

 #InfluencePurchases

Influencing In-Store Purchase Decisions In The Era Of Daily Deals

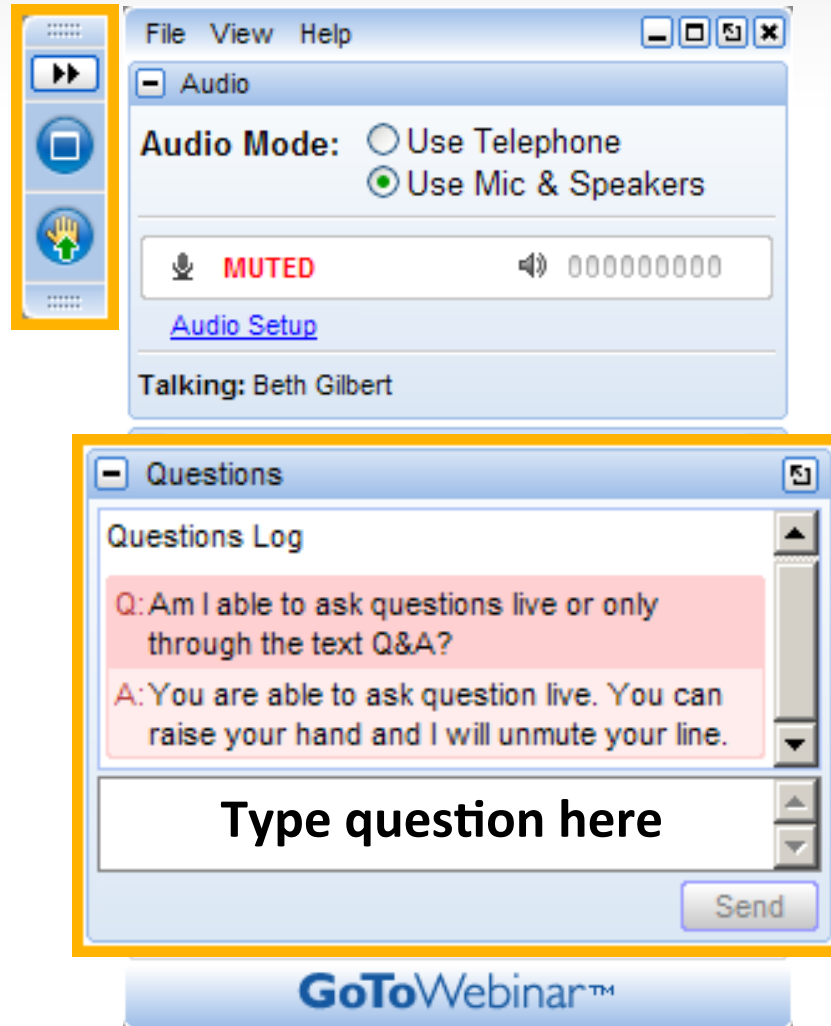
Presented by

retail
TouchP  ints

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Welcome Webinar Attendees



The screenshot displays two panels from the GoToWebinar interface. The top panel, titled 'Audio', includes a 'File View Help' menu, a 'Play' button, and radio buttons for 'Audio Mode' with 'Use Mic & Speakers' selected. It shows a 'MUTED' status with a microphone icon and a volume level of '000000000'. A 'Talking: Beth Gilbert' indicator is at the bottom. The bottom panel, titled 'Questions', features a 'Questions Log' with a question and answer, a text input field with the placeholder 'Type question here', and a 'Send' button. A vertical toolbar on the left contains icons for play, mute, and hand-raising.

File View Help

Audio

Audio Mode: Use Telephone
 Use Mic & Speakers

MUTED 000000000

Audio Setup

Talking: Beth Gilbert

Questions

Questions Log

Q: Am I able to ask questions live or only through the text Q&A?

A: You are able to ask question live. You can raise your hand and I will unmute your line.

Type question here

Send

GoToWebinar™

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#InfluencePurchases



About Retail TouchPoints

- ✓ Launched in 2007
- ✓ Over 23,000 subscribers
- ✓ To provide executives with relevant, insightful content across a variety of digital medium

Free subscription to our weekly newsletter:
WWW.RETAILTOUCHPOINTS.COM/SIGNUP

The screenshot displays the Retail TouchPoints website interface. At the top, the logo reads "retail TouchPoints" with the tagline "STRATEGIES TO OPTIMIZE EVERY CUSTOMER INTERACTION". A navigation bar includes links for Home, Subscribe, Events, Community, Resource Center, Blog, About Us, and Contact Us. The main content area features several articles:

- Relevant Deals And Online Sale Sites Drive Purchases From Mothers**: A "Shopper Engagement" article by Alicia Fortes, dated Wednesday, 18 April 2012 08:42. The text discusses benchmark research showing a slow but steady recovery from the economic downturn, with consumers favoring online shopping and digital/print coupons.
- Developments In EMV And Mobile Bring Payment To New Heights**: A "Mobile" article by Alicia Fortes, dated Tuesday, 27 April 2012 08:37. This is Part I of a three-part report on EMV, mobile payment, and mobile POS. It highlights the importance of payment processing in the sales lifecycle and mentions recent developments in smart cards, NFC technology, and mobile payment apps.

Additional sidebar elements include "Topics" (Mobile, Store Operations, etc.), "Special Features" (Solution Spotlight, Executive ViewPoints, etc.), "Podcasts" (TouchPoints TV, TouchPoints Radio), "Webinars" (Retail Pricing in A Post-Channel World, etc.), and "White Papers" (EMV Essentials For The U.S. Merchant, etc.).

