



# 2010 NRF BIG Show wrap-up

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## Optimism Reigns

Technology takes center stage at NRF Show

By Deena M. Amato-McCoy

Hopeful that the economy is finally beginning to turn around, retailers hit the the National Retail Federation's 99th Annual Convention & EXPO, in New York City, in search of new ideas and solutions to support business decisions and future operations and improve the customer experience.

In opening remarks, Tracy Mullin, president and CEO, NRF, emphasized the positive and celebrated those retailers that looked for opportunities to transform their businesses in 2009.

"You streamlined your supply chain and did amazing things with inventory control; you utilized new analytics tools and embraced sustainability," she said. "You enhanced your multichannel strategies and focused more resources to train your employees and improve customer service. You expanded your private-label offerings and worked hard to differentiate yourself from your competitors."

The NRF event, known throughout the industry as "The BIG Show," hit New York City's Jacob K. Javits Center Jan. 10 to 13, 2010, and attracted retailers from around the world. The show was buzzing with energy and excitement, and attendance on the show floor and conference sessions was noticeably higher than last year. Attendance was up and unlike the cautious, even somber mood at last year's show, retail delegates were much more hopeful and upbeat as they attended sessions and held meetings with technology vendors on the exhibit floor.

The overall mood and spirits were boosted by expert speakers who spoke to the improving economy.

"The economy is measurably better than it was a year ago, and it will be measurably better than this a year from now," said Mark Zandi, chief economist, Moody's Economy.com, during the "Recasting Retailing: New Rules — and Opportunities — of the Global Economy" conference session.

As to where retailers are looking to expand their brand, Zandi said that emerging world markets, including China, India and Brazil are growing fast and

have higher rates of savings.

This year's convention included a new program track — Independent's Day at NRF — designed to address the unique needs of small- to medium-sized retailers. And the EXPO Hall also boasted a new feature called the Innovation Station, an open space designed to assist merchants with their everyday problems and emerging challenges. Among the featured technologies: virtual dressing room platforms, electronic shelf labels, mobile applications, ROI analytics and RFID tools.

### Exclusive interview with Microsoft



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The crucial role that technology plays in the retail industry, in both good times and bad, was an overriding theme of the show. It was brought home by Howard Levine, chairman and CEO, Family Dollar, who participated in the "Recasting Retailing" session.

Commenting on lessons learned during the recession, Levine said, "One thing is to be even more focused on our customer, which means technology investment. We've probably spent more money on technology in the last 18 months than we did in the preceding 10 years."

As to the mission of many retailers attending the show, it was best summed up during a presentation by Butch Jagoda, CIO, Helzberg Diamonds: "to uncover an opportunity that will help move business forward." ●

## Industry Briefs

Tech providers share news about customer applications

By Marianne Wilson

### The Home Depot rolling out Fujitsu self-checkout software

The Home Depot is transitioning to Fujitsu U-Scan self-checkout software in its U.S. and Canadian retail stores. The Fujitsu self-checkout software application has open integration architecture, utilizing a virtual point-of-sale such as messaging framework that enables retailers to implement business critical point-of-sale software changes faster and easier, while avoiding costly and complicated self-checkout re-integration and lengthy testing cycles.

“The focus of our IT efforts is to improve the shopping experience for our customers,” said Cara Kinzey, senior VP IT Store, field and corporate support for Home Depot. “Taking advantage of the U-Scan self-checkout software architecture’s flexibility means that we can better respond to changing business conditions, making us more efficient, competitive and responsive to customer needs.”

The home improvement retailer is currently completing initial proof of concept pilot testing.

### Tilly’s deploys SAS Size Profiling

Tilly’s, a leading teen specialty retailer, has deployed SAS Size Profiling as a managed solution to better evaluate store-level style-specific demand by size. “Having SAS host this solution was an efficient way to deploy this important capability,” said Craig DeMerit, CIO, Tilly’s, Irvine, Calif., which operates more than 100 stores. “We may have been missing opportunities with earlier processes that were far less precise and with SAS,

I firmly believe we can improve size profile accuracy.”

