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

- **The Importance of In-Store Video for Retailers** (Chapter 17)
- **New Mattress Chain Depends on Tablets** (Chapters 4, 5, and 18)
- **Best Buy Tries to Solve Big Box Puzzle** (Chapters 5 and 13)
- **Retailers Track Employee Thefts in Vast Databases** (Chapter 16)
- **Sometimes, We Want Prices to Fool Us** (Chapters 4 and 14)
- **Retailers’ Dilemma: To Ax or Help Fix Bad Factories** (Chapter 13)
- **H&M, a Master of Cheap Fashion, Moves Upscale** (Chapter 5)
- **Man With A Mission: Possibly The Future, Of The Grocery Business** (Chapter 5)
- **Internet Sales Tax Coming Too Late for Some Stores** (Chapter 6)
- **Brain Trust Query: Why I’m Done with Foursquare** (Chapter 15)
- **Do Malls Need a Gen-Y Makeover?** (Chapter 4)

**Retail Tidbits**

- Consumers Want Seamless Experience Across Channels
- Will RFID Take Off Now that Tag and Hardware Prices Have Dropped?
- Can Drive-Thrus Work for Department Stores?

If you are interested in the text book please visit [www.mhhe.com/levy8e](http://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://warrington.ufl.edu/centers/retailcenter/research/publications.asp](http://warrington.ufl.edu/centers/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/centers/retailcenter/teach/

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
The Importance of In-Store Video for Retailers


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

Today’s customers are used to having information at their fingertips while shopping online or on a mobile device. Customers’ expectations have also increased dramatically for the in-store shopping experience; customers now expect more personal and engaging experiences when shopping at brick-and-mortar locations. According to current research, one way that retailers can enhance the in-store experience for customers is by using in-store video to simulate interaction. Live video content can engage shoppers by bringing an outside experience into the store and allowing shoppers to feel like they are part of the scene. For example, Hollister, uses live content in its Fifth Avenue, New York store by streaming video from its Huntington Beach, California store.

Other stores, like Topshop, haven’t been as successful. The video walls in its stores aren’t optimized for the screen size, making the models in the catwalk videos it streams look malformed. Some stores like Primark, have installed videos where customers can’t see them.

Shoppers today want to feel like the shopping experience was created just for them. A recent study found that 49% of consumers are willing to provide personal information in return for a relevant shopping experience. This implies that videos could be used to prompt sign up for memberships, loyalty cards, or mailing lists. Not only does this increase the personal interaction for the customer, it also helps the retailer collect better customer data.

Shop windows are also a good alternative. Harrods became the first retailer in Europe to trial transparent screens. These digital window displays show products in animation that can appear and disappear before the shopper’s eyes. Customers’ interactions with videos will continue to evolve, but it is important that retailers begin to use video as a powerful platform to attract shoppers.

Discussion Questions:

How can retailers engage customers with in-store videos?

Retailers can use videos to simulate interaction with customers. Retailers can also use videos to engage customers to sign up for membership, loyalty programs, or mailing lists.

Implementation is everything! How can some retailers improve their in-store video experience?

Retailers need to ensure that they are using videos in the best way possible. This means making sure that the content is formatted specifically for the delivery system and the images do not get warped. Videos should also be displayed in high-traffic areas for maximum visibility.
Ashley Furniture recently announced its new mattress store concept, ZZZ’s. The first shop opened in April and the company hopes to have 40 open by the end of the year. ZZZ’s is unique because customers are not greeted by salespeople when they enter; rather, each shopper gets her own tablet to navigate her around the store. The tablet acts as a sleep consultant. Once the customer receives the tablet loaded with the ZZZ’s app, the customer enters information like height, weight, gender and sleeping pattern. Customers are given recommendations and can walk around the store and test mattresses without a salesperson following them around. Sales associates are still available to answer questions or assist customers when they are ready to buy.

Other stores, like Apple and Sears, have been using tablets for a while to facilitate in-store sales. ZZZ’s was built around the use of tablets from the very beginning. Ashley Furniture is targeting higher-end shoppers and believes that these shoppers want more scientific evidence to make a decision, and technology assists with that.

Discussion Questions:

How is ZZZ’s different from other mattress retailers?

Many mattress retailers have high pressure sales associates following customers around the store. ZZZ’s uses tablets to engage with the customers and facilitate purchase.

What are the advantages and disadvantages of this retail concept?