Panelists



Larry Freed
President & CEO
ForeSee Results



Marty Johnson
Product Manager
Zebra Technologies

MODERATOR



Debbie Hauss
Editor-in-Chief
Retail TouchPoints

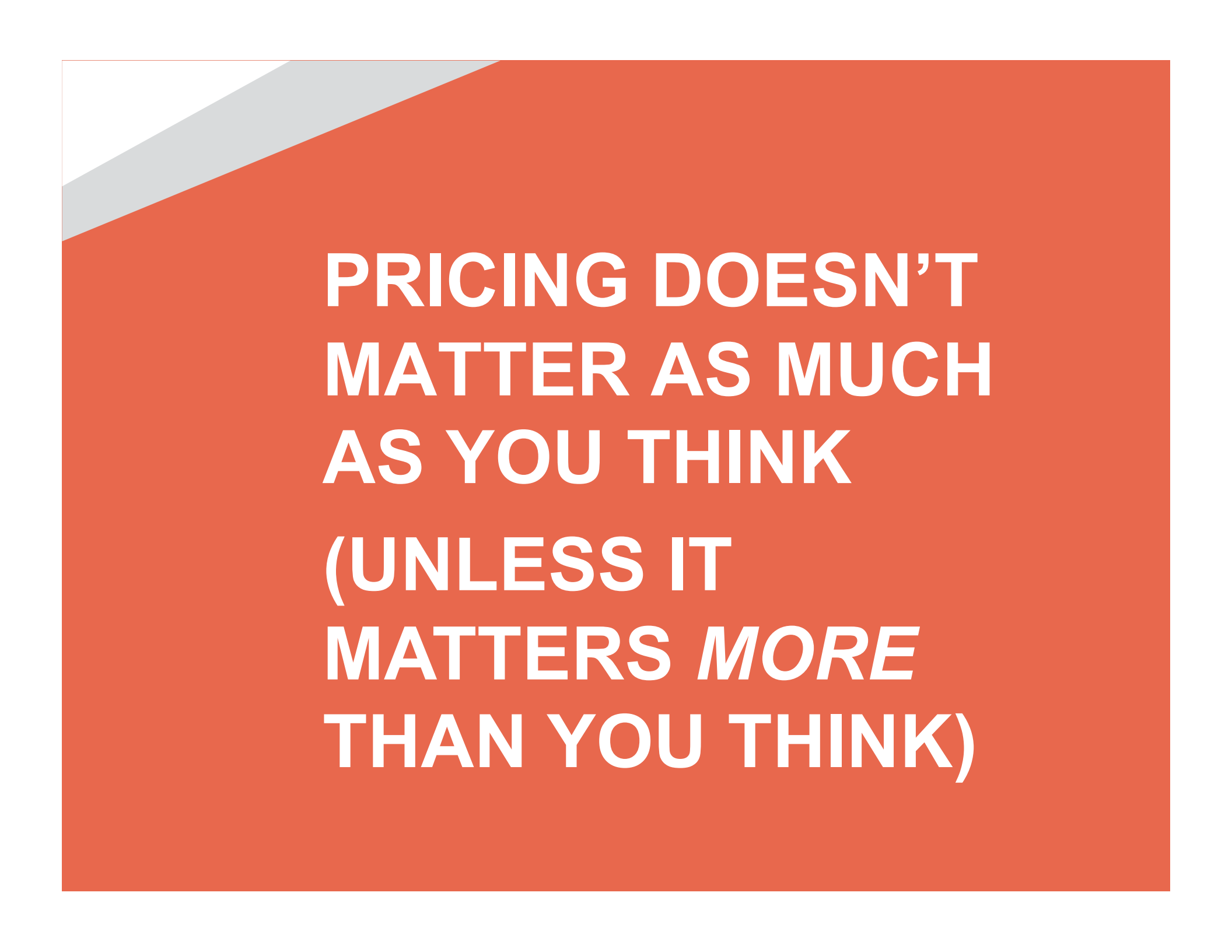
INFLUENCING PURCHASE DECISIONS

THE IMPACT OF PRICING



Larry Freed
President & CEO

@larryfreed
larry.freed@foresee.com



**PRICING DOESN'T
MATTER AS MUCH
AS YOU THINK

(UNLESS IT
MATTERS *MORE*
THAN YOU THINK)**

ForeSee E-Retail Satisfaction Index Top 100 Spring 2012

Price is the highest impact element
for **15%** of the sites

Price is the lowest impact element
for **10%** of the sites

Source: ForeSee E-Retail Satisfaction Index Top 100 Spring 2012

Satisfaction Model

Elements	Score ¹	Impact on Sat ²
Content	83	1.3
Functionality	81	0.5
Merchandise	82	2.0
Price	75	1.2

Customer Satisfaction
78
Number of respondents: 22913

Impact on Future Behavior ³	Future Behaviors	Score
4.6	Brand Commitment	77
4.8	In-Channel Purchase	76
3.5	Out-Of-Channel Purchase	65
4.6	Purchase Next Time	78
4.8	Recommend Company	79
4.6	Retailer Satisfaction	80
4.4	Return	82

Source: ForeSee E-Retail Satisfaction Index Top 100 Spring 2012

Satisfaction Model: Price Impact

Elements	Score ¹	Impact on Sat ²
Content	83	1.3
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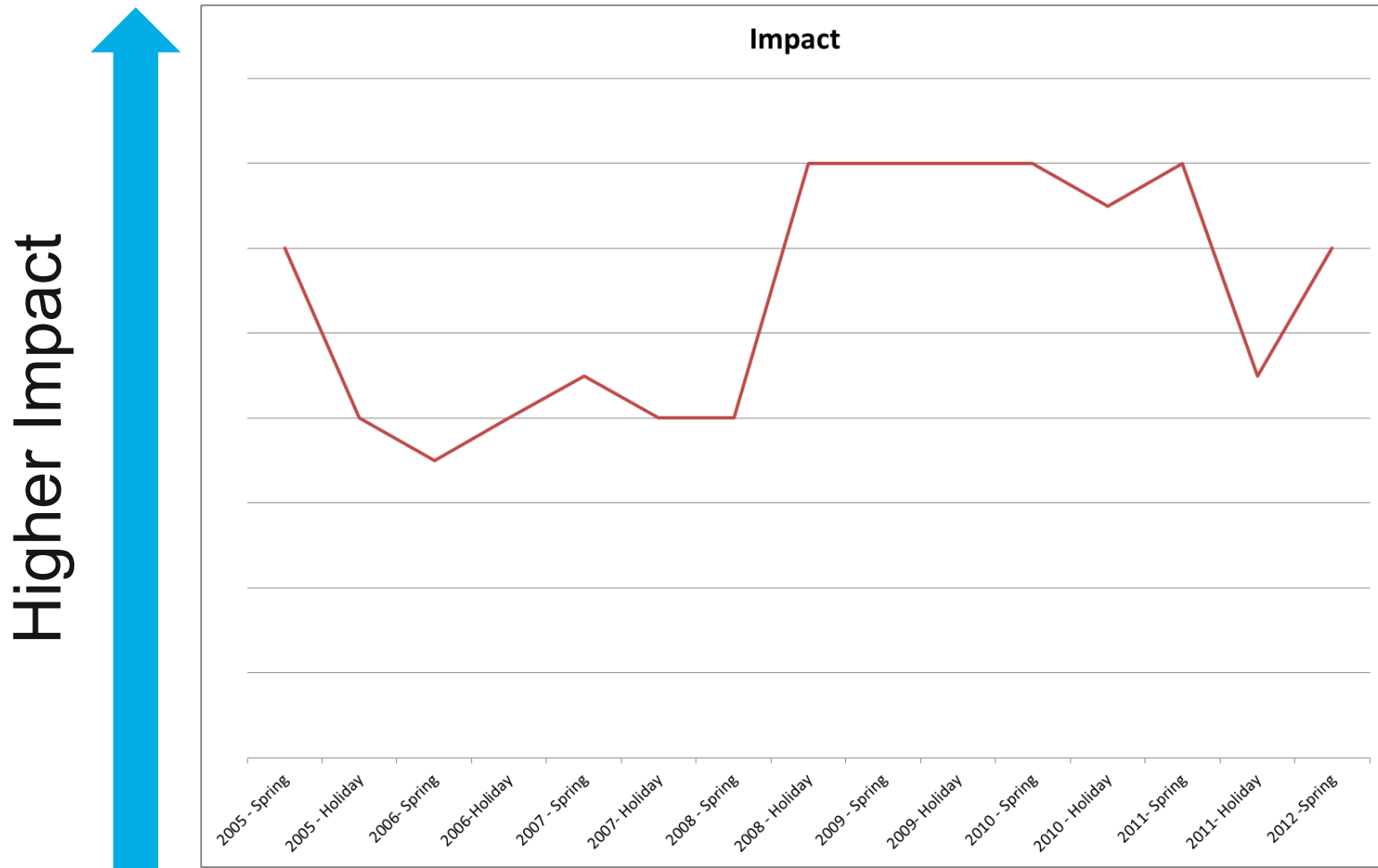
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Historic Impact of Pricing

