



Retail Update

Susan Dickenson

Retailers get serious, more selective, about social media

WHILE POSTING THE nominations call for Home Accents Today's 2013 Retail Stars, I was reminded of a contest that was under way at the National Retail Federation at this time last year. The NRF had put out a call for the "Best Retail Story in America," to be communicated via a two-minute video.

This past January, during the NRF's annual conference in New York, the contest winner and two of the top five finishers participated in a panel discussion before a standing-room only crowd. NRF Foundation Director Ellen Davis, who moderated the discussion, said the entries exhibited a number of very unique ideas that were helping retailers around the country connect with their customers.

A week after the event, Davis blogged about the panel discussion on the NRF's website, summarizing some of the key points. A couple of those points revealed a new maturity and wisdom when it comes to the use of social media — and what does and doesn't work for retailers:

(First place winner) Tanna Dang is a small Honolulu boutique owner with a BIG Facebook page. While her 13,000 fans haven't come through advertising, Dang is the first to say that the best way to leverage Facebook is to spend money on it. Believing that Facebook is an extension of her brand, Dang pays a professional photographer and a copywriter to put together Facebook posts and cover photos. Her Facebook look always matches the company website, which you can believe takes some finagling. Dang shared a number of examples of how one Facebook post has helped move product that had formerly been sitting on shelves for weeks (by declaring purple and yellow the new "it" color combination), and how the company has been able to sell out of items in mere hours after one post. After one attendee asked about the ROI

of Twitter, several of the panelists talked about their lessons learned on the importance of prioritizing. Twitter doesn't lend itself to showcasing experiences or a brand, said the panelists, so they haven't found it as valuable. And even those channels that do help you demonstrate your brand need to be evaluated. (Second place winner, stationery and gift store owner) Kim Williams talked about choosing to shut down her blog after several years because it was a "time suck" and she didn't

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see the work translating into sales. Instead, she has chosen to focus on Pinterest, which has already proven to be a better way of connecting with the moms who visit her store.

Williams' experience with Pinterest confirms a February demographics report by Blacksburg, Va.-based Modea. The numbers suggest that 68% of Pinterest users are women, 50% have children, 49% are between the ages of 25 and 44, and 28% have an annual household income of \$100,000+.

Another study, this one by e-commerce consultancy RichRelevance, found that while Facebook currently dominates as a source of traffic for retail (at 86% of referrals), shoppers referred by Pinterest spend much more money than Facebook or Twitter shoppers, with an average order value of \$169, vs. \$95 for Facebook and \$71 for Twitter. The data came

from 689 million browser-based shopping sessions that took place online between Jan. 1 and Aug. 31, 2012.

An impressive example is the case of Sephora, an early adopter of Pinterest. VentureBeat writer John Koetsier last month reported that, per capita, Sephora's Pinterest followers spend 15 times more on the company's products than its Facebook followers. "The reality is that when you're in the Pinterest mindset, you're actually interested in acquiring items, which is not what people go to Facebook for," Sephora's head of digital Julie Bornstein told Koetsier. "Facebook continues to be just a great customer interaction tool that gives us the real-time ability to dialog with our customer; it's a big customer-service venue for us."

In a shopping survey conducted last fall, Bizrate Insights found that Pinterest is more often used as a destination for shopping inspiration, tracking, and product discovery. Forty-three percent of the respondents use Pinterest, and 24% use Facebook, to associate with retailers or brands. Sixty-seven percent said they use Pinterest to keep up with the latest trends "on things like fashion and home décor" vs. 22% on Facebook.

There's still a lot of room for Pinterest, which launched three years ago this month, to grow in popularity. In January 2012, Comscore reported Pinterest was the fastest site in history to break through the 10 million unique visitor mark. Bizrate Insights' data showed that as of September 2012, about 63% of online consumers have a Facebook account while only 15% have a Pinterest account.

In February, the company announced it had raised \$200 million in funding (giving it a valuation of \$2.5 billion) and that it plans to hire more engineering talent and develop more services for businesses. ■

Call for Nominations: 50 Retail Stars, 2013

Home Accents Today is currently accepting nominations for its ninth annual 50 Retail Stars feature, which recognizes independent brick-and-mortar retailers of home accents, including furniture stores and interior design boutiques, that are creative in their merchandising, contributing to their communities and distinguishing themselves from the competition. This is not a ranking, and is not based on sales volume.

Stores that have been honored as a Retail Star within the past five years are ineligible for the current year's list. Retailers that were named to the list prior to 2009, however, may resubmit. The nomination form is online at researchtodayonline.com/data/HATStars13.htm.

The 2013 Retail Stars, sponsored by Americasmart Atlanta, will be listed in the May 2013 issue of Home Accents Today. Honorees will receive both print and digital copies to reproduce and use on websites and in marketing materials. The retailers will also receive a certificate and formatted press release to share with local publications and media.

For more info, contact sdickenson@homeaccentstoday.com.

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