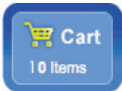


## ONLINE SALES JUMP IN 2008, DESPITE SLUGGISH ECONOMY



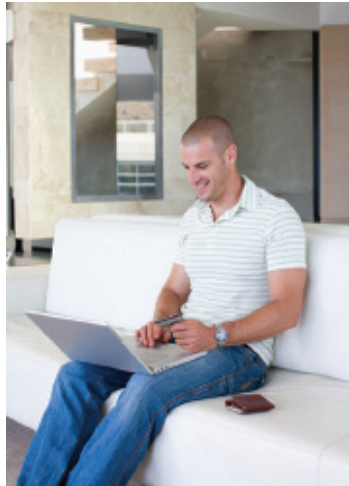
By Samantha Murphy

Experts predict retail industry sales will take a hit this year due to the struggling economy, but a recent report from Shop.org indicates that frugal and affluent shoppers alike are open to making purchases online. Based on this interest, the online category will jump 17%, putting the channel on track to hit \$204 billion by the end of 2008.

That is the message presented in "The State of Retailing Online 2008: Marketing Report," the 11th annual Shop.org study conducted by Forrester Research, Cambridge, Mass.

"While all retailers find the current economic climate challenging, online merchants are in a unique position to cater to both the affluent shopper and the bargain hunter," Scott Silverman, executive director of Washington D.C.-based Shop.org told TechTalk Tuesday.

That said, the top three categories that are expected to see the most action this year are apparel (\$26.6 billion), computers (\$23.9 billion), and autos (\$19.3 billion).



"The casual shopper goes online to look for the best price, leveraging the transparency of the Internet to save money," Sucharita Mulpuru, research senior analyst, Shop.org, and co-author of the report, said in a statement. "More affluent customers appreciate the convenience of shopping online and are not necessarily looking for the best deal. Retailers would be wise to recognize there are significant opportunities within both audiences and should market to them accordingly."

The report said that retailers are using traditional acquisition programs, such as search engine or affiliate marketing, to attract existing customers, as well as new shoppers. Search-engine marketing continues to be the most effective way to reach new customers, with about 35% of sales coming from that initiative.

Ninety percent of the retailers said they use pay-for-performance search placement, and 79% said they will make

this tactic an even greater priority this year.

Companies are also using offline marketing tactics to drive customers to the Web. Catalogs and other direct-mail pieces, for example, take priority over methods like television and newspaper advertising, the study said. *(Continued on page 2)*

## 10 Steps to Reducing Return Fraud with your POS System..



By Jeff Haefner,  
Point of Sale Software Buyers Guide

Use your POS system to....

- Step 1: track questionable returns.
- Step 2: post and display special instructions and notes for a customer.
- Step 3: post your return policy on your receipt and change the message frequently to avoid 'fake receipts.'
- Step 4: track the number of returns that each sales associate takes.
- Step 5: assign security levels to associates.
- Step 6: set a cashier return limit.
- Step 7: view multi-store information to control items purchased at one store and returned at another.
- Step 8: track your return rates over time.
- Step 9: make sure receipts are originals by using the digital receipt feature.
- Step 10: train your staff thoroughly on all return policies and procedures especially how to accept and process a return. †



Online Sales jump in 2008 - Despite sluggish Economy. Pages 1-2



10 Steps to Reducing Return Fraud with your POS System



ROI Analysis: Part 3 in Series of 4 Page 2



Optimize your technical support! Page 2

## ONLINE SALES JUMP IN 2008, DESPITE SLUGGISH ECONOMY

CONTINUED FROM PAGE 1

Although free shipping tends to be a stand-out among online shoppers, retailers are less interested in promoting free shipping options this year, the report said. While 85% of online retailers said they used some shipping with conditions promotions in the past, only 35% said that they would focus more on these types of promotions in 2008.

While current social-computing efforts have been considered more effective for brand building, study results said they are less proven for driving revenue or sales conversion. The report encouraged retailers to choose investments in initiatives with proven statistics to drive sales, such as e-mail marketing and free-shipping promotions. †

## OPTIMIZE YOUR TECHNICAL SUPPORT!



**Retail Technology Experts offers customers unlimited technical support with a quick response time for a low, fixed monthly fee.**

Our model is focused on providing prompt, excellent technical support rather than administratively balancing accounts on a monthly basis. Having a support contract affords you the benefit of a more efficient system where your calls are entered into our CRM system and promptly answered by our Technical Support Team. Alternatively, support calls would be charged with per incident fees and would not be processed as quickly.