Historic Impact of Price

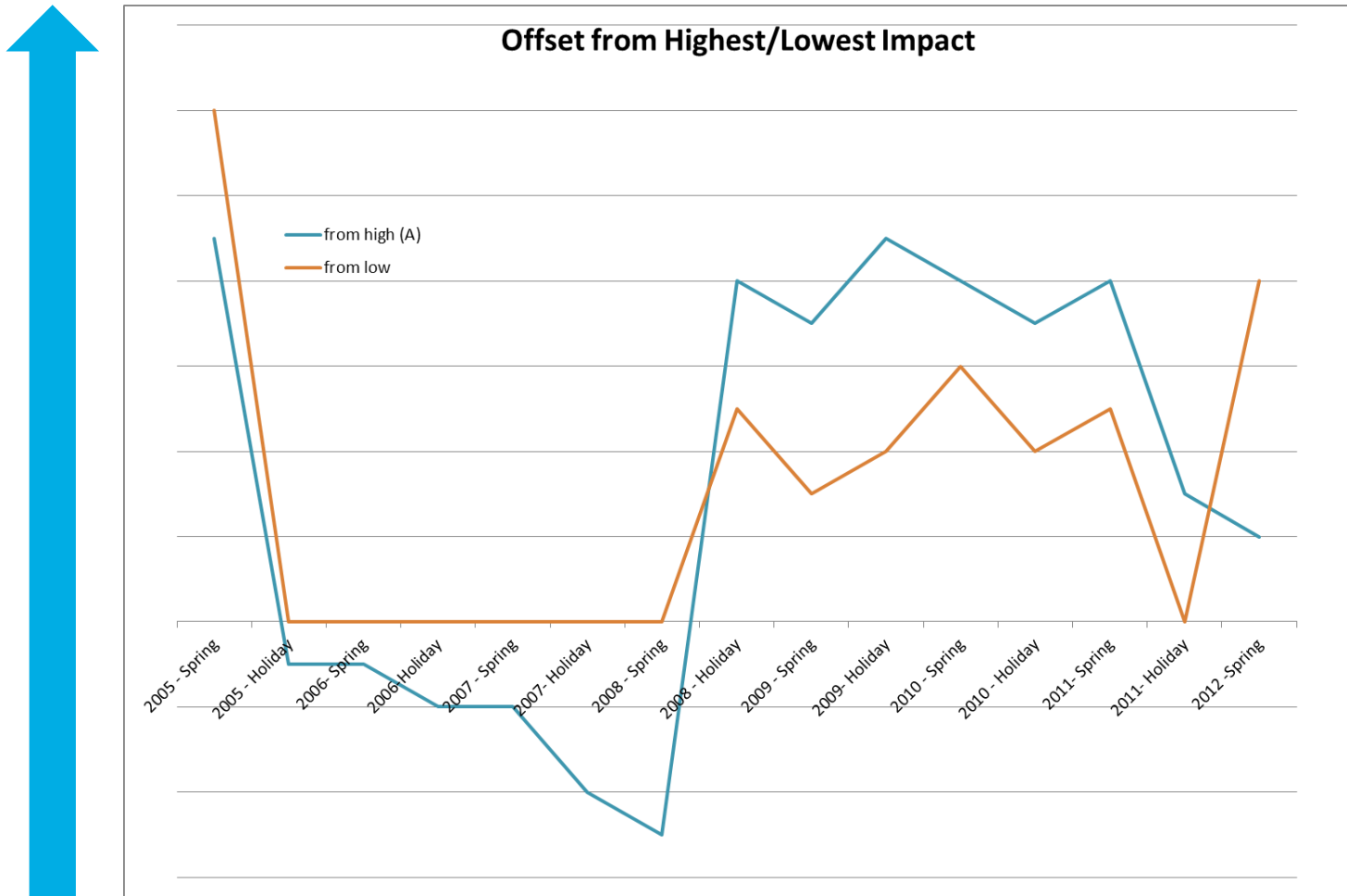


Source: ForeSee E-Retail Satisfaction Index

Historic Impact of Pricing

Historic Impact of Price

Higher Impact



Source: ForeSee E-Retail Satisfaction Index

ForeSee E-Retail Satisfaction Index Top 40 US Holiday 2011

Only **1** site in the Holiday Top 40 had Price as the highest impact

Source: ForeSee E-Retail Satisfaction Index Top 40 US Holiday 2011



Pricing Impact

Elements	Score ¹	Impact on Sat ²
Content	82	1.2
Functionality	81	1.1
Merchandise	81	1.7
Price	76	0.9

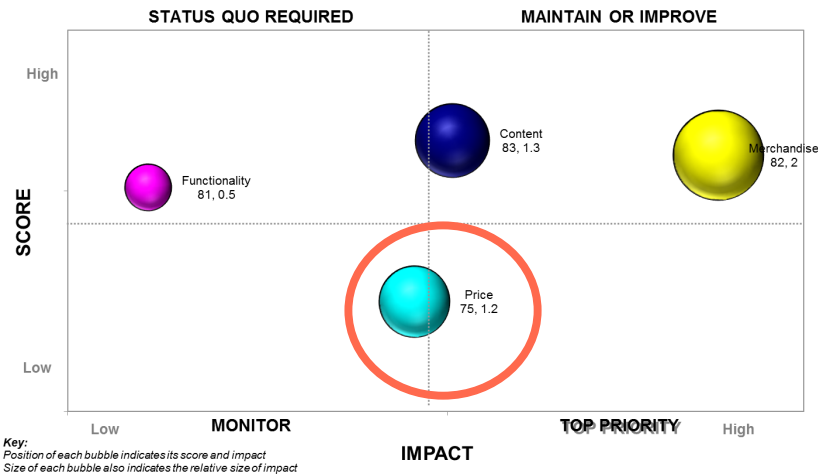
Customer Satisfaction
79
Number of respondents:
8744

Impact on Future Behavior ³	Future Behaviors	Score
4.6	Brand Commitment	77
4.6	In-Channel Purchase	76
3.3	Out-of-Channel Purchase	64
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4.2	Return	82

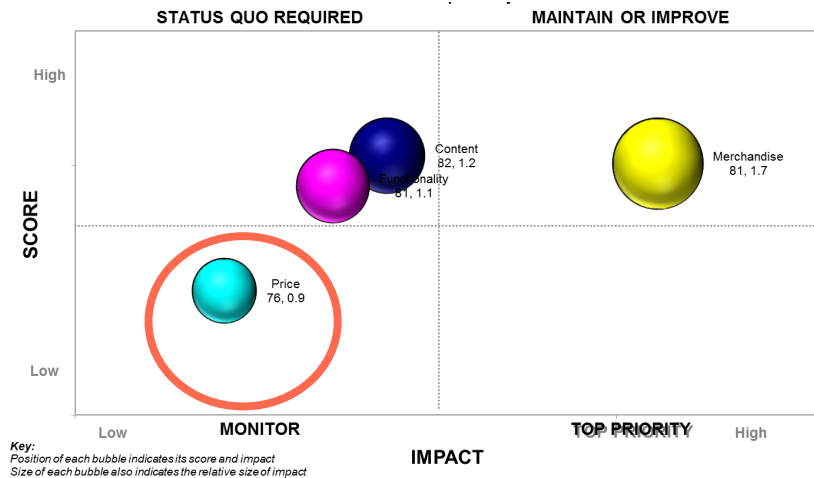
Source: ForeSee E-Retail Satisfaction Index Top 40 US Holiday 2011

Price Impact

Source: ForeSee E-Retail Satisfaction Index Top 100 Spring 2012



Source: ForeSee E-Retail Satisfaction Index Top 40 US Holiday 2011





Pricing Impact by Category

Pricing Impact by Category

Category	Content	Functionality	Merchandise	Price	Satisfaction
Apparel/Accessories	83	80	81	73	78
Books/Music/Video	83	81	82	77	78
Computers/Electronics	82	80	82	76	79
Food/Drug	83	81	81	75	78
Hardware/Home Improvement	80	78	81	76	77
Mass Merchant	83	81	82	79	79
Specialty/Non-Apparel	82	80	82	76	78

