



## **BUSINESS**

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# **Borders is price-matching**

## **Its brick-and-mortar store move does not apply to online offers**

**Tim Devaney / The Detroit News**

Borders Group Inc. hopes to attract customers during the holiday season with a price-matching offer that applies to competitors like Barnes & Noble but not to online retailers like Amazon or eBay.

The Ann Arbor bookstore chain, with 33 locations in Michigan, is offering to match all in-store discounts and advertised bargains from brick-and-mortar rivals. But it is distancing itself from a pricing war with online stores by excluding downloads and ebooks from its offer.

"We're providing a great in-store experience," Borders spokeswoman Mary Davis said. "People come into our stores to discover their next great read. We think the store experience is an extremely important part of the buying process, which people can't enjoy virtually."

The idea is to grab customers during the holiday season while they're buying popular gifts like books and toys, said Ken Dalto, a retail analyst in Farmington Hills.

He said the move, which was announced earlier this month, is necessary to keep up with other retailers like Wal-Mart Stores Inc., Best Buy, Toys R Us, Target and Meijer that already do this. Barnes & Noble does not have such an offer.

In the past, retailers would differentiate themselves with warranties, longer times for customers to return items and cash-back returns, Dalto said. But now they must become discounters as customers zero in on prices, he said.

"Borders absolutely must do this at this point," Dalto said.

But the move might not go far enough, Dalto said, if Borders ignores online competition.

"I think the majority would buy from Amazon," he said, "unless they really want to look at the book and peruse it."