

RETAIL NEWS INSIDER

PERK UP
POST-HOLIDAY
SALES!

*Trending
Tastes:*
WHAT'S *HOT* FOR
2014

MEET
THE
**GRAND
OPENING**
EXPERTS!

TECH TALK:

THE
**(R)EVOLUTION
OF IN-STORE EVENTS**



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

As the flagship publication for *Interactions, Retail News Insider* provides insight on trends that affect all levels of our business, practical sales tips for our field teams, as well as the latest news from our own consumer experience marketing experts. Our team embraces the concept that the world of shopper engagement is an ever-evolving marketplace, and goes inside the stories to take a look at what's happening in the U.S. and across the globe.

In 2013 *Retail News Insider* was named by numerous industry awards organizations as the best publication for associates. We are proud to set the standard for excellence in communication across industries, as well as for our own organization.

Best Digital Communication Vehicle
International Association of Business Communicators Gold Quill Awards

Best Internal Publication
MarCom Awards

Best Employee Publication
International Academy of Visual Arts Communicator Awards

Best In-House Trade Publication
San Diego Press Club

Best Regularly Featured Column (Essentials to Engagement)
Content Marketing Awards

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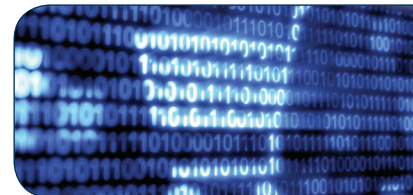
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A Relentless Pursuit of Excellence



Happy New Year! I hope you all had a safe and happy holiday season and are ready for a great year ahead.

This marks my first letter in *Retail News Insider* and I'm excited to be able to connect with our associates and retail partners in this way. In each issue I plan to give some insight on a different area of our business in order to educate our associates and valued partners about what we are doing on a global basis.

Many of you may be familiar with Interactions, our experiential marketing company, as well as SAS, our in-store

merchandising company. Both are service organizations within Daymon Worldwide, and together they are known as Retail Services. Retail Services encompasses all of our global teams, whether they provide experiential marketing or merchandising services for our partners.

The teams have great energy and enthusiasm to work together as a true growth engine for the global Daymon Worldwide organization. Throughout 2014, we will continue to work in collaboration with our retailer and CPG partners by improving our current services as well as creating new and innovative services.

Our strategic intent is to continue the growth of our Retail Services organization by enhancing our relationships with the constituents we serve. I'm excited to see the results of the hard work from our teams continue to come to life throughout 2014.

Thank you for an invigorating 2013, as it was one of the most memorable years I've had with the company. I look forward to partnering with each of you and delivering another great year.

I wish all of you the best throughout 2014.

Brett C. Barcelona

Brett Barcelona

Editor's Corner

The Next Chapter in Our Journey



Kelly Short
Director of Global Communications

I am proud to say we are now entering our fourth year of *Retail News Insider*. We've evolved and expanded over the years, and with every change I hope we continue to provide you valuable content about our company

and our industry.

This month we debut a new feature called Knowledge Portal where we go a little more

in-depth and highlight various business units within Interactions. In this issue you'll learn about the phenomenal job our team is doing with grand opening events. If the last grand opening you attended was limited to a few balloons and some coupons, you'll definitely want to check out some of the exciting ways our team is rethinking grand openings (see page 8).

In the Market Watch feature, you'll hear from Interactions' Senior Vice President of Global IT Abhi Beniwal on the types of technology changes that are set to transform the shopping experience in the not-too-distant future. From m-commerce to augmented reality, there's some really exciting stuff coming down the line (see page 6).

As always, this issue features tips for Sales Advisors, too. To help get through this traditionally slower month in retail, our team has pulled together ideas for targeting New Year's resolutions, tailoring selling points to help shoppers see exactly how products can benefit them as individuals and more (see page 5).

Thank you for taking the time each month to read our publication. I hope you find our improved format and this month's articles both informative and enjoyable.

