our price comparison ads.”

Best Buy is suffering because of Walmart’s ads. During the holidays, a Walmart ad claimed that a Dell laptop cost an additional $251 at Best Buy. Best Buy says that it was comparing two completely different laptops and that Walmart was “basically comparing a Lexus to a Toyota.” Best Buy also offers price matching. Walmart’s promotional deal on the iPhone 5 cost Best Buy serious revenue when Walmart first launched its $150 iPhone 5 campaign.

Toys R Us is seeking legal repercussions for Walmart’s advertising citing inaccurate prices on toy kitchens, dolls, and electric scooters. Publix, a southeastern supermarket chain, has begun running ads with taglines that read, “Walmart doesn’t always the lowest price.” Pick ‘n Save, a Midwestern supermarket chain is targeting Walmart with ads that state, “If you’d rather feed your family good food made fresh instead of just cheap food, there’s no comparison to Pick ‘n Save.”

Retail analysts suggest that a pricing war is underway and that Walmart is desperately trying to get back the pricing discipline and reputation it was once famous for.

Discussion Questions:

What is Walmart doing to irritate its competitors?

Walmart is running ads comparing its prices to some of its competitors, including Toys R Us, Best Buy, and regional grocery store chains. Many of these retailers are reacting claiming that Walmart is obscuring the truth by not comparing the same products.

Are Walmart’s actions defensible from a legal or ethical perspective?

If Walmart is obstructing the truth and showing two different products, there are serious legal and ethical implications. However, Walmart stands behind its ads claiming that it is showing comparable products and providing customers with accurate pricing information.
Top 30 QR Code Uses

Ekaterina Walter, SmartBlog, January 3, 2013

Use with Chapter 3, “Multichannel Retailing”

QR is short for Quick Response. QR codes are used to take a piece of information from a transitory media and put it in to a cell phone. Marketers are working on unique ways to integrate QR codes into promotional campaigns. Ekaterina Walter, from SmartBlog and author of “Think Like Zuck,” identified some of the most unique QR codes in multiple categories:

**Lifestyle**

Tesco’s Home Plus supermarket found a unique way to help hardworking Koreans with their grocery shopping. They placed lifelike billboards depicting supermarket shelves in the subway and shoppers could scan the QR codes with a phone application as they waited for their trains. Customers could check out online, and the goods would even be delivered to them at home, meaning no need to carry heavy bags.

JCPenny’s Santa Tags allowed customers to personalize holiday gifts with a QR code gift tag that contained a recorded message from the giver.

Department store Macy’s has started using QR codes on clothing signage that take customers to fashion tips from designers on how to wear the clothes.

**Leisure and entertainment**

The Cleveland Museum of Art placed QR codes next to exhibits to direct visitors to online or audio tours via their phones, or to provide more in-depth information.

Spotify’s modern day mixtape app allows you to send a greeting card with a custom QR code that lets you share a playlist with the recipient.

THQ’s Homefront video game used QR codes hidden though the game to unlock exclusive content and received more than 30,000 QR scans in the first two days.

**Food and drink**

Brancott Estate’s “World’s Most Curious Bottle” phone app uses your phone to scan the QR code on the winery’s bottles and give you a whole load of information, including food-pairing suggestions and promotions.

Indian restaurant Bombay Bowl has three QR codes in its entrance area that take visitors to mobile-friendly versions of their Facebook, Twitter and E-club for more information. Further QR codes on the tables lead to other “Smart Meal” restaurants nearby.

Mesob, an Ethiopian restaurant in New Jersey, has QR codes on each table that take customers to instructional videos about the production of the restaurant’s coffee and how they make traditional Injera bread.
Promotions

Mountain Dew and Taco Bell partnered on a promotion in which customers scanned QR codes on drink cups to get free music downloads. The campaign earned the companies more than 200,000 downloads.

Verizon’s ScanLife Droid app promotion received more than 150,000 scans of its QR codes that linked from a whole variety of materials to its app download page.

Scandinavian Airlines launched its “Couple Up to Buckle Up” QR code promotion based on the idea that couples often book travel together. To get the couples’ discount code, the two side-by-side QR codes had to be scanned simultaneously on two smartphones.

Events

New York’s Central Park “World Park” campaign wanted to reach out to a younger audience for Arbor Day, so they turned the park into an interactive board game using QR codes positioned around the park that linked to a wide range of information.

Heineken’s U-Code campaign enabled festival goers at the Heineken Open’er Music Festival to create their own QR codes to wear on clothing and help break the ice when meeting new people. The QR code took fellow attendees to the creator’s own unique message when scanned.

Information

Frankfurt, Germany, recently introduced smart posters with QR codes in train carriages, which provided commuters with travel information, transport connections, special events and points of interest, as well as special offers for travel card holders.

Google’s Favorite Places campaign identified 100,000 businesses in the U.S. as “Favorite places on Google.” Those businesses received a window decal with a unique QR code, which passersby could scan to find information about that business, read reviews, star the business as their favorite and more.

Discussion Questions:

What are retailers doing with QR codes?

Retailers are using QR codes to create unique campaigns to engage customers with the brand.

Do you use QR codes?

Ask students if they use QR codes ever. Do they use QR codes in some product categories, but not others? Why or why not?