

## Welcome to IF Consulting's e-Newsletter

March 3, 2006

Our regular email tackles the topical issues that surround all marketing channels and their underlying strategies.

### The Real Virtual Store

The virtual store has been around for some time now, but the latest move by retailing giant J.C. Penney might just cause a major review of the future holds for e-commerce and retailing world. During March, a 15, 000-square-foot physical representation of the JCPenney virtual store will stand tall in One Times Square, New York. The "JCPenney Experience" store will be a showcase for its private and exclusive brands, modeled after JCPenney's signature trademark, the 'Big Red Box.' Shoppers can purchase the company's full range of merchandise available on its website at interactive kiosks.

JCPenney's CEO Mike Ullman commented, "Taken together, the full-scale branding campaign we are launching is designed to reinforce for our current customers JCPenney's commitment to offering exciting styles at smart prices in an easy, convenient shopping environment and make clear to new customers that it really is 'all inside' at JCPenney."

[http://www.businessweek.com/innovate/content/feb2006/id20060214\\_171142.htm](http://www.businessweek.com/innovate/content/feb2006/id20060214_171142.htm)

### IF Comment

The physical virtual store: that's an interesting oxymoron used to describe a physical retail environment that will make available everything that would be available in an online or virtual store. The concept is potentially brilliant as it could match the depth of product offering available online with the human contact and social interaction available at a retail location. While it could overcome the limited selection and out-of-stock issues typical of a retail store, it would still retain some of the limitations of the online shopping experience, such as delayed gratification (one cannot walk home with the purchase) and the potential hassles of having to deal with returns.

The same concept could find some smart applications in third party retail and distribution networks by allowing the integration of a company's web site complete product offering with a distributor or a reseller. This type of integration could represent a significant enhancement to the Value Proposition a company could offer to its channel partners.

### Snippets

According to the latest research by the William Rosenberg International Center of Franchising at UNH, franchisors worldwide, and particularly those in the U.S., are poised to make the most of the European Union, which represents a single market of more than 450 million consumers in 25 nations.

<http://www.newswise.com/articles/view/518491/?sc=rsbn>



Marketing Channel

Strategy Consultants

Maximizing shareholder value  
through creating the best route  
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IF International

ACN 004 783 519

PO Box 446

Brighton Victoria 3186

Australia

Telephone +61 3 9596 0074

Facsimile + 61 3 9596 8172

email channels@i-f.com

www.i-f.com

USA

Europe

Australia

Latin America



Although it is worth around £10billion in the UK, the concept of franchising is surrounded by confusion and even suspicion. According to one report, almost half of those considering setting up their own business do not understand what franchising entails.

<http://www.eveningtimes.co.uk/hi/news/5049377.html>

Apple will offer college basketball fans a chance to download the games or game highlights through its online iTunes Music Store. Condensed versions of the 63 Division 1 men's NCAA basketball games will be available for download a day after they air on CBS.

<http://www.ecommercetimes.com/story/9XCslsbXH0drqR/iTunes-Fuels-March-Madness.xhtml>

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<http://www.i-f.com>