

Retail Realities & Trends

Prepared For:



Presented By:

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10 Trends for 2014 in 2 Minutes


[Trend Video](#)

**Retail is
America's
Small
Business**

A woman with dark hair, wearing a pink and white striped shirt and a white apron, is smiling and holding a blue sign with white text that says "SMALL BUSINESS". She is standing in front of a glass door or window. To her left, there is a large potted plant with green and purple leaves. The background shows a glimpse of the interior of a store.


SMALL BUSINESS

**95% of retail
companies
operate in just
one location**



Retail is Driving The Economy

The nation's
largest private
sector employer,
supporting 1 in 4
American
jobs



Thank you for
shopping with us!

STATE OF CONFUSION



Retail

1

2

3

**Physical
Dimension**

**Emotional
Dimension**

**Social
Dimension**

Rethinking Retailing...

**We've been here before
but....**

**where do we go
from here???**

Change is Accelerating...





1

Think differently

2

Try new things

3

Refine & reiterate

The End of
**BUSINESS
AS USUAL**



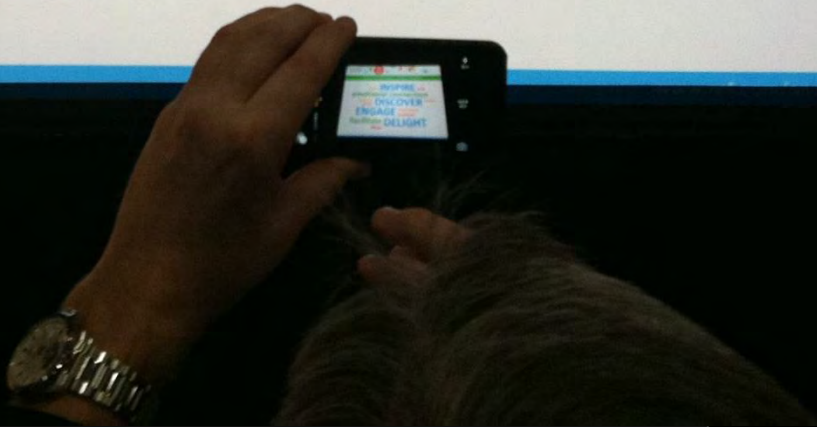
REWIRE THE WAY YOU WORK TO
SUCCEED IN THE CONSUMER REVOLUTION

BRIAN SOLIS

AUTHOR OF *ENGAGE!*

**A new breed
of consumer
is emerging
and they're
changing the
very
foundation of
business...**

looks **INSPIRE** new
emotional connection
surprise **DISCOVER** styles
assist
ENGAGE inspiration
products
facilitate **DELIGHT**
ideas



A New Kind of Consumer

OLD CONSUMERS VS. NEW CONSUMERS



Who's Who???

Mature

- Birth Year: 1925-1945 Population: 40,300,00
- Cautious, less likely to take risks, loyal patriotic, rule makers/followers

Baby Boomers

- Birth Year: 1946-1964 Population: 81,500,000
- Economically optimistic, idealistic, individualistic, prefer achievement over relations, competitive

Gen. X

- Birth Year: 1965-1976 Population: 61,000,000
- Individualistic, technologically adept, flexible, Value work and life balance

Millennial

- Birth Year: 1977-2000 Population: 86,000,000
- Technology reliant, image-driven, multi-tasking, open to change, confident, team-oriented, information rich, impatient, adaptable

Generation Z



Generational Shifts

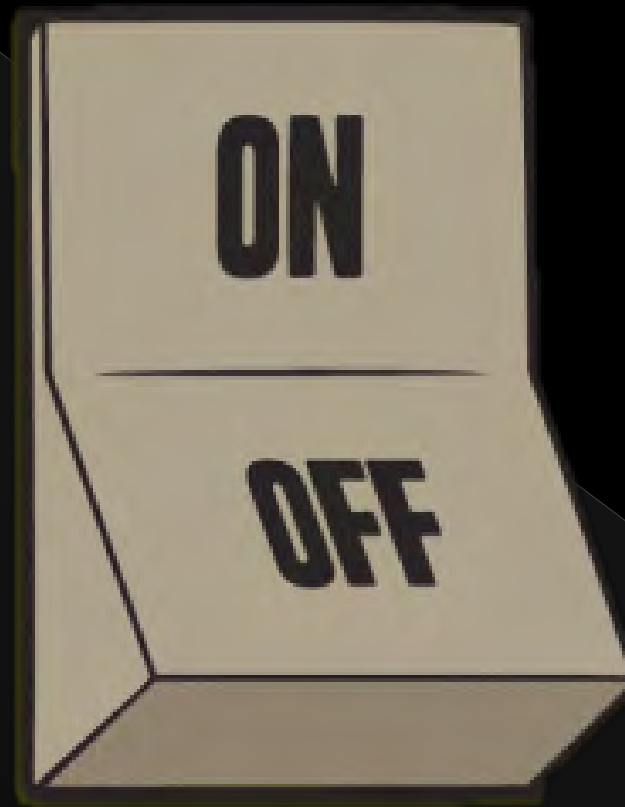
- ◎ Silent/Matures-This segment limits spending and is interested in value and freebies.
- ◎ Baby Boomer- Travel is a priority for retirees and they seek luxury, comfort, & fulfillment
- ◎ Generation X- Is entering the “peak” earning years and more apt to travel
- ◎ Generation Y- This segment is traveling more often, and travels to more expensive places. They use technology to plan trips and enrich the experience
- ◎ M Generation- This generation has grown up with technology such as cell phones, texting, etc. They crave reinvented travel

Why Trends?

