

## CASE STUDY: BUILD-A-BEAR WORKSHOP®

### Samsung Technology Helps Create Engaging Retail Experience for New Generation of Kids



#### OVERVIEW

##### Customer Need

Build-A-Bear Workshop has enriched children's lives for a decade and a half with its innovative mall-based stores where kids create their own teddy bears and other furry friends. To make the experience even more engaging for a new generation of youngsters, Build-A-Bear Workshop wanted to develop a new store concept that combined the hands-on experience with the best of digital technology.

##### Samsung Solution

During a development phase spanning two years, Build-A-Bear Workshop worked with numerous partners to create a newly imagined store incorporating innovative interactive technology. With fun, experiential applications developed for each stage of the bear-making process, Samsung technology — including the Samsung SUR40 with Microsoft PixelSense™, the Series 7 Slate PC and other touch-screen displays — provided the platform for a new, personalized retail experience that engages young guests in immersive digital play.

##### Results

The new, interactive store concept contributed to higher traffic and a 30 percent boost in sales — exceeding the company's own ambitious targets. Customer satisfaction scores have risen in the stores, as has an equally important metric for the company: the number of children's smiles. Based on this success, Build-A-Bear Workshop plans to open 40 to 50 more stores with interactive technology over the next two years.



The Samsung logo, consisting of the word 'SAMSUNG' in white, bold, sans-serif capital letters inside a blue oval.

# THE CUSTOMER

## Build-A-Bear Workshop

Build-A-Bear Workshop invented “experiential mall-based retailing” 16 years ago. It is the only global company that provides a retail environment where children can create their own stuffed animals. Since its founding in St. Louis in 1997, Build-A-Bear Workshop has grown to more than 400 stores worldwide where children have made over 115 million stuffed animals.

“We have learned that a teddy bear hug is understood in any language,” said Maxine Clark, Build-A-Bear Workshop founder and chief executive bear. “Our brand knows no boundaries.”

Build-A-Bear Workshop operates make-your-own Major League Baseball mascots in stadiums and Build-A-Dino stores. But, as the name Build-A-Bear Workshop suggests, the foundation of the company is teddy bears — though the young guests can also choose bunnies, dogs, kittens and other stuffed animals to personalize. The company posted total revenues of \$380.9 million in fiscal 2012.

“We have learned that a teddy bear hug is understood in any language.”

– Maxine Clark, Build-A-Bear Workshop



The newly imagined Build-A-Bear Workshop store

photo: Build-A-Bear Workshop



# THE CUSTOMER NEED

## Digital Play for a Generation of Kids Raised in the Smart Phone Era

“Our young guests are very different than they were 16 years ago,” said Dorrie Krueger, managing director, strategic planning and guest ex-bear-ience for Build-A-Bear Workshop. “Today’s kids engage in digital play while simultaneously interacting with more traditional toys like dolls and teddy bears.”

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With this in mind, Build-A-Bear Workshop wanted to develop a new store concept that combined the love of a teddy bear with the best of digital technology. The company appreciated that the project was a delicate balancing act.

As Dave Finnegan, who holds the title chief information and interactive bear for the company, put it: Build-A-Bear Workshop wanted to “keep the hands-on aspects of our experience that have been loved by kids and resulted in over 115 million stuffed animals being made in our stores, while providing a fresh experience for a new generation of guests.”

Building on its tradition of including kids at the imagination stage and listening to what is important to them, Build-A-Bear Workshop enlisted a group of “Cub Advisors” — children and their parents who would provide suggestions and feedback throughout the development of the new store design.

“Having the kids and their parents involved allowed us to test many different ideas and respond rapidly to their feedback while we were in prototype and initial design phase,” explained Krueger. “Seeing how guests interact physically in a hands-on environment allowed us to improve functionality while the experiences were being designed and written.”



The Cub Advisors

photo: Build-A-Bear Workshop

# THE SAMSUNG SOLUTION

A Newly Imagined Store Enabled by Innovative Interactive Technology

After two years of development and testing, Build-A-Bear Workshop opened the first of its newly redesigned stores in West County Center in St. Louis in Fall 2012. The new store merges the hands-on bear-making experience with innovative technology featuring touch, object and gesture recognition, reflecting the way kids play today.

