ARE OVER

Cry me a river,

Cry me a river,

STORES AS WE KNEW THEM...

STORES

THE NEXT KILLER APP: STORES

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EVP, Brand, Strategy & Design
WD Partners

Conception: January 17-19, 2015
Expo: January 18-19
Jacob Javits Convention Center
New York City
“Cry me a river, build a bridge, and get over it.”

—Justin Timberlake

AGENDA

Our Sponsor
Why?
Study Vitals

Findings & Results

Ideas Consumers Like
Our Sponsor
Why?
Study Vitals
Findings & Results
Ideas Consumers Like
Conclusion

what we do

thought leadership

our partners
WHY?

Once Upon a Time...

MANY

STORE

STORE

STORE

STORE

STORE
we did all the work

NOW

We don’t have to do anything!

We have to want to go to stores

We did all the work
WE HAVE STORES IN OUR POCKETS!
ORDER FULFILLED!

The burden of fulfillment has changed

DO STORES KNOW THIS?
DO STORES ACT LIKE THEY KNOW THIS?

Shopper visits have fallen at least 5% every month for the past 30 months

Source: ShopperTrak (thru November 2014)

Overall retail sales


Shopper visits have fallen at least every month for the past 30 months

Source: ShopperTrak (thru November 2014)

Overall retail sales


CHECK THAT

Up every month since January 2014

November 2014 Foot Traffic

-20%

Source: Euclid's monthly retail benchmarks report

Holiday 2014 Foot Traffic

-8.5% from 2013

Source: Retail Next

Holiday 2014 overall retail sales

+4%

Source: Retail Next
Internet sales

2013 Holiday Foot Traffic

-50% FROM 2010

Source: US Census Bureau

Internet sales

+15% EVERY QUARTER FOR THE PAST TWO YEARS

Source: US Census Bureau

Holiday 2015?

2013 Holiday Foot Traffic

Source: Wall Street Journal: Stores Confront New World of Reduced Shopper Traffic (ShopperTrak)

Walmart Sales 2014

Source: Wall Street Journal: Stores Confront New World of Reduced Shopper Traffic (ShopperTrak)
Walmart Sales 2014
Online +30%

Retail Space Opened in 2013
-87% FROM 2006

Retail Space Opened in 2013
-87% FROM 2006

Lease debt expiring in 2018
$70 billion

Lease debt expiring in 2018
$70 billion

Source: Walmart Stores Inc.
Source: Wall Street Journal: Stores Confront New World of Reduced Shopper Traffic (CoStar Group, Inc.)
CONSUMER, PLEASE...

“THE MOST FRUSTRATING THING IS YOU GO SOMEWHERE AND YOU HAVE A QUESTION AND YOU CAN’T FIND ANYBODY. YOU SAW 25 PEOPLE WHEN YOU WALKED IN, BUT NOW THAT YOU HAVE A QUESTION NOBODY’S AROUND.”

–MILLENNIAL FEMALE

“They need to stop making the environment so hostile. A lot of them are really dark and dingy, especially grocery stores that haven’t been remodeled.”

–BOOMER FEMALE

NO
RETAILERS DON’T “GET IT”

SOME DO
Amazon tops customer satisfaction
AGAIN

Alibaba

Amazon tops customer satisfaction

Alibaba Now worth more than Walmart
Attention Retailers

You now bear the burden of fulfillment.

“Tey make it so hard to find what I’m looking for. The location in the store and the actual item I want.”

—Gen-X Female

“Te numbers are going in a way where, very quickly, the majority of traffic will be digital as opposed to people walking into our stores.”

—Art Peck, CEO of Gap, Inc.

Stores as we knew them...