



# Retail News Insider

# **Engaging People. Driving Sales.**

# Get Personal!

## Satisfy shoppers' craving for customized service

# Add **Excitement** to Your Holiday Sales

# 2013 in Review

# What an incredible year!

# HOLIDAY 2013: Big Data's Big Predictions



# SMART THINKING. SMART TOOLS. SMART MERCHANDISING.

**Any Store. Any Aisle. Any Service.**

**Innovative solutions from the people who know retail merchandising best.**



The award-winning *Retail News Insider* offers a look at the trends, best practices and news affecting today's retailer as it relates to engaging shoppers and driving sales.

From Sacramento to Shanghai, the world of shopper engagement is an ever-evolving marketplace. Our team goes inside the stories to take a look at what's happening in your aisles as well as those across the globe.

*Retail News Insider* presents data, editorial and analysis in a relatable format designed to help you engage consumers and drive sales.

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From the Retail Services Team

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A Taste of the Season

Warm up from the inside out with  
our festive, grown-up spin on  
hot chocolate!



## Happy Holidays!

It's hard to believe that the holidays are already upon us and 2014 is right around the corner! 2013 has been a busy and productive year for all of us at Interactions. We've welcomed some great new additions to our retail team in recent months, including Jerry Slater, the new Vice President of our Meijer team, Elite Marketing Interactions; Tonya Alter, Account Executive for our Taste of Albertson's team; and Karlee Semancik, Business Manager for our Albertson's Intermountain Division. We've also had some exciting successes with this publication. With your input, we've refined and expanded our content to better serve you, our readers—and we've received several accolades in the process.

Most recently, *Retail News Insider* was recognized by the San Diego Press Club, one of the largest communication associations in the United States, for having the Best Trade/Internal Publication. In addition, *Retail News Insider* was honored earlier this year with the International Association of Business Communicators' Gold Quill Merit Award for Digital Communication Vehicle, the Communicator Award of Excellence for Employee Publication and Content

Marketing Association recognition as one of the top Best Feature Columns for our monthly "From the Front Lines" column.

Of course, we know there's no time to rest on our laurels. We've put together another informative issue for you this month, packed with everything from a tailored look at key predictions for holiday retail sales to tips for Sales Advisors on engaging hurried shoppers during this busy season—and throughout the year.

We also have a lot planned for *Retail News Insider* in 2014. We're researching a whole new batch of technologies, trends and best practices for our popular Market Watch feature (see page 7), plus we'll be adding regular updates on Interactions' Specialized Services, Merchandising, Marketing and Insights divisions. Stay tuned for more! If you know of any colleagues who might

be interested in receiving a copy of our future issues, please send us a note to [newsletters@daymon.com](mailto:newsletters@daymon.com).

On a more personal note, I want to take a moment wish each of you the happiest of holidays. I know it's a busy time in retail, but I truly hope you'll find some quality time to spend with your friends and family and to celebrate the joy of the season. Have a safe and happy New Year—and we'll see you in 2014!

Sincerely,

Jeff Engel  
Senior Vice President

**Check out our website at  
[www.interactionsmarketing.com/retailnewsinsider](http://www.interactionsmarketing.com/retailnewsinsider) for  
past issues, online-only exclusives and more!**

## The U.S. Retail Team



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## Making Merry with Personalized Service

The holiday season has officially begun! Party plans are under way, holiday tunes are in the air and shoppers are out in force, searching high and low for the perfect presents and treats. The good news for Sales Advisors is that a recent National Retail Federation survey showed that over 50 percent of consumers plan to scope out grocery stores for gifts and supplies this holiday season. That means the opportunity is ripe to step up as a helpful elf for your customers this year—and reap the benefits of increased sales in the process.

As online shopping continues to grow in leaps and bounds, personalization has become the name of the game. This year, that goes for brick-and-mortar retailers, too. As a Sales Advisor working with customers every day, you have a great opportunity to offer shoppers that individualized recommendation they crave.

The first step is to engage shoppers by asking them questions about their holiday plans. Ask what they're shopping for today and what they still have left on their gift lists. Make it a friendly conversation by sharing some of your holiday own plans, too.

Once you get an idea for your customers' plans, then you can help them see how your products might fit in. The keys here are to know your products and your selling points well. Is your customer planning a holiday cookie exchange? Tell him or her how the ready-to-bake cookie dough you're sampling can be dusted with colored sugar or frosted for a fun and unique look. If a customer seems pressed for time, play up the convenience factors, such as how quick the product is to prepare or how it simplifies cleanup.

Encourage shoppers to get creative with their gift giving, too. Why go to the mall, when there's a wealth of goodies right where they are? If you're sampling wine, suggest pairing it with some crackers and cheese for a thoughtful hostess gift. Or help

shoppers come up with gift basket ideas (think themes—movie lovers, chocolate lovers, etc.). Pull in ideas from around the store, and watch your customers' eyes light up with thanks!

