**Dock of the bay**

When you think of personal sellers in a retail environment, your mind most often drifts toward

those who are rich and famous and can afford the luxuries of both the selling service and merchandise. A Canadian retailer known for its longevity more than its high-end price range, has been toying with the idea of personal selling for the last few years.

The Hudson's Bay Company (HBC), otherwise known as the Bay, has origins tracing as far back as 1670, to the days of fur trapping and trading in the wilds of Canada. The company has significant real estate holdings, with flagship stores in most major cities in Canada. Over the last f*ew* years, HBC has increased its holdings to include brands like Saks Fifth Avenue and Lord & Taylor. The Bay has also recently increased its presence in Europe with a few new brands and a brand new retail location in Amsterdam, the first of more than 20 locations planned in a huge expansion into the Netherlands.

However, this impressive history and vast real estate holdings have not necessarily landed HBC in a current position of greatness in the retail industry. While it has survived in the department store space, unlike former rivals Sears and Eaton's, the Bay is still faced with a few significant challenges. First, mall traffic has slowed, and for a company that relies on being an anchor in a mall, this has been a challenge. A likely reason for lower mall traffic is the ease and availability of online shopping options. Companies like Amazon offer price discounts and convenience, compared to a bricks-and-mortar location like the Bay.

In these challenging times, the Bay has tried to keep up to the modern shopper, while not chasing trends. CEO Jerry Storch noted in 2017: "Rather than chase the rapid industry changes, our transformation plan will reposition HBC to get ahead and stay ahead."

Part of this transformation includes providing an incentive for customers to visit the stores that HBC has so heavily invested in other years. And one way to do that is to offer unique services like personal selling. Personal selling involves one-on-one interaction with a customer and a specialized sales representative who helps the customer make decisions on clothing and other personal items.

This personalized service provides a much different shopping experience than sitting at a computer and making choices on size and style on the click of a key. As CEO Storch mentioned in a CTV News story in 2015: “Personal selling is one of the most important applications' in the pocket of Hudson's Bay and Saks Fifth Avenue as it navigates an evolving market where customers expect personalization."

Higher end retailers like Holt Renfrew and now current Bay brand Saks have offered personal shoppers to their customers for decades. However, much of the merchandise being sold was

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costly enough to cover the cost of compensating a personal shopper. The Bay, ho*w*ever, is hoping that volume wins over high price.

Instead of targeting high-income individuals like more exclusive retailers, the Bay hopes to attract the return customer who would appreciate the assistance and guidance of a personal shopper. The Bay identifies this group as the "aspirational upper middle class in Canada," a shopper who has likely already been a Bay customer in the past. There are more of these shoppers, but the challenge remains to attract them in an engaging way.

The Bay has not moved too far on its personal shopping plan since the announcement in 2015. It has put together a few locations that have personal shopping, but much of the focus appears to be on providing personal shopping-type services online and with mobile devices through smartphone applications. Yet, the lack of true execution of a physical personal shopping program at the Bay will make it challenging for customers to engage online.

It's for this reason that you have been requested to provide some assistance to the Bay. Your marketing acumen is such that you understand personal selling and the processes that need to be created for success. Your challenge is to create a personal shopping program for the Bay that adheres to the principles of personal selling in marketing. Use your understanding of personal selling to create a solid program, one that will avoid having the Bay fall into another retail trap.

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