

Table of Contents

Channel Innovation Award Winners

 **Category:** CRM
Winner: Kellwood Company 4

 **Category:** Interactivity
Winner: Domino's Pizza 5

 **Category:** Personalization
Winner: Advance Auto Parts 6

 **Category:** Loyalty
Winner: Moosejaw 7

 **Category:** In-Store
Winner: Guess Jeans 8

 **Category:** Cross-Channel
Winner: Home Shopping Network 9

 **Category:** Social Commerce
Winner: JCPenney 10

 **Category:** Mobile Commerce
Winner: Macy's 11

 **Category:** Social CRM
Winner: Sears Holding Corp 12

 **Category:** Payment
Winner: Starbucks 13

 **Category:** Mobile
Winner: Target 14

11 Retailers Earn Channel Innovation Awards

The term “omni-channel” has become almost ubiquitous in the retail industry today. While the term may be considered over-used, the concept is right on target. Today’s successful retail organizations must provide a consistent customer experience across all channels of retail including the store, mobile devices, social media, email marketing, catalogs, call centers and branded websites.

Retail TouchPoints is honoring 11 innovative retailers who have embraced the omni-channel challenge and come out on top. The 2011 Channel Innovation Awards recognize retailers who are using creativity and innovation to present a unified channel front to shoppers. The award winners are ahead of the curve and are achieving business success in this increasingly competitive and challenging marketplace.

Retail TouchPoints selected winners from nominations received as well as internal adjudication. The 11 award recipients were chosen based on (but not limited to) the following criteria:

- Sales gains, especially within emerging channels
- Convenience of shopping options, such as seamless cross channel shipping and pick up
- Cross-channel marketing, including mobile and social strategies
- Customer recognition across channels, for those retailers that have achieved a single customer view
- Integration of systems including promotion, order management and sales history

Following is a list of the 11 Channel Innovation Awards winners and their corresponding categories, announced during the Retail TouchPoints Customer LifeCycle Conference on June 22:

Category: Cross-Channel
Winner: Home Shopping Network

Category: CRM
Winner: Kellwood Company

Category: Social CRM
Winner: Sears Holdings

Category: In-Store
Winner: Guess Jeans

Category: Interactivity
Winner: Domino's Pizza

Category: Loyalty
Winner: Moosejaw

Category: Mobile
Winner: Target Corp.

Category: Mobile Commerce
Winner: Macy's

Category: Payment
Winner: Starbucks

Category: Personalization
Winner: Advance Auto Parts

Category: Social Commerce
Winner: JCPenney

Category: CRM

Winner: Kellwood Company

Kellwood Company is a designer, manufacturer and marketer of apparel for brands across the U.S., providing menswear, women and children's apparel, accessories, footwear, home collections and outdoor/recreation products. The company has acquired a number of brands including: XOXO, Baby Phat and Democracy. Kellwood sells its products at retail stores including Bergdorf Goodman, Dillards, Lord & Taylor and Macy's. Kellwood has helped many brands succeed, including Vince, purchased in 2006. Prior to 2006, Vince was averaging wholesale revenue of \$35 million. That figure has since grown to \$115 million.



The overall growth of Vince and continued success of other Kellwood brands has been supported with new CRM systems from Epicor. Kellwood implemented Epicor's SaaS Retail CRM solution to facilitate stronger relationships with customers. The solution collects customer information and purchase history to help the brand effectively market to shoppers. Using the Epicor solution, Kellwood personalized communication to individual customers. For example, if a customer was primarily a sale shopper, Vince would send reminders of special discount events and in turn, increase foot-traffic into stores. Kellwood also provides special incentives to shoppers on special occasions such birthdays and anniversaries.

The Epicor CRM solution also serves as a digital assistant to in-store sales associates. The system enables Vince's team to more easily manage, maintain and share information so every sales member can personalize the customer's in-store shopping experience. Additionally, the customer information is captured and centralized in a secure database, so it can't "walk out the door" should a team member leave the organization.

Other features in the SaaS suite include Epicor Retail Planning, Retail Audit and Operations Management, and Retail Merchandising. Together, the solution components help Kellwood maintain real-time sales data, manage all transactions quickly, and centralize workflow and campaign management through all channels.