Created as a series of interactive stations and kiosks, the store personalizes the bear-making process and offers guests a different experience each time they visit.

Underpinning the experience is innovative technology including Samsung's SUR40 interactive tabletop with Microsoft PixelSense, the Series 7 Slate PC and a variety of wall-mounted touch-screen displays. Integrated into creatively designed enclosures at several of the stations, the SUR40, with its 40-inch full HD screen, provides a compelling, immersive and visual experience that draws in guests. With its unique combination of multi-touch and object recognition technology, the SUR40 allows children to interact with a variety of multimedia content using either hand gestures or by placing their bears and other accessories on the interactive surface.

This technology is used, for example, when a guest chooses the personality traits for his or her stuffed animal. "During the bear-making process, the SUR40 allows the children to drag an object that symbolizes bravery or another personality characteristic into a heart on the screen," explained Peter Rivera, Creative Director and Vice President of Infusion, which designed and developed the interactive software for the new store. "Because of that tactile experience, the child makes a deep, personal connection to the actual physical object."

At another stage in the bear-making process, the guests interact with their new furry friends at a digital bath tub that was created on the SUR40, complete with virtual water ripples and splashing. The tub "magically" recognizes items as they are placed on it (because of an identification tag on the object) and reacts with sensory effects. Thus when a child places a bar of soap on the "watery" surface of the table, the table generates an animated bubble. "It's beautifully done and the children really react with surprise and delight," Rivera said. "The stores provide an unexpected kind of wow."

The multi-touch SUR40 technology recognizes and reacts to more than 50 points of contact simultaneously, letting several guests use the surface at one time. That means that three children can be washing their stuffed animals at the digital tub, and they will all experience different effects based on the objects they choose. One might see the bubbles from the animated soap, while another child places a boat on the surface and activates a fog horn; a third child puts a rubber duck on the surface, spurring some animated duck feet to swim across the surface.

## Quick Profile: SAMSUNG SUR40 WITH MICROSOFT PIXELSENSE



### OPERATING SYSTEM:

Windows® 7 Professional 64-bit for Embedded Systems

### PROCESSOR:

AMD Athlon X2 245e

Dual Core (2.9GHz)

### DISPLAY:

40-inch Full HD LCD

(1920 x 1080)

### BRIGHTNESS:

300 cd/m2

### RAM/HARD DRIVE:

4GB DDR3/320GB

### CONNECTIVITY:

1GB Ethernet/

802.11n/Bluetooth®

### PORTS:

4 USB, SD Card reader

### AUDIO OUT:

HDMI, stereo RCA, SPDIF,

3.5mm audio out x 2

### WEIGHT:

111 lbs (with standard legs)

### BASE UNIT DIMENSIONS:

43.1" x 27.8" x 4"

## SAMSUNG SERIES 7 SLATE PC



### OPERATING SYSTEM:

Genuine

Windows 7 Professional (64-bit)

### PROCESSOR:

Intel® Core™ i5-2467M

### DISPLAY:

11.6-inch LCD

(HD 1366 x 768)

### TOUCH SCREEN:

Capacitive with

Digitizer Pen

## TOUCH SCREEN DISPLAY SOLUTION



### DISPLAY:

55-inch ME Series LED-Backlit

LCD Display

### TOUCH OVERLAY:

CY-TM55 Infrared

Touch Overlay

# EIGHT STEPS TO A NEW FRIEND

From the moment a guest arrives at the newly imagined Build-A-Bear Workshop retail stores, they are greeted with a series of fun and immersive digital interactions. Even the interactive storefront goes far beyond the traditional signage found in other retail outlets. Built around a Samsung ME Series LED-lit display with an infrared touch overlay, the storefront installation incorporates Microsoft's Kinect® technology to enable guests to use gestures to interact with the seasonal or holiday-themed content and games on the display.

