



new balance

Team 17

Nathalia, Matt, Eric, Shresth, Wilson



OUR TEAM



/ Nathalia Lewis



/ Eric Rajaratnam



/ Shresth Jain



/ Wilson Guan



/ Matt Tucker

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SUMMARY

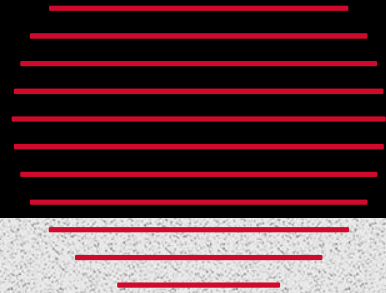
PROBLEM STATEMENT



New Balance must apply business practices to modernize their in-store space and employ tactics to decrease in-store area, all while enhancing the overall customer experience



COMPANY PROFILE



- Founded in **1906** Boston, Massachusetts
- 2022 revenue of **\$5.3 billion**
- CEO: Joe Preston, **+25 years at N.B.**
- **4th** largest footwear brand in the **US**
- Sells footwear and apparel worldwide over **120** countries
- **10 million** followers across various platforms
- The only major company in the USA to assemble **4 million+** shoes per year



CONSUMER PROFILE



/ In-person

Older, more brand loyal, tactile customers, requiring personalized attention and service

/ Digital

Younger, and tech savvy, prioritizing instant gratification and exclusivity

DEMO / PSYCHO / BEHAVIOURAL GRAPHICS



/ In-person

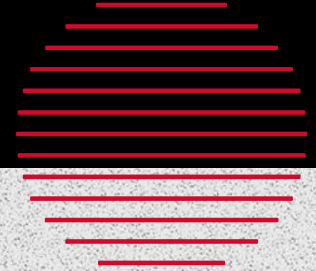
- Older: higher-value purchases (more disposable income)
- Brand loyal
- Requires needing a sales assistant for questions
- Longer buying decision



/ Digital

- Younger: more frequent purchases (trendy)
- More price-sensitive (looking for deals)
- Requires less face-to-face interaction

EXECUTIVE SUMMARY



/ REDUCE IN-STORE INVENTORY

Reducing in-store **inventory** can lead to cost savings and increased store space.



/ DIGITIZED CHECK OUT

iPads and **kiosks** will be a tool used to digitize and optimize the customer experience.



/ AUGMENTED REALITY (AR)

AR is utilized by customers to experiment with products and share their experiences on social media.



/ OUTDOOR RUNNING SIMULATOR

An **interactive outdoor running** simulator can improve customer engagement

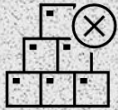


/ REDESIGNED FLOOR PLAN

Loop floor plan creates a natural flow of foot traffic, exposing customers to a variety of products along the way.

REDUCE STORE INVENTORY

Customers order in store and products are delivered to their home at a discount. In-store inventory is limited for fitting tests or purchases made in-store at regular prices.



/ IMPROVED INVENTORY MANAGEMENT

Avoid the costs and risks associated with excess inventory or slow-moving stock.



/ INCREASED FLEXIBILITY

More easily adjust inventory to match customer demand and trends.



/ REDUCED THEFT

Reduced risk of theft or damage to products.



/ SPACE SAVINGS

More efficient use of floor space can be used for interactive product displays.

DIGITIZED CHECKOUT

/INCREASED CONVENIENCE

/REDUCED COSTS

/INCREASED SALES

/IMPROVED ACCURACY



iPads and kiosks will be used to digitize and optimize the customer experience.

AUGMENTED REALITY



“Wanna Kicks” is an application that allows users to try on the latest heat on their feet through AR.

OUTDOOR RUNNING SIMULATOR

Footage is synchronized with the intensity and pace of the treadmill, allowing users to simulate climbing hills and descending mountain passes as the incline or resistance automatically adjusts.





**AN IMAGE IS
WORTH A
THOUSAND
WORDS**

**SO WHY NOT
MAKE A VIDEO?**

King
Of The
North.



