



THE BAKER  
CENTER

## *The Baker Buzz - Fall 2020*



[Thomas S. Robertson](#)

Academic Director

Jay H. Baker Retailing Center

Joshua J. Harris Professor, Professor of Marketing

Greetings! I hope you are enjoying the fall season. Seven months ago, we pivoted to a virtual programming format with great success.

Students have enthusiastically participated in our Baker Executive Speaker Series (more below). For the first time, we convened board meetings with all three of our boards - the Advisory Board, West Coast Board, and Directors' Council - together, along with some friends of the Center. We also facilitated smaller, more intimate discussions. The meetings were extraordinarily well-received, and we will continue to assemble them throughout the fall and spring semesters.

Our next faculty guest speaker is Professor [Cait Lamberton](#), who will speak to the group about *Understanding the Sharing Economy*. Cait is a world-renowned scholar on the topic, and we invite you to read excerpts of her faculty profile below. The Baker Center team and I are looking forward to our upcoming events. Please stay connected and follow us on social media. Wishing you all the best.



## Baker Center Industry Research

In partnership with WisePlum, a consumer insights firm, we co-authored a research study titled ["Understanding the Retail Consumer Experience During a Pandemic."](#) Our research explored US shoppers' attitudes and experiences with a focus on loyalty program membership and authentic customer loyalty. The study was conducted with over 5,000 consumers over two time periods, February 2020, and May 2020. We found that investments in loyalty programs can provide retailers with a significant opportunity to drive customer engagement and sales growth. Moreover, customers who belong to a retailer's loyalty program are authentically more loyal and more willing to promote the retailer than non-members.

A thoughtfully designed loyalty program that includes features such as free shipping and free returns, promotional alerts, and insider access to exclusive information can be loyalty-enhancing to a retailer. There are significant benefits to the retailer -- loyal customers are more likely to download a retailer's app, 2x as likely to subscribe to emails and push notifications, and 3x more likely to engage with a brand's social media. For more findings, download our study [HERE](#).

### Loyalty Members are More Likely to be "Digitally Engaged" with a Retailer



#### Downloaded Retailer's App

Member	Mass Merchandisers	Non-Member
64%		35%
Member	Department Stores	Non-Member
41%		10%
Member	Specialty Stores	Non-Member
36%		13%

#### Select press coverage:

*Dissatisfaction With Online Retailers Runs Deep.* [READ](#); *How Has Retail Customer Loyalty Fared Pre- And Post-COVID Shutdowns?* [READ](#); *Has There Ever Been a Better Time to Build or Kill Customer Loyalty?* [READ](#).

#### Tom Robertson's interview on consumer loyalty.

Following the release of the study, on September 25th, Tom Robertson was interviewed by Knowledge@Wharton. "Loyalty programs have become more popular, and we see companies proposing new programs almost every day...We wanted to look at loyalty programs...[to] understand what works and what doesn't work." [LISTEN](#).



*"The sheer magnitude of product returns should give anyone interested in retailing pause: in 2018, out of \$3,688 billion in total retail sales, \$369 billion - roughly 10%...were returned to retailers post-purchase...Returns represent a developing opportunity for retailers..."*

Tom Robertson and his colleagues, [Ryan Hamilton](#), Associate Professor of Marketing, and [Sandy Jap](#), Professor of Marketing, both from Emory University's Goizueta Business School, conducted and co-authored research on retail returns. The research titled ["Many \(Un\)happy Returns? The Changing Nature of Retail Product Returns and Future Research Directions"](#) was published in the Journal of Retailing. In recent years, customer expectations have shifted in such a way that returns have become a strategic business issue rather than just a logistical consideration. Future research that examines the attitudes and behaviors across generations and the online versus in-store shopping experience may uncover valuable insights to inform new strategic initiatives.

## Virtual Meetings with Our Faculty, Board Members, and Friends

Since the end of May, we've held four virtual board meetings with some of our renowned faculty members. Discussion topics ranged from working remotely to information on the pandemic, racial inequality, and a summary of the Biden platform. In each discussion, we examined the impact on the retailing industry.



