

‘Showrooming’ May Be Exaggerated

Before making a large purchase, such as a computer or other electronic device, some consumers search online for prices and review information before heading to the store. A growing number of buyers are believed to then purchase the product online – sometimes even from their smartphone in the store. This is called showrooming.

But recent research indicates the problem may not be as extensive as the perception. Two organizations, xAd and Telmetrics, found that just 6% of smartphone users conducted online retail research while in the store and 77% eventually purchased from a brick and mortar retailer.

Mobile devices are most often used for retail research prior to ever visiting a store, and nearly four in 10 mobile researchers are said to be looking for a retailer’s contact information.

This group of consumers also appears to be motivated buyers. The study finds that 55% of mobile retail shoppers end up making a purchase, with the majority of those doing so within an hour of their research and in-store shopping.

While showrooming is occurring at some level, the research shows that consumers also are looking at ratings, reviews and locations to find the product they want before heading to the store to buy it.



Starting Early: Paying for College ... at Age 5

While high school students might be worried about how to answer the essay portion of college applications, their parents are concerned too – about how to finance their children’s higher education. In at least one U.S. city, preparations for college costs are starting 12 years earlier.

A new program in San Francisco, Kindergarten to College (K2C), provides each young person’s family with \$50 (or \$100 if on the free or reduced lunch program) to be put into a trust fund for use toward college expenses such as textbooks, tuition and housing.

Students and parents who practice good saving behavior can earn additional bonuses. Private companies will match the first \$100 that is deposited into a student’s account. They will also add an additional \$100 for depositing \$10 per month for six consecutive months.

“It’s really about the kid seeing, ‘Oh my God, I have a college savings account. I guess this is what I’m supposed to do,’” explains José Cisneros, San Francisco treasurer.

Others have unsuccessfully tried similar initiatives. Members of the United States Senate even sponsored a bill in 2004 that would have opened a savings account for every child in the country, but it failed to pass.

The San Francisco implementation is igniting new interest. A school district in Ohio approved a similar arrangement in April, while groups in Colorado, Nevada and Washington are working on creating systems of their own.

While the actual impact of the K2C program will be unknown for many years, research shows that children are seven times more likely to attend college if they have a savings account, according to a 2010 study from the Center for Social Development at Washington University in St. Louis.

Businesses Utilizing Online Hiring Sites

People go online today to do many things, including shopping, purchasing tickets for various events and keeping in contact with friends. Companies are also increasing their online usage, including resources such as Elance and oDesk in recruiting workers for specialized projects.

Elance is a web site that allows businesses to list job details and freelancers to post their qualifications. Companies have a wide range of independent contractor profiles to choose from in order to find the perfect person for the project. Elance says it removes “search friction” by helping businesses find someone to complete a project, no matter where they are in the world.

A similar service, oDesk, is also bringing businesses and workers together. oDesk manages workers (and the payment process) throughout a project.

Gary Sware, oDesk CEO, notes, “Work is no longer a place. Businesses are building flexible, distributed teams which create more economic opportunity for everyone. Online work is especially empowering start-ups, as the Internet connects them with the skilled professionals they need.”

These two sites, and others, provide another option for finding the people needed to complete one-time, specialized projects.

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