Stay ahead of the curve



Social Media is too BLG to *FAIL*



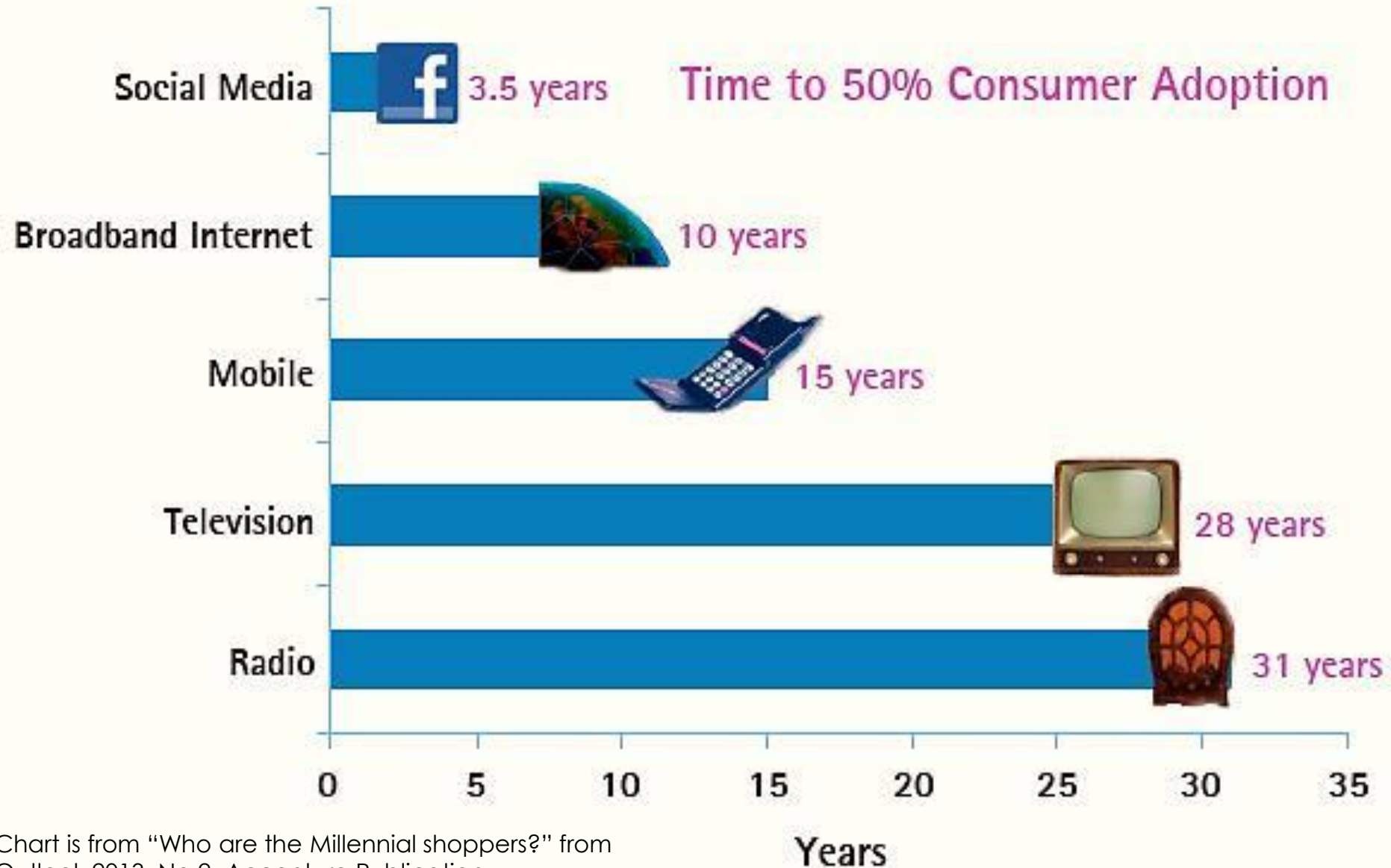
Social Media Icons



You like numbers?

- ◎ **Facebook**- 1.3 billion monthly active users
- ◎ **Twitter**- 271 million monthly active users
- ◎ **Youtube**- 1 billion users visit Youtube each month
- ◎ **Google+** - 500 Million active users
- ◎ **Pinterest** – 70 Million active users
- ◎ **Instagram** – 200 Million active users
- ◎ **Etsy** – Over 40 Million members

Retail will change more in the next five years than it has in the last 50 years—and faster than any of us can imagine...



Asking for Advice


Even in the digital age, face-to-face communication is still the go-to method for finding advice on a product before making a purchase.



Millennials are most likely to ask advice through a text (42%)-and the least likely of all other age groups to ask someone product questions in an email (20.9%)



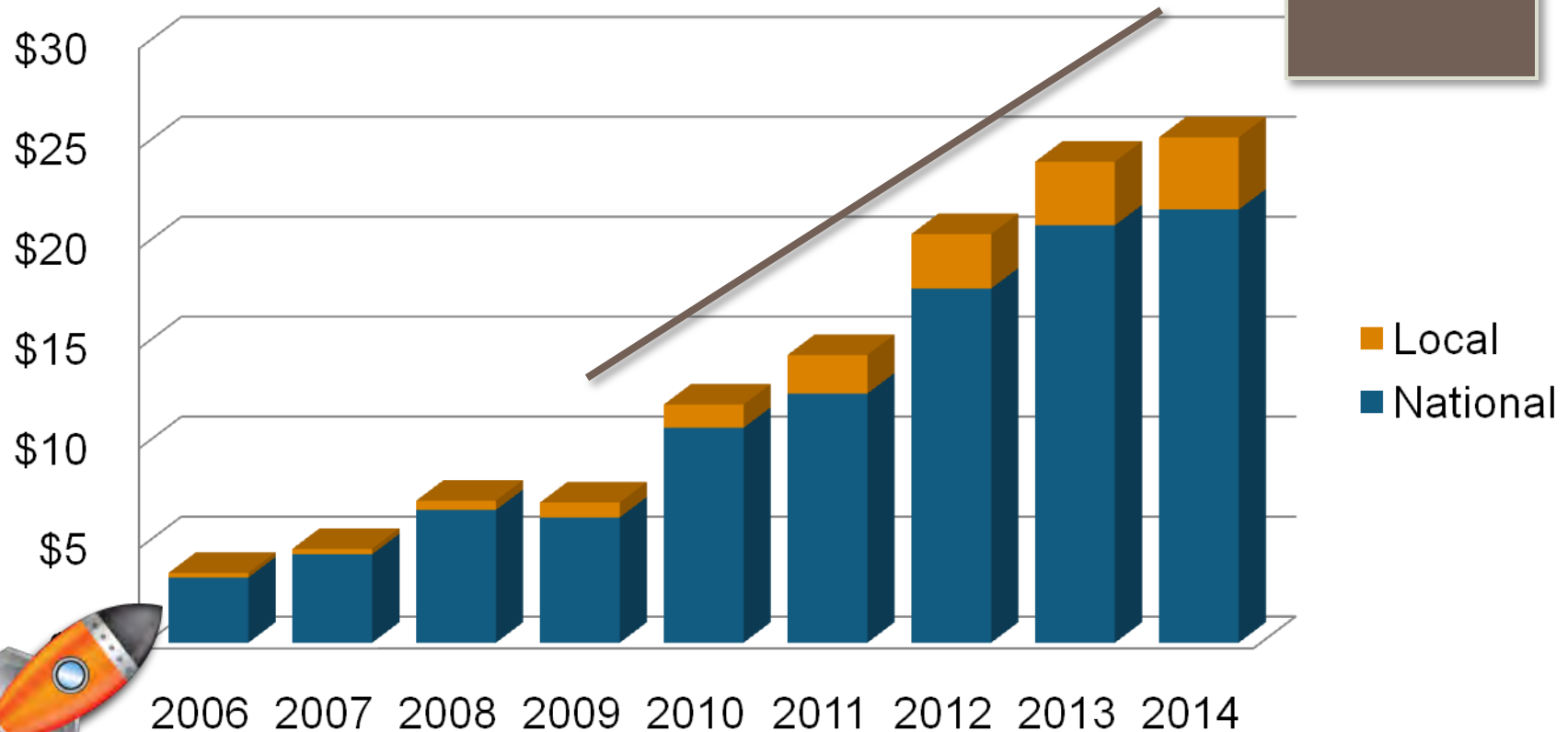
Gen Xers are more than comfortable on the computer and the most likely group to be asking



