

Blanch, Belinda

From: The Parkers [parkerantics@westnet.com.au]
Sent: Thursday, 30 August 2012 11:37 AM
To: Adjudication
Subject: Notification N95877 lodged by Peter McInnes Pty Ltd

To: The Adjudicator – ACCC In support of Peter McInnes Pty Ltd - Notification N95877

We are an independently owned Kitchenware store in Wagga Wagga NSW which has been operating for 15 years. We have stocked the Peter McInnes Kitchen Aid range for the past 6 years and during that time have noticed a huge change in customer habits. Kitchen Aid is a premium quality brand which requires face to face customer service to explain the full benefits and requirements to maintain a valuable product. During the time we have stocked the product there has been a shift in customers being “cost focused” and shopping on the internet. While we do not have objections to internet shopping, there are some products that can’t be successfully sold this way- Kitchen Aid being one of those. We have noticed an increase in the misuse of the product due to poor knowledge and not reading instructions, all of which is explained by trained staff when you purchase face to face. The constant purchasing online combined with total lack of face to face service is causing an enormous amount of harm to the Kitchen Aid brand.

During the 15 years of trade we have dealt with hundreds of suppliers and have found there are core suppliers who are passionate about their product and service. These wholesalers are just like good retail stores- concerned about our customers receiving a quality product with exceptional service every time. This is exactly what we have experienced from day one with Peter McInnes and the consumer is always their focus. We know that our customers can always contact Peter McInnes with confidence and they will receive service beyond expectation. The only way Peter McInnes can maintain this service is with the support of great retailers providing training to consumers at point of sale. This training of consumers is best as a hands on demonstration, as many of our customers have researched on the Peter McInnes website first, but once they touch and feel the product and physically feel the quality difference they are sold immediately. Unfortunately though many consumers only use us as an “information showroom” and then purchase online. How can the consumer win if bricks and mortar stores have to pay for training staff, training consumers and all costs associated with stores, only to be outbid by an online retailer with very minimal overheads who is totally benefiting from our work? The outcome is bastardisation of the products they sell leaving even bigger overheads for us to pick up the pieces for consumers. How can Wholesalers and Retailers of products such as Kitchen Aid compete?

The other factor which consumers don't understand is the reduction of in store demonstrations and information nights due to the drying up of money caused by the exhaustive battle to get sales. These are invaluable for the purchaser to get the most out of their product. The same can be said for Peter McInnes battling to maintain the Premium branding of Kitchen Aid after the products have been poorly sold online. This is all resources which should be used to focussed on expanding consumer abilities- not teaching the basics and picking up the pieces.

As we have stated Peter McInnes is an honest and consumer focused company. We believe the stand this company is taking is completely relevant and valid to the retail industry and will only benefit consumers.

Regards,

Scott and Louise Parker –Owners
Kitchen Antics
Wagga Wagga