SAS Size Profiling analytics transform historical sales data into accurate projections of future demand by size. Integrated with existing merchandising systems, this intelligence is applied to purchasing and allocation workflows, delivering optimal, store-specific size profiles



Home Depot is implementing self-checkout software from Fujitsu.

that match local demand. Both pre-season and in-season profiling are systematized through an intuitive user interface and automated workflow.

### Hot Topic implements NCR’s self-service kiosk and digital signage solutions

Hot Topic has implemented NCR Corp.’s self-service kiosk and digital signage applications. NCR Netkey will be a core part of Hot Topic’s digital strategy, NCR said, and will include e-commerce and customer loyalty besides the kiosks and signage apps.

To date, about 1,500 NCR Netkey self-service kiosks *continued on page 3*



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and digital signs are in use in Hot Topic retail stores. The kiosks are used for loyalty program sign-up, to listen to music and check loyalty status. Phase II of the kiosk rollout, to be launched early this year, will allow shoppers to buy items on hottopic.com and have them shipped to store or home.

## Harrah's in digital signage pilot with Cisco

Harrah's Operating Co., a subsidiary of Harrah's Entertainment, is expanding an existing collaborative effort with Cisco to work on an interactive digital signage solutions pilot.

*continued on page 4*

## New Products

### MICROSOFT

Microsoft Corp. introduced Microsoft Dynamics AX for Retail, a new end-to-end offering designed for midsize specialty retailers. The new solution offers retailers a deep level of integration across point of sale, store management, supply chain, merchandising and financials to address business productivity while enhancing customer service in a single solution.

Through close interoperability, Microsoft Dynamics AX for Retail provides a familiar experience for driving efficiencies across additional Microsoft products including Windows 7, Microsoft Office, Microsoft SharePoint Server and Microsoft SQL Server. This enables retailers to gain insight into customer behavior and apply it to optimize the entire chain of operations from sales to supply.

[microsoft.com/dynamics](http://microsoft.com/dynamics)



### Intel

Intel Corp. unveiled a new 7-ft.-6-in. multi-user, multi-touch Intel Intelligent Digital Signage Concept with an LCD display and holographic glass to demonstrate how technology can enhance the retail customer experience with a multi-touch, multi-user interface. Intel said the prototype device could change the way people interact with digital signage technology in environments such as stores, airports, banks and hotels. It recognizes consumer gender and height using video analytics and then immerses customers into a rich multi-touch environment

The optimized digital signage solution, based on the Intel Core i7 processor and Windows 7-based Microsoft Windows Embedded Standard 2011 platform, aims to better standardize a fragmented market.

[intel.com](http://intel.com)



Intel technology enables the future of digital signage.

### NCR Corp. and MOD Systems

NCR Corp. and MOD Systems have introduced the Retail Digital Entertainment Platform for video and music, which enables brick-and-mortar retailers to offer digital albums and tracks directly to consumers for download to flash memory on Secure Digital (SD) cards, USB storage devices and directly to many music playback devices. The application enables retailers to deliver digital entertainment to consumers through interactive self-serve kiosks. In addition to music, MOD Systems' growing digital entertainment catalog includes thousands of movies and television shows from major Hollywood and independent studios and aggregators.

[ncr.com](http://ncr.com)

### Kronos Inc.

Kronos Inc. unveiled a next-generation, user interface for workforce management, a single dashboard that identifies workforce-related issues and guides frontline managers to appropriate resolutions.

The company also previewed a new mobile scheduling application, Workforce Mobile Scheduler, that makes it easy for managers to instantly engage with employees using a variety of mobile devices. With Workforce Mobile Scheduler, managers can send a voice or text message to best-fit employees, letting them know a shift is available.

[kronos.com](http://kronos.com)



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Using Cisco Digital Media Suite, now supporting touch capability, Harrah's will pilot an interactive signage solution as part of Harrah's strategy to create a more personalized guest experience.

### Best Buy supports international growth with Predictix

Predictix announced that Best Buy has successfully deployed merchandise financial planning and item planning applications from Predictix in Mexico and China as part of a broad international rollout.