Company: Kellwood Company

Web site: www.Kellwood.com

Number of Stores: More Than 17 clothing brands and over 10 retail companies

2010 Income: N/A



Category: Interactivity

Winner: Domino's Pizza

To reach out to customers via the Web, Domino's has launched multiple online sites with strong incentives, including an interactive site called "Behind The Pizza," which brings visitors on a step-by-step journey to discover how Domino's ingredients are farmed and produced for their pizza. Web-goers also can play mini-games and view photos of Domino's farm locations on the site to earn reward points redeemable for free menu items.

Domino's also is giving back to loyal customers in a number of different ways. In a partnership with Games That Give, Domino's is donating to the United Way through the Pizza Tracker service, where customers can play online games like Brick Breaking and Mini Golf.

Additionally, to appeal to both parents and children, the company has released Pizza Smart Slice, a program that provides healthy alternatives to restaurant favorites for schools. Domino's also has formed partnerships with organizations, schools and businesses by planning accounts with pick-up and delivery options for easy take-out.

Domino's also is testing a number of social media strategies in order to further promote the brand as healthy, charitable and fun. From Black Friday to Cyber Monday of 2010, Twitter followers of @Dominos could win a \$15 gift card, simply by tweeting the phrase, "I'm entered to win a free meal from Domino's (\$15)." In addition to improving brand awareness during this campaign, Domino's also was able to quantify the number of consumers who engaged with the brand. Facebook streamlines customer access and leverages data from CRM programs. In total, online channels comprised approximately 25% of the restaurant's income totaling \$1 billion as of February 2010.

Last year also brought a new development in the Domino's payment system. By partnering with ACI Worldwide, store locations can now consolidate payments processing, add more features and improve online ordering personalization.



Company: Domino's Pizza

Web site: www.Dominos.com

Number of Stores: More Than 9,000

2010 Income: \$1.57 billion net income; \$438.59 million gross income

Category: Personalization Advance Auto Parts



Advance Auto Parts (AAP) is focused on its individual customers. The automotive retailer recently added a “Your Garage” area on its website, giving customers easy access to service alerts and history, recall notifications, cost of ownership, and more. Based on a vehicle’s mileage, customers can receive email notifications when their cars need a tune up, brakes, tire rotations and tire replacements.

The revamped site also has become more user-friendly, according to AAP. Customers now have access to a drop-down menu on the home page that contains all car service categories and a store locator linked to Google Maps. Customers also can view articles, online videos and listen to podcasts via the “Advance Know-How” section.

In 2010, AAP experienced a triple-digit sales increase with a new streamlined shopping cart service and by implementing a model that enables customers to buy online and either pick up in-store or have their order delivered. AAP’s new solution was developed by CrossView technology and also features a multi-lingual call center that is available 24-hours a day, seven days a week. Through Interactive Voice Routing (IVR) callers can automatically connect to the correct customer care expert based on their specific issues.

Additionally AAP launched DIY Home Delivery in several markets, offering parts and services typically delivered within a few hours. Delivery is free for orders more than \$75.

AAP also is banking on in-depth analytics, as well as customer tracking and scoring, to effectively customize promotions that drive shoppers to the store to complete purchases. With access to customer buying patterns and browsing behaviors, and integrating that information among multiple channels - including more than 3,400 stores, online and the call center - store personnel can better determine the customers’ needs.

Company: Advance Auto Parts

Web site: www.AdvanceAutoParts.com

Number of Stores: 3,400

2010 Income: \$5.93 billion net income; \$2.96 billion gross income



Category: Loyalty Moosejaw



While many retailers still struggle to determine their role in the social marketing stratosphere, Moosejaw has been a key player in the market, helping to turn customers into brand fans and ambassadors. The retailer is a leader in the competitive outdoor clothing and gear market. However, Moosejaw is standing out more in the niche because of its highly engaging Facebook interaction with users. With a paid team hired to focus on social media, the site is flooded daily with status updates, interactive questions to fuel product recommendations, pictures and videos. Communication is key on the Moosejaw website as well. Users can click on a live chat that links directly with store personnel so all questions are answered immediately.

Although social media is a way to engage shoppers and turn them into brand fans, the Moosejaw Rewards Program ups the ante and turns users into lifelong, loyal customers by offering points for more than just purchases, that are redeemable for free items. New visitors can receive 397 Moosejaw Rewards Points just by signing up for the email newsletter, which creates a strong call-to-action. Teamed with a texting initiative, these interaction programs receive a 42% response rate and have gained more than 2,000 responses in the first two days of a campaign. With users continually opting in, the retailer can effectively determine which campaigns work and through which channel.