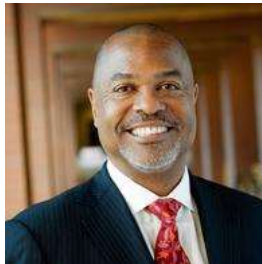
[Adam Grant](#)

Adam is Wharton's Saul P. Steinberg Professor of Management, Professor of Psychology. He discussed the dynamics of working remotely and had this to say about virtual meetings: *"The best feature of Zoom meetings isn't seeing people's faces. It's reading their comments in the chat. When people write down their independent insights before discussing, we get more diversity of thought."*



[Dr. Ezekiel \(Zeke\) Emanuel](#)

Zeke is the Vice Provost for Global Initiatives and Chair of the Department of Medical Ethics and Health Policy at the Perelman School of Medicine: *"I think it's almost inevitable we're going to have a second wave that pops up in October or November [of this year], when we're all going inside. That worries me a lot."*



[Kenneth \(Ken\) Shropshire](#)

Ken is Wharton's Endowed Professor Emeritus and the Adidas Distinguished Professor of Global Sport and CEO of Global Sport Institute at Arizona State University. Ken shared his perspectives on racial inequalities, ranging from the role of corporate boards and the sports industry to our individual responsibility in understanding race in America today.



#### [Kent Smetters](#)

Kent is Wharton's Boettner Professor, Professor of Business Economics and Public Policy, Founder and Faculty Director of the [Penn Wharton Business Model](#) (PWB), a non-partisan group at Wharton. Kent and his team authored a brief comparison guide of the Presidential candidates' policy proposals, which you can read [HERE](#). The analyses address the fiscal, distributional, and economic effects of each proposal.

### Wharton Professor Cait Lamberton to Speak at Our Next Virtual Board Meeting



Cait Lamberton

Alberto I. Duran President's Distinguished Professor,  
Professor of Marketing

Professor [Cait Lamberton](#) will be the faculty guest speaker at our November 5th virtual board meeting. The topic of the discussion will be the sharing economy. Her prolific work in this area includes a paper titled ["Marketing in the Sharing Economy,"](#) which was published in the Journal of Marketing and co-authored with Giana M. Eckhardt, Mark B. Houston, Baojun Jiang, Aric Rindfleisch, and Georgios Zervas. Cait also shared her views on [Has the Sharing Economy Disrupted Marketing?... Not Quite.](#) in an interview with Knowledge@Wharton.

Cait is the recipient of numerous teaching and academic awards,

including the 2016 Erin Anderson Award from the American Marketing Association Foundation. She was recognized for her scholarly research and dedication to mentoring doctoral students and junior faculty members. Cait is Poets & Quants' "Top 40 Business School Professors under 40" and Fortune's "Top 10 Business School Professors under 40."

## Welcome New Board Members



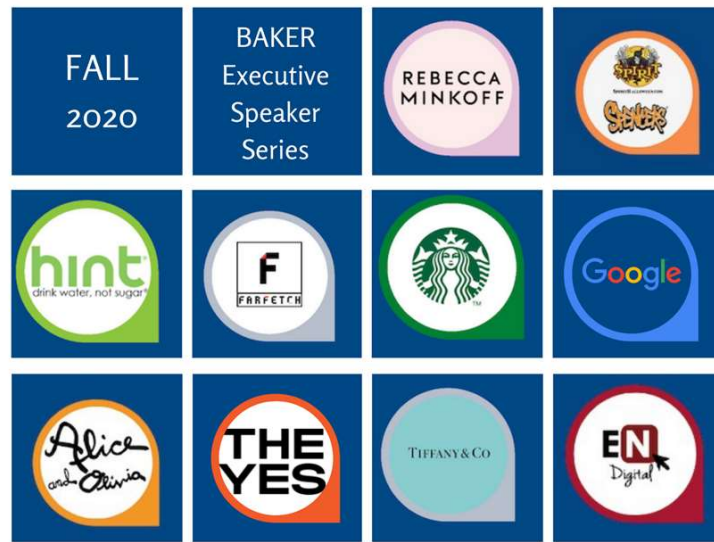
[Ben Kaufman](#) recently joined our Directors' Council, which consists of C-level retailers and founders in the DTC space. Ben is the Co-Founder and CEO of [CAMP](#), a national retail chain of family experience stores. Before CAMP, Ben served as BuzzFeed's CMO and Chief Commerce Officer.