Source: ForeSee E-Retail Satisfaction Index Top 100 Spring 2012



Pricing Impact by Channel

Pricing Impact By Channel

Channel	Content	Functionality	Merchandise	Price	Satisfaction
Web Only	82	80	81	76	77
Consumer Brand Manufacturer	84	82	83	74	80
Retail Chain	83	80	82	74	78
Catalog/Call Center	83	82	83	78	80

Source: ForeSee E-Retail Satisfaction Index Top 100 Spring 2012



Pricing Impact by Company

Impact

Ranking

Company Name	Impact				Ranking				
	Content	Functionality	Merchandise	Price	Content	Functionality	Merchandise	Price	Satisfaction
Apple Inc.	1.2	1.1	1.9	0.5	2	3	1	4	85
Dell Inc.	1.0	0.9	2.6	0.9	2	3	1	3	80
HP Home & Home Office Store	1.3	0.8	1.5	1.5	3	4	1	1	79

Source: ForeSee E-Retail Satisfaction Index Top 100 Spring 2012



Pricing Impact by Company

Impact

Ranking

Company Name	Impact				Ranking				
	Content	Functionality	Merchandise	Price	Content	Functionality	Merchandise	Price	Satisfaction
Newegg Inc.	1.0	0.3	2.1	1.4	3	4	1	2	82
Best Buy Co.	1.9	0.2	1.6	1.4	1	4	2	3	80
Systemax Inc.	1.3	1.1	1.1	1.4	2	3	3	1	79
PC Mall Inc.	0.9	0.6	1.7	1.3	3	4	1	2	74
PC Connection Inc.	1.8	0.8	1.3	0.8	1	3	2	3	74

Source: ForeSee E-Retail Satisfaction Index Top 100 Spring 2012



Pricing Impact by Company

Impact

Ranking

Company Name	Impact				Ranking				
	Content	Functionality	Merchandise	Price	Content	Functionality	Merchandise	Price	Satisfaction
Amazon.com Inc.	1.4	0.1	1.2	1.7	2	4	3	1	89
Walmart.com	1.4	0.6	2.4	0.8	2	4	1	3	82
Neiman Marcus Group Inc.	1.2	1.0	1.6	1.2	2	4	1	2	78

Source: ForeSee E-Retail Satisfaction Index Top 100 Spring 2012



**PREDICTIVE
CUSTOMER
SATISFACTION
ANALYTICS**

1 How are we doing?

Performance of Satisfaction, key drivers and desired outcomes

Elements	Score ¹	Impact on Sat ²
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Predictive Customer Satisfaction Analytics

- 1 How are we doing?
- 2 **What should we do?**
Areas of focus defined by impacts

Elements	Score ¹	Impact on Sat ²
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Source: ForeSee E-Retail Satisfaction Index Top 100 Spring 2012

Predictive Customer Satisfaction Analytics

- 1 How are we doing?
- 2 What should we do?
- 3 **Why should we do it?**
Causal model predicts behavior

Elements	Score ¹	Impact on Sat ²
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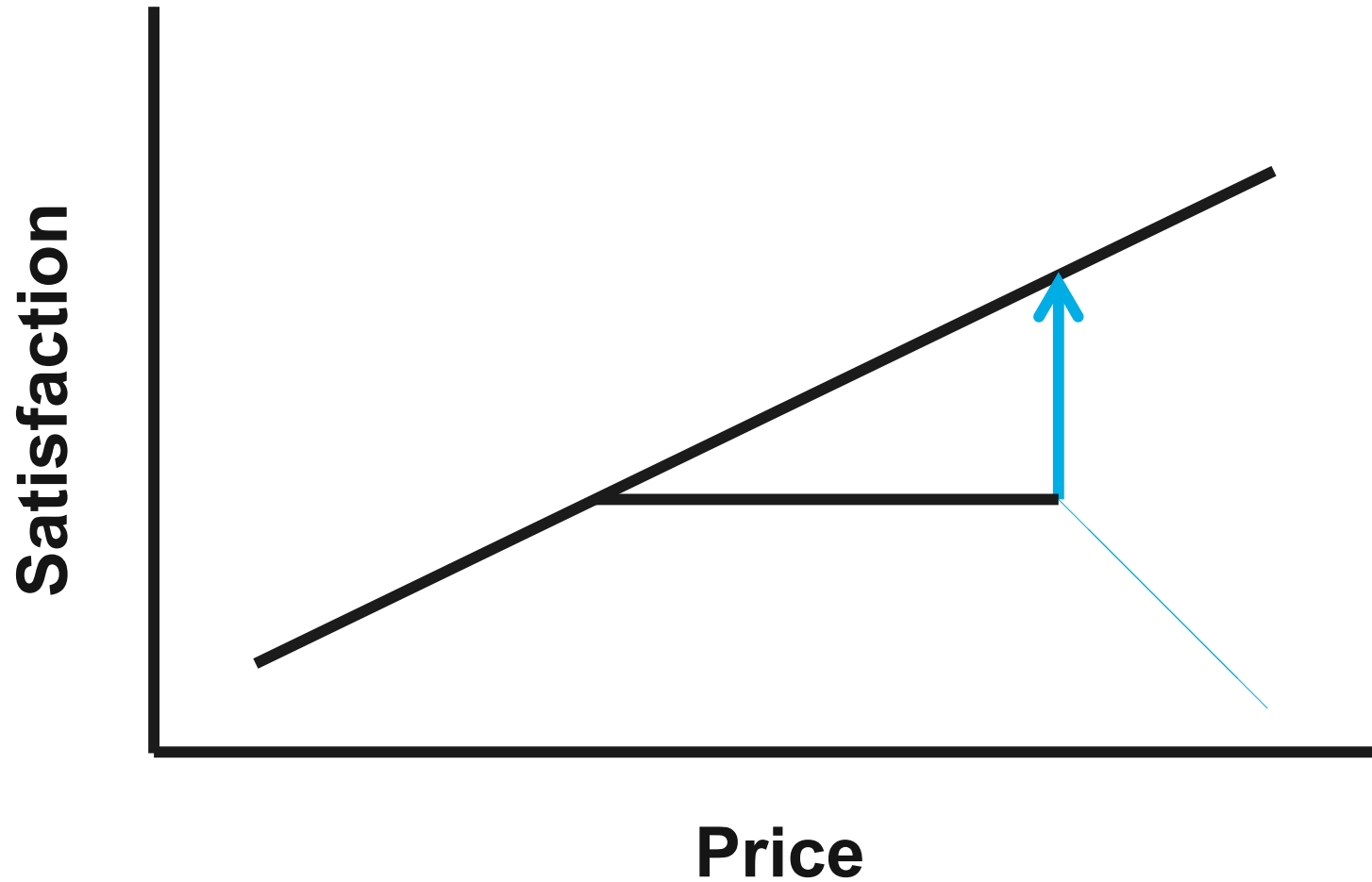
The Impact of Price on Satisfaction