Through customer tracking methods provided by CrossView, Moosejaw can mine customer sales data, reviews, browsing behaviors and business analytics. By using a single platform across all channels and linking them to inventory, the entire Moosejaw team can easily view available inventory and place orders to POS, whether it is online, in-store, or through phone. The program also allows customers to pick up their items in-store, or have them delivered.

Company: Moosejaw

Web site: www.Moosejaw.com

Number of Stores: 7

2010 Income: N/A



Category: In-Store Guess Jeans

During the holiday season and peak times of customer demand, traditional POS processes can become daunting and unbearable. By utilizing mobile POS, Guess Jeans found a successful alternative to the traditional cash register. Along with creating a more efficient system, the retailer also found a successful way to cut costs.

A traditional register can add nearly \$3,500 to a company's bill. By employing a mobile POS unit — which only costs \$600 — Guess was able to decrease costs significantly on the front end, according to Global Bay. Mobile POS also boosted store income when in use consistently, rather than just for holidays and line-busting. After successful test runs in multiple locations, Guess is using the Global Bay mPOS iPod Touch solution in all locations for a more efficient and flexible payment process.

The mPOS solution has provided Guess with tangible ROI through increased store traffic, higher sales, an increase in Units Per Transaction (UPT), streamlined operations, a reduction in lost sales from cart abandonment and an overall better customer experience in the store.

Global Bay's mobile platform allows Guess to track inventory, receive real-time sales and analytics, and check out customers via mobile transaction.

Along with the financial benefits, Guess found the new mobile POS system to be a brand booster. "From a brand point of view I think it is kind of cool," said Mike Relich, CIO of Guess Jeans. "We're supposed to be a cool brand and having cool technology helps."



Company: Guess Jeans

Web site: www.Guess.com

Number of Stores: N/A

2010 Income: \$2.49 billion net income; \$1.09 billion gross income

Category: Cross-Channel Home Shopping Network

To further improve brand loyalty and multi-channel consistency for the 10% to 15% of its “best” customers, Home Shopping Network is offering a private label credit card and access to an exclusive online portal. The HSN “best” customers will receive customer appreciation events, sweepstakes, coupons, reward certificates and flexible financing benefits. The credit card-based loyalty program was developed in conjunction with Alliance Data.



HSN also has developed an iPad app to increase customer convenience with HSN video. The free app features the entertainment factor of live HSN video footage and 15 channels of archived video. The app also gives shoppers the chance to sift through inventory and shop while they’re watching video content.

HSN has released a similar app for iPhone, Android and Windows 7 phones that also offers a video feature, optimal search capabilities, and allows users to view daily specials. The app includes a “shake2shop” feature, which randomly selects items to browse, and provides the chance to win coupons for up to \$100.

HSN also launched an online arcade in May 2011 to entice shoppers to spend more time on the company’s primary site. The format of the arcade features the game, which appears on approximately two-thirds of the screen, HSN’s live stream, and links to top-selling items. Facebook integration also is included, allowing shoppers to share their game scores and share items on their profiles.

HSN is on a growth path, experiencing a jump in financial growth at the end of 2010, with a net income of \$3 billion, up from \$2.75 billion in 2009. Within those two years, the company also reported a boost in items shipped, up from 14.7 million in 2009 to 15.9 million in 2010.

Company: Home Shopping Network

Web site: www.hsn.com

Number of Stores: N/A (TV- and Internet-based business)

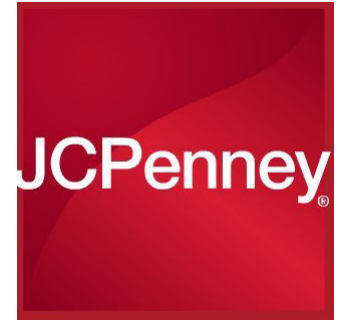
2010 Income: \$3 billion net sales/revenue; \$1.02 billion gross income



Category: Social Commerce

JCPenney

Facebook commerce has been a hot-button topic in the last year - starting with the integration of the model by 1-800-Flowers.com. However, when JCPenney implemented a Facebook store in December 2010, the department store retailer became the first major retailer in the market to synch the POS system with the Facebook fan page. This move allows shoppers to browse collections, share items, and comment on inventory.



