## **Consumer Appetite for Click and Collect Shopping**

## By Fran Donegan

In an emerging retail trend, shoppers on their home computers or mobile devices buy an item from a retailer's online site, but rather than wait for delivery, they go to a brick-and-mortar store to pick it up themselves. Seems counterintuitive, doesn't it? One of the selling points of online shopping is to avoid physically going to a store. But it turns out there are advantages for both consumers and retailers.

Retailers that have such programs, such as Walmart, Sears, Lowe's, Home Depot, Crate and Barrel to name a few, call it by different names. In the United Kingdom, where the trend is wildly popular, it's called "Click and Collect." And it is growing here. Walmart reports that about 50 percent of the items purchased on walmart.com are picked up at a Walmart store. Sears reported similar stats in a recap of Black Friday 2012 shopping.

## It's Free and It's Fast

In-store pickup is free, and many retailers offer same-day pickup for items that are in stock. The cost savings and the immediacy are important to many people. Besides saving money, click and collect allows someone to buy something and then pick it up while running other errands or on the way home from work. Or a homeowner can quickly obtain an item they may need right away, such as a tool to complete a home improvement project. Or the quick pickup option can help people prepare for possible emergencies. Last winter's storms showed that items like generators and snow throwers fly off of the shelves when a storm is approaching. Knowing where to get those products and then having one waiting for you provides peace of mind. "We are living in the age of the customer, and you can either fight these trends that are happening...or you can embrace them," said Joel Anderson, chief executive of Walmart.com for <u>an article in The</u> New York Times. "We have a lot of assets, but they're only assets if you embrace the trends of the customers."

Each retailer handles the click-and-collect process differently. On the Lowe's site, you choose a nearby store to determine pricing and availability. At Crate and Barrel, the shopper picks an item and then the site displays nearby stores that have the item in stock. In many programs, if the store you choose does not carry the item, the retailer offers the option of shipping to a store for pickup—a process that takes five to eight days. Walmart will also ship free to FedEx stores for pickup in selected markets.

## An Antidote to Showrooming

Click-and-collect programs could put a crimp in the showrooming craze where people find items in stores but then search the Web for a better deal online. The lure of free pickup that day or within a few days offsets a lower price found at another site because there are usually shipping costs involved.

There is also the possibility that the click-and-collect process could lead to more purchases. A survey by NCR Corporation in the UK found that 26 percent of the respondents want to do additional in-store shopping when collecting their online purchases. And retailers can use the pickup exchange to provide marketing materials, such as circulars and sale notices, to the customer.

The manufacturer's role is still in development. Products purchased directly from a manufacturer usually incur shipping costs. But product manufacturers that drive traffic to their site through digital campaigns can tout the features of their products and then direct buyers to click-and-collect retailers. Cuisinart.com lists online retailers that carry the company's products. A few clicks and a short drive later, and you could be enjoying blender drinks that night while Cuisinart and their online retailer enjoy your money.