

## Ideas to Spark Innovation

*Susan Reda, National Retail Federation*

The game is tied; the big win, within grasp. A strategic steal might just bring you home.

Okay, so this is retail, not baseball. The idea of “stealing” isn’t necessarily the same. But what if we’re talking about swiping inspiration? What about delving into the innovative concepts that are working for others and twisting, turning and morphing them into your own?

Even common concepts can have unique elements: Pop-ups appear in several places, but with completely different missions. For one retailer, the temporary shops offer a way to merge the online and offline shopping experiences. For another, they’re an attempt to meet customers right where they are. And for yet another, they offer something fresh and “new” in an otherwise established setting. It’s all in what you do with the idea.

The last 12 months have brought great gains in creativity -- so much so that we’ve been taking notes. These ideas are what we consider the most innovative, insightful and inspirational -- ready to be “stolen” in the most general sense. *[Editor’s note: the original article contained 20 ideas, but due to space constraints we have trimmed it to 10 ideas.]* Visit <http://tinyurl.com/lywkpg> for the full article.

So go on: Step up to the plate and see how your business can score.

### **Merge Convenience and Comfort**

Despite the many ideas retailers have offered to ensure customers are wearing the correct bra size, the latest stats from Jockey tell a different story: More than eight in 10 women are still said to have an incorrect fit.

Many shops offer professional measuring, of course, and online retailers offer risk-free purchases and returns. But Jockey has come up with its own solution, a “fit kit” that comes with 10 volumetric fit cups, color-coded measuring tape, a lingerie wash bag and simple instructions. At \$19.95 – including \$20 off the next bra purchase from the company -- the idea is to deliver customized fit right to the doorstep. That fit also is customized to Jockey; the fit cups are not labeled A, B, C and so forth, but rather by number for greater accuracy in volume. The correct measurement won’t transfer, then, to other bra companies.

Jockey is betting that won’t matter. The company website boasts that the new bras were eight years in the making, that 800 women were scanned and that there are 26 breakthrough patents. The result? Reviewers offer praise like “miracle,” “boosts my confidence” and “freedom” -- all remarkable things to find from the comfort of home.

### **Create Your Own Category**

One Dress a Day, launched in August, touts itself as the first e-commerce site to release a new fashion-forward dress every day. The dresses, averaging \$159, include “everything from chic work styles to glamorous evening attire and embellished party wear.” Each is made in the United States using Italian and French fabrics and features “intricate beading, classic cuts and feminine styles.”

The new site is a brand of Jupi Corporation, established in 1996 by Australian fashion designer Bruno Schiavi. The designer has said his inspiration comes from vintage pieces, and he enjoys reinventing older styles and making them classic. So far, so good; a number of dresses released during the site’s first week sold out.

“This is a brand-new concept that doesn’t exist anywhere in the world, so for me, having such amazing reaction so soon solidifies that we found a white space in the market,” Schiavi said at the time. Consumers want everyday newness and variety to feed their hunger for online shipping in a world that’s based on instant gratification.”

### **Think Different**

A sandwich can be so much more than what is between two slices of bread. For Duke’s Grocery, a trendy new restaurant in Washington, D.C., it is pure artistry in motion. The simple sandwich shop, which becomes a bar at night featuring unique cocktails, is definitely different.

That’s no gimmick, say owners Daniel Kramer and Alex McCoy. “The key to a great restaurant is not only a solid concept, but a great philosophy behind the concept,” Kramer said. “A strong philosophy is what people will sign on to, but concepts come and go. Involve your customers, give them something to feel good about and they will come back on principle alone.”

Sure, sandwiches are on the menu of most restaurants in some manner. But Duke’s expands the palate with sandwiches that reach across the globe without losing that farm-to-market feel -- think soppressata, marinated red pepper, gruyere and rocket greens on a baguette, or black pudding, scrambled eggs, chives, pickled shallot and parsley. “Your customers are not dim and the competition is intense,” Kramer said. “They know what is fresh and what is not. [Housemade] product is not only more affordable to you as the owner: It also separates you as a unique establishment by offering dishes that customers cannot find anywhere else.”

### **Experiment with New Media**

Just when it seemed there was nothing “new” about new media anymore, Michael Kors took an experimental step: On November 1, the fashion designer ran the first sponsored post on social media/photo sharing platform Instagram.

The post, tagged “5:15 PM: Pampered in Paris #MKTimeless,” was an image of a gold watch, a Polaroid picture, a cup and saucer and a plate of pastel macarons. Shown only once to a select demographic of U.S. Instagram users outside of Michael Kors’ followers, it made quite the impression: The ad attained 218,000 likes within 18 hours, according to Instagram analytics and engagement platform Nitrogram, a 370 percent increase in the level of engagement the retailer was accustomed to seeing.

The total audience was estimated at 4.4 million; in that same 18-hour time period, @michaelkors gained nearly 34,000 new followers.

Time will determine the cost-effectiveness of this avenue, but it does have folks talking -- not all positively. Nitrogram estimated that one in five comments posted beneath the ad were negative, and only “a very small amount” showed positive support. Instagram remains a free service for users, however, so sponsored ads may soon become as pervasive as the platform’s food shots and celebrity snaps.

“If we use recent history as our guide, it took a bit of adjustment from both consumers and marketers to get comfortable with advertising on Facebook and Twitter in its earlier days,” Sarah Hofstetter, U.S. CEO of digital marketing agency 360i, told Fast Company’s CoCreate. “But with time and optimization, each platform found a balanced role for both marketers and consumers alike.”