The solutions will allow Best Buy to maintain a consistent, company-wide best-practices approach to planning, while having the flexibility to easily configure the application to each country's local needs. The Predictix unified merchandising model was also appealing to Best Buy; while the retailer's current rollouts are focused on planning, other modules within the Predictix suite can quickly and easily be added as needed, providing a unified view across all merchandising decisions.

"Predictix is enabling Best Buy to support our international growth with highly sophisticated planning applications, and without the hefty investments and lengthy timelines of the traditional enterprise software model," said Neville Roberts, CIO, Best Buy. "After considering all of the options available to Best Buy, we selected Predictix — and our decision has been borne out by the success we are already seeing with our initial deployments."

### Reitmans expands Oracle footprint

Reitmans, Canada's largest specialty retailer with more than 900 stores, has selected the Oracle Retail Merchandising System to help transform its merchandising and supply chain operations, as well as support growth across seven brands and more than 950 stores. The suite of applications provides out-of-the-box



Best Buy is using planning applications to create consistency among its stores around the globe.

integration with supply chain operations, making it easier for staff to support and upgrade the systems.

"The Oracle Retail suite of applications addresses specific opportunities to create value across the fashion merchandising and supply chain business," said Diane Randolph, CIO, Reitmans. "We will be able to support changes and growth across all parts of our business, and the out-of-the-box integration will enable us to reduce the overall cost of maintenance and upgrades."

Reitmans already uses a wide range of Oracle technology and applications, including the Oracle Database, Oracle PeopleSoft Enterprise Financials and Oracle Retail planning applications.

### Family Dollar Stores on board with 4R

4R Systems reported that Family Dollar Stores is fully implemented on 4R's IP optimized store inventory solution. The system is delivered in a software-as-a-service (SaaS) model.

"Being a compelling place to shop means having the right mix of product in the stores at the right time for our customers," said Bryan Causey, senior VP planning, allocation and replenishment, Family Dollar Stores. "4R's profit-optimized store inventory service has improved our ability to maintain inventory levels that satisfy customer needs better and are more profitable for Family Dollar." ●



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## All Eyes On the Consumer

Mobility and analytics in the spotlight

By Deena M. Amato-McCoy

Many of the retailers that attended the NRF's 99th Annual Convention & EXPO shared a common mission: They were looking for ways to boost the customer experience. Based on show floor buzz, and information garnered from educational sessions and related blogs and tweets, mobility and analytics will be paramount to this strategy.

For many, a new and growing opportunity lies in using mobility to reconnect with shoppers and transform the shopping experience. This point is confirmed by the skyrocketing penetration of smart phones, PDAs and other Web-enabled personal devices among consumers. Chains that "find a way to leverage and take advantage of this rapidly growing consumer platform will win going forward," said Greg Buzek, president, IHL Consulting Group, Franklin, Tenn., during the NRF session, "Retail 2010 IT Forecast."

Digital mobile coupons could be an easy jump-off point — 46% of adult mobile phone users reported they are somewhat likely to try receiving and redeeming bar-coded coupons via their mobile phones, according to the "Mobile Couponing Survey," commissioned by Honeywell.

The platform can help create new versions of e-wallets, or applications that store credit card data and passwords for favorite e-commerce sites. Already used regularly overseas, e-wallets could gain traction domestically with an electronic gift-card application. By presenting a related two-dimensional barcode or inputting specific card numbers at point-of-sale, consumers can spend gift cards electronically without using an actual card.

The platform can also reignite loyalty programs. "Shoppers no longer need to keep cards secured to key rings or tucked away in wallets," explained Taylor Smith, director of product management, scanning, Honeywell. "It is a great way for shoppers to ensure

they earn loyalty points during each visit and it enables retailers to deliver real-time discounts and promotions."

In February, Raleigh, N.C.-based Kerr Drugs will debut an e-wallet program with the help of a managed service from Holtsville, N.Y.-based Motorola. Consumers will text a dedicated number while in the store, and will receive a dedicated URL that will allow them to download an applet onto their phone. The applet also produces a 2D barcode that is scanned by an imaging scanner during checkout to apply discounts and promotions.