[Ikdeep Singh](#) (WG07), has joined our Advisory Board. Ikdeep is the Regional President of [Mars Pet Nutrition](#), North America. He oversees Pedigree, Sheba, and IAMS. Prior to joining Mars, Ikdeep served as President of the L'Oreal Group.

## Baker Center Events

Our Baker Executive Speaker Series provides Penn students with an opportunity to meet retail leaders and founders in a virtual classroom. So far, we've hosted [Rebecca Minkoff](#), Founder, Designer, [REBECCA MINKOFF](#), [Steven Silverstein \(WG85\)](#), President, CEO, [Spencer Spirit Holdings, Inc.](#), and [Kara Goldin](#), Founder, CEO, [Hint Inc.](#)



**Coming Soon for Penn Students:**

[Jeffery \(Jeff\) Fowler](#), President, Americas, [FARFETCH Ltd.](#) - October 28th

[Michael \(Mike\) Conway \(WG92\)](#), EVP, President, Intl. Licensed Stores, [Starbucks](#) - November 4th

[Stacey Bendet \(C99\)](#), CEO, Creative Director, [alice + olivia](#) - November 11th

[Julie Bornstein](#), Founder, CEO, [THE YES](#) - November 18th

[Daniella Vitale](#), EVP, Chief Brand Officer, [Tiffany & Co.](#) - December 2nd

[Frank Lavin \(WG96\)](#), Founder, CEO, [Export Now](#) - December 9th

**Penn Students and Alumni:** Join us for an engaging virtual session with [Lawrence Cole \(WG15\)](#), Global Director of Sales Enablement & Seller Success, [Google](#), and a panel of omnichannel retailers. Hear how retailers utilize digital channels and tools as growth drivers for their business. Learn how they continue to implement strategies to enable quick reactions to business challenges and changes. The event takes place on November 9th from 5-6PM ET. **[Register HERE.](#)**

## Alumni Spotlight

Congratulations to [Jameel Mohammed \(C17\)](#), Founder, CEO, and Creative Director of [KHIRY](#), an Afrofuturist luxury brand. Jameel is a recipient of the inaugural [ICON360 x A Common Thread Grant by Harlem's Fashion Row \(HFR\)](#). The \$1 million grant program is supported by the [CFDA](#), [Vogue Magazine](#), and [Tom Ford](#). HFR created the fund during the pandemic to empower BIPOC fashion designers with independent labels by providing them with the capital to scale their businesses.





*"So humbled and excited and (honestly?) a little scared at the scale of possibility this opportunity presents. Thank you to our entire community of supporters and the #KHIRYCorps folks who have been there from the start. Watch this space! The best is yet to come."*  
Jameel Mohammed (C17)

## Faculty Highlights

[Jonah Berger](#), Associate Professor of Marketing, and a world-renowned expert on social influence, published [\*The Catalyst: How to Change Anyone's Mind\*](#).

[Stephanie J. Creary](#), Assistant Professor of Management, authored an article on [\*How to Be a Better Ally to Your Black Colleagues\*](#), in *Harvard Business Review*.

[Dr. Zeke Emanuel](#), was recently interviewed on CNBC's Squawk Box, commenting on how [\*Data shows failed U.S. coronavirus safety measures cost lives\*](#).

[Mauro Guillen](#), Professor of Management, identifies trends that will converge by 2030, which may affect the retailing industry. Read his new book [\*2030: How Today's Biggest Trends Will Collide and Reshape the Future of Everything\*](#).

[Kartik Hosanagar](#), Professor of Operations, Information, and Decisions, and Faculty Director of [Wharton AI for Business](#), discusses [\*Five Strategies for Putting AI at the Center of Digital Transformation\*](#).

[Americus Reed](#), Professor of Marketing, discusses [\*Five Ways Leaders Can Reinforce Company Purpose During a Crisis\*](#). "Before these crises, the idea of building purpose into a brand, service, product, or company was oftentimes a talking point. Today, it is an imperative."



[Kent Smetters](#) and the [Penn Wharton Budget Model's Analysis of the Biden Platform](#) was highlighted in [Biden Budget to Result in Highest Spending in Decades, Study Finds](#), on September 14th in the *Wall Street Journal*.

The Jay H. Baker Retailing Center, established in 2002, is an interdisciplinary industry research center, whose mission is to be the global leader in retail knowledge and education.



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