Not only does the retailer's implementation of F-commerce improve the speed and effectiveness of customer interaction and opinion, it also creates a streamlined experience for shoppers to easily buy items and communicate in a single channel. Facebook users now have the ability to manage their cart and make a purchase without leaving their profile.

This new platform was developed by JCPenney's integration with Usablenet, a provider of mobile and web apps. JCPenney customers can complete transactions without having to leave Facebook. With more than 1.8 million "Likes", JCPenney uses its Facebook page as a vital tool for engaging with online customers.

Since adopting this new era of e-commerce, the retailer has seen significant growth in its net and gross income. In 2010, Q4 was closed out with a net income of \$17.76 billion and gross profit of \$6.96 billion. Overall, JCPenney experienced a net growth of 1.14% from 2009.

The retailer also has made a foray into the iPad market with a search program for jewelry shoppers. With the "findmore" experience, jewelry associates are able to showcase JCPenney jewelry offerings and bridal collections.

JCPenney also found success during the 2010 holiday season by utilizing the iAd network and offering mobile coupons to shoppers. The iAd platform gave potential buyers the chance to send out gift lists through SMS, search store locations and make purchases via their mobile site.

Company: JCPenney

Web site: www.JCPenney.com

Number of Stores: 1,108

2010 Income: \$17.76 billion net income; \$6.96 billion gross income

Category: Mobile Commerce

Macy's



Macy's is one of first retailers to utilize Google Wallet, the latest technology involving near field communications (NFC). Now shoppers can store their credit cards inside their smartphone, streamlining the entire buying process. Beginning September 1, 2011, the Google Wallet will be available in Macy's stores in New York, Washington, San Francisco and Los Angeles.

Macy's primary mobile site, powered by Usablenet, is equipped with optimal search capabilities, a store locator, and allows customers to browse and make purchases online. Macy's also has run several promotional campaigns designed to motivate more customers to opt in to the mobile site.

Macy's also has adopted social media strategies to appeal to today's consumers. In a recent campaign, the department store retailer used Facebook to help boost Father's Day sales. Garnering nearly 2 million "likes," the social networking page featured a Father's Day gift guide, which linked directly to the Macy's web site. Shoppers could then browse dad-specific inventory that coincided with the store's Father's Day sale. The Facebook page also offered a card-making feature for the holiday to draw more traffic. Visitors could design, upload pictures and write messages, then upload the finished product on their own page.

QR codes and SMS were put into action for Macy's Backstage Pass campaign, offering shoppers "behind the scenes" opportunities on new products and designer lines. Starting in February 2011, Backstage Pass delivered 30-second videos with fashion tips from Macy's brand leaders, including Bobbi Brown and Tommy Hilfiger. The retailer was one of the first in its realm to utilize QR Codes for promotion and product information.

With a continued focus on shopper personalization, Macy's introduced MyMacy's nationwide in 2009. The MyMacy's initiative allows individual store managers to assort by location and customer demand in order to increase brand loyalty.

Company: Macy's

Web site: www.Macys.com

Number of Stores: 810

2010 Income: \$25 billion net income; \$9.03 billion gross income



Category: Social CRM

Sears Holdings Corporation

Through a number of successful promotional campaigns, social media tactics and marketing strategies, Sears Holdings Corporation (SHC) has provided improved customer service and multi-channel shopping strategies for Sears and Kmart stores. With the “Shop Your Way” program, the retailer develops the buying process based on the customers’ needs. Shoppers can complete purchases online, through mobile technology, catalogs or a Personal Shopper app, and purchased through Sears card, layaway, PayPal or eBillme. Shop Your Way provides shoppers with a variety of delivery and pick-up options, including buy online/pick up in-store, third-party pick up, curbside pick up, and home delivery.



The company has received recognition for its quick web adaption for the mobile-equipped shopper. STELLAService, an independent customer service ratings agency, named SHC “Elite” status on their list of top 150 web sites for customer service performance in 2010. Acquity Group deemed the company “Overall Best-in-Class” for its mobile efforts, and the MySears Community won a Stevie Award in the Retail Web Site & Blog category.

