



# PLAYVENTURE

## Executive Summary

Acknowledging that toys should be the springboard which stimulates children learning and development experience, **Playventure** aims toward empowering kids to pursue their interests regardless of their genders. The plan provides opportunities for kids to try on different activities to find out what they love the most, and helps parents understand their children's preferences and selection better.

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## Solutions

### 1. Target Play

Because of the influence of gender-biased toys, some children may not have the opportunity to experience toys from categories “claimed” not suitable for their genders. Moreover, 37% of parents and 78% of children agree that being able to test out toys before making the purchase is important. Therefore, we suggest the implementation of “Target Play!”, a play area where children can try out toys in different categories and decide which best suit their interests, across Super Target stores.

#### How “Target Play!” works



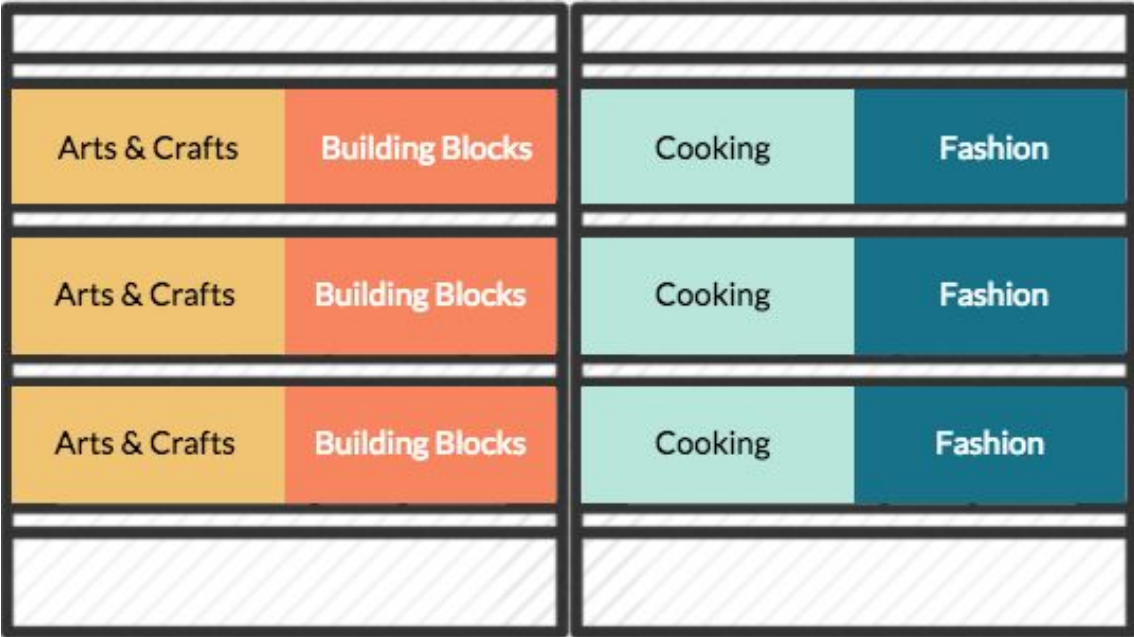
(\*): When parents pick up their kids, they will use the Target app to scan the QR code provided by employees, and the kids’ badges will be recorded in the “Play” Section of the app.

When the kids gain badges for all of the themes, they can get any toy for free. Parents can also earn badges by joining their kids in the play area. After collecting a certain amount of “parent badges”, they will earn coupons which can be redeemed at any Target stores.

We believe that this suggestion would allow kids to explore their interests beyond the gender constraint, and at the same time, offer parents valuable insights into their child-rearing practices. Parents can understand their children more through playing with them and observing their playing behaviors.

**2. In-store displays:**

For every Target store with a Kids section, we suggest optimizing on-shelf product allocation to promote the idea that toys should be categorized based on interests not genders. Target stores should arrange products using the themes mentioned in (1), and in alphabetical order of the themes, which is demonstrated through Figure 2.



**Figure 2:** Sample on-shelf arrangement

In addition, there should also be in-store point of sale displays (POS) to increase the visibility of the products. It is critical to grab the attention of the targeted customers, kids, within an 1-second timeframe. Therefore, POS should be put at the center of the store where a lot of traffic walks by. The products on display can be changed bi-weekly and seasonally depending on the demand of customers.

