



Retail is about much more than providing a place to show and sell products. From the moment they step into McDonalds PlayPlace, consumers learn that shopping is experiential. But McDonalds has figured out that kids outgrow the PlayPlace and move on to Shutzky's and Burger King for different kinds of experiences.

Retail has become **shoppertainment.**, but we're not a one-experience-fits-all- world.

Stores have become theaters, sales associates the actors and merchandise the sets. Merchants that don't have a story to tell, a theme, or a well-defined, well-executed niche, have a difficult time capturing the imagination of today's savvy consumer.

To be good, retailers have to meet their customer's expectations. To be great, they have to exceed them one buyer at a time.



The Victoria's Secret fashion show was a great retail teaser. It was well hyped, titillating and very successful. Its target audience? Men. Not kinky men, but men who could be convinced to buy expensive slinky underwear for their wives and girlfriends for the holidays.

Those same premium buyers might not expect scantily clad women roaming around in showrooms when they come in to stores, but they do expect some kind of sizzle.

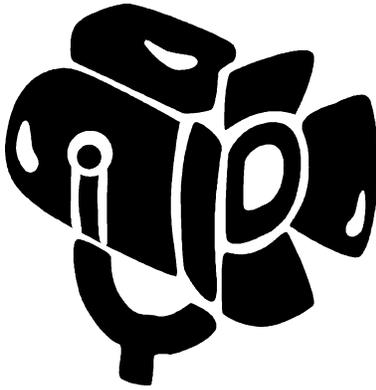
They won't relate well to the youthful associate hired just for the Christmas rush or to the audiophile rattling off an endless list of features.

And how do retailers relate to the Gen Y buyer with baggy pants, pierces in unmentionable places and devotees of the Hot Topic chain? This group will soon be heirs to the greatest mass of wealth imaginable as their baby boomer parents start gifting to them.

By 2010 there will be over 81 million members of Generation X and Generation Y also referred to as Echo Boomers. Born after 1965, these "about to bes" spend about \$310 billion a year on clothing, entertainment and food. They shun brand names like Levis in favor of smaller more trendy names like Soap and Vans.



Retail as Theater



Teens today differ in that all they've ever known is the new economy. They're the first group brought up on television and the Internet. They expect unflagging customer service, speed-of-light E-commerce, just-in-time delivery, generous return policies -- and deep discounts. Simply put, they're the toughest, most demanding, and most fickle customers in the world.

They read few newspapers but have marathon sessions watching MTV.

Retailers will have to be creative to reach them and gain their attention. They don't frequent malls or Starbucks but love things that are new, trendy and different.

Once you capture their attention, though, they'll wear your t-shirt, refer their friends and come back over and over.

If this makes your retail head spin, we haven't even begun to scratch the surface! Women want experiences that show them exactly how their purchases will look in their homes, fit in with their décor and enhance their lives. As the most frequent decision-maker of household expenditures, women need to understand how that proposed home theater would help create additional opportunities for their children to learn and for the family to spend time together.



And seniors are moving into lush resort communities instead of downsizing. Now able to finally spend their money on themselves and not their kids, they're eager to make a statement and wow their friends

The population is fragmenting. Marketing to the wide middle may continue to work for some, but specialty niche marketers who commit their efforts to targeted groups may have the best opportunities going forward.

The product you now sell may be more sophisticated and more complex, but customers will still buy where they feel at home, from people like them, who speak their language and understand their needs. Tomorrow's retail winners will be those best able to reach the most customers—one unique buyer at a time.