Another big theme at the show was how analytics can connect chains with shoppers. Since many retailers already have analytics and business intelligence tools in place, retail experts urged chains to begin leveraging the power of these solutions.

Helzberg Diamonds is a perfect example of a chain that continues to improve its analytics environment. The Kansas City-based jeweler's commitment to creating a robust data warehouse dates back to 1998, and it has been a foundation for connecting with its loyal shoppers.

"Stored data provides our associates the insight needed to perform clientelling services, send thank you's to our best shoppers, even follow up on repairs," said Greg Backhus, director of data warehousing and IT, Helzberg Diamonds. "We capture information that allows us to be proactive, and overall just better serve our shoppers."

By adding a new, massively parallel processing solution from Netezza, Framingham, Mass., Helzberg is raising the bar on customer-service standards. The "master" data processing appliance grabs data from distributed computing sources that each hold critical information sources, including financials, payroll, human resources, POS information, marketing and customer-service details. ●

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## The Brighter Side of Retail

Online channel was a strong performer throughout 2009

By Samantha Murphy

While many merchants struggled last year amid the economic downturn, there was one bright spot in retailing that experienced dynamic growth: the online channel.

In fact, Web retailing outperformed all other retail categories in 2009 as online sales grew steadily in each quarter, according to Cambridge, Mass.-based Forrester Research. (Web sales grew 11% in the first quarter of 2009, 12% in the second, 16% in the third and 26% in the fourth).

"Businesses that are best adapting to the environment and the evolving customer are the ones that are thriving. This is the main reason why Web retailers were resilient even in the depths of the recession," said Sucharita Mulpuru, VP and principal analyst, Forrester Research, during the session "The State of Online Retailing 2010."

### Web retailers are tapping into "people power" via social networking.

Convenience is the biggest factor pushing shoppers to the Web, according to Forrester. Fifty-four percent of shoppers polled by Forrester last year said they shop online for bargains, and 64% said e-commerce saved them time.

"However, this only scratches the surface of what factors have enabled e-commerce to exceed retail overall," Mulpuru explained. "Retailers have embraced many innovative strategies to stay extra competitive."

For example, individual online retailers have made global expansion easy via the Web. Apparel retailer Brooks Brothers now allows shoppers to ship products anywhere in the world for a fee of about \$50.

Mulpuru also noted that one of the most unique factors driving Web retail is that there is an ecosystem of entrepreneurs and smaller vendors that have used a

lot of investment capital to fuel developments in Web architecture. These investments have ultimately helped reduce some of the friction in e-commerce buying.

For example, some businesses have embraced solutions that allow shoppers to pay online without surrendering a credit card.

"This has enormously helped customers feel more secure with Web transactions," Mulpuru said. "Another way retailers have taken the anxiety out of online shopping is by providing dynamic color swatches and zoom capabilities that give shoppers the opportunity to almost touch an item without physically inspecting it."

Web retailers have also outperformed other areas of retail by tapping into "people power" on social media sites. Social networking is having a big influence on online retailing, Mulpuru said, and more than half of retailers already have established some sort of social presence, such as a blog or social network page. As to their reasons for jumping on board, 66% said they initially launched various social networking initiatives due to industry buzz. But nearly one-third of respondents said the campaigns have helped grow their business in some way.

"It's important to keep in mind that growing businesses through social networking may not be about delivering return-on-investment benefits tomorrow," Mulpuru said. "It's about delivering value and market research that deliver value over time."

Many retailers have since learned what products need replacing via customer reviews, while other companies such as Minneapolis-based Best Buy connect with customers on Twitter and answer customer-service related questions in real-time.

"One of the best advantages of social networking is just listening to what your customers have to say," Mulpuru said. ●

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## Sustainability Update

Retailers discuss green initiatives and climate change

By Marianne Wilson

Several of the sessions at the NRF's Annual Convention & EXPO dealt with the issue of sustainability. At the "Green Your Supply Chain" session, Ken Bonning, executive VP logistics, Kohl's Department Stores, highlighted Kohl's sustainability initiatives. The chain is currently the world's largest

and younger associates expect companies to be environmentally responsible.