One of the advantages of this retail concept is that customers do not feel pressure from sales associates. In addition, customers are empowered in their decision making and can personalize the sales experience for themselves. A disadvantage occurs for customers who may want more help with the buying experience. Some customers may not feel comfortable with the tablet technology. Finally, by limiting the sales person and customer interaction, sales people might get less feedback from customers.

Would you buy a mattress from ZZZ’s?

Ask students if they prefer the ZZZ’s approach? Do they prefer a more hands-off shopping experience or do they want a sales associate driven shopping experience?
Best Buy Tries to Solve Big Box Puzzle

Kim Bhasin, Huffington Post, April 25, 2013

Use with Chapter 5, “Retail Market Strategy,” and Chapter 13, “Buying Merchandise”

Best Buy’s CEO, Hubert Joly, has resolutely argued that Best Buy has a place in a world that is increasingly dominated by e-commerce and massive online sales. Best Buy’s stores are changing. Best Buy is now rolling out Samsung Shops within its stores. These shops are spacious, with minimalist design, and laptops and tablets propped up for customers to try them out. The shops will sell all Samsung phones, laptops, tablets, and accessories and will be staffed with Samsung consultants.

Joly stated that Best Buy stores are trying to become more efficient; the Samsung shops are part of this strategy. The increased shop-in-shop space will provide increased floor space for more profitable items while forcing Best Buy to trim the weaker parts of its portfolio like CD’s and DVD’s which have rapidly shrinking profit margins.

Less than a year ago, Best Buy unveiled a new prototype store that took design elements from Apple. However, Joly has since decided to halt the expansion because of the “significant investment” on a per-store basis.

Retailers have long used the shop-in-shop to create branded experiences in stores. Sometimes this is very successful. Other retailers, like J.C. Penney have failed to effectively implement shop-in-shops. Joly believes that the Samsung shops are going to be a bright part of Best Buy’s future.

Discussion Question:

What are the advantages and disadvantages of the Samsung/Best Buy partnership from the perspective of both Best Buy and Samsung?

For Samsung, an advantage of this partnership is the increased attention to its products as well as the ability to staff the shop-in-shops with Samsung personnel. A potential disadvantage is the decrease in Best Buy’s sales and the failure of other shop-in-shops.

For Best Buy, having increased floor space for higher margin items is an advantage. Another advantage involves having trained Samsung experts helping customers. A disadvantage, however, is that these sales associates might not be knowledgeable or willing to assist customers with non-Samsung products. This partnership might also alienate other suppliers to Best Buy.
Retailers Track Employee Thefts in Vast Databases

Stephanie Clifford and Jessica Silver-Greenberg, New York Times, April 2, 2013

Use with Chapter 16, “Managing the Store”

One of the main causes of inventory shrinkage is employee theft. According to the National Retail Federation, employee theft accounts for about $15 billion in shrinkage every year. Retailers across the country have banned together to combat this common problem. Retailers now provide data on workers accused of stealing; this data is housed in a network of employee databases. This information is used to keep employees from working again in the industry. Retailers like Target, CVS, and Family Dollar are just some of the companies using these databases to curb employee theft.

However, some databases like First Advantage Corporation’s Esteem database, often contain very few details about the actual crime charged against the employee and often do not include criminal charges. Yet, just by virtue of being included in the database, potential employees’ job opportunities are thwarted.

Some information included in these databases comes from employees who write written statements after being questioned by retail security officers. Often, they have no idea that they are admitting to committing a crime or that the information will remain in databases to be used against them.

These databases are legal, but are facing increased scrutiny from labor lawyers and unions that claim that innocent employees can be harmed and often workers are coerced into confessing when they haven’t done anything wrong. The Federal Trade Commission has reported complaints about the databases and is also investigating whether or not the databases are in compliance with the Fair Credit Reporting Act. Last year, the F.T.C. settled charges with HireRight, a retail-theft database. The FTC said that HireRight’s records were inaccurate and that the company’s regulations made it difficult for employees to dispute the claims. Furthermore, LexisNexis recently agreed to pay $13.5 million to 31,000 people that accused LexisNexis of violating consumer protection laws by selling information to debt collectors.

However, retail theft databases like Esteem, HireRight and GIS, admit to no wrong doing. The information these companies collect is from retailers. The retailers assert that the loss-prevention officers are carefully trained and the database companies reverify information.