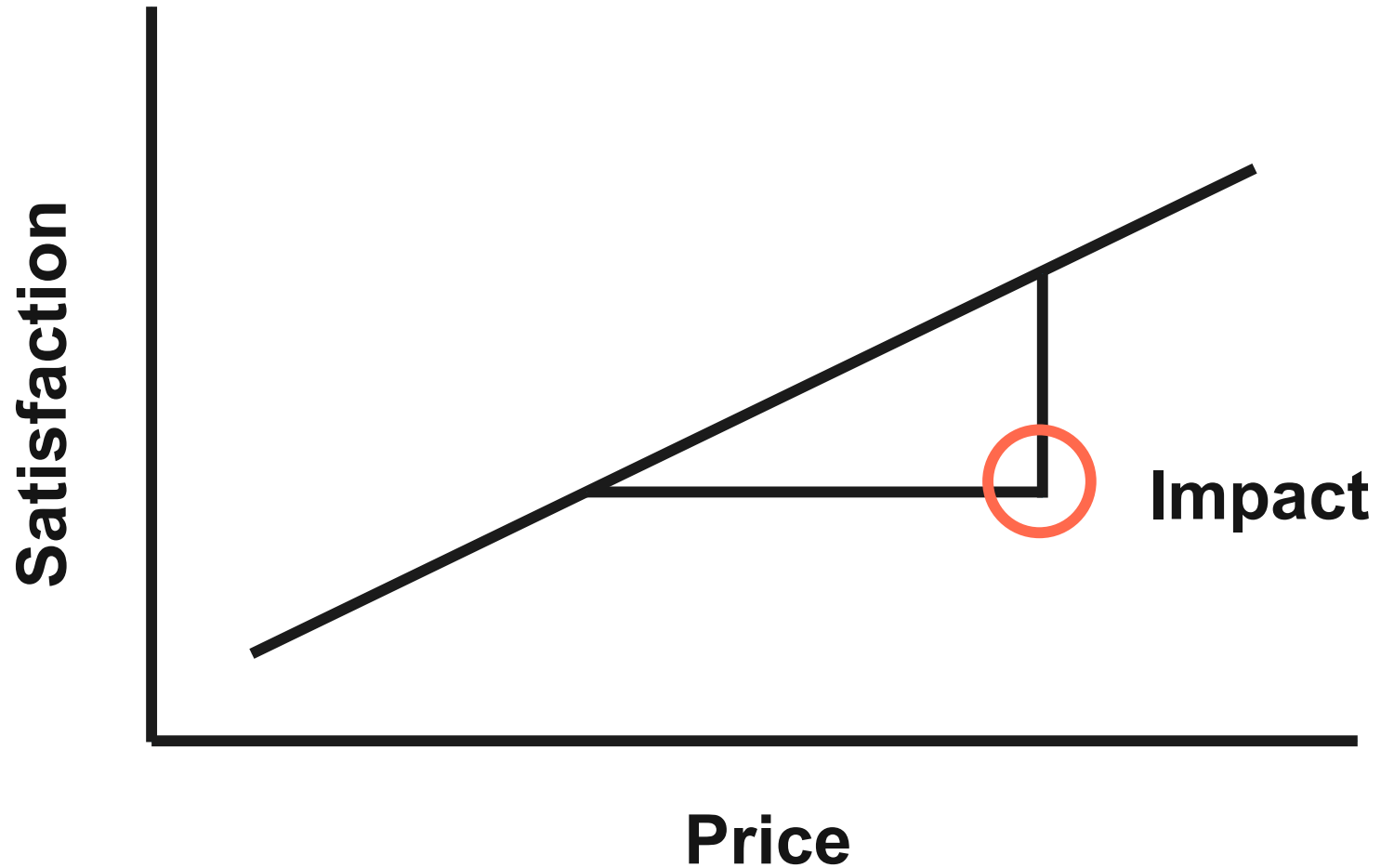
The Impact of Price on Satisfaction



The Impact of Price on Satisfaction



The Impact of Price on Satisfaction





TODAY'S CONSUMER

Today's Consumer

Knowledge

Social

Choices

Channels

Lower Switching Costs

Consumer in Control



**DAILY DEALS
CAN IMPACT
PRICING
EXPECTATIONS**



Daily Deals in Today's Multi-Channel World

2012 ForeSee Daily Deal Report

Summary of Data	Spring 2011	Holiday 2011
Percent of total who subscribe to ANY daily deals	65%	60%
Percent <u>of daily deal subscribers</u> who have purchased ANY offer in the past 90 days	67%	63%
Percent <u>of daily deal purchasers</u> who have <u>redeemed</u> offers in the past 90 days	89%	89%
Percent of total (ALL RESPONDENTS) who have <u>purchased</u> any offer in the past 90 days	44%	38%
Percent of total (ALL RESPONDENTS) who have <u>redeemed</u> offers in the past 90 days	39%	34%



Daily Deals in Today's Multi-Channel World

2012 ForeSee Daily Deal Report

Companies like Groupon and Living Social allow you to use and share local coupons and special offers that you can subscribe to via email or view online. Which of the following sites do you use regularly or subscribe to? (Please select all that apply)	Spring 2011	Holiday 2011
Groupon	51%	52%
Living Social	24%	30%
Woot	10%	9%
Another special offer website	7%	6%
I don't use any websites like this	35%	40%



Daily Deals in Today's Multi-Channel World

2012 ForeSee Daily Deal Report

To how many daily deal providers do you subscribe?	Groupon subscribers	Living Social subscribers	Woot subscribers
Subscribe to only one daily deal provider	44%	12%	21%
Subscribe to two providers	43%	66%	24%
Subscribe to three or more providers	13%	22%	55%



Daily Deals in Today's Multi-Channel World

2012 ForeSee Daily Deal Report

Which of these companies have you purchased an offer from in the past 90 days? (Percentage of daily deal subscribers)	Spring 2011	Holiday 2011
Groupon	47%	50%
Living Social	22%	25%
Woot	9%	8%
Another special offer website	8%	8%
I have not purchased any offers	33%	37%



Daily Deals in Today's Multi-Channel World

2012 ForeSee Daily Deal Report

Have you used any of the offers you purchased? (Percentage of purchasers)	Spring 2011	Holiday 2011
I have used more than one offer in the past 90 days	55%	56%
I used one offer	33%	34%
I have not used any offers yet	11%	11%



Daily Deals in Today's Multi-Channel World

2012 ForeSee Daily Deal Report

Thinking about the most recent offer you redeemed, what was your relationship with the company who offered the deal?	Spring 2011	Holiday 2011
I was already a frequent customer of that company	38%	40%
I was already an infrequent customer of that company	27%	26%
I was a former customer and I had no plans to do business with them again	4%	4%
I knew of the company, but I had never bought from them	19%	17%
I was not aware of the company prior to receiving the offer	12%	12%



Daily Deals in Today's Multi-Channel World

2012 ForeSee Daily Deal Report

Thinking about the most recent offer you used: (percent of offer redeemers)	Spring 2011	Holiday 2011
I did business with that company again since redeeming the offer	NM	44%
I haven't yet, but I plan to	NM	47%
I don't plan to do business with that company again	NM	3%
I'm not sure about doing business with them again	NM	6%



**MOBILE
CAN HAVE AN
IMPACT ON
PRICING
EXPECTATIONS**

Mobile's Multi-Channel Impact

Mobile increases consumer control and not just within the mobile channel...



Mobile is both a stand alone channel and a companion channel



Why Do Shoppers Use Mobile?

46% research info about a product

36% compare different products

28% get product specifications

22% check out product reviews

16% make a purchase

10% find a store location

Source: ForeSee E-Retail Satisfaction Index Top 100 Spring 2012

17% mobile shoppers visited more than one channel when shopping for a product

46% of these visited the store as their first step

28% of these visited the web as their first step

Source: ForeSee E-Retail Satisfaction Index Top 40 US Holiday 2011

Why do shoppers use mobile in a store?