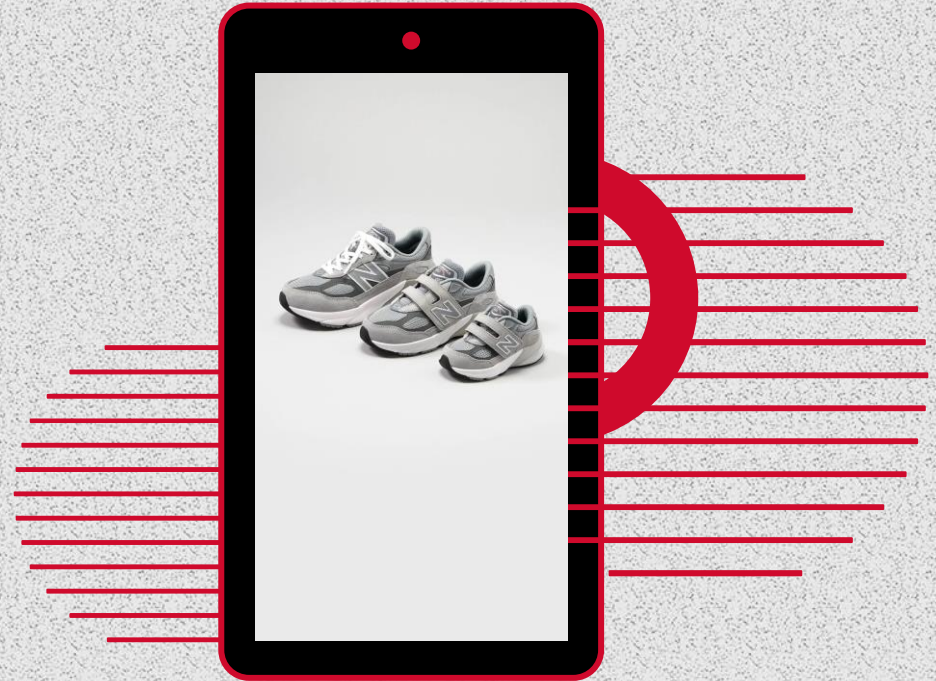
B A S K E T B A L L




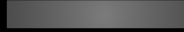




REMOVE LARGE DISPLAYS

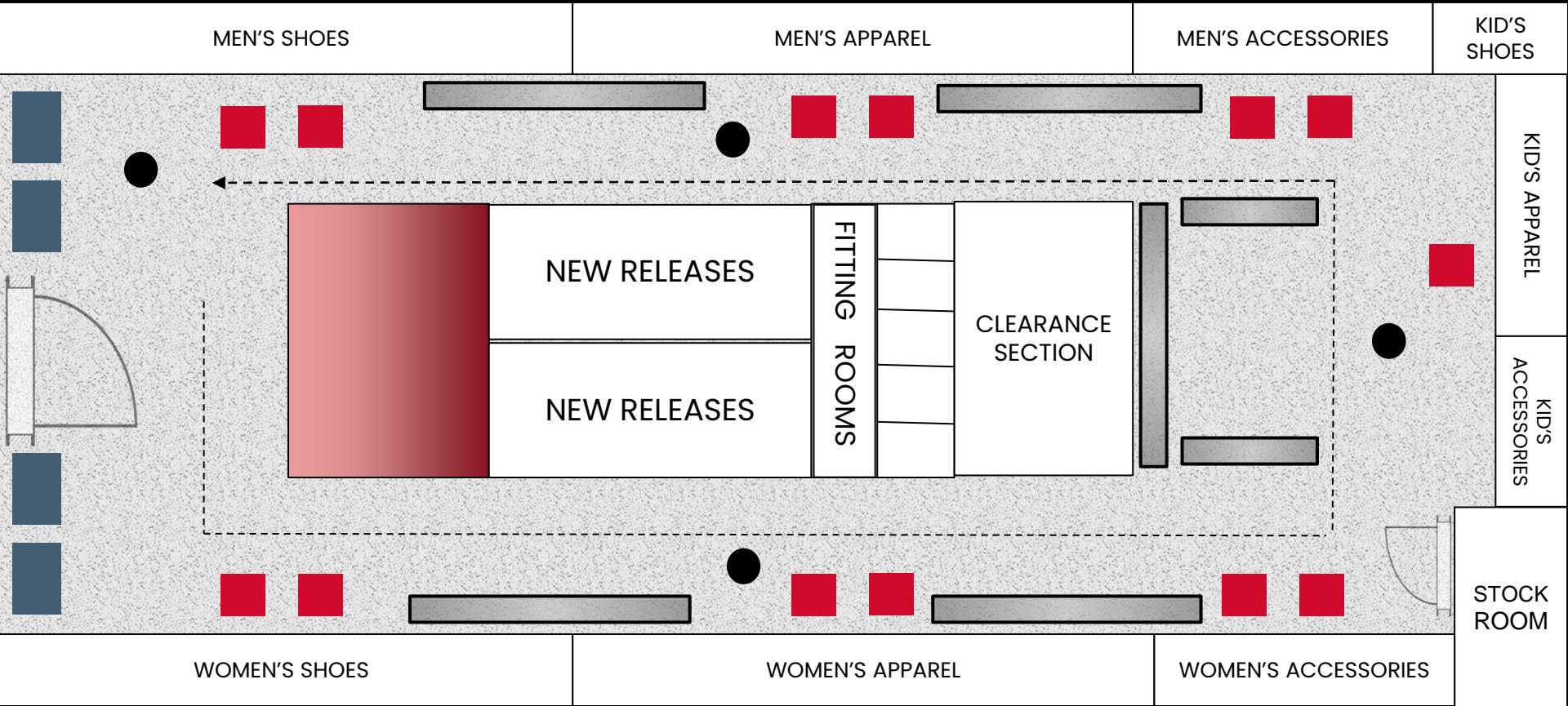
Remove larger displays for interactive ones