Boomers and Silents are likely to be looking to the people they know for advice-through phone calls from home, emails, and face-to-face communication

Future of Online Promotions

**US Local & National Online Promotions
2006 – 2014, in \$ Billions**



388%

Local
National



Made in the USA

STAY WARM WITH

Blankets
Made in USA





Buy Handmade.



MEMBER



LIBA

LOUISVILLE
INDEPENDENT
BUSINESS
ALLIANCE

BUY
LOCAL
FIRST

keep Louisville weird.



KEEP
CALM
AND
BUY
LOCAL

Follow Us!   
Greater Franklin County



Be a Local Lover

EAT DRINK
& **BUY**
LOCAL

Express your undying **LOVE** for **LOCAL** and visit your local independently-owned stores on **VALENTINE'S DAY** and beyond.

By shopping local, you:

- ♥ Put more dollars back into your community
- ♥ Create and preserve local jobs
- ♥ Preserve what makes your neighborhood unique

Go to **www.eatdrinkbuylocal.org** to learn more.



Farmers Markets





Hello Fresh



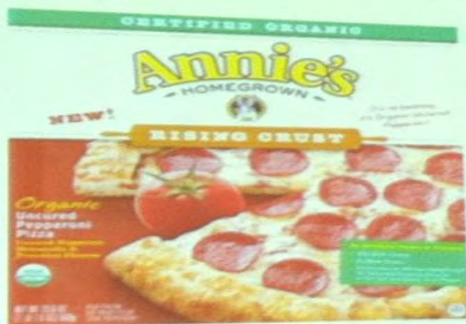
Was that a 7-11?



ELEVATED PERSPECTIVE



Micro & Local Brands



Local Brand Sweetwaters Coffee & Tea

Ann Arbor, MI



A cyclist wearing a white helmet and sunglasses is riding a cargo bike. The bike has a large yellow and green advertisement on its back. The background shows trees with yellow autumn leaves and a house.

3line

sustainable urban delivery

Where *Natural*
means something



www.wholefoodsmarket.com

Virtual Supermarkets



A map of a city grid. A blue shopping cart icon labeled 'SUPERMARKET' is at the top. A blue 'i' icon labeled 'ORLEANS LIBRARY' is at the bottom. A vertical yellow dotted line connects them, labeled 'N Central Ave' on the right. A horizontal line across the middle is labeled 'Orleans Street'. A blue highway shield with '83' is on the left. A horizontal line segment between the library and the 1.0 mile mark is labeled '1.0 MILE'. Large red text on the left reads: 'YOUR NEAREST SUPERMARKET IS OVER ONE MILE AWAY.'

**YOUR NEAREST
SUPERMARKET
IS OVER
ONE MILE AWAY.**

A *food desert* is a neighborhood without access to affordable, healthy food options.

YOU LIVE IN A FOOD DESERT.

An unhealthy diet is strongly linked to obesity, heart disease, and diabetes. How can you be expected to eat healthy without access to fresh food?

GET YOUR GROCERIES DELIVERED TO YOUR LIBRARY.

Ordering groceries from Santoni's Supermarket at the Orleans Branch Enoch Pratt Library is convenient. Delivery to the library is free. Pay with cash, credit, debit, or EBT/food stamps.

Order every Wednesday, 11 AM–3 PM
Pick-up every Thursday, 1 PM–2 PM

PAY WITH
EBT, CASH,
OR CREDIT

SANTONI'S



Collaborative Buying & Fractional Ownership

SELLSUMMERS



BAG BORROW & STEAL

1 year warranty card

Log In

Sign In / [Borrowing Bag](#)

[NEW ARRIVALS](#)

[DESIGNERS](#)

[HANDBAGS](#)

[JEWELRY AND ACCESSORIES](#)

[HOW IT WORKS](#)

[SALE](#)

FREE Standard Shipping on All Orders.

CHANEL *new arrivals*

BORROW NOW



SELL

Earn 60% of the Sale
of Your Accessories.

[SELL NOW](#)



[BORROW HANDBAGS](#)



[BORROW JEWELRY](#)

BUY

Luxury Styles at
Unbelievable Prices!

[COLLECT NOW](#)



Pinterest

Boards You Follow | Most Liked | Everything | Gifts

Recent activity

Lindy Bateman repinned your pin.
Tara Sabbert repinned your pin.



near this to be a better cook.

