

The image features a repeating pattern of white bullseye targets on a light gray background. A large, prominent red bullseye target is positioned in the upper right corner. The word "TARGET" is written in a bold, red, sans-serif font across the center, with a registered trademark symbol (®) at the end. A thin red horizontal line is positioned below the word "TARGET".

TARGET®

DAVIS WOMEN IN BUSINESS

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THE MISSION

Create an amazing
in-store experience
that complements
the digital experience
and results in
increased trip frequency,
basket size,
and topline sales.

OUR APPROACH

THE PROBLEM

- Decreasing foot traffic in stores
- Declining retail sales
- Losses to competitors

GOALS

- Revamp in-store consumer experience for millennials
- Integrate online platform with pop-up store model
- Emphasize value of the Target brand



OUR SOLUTION

Combine

pop-up stores

**with advanced technological integration
to optimize**

overall consumer experience.

FRAMEWORK

DIFFERENTIATE

Provide a unique user experience through implementing pop-up stores within Targets nationwide



REINFORCE

Partner with designers to display collaborations, emphasizing appeal of pop-up stores



PERSUADE

Personalize consumers' experience by hiring event consultant team and expanding marketing



INFORM

Promote through community influencers, social media, and a streamlined virtual experience



OUTLINE

- **Introduction**
- **Pop-Up store analysis**
- **Social media command center**
- **Financial analysis**
- **Q&A**



**POP
UP@TARGET®**

MILLENNIALS

- By **2020** millennials will account for nearly **\$1.4 trillion** in spending power.
- Millennials use their disposable income to pay for **experiences** rather than **tangible goods**.
- When they do shop for **traditional goods** they look for **customization**.

WHY DOES THIS MATTER?

POP-UP STORES

- **Temporary** retail even that creates the feeling “**here today, gone tomorrow.**”
- **Temporary** use of physical space to create a long term, **lasting impression** with potential customers.

Millennials love them!

We can leverage pop-up shops to create an **amazing in-store experience** and **generate profits.**



POP UP@TARGET[®]

“Soft opening” for future
Target collaborations and
partnerships

BENEFITS

Test a new revenue stream

- ◉ Pre-market analysis for collaborations, partnerships, and products
- ◉ Finalize product/supply chain logistics and re-evaluate potential problems

Engage customers in-store

- ◉ Millennials are drawn to in-store experiences
- ◉ Stylists & guides to answer questions - train *Executive Team Leaders*

BENEFITS

Create “get it while it lasts” urgency

- Limited quantities + exclusive products
- Bloggers & social media mavens create hype

Generate brand awareness

- Photo booths, Instagram backdrops: create social media presence
- Point customers to other channels through in-store engagement

TIMELINE

SEASONAL

FALL | WINTER | SPRING | SUMMER

Pop-up shop “soft opening”: **one week long**
3 to 4 month gap between pop-up and storewide
release

Enough time to **test out** collaborations &
partnership and **create excitement**

SOCIAL MEDIA

COMMAND CENTER

“A social media command center is simply a dedicated area where a company’s social media team can monitor and engage social conversation around their brand and market.”

-Salesforce

SOCIAL MEDIA

COMMAND CENTER

CURRENT DUTIES

Monitor conversations about Target and its products around the globe, taking a reactive approach by mitigating problems associated with bad PR, for forwarding the post to the correct internal team.

FUTURE GOALS

Maintain reactive approach while adding a more proactive division: analyze feedback from pop-up events to better optimize topline sales and scout out potential trends and partnerships.

FINANCIAL PROJECTION

5-YEAR PROFITABILITY ANALYSIS

Research has shown that **experimental marketing** and **improved customer awareness/service** has a proven effect on purchase intention, overall foot traffic, and expanded millennial market share capture, leading to a combined effect of **topline sales increases** ranging from **10% to 15%**

Let's spread out this assumption over a period of **5 years** and put a few parameters in place

REALITY PARAMETERS

EXPANSION PARAMETER

50 stores open
the first year with a
100% store year by
year increase for
the next 4 years to
strategize
and adjust our
game plan

COST PARAMETER

- Initial cost of collaboration each quarter
- Cost of pop-up stores (including promotional stipends, loss of space, etc.)

