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THIS WEEK IN CONSUMER ELECTRONICS

The Focus Is On Females At Best Buy's Studio D

BY ALAN WOLF

NAPERVILLE, ILL. — Best Buy, through its ground-breaking customer-centricity research, has identified a key consumer group that shuns its big-box stores.

This demographic, which is not terribly comfortable around CE technology or astute at using it, tends to be overwhelmed by the stores' vast assortment and is put off by their clamor.

Another characteristic is that it represents about half the people on the planet.

"We've determined that women's needs are not being met," acknowledged Pam Langseth, an innovation development director, Best Buy's version of a skunk works operation.

To tap into this critical yet underserved customer, and to plan for a time when Best Buy locations saturate the landscape and are no longer the company's growth engine, Langseth's unit developed a new store format — and approach to market — dubbed Studio D.

Located in the Chicago suburb of Naperville, the nine-month-old retail laboratory is everything that Best Buy is not: It's small, at 5,000 square feet; it's quiet, with only soft music playing in the background; and it's uncluttered, with a limited assortment that's built around digital cameras, one of the few CE categories that women, as the family memory keeper, have enthusiastically embraced (see story, below).

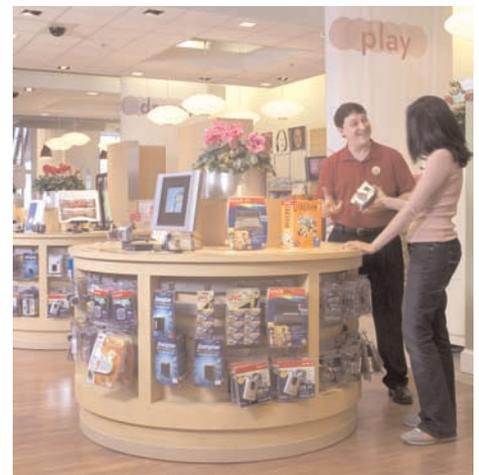
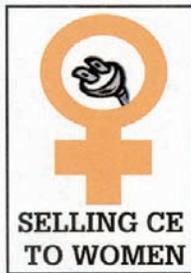
The boutique uses blond woods, carpeting and soft lighting to create "an aesthetically pleasing space" that's clean and open, Langseth said, plus fresh-cut flowers and a

yellow and white color scheme to convey a neighborhood-store feel. It also provides a no-pressure consultative selling experience akin to Nordstrom, Pottery Barn or William Sonoma, wherein customers are "served by a consultant who assesses their needs and pulls from an edited assortment," she said. Staff members are personable, chatty and promote browsing, while empowering signage encourages customers to "Play," "Learn," "Remember" and "Explore."

Perhaps most important, Studio D, through the use of personalized service, classroom workshops and in-store special events, cultivates a sense of community that encourages repeat visits. "It's community-centric retailing, where the store becomes part of your life," explained Mathew Moore, environmental design director at ESI Design, an experiential design firm that has helped develop such interactive public spaces as the Sony Wonder Technology Lab; Niketown store displays; and several bleeding edge projects for Best Buy, including its West Hollywood lab store, another outside-the-box prototype for twenty-something males called Escape, and Studio D.

To that end, Studio D offers classes in collage making, digital scrapbooking and basic and advanced digital photography, and has a community gallery area where customers can display their work and chat over coffee and light meals.

The store also has a print lab, which produces prints and posters, and carries such ancillary items as printers, paper, picture



Studio D's sharply edited assortment includes digital cameras and accessories, as well as wireless products, bags, picture frames and Apple computers and iPods.

frames, printable invitations, wireless products and Apple computers and iPods. To further foster a sense of community, 1 percent of sales are donated to local charities.

The store is linked to Best Buy through cross promotions with, and referrals to, Naperville's area superstores.

Presently, there are no formal plans to expand Studio D. "First we need to figure out if we could make a good business out of it," Langseth said. And while Best Buy anticipates a long ramp up to profitability — "We have had the luxury of not having to generate lots of revenue initially," Moore noted — Studio D has exceeded expectations along the learning curve.

"The point is to learn," Langseth said. "To understand how women use technology, how to develop community" — and how to carry some of those lessons back to Best Buy stores.