### From the Front Lines

## Spreading Excitement—and Ideas—Throughout the Year

It's true that events take on a different feel during this time of year. But many holiday selling strategies can actually teach us a lot about successful selling throughout the year. This month, five-year veteran Sales Advisor David Jordan gives us his tips for the holiday season—and beyond.

"One thing I really focus on is bringing a sense of excitement to my events," says David. "If you're feeling happy and excited, you get pumped up about your product—and that feeling

passes along to customer. When we have special products vendors are promoting for the holidays, I try to engage customers about what they're making or who they're

spending time with. Even if it's little stuff, they see you're upbeat and encouraging, and that makes them feel good."

Sharing a variety of ideas for using products is also a great way to help boost sales, says David. "A lot of people come into the store and they're not even thinking about your product. But if you give them ideas on how to use it—whether it's putting together a quick meal at the end of a busy day or adding a little twist to their holiday celebration—they really get into it."

And when it comes to dealing with holiday crowds or long lines at your cart, "stay focused on your task, and take one customer at a time," says David. "Try to put the big crowd out of your mind so it doesn't become overwhelming. Keep focused on your product, keep your key selling points going and you'll do fine."



**Sales Advisor  
David Jordan**

# HOLIDAY 2013: Big Data's Big Predictions

By Retail News Insider

It's a familiar feeling: that mix of excitement and anxiety that has you sitting on the edge of your chair come Christmas morning. We're not just talking about the little ones waiting to open their gifts from Santa. That's also the scene that plays out for most retailers each holiday season. From whether sales will be up or down over last year, to what factors will have the greatest influence on purchasing decisions, to which trends will signal the biggest changes for the coming year—there's a lot at play this holiday season.

November and December are the biggest months of the year for most retailers—accounting for 20 to 40 percent of annual sales, according to the National Retail Federation (NRF). With over \$600 billion on the line, retailers understandably want to know what they can expect. This year, firms ranging from financial services leader Morgan Stanley to software giant Adobe are harnessing the power of **Big Data** to deliver those predictions on demand.

As new players release their forecasts almost daily, it's interesting to note how widely some of them vary. For example, technology services firm Accenture is predicting up to an 11 percent increase in total holiday spending, while Morgan Stanley predicts a the needle will barely budge over last year with a gain of just 1.6 percent. Is it a matter of different groups

looking at different data? Variances in predictive models? Or something else? We can't say for sure. But instead we can tell you what the majority of the industry does agree on.

## #1 Sales will tick up, but it's not a runaway

Though there are a few outliers, most industry leaders are predicting modest overall gains this holiday season. Consumer insights firm ShopperTrak predicts a 2.4 percent increase in same-store year-over-year sales, while the International Council of Shopping Centers and NRF predict overall holiday sales to increase by 3.4 to 3.9 percent, respectively.

These figures are actually slightly lower than the gains seen during last year's holiday shopping season, despite the fact that the economy that has continued to improve. So what's the reason for consumers' caution? Many experts believe the recent government shutdown and ongoing budget woes are playing a big role. "Americans are questioning the stability of our economy, our government and their own finances," said NRF President and CEO Matthew Shay in a recent press release. "We expect consumers to set a modest budget for gifts and other holiday related purchases as they wait and see what will become of the U.S. economy in the coming months."



## #2 Knowledge equals power—and register rings

There's no denying that **showrooming** is still going strong, but according to financial advisory and consulting firm Deloitte, sales associate knowledge can make a big difference in where consumers choose to buy. Deloitte predicts that the majority of holiday spending will still take place at brick-and-mortar retailers this year, and more than half of shoppers will be more likely to buy at a store where sales associates are knowledgeable about the products they sell. In fact, Deloitte predicts product knowledge will be twice as influential as any other factor, including personalized coupons and mobile or self-checkout.

## #3 Mobile commerce will set the stage for its mainstream debut

Though mobile price-checking, product review and coupon apps have become a mainstay for both online and brick-and-mortar retailers in recent years, true mobile-enabled purchasing has received considerably less attention. Until now. According to Adobe, mobile-optimized industry leaders can expect mobile sales to soar 47 percent this year as compared to 2012. Overall, more than 20 percent of these retailers' sales are predicted to come from smartphones and tablets.

According to Giovanni DeMeo, Interactions' Vice President of Global Marketing and Analytics, this signals a greater trend for the coming year. "Historically, retailers have just taken their websites and made them optimized for mobile. Few apps actually enabled shoppers to buy. But shoppers want much more than coupons, store location information and recipes. Going forward, retailers will have to recreate the mobile experience for shoppers to ensure they're enhancing the experience shoppers have with retailers whether in-store or out of store. Advanced options like m-commerce—using your mobile app to shop—are going to be the new standard in 2014 and beyond."