### **Anticipate Customer Needs**

Your child is going away to college and needs all the basics. But who wants to pay airline baggage fees to transport pots, pans, sheets and towels? Bed Bath & Beyond took a multi-pronged approach to ensuring that students’ first days on campus carried all the comforts of home.

In some locations, the home goods retailers set up pop-up stores on or near select college campuses. It also created a “Shop Here, Pick Up There” option, allowing students to choose what they wanted at a store close to home and pick up the packages at the location nearest their campus. Online, BB&B offered checklists and informational videos as well as a shopping option that allowed customers to choose the ship date.

It was a smart strategy that paid off well. While NRF anticipated that back-to-college shopping would be down year-to-year in 2013, Bed Bath & Beyond closed out its second quarter ending August 31 with a 3.7 percent increase in same-store sales.

### **Go Upscale**

Proving that it’s smart to cover all the bases, Levi Strauss is also focusing on a higher-end customer. The venerable brand’s new Made & Crafted line is being sold at hip boutiques and select upscale retail.

Made & Crafted pieces are created from fine fabrics: denim woven in the United States, Japan and Italy; Italian leather; and silk, cashmere and wool. Indigo and other natural dyes are used to give the product its signature color. The construction process is labor intensive and the details fine: buttons are made of bone, wood and cotton, and the line’s signature Arcuate stitching is hidden behind a pocket, gradually appearing as the product wears.

All this attention to detail carries a price tag of about 10 times a pair of regular Levis. But it also has the fashionistas talking about the 140-year-old brand -- something that hasn’t happened for a very long time.

### **Reward Consumer Input**

Baskin-Robbins has the customer-input conundrum licked. The Massachusetts-based ice cream specialty chain announced the return of a popular online voting contest in late 2013.

The contest, last held in 2011, allowed consumers to choose which of their favorite classic flavors should be brought back. The winning flavor from “The Big Thaw” will be available in ready-made quarts for a limited time -- and those who voted received a “buy one cone, get one free” coupon.

Among the flavors in the running: Apple Pie a la Mode, Boston Cream Pie, Fluffernut and Lunar cheesecake. Lunar cheesecake was originally introduced in 1969 to commemorate the first moon landing. Fluffernut, a peanut-butter flavored ice cream with crushed peanuts and a marshmallow ribbon, debuted in 1972.

Benefits of the campaign included customer engagement, first-hand data, sales, social media likes and shared memories about specific flavors. This latest version of the contest may have ended, but certainly there will be more in store: The Baskin-Robbins “flavor library” holds more than 1,300 notable flavors from the company’s nearly 70-year history, offering ample opportunity for contenders.

### **Form Alliances with Experts**

Talk about a match made in business heaven. In December, people-mover Uber, which uses an app to connect riders and drivers, and The Home Depot teamed up to deliver Christmas trees to customers in 10 cities.

Customers had just nine hours on a Thursday to request The Home Depot trees, which were then delivered to their doorstep via Uber. Selections were extremely limited with just one price: \$135. The trees -- a Fraser or Noble fir -- were promised to be 7- to 8-ft. tall, netted and accompanied by a tree

stand. Customers also could choose the “fare split feature” – an Uber signature -- to share a delivery location with neighbors or coworkers. The two companies promoted aggressively on social media.

Uber has orchestrated events like this before, offering an ice cream truck in select cities during the summer and a Santa sleigh delivering Ol’ St. Nick to holiday parties during the season. Pairing with a well-known retailer to solve a need that customers were confronting raised Uber’s profile just as it is attempting to grow, while The Home Depot reached a potentially new audience.

### **Remember that Retailing is Semi-Permanent**

Seasons, tastes and fashions come and go -- and in e-commerce, more quickly than ever. How is a tried-and-true bricks-and-mortar operation supposed to keep up?

Major retailers like Nordstrom and L.L.Bean have recognized the opportunities pop-up shops present for offering fresh and fun content. Nordstrom’s efforts feature pop-ups within its existing department stores, each one highlighting a specific theme or category. October, for example, brought a French Fling-themed “Pop-in at Nordstrom” inspired by Paris Fashion Week.

L.L.Bean, meanwhile, kicked things off with a two-day event in Boston featuring its “Bootmobile.” In addition to offering 60 varieties of boots for sale, the company’s long-held American craftsmanship was highlighted. The company also held an appearance at an area mall featuring a 20-by-20-ft. log cabin shop offering a variety of holiday gifts.

Efforts like these help broaden retailer appeal. They also remove the speed of online shopping, creating a special, get-it-before-it’s-gone opportunity for shoppers -- and a solid reason to visit a physical store.

### **Win with Winners**

Contests are meant to have winners. But what if the contest sponsor is the real success story?

This summer, not only did Sears earn a fair amount of press with its Startup + Developer Challenge, it also built and strengthened relationships in Silicon Valley. And it gained an outside perspective on its business – something that most companies pay dearly for. The nifty little app that the retailer gained in the process? Gravy.

The winning app -- “The Chore Score,” designed to encourage children to tackle chores -- was judged on the use of Sears’ application performance interface, ability to drive traffic to the mobile site and stores and the user experience. The chore list is built into the app; each task includes a dollar value (though the \$20 for a cleaned room used in the app’s example seems to reflect the booming San Francisco economy). Those dollar values are then attributed to a wish list from the Sears catalog. As tasks are completed, the child can make redemptions via the app, in store or online.

The winning team earned a test budget from Sears. But if this app flies, the world certainly will have more cleaned rooms -- and Sears may have a nice shopping niche for parents and grandparents.