

# The Changing Rules of Retail and the Shrinking Shelf

Written by Sarina Dahukey  
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*Ten years ago Walmart superstores opened everywhere. □ Over the past three years, Target stores added groceries to their already large product assortment. □ Best Buy became the ultimate electronics store stocking everything from TVs to electric scooters. □ **The theme?** Large stores offering anything a consumer might want in a single location and on every street corner.*

*These giant superstores were not only opening in major metropolitans, but expanding into smaller cities and towns. □ The big-box stores began threatening mom and pop shops, leading to an outcry in communities about the economic impact a huge retailer such as Walmart creates in their cities. □ The reasons were numerous including the threat to the local business community, as well as Walmart's notorious reputation in regards to overall employee welfare.*



Source: Walmart

After years of growth, **the retail landscape is in the midst of major change.** In March 2011,

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Walmart announced plans to open hundreds of “Express” stores in both rural and urban communities. The new stores are expected to tailor their product offerings to the local markets. Walmart Express stores will be approximately 15,000 square-feet compared to the company’s superstores, which average 108,000 square feet! The company hopes to open these stores in key markets such as New York, San Diego, and Washington D.C.

Other retailers including Target, Office Depot, and Best Buy announced plans to introduce smaller store formats. Target will call its new stores CityTarget and will offer food, fashion, and apartment essentials. Like Walmart, Target’s goal is to offer a more urban-friendly store format.

Office Depot, whose stock value has struggled, plans to regain strength by listening to customer complaints about difficult shopping experiences and lack of sales help. The office supplier will open new stores that have smaller formats and will offer the chains’s best-selling products, emphasize printing and copy services, and technology.

Best Buy, the US’ largest electronics chain, plans to open 150 smaller stores by the end of the year. Best Buy’s main objective: to focus on more profitable and fast growing categories such as tablets and smart phones.

The main point of all of this is that less may be more these days when it comes to retail. Consumers don’t necessarily want to walk through a gigantic superstore to pick up a few items. The continuing growth of the e-commerce channel and its more than abundant breadth of products have only increased the speed of this transition. **The choices and selection in stores may have possibly reached a point of too much.**

This less is more concept is creeping into other industries as well. The ink supplies industry is seeing significant changes with the hopes of striking a balance between offering enough choices, but not an overwhelming selection that only leads to confusion.

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