

TELESCOPE

NATIONAL SHOPPER SURVEY

NEWSLETTER VOLUME 5 | SEPTEMBER 2011

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MARK YOUR CALENDARS!



To show our ongoing commitment to our retail partners, we will be publishing the much-awaited 2nd edition of the **"Best Practices Guide: In-Store Experience"** in January 2012. Filled with images and tips, this guidebook will leave you inspired for the 2012 selling season.

To receive a complimentary copy, email Greta Cosey: gcosey@telescopecasual.com.

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INTRODUCTION

It's all happening so fast. There's been a rapid acceptance of new technology that shoppers are using to help them become better, smarter shoppers. The influence of social media, online shopping, and mobile phones, crosses generations and cultures. It's much broader than kids talking to each other on Facebook or following a Tweet. It's about Moms, Men, Boomers, and the Affluent who are all tapping and clicking onto sites that tell them what to buy and where.

In this newsletter, we reveal how a major shift in the acceptance of technology is impacting shopping. Lastly, we leave you with 5 key steps to give you a competitive advantage in this new tech-savvy retail world.

Cheers,

KATHERINE V. JUCKETT
CEO, TELESCOPE CASUAL FURNITURE

THE NEW SHOPPING LIFESTYLE

Every quarter we conduct the Telescope National Shopper Survey to understand what shoppers are thinking, and doing. In the latest survey, we asked them how they are spending their time now, compared to 5 years ago. The activities that are increasing the most, all have to do with their homes and their computers. Compared to 5 years ago, browsing online has increased by 48 percentage points (ppts), and shopping online (+34 ppts), managing finances (+28 ppts), cooking at home (+26 ppts), and watching tv/dvd's (+16 ppts) have all dramatically increased as well.

TIME SPENT ONLINE

On average, people spend 16 hours a week online, and they use 5 of those hours to do shopping-related activities. They use this time to research products, read reviews, compare prices, and look for shopping advice – from manufacturer websites, friends and family, and retailer websites. 93% of online shoppers admit that what they learned online helped them decide what to buy.

TIME SPENT ON SOCIAL NETWORKING SITES

Another 5 hours are spent on social networking sites, like Facebook, Twitter, and Linked In. 13% of online shoppers say that they go to a social networking site when trying to decide what to buy. Turning to online advice makes them feel smarter, better informed, more responsible, and more confident.

USE OF MOBILE TECHNOLOGY

There's also been a rapid acceptance of mobile phone technology. Mobile is its own information channel. It is transforming delivery of product information from point-of-purchase to point-a-finger. Shopping complicated categories will be easier with finger-tip access to the best sales force in the world – peer reviewers. Price checking will be done in seconds, standing in the aisle of a retail store. Finding product information is as easy as scanning a barcode.

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At Best Buy, shoppers can scan QR codes on shelf tags to read product reviews and get more product information.

READ ON FOR MORE! ➔

HOW SHOPPERS USE THEIR PHONES TO HELP THEM SHOP

57% Use the phone camera to remember a product or to send the image to a friend

52% Use the phone to get directions to the store

44% Read reviews or ratings before they buy

42% Check product specs or ingredients

51% Do a price comparison while they are waiting in the store

42% Look for coupons or sale items

High-ticket items such as Electronics, Computers, and Home Décor are the top most researched product categories in-stores. 13% of shoppers say they've used their mobile phones in-store to research Home Décor (including Outdoor Furniture). This number increases to 17% for Boomers (ages 45-63).

If you think your core shoppers aren't this tech-savvy, think again. The Affluent shoppers are most addicted to pre-shopping. 44% of shoppers we surveyed with income over \$100k use their mobile phones in stores for shopping information (versus 27% of the total population).

Because shoppers are spending more time doing pre-shopping homework, they are spending less time shopping in stores. "Shopping in stores" is down 21 percentage points versus 5 years ago. This means you need to be bolder than ever on your website to attract shoppers to your stores, and then have what they want in the store to close the sale.

FIVE KEY TAKEAWAYS

1. Anticipate that shoppers will take photos of your products. Make sure furniture is staged attractively to be "photo-ready."
2. Be transparent about your price. Everyone is checking prices – in your store, online, on their phones.

3. Train your sales associates to deal with a shopper who found a cheaper price on their phone. Rather than get huffy, go with it, ask to see the price, and find a way to beat it. Remember a price advantage is not always about a lower price -- it can be free shipping, free set up, free removal of old furniture, etc.

4. Retailer websites are the #3 most used source for product advice. It is important to have an update-to-date website. Shoppers will come to your site to do their pre-shopping homework. If your site is not working quickly and efficiently they will pre-shop on another site.

5. Show shoppers you understand their new tech-savvy lifestyle. Consider offering free Wi-Fi in stores to encourage online browsing, or reading product reviews.

CLOSING

Is your head spinning? The truth is, this new "virtual shopping" lifestyle is real, and coming to your community faster than it takes to read this newsletter. We are here to help you, our valued retailers, sell more Telescope Casual in this new technology driven shopping world.

For more **information** or **questions**, contact:
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REAL LIFE STORY

A shopper told me about her experience at Nordstrom, a department store chain in Paramus, NJ. She stopped at the sunglass counter to try on a pair of Ray-Bans for her upcoming vacation. The sales associate was helpful and friendly, recommending shapes and sizes. The shopper secretly entered the model number on her mobile phone and saw the same pair of glasses being sold for \$50 cheaper at an online site. When the sales associate realized the shopper was checking prices using her phone, she stormed off. The shopper was shocked at how she was treated, and left Nordstrom. Realizing she didn't have time to wait for shipping, the shopper went to a competing department store and bought the sunglasses there – at the same price as Nordstrom.

The moral of the story is this: The Nordstrom sales associate could have made the sale if, rather than being huffy and defensive, she understood how people shop today, if she acknowledged the shopper was smart to check the prices, and if she had been trained with a back-up strategy for when cases like this arise.

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