Repinned by [Lia Stanley](#) onto [To Make](#)



Repinned by [Melanie Brodzett](#) onto [Fashion make over](#)



brownieeeee

Pinned by [Lindsey T](#) onto [Belly Delights](#)



Perfectly pink

Pinned by [Lia](#) onto [Bedrooms](#)



Makes me want to move to L.A. Love her shoes, and the turquoise and red title, too.

Pinned by [Lia](#) onto [Homes](#)



chocolate mousse cake

1 repin

Pinned by [Lindsey T](#) onto [Belly Delights](#)



mint pop

Repinned by [Lia](#) onto [Kitchens](#)



Essie's Secret Stash

Pinned by [Lia](#) onto [Nail colors](#)



Turquoise bike

1 repin

Pinned by [Lia](#) onto [Colors](#)



Tangerine peach & papaya

Pinned by [Lia](#) onto [Colors](#)



Peanut Butter Hearts - One charming Party

1 repin

Repinned by [Lindsey T](#) onto [Belly Delights](#)



style love

1 like

Repinned by [Melanie Brodzett](#) onto [Fashion make over](#)



Grey lamps, simple headboard

Pinned by [Lia](#) onto [Bedrooms](#)



love it.

1 repin

Repinned by [Lindsey T](#) onto [My City PHOTOS](#)



via Ruby Press

1 repin

Repinned by [Lia](#) onto [Bedrooms](#)



Purple and pink

Pinned by [Lia](#) onto [Living room](#)



bonjour:

Repinned by [Lindsey T](#) onto [Falls](#)



Pretty sugar cookies

Pinned by [Lia](#) onto [Sweets](#)



Pretty red party dress

Pinned by [Lia](#) onto [Dresses](#)





Instagram

Log In



Follow

roxy •

ROXY We bring inspiration to girls to dream big and have fun in and out of the water.
#ROXYpro <http://bit.ly/fguleKg>

1,061
posts

491,609
followers

38
following

***CONSCIOUS
CAPITALISM***

Conscious Capitalism



Examples of Cause Related Marketing Campaigns



PINKSTYLE

WE ARE STRONGER TOGETHER
SHOP, SAVE AND HELP THE FIGHT.

SEPTEMBER 15 - OCTOBER 25

25% OFF
A SINGLE ITEM

\$5

SAVINGS PACK

Purchase a PinkSTYLE Savings Pack for \$5 at
Shopper Services and receive five 25% off* a
single item PinkSTYLE Cards.

*Valid at participating stores.

\$10

UNLIMITED MOBILE PASS

Scan the QR code or visit TangerPinkStyle.com
to purchase a \$10 Mobile PinkSTYLE Savings
Pass for unlimited use of 25% savings* on a
single item at participating stores. One use per
store per day through October 25.

*Valid at participating stores.



PACK OF (5) 25% OFF CARDS



25% OFF MOBILE SAVINGS PASS



Proceeds will be donated to the Breast Cancer Research Foundation.
Breast Cancer Research Foundation
www.bcrf.org

TangerOutlets





WHOLE PLANET FOUNDATION®

WHOLE
KIDS
FOUNDATION



Co-DONATE

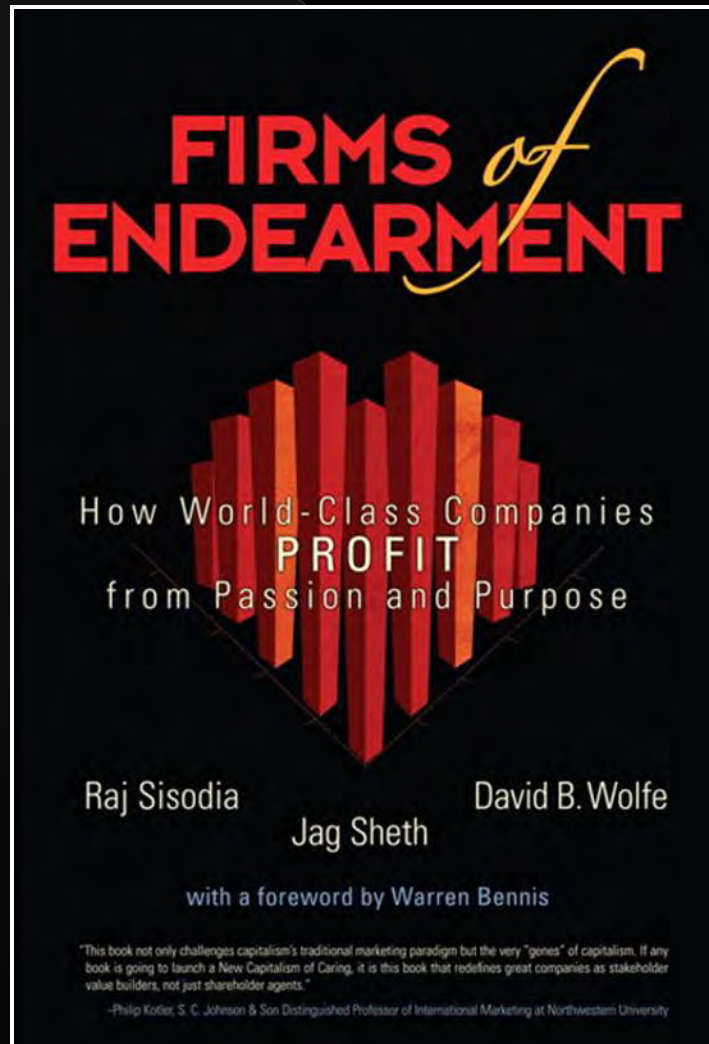
Good =  =  = 



TOMS Shoes– One for One



FIRMS OF ENDEARMENT



**World Class
Companies
profiting
from
*Passion and
Purpose***

RETAIL TRENDING

BIG TO SMALL



More Space



More Sales





TARGET




ALTUZARRA



BREAKING NEWS





RETAIL WATCH LIST

Even the strong may not survive...