SHC also has embraced social media in order to gain wide exposure and promote cross-channel capabilities. Among both Sears and Kmart web sites, Facebook fans grew 111%, and Twitter followers increased by 278% in 2010 alone. The retailer brands also have ventured into the app world for iPhone, iPad, Android and Blackerry. Shoppers can access the entire inventories for both Sears and Kmart via these apps as well as store locations and product reviews.

Additionally, in 2010 Sears launched the Personal Shopper app, which offers an in-depth inventory search. To use the application, shoppers can take a photo of a product, send it through the app to find a similar item, and complete the purchase through the retailer’s web site or in-store.

Company: Sears Holdings Corporation

Web site: www.Sears.com and www.Kmart.com

Number of Stores: More than 4,000 full-line and specialty retail stores

2010 Income: \$43.33 billion net income; \$11.87 billion gross income



Category: Payment

Starbucks

Since its inception in 1971, Seattle-based Starbucks has been considered a leader in the retail coffee business. However, it was in the 1990s that the coffee chain began to show true leadership with innovative marketing and CRM techniques. Today, with more than 17,000 stores worldwide, Starbucks has found new ways to increase customer loyalty and brand awareness. In early 2011, the company upped the POS ante by nationally releasing the Starbucks Card app for iPhone, iPod Touch and Blackberry. Now, Android users also can download the application.

The Starbucks Card Mobile Application allows customers to pay for in-store purchases simply by using their smartphones. By entering their Starbucks card number, users receive a designated barcode, which is scanned by the tender. Customers also can check their balance, keep track of stars earned to redeem free products, and find nearby store locations.

In terms of mobile, Starbucks has made several developments that have helped shape the state of m-Commerce. The brand successfully motivated customers to opt-in to a geo-location program, which sends news and coupon offers via text based on age, gender and interest. Mobile and social media also were highlights during Starbucks' recent year of mobile innovations. By utilizing banner ads featuring the "however-you-want-it" Frappuccino on the Pandora iPad app, the company efficiently reached a wide range of potential customers. This, along with the Frappuccino Happy Hour and SMS campaign during the MTV Movie Awards made the beverage a brand of its own.



Company: Starbucks

Web site: www.Starbucks.com

Number of Stores: More than 17,000 worldwide

2010 Income: \$10.7 billion net income; \$5.7 billion gross income

Category: Mobile

Target

Target has been a leader in the use of cross-channel strategies with the adoption of new social networking sites and technologies. More importantly, the mega-retailer is a leader in creating a stellar customer experience for its loyal shoppers. To drive traffic to the Target website and its worldwide locations, the discount retailer has utilized SMS, mobile applications, and the Target mobile site.

Target has teamed up with location-based app shopkick to offer coupons and specials each time a visitor checks into a Target location. Items up for grabs include necessities like cleaning products and groceries, and luxury products like electronics and games. Coupons are redeemable through a scannable barcode via smartphone.

Customers also can opt-in with the My TargetWeekly program through mobile web, SMS and email. My TargetWeekly provides shoppers with special deals customized to their needs and preferences. In turn, they receive current relevant coupons and deals. The powerhouse brand also has launched an opt-in program where customers receive a monthly barcode coupon delivered to their mobile phones that is redeemable for offerings at in-store POS.

Another venture that helped optimize customer experience and shopping experience is the Target app for iPad. Released November 2010, the free download allows customers to build, share and update shopping lists, flip through catalogs, locate nearby stores, drop items into their shopping cart and make purchases via m-Commerce.

To celebrate summer's arrival, Target recently launched the "Make Summer Funner" campaign, which is dominant in its Facebook strategy. Visitors spin a wheel highlighting fun activities they can do during the summer based on the weather — sunny or rainy. The retailer provides all items users need for the chosen activity by re-locating them to the Target site.



Company: Target

Web site: www.Target.com

Number of Stores: 1,752

2010 Income: \$67.39 billion net income; \$18.76 billion gross income



About

Retail TouchPoints

Retail TouchPoints is an online publishing network for retail executives, with content focused on optimizing the customer experience across all channels. Tapping into the power of the web 2 .0 environment, the Retail TouchPoints network offers a weekly e-newsletter with category-specific trend pieces, turnkey retail case studies, innovative solution spotlights, interactive video interviews and benchmark research. Visit our content-rich web site at <http://www.retailtouchpoints.com>.

