

# **Comparative Analysis: Niche Big-Box Retailers & E-Commerce**

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## **Introduction**

The COVID-19 pandemic has forced traditional retailers to amplify their online presence. With pre-existing pressure from e-commerce websites like Amazon, niche big-box retailers need to find a way to stay competitive in the online market. The pandemic has presented niche big box retailers the opportunity to regain some ground against their competition.

The goal of my senior project is to critically examine current pain points in the Staples Canada e-commerce platform, and to make content and design suggestions that take advantage of Staples USP – business professional products in a convenient and casual retail environment – while maintaining ease of use for casual customers.

This comparative analysis will examine companies with e-commerce sites that are similar to Staples: big box stores that have a large market share, but that fundamentally serve a niche market or particular user group (ie. Not general department stores or mega-markets like Amazon, Rakuten, or Ali Baba). These sites should cater to both casual consumers and professionals in the field. For the sake of brevity and comparison in this report, I will be focusing mainly on the Canadian version of these company sites, if one is available.

## **Analysis**

### **Best Buy**

<https://www.bestbuy.com/>

#### **i) Project Description**

Best Buy is a commercial retailer specializing in electronics. Best Buy sells almost anything tech or gadget related – from computers, tablets, and phones, to apparel, smart appliances and IOT smart home devices. Best Buy also offers small business solutions and a tech help service called Geek Squad. Additionally, their online platform incorporates a larger market of marketplace sellers, which allows for external tech businesses to list items for sale through Best Buy. With this feature, Best Buy seems to be positioning themselves to serve a wider user base, similar to what Amazon provides by targeting tech shoppers who are looking for the best price for gadgets. Best Buy is a well-known brand and uses a clear, casual tone in order to relate to the casual consumer who may not be familiar with all the intricacies of tech. They try to keep it simple and not over complicate their selling points, while including the more technical information in sub sections under the device listings. Best Buy also has a mobile app that users can browse and purchase products from, as well as manage their orders and arrange pickups from local stores.

#### **ii) Promotions**

Best Buy is active on Facebook, Instagram, LinkedIn, Pinterest, Twitter, and YouTube. Their Facebook page seems to be updated monthly and is rather sparse, containing mostly posts about upcoming events

and promotions associated with the brand. Their Pinterest page is a curated selection of pictures of products they sell that are categorized into events, topics, and cross-brand promotions. Their YouTube page hosts video advertising campaigns as well as Geek Squad social outreach program clips that highlight tech workshops for children. Their Twitter is quite active and reposts a lot of content from influencers who write blog posts for Best Buy about their experience with products.

Best Buy also sends out periodic marketing emails if a user is signed up, which usually contain a flyer-type message highlighting current deals and promotions. They run large holiday sales, with Black Friday, Boxing Day, and Back to School being the largest.

Best Buy's USP seems to be knowledge in the products they are selling; their brand on social media ties in with the tone of their website – making tech accessible and fun to casual users who need tech solutions but are not necessarily the most knowledgeable about the intricacies or inner workings of their devices.

### iii) Legal Links

<https://www.bestbuy.ca/en-ca/help> – All of Best Buy's privacy policies and terms of use can be found here.

### iv) Internationalization

Best Buy's online platform serves the Canadian, United States and Mexican markets, with a region selector as the first page. These sites are available in English, French, and Spanish.

### v) Opportunities

Best Buy seems to be positioning themselves to compete with Amazon, especially with their marketplace feature. Best Buy currently has listings for many things a user familiar with the brand would not generally associate with them – 4,644 listings for “Baby and Maternity”, 21,480 results for “Beauty”, and 3,320 results for “Makeup”. Many of these items are only available through Best Buy marketplace sellers or online, creating a disconnect between the Best Buy retail experience and their online shopping experience. I believe this content could be better categorized or sub-categorized to place more emphasis on what Best Buy customers expect from a tech retailer: tech. Best Buy also offers very little in customer guidance, something that is loved (and sometimes hated) in the retail experience. Perhaps adding some sort of Geek Squad interactive element to match you with your new laptop could be an interesting way to bridge the retail and online experiences.

## **The Home Depot**

<https://www.homedepot.ca/en/home.html>

### i) Project Description

The Home Depot is a construction and renovation material business, working as a hub for materials for both casual consumers and contractors alike. Their online marketplace lists products and also offers instructional and promotional resources for amateurs and professionals (eg. Videos, articles, promotion of a particular brand of product for a job). The tone of the site is casual and friendly, with a focus on making the building process easier for both amateurs and professionals. The Home Depot offers a

professional rewards program for contractors as well as 3-hour express delivery to the contractor's job site. Retail customers have similar delivery options but no rewards program. The Home Depot targets their website towards DIYers and contractors/building professionals, keeping the content and design as simple as possible for less tech-savvy users.

