

2011 Study on the Impact of the Zombie Apocalypse on Retail

Sponsored by: Agilence, Inc.



Summary

This study, conducted entirely through first-hand interviews of retailers across the United States and statistical analysis of the recent CDC (Centers for Disease Control) report on the growing rate of zombie outbreak occurrences, is aimed at retailers as a guide to help them understand the cultural shift taking place and to help guide their decision-making process for spending in 2012. This study presents alarming data that has been overlooked by many of the other retail trade organizations and for the first time presents undeniable proof that the way retailers market and sell their products must change to adapt to the coming Zombie Apocalypse.

Findings

According to the findings, the Zombie Apocalypse is certainly upon us. While not every human is a zombie today, the trend is heading in that direction. The data shows that 1-in-4 people today know a zombie personally and a staggering 1-in-10 people believe that a member of their immediate family is either a zombie today or in the process of becoming a zombie¹.

With a full 10% of the worldwide population considered undead, it is forcing dramatic shifts in government policy and classification of zombies is creating wave upon wave of federal lawsuits all destined for the Supreme Court. The class action lawsuit filed in West Chester, PA (The Undead v. Commonwealth of Pennsylvania) has particular implications on the workforce, as the members of the class are fighting for equal rights and claiming discrimination in the workplace. Should this case make the high court's docket before the end of the fall session 2011, it may force retailers to revisit their hiring practices and require them to employ a significant number of zombies in order to maintain their current minority hiring tax breaks. California, known for its progressive stand for equal rights has already certified "zombie" as a minority class. However, the data from the CDC shows that their actions may have been premature, for the trend is

¹ There is a statistical anomaly in the dataset that shows a fair number of young adults mistakenly characterized a overly-lazy, un-bathed, slovenly relative as a zombie, when in fact they were just couch potatoes with no regard for their stench. This anomaly forced the margin of error to be recorded at a higher than typical 3.4%

leaning towards the zombie population to overtake all other classes within 18 months.

The outlook is not as dire as once thought however, as retailers will receive a benefit on the other side. Should the landmark employment case ruling in Washington, D.C. hold up in the Supreme Court (Russ's Grocery v. United States), retailers will no longer be required to pay into Medicare or Social Security. And, while only a single member of the Supreme Court is a zombie today, Mitchell Parks has stated (through a translator of course) that he supports the modification of Medicare to support the needs of the undead.²

The Zombie Apocalypse is not a regional event as demonstrated in Figure 1. The epidemic³ has affected all 50 states. Further Figure 2 shows the outbreak across Europe has reached critical proportions and while some areas of Asia, Africa, and South America are virtually untouched, they are expected to be overcome by 2013.

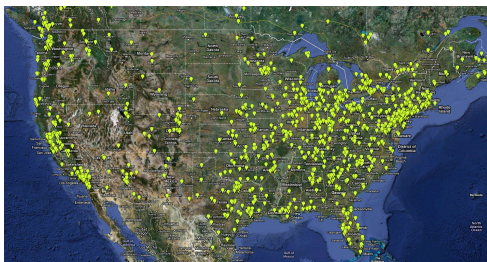


Figure 1. Zombie Apocalypse in the US as of October 20, 2011

² Mitchell Parks was not a zombie when appointed to the Supreme Court, but has since died and come back as a zombie. President Obama and Congress are still fighting to remove Mitchell as of the date of publication.

³ The ACLU and Zombies Were People Too Coalition are against the term "epidemic" and prefer the event be called "The Transitional Population Shift from Living to Undead".

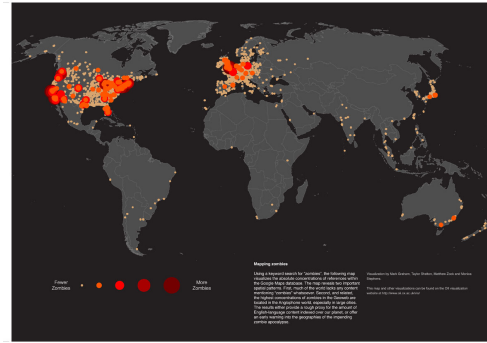


Figure 2. Zombie Apocalypse Worldwide as of October 20, 2011.

Impact on Online Retail

The findings are startling at best and retailers are going to have to adjust to their new consumer base in order to survive. There are several examples of retailers already trying to capitalize on the trend and those can stand to benefit in the long run.

- Sears:
<http://www.sears.com/zombies>
- Westlake Ace Hardware:
<http://www.westlakehardware.com/specialties/zombies>

However, while both retailers are trying to get ahead of the curve, their methods for attracting the new clientele will fall on dead eyes, so to speak.

One of the major outcomes of the change will be the end of the Internet. Zombies are not capable of utilizing computers nor do they seem attracted to electronic devices of any manner. To think that a zombie will order anything online or follow a Twitter feed is short-sighted at best.

