

Unique Take on Competitors

Does Restoration Hardware compete with other stores or European vacations?

In-Store Sales. Less than 20 percent of Restoration Hardware's assortment available online is displayed at retail. Still, items in stores matter. The chain reports products displayed at retail experience a 50 percent to 150 percent lift across all channels. Meanwhile, Restoration Hardware doesn't see Pier One and other decor chains as its primary competitor. Rather it's other high-end luxuries. "If all of a sudden during the period you get a customer that delays that purchase intent and then decides, hey, honey, let's go to Italy, and they go spend \$20,000 on a vacation, I think we're competing against those kind of decisions sometimes," RH's Gary Friedman says.

Reuse, Replay. Some 75 percent of all trades made at GameStop stores are immediately used to buy new products. In fact, 29 percent of all next gen hardware and 30 percent of next gen software it has sold to date was purchased using trade credits. The video game chain has already sold more PS4s and Xbox Ones in five months than it had in the first year of the previous console launches.

Moving Time. Movado Group, owner of watch brands including



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Ferrari and Hugo Boss, wants to dominate all watch sales between \$300 to \$3,000. As such, company executives have repositioned Coach watches as a fashionable but affordable modern classics. "We've launched over 150 new styles, executed new fixtures, packaging it in a strong print and digital campaign. With this repositioning, we've expanded into over 500 incremental doors globally and seen watches at retail trend at 30 percent plus in sales," Movado's Efraim Grinberg says.

Dance Time. Last year SFX Entertainment's festival attendance grew nearly 35 percent to approximately 2.5 million, and its total attendance, including smaller events, rose more than 25 percent to nearly 4 million for the year. This year, it has 65 events scheduled, including a DJ competition with Clear Channel in the U.S., which will complement the DJ competition it is doing with Corona beer outside of the U.S. Plus, Clear Channel, in conjunction with iHeartRadio, is introducing a Jingle Ball-like concert series timed to Halloween that will feature mainstream top 40 artists.

German Wheels. In the first two months of the year, BMW has sold about 274,000 cars, more than any of its competitors. Its two largest individual markets, China and the U.S., account for 20 percent and 19 percent of the sales, respectively; Germany for about 13 percent. Indeed, the U.S. is a key focus, and the company is evaluating the possibility of increasing capacity with another manufacturing hub somewhere in the U.S. BMW turns 100 in 2016.

Money Check. Paychex and IHS Inc. are launching the Paychex IHS Small Business Jobs Index, a new

monthly index that examines the state of small business employment in the U.S. The index will identify and track small business employment trends and provide timely, accurate insight into national and regional employment activity, as well as report on state and metro employment trends for many of the country's largest states and metropolitan markets.

Job Numbers. Accounting firm Accenture reports that it employs about 289,000 people worldwide, with some 192,000 people in its global delivery network. Attrition – which excludes involuntary terminations – was 12 percent, and the company expects this year to add an additional 60,000 people.

New Homes. Lennar's home construction reports that its average sales price is \$316,000, up \$47,000 (18 percent) year over year. Broken down by region: the East was \$279,000, up 11 percent. Southeast Florida was \$341,000, up 26 percent. Central region was \$266,000, up 3 percent. Houston was \$278,000, up 8 percent. The West region was \$413,000, up 41 percent.

Tech Speed. More than 60 percent of Finish Line's total transac-

tions came from loyalty members in fiscal 2014, up from 53 percent last year. The athletic chain reports 40 percent of all store credit and debit card transactions have occurred on handheld devices in fiscal 2014. The company plans to spend \$46 million on technology investments, primarily to support the multi-year core systems upgrades and growth in our digital business.

Upscale Denim. No more Calvin Klein socks at discount retailers. Calvin Klein's parent company, Phillips-Van Heusen, is significantly reducing its off-price store and warehouse club sales in North America and Europe. "We need to bring our overall jeans and underwear sales distribution to the same healthy mix of sales that we have in our other highly profitable Calvin Klein businesses. We've also invested and are upgrading the quality and the design of the Calvin Klein jeans product," company executives say. This change will begin in the second half of 2014.

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