The world's largest retailer presented its views on sustainability at the session, "Sustainability in Retail — Increasing Profitability and Impacting the World." The dominant theme: No effort is too small when it comes to sustainability.

Matt Kistler, senior VP sustainability, Wal-Mart Stores, outlined the chain's three main goals — each of which has multiple layers within it — with regards to sustainability:

1. To be supplied 100% by renewable energy;
2. To create zero waste; and
3. To sell products that sustain people and the environment.

Kistler noted that Wal-Mart is taking a 360-degree approach to sustainability — one that involves its stores, suppliers and associates. He advised the audience to look for both big and small opportunities, or to go "both low-tech and high-tech," when it comes to being sustainable.

In response to questions from the audience, Kistler said that one of the keys to getting started was to get a good evaluation of your business so that you can understand what your own impact is.

"Do a little internal investigation — software does help," he added. "And then get started. There is not one thing you can do that will make you green. You need to involve all levels and embed sustainability throughout the business."

As to the key to success in sustainability, the Wal-Mart executive said that "engagement of the senior leadership has been very beneficial to us." Having goals is also important.

"Just getting started and doing something — and small things do add up — are also important," Kistler said. "Small, tactical programs can give you momentum to go forward."

At the session, "How Leadership, Loyalty and Transparency Fuel Growth," Sir Terry Leahy, CEO, Tesco PLC, said climate change will be one of the key growth drivers for retailers in the coming years.

The science seems incontrovertible," Leahy said. "We now have got to shift the whole basis of consumption to low carbon. It won't be less consumption — people want a better life — but it will be different consumption."

For retailers, the shift to reduced carbon consumption represents a significant business opportunity, according to Leahy.

"Those retail businesses that respond first and best to the consumer's need for low-carbon products and low-carbon living in an affordable way will do the best," he said. "It is an opportunity for us all." ●



Wal-Mart is taking a comprehensive approach to sustainability.

retail host of solar power, with 79 solar locations in six states: California, Wisconsin, Oregon, Connecticut, Maryland and New Jersey.

In 2009, Kohl's purchased 851 million kilowatt-hours in renewable energy credits, enough to meet 71% of the company's purchased electricity use. Kohl's plans to reach 100% green power by the end of 2010.

On the transportation side, Bonning strongly advised that retailers require carriers to become partners in the EPA SmartWay Transport program. The program is designed to reduce air pollution and greenhouse gas emissions, improve fuel efficiency and strengthen the freight sector.

Bonning and speakers at other green sessions were in general consensus on a number of key points. These included the importance of having buy-in from senior management on sustainability initiatives to building support internally throughout a company with education and communication. He also noted, as did other speakers, that increasingly customers





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## Rousing a Sleeping Giant

Deloitte expert finds that global economy is awakening

By Katherine Field

It was standing room only at the “Emerging from the Downturn: Global Powers of Retailing 2010” session at, the NRF’s Annual Convention & Expo in New York City. The session offered hope for the resurgence of the global economy.

“While there is still unemployment, some imbalances and debt, we are seeing very real indicators of economic recovery,” said Ira Kalish, director of global economics and consumer business, Deloitte Research, New York City.

Deloitte’s research revealed a number of trends — both long- and short-term — to back its recovery prediction.

“In the past decade, there was a vast increase in consumer spending globally, accompanied by huge increases in household debt,” Kalish said, “but we are now in a transition of a new structure brought about by the bursting of the housing bubble, which has led to reduced spending and retraction of credit.”

Over the next decade, he continued, the global economy will record continued growth, but of a different kind.

“Growth will come from exports, and less from consumer spending,” Kalish said. “Consumers will save more and pay off debt.”

But while saving will be prevalent in the United States, it won’t necessarily be so in China and India.

“I am very optimistic about the retail outlook for China,” Kalish said.

And another emerging market, India, is also flourishing. Kalish noted that India, like China, experienced only a mild downturn, and its retail industry is quite strong.