The Grove, Los Angeles



La Gran Plaza



Town Center



Downtown





Downtown





small is the new big
and 183 other riffs, rants, and
remarkable business ideas

from the bestselling author of *Purple Cow* and *Permission Marketing*

SETH GODIN

sprinkles
CUPCAKES

24-hour sugar fix



Welcome
DOWNTOWN
DEWITT
the place to gather

Home-Made
Pies

 Sweetie-Licious

Delici
Memories

Café Bakery

Yummy Food

OPEN

Bakery





*Eat Pie
and
Love
Life
- Linda -*

BYOD

(Bring Your Own Device)

**The mobile device is now an
“Everything Hub” & businesses will
need to adapt to BYOD culture.**

CHECKING



I Google, I check, I know

THE GLOBAL BRAIN



A truly global explosion of talent





Utilizing the Mobile Market

- **84%** of smartphone shoppers use their phone while in a store
- **41%** of shoppers check competitors prices on their smartphones.
- Shoppers using mobile devices in the store are **6%** more likely to make a purchase
- **94%** of smartphone users look for local information on their phone
- **70%** of searchers will visit a local business after a search

Anywhere, Any-way Shopping





An iPhone displaying a \$75 eGift Card for Williams-Sonoma. The card features a green background with a pineapple logo and the text "WILLIAMS-SONOMA". The message on the card reads: "Aunt Heidi, Thanks for always being there! Love, Aidan". A barcode is visible at the bottom of the card.



Screened Interactions



As more screens become interactive we'll see screens infiltrating restaurant and retail experiences.