Here's a closer look at each of the steps guests walk through as they create their personalized stuffed animals:

- **Choose Me.** The children are introduced to all the furry characters and select their new friend.
- **Love Me.** Guests place their stuffed animal's satin heart on the SUR40 interactive table and add special personality attributes, such as cuddly, brave, silly and smart, which are displayed as emoticons. "We thought the children would grab attributes like they were jelly beans and toss everything in," Rivera said. "But the children talked to their parents and really thought about what their bear's personality would be like."
- **Hear Me.** High-quality sounds are inserted into the stuffed animals. Guests use a touch-screen display to select and load popular songs or sounds onto a chip or record their own voice to further personalize their new friend.
- **Stuff Me.** The interactive station is built around a Samsung Series 7 Slate PC. A Bear Builder associate scans the tag on the stuffed animal to reveal its unique personality traits, before inviting the guests to perform a personalized "heart ceremony" and place the satin heart inside their new furry friend. Before stitching up the animal, the associate also inserts a barcode, allowing it to be reunited with its owner if ever lost and returned to Build-A-Bear Workshop store.
- **Dress Me.** An outfit is selected from different themes, such as "dress up" or "super heroes."
- **Fluff Me.** Guests interact with their new friends on a virtual bath tub created on the SUR40. The tub recognizes the items as they are placed on it and reacts with effects such as virtual bubbles that appear when play soap is placed on the "water surface."
- **Name Me.** The SUR40 powers a viewfinder or "bear-a-scope" that lets the child to see the special attributes inside their bear that have been added to the animal throughout the process. "It's like a final health check," Rivera says. "It really cements the relationship between the child and his or her stuffed animal."
- **Take Me Home.** The guest receives a customized birth certificate, themed to their stuffed animal selection. Since information on custom features has been gathered at each station, the point-of-sale transaction is as easy as a single scan.



The Love Me station photo: Build-A-Bear Workshop



The Fluff Me station photo: Build-A-Bear Workshop



The Name Me station photo: Build-A-Bear Workshop

# THE RESULTS

## An Increase in Sales and Smiles

After launching initially in a mall in St. Louis, Build-A-Bear Workshop opened interactive stores in five other locations throughout the United States, from Pleasanton, California to Fairfax, Virginia, in the last quarter of 2012.



The Fluff Me Station with the Samsung SUR40

photo: Build-A-Bear Workshop

"Sales at all those locations are up 30 percent or more, exceeding our expectations," Finnegan said. "The sales increase is a result of higher traffic and transactions, which was our goal. The stores are driving repeat and new guest visits and keeping strong average transaction value."

Not surprisingly, the sales increases dovetail with improved customer satisfaction. "Guest satisfaction scores in these stores are higher than our company average and higher than the same stores were achieving in the prior design," he said. "We know that it is early but, by all metrics, these stores are off to a great start."

To build on this success, the company is planning to take the concept to dozens of more stores over the next 24 months. "Given the strong initial results, we are moving forward with plans to update additional stores to incorporate key elements of our new design," Finnegan said. "By the end of 2014, we expect to refresh our store design in at least 40 to 50 locations with either full or partial elements of our new design."

"Build-A-Bear Workshop is an amazing brand and continues to lead the way in its experiential approach to retail with this new, interactive store concept," said Tod Pike, senior vice president at Samsung's Enterprise Business Division. "We are very excited to have been able to collaborate on this latest transformation with a team that really shares our philosophy on the potential for technology to drive the business."

From the standpoint of Build-A-Bear Workshop, an important aspect of the display technologies integrated into the new store are that they are easily upgradeable and configurable, which provides flexibility for future designs. "We know that it is important to continue to innovate and update our experience, which is another important factor when we looked at the technology," Krueger said. "Many of the stations can be continually updated and enhanced, since the experience was built on platforms that allow us to continue to surprise and delight our loyal guests."

While increased sales are an important measure, Build-A-Bear Workshop finds an even simpler, more powerful proof point in the faces of delighted children as they imbue their stuffed animal's satin heart with "bravery" or experience the surprising effects of the digital bath tub. "A lot of emphasis has been placed on the technology, but we measure our success in something much simpler: smiles," Krueger said.

## Business. Innovated.

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