A surprisingly large contingency of

Brazilians were in attendance at the session, and Kalish acknowledged the strength of their country’s economy.

“Brazil is doing very well,” he said, “and the retail outlook is quite good.” The speaker said that the biggest economic issue that lies ahead is the value of the dollar. His expectation is that the dollar will continue to fall, which he called “largely a good thing.”

“There is no question that the global economy is awakening after a long slumber,” Kalish concluded. “We will just have to wait and see if banks will be willing to lend and if consumers will decide to behave (start to spend).” ●

### Trend Watch

Wondering what trends will rise to the surface in the coming months? During the session, “Emerging from the Downturn: Global Powers of Retailing 2010,” Ira Kalish, director of global economics and consumer business, Deloitte Research, New York City, outlined the following retail trends for 2010:

- **Consumer reset:** Thanks to the downturn, the consumer will — going forward — be more price conscious, will buy fewer big-ticket items, will lean increasingly toward private labels and will spend less on their homes.  
“Retailers need to countermand this by focusing on branding, a better customer experience and on creating differentiation,” Kalish said.
- **Luxury-market reset:** The luxury market took a major hit during the downturn, Expect to see more segmentation between the truly wealthy and the aspirational shopper.  
The wealthy will still make high-end purchases; however, “the aspirational shopper will suppress luxury spending,” Kalish said.
- **Growth of world-class retailers from emerging markets:** Some surprisingly high-quality retailers are emerging in unexpected markets around the world, and Kalish predicted these homegrown retailers “could become global players.”
- **Globalization of U.S. retailers:** “I’ve been predicting this for years,” Kalish said. “More U.S. retailers — particularly specialty retailers — will be taking the step into markets outside the U.S.”  
According to Deloitte research, the most likely candidates for global expansion are specialty retailers. Retailers in the segment are not only well-developed and well-executed and often clearly differentiated, but are facing slow growth and market saturation at home.
- **Social networking will heavily impact retail:** The retail trend to reach out and touch customers via social networks will only grow in 2010.
- **More rationalization of assortments:** Kalish predicted reduced SKUs based on consumer understanding and a better brand focus.





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# The Next Wave: Mobile Commerce

Retailers look to engage shoppers on emerging channel

By Samantha Murphy

Shoppers are already using handheld mobile devices to compare product prices, look for coupons and read reviews. But according to a panel of industry experts at the NRF's 99th Annual Convention & EXPO's "Strategies for the Emerging Mobile Economy," it's only a matter of time before they start using their phones to make purchases. In fact, the experts suggested that the mobile commerce channel has the potential to even exceed the e-commerce.

Mobile-commerce is already booming in other parts of the world, especially Asia and in the Nordic regions. In Japan, the combination of affordable, sophisticated mobile phones, high-speed networks, increased consumer advertising via mobile devices and the adoption of mobile commerce by companies, ranging from retailers to banks, have made it a highly effective and ubiquitous channel.

While U.S. retailers are still trying to figure out how to best get in on the m-commerce game, the general consensus is that it's time to expand its mobile initiatives. That said, many merchants are focusing on mobile retail development in 2010.

"I have no doubt that mobile will be the next big channel, but I still have more questions than answers about how to proceed," said panelist Renee Shaffer, VP and CIO of Sonic, America's Drive-In. "We want to use mobile to directly interact with our customers, but we're still trying to figure out the best way to do so."

Like many retailers, Sonic is looking into a few key areas for mobile expansion, including customer loyalty and marketing programs, payment platforms, and operational efficiency options, which provide employees mobile access to information, such as work schedules, flash reporting and product locations.

"The mobile channel is more than just selling something through a handheld device though; it's about creating a new, dynamic and personal way to engage and interact with your audience," Shaffer added.

Many retailers agree and have already embraced mobile by launching innovative iPhone applications to help add to the shopping experience, according to panelist David Dorf, director of technology strategy for Redwood Shores, Calif.-based Oracle Corp.

