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Is the cure for the stagnant retail model a return to yesteryear?

As I read the Saturday, November 26, 2016 Miami Herald newspaper, I let out a small sigh of disgust at the article describing how Macy's website suffered service failures on Black Friday. The article stated that this caused customers and investors to question whether the retailer could handle more online shoppers.

Macy's is on track to shut down 100 full-line stores out of a total of 700. JC Penney is in the process of shuttering 140 stores.

The article continued that websites for Victoria's Secret (owned by L Brands), Express Inc., and Pier 1 Imports all suffered from errors and slow responsiveness.

Um ... were these retailers not prepared for the online onslaught? I guess not.

Are stores relevant these days? Do shoppers still want to experience products before they purchase them? Maybe retailers need to bring back some concepts from bygone days to help remake their stagnant stores into the marketplaces they once were.

In my November 30, 2016 Supply Chain Digest videocast I spoke of the need for department stores to think like marketplaces. Instead of separating into departments, maybe retailers need to divide by age groups and target interests as well. In creating a marketplace experience that attracts families and selected groups, retailers need to allow shoppers to experience new products, get a variety of services they need through partners, and satisfy finicky cravings all via an updated business model. Remember the days when the department store was the one place to go for all of your shopping needs, eyecare, a haircut, auto services, something to eat, and you could even purchase concert tickets?

Instead of building restaurants and lunch counters, try inviting food trucks into the parking lots. Get new and innovative products constantly moving into the store and using social media to publicize this to targeted audiences. Focus on what you cannot do online: touch, feel, and experience the products. Allow local and regional store management the flexibility to work with local and regional product manufacturers who can bring innovative (albeit vetted) items into stores the same way as companies are working with locally sourced agricultural product producers. Partner with entertainment companies who can send costumed characters to be on-site for the children and get them engaged in reading, making, coloring, and creating.

In shifting the business model from that of the department store to that of the marketplace, retailers just may have a chance to survive and thrive in the new world order and regain a relevance to their brick-and-mortar stores in the age of the Internet.

To view my Supply Chain Digest videocast, get a copy of my groundbreaking book, or learn more about the relevance of supply chain vendor compliance, start by going to www.vendorcompliance.info.

Thank you for reading!

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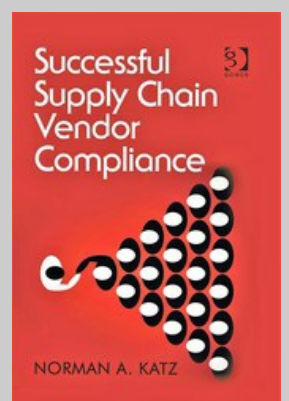
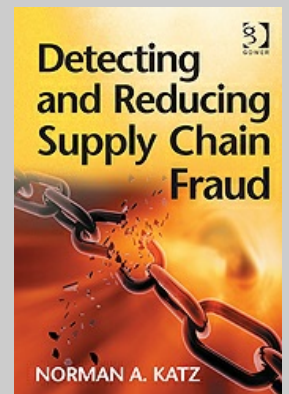


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