One employee, Keesha Goode, asserts that $34.97 of missing merchandise was enough to destroy her career. When she worked at Forman Mills, she was accused of not ringing up a former employee’s purchases. She agreed to write up a statement because she was worried she would be sent to jail. She had no idea that the statement would be shared in a database. She recently received a letter from Dollar General that she had been turned down for a job because of her listing in retail theft database, Esteem. She is now suing Lexis Nexis (parent company of Esteem).

Discussion Question:

What are the advantages and disadvantages of using databases that supposedly keep track of employee theft?

Retailers use retail-theft databases to avoid hiring employees who have been accused of theft from a previous retail employer. This can help reduce inventory shrinkage caused by employee theft. However, a disadvantage of these websites is that sometimes information is inaccurate and includes incidents without criminal charges.
Sometimes, We Want Prices to Fool Us

Stephanie Clifford and Catherine Rampell, New York Times, April 13, 2013

Use with Chapter 4, “Customer Buying Behavior,” and Chapter 14, “Retail Pricing”

Tracie Fobes, runs Penny Pinchin’ Mom, a blog about couponing strategies. She plans meals around grocery store discounts and checks coupon apps on her cell phone before buying clothes. When J.C. Penney stopped promoting sales and coupons last year, and switched to its “everyday” low pricing strategy, Ms. Fobes stopped shopping there because she said it wasn’t fun anymore without the rush of using coupons.

Most shoppers want the thrill of getting a great deal. J.C. Penney recently recognized this human characteristic and returned to its traditional pricing policy offering coupons and weekly sales again. The switch happened after Penney’s sales dropped 25% in 2012.

Sellers are motivated to set prices at one point because it is easier to manage budgets, reduces labor costs associated with sales, and leads to more stable inventories and better operations planning. Ron Johnson, the former CEO of J.C. Penney preferred the everyday low pricing model because of the aforementioned benefits. In the previous year before Johnson’s arrival, J.C. Penney had held almost 600 sales events and almost 75% of merchandise was marked down 50% or more. However, customers weren’t actually paying less. J.C. Penney was just raising the prices that customers saw on the racks and then discounting them during promotions.

Even though an EDLP strategy seems to be a huge problem solving solution for retailers, it hardly resonates with customers. Even Walmart has a hard time converting customers to a single-price model in countries like Brazil and China. The problem, according to pricing experts, is that consumers are hard wired to wait for deals and sales. Most customers don’t have a good sense of how much an item should be worth to them and they wait for the market to give them cues to figure that out. An EDLP strategy makes the erroneous assumption that customers have an idea of how much items should cost, but they generally don’t. Consumers use the “regular” price of an item as a reference price and only assume that they are getting a good deal based on the difference of the reference price to the actual price they paid.

Simple low pricing strategies are most effective for companies like Costco who rarely holds sales or adjusts its prices. Customers at Costco don’t see a lot of variable pricing on individual items, but notice a low price for their entire shopping basket. Penney did not make its strategy clear for customers. It offered low prices, but not the lowest prices.

Discussion Questions:

Why didn’t J.C. Penney’s pricing experiment work?

J.C. Penney’s pricing strategy did not work because customers are hard wired to wait for a deal. Customers don’t understand an everyday low pricing strategy.

How does a reference price or anchor help consumers make purchasing decisions?

Customers use a reference price to determine how much something should cost. Often, a reference price is the original, non-sale price of an item. For many customers, a good deal is determined by the discount they receive based on the initial reference price. An EDLP strategy often doesn’t work because there is no deal off the initial reference (non-sale) price.
In April, there were deadly fires in several Bangladesh factories as well as one factory collapse that killed more than 1,000 people. After these disasters, Walmart publicly berated the Bangladesh factories and accused over 250 Bangladeshi suppliers of having safety problems. Walt Disney Co. told licensees that they could no longer produce Disney-branded merchandise in Bangladesh. This directive came after boxes of Disney sweatshirts (to be distributed to Walmart) were found at the site of a factory fire. Walmart claims it didn’t know the items were being produced at that particular plant.

H&M is the biggest buyer of clothing from Bangladesh, and has taken an opposite route of Walmart, vowing to work with factories to improve the factories’ safety standards. H&M has adopted a fix-it approach. However, retailers can’t monitor everything that goes on in factories or with all of their suppliers. For example, H&M faces challenges with factories in other countries like Cambodia where there were recently injuries at a factory that was unauthorized to manufacture H&M clothing.

