

# It's A New Generation Of Precision Retailing

NEW YORK— Whitney Ryan works with Albing International Marketing on its continuing study of what motivates Millennial consumers (see story on page 45).

That Ryan is a self-professed Millennial gives her observations and conclusions all the more authenticity.

Millennials? You might know them as Generation Y, the Net Generation or Echo Boomers. Whatever you call them, they are a prime group of on-their-own-for-the-first-time shoppers who could determine the winning retailers for a generation to come.

Millennials already influence \$1 trillion (yes, 12 zeros) of spending. In other words, you need them in your stores now if you want them in your stores later. And you'll need them in your stores later.

## Shattered Bubbles

These technology-dependent, social networkers— sheltered by their parents since infancy, only to have their bubbles shattered by 9/11 and then again by the recession— don't shop with the same debt-be-damned abandon of the previous generation.

When asked if she likes to shop, Ryan admitted, "Yes," but with one very important caveat: "When I can afford it."

Getting Ryan and others in her cluster to part with cash will take finesse and precision by marketers and merchandisers. Millennials gladly will spend, though, if it makes their lives easier, efficient and in control. More promising news: They express a strong desire to buy homes if/when job and credit markets cooperate.

As much as Millennials cherish practicality, products that make them feel unique can sway them. They respond to deals more than discounts, and if



you don't think there's a difference, you're already at a disadvantage with them. Deals are personal. Discounts are for everybody.

Millennials crave an individualized, design-forward buying experience without surrendering the volume price advantages inherent to big-box mass retailing. That bodes well, it seems, for priced-right specialty retail concepts and for lifestyle malls and department stores refocused on these consumers, their values and their needs.

## Shopping Roots

The biggest mass discounters need to adapt to keep this important con-

sumer group from planting their shopping roots elsewhere. These retailers are challenged to widen their share without neglecting their core customer bases. As Walmart and Target are learning, chasing each other's customers isn't always an overnight growth maneuver when it dilutes one's market identity and market advantage.

## Personal Values

One-size-fits-all retailing remains entrenched, but don't be surprised if fresh, niche-mass concepts (get to know Five Below) and mature formats reinvented for the new age (keep an eye on JCPenney) emerge among the next pack of winning merchants.

This edition of HomeWorld Business, our annual Top 100 Housewares Retailers report, examines the need for retailers to home in on distinctive consumer segments with more precision than ever as shopping preferences are reset by shifting personal values.

Not just among Millennials, although they'll be in the shopping driver's seat for years to come. It might be Hispanics. Or aging Baby Boomers. Or some group that has yet to arise with stacks of untapped purchase influence.

It's important to measure the top housewares retailers now with an eye on which could be the top housewares retailers in five years, 10 years and beyond. Consumers will decide that, not retailers. Retailers nonetheless bear the burden of pinpointing who they want in their stores, how to motivate them to shop there and how to keep them coming back.

It's a new generation at retail.

You could begin by listening to Whitney Ryan. 