Digital Storefronts



Man-sumer



Showrooming

1. Go to the store



2. Feel and try the product



3. Compare price and buy on-line



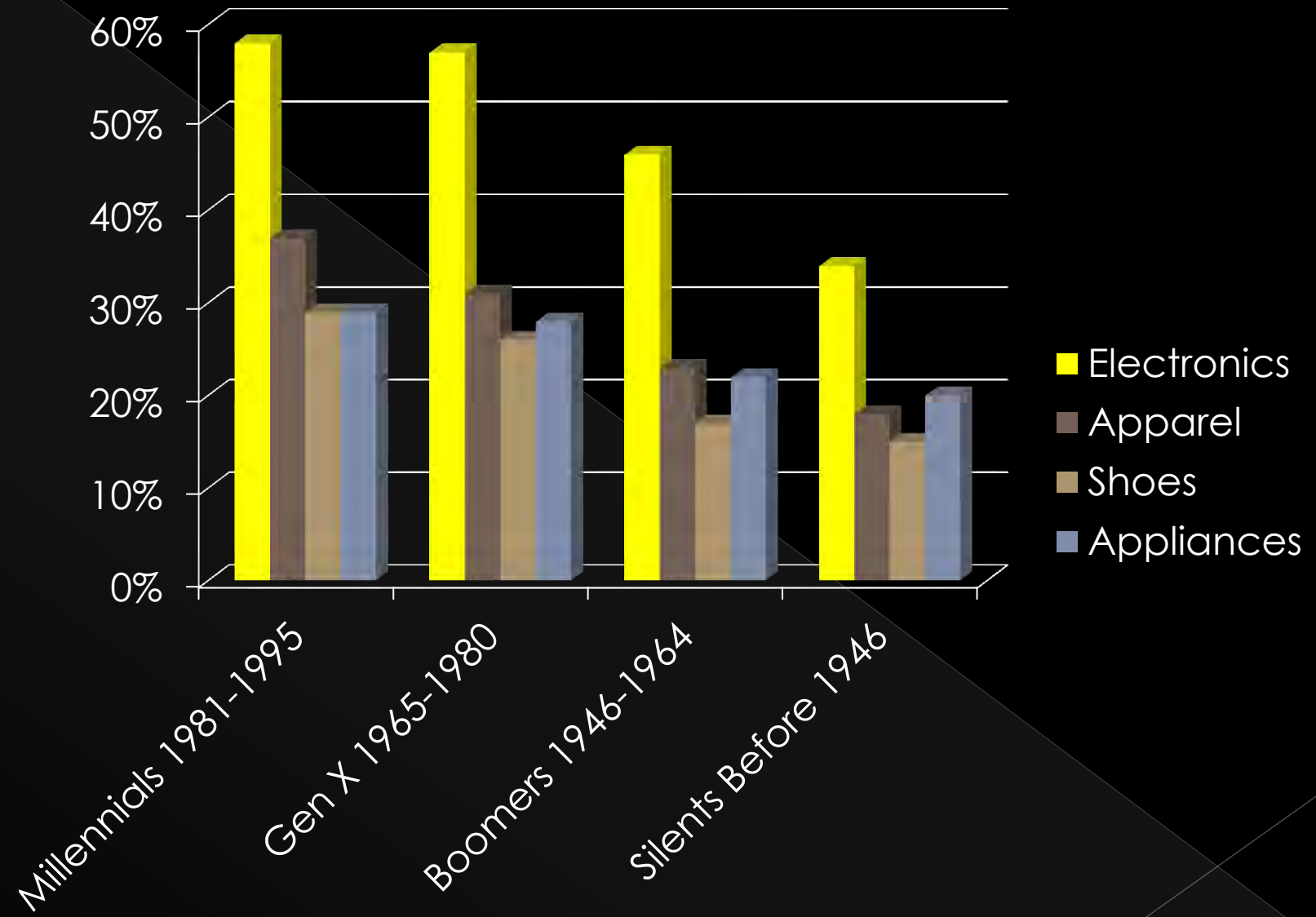
amazon.com

4. Transfer profit



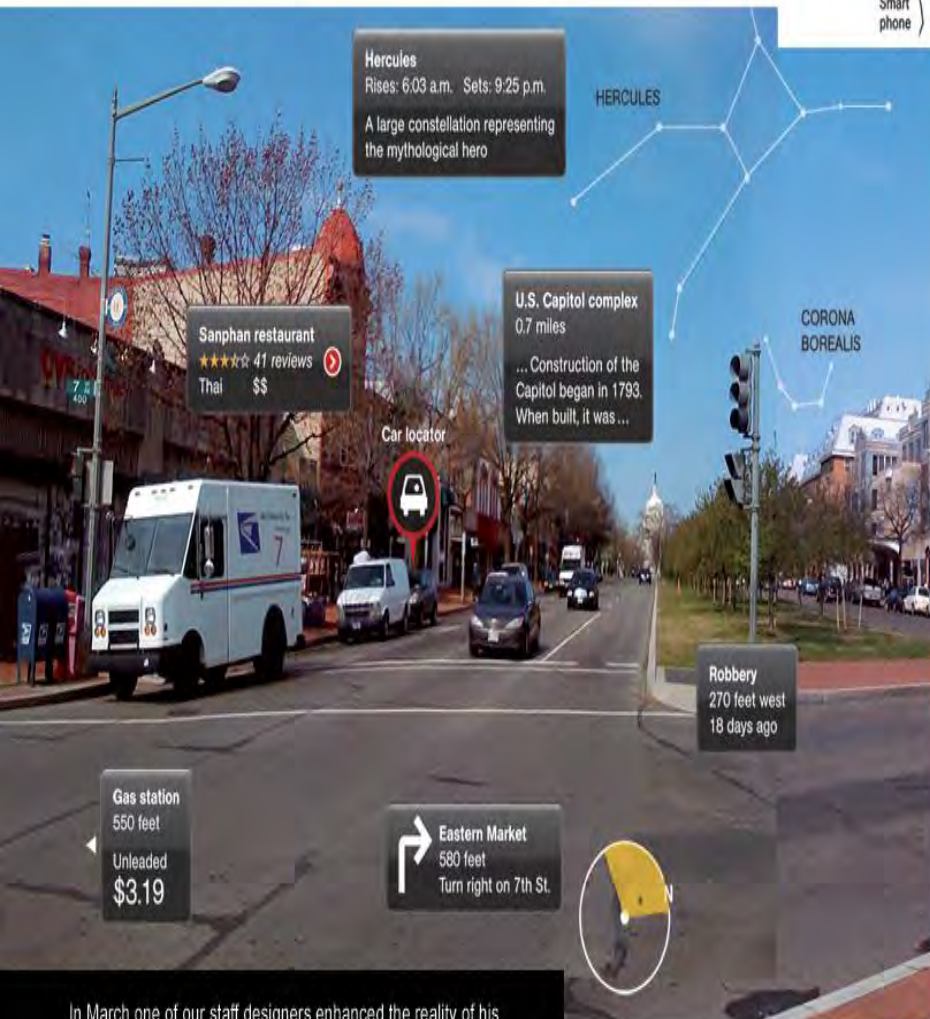


Products Researched Online Before Buying In Stores



Augmented Reality





In March one of our staff designers enhanced the reality of his Washington, D.C., neighborhood. Smart phone applications (apps) added layers of information to what he saw—called out in this composite of five photos, each taken with his phone.

UP AND AWAY Point your phone at the sky and find stars hidden by daylight. Aim at a tourist spot and see its history plus info for visitors. For an augmented-reality check, tap into crime stats.



REAL DEALS Various apps can steer you to the cheapest gas around, mass-transit options, good food, and Wi-Fi spots. You can also learn the price of that town house that's up for sale.

STREET PALS The Tweeps Around app tells if tweeters are near. Flickr displays area photos by members (Eastern Market, above). In the works: an app to match faces to social-network profiles.

ALERTING



Crème Brûlée Cart –where will it be today?

Mobile Dining

Serving fresh dishes in
small cities



Using social media to
alert people of their
location



Delivers fresh local produce to residents of its properties in NY every week



MY STREET GROCERY

MY STREET GROCERY

MY STREET GROCERY

Market Today!

Pop - Up Shop



A STARTUP STORE ^{beta}

quirky

BIRCHBOX

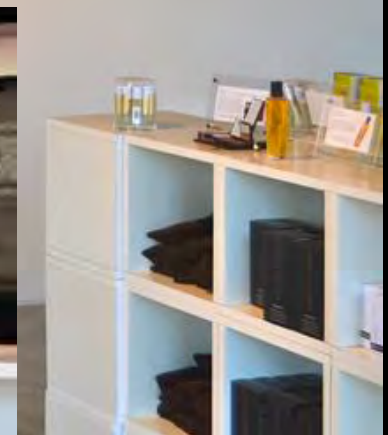
Artspace

JOOR

BAUBLEBAR

Born from late nights, big dreams, and lots of coffee.
A mix of young New York-based companies present
their stories, forged from innovation and crafted in fun.

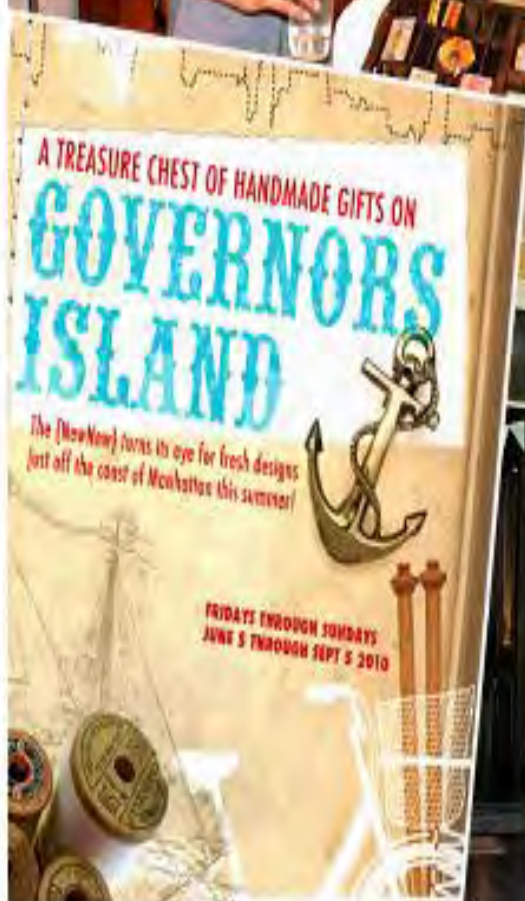
December 1 - January 12



The Rumsey
Pop Up Christmas Shop

FOR LEASE











Reebok's Pop-Up Stores



A Mini In The Mail



FREE
SHIPPING



Online Shopping

- According to recent study conducted by UPS and comScore they asked 5,800 consumers about their online shopping experience:
- 83% overall satisfaction with online shopping
- 62% have returned/exchanged items bought online vs. 51% in 2012
- Overall consumers want more options in searching for items, enhanced security, & alternate delivery locations

Outside the Four Walls of Retail



askZappos

Looking for something?