Several years ago, H&M auditors surprised Garib & Garib, a factory in the Dhaka-area. They identified several safety hazards that were repaired, but that did not prevent a fire in 2010 that killed over 20 people. The factory closed for six months. H&M contributed to the compensation of the victims, but the owner of the factory claims he had to pay over $2 million in damages. H&M continued to work with the factory after the fire, although other retailers pulled their orders from Garib & Garib. Since it reopened, H&M has begun making two or more unannounced visits per month. Some Bangladesh leaders suggest that buyers should put more pressure on owners in order to facilitate meaningful change in the industry. Walmart holds true to its zero-tolerance policy to cut suppliers that violate safety standards.

Discussion Questions:

What alternatives are retailers pursuing when they find out their merchandise is being made in unsafe conditions?

There are two predominant strategies. The first strategy, that retailers like Walmart have adopted, is to pull orders from the facilities in question. The second strategy, that retailers like H&M have adopted, is to stay and fix-it. This means working with the manufacturing facility to improve working conditions and reduce safety hazards.

Which alternative do you believe is best?

Ask students if they agree with Walmart’s hard line approach or H&M’s fix-it approach? Students should consider the public relations implications as well as the costs associated with developing new supplier relationships.
H&M, a Master of Cheap Fashion, Moves Upscale

Julie Cruz, Business Week, April 25, 2013

Use with Chapter 5, “Retail Market Strategy”

H&M appeals to customers with its fast, fun, and inexpensive fashion. H&M provides a continually changing assortment of reasonably priced items in order to keep shoppers coming back for more. Increasing austerity measures in Europe are forcing some retailers, even low-priced apparel retailers, to consider lowering prices. H&M has decided that rather than cut prices further, it is testing a higher-priced accessories chain called & Other Stories. & Other Stories is based on the premise that shoppers will spring for affordable luxuries like scarves and fun lipstick shades. Customers buy accessories because it is an immediate “way of buying a fashion trend without having to commit to a full fashion look.” & Other Stories will also offer a limited selection of more expensive clothing. & Other Stories will focus primarily on wardrobe add-ons such as jewelry, lingerie, and shoes in four basic styles: minimalist, bohemian, industrial, and glamorous.

H&M is hoping this new line of retail stores will help it compete for a bigger share of the $111 billion market for shoes and accessories in Western Europe. Many European retailers are focusing on the sales of accessories to compensate for lower sales of apparel. Sales of bags and costume jewelry are expected to rise 13% through 2017.

& Other Stories launched in London in March and has exceeded expectations. H&M might consider further expansion, but is taking it “step by step.” H&M will be closely monitoring competitor Inditex (owner of Zara) and the growth of its Massimo Dutti chain which is aimed at attracting urban professionals. H&M believes that & Other Stories will help it win customers who might otherwise shop at Zara.

Discussion Questions:

What type of growth strategy is H&M using with its new chain & Other Stories?

H&M is using a retail format development growth strategy by developing a new retail format for the same target market.

Would you rather shop at H&M or & Other Stories? Explain your answer.

Ask students if they prefer the fast fashion of H&M or the higher priced style at & Other Stories. Why are some students attracted to fast fashion while other students are not?
Use with Chapter 5, “Retail Market Strategy”

Supermarkets began replacing small grocery stores after World War I because of their ability to offer discounted prices and reduced labor costs. After World War II, the growth of supermarkets increased exponentially as car ownership increased. According to the Food Marketing Institute, supermarket sales today exceed $584 billion.

However, not everyone loves supermarkets. Early critics challenged the freshness and quality of supermarket goods. Bi-Rite, a supermarket based in San Francisco, has broken the mold of traditional supermarkets and developed a unique supermarket model. Bi-Rite, believes that supermarkets can provide fresh, healthy, high-quality food, and its business model is working with sales per square foot close to $4,000.

Sam Mogannam took over the store in 1997. According to Mogannam, Bi-Rite has been successful because it gives customers what they want and breaks the traditional supermarket model of huge spaces with nothing but major brands or private labels that customers have no relationship with. Bi-Rite believes in the importance of personal relationships. Bi-Rite also supports the “good food movement” which is based on the sustainable production of fresh, local food. Bi-Rite believes that this movement resonates with customers. Mogannam believes that Bi-Rite is successful because it has a mission that is honest. Mogannam also suggests to other businesses that in order to be successful, make sure that your values are aligned with your mission.

Mogannam states that the net profits are single digit, which is typical for grocery stores. Mogannam says that Bi-Rite is a very profitable business because it allocates expenses differently. Mogannam is committed to changing the model of the super market industry. He invites other grocers to the Bi-Rite facilities to view the company’s business practices. Bi-Rite believes in order to be sustainable, you can’t squeeze your suppliers, customers, or staff.

