

Six Strategies for Brick and Mortar Retailers Competing in a Digital World

NEW YORK, Dec. 3, 2012 /PRNewswire/ -- Online sales reached record levels on Black Friday and Cyber Monday this year – each in excess of a billion dollars – but don't count out brick and mortar retailers just yet.

Progressive retailers are taking note of digital trends and incorporating them into in-store experiences as a way to draw in and better engage with customers year round – not just during the frenzied holiday shopping period.

Randall Stone, senior partner and director of customer experience and retail design at Lippincott (www.Lippincott.com), has been helping retailers to identify, design and communicate brand experiences to their customers for more than 25 years. His client experience includes Starbucks, Foot Locker, RadioShack and The Limited, among others. Mr. Stone has identified several retail strategies that are being used to enhance in-store shopping experiences this holiday season and beyond:

1. *Go Mobile*: Mobile apps are being embraced by brands as diverse as Starbucks, Dunkin' Donuts and KFC/Taco Bell. They enable consumers to shop in-store, quickly pay with their iPhone or Android phone and depart. These apps make shopping experiences easier, faster and sometimes cheaper. Retailers need to leverage the mobile devices consumers carry in their pockets to pull them into their stores.
2. *Less is More... But More is Better*: Consumers are looking to maximize their buying power and get the most with the little they have. Retailers who bundle products in-store and offer bonuses allow their customers to give more and get more value. It also helps retailers maintain their price and brand quality perception.
3. *Embrace Go to Market Economy*: Retailers have the opportunity to better serve and access consumers with a shop anyhow/anywhere go to market approach. Merchants who embrace this strategy, including Home Depot, Toys"R"Us and Sears, allow customers to shop whenever and wherever they please and then pick-up or have the goods delivered as suits them – site to store, store to home, phone to anywhere, etc. Retailers who provide an omni-channel experience will be brand leaders.
4. *Deliver an Authentic Brand Experience*: Shopping holidays are clearly critical days for retailers but they don't necessarily build brand loyalty. Customer loyalty is built year round. Retailers need to deliver their brand experience, offer special products and deliver on their brand promise 365 days a year. But there are ways to differentiate themselves – even during the holidays – such as express frequent shoppers lines or handing out special amenities in the frenzy. Some stores are experimenting with novel pop-up stores, flash sales and/or tailored events to appeal to new demographics.
5. *Individualize through Digital Convenience*: Integrate digital kiosks and tablets throughout stores to encourage feedback in online forums while in the store and provide customers with tools to easily visualize products in their everyday lives.
6. *Keep it Simple Without Eliminating Options*: Create a showcase experience in-stores that provide a general overview of basic options, but enable on-floor sales managers with tools to expand in-store SKUs to allow customers to customize products they're interested in purchasing.

"Retailing is evolving very quickly due to the influence of the Internet, smartphones, social media and more sophisticated consumers who are increasingly pressed for time and want to shop in a way most convenient to their lifestyles," said Mr. Stone. "Retailers who crack the code by providing convenience, choice and enhanced customer experiences are the ones who will be rewarded by increased shoppers' dollars."

About LIPPINCOTT

Lippincott is a leading brand strategy and design firm with a 70-year heritage crafting authentic stories, memorable experiences and winning strategies for the world's most iconic brands. Its expertise spans all aspects of brand building including strategy, identity design, environmental branding, customer experience management and brand activation. The firm uniquely combines business-based strategic thinking and creative excellence to solve complex challenges facing corporations today as they shape their brands for the future. Recent clients include 3M, Delta Air Lines, Hyatt, Infiniti, Samsung, Starbucks and Walmart. Lippincott is part of Oliver Wyman, a global professional services organization owned by Marsh & McLennan Companies.