65% store's website

43% *competitor's site*

26% *shopping comparison site*

21% store's mobile app

14% *competitor's mobile app*

Source: ForeSee E-Retail Satisfaction Index Top 40 US Holiday 2011



TODAY'S ANALYTICS CHALLENGE

A Multi-Channel, Multi-Device Consumer



Today's Analytics Challenge

A Multi-Channel,
Multi-Device
Consumer



+ **Single Channel Metrics**



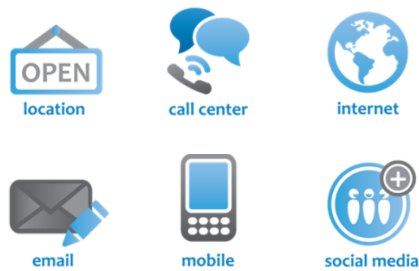
Today's Analytics Challenge

A Multi-Channel,
Multi-Device
Consumer



+

Single Channel
Metrics



= **Misinterpreted
Metrics &
Misguided
Information**





Customer Experience Analytics

Behavioral Analytics

Measure success from organizational perspective



Customer Satisfaction Analytics

Measure success from consumers perspective





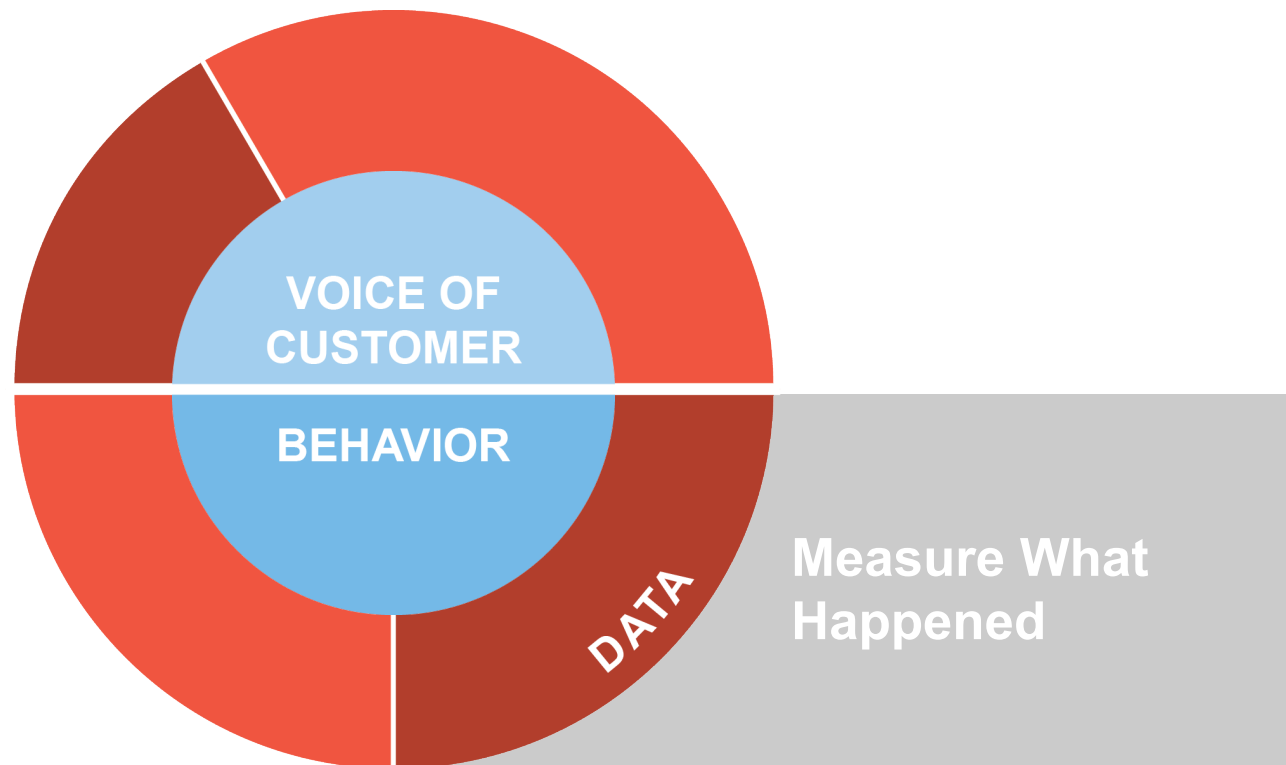
**CUSTOMER
EXPERIENCE
ANALYTICS
ECOSYSTEM**