Discussion Question:

Describe Bi-Rite Market’s retail strategy. Specifically, what is the retail format, its target market, and its bases for sustainable competitive advantage?

Bi-Rite’s retail format is to offer a unique assortment of fresh and high quality food items. Bi-Rite offers products that customers can build a relationship with and feel good about buying. Bi-Rite does not charge extremely high prices. Its target market includes customers who are tired of the traditional supermarket format. Bi-Rite has built a competitive advantage by aligning its mission with its values and selling products that customers can feel good about buying. It also has great relationships with its vendors.
Internet Sales Tax Coming Too Late for Some Stores

David Streitfeld, New York Times, April 26, 2013

Use with Chapter 6, “Retail Financial Strategy”

Independent retailers used to hope that the playing field would be leveled when behemoth online retailers like Amazon were forced to pay sales tax. Now that it is actually happening though, some retailers believe it might be too little too late. Retail analysts claim that Congress waited too long to pass the sales tax law, and that now companies like Amazon have become so large that a tax advantage is no longer essential to their growth strategies. Amazon now relies less on price, but more on speedy delivery, free shipping, and an increasingly broad selection. As Amazon continues to build warehouses and distribution facilities, it is extending its already considerable reach. Amazon reported in April that its first-quarter revenues rose 22% to $16 billion. Comparatively, Walmart is expecting no sales growth during the first quarter.

Jeff Bezos, founder of Amazon, initially attempted to build the company on a tax-free Indian reservation. When that idea failed, he decided to move to the State of Washington where there were plenty of software programmers and a relatively small population. Amazon has rejected the notion that it should collect money in states where it had no employees. Currently, consumers are supposed to add up their Internet purchases and pay the appropriate taxes directly to the state revenue collector; but enforcement is minimal and very few customers do that. Since the recession, struggling state economies have been pushing the tax issue as a revenue generator.

Determining the taxes in thousands of jurisdictions can be a nightmare for Amazon merchants above the new legislation’s $1 million threshold. This becomes even another opportunity for Amazon as it can sell tax collection services to tens of thousands of third parties.

Analysts also suggest that collecting taxes will not drive away Amazon’s customers. In the states where Amazon has already begun collecting taxes, sales dipped for about a year and then customers returned to Amazon for the selection and convenience. In August of 2012, Amazon executives testified before Congress that “all sellers should compete on a level playing field.” Amazon wrote letters to Senators thanking them for the new legislation. However, independent retailers agree that while Amazon may now be fine with the new tax bill, they certainly didn’t suffer from 10 years without it.

Discussion Question:

From Amazon’s perspective, what are the advantages and disadvantages of requiring online retailers to collect sales tax?

Amazon is at an advantage because it did not have to charge sales tax for over 10 years. This allowed the company to develop a considerable competitive advantage that contributes to its size and reach it has today. Now that the legislation has passed, Amazon can sell tax collection services to its merchants. A disadvantage is that sales will dip and Amazon will lose some customers. In addition, determining the taxes for the multiple jurisdictions will be a logistical nightmare.
Brain Trust Query: Why I’m Done with Foursquare

Bill Hanifin, Retail Wire, April 8, 2013

Use with Chapter 15, “Retail Communication Mix”

This article was taken from the Hanifin Loyalty Blog. In it, Mr. Hanifin explains why he is leaving Foursquare.

After 1,100 check-ins and 39 badges earned since 2009, Hanifin is leaving Foursquare. In the early days of Foursquare, Hanifin was excited that retailers, restaurants and other venues would be promoting specials constantly. However, the excitement fizzled quickly as few retailers used Foursquare and the technology generated only mild competition with friends for check-ins and mayorships. Soon, Hanifin became bored with the lackluster competition and realized that there were no rewards to be earned through Foursquare. He realized that the only way to become mayor at a Panera or Chili’s, for example, was to actually work there.

Hanifin hoped that Foursquare would innovate once new location-based applications hit the market, but his hopes were short lived. He laments the lack of local merchants participating in Foursquare. Hanifin suggests that Foursquare is not relevant and that the offers are not really that valuable.

Discussion Questions:

What is wrong with Foursquare?

According to the author, Foursquare never lived up to the hype. The competition among friends for check-ins was lackluster as there were not that many people participating. In addition, the rewards offered through Foursquare were minimal. Also, few local merchants participated in Foursquare.