### 3. Internal Brand

In the long term, we suggest Target to build a toy line manufactured by the company to improve its position within the toy industry. In terms of toy sales, Target ranks fourth behind Amazon, Walmart and Toys R Us. However, the internal brand will help Target gain more market share and boost revenue to take the third place from Toys R Us. Our strategy is to develop the product line that prioritizes customer experience, especially that of the kids. To achieve this objective, we recommend that the company holds toy-design competition among its young customers regularly.



Participants will be able to create their own toys of desire and their parents will have more information on the matter of gender separation within toys. The winner, who has the best design according to the criteria of representation, real-life usage and meaning will have his or her model transformed by Target teams into one of the real toys marketed to the public. By hosting such competition, Target can actually accomplish more than the aforementioned goal. The company will have the chance to understand more about the need and wish of its main customers - kids, to produce items that match their desire. At the same time, Target will raise awareness about the problem of gender exclusivity within toys to not only the kids but also to parents. This goes in line

with the goal of erasing gender separation indication within toys and showcases the company's effort to increase social welfare for the public.

#### 4. Promotion

To advertise Target Play (1) and other future products (3), the company should target not only kids but also parents in its marketing campaigns on both online and offline channels:

	Kids	Parents
Online marketing	<p>As YouTube is the most popular online channel for kids, Target should use <b>YouTube</b> as a main marketing channel with the following strategies to help kids become loyal subscribers:</p> <ul style="list-style-type: none"> <li>+ Run advertisements about new play areas on <b>Youtube</b></li> <li>+ Create and advertise videos with focus on gender neutrality on <b>Target's owned YouTube channel</b>.</li> </ul>	<p>For those who are Target's current customers:</p> <ul style="list-style-type: none"> <li>+ Run advertisements on <b>Target Mobile app</b> and <b>Newsletter emails</b>.</li> </ul> <p>For those who are new to Target:</p> <ul style="list-style-type: none"> <li>+ Run advertisements on <b>Social Media platforms</b> such as Facebook and Instagram</li> </ul>
Offline marketing	<ul style="list-style-type: none"> <li>+ Display banners at Target stores</li> <li>+ Distribute leaflets to neighborhood near the stores.</li> </ul>	

## SWOT Analysis

<p><b>STRENGTHS</b></p> <ul style="list-style-type: none"><li>● Target Play provides unique in-store shopping experience for both kids and their parents.</li><li>● Target Play will also strengthen Target's relationship with customers by offering recreational and economical values.</li></ul>	<p><b>WEAKNESSES</b></p> <ul style="list-style-type: none"><li>● Sales of new product line may be slow as Target's ecommerce still lags behind its peers.</li><li>● Target Play implementation may be disrupted by the company lack of capital in a situation of an economic downturn.</li></ul>
<p><b>OPPORTUNITIES</b></p> <ul style="list-style-type: none"><li>● Increase in household incomes can boost consumer spending at Target.</li><li>● Millennials will soon account for most of Target's consumer base.</li></ul> <p>→ Target Play's economical aspect will appeal to millennials population and may eventually help Target build its brand equity.</p>	<p><b>THREATS</b></p> <ul style="list-style-type: none"><li>● Amazon and Walmart creates more challenges for Target's online business.</li><li>● The rise of dollar store or small box discount retailers.</li></ul> <p>→ The trialability of toys and integration of technology, shopping and playing will help Target overcome those challenges.</p>

# Financial Projection

Financial Projection		
<i>Short - term</i>		
Target Play	\$ 600,000	\$20,000 per store, 30 stores
In-store display	\$ 1,000,000	\$1,000 per store, 1000 stores
<i>Long - term</i>		
Internal brand	\$ 60,000,000	\$5,000,000 per product
<i>Promotions</i>		
Online marketing	\$ 50,000,000	
Offline marketing	\$ 30,000,000	
<b>Total</b>	<b>\$141,600,000</b>	

## Summary

Overall, **PlayVenture** helps Target to profitably deliver its corporate strategy “Expect more. Pay less”. While kids can gain both educational value from gender neutrality and recreational value and parents can benefit from discounts, Target will achieve increased customer loyalty and drive sales successfully.

## References

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