Make sure you have all the support tools to ensure your success!

To set up your monthly support contract, please contact:



Frances at 800-513-5917 ext.127 for Retail Pro.



Mollie at 800-260-8156 ext .106 for Microsoft Dynamics RMS.

Peace of mind and assurance are just a phone call away to get started with RETAIL TECHNOLOGY EXPERTS! †

## ROI Analysis: Part 3

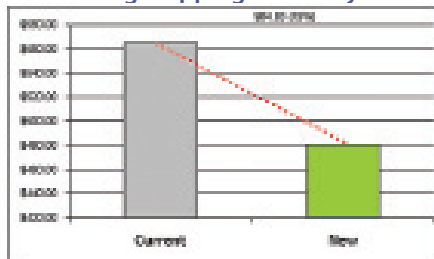


by Kyle Ritter

ROI Analysis: Part 3

In Parts 1 & 2, we discussed shrinkage/theft, inventory labor, and restocking expenses, revenue growth, gross margin, and inventory management. Continuing to Part 3 our 4 part ROI analysis series, we will discuss further ways you will find a significant return on your point-of-sale investment.

### Re-stocking Shipping Efficiency

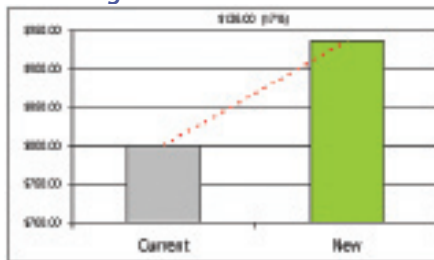


Reduce shipping expenses through better planning and management of the ordering process.

Lower shipping rates will be able to be achieved through proper planning and management of the purchasing process. Rather than having to pay higher rates to get items in quicker because inventory is running low, items can be sent by ground or cheaper methods to reduce costs. Lower shipping rates are also achieved through purchasing larger quantities and ordering by the palette.

\*All of the figures above are based upon the monthly average, and in no way guarantees specific performance.

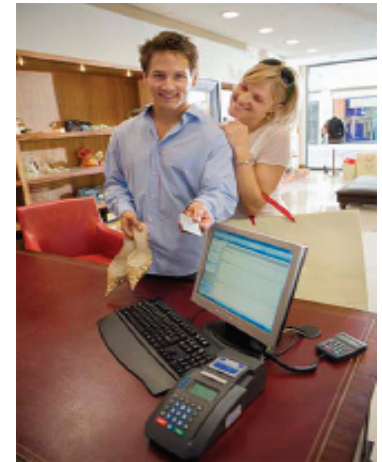
### Marketing Effectiveness



Increase the effectiveness of your monthly marketing budget.

Regardless of the size of a marketing budget, the ca|micro solution will increase the effectiveness of those marketing dollars through:

- Tracking ROI calculation for each marketing campaign.
- Use marketing dollars to target specific segments of the customer database including customers who haven't purchased recently or

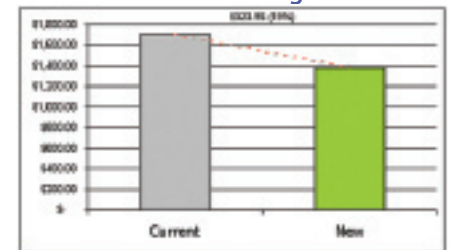


those who have purchased certain types of items.

- Use the data from marketing campaigns and sales activities to make better marketing decisions in the future.

\*All of the figures above are based upon the monthly average, and in no way guarantees specific performance.

### Checkout Line Processing



Reduce the amount of time associated with checking customers out at the POS terminal.

There are multiple benefits that come from reducing the amount of time required to check a customer out. These include:

- Lower labor costs
- More satisfied customer that don't have to wait in line.
- Few customers who walk out due to long wait times in line.
- More parking spaces open in front of your store to allow other customers to shop and fewer customers who don't stop and shop.
- Employees are available to complete other tasks like retail floor management, stocking shelves, etc.

\*All of the figures above are based upon the monthly average, and in no way guarantees specific performance.

Look for next month's Part 4 of ROI Analysis . †

### RETAIL OPTIMIZER

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