Ask Zappos will find it, for free, from any store.

All we need is a photo



Text a photo to 91887†



Email a photo to ask@zappos.com



On Instagram, add #AskZappos to your photo



Upload a photo here

[Frequently Asked Questions](#)





NOVOSBED.com

THE ZERO-RISK MEMORY FOAM MATTRESS COMPANY



BOOKS MUSIC **amazon.com** MOVIES CAFE



From where we are vs. where we are now

From:

- Needing Stuff
- Individual
- Conformity
- New
- Quantity
- Buying
- Owning

TO:

- Demanding experiences
- Community
- Customization
- New & now
- Quality
- Creating
- Using/borrowing/renting

Community and Connection

While technology has enabled stronger social connections, technology has also made us more disconnected than ever.

As a response, brands are creating more localized (differentiated) experiences for face –to- face interactions.



Think globally, act locally

Brand's are evolving the environmental movement's phrase and applying it to their retail model.

Convenience

In our time starved days, who doesn't want convenience and the ability to move through the day with ease and effortlessness?

Time is the New Currency



Store Hours



Ten Reasons Why Retailers Should Stay Open Later

1. The number 1 activity of visitors, in the world is shopping, dining, & entertainment in a pedestrian friendly setting. This is where 80% of all non-lodging visitor spending takes place.
2. 75% of ALL retail purchases in the U.S. takes place between 4:00pm and midnight.
3. 70% of all consumer retail spending (brick & mortar stores) take place after 6:00pm.
4. Research shows that if you extend your operations, by two hours, the average retailer works 20% less.
5. Profits from extended hours will exceed increased expenses by a minimum of 16%.

Study Conducted By: Roger Brooks International

6. Your expenses are fixed and do not stop when the doors close. This includes rent, insurance, inventory, advertising, utilities, supplies, & loans. All are 24 hour a day expenses.

7. Extended hours combat out-shopping, also referred to as “leakage”. This is one of the biggest killers of any great downtown. “Shop Local” programs ONLY work if you are open during convenient hours! This includes after work hours or even after dinner hours.

8. You reduce “leakage” and increase local tax revenues, and that provides the community with tax base used to provide other services and amenities increasing the quality of life locally.

9. Visitors spend the night when there are things to do after 6pm.

10. It makes you a more desirable place to live, work, play, and invest in especially if you want to attract young workers or families that want something to do in evening hours.



Every year hundreds of downtowns are getting the message and keeping their retail shops, restaurants, and activities open well into the evening hours-even if it is only a day or two a week to start.

Experiential Retailing



The reality of retail profitability



Optimism Shines On Holiday Sales

- According to the NRF (National Retail Federation) holiday retail sales are projected to increase 4.1 %
- 44% of shoppers plan to shop online
 - *Of all retail sales only 6.4% are online
- 55.7% of shoppers will use their smartphone to either research, redeem coupons, or make a purchase





2014 Holiday Sales Forecast for November & December



**\$616.9
Billion**
Total sales



4.1 %
Increase over
2013



8-11 %
Online sales
growth

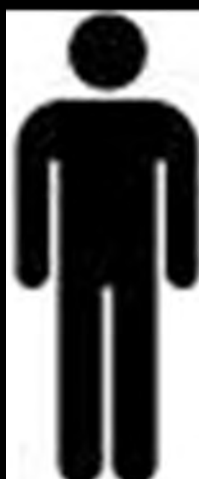
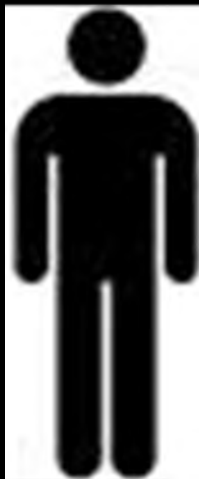
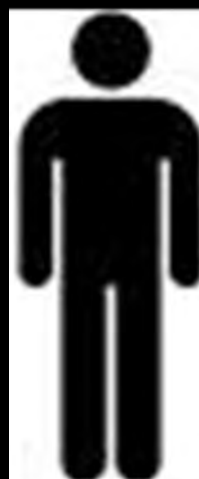
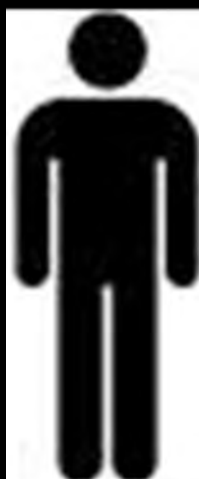
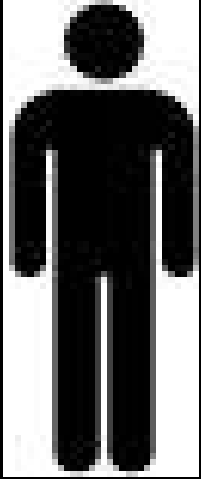
**A grim reality...
acts of shoplifting are
financially crippling
retailers today.**



Shrinkage cost the retail industry \$34.5 billion last year (1.41% of total retail industry sales)



1 out of 11 Americans Shoplift



Thought for the day ...

Service or Shrinkage?

Your Choice...

*Shrink your Shrink
with Outstanding
Customer Service*

FOR RETAILERS TO BE SUCCESSFUL...

They must...

- **Accept responsibility**
- **Challenge ALL their assumptions**
- **Ask the HARD questions**
- **Lead & Listen to the market**
- **Take care of their staff**
- **Align Value with Values**
- **See challenges as opportunities**

Positioning for Success





CREATING MEMORIES
The Ultimate Customer Experience

“We’ve now entered an area in advertising where the **most** sustainable **competitive advantage** is the knowledge of engagement with our customers.”

Make 'Em Laugh



It's not complicated.

Faster is better. And AT&T is the nation's fastest 4G LTE network for your iPhone 5.

Define your vision



Powerful Travel Trends

“Life is a journey- Travel is motivated by the desire to explore, discover, and enrich. This longing still drives people to travel and also drives retail!”