Online companies such as Amazon and eBay are already feeling the effects with sales off 15% in the second half. Their stock values have dropped

considerably and Moody's has changed their ratings to Sell.

RECOMMENDATION

Abandon all social media efforts and Internet activity. Instead, focus on the "bricks and mortar" locations, especially those in densely populated areas where food is readily available.

Impact on Point-of-Sale

Further, zombies show no regard for the traditional monetary system that has been in place for the last several thousand years. Zombies are very focused on instant gratification and have a "Pay Later" mentality. Many just take what they want and leave the store. This "Pay Later" attitude bodes well for the credit card companies and tests are currently being done to see if an RFID system implanted on the zombie will enable retailers to track their "purchases" for future payment. However, the actual future payment concept is unclear as few zombies have demonstrated an unwillingness to do anything more than simple tasks.

RECOMMENDATION

Work hard to renegotiate fees with credit card providers today and look for ways to remove cash from the organization. The reliance on the gold standard will be abandoned in 2012. Keep your finger on the pulse of what will replace it and be prepared to make changes at the point-of-sale to accommodate the change.

Impact on Buying Habits

The data also shows that zombies, while potentially a viable consumer, have substantially different needs and habits. Traditional grocery stores will need to adapt to the changing buyer. While many grocers today are adding sections dedicated to the healthy consumer (gluten-free, vegetarian, etc.) this is a short-sighted plan that will put them at a disadvantage in 2012. Zombies have no taste for grains or vegetables and eschew the "junk" foods such as soda and potato chips. Their focus seems to be only on meat products. Further, precooked and smoked meat products are also not currently "in fashion".

RECOMMENDATION

Dramatically expand the meat section. However, there is no need for refrigerated fixtures as the FDA has already lifted many of the food restrictions for zombies⁴. It is expected that the FDA will shut down in the 2nd quarter of 2012 once the Department of Zombie Affairs is fully operational.

Impact on Workforce

The Office of Education under the Department of Zombie Affairs is working on a program to teach zombies to be clothed and have some sense of pride in how they present themselves. They are working closely with the local unions and labor groups to educate zombies on the merits of working and thus, their appearance

⁴ The Food and Drug Administration has removed all health code requirements for food stores, restaurants, and bars catering strictly to zombies. (See FDA Doc#143-4857-5738B Dated October 1, 2011)

will be judged. Should those efforts succeed, some department stores and specialty retailers will survive, but jewelry stores, book stores, and other “personal affects” providers should begin preparations for transitioning their current inventory.

Some zombies have shown the ability to do basic work, stocking shelves, collecting grocery carts, etc., but personal greeters have been known to eat the customer.

RECOMMENDATION

Look for ways to integrate zombies into the work force. Consider separating zombie clientele and zombie employees from the general population until the “transition” is complete.

Impact on Loss Prevention

Loss Prevention will be especially impacted by the cultural shift from living to undead. As stated above, the “Pay Later” attitude will mean that security personnel will have to be adept at identifying which customers are zombies (with RFID credit) and which are just living people dressed as zombies stealing their goods.

RECOMMENDATION

Educate security on identification of zombie versus human impersonating zombie. Zombies typically smell bad, but that is not necessarily just a “zombie thing”. The Loss Prevention Foundation is currently updating their LPC curriculum with a new module on “Zombie Identification” that all loss prevention personnel should review.



Conclusions

While the Zombie Apocalypse was once reserved for fictional tales and B-movie cult classics, it is here now and retailers must be ready to deal with the implications. Until the transition to full zombie population is complete, retailers may be lulled into a false sense of security and continue to maintain the “status quo” in their operations. This study should act as a rude awakening to the changes coming and help retailers prepare for that change.

Once the population changeover is complete, studies like this will no longer be available. So, use this as a guide.

Important Links

“Preparedness 101: Zombie Apocalypse”, Centers for Disease Control, 2011
[\(http://blogs.cdc.gov/publichealthmatters/2011/05/preparedness-101-zombie-apocalypse/\)](http://blogs.cdc.gov/publichealthmatters/2011/05/preparedness-101-zombie-apocalypse/)

“Store of the Living Dead”, RetailWire, 2011.
<http://www.retailwire.com/discussion/15587/store-of-the-living-dead>

About Agilence

www.agilenceinc.com

Agilence is the leader in POS Video Auditing™ solutions for both living and undead. With Agilence's Hawkeye solution retailers are able to identify the hidden losses at the point-of-sale caused by operational inefficiencies, poor promotions, zombie sweethearting, zombie eating inventory incidents and more. Agilence customers see an ROI in less than 6 months. And, 4 out of 5 zombie retailers recommend Agilence.

Copyright 2011 Agilence, Inc. All rights reserved.