### SEARS HOLDINGS

# Retail Renaissance: White Goods Market Trends

## **ICF EE Products Workshop 2017**













# Not a week goes by...





## Now Trending

- 1: RETAILERS CREATE INTERACTIVE SHOPPING EXPERIENCES
- 2: AUGMENTED AND VIRTUAL REALITY (AR & VR)
- 3: HEALTHY LIVING—THE NEWEST OLD TREND
- 4: THE ROBOT INVASION
- 5: BRANDS AND CONSUMERS "SOCIALIZE"

## Now Trending

- 6: SHIP-TO-STORE: A NEW WAY TO INCREASE FOOT TRAFFIC
- 7: CONVERSATIONAL COMMERCE: THE NEWEST PURCHASE CHANNEL
- 8: QUICK HITS: PARTNERSHIPS AND POP-UPS
- 9: CASH IS NO LONGER KING: EMERGENCE OF THE CASHLESS SOCIETY

10: INTERNET OF THINGS (IOT)

## Balancing the Experience

#### Why have consumers reduced visits to physical shops?

Consumers who have reduced visits to physical shops in the past three years were asked to select the most important reason for this from each pair



#### FACTORS THAT HAVE PULLED CONSUMERS AWAY FROM STORES

FACTORS THAT HAVE PUSHED CONSUMERS AWAY FROM STORES



EASY TO SHOP ONLINE

35.4%

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HARD TO SHOP STORES **64.6%** 

ONLINE IS INSPIRING
29.3%

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STORES ARE UNINSPIRING
70.7%

OFTEN NEW PRODUCTS ONLINE **38.9%** 

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SELDOM NEW PRODUCTS IN STORE 61.1%

ONLINE IS CONVENIENT **56.7%** 

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PHYSICAL IS INCONVENIENT
43.3%

ONLINE IS CHEAPER 58.2%

PHYSICAL IS MORE EXPENSIVE
41.8%

ONLINE SERVICE IS GOOD 40.6%

PHYSICAL STORE SERVICE IS POOR 59.4%

ONLINE IS A FUN EXPERIENCE 27-9%

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STORES ARE A DULL EXPERIENCE
72.1%

Notes:

Only those consumers who have decreased visits to physical stores over the past 3 years are included; those who said 'don't know' or said 'neither factor' in each pair was important have been excluded from the calculations.

Source: Global Data Retail

## **Omni-Channel Retail: Blurring the Lines**



 ONLINE RESEARCH LEADS TO IN-STORE SALES

 STORE DISCOVERY & EXPERIENCES LEAD TO ONLINE SHOPPING





Source: Commercial Real Estate Development Association via NRF News

## **Store Growth**



SEARS HOLDINGS SEARS Kmart SHOP YOUR WAY

## **Innovative Partnerships**







# ALMOST HALF OF ALL AMERICANS EITHER OWN SMART HOME TECHNOLOGY

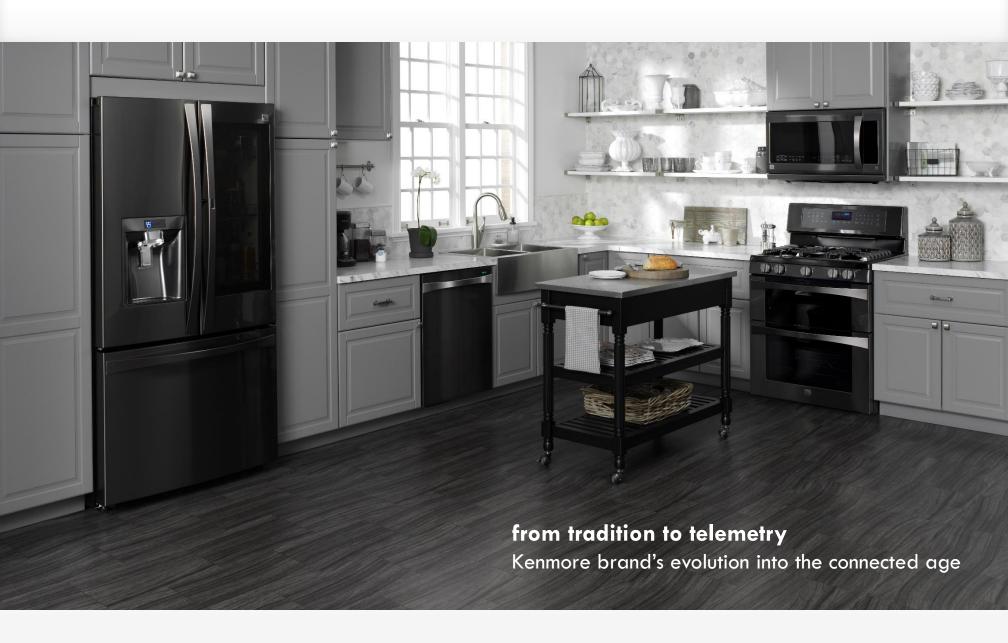
OR PLAN TO INVEST IN IT IN 2017.

— COLDWELL BANKER SMART HOME MARKETPLACE SURVEY



# ONLY 28.1% OF CONSUMERS SURVEYED OWN SMART HOME DEVICES BUT 52.2% PLAN ON USING NEW SMART HOME DEVICES.

— 451 RESEARCH'S VOCUL, CONSUMER REPRESENTATIVE SURVEY, Q4 2016





AND SO NO ONE GETS LEFT BEHIND...

## KENMORE® IS DEVELOPING SMART ADAPTION KITS

THAT WORK ON PRODUCTS GOING BACK AS FAR AS EIGHT YEARS.



sears





### Collaborate to Succeed

Energy Industry Network

EPA/DOE

ESRPP