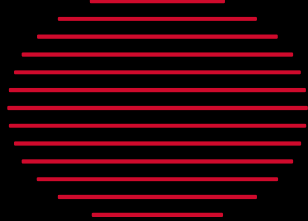
Digitalize customer interactions and experience by redesigning physical stores and implementing self-checkout kiosks in cities with highest sales.



LOOP FLOOR PLAN

-  iPad Station
-  Bench
-  Kiosk
-  Running Simulator
-  Entrance
-  Associate





RISKS & MITIGATION

1

Customers Reluctant to Technological Change

Ability to Mitigate



Offering free shipping and returns paired with a seamless omnichannel experience can provide customers with a convenient and personalized shopping experience.

2

Increased Competition in Online Space

Ability to Mitigate



Offering incentives for customers who refer others to New Balance can increase brand awareness and attract new customers.

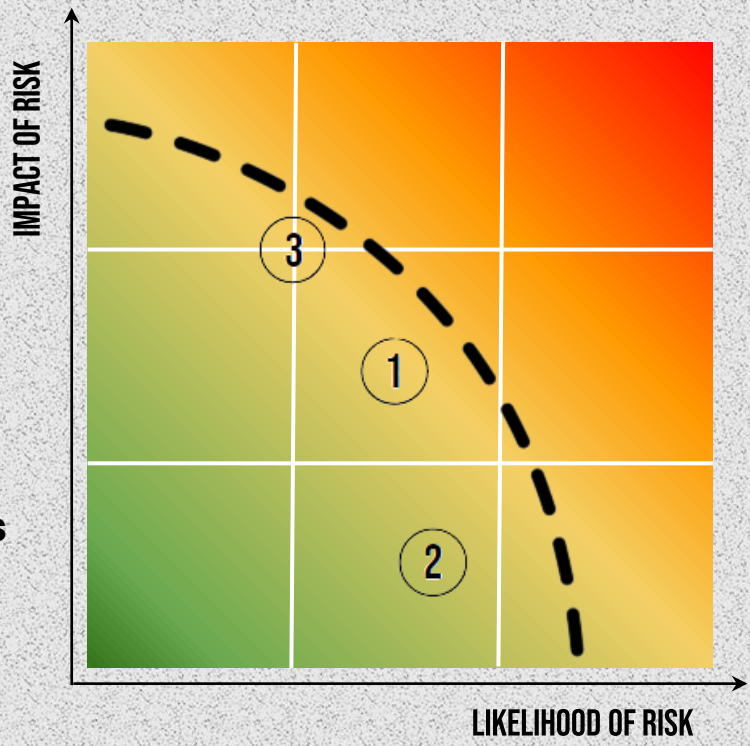
3

Costs of Maintaining Multiple Sales Channels

Ability to Mitigate



A centralized inventory management system will help the store to optimize inventory levels across all channels, reduce the risk of stockouts, and improve the customer experience.



SUMMARY



Assess KPIs



Customer Retention



Inventory Turnover



Profitability



Implement Plan



Outdoor Running Simulator



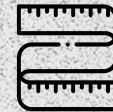
Self Checkouts



Augmented Reality



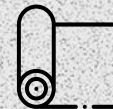
Result of Action



Omnichannel experience



Inventory Reduction



In-store floor Redsign