All the Best,

Kelly Short

Kelly Short



Perking Up Post-Holiday Sales

After the mad dash of the holiday shopping season, many consumers feel “all shopped out” and are less eager to try new things. As a result, sales are traditionally lower in January—a natural decline from the November and December highs, which account for up to 40 percent of yearly retail sales, according to the National Retail Federation. But they don’t have to come to a screeching halt. There’s a lot Sales Advisors can do to help overcome shoppers’ reluctance and drive sales despite the post-holiday slowdown.

One of the best ways to engage shoppers during this time of year is to highlight any discounts or other promotions available for the product you’re demonstrating. The holidays are an expensive time of year for many consumers, so helping them find ways to save in the New Year can be a real draw. Do a little homework for the item you’re demonstrating. For example, is there a coupon in the weekly circular? Does the sale price make the brand you’re demonstrating cheaper than other similar products? Point those kinds of deals out.

Another way to attract shoppers is to show them how your product can help them meet their New Year’s resolutions. Losing weight and eating healthier are among the top resolutions people make each year. This can be a great tie-in with many food items you’ll be sampling in January. Read nutrition labels and point out, for example, if something is low in calories, fat or cholesterol, or high in fiber, vitamins or minerals. Also be on the lookout for items that might cater to popular diet trends, such as gluten-free or high-protein items.

One final strategy that you can use no matter what you’re demonstrating is encouraging shoppers to treat themselves to a little something now that they’ve treated everyone else. Remind shoppers

that everyone deserves to indulge from time to time, and after all their hard work over the holiday season, now is the perfect time!

From the Front Lines

Bringing Out the Benefits

Many have identified Millennials (consumers in their teens through early 30s) as the “me” generation, always looking for what benefits them personally in a particular situation. But when it comes to shopping, consumers of all generations look for the “what’s in it for me” reason to buy any new product. According to Sales Advisor Roberta Brunson, recognizing shoppers’ needs and wants can help you highlight just the right details to encourage sales.

“The sales come easily if you can give the customers a benefit to purchasing the product,” says Roberta. “And by talking with them, you can determine what might make the product most attractive to each customer.”



Sales Advisor
Roberta Brunson

Roberta adds that there are often some common themes in what certain consumers are looking for. For example, “college kids are usually very well informed and like simple preparation tips. Busy moms often like the preparation tips plus ideas to save money and time as they are juggling many duties. They like products the kids will enjoy and that are nutritional as well. Older adults seem to want cost saving ideas as well as ease of preparation.” Telling shoppers about the selling points of your product that relate to these areas can help them clearly see the personal benefit of purchasing the product.

Don’t forget about perks beyond the basic selling points, too, says Roberta. “Shoppers are always interested in suggestions for using the product, whether it’s food or another item. Most vendors have websites where the shoppers can get recipes and other tips. I always tell shoppers about those sites. They appreciate knowing where to search.”

TECH TALK:

THE (R)EVOLUTION OF IN-STORE EVENTS

By Retail News Insider

From personalized coupons to self-checkout to mobile wallets, there's no denying that technology is changing the way consumers shop. But to date, the adoption and buildup of technology amongst grocery, general merchandise and other traditionally "lower-tech" sectors has been somewhat slow. And in many cases, the use of services offered by such retailers has been limited to the more progressive consumer base who actively seeks out such offerings. According to Interactions' Senior Vice President of Global IT Abhi Beniwal, however, that's all about to change.

Retail News Insider recently sat down with Beniwal to get his insights on the changes the retail industry can expect to see in the coming years. He reveals how he believes technology will soon revolutionize the in-store experience—and fundamentally change the way we shop.

Retail News Insider: What do you see as some of the biggest challenges facing the retail sector as it relates to technology?

Abhi Beniwal: Retail is going through one of the biggest changes in history of the industry. While our basic needs as

consumers have not changed, technology and the way we interact with it has. That is what is driving this change in retail.