Customer Experience Analytics Ecosystem

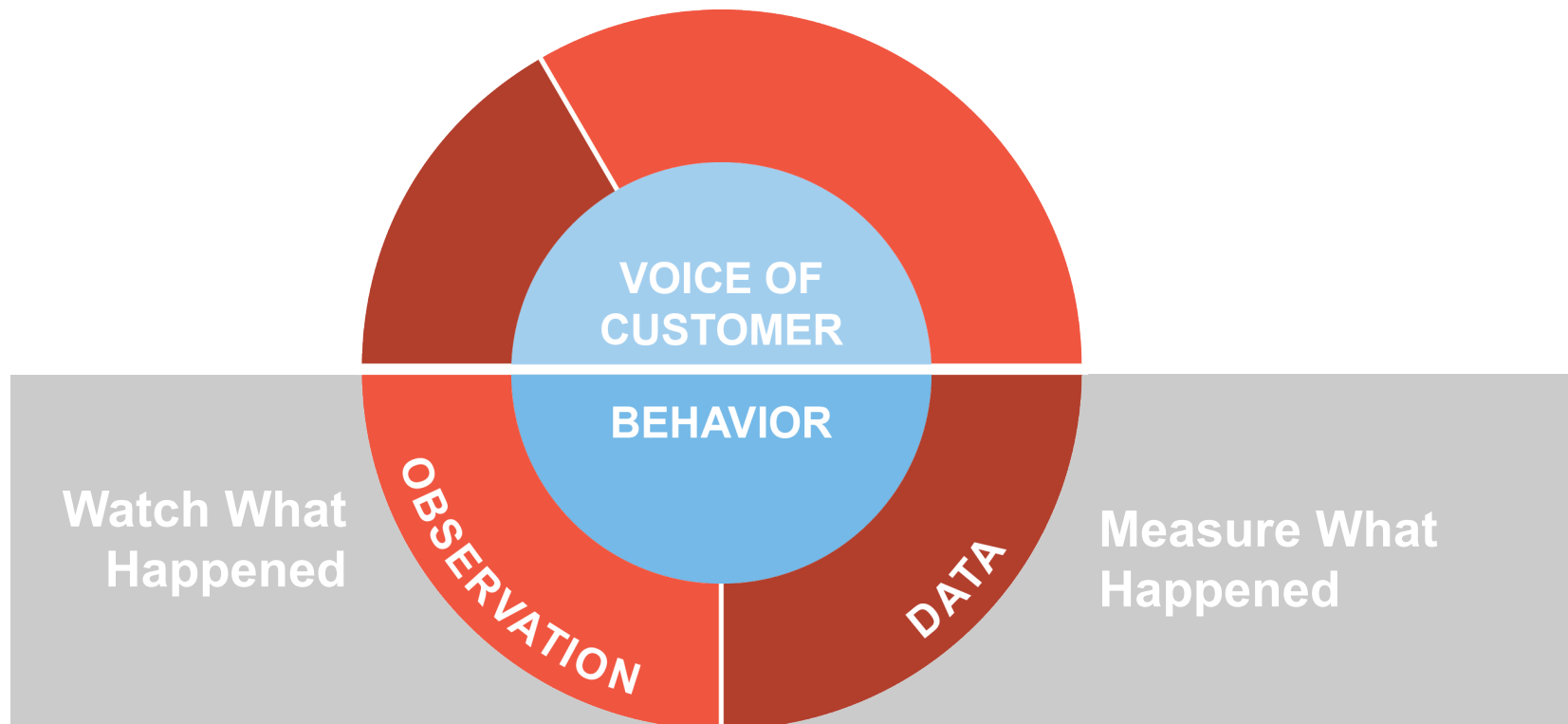
**VOICE OF
CUSTOMER**

BEHAVIOR

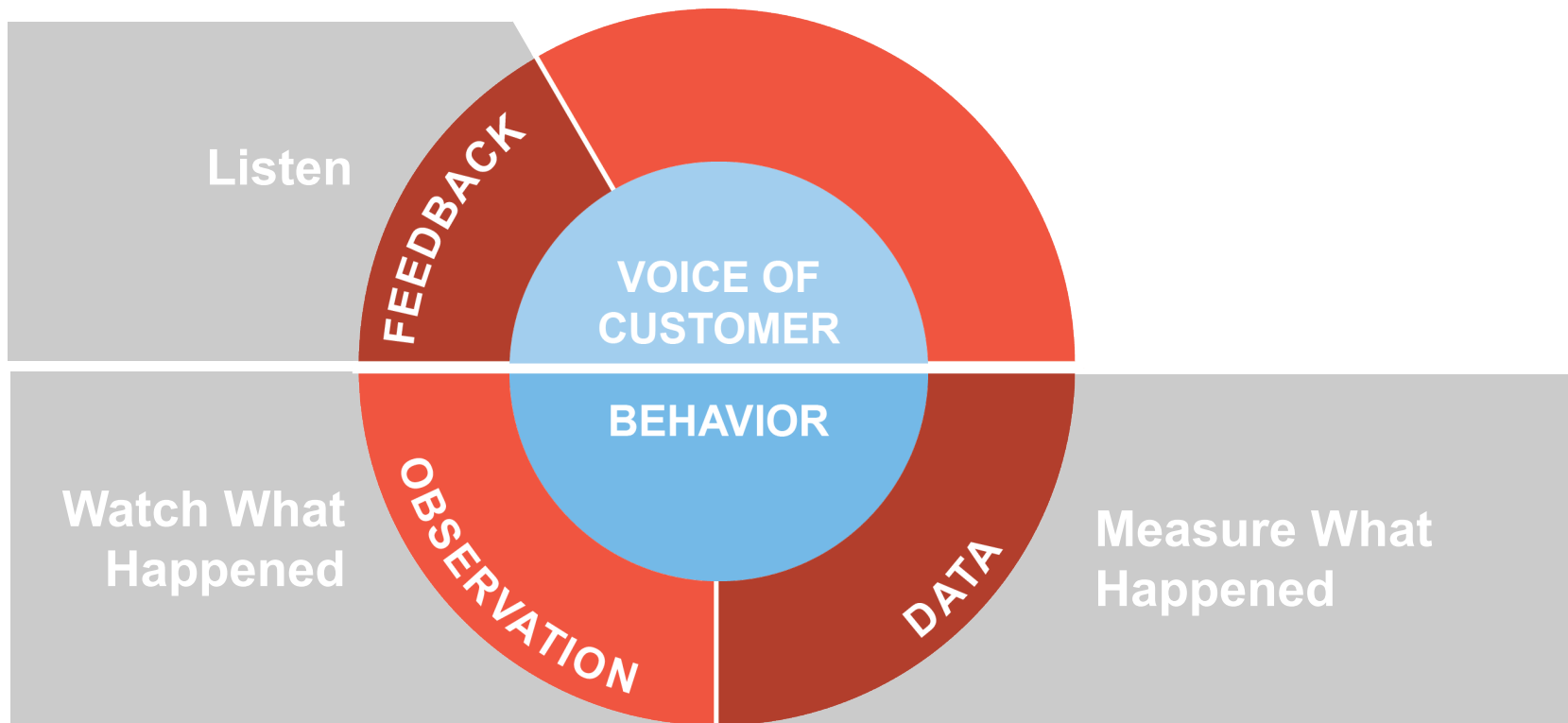
Customer Experience Analytics Ecosystem



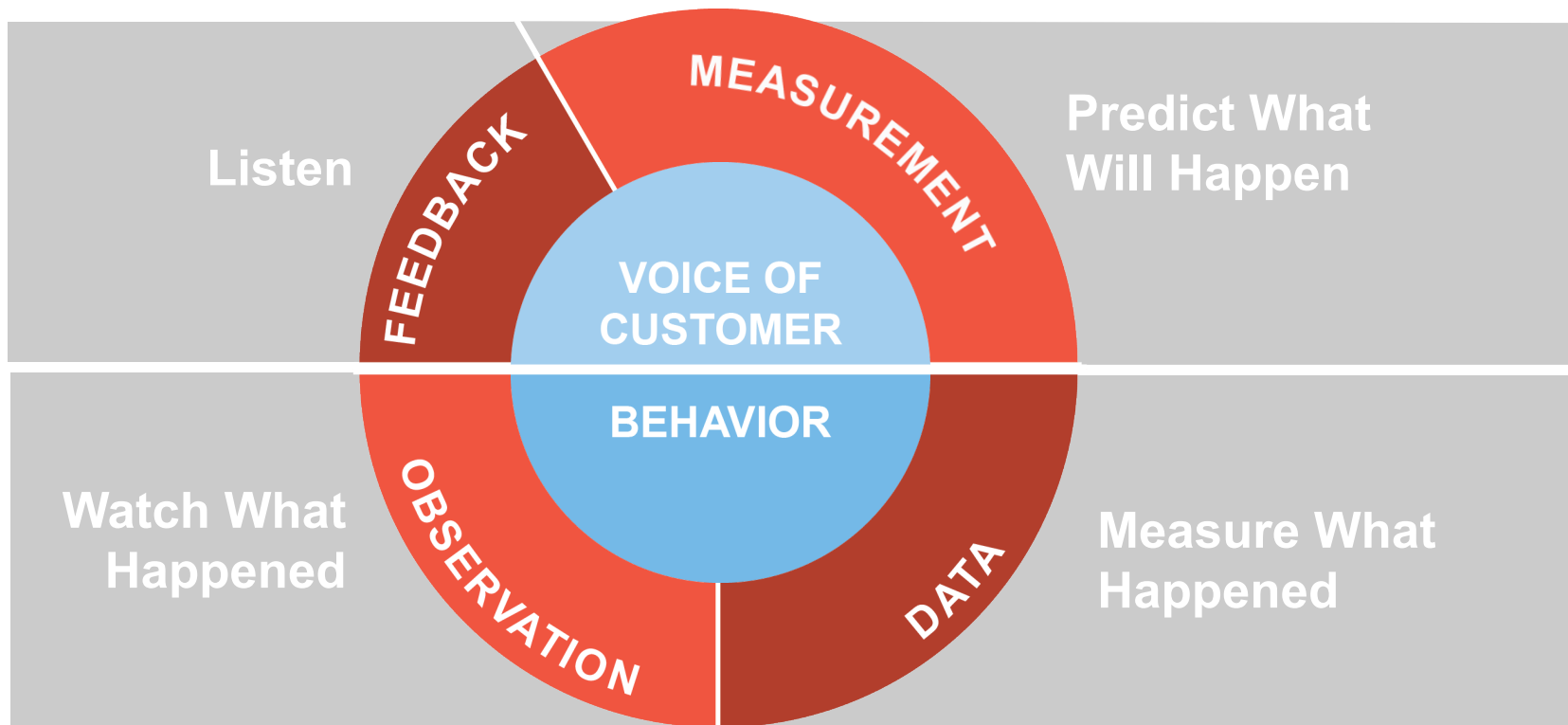
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Customer Experience Analytics Ecosystem



