



Sticky Soul: Retail Trends 2008

A Special Field Report from the Brand Experience Lab

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The Brand Experience Lab's holiday tour of the Big Apple's key shopping areas was surprisingly disappointing. Brand experience design is still very much in its infancy in retailing. Only a handful of stores "get it", delivering differentiated, cohesive, authentic brand experiences at point of sale. Most retailers (large and small) in NYC are "soulless", two-dimensional, glorified Web sites; products are presented passively to consumers with no "retail as theater".

Designer/luxury stores, once doyennes of "new retail", neither surprise nor delight shoppers. The "less is more" minimalist approach to designer/luxury retail has resulted in a plethora of ultra-modern "vanilla boxes". Close your eyes; you will be hard pressed to know where you are. The theory that luxury needs to be aloof and inaccessible to convey prestige is disproved by successful brands that understand experiential retailing, such as Juicy Couture, Ralph Lauren and Nespresso. The BEL team also challenges the viewpoint that environment should not compete with merchandise; the look, feel and tone of a space are critical to creating an overall experience.

Most stores in NYC are a hodgepodge of the effective and ineffective, with little thought or understanding of what creates a brand experience. Dressing rooms, restrooms, merchandise receipts and answering machines are largely ignored, yet they are key consumer touch points. There is usually an absence of music and scent, and little attention to lighting and temperature, though all are powerful forces in creating a mood and memorable experience. Often, the sales force knows nothing about the provenance of the brand, and is unable to deliver the brand's story with conviction.

Technology in retail is often misused, if used at all. For example, plasma screens running fashion shows, ubiquitous in designer/luxury stores, could be more effective if they helped transport the consumer to front row at a fashion show. It's as simple as adding a breeze carrying the model's perfume, accompanied by directional sound of the model's stilettos as she sashays past. Technology can help tell the brand's story and augment reality to create a delightful experience. The simplest technologies can assist customers with finding products, searching prices and understanding how products can be used or worn, supporting the sales staff's job of delivering the brand proposition.

The Internet Generation (iGen), having grown up in a vibrant real and virtual world of multi-media, interactive Web sites and on-line shopping, is left flat by 2-D brochure-like presentations of products in stores. Consumers today can access any product globally, 24/7, and compare features and prices. A retailer should capitalize on its physical space to offer something the Internet cannot: an all-sensory brand experience.

It doesn't require much more than skill and effort to design a brand experience. BEL works with large and small retailers to audit their brand experience – or lack thereof – and to refine the businesses' touch points with the consumer, building a consistent, integrated brand experience. "WOW! Factor" brand experiences can be developed within most budgets.

Brand Experience Retail Trends

Some trends that BEL is driving in 2008 are:

1. E-tail Your Retail

Browsing at Crate & Barrel, you see an item that you want to show someone who is not shopping with you. A touch screen shelf device would let you send a photo and info directly to an email address or mobile phone. Or, clothes shopping in Macy's, as you walk past a price scanner, a short, personalized video is triggered to run, describing the designer, product features, styling advice, etc., courtesy of *Harper's Bazaar*. User-friendly technologies and collaborations with credible content providers can enhance shopping experiences.

2. Socialization of Public Places

The draw of "third place" (outside home and work) is critical, particularly in cities filled with crowds of lonely people. Consider how a respite from winter shopping, sitting next to a fireplace as we did at Ralph Lauren, enhances your brand experience. Additionally, stores can appeal to secondary shopping audiences (bored husbands or children), to keep the shopper in the store longer. Imagine shopping in DKNY; your spouse is amused in the café/library, watching your child play a retail AudienceGame™ ... you can relax and shop. Retail spaces as lounges and social networking spaces can be profitable, increasing reach and frequency of shoppers and shopping.

3. Brand Endorsements/ In-Store Co-Branding

Imagine a Nespresso café inside an Apple store, Prada stores outfitted with Bang & Olufsen plasma screens and sound systems, or the simple attention-to-detail of a FTD-sponsored floral in a Target store restroom. Brands can collaborate to enhance each other's brand experiences and cross-sell to overlapping consumer groups.

4. Curated Merchandising

Museums remind us of shopping boulevards lined with vitrines of retailers, each containing a brand display. The retail world can borrow much from the museum world. Imagine Williams-Sonoma, with products organized by place of origin or by ingredients – as New York's ABC Carpet & Home has done, creating ethnic pods. Sephora was transformational, simply by reorganizing cosmetics alphabetically. Merchandise like a curator: have a point-of-view, tell a story and lead the traffic with "bread crumbs".

5. Aesthesia Phantasmagoria

Shopping, for some consumers, is like "island hopping" – they seek to be transported into delightful, exotic, fantasy environments. An original sense of place can be created through scent and lighting. Sound can create personal messages, ambient sound or mood-altering music. Displays and fixtures can be made to react upon touch – such as changing colors. Even temperature communicates: in Burton's walk-in freezer lounge, customers literally "chill-out" in Burton ski wear.

In conclusion, an otherwise good experience can be undone by one simple action. Brand experience designers are like "retail chiropractors" who align and adjust a business. A brand experience audit can objectively examine how a brand, such as a retailer, is experienced along its entire continuum: the product, merchandising, customer service, retail environment, corporate culture, policies, MarComms, etc. A professional brand experience designer can align the business to ensure that the experience is all it can be. If your organizational structure does not easily allow for this role, consider out-sourcing.

About BEL

The Brand Experience Lab is a think tank that works with the world's leading agencies, brands and retailers to audit, refine and design brand experiences. For more information or a complete list of BEL's key retail trends in 2008, contact sdavanzo@brandexperiencelab.org or visit www.brandexperiencelab.org.