"For example, Wal-Mart has an iPhone application that allows users to take a picture of a room to help determine the size of a TV a shopper should buy,"

Dorf said. "This takes shopping to a whole new level."

Whole Foods Market has a recipe application that allows users to search recipes by ingredient, special diets and other elements such as "budget" and "family friendly." It also features a store locator, where customers can use a ZIP code search or the iPhone's built-in location finder to view maps and identify the nearest Whole Foods Market.

"There are a lot of different opportunities for retailers to engage and talk to customers without necessarily selling them anything," Dorf said. "There are a lot of opportunities around payment also."

According to panelist Randy Vanderhoof, executive director of Princeton, N.J.-based Smart Card Alliance, consumers are ready to experiment with alternative forms of payment.

"In the last five years, we've seen widespread penetration of contactless payment platforms that allow shoppers to tap a credit or debit card at point-of-sale as an alternative to the traditional magnetic strip medium," Vanderhoof said. "Customers are no longer locked into using a plastic card and can have a proxy for it through electronic payment methods on a mobile device." ●

## A Word of Advice

Sucharita Mulpuru, VP and principal analyst of Cambridge, Mass.-based Forrester Research, said during the NRF session, "The State of Online Retailing 2010," that there are two main factors holding back the mobile-commerce movement.

"First, retailers need to make sure sites are mobile-ready and can provide consumers with legible access to product information, checkout pages, etc.," Mulpuru said. "Second, shoppers are concerned about security, and some believe mobile transactions could lead to identity theft or the loss of their credit card information."

Companies such as PayPal are expected to play a big role in m-commerce in the future by providing payment methods that limit customer keystrokes and make the process more seamless and secure, according to Mulpuru.

"There is tremendous promise with m-commerce in the future; businesses just have a few things to work out first," she said.



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## Zero Disappointment

The Men's Wearhouse delivers high service

By Katherine Field

When a retailer guarantees great service, delivering a top-notch experience isn't optional.

In the NRF Convention & EXPO session entitled "The Men's Wearhouse Delivers Zero Disappointment," the Houston-based men's apparel retailer spotlighted an e-commerce partnership designed to back up the company's much-publicized slogan from the founder George Zimmer: "You're going to like the way you look. I guarantee it."

According to presenter Ken Muggeridge, VP operations for Men's Wearhouse, the chain had successfully built an in-store model around delivering a high level of service. However, "e-commerce was a difficult transition for the company, which was admittedly late in aggressively establishing a Web presence," Muggeridge said.

To augment the retailer's strong retail service with a just-as-strong online experience, Men's Wearhouse set several e-commerce goals, including:

- Create an integrated experience for the end customer.
- "Shirts and ties could pretty easily be sold over the Internet,"

Muggeridge said, "but sport coats and suits weren't so easily sold online because of required fittings."

- Project a single Men's Wearhouse brand to the customer.
- Automate and optimize the 'any any any' way of doing business.

"We had to develop single systems to both promise orders and keep that promise," said Muggeridge.

The chain teamed with supply-chain solution-provider Manhattan Associates, Atlanta, to launch an integrated solution designed to meet the retailer's pre-established objectives. Men's Wearhouse implemented a package Web-based platform that combined Manhattan's Warehouse Management and supplier-enablement with Manhattan distributed order management.

"It allows us to offer online purchasing with in-store pickup, as well as enables in-store returns of items bought online," Muggeridge said. The solution also provides the retailer with inventory visibility by location and real-time order status.

Another robust company department — alterations — benefited from the new solution. Men's Wearhouse now offers online appointment bookings for alterations and the ability for store personnel to access promised delivery dates. "The workflow engine manages the resources and scheduling of our tailor shop," Muggeridge said, "as well as sends automated notifications to our customers."

With the new solution, Men's Wearhouse is headed toward being able to provide the same level of service in the e-commerce arena as we already offer in our stores, according to Muggeridge.

Men's Wearhouse, which generated sales of almost \$2 billion in fiscal 2009, currently operates about 1,275 stores under the Men's Wearhouse and K&G banners in the United States and under the Moores Clothing for Men in Canada. ●

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