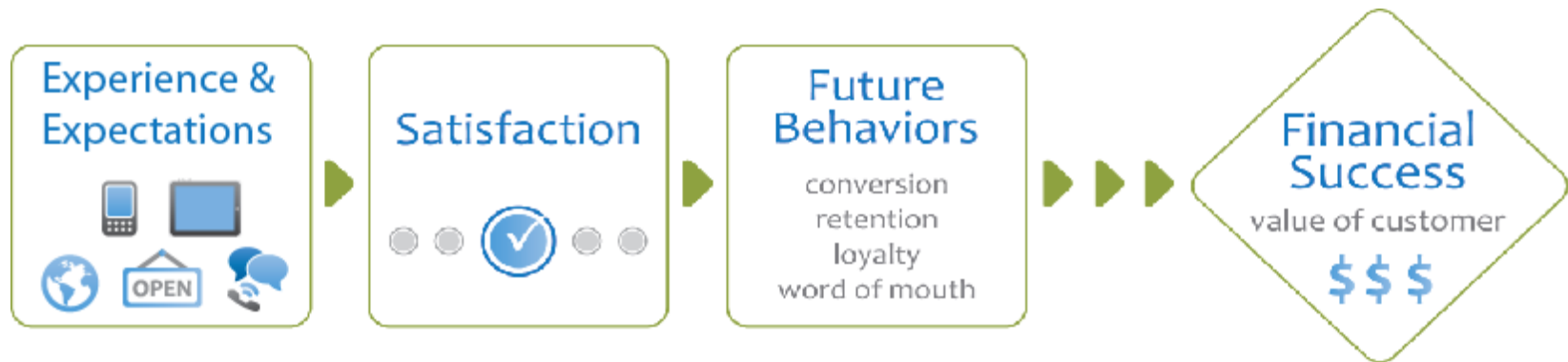
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WHY MEASURE SATISFACTION

Why Measure Satisfaction?



Experience and Expectations define Satisfaction

Satisfaction determines what consumers do next

Satisfaction drives financial success

The Value of a Satisfied **Shopper**

72% more likely to purchase online

56% more likely to purchase offline

67% more likely to purchase from the retailer again

69% more likely to recommend the retailer

Source: ForeSee E-Retail Satisfaction Index Top 100 Spring 2012

Why Measure Satisfaction

A highly satisfied **mobile shopper**:

100% more likely to buy from the mobile channel again

67% more likely to recommend

65% more committed to the brand overall

Source: ForeSee E-Retail Satisfaction Index Top 40 US Holiday 2011



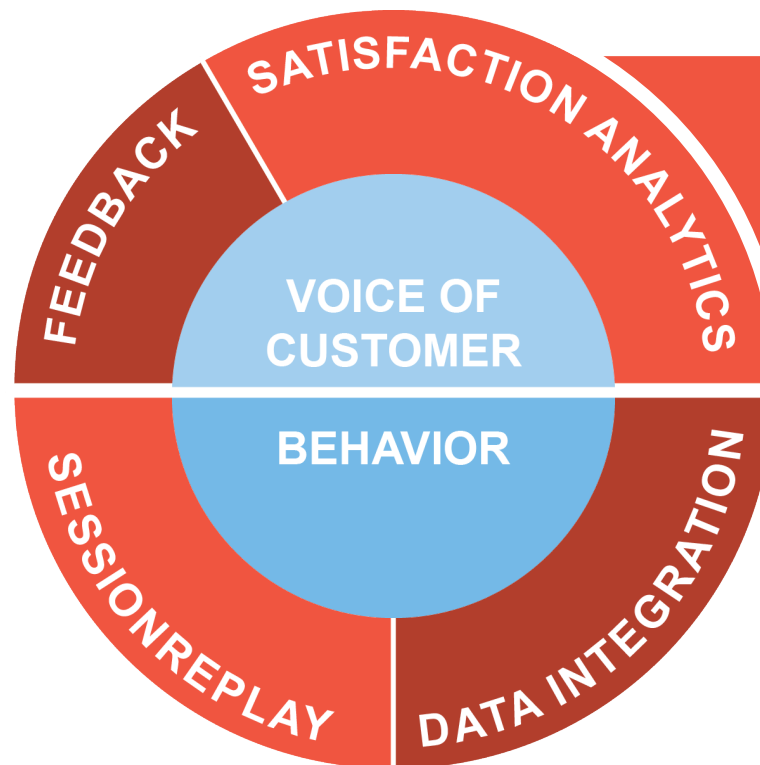
FORESEE

Proven methodology & trusted technology helps you:

Continuously measure satisfaction across channels & touch points

Discover critical insights

Prioritize improvements for maximum impact



Measurement
Analysis
Benchmarks
Competitive Studies

Web
Mobile
Contact Center
Stores
Social Media
Customer Relationships

Some of the Companies We Measure

Over 600 customers • Over 1000 active measures
 Over 70 million surveys collected • Over 80 industry benchmarks



1/2 of the Fortune 100
 40 of the Top 100 Online Retailers

- ✓ You cannot manage what you do not measure
- ✓ The consumer is multi-channel & multi-device with unprecedented power
- ✓ Measure success from the customers' perspective
- ✓ Traditional (behavioral) metrics alone will not tell you enough about the customer experience
- ✓ Customer satisfaction drives conversion, loyalty, retention, word-of-mouth...and financial success

**Larry Freed
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<http://blog.foresee.com/>**



About Zebra Technologies



A global leader respected for innovation and reliability, Zebra Technologies Corporation (NASDAQ: ZBRA) offers technologies that give a virtual voice to an organization's assets, people and transactions, enabling organizations to unlock greater business value. The company's extensive portfolio of marking and printing technologies, including RFID and real-time location solutions, illuminates mission-critical information to help customers take smarter business actions. For more information about Zebra's solutions, visit www.zebra.com.

Q&A // Submit Your Questions

The screenshot shows two overlapping windows from the GoToWebinar interface. The top window is titled 'Audio' and has a menu bar with 'File', 'View', and 'Help'. It contains the following elements:

- Audio Mode:** Two radio buttons: 'Use Telephone' (unselected) and 'Use Mic & Speakers' (selected).
- Mute Control:** A microphone icon followed by the word 'MUTED' in red, and a speaker icon followed by a volume level indicator showing 000000000.
- Audio Setup:** A blue underlined link.
- Talking:** The text 'Talking: Beth Gilbert'.

The bottom window is titled 'Questions' and contains:

- Questions Log:** A scrollable list of questions and answers. The first entry is a question: 'Q: Am I able to ask questions live or only through the text Q&A?'. The second entry is an answer: 'A: You are able to ask question live. You can raise your hand and I will unmute your line.'
- Input Field:** A text box with the placeholder text 'Type question here'.
- Send Button:** A button labeled 'Send'.

At the bottom of the interface is a blue bar with the text 'GoToWebinar™'.

Q&A



Larry Freed
President & CEO
ForeSee Results



Marty Johnson
Product Manager
Zebra Technologies

Thank You For Attending This Webinar

You can download this presentation at:

<http://rtou.ch/instorepurchases>



Join us next week for...



Stocking The Inventory Optimization

Thursday, July 26
1 PM ET / 10 AM PT

<http://rtou.ch/inventoryoptimization>