Do you use it? Why or why not?

Ask students whether or not they use Foursquare. If they do, how long have they used it and why? Do they like it? Do they think it offers valuable rewards? If they do not use it, will they start? Why do they not use it?
According to a new study at the Urban Land Institute, Gen Y shoppers aren’t shopping less at malls because they are shopping online. Rather, Gen Y shoppers are shopping less at malls because they are shopping at warehouse clubs and big box retailers.

Gen Y shoppers (those shoppers between 18 and 35) still like shopping in brick-and-mortar stores. In the study, half of the men surveyed and 70% of the women surveyed claimed to consider shopping a form of entertainment and something to be shared with friends and family. However, Gen Y customers are visiting discount stores and warehouse clubs almost three times as often as they are visiting a full-line department store. Big box retailers are also a destination for apparel for many Gen Y customers.

Based on the results of the survey, ULI (Urban Land Institute) recommends that in order for malls to attract Gen Y customers they should consider the following suggestions:

- Refresh interiors with modern updates like paint and lighting.
- Develop spots that facilitate social gathering (like food courts, restaurants, etc.)
- Increase the use of pop-up stores.
- Add specialty food providers.
- Incorporate movie theaters.
- Become pick-up points for merchandise ordered online.

**Discussion Questions:**

**Where does Gen Y like to shop?**

*According to the survey, Gen Y likes to shop at discount stores, warehouse clubs, and big-box retailers.*

**Should mall retailers be worried?**

*Given the reduced amount of time that Gen Y customers spend in department stores, these stores should probably worry.*

The study offers several suggestions for malls and mall retailers to incorporate in order to attract and retain Gen Y customers.

**What percentage of your purchases of apparel, electronics, and other merchandise generally available in malls do you purchase online?**

*Ask students there shopping preferences for malls versus online shopping. Do they share similar shopping habits to the Gen Y customers used in the survey?*
Consumers Want Seamless Experience Across Channels

Retail Tidbits

Supermarket News, April 23, 2013

Retailers that provide customers with a seamless shopping experience will gain a competitive advantage. According to the “Accenture Seamless Retail Study” 49% of respondents (750 total consumers surveyed) believe that the best thing retailers can do to improve the shopping experience is to better integrate all of the channels, including in-store, online and mobile shopping. Almost all of the respondents found that in-store shopping was easy (94%). 74% agreed that online shopping was easy. But only 26% agreed that mobile shopping was easy.

Retail analyst Chris Donnelly suggests that there is a gap between customer expectations and reality. Retailers need to maximize their operational capabilities to deliver a consistent and personalized experience through every phase of the decision making process from search to post-purchase.

In Accenture’s survey, 73% of respondents expected a retailer’s online pricing policy and promotions to be the same in-store. The survey also indicated that showrooming is a phenomenon that is here to stay. 73% of respondents indicated that they engaged in showrooming; conversely, 88% confessed to webrooming, or browsing online first and then buying in-store.

Other interesting findings from the survey:
- A quarter of customers are willing to wait two weeks for free shipping.
- Almost a quarter of customers said that they are willing to pay extra for same-day delivery.
- Almost ½ of respondents are influenced by in-store offers.
- Almost 2/3 of respondents said that online pop-up ads and mobile banner ads do not influence their purchase decision.

Will RFID Take Off Now that Tag and Hardware Prices Have Dropped?

George Anderson, Retail Wire, April 19, 2013

Many retailers have refused to adopt RFID technology based on the cost of the hardware and tags. However, RFID vendors are now claiming that the prices of tags have dropped 40% and the price of RFID hardware has dropped 30%. According to one study, over one billion apparel items were RFID tagged in 2012. RFID plays a large role in higher margin categories where there is an increase in theft. RFID is also important for retailers’ omni-channel initiatives. RFID can help retailers locate inventory from any location and move it directly to customers. RFID also helps reduce out of stocks, reducing overstocks, and developing smarter shelving strategies and planograms.
Can Drive-Thrus Work for Department Stores?

Tom Ryan, Retail Wire, May 17, 2013

In January 2014, London-based, luxury chain, Selfridges will become the first department store to offer drive-thru service. If a customer makes a purchase online, they can go to the store to retrieve them. Sales associates will then bring their packages directly to their cars. There will be a dedicated area for providing top-quality service to these customers. The service will only be available in the London location.

Selfridges will also be rolling out a text message service for customers in order to ensure that home deliveries are made only when someone is there to receive them.