Let's explore !

Current trends in the travel tourism industry that are similar to retail

- **Time poverty= more to do + less time to do it – affects every travel segment and retail**
- **Fragile consumer confidence affects travel and retail decisions**
- **Soaring fuel costs affecting every aspect of travel and thus affecting retail locally, nationally, and as an industry**

Powerful Travel Trends

- Continued growth of traveler frustration-high costs & poor service results in loss (sounds so familiar in the retail world)
- Internet is the #1 source of travel planning and purchasing. However, the consumer is becoming the medium for travel information via “social media” and networking sites. Internet retail sales growth is continuing to be very strong.
- Business travel- slight growth & vigilant cost containment parallels with retail business trends
- Geotourism- “Tourism that sustains or enhances the geographical character of a place being visited”. This can also be seen in retail with many sustainable trends

These trends lure distant generational preferences and affect retail!

Travel Trends To Watch in 2014 & Beyond

1. Impact of Millennials

- Interested in visiting urban areas rather than resort destinations
- Travel in pursuit of favorite activities or interests
- Travel with friends or organized groups

2. Seniors are unstoppable

- "Unstoppable elders" comprise 1.3 -1.6 billion people worldwide
- Customer service is top priority
- They are the wealthiest group and most demanding travel segment
- They travel for rest & relaxation and prefer quiet and less congested areas.

3. Rise of conspicuous leisure

- "Signaling of social status through consumption of experience rather than consumer goods"
- Top goods/experiences wanted are smartphones, owning a vacation home, work from home, take vacation to exotic places, & extended time off work

4. Growth of “creative tourism”

- This is “directed toward an engaged and authentic experience. It is travel that provides a connection with those who reside in the destination”
- This tourist interacts with the locals

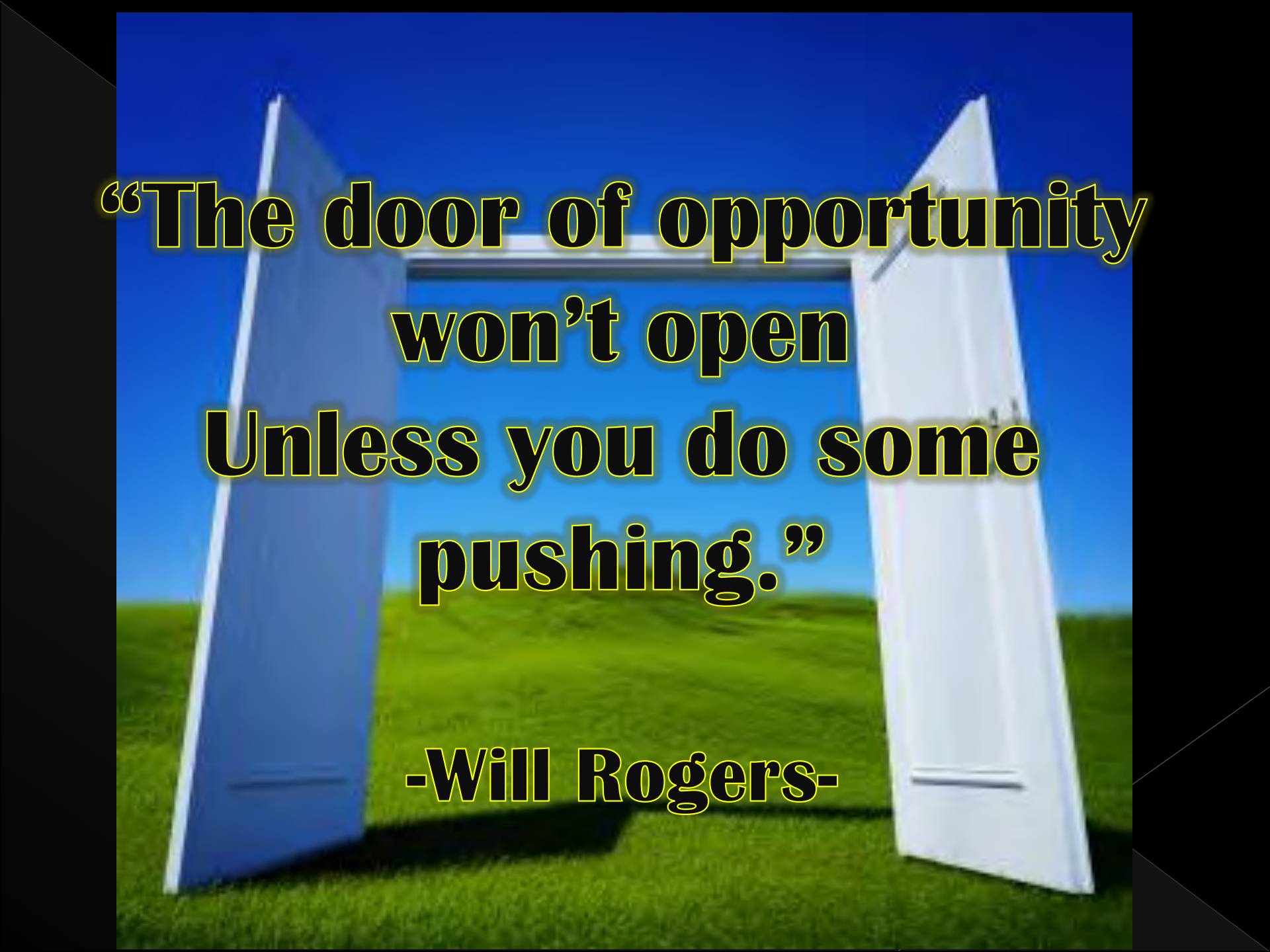
5. Strength of luxury travel

- The number of affluent U.S. households in 2012 was 10.5 million and this number is projected to increase to 20.5 million by the year 2020
- U.S., Japan, & Europe travel visitors will dominate the luxury market until 2020

6. More multigenerational travel

- There will be more “family” travel that will be centered around milestone events
- This is about “trading memories, convenience, & value”

Information for Six Travel Trends Provided By: Robin Amster, TravelMarket Report



**“The door of opportunity
won’t open
Unless you do some
pushing.”**

-Will Rogers-

What will

we do

next