## #4 Offering a steal will help seal the deal

As we've seen for the past five years, most shoppers will still be driven by doorbusters, discounts and other promotions. This is one prediction that several groups can agree on in some form or another. According to Deloitte, 57 percent of shoppers will specifically target sales to help keep their spending in check. And 47 percent of shoppers will use discounts as their primary factor in choosing whether or not to buy a product, says Accenture. Overall, the NRF predicts discounts will have twice as big an impact on where consumers choose to shop as compared to any other factor, including selection and quality of merchandise.

## #5 Omnichannel sales will be the real shining stars this holiday season

Despite the modest overall predictions for holiday spending, the NRF's digital division

Shop.org is predicting a significantly brighter outlook for omnichannel retailers who offer consumers multiple, integrated channels through which to shop. The group predicts the combination of online, ship-to-store and reserve for in-store pickup sales will rise 13 to 15 percent over last year, accounting for as much as \$82 billion in sales. What's more, with Deloitte predicting consumers who shop a combination of channels will spend up to 76 percent more than their in-store-only counterparts, finding and engaging those omnichannel shoppers stands to be a real advantage for individual retailers this holiday season.

the way we interact with technology has changed. That is what is driving the rise of trends like omnichannel retailing. As we move forward, retailers are going to have to adopt technology at a much faster pace than they have in the past. There will be mainstream adoption of advanced technologies like m-commerce and augmented reality. It's all about consumers demanding a better shopping experience wherever they are (in-store, at home, on-the-go) and technology being the tool that can provide that."

While the trends for holiday sales this year may be mixed on some levels, one thing is clear: technology is taking center stage—and will continue to do so for the foreseeable future. As a result, it will also be a big focus for us in the coming year. Here's a sneak peek at the cutting-edge technologies, trends and key issues retailers will be facing—and we'll be addressing—in 2014:

## "Advanced options like m-commerce—using your mobile app to shop—are going to be the new standard in 2014 and beyond."

—Giovanni DeMeo, Interactions' Vice President of Global Marketing and Analytics

Similar to the predicted increases in mobile commerce, this is one trend that shows no signs of stopping when the holiday decorations get packed away. "Retail is going through one of the biggest transformations we've ever seen in the industry," says Abhi Beniwal, Interactions' Senior Vice President of IT. "While our basic needs as consumers have not changed,

## 2014 MARKET WATCH CALENDAR

JANUARY	The Evolution of In-Store Events
FEBRUARY	Mobile Lifestyle
MARCH	Wearable Technology
APRIL	The Future of Food
MAY	Retail Tracking
JUNE	Privacy
JULY	Multicultural Marketing
AUGUST	Augmented Reality
SEPTEMBER	Big Data 2014
OCTOBER	Start-Ups and Retail
NOVEMBER	E-Commerce and Online Shopping
DECEMBER	A Look Ahead: Trends for 2015



# Global Industry News

- Fruit may be helping U.S. consumers keep their weight in check. Fruit's rise to become the second most popular food item over the last decade—surpassing milk and soda—has corresponded to a leveling in American obesity levels for the first time in more than a decade. **The NPD Group**
- The use of healthier, plant-based fats is on the rise around the globe. Consumers in China favor vegetable and seed-based oils, while those in Spain, Italy, Algeria and Australia lead the way in olive oil consumption. **Euromonitor International**
- In a step away from the more exotic fruit flavors of the last few years, lemon is predicted to be the "it" flavor of 2014. Shoppers can expect to see an explosion of juices, yogurts, preserves and pastries featuring the bright citrus flavor. **Sterling-Rice Group**

## A Taste of the Season:

### Chocolate Mint Hot Toddy

Adapted from AllRecipes.com



Warm up from the inside out with this festive, grown-up spin on an old winter favorite.

#### INGREDIENTS:

- |                   |                           |
|-------------------|---------------------------|
| 1 oz.             | coffee flavored liqueur   |
| 1 oz.             | peppermint schnapps       |
| 6 oz.             | boiling water             |
| 1 (1oz.) envelope | instant hot chocolate mix |

whipped cream, for garnish  
shaved semisweet chocolate, for garnish

#### DIRECTIONS:

- In a large mug, mix coffee flavored liqueur and peppermint schnapps.
- Pour in the boiling water, then stir in hot chocolate mix until well blended.
- Top with whipped cream and chocolate shavings, if desired.

## By the Numbers

**1920**

The year chocolate gelt, now a Hanukkah staple, was introduced

**62%**

The percentage of people who plan to celebrate New Year's Eve at home

**7**

The number of years it takes to grow the average Christmas tree

**16.5 Billion**

The approximate number of holiday cards and packages mailed each year

Interactions U.S. Retail Division