To meet the demands of consumers, retailers are going to have to evolve and adopt new technology at a much faster pace than they have in the past. They are also going to have to work on efficiency and cost savings so they can compete in what is becoming an increasingly intense marketplace. The trends that are going to be key drivers of technology for retailers include:

- **Behind the Scenes Optimization**—By utilizing Software as a Service (SaaS) or centrally hosting software and data on the cloud, retailers can deliver new services to consumers and optimize store operations and supply chain. Though SaaS is in use to some degree already, it's going to grow at a faster rate than ever before.
- **Innovate Implement. Repeat.**—Rapid and sustainable innovation in technology will come from retailers and vendors, big and small. Technology innovation will also come from crowdsourcing through the

consumers, allowing consumers to dictate, and in some cases even help implement, the services they want.

- **Appearance Matters**—Stores of the future will be smaller and more about delivering an experience than housing product. Industry titans such as Apple and AT&T are already making this a reality. AT&T's flagship store in Chicago is a case in point. AT&T uses state-of-the-art technology, such as sound effects, motion sensor displays and mobile POS systems, to create a unique experience for their customers. As part of this, retailers will also have to adopt new technologies that transform operations from the traditional supply chain model to sourcing directly from suppliers to deliver to consumers wherever they are.
- **Shift in Control**—Mainstream adoption of technologies that provide a better shopping experience will include things like machine learning, m-commerce (being able buy items directly from your mobile device) and augmented reality.

The whole idea is that technology will cater to the customer based on who

they are and where they are. What's driving this in particular is that the power in the marketplace is shifting from the retailers to the shoppers. To remain competitive, retailers will have to learn to cater to that control.

RNI: How quickly do you see those technologies being widely adopted by retailers?

AB: It will depend on the retailer and their sophistication with technology. In general terms, I expect Software as a Service and m-commerce to continue to gain momentum and eventually become the norm in retail. In addition, we will see a change in the definition of m-commerce as it becomes anywhere commerce through mobile. Currently m-commerce is still primarily online shopping via mobile, while



Virtual mirrors take the in-store experience to a new dimension, enabling customers to try on clothes without going into a dressing room.

most of in-store shopping or purchasing is done through physical transactions. In the future, we will see these lines blur as both in-store and online shopping transactions are completed through mobile devices.

Augmented reality, on the other hand, will see slower adoption. It will likely be limited to marketing efforts and selected consumer engagement with new products.

RNI: How do you think new technologies will affect in-store events in particular?

AB: Augmented reality will enable in-store events to be more engaging through technology and mobile devices. For example, consumers will be able to participate in demonstrations and learn more about the products using their phones. Augmented reality could also be used to expand the range of in-store events beyond what's typically seen today. For example, virtual mirrors could make it possible for shoppers to "try on" clothing right there in the middle of the store and figure out the perfect size for them, without having to step a foot in the dressing room.

At the same time, we will see m-commerce playing a role in mobile shopping inside the stores. For example, shoppers might visit an in-store demonstration and sample a product, then order it on their phone and have it shipped directly to them. This will allow retailers to test products and sales before deciding to carry them in-store or order through the warehouse supply chain systems. It will also allow retailers to launch new online products inside the stores and continue to create an "endless aisle."

One thing that's important to note is that these technologies aren't going to replace the human element of in-store events. Human interactions are still part of basic nature and a primary driver for people to walk inside the store. Instead, these technologies will enhance the work that in-store marketers do.

RNI: Are there any barriers to implementing these technologies?

AB: There are two main issues. First is the ability to get services to market. As of right now, many in the retail industry are dealing with older IT infrastructure and legacy platforms, which makes implementing these new technologies a long, painstaking process. That's why many of them are slower to adopt some of the more cutting-edge ideas out there. Eventually, retail will adapt to build systems from the ground up, which will be the faster, more efficient way to get these new technologies out into the mainstream.