FAILURE PARAMETER

Collaboration failure as we adjust to consumer expectations and market trends

PROFITABILITY ANALYSIS



5 YEAR PROFIT PROJECTION					
(All numbers in thousands)					
Income Statement	2017	2018	2019	2020	2021
Sales revenue	\$72,618,000	\$73,344,180	\$74,811,064	\$77,055,396	\$80,137,611
Less: COGS (incl. D&A)	\$53,180,000	\$53,711,800	\$54,786,036	\$56,429,617	\$58,686,802
Gross Profit	\$19,438,000	\$19,632,380	\$20,025,028	\$20,625,778	\$21,450,810
Less: SG&A Expense	\$14,880,000	\$15,028,800	\$15,179,088	\$15,330,879	\$15,484,188
Less: Interest expense	\$ 611,000	\$617,110	\$629,452	\$648,336	\$674,269
Less: Taxes	\$1,296,000	\$1,308,960	\$1,335,139	\$1,375,193	\$1,430,201
Target Profitability Analysis	\$2,651,000	\$2,677,510	\$2,881,348	\$3,271,370	\$3,862,152
Net Income Increase (1 vs. 5)	46%				

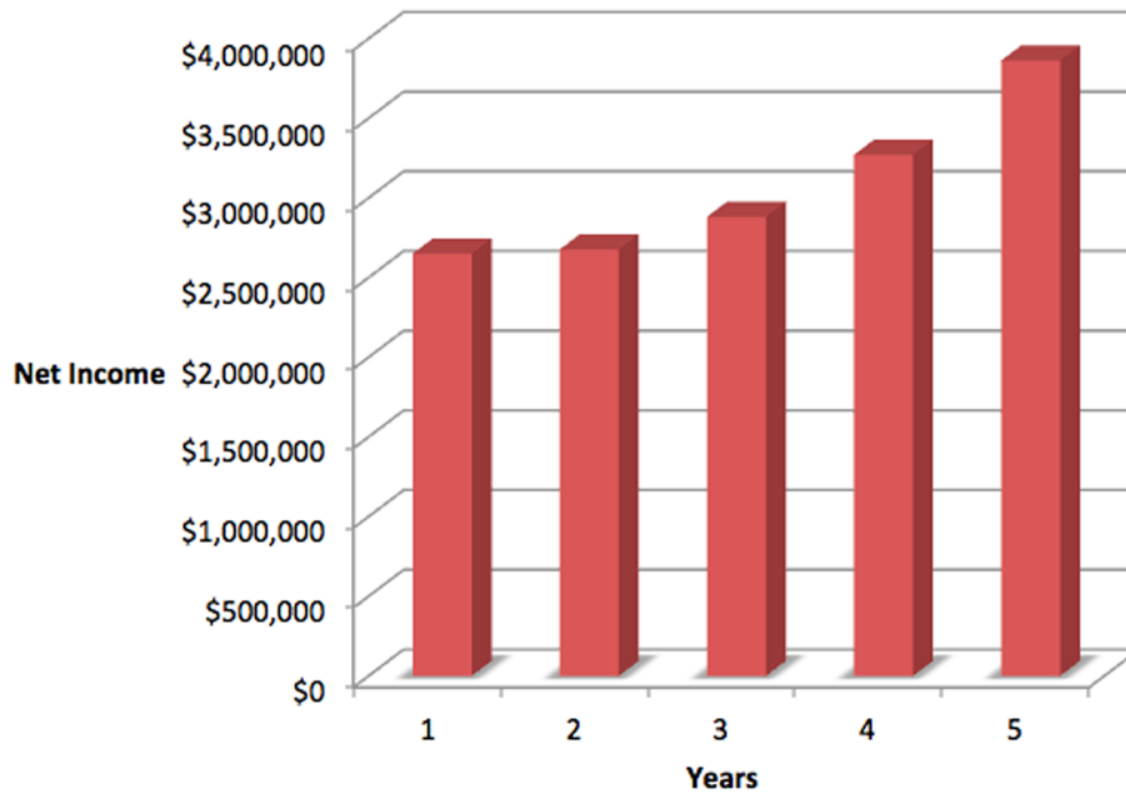
EXPANSION PARAMETER: Reflected in yearly increases in sales revenue

COST PARAMETER: Reflected in SG&A Expenses, Cost of Goods Sold, and SG&A Expense

FAILURE PARAMETER: Reflected in uptick in SG&A Expenses; primary costs result in a 0.39% year-by-year increase, but we set it to 1% to account for collaboration flops

PROFITABILITY ANALYSIS

Target Profitability Analysis



By integrating the parameters over a 5-year period, we are still able to reach a steady 10% topline growth rate over a period of 5 years and a 46% increase in net income

THANK YOU!

QUESTIONS?