## ii) Promotions

The Home Depot is active on Facebook, Instagram, LinkedIn, Pinterest, Twitter, and YouTube (their Instagram page is not listed on their official website). Their Facebook page posts mostly about jobs and in-store activities. The engagement with these posts seems generally unrelated to the content of the posts, and serve instead as a place where customers raise issues they have with The Home Depot's online marketplace (shipping, lost orders, etc). The content posted on Twitter is exactly the same as what is posted on Facebook. The tone of the promotional content matches that of their web platform – that they are there to make your next project as simple as possible.

The Home Depot's USP is getting work done quickly and professionally – they often use phrases like “getting it done” and “doers”, selling them as champions of hard-working people who get the job done right.

## iii) Legal Links

<https://www.homedepot.ca/en/home/customer-support/terms-of-use.html> – The Home Depot's privacy and security policy, accessibility policy and price guarantee policy are listed here.

## iv) Internationalization

The Home Depot operates stores in Canada, The United States, and Mexico. Its web platforms are available in English, French, and Spanish. Bilingual options are only available on the Canadian website (English and French).

## v) Opportunities

The Home Depot has an excellent DIY resource for casual customers called “Ready Set Reno”. This section of the site breaks down common DIY projects into easily understandable chunks and suggests building materials appropriate for that project. However, these sections are not easily searchable and are primarily navigated through clicking links and scrolling through text to find the desired section. I believe there is room to improve this experience through interactive elements that provide the casual customer an easy and engaging way to find their project quickly.

## **Michaels**

<https://canada.michaels.com/>

## i) Project Description

Michaels is a retail craft store that sells crafting supplies and equipment. Michaels serves amateur crafters as well as those entering a more professional or semi-pro field by offering higher end equipment and crafting tech (ie presses, cutters). Michaels uses a casual and friendly tone, and frequently uses “punny” phrases and rhetorical techniques that make it seem laid back, casual and fun.

The target user group of the Michaels e-commerce platform seem to be homemakers, hobbyists and entry level entrepreneurs.

## ii) Promotions

Michaels is active on Facebook, Instagram, Pinterest, Twitter, and YouTube. They post frequently on all their platforms, posting DIY ideas and craft concepts. Content is generally duplicated across platforms. Where they can (Facebook and Instagram are notable), they integrate a shop feature with their page to facilitate finding the materials that are used in the DIY demonstration.

Michaels USP is facilitating people's creativity. They emphasize "makers" and "doing" frequently in their promotional content and present themselves as champions of DIYers. They position their brand as helpful, happy, and kind, and give the user the sense that they are working hard to bring you the best materials and products.

## iii) Legal Links

[Terms and Conditions \(michaels.com\)](#)

[Your Privacy Rights \(michaels.com\)](#)

## iv) Internationalization

Michaels operates in The United States and Canada. The officially supported languages on their e-commerce platforms are English and French.

## v) Opportunities

Michaels does an excellent job of promoting project integrations with their products. Right now, if you visit the "Projects" section, you will see dozens of Valentine's day projects with connected products available for purchase. However, these projects are presented in plain text or in video format, limiting the amount of engagement it can bring. A Valentine's tree project, for example, instructs the user via text to "Attach some fun lights to the branches and place the battery pack in the container". The user is given no visual instructions and no way to interact with the different steps. Adding some more interactive functionality could make this and other projects more accessible and enjoyable to customers beginning to explore their crafting passion.

## Summary

The Home Depot and Michaels both add value for casual customers by presenting DIY suggestions and tutorials through their web platforms and social media. This helps distinguish these brands from mega-markets like Amazon by translating the customer experience of the in-person shopping experience (knowledgeable staff and project specific advice) to the online platform. Mega-markets are unable to provide a tailored shopping experience to their customers, as the number of products being sold is too large. I feel an appropriate course of action for the Staples Canada re-design would be to focus on how the company can add this kind of value to the casual customers experience. I believe that by adding this sort of value, Staples Canada can gain recognition as a better alternative to the generic services offered elsewhere on the web.

The problems this project is looking to address are twofold: Firstly, how can Staples make their products and offerings easily accessible and understandable to casual users? And secondly, how can Staples translate the in-person shopping experience to their online platform? Therefore, the revised project plan I propose is as an interactive feature that allows casual consumers to find product information and recommendations based on their project goals in a fun, easy way. This project will help Staples stand further apart from mega-market retailers, while bringing it more in line with successful value-added retail web services. The niche big box stores examined show that material-finding features add value, but that they can be implemented poorly due to their reliance on passive media. Passive media, while informative, does not necessarily make the process of getting to that information easy or enjoyable. By focusing on an interactive interface, I believe staples can leverage its strong brand image to create an enjoyable shopping experience for casual users.

The business model for this project will be B2B, as I would be offering my services to Staples as a business service.