Second, and perhaps even more significant, is the balance between personalization, convenience and consumer privacy. Right now, the industry is more tilted toward convenience, often at the cost of privacy. It's

going to take a lot of work and will become worse before it gets better, but going forward, retailers will eventually get to the point where they can offer consumers more privacy without compromising convenience or personalization.



Abhi Beniwal
Senior
Vice President

Abhi Beniwal is the Senior Vice President of Global Information Technology for Interactions. He has been with Interactions and Daymon Worldwide since 2001 and has led several technology initiatives for supply chain, master data management, business intelligence, consumer and mobile solutions. In 2011 he was named one of the Top 25 Information Managers by Information Management.

2014 MARKET WATCH CALENDAR	
JANUARY	The Evolution of In-Store Events
FEBRUARY	Living the Mobile Lifestyle
MARCH	High Fashion Meets High Tech: How Wearable Technology Is Affecting Retail
APRIL	From Lab to Table: The Future of Food
MAY	Big Brother Is Watching—In-Store and Beyond
JUNE	Managing Privacy in a Big Data World
JULY	Marketing to the Multicultural Masses
AUGUST	Augmented Reality: Real Retail, Made Better
SEPTEMBER	Big Data 2.0
OCTOBER	Start-Ups that are Changing the Face of Retail
NOVEMBER	[en]Rich Your Content for a Better E-commerce Experience
DECEMBER	2015 Retail Trends

TAKING GRAND OPENINGS

TO A WHOLE NEW

LEVEL

Think retail grand openings are little more than a few balloons and some samples or coupons? Think again. Interactions is taking **grand openings** to a whole new level for retailers—offering fully customized event planning and execution with services such as promotional street teams, live music, professional entertainers, games and more.



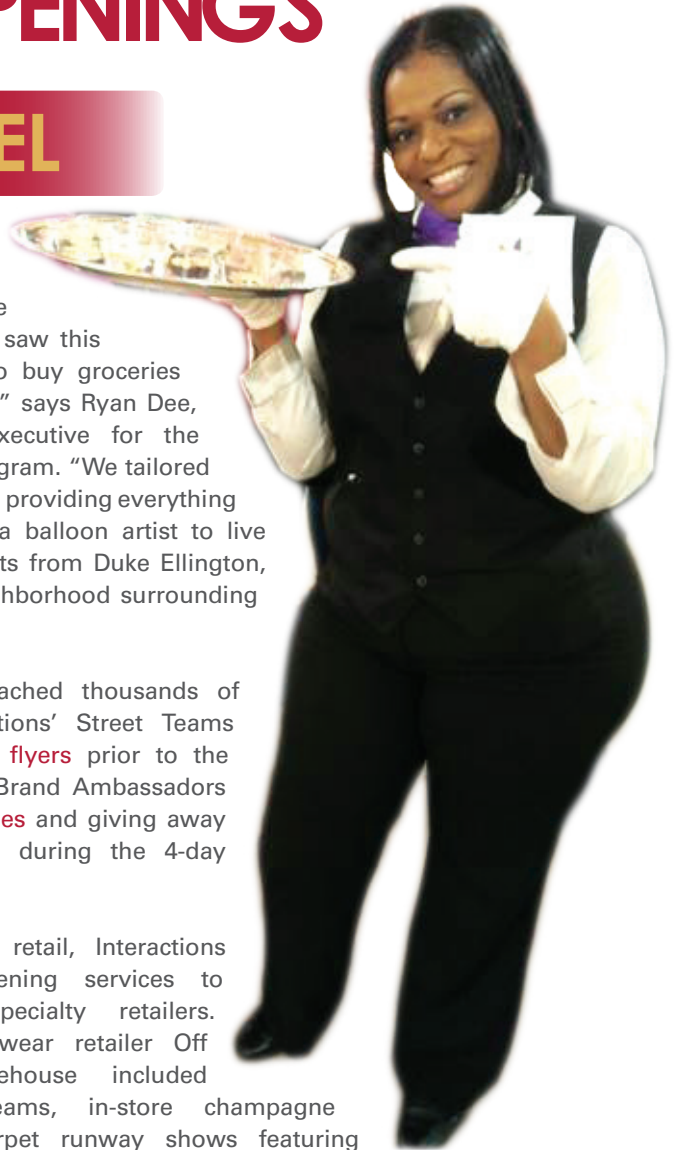
Thanks to their commitment to reinventing and elevating the grand opening experience, Interactions recently won the contract for all of Ahold USA's grand opening and grand re-opening events for 2014. This includes all four of Ahold USA's divisions: Giant Carlisle, Giant Landover, Stop & Shop New England and Stop & Shop New York Metro. The team plans to tailor these events to the communities the stores are located in, just as they did with a recent grand opening of the Giant O Street Market in Washington, D.C.

“When planning the O Street event, we were very cognizant of the fact that the community saw this store not just a place to buy groceries but also a local hangout,” says Ryan Dee, Interactions’ Account Executive for the Ahold grand opening program. “We tailored our services to reflect that, providing everything from a mocktail bar to a balloon artist to live jazz musicians playing hits from Duke Ellington, who grew up in the neighborhood surrounding O Street.”

The O Street event reached thousands of customers, with Interactions’ Street Teams handing out over **3,000 flyers** prior to the event, and Interactions’ Brand Ambassadors serving over **9,000 samples** and giving away more than **1,000 prizes** during the 4-day grand opening.

In addition to grocery retail, Interactions also offers grand opening services to mass market and specialty retailers. Recent events for footwear retailer Off Broadway Shoe Warehouse included promotional Street Teams, in-store champagne receptions and red carpet runway shows featuring the retailer’s latest styles. Interactions also helped design and manage a sweepstakes program associated with the events.

“No matter who a retailer is targeting, we can provide tailored events to reach those individuals in their communities and help shoppers see a location not just as a store but as *their store*,” says Dee.



The Experts in Experiential Marketing

To learn more about partnering with Interactions, the global leader in product demonstrations and event marketing for retailers and brands, contact one of our team members directly.

New Retail and CPG Opportunities

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Traveling the **WORLD** Through Your *Dinner Plate*

Experts agree, an explosion of ethnic flavors is expected on grocery shelves in 2014.

The concept of international cuisine may not exactly be new to supermarkets. But the standard shelves stocked with typical Mexican, Italian and Asian fare are quickly expanding into full aisles, with added offerings from other regions of the world. Experts are predicting those aisles—and consumers' cravings for all things ethnic—will explode in 2014, as flavors from India to Turkey and beyond make their way to the mainstream.

Curry is already a familiar dish to many Americans, but spice giant McCormick predicts the flavors of Indian cuisine will make their way well beyond basic sauce jars and packets this year. Expect more nuanced

flavors like Kashmiri masala (a blend of cumin, cardamom, cinnamon, ginger, cloves and black pepper) and paneer (a soft, mild cheese) to make appearances in everything from spice blends and marinades to salad toppings and sandwiches spreads.

Traveling further west, research and strategy firm Sterling-Rice Group predicts new Middle Eastern Mediterranean flavors will join the likes of chickpeas, garlic and other adopted favorites from this region. Consumers will spice things up with rubs and seasoning blends featuring hot Aleppo peppers, sumac (a tart, lemony spice) and za'atar (a mixture of sesame seeds, sumac, herbs and salt).

Heading across the ocean, Brazilian cuisine is also predicted to hit the mainstream this year, according to both McCormick and Campbell Soup. As this South American country takes the world stage as the host of the 2014 World Cup and 2016 Summer Olympics, flavor experts predict staples like guava, cassava/manioc flour and coconut milk will make their way onto dinner plates across the U.S.

With Korean flavors and new regional Mexican dishes also predicted to make their way to the mainstream this year, it seems ever more clear that as we expand our ethnic borders, so too, will we expand our palates—and the ingredients we add to our shopping baskets.

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is the **BIGGEST**
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