

Winning Inside the Store

USING DESIGN AND TECHNOLOGY TO
REIMAGINE EXPERIENTIAL RETAIL

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SPECIAL REPORT

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INTRODUCTION

COVID-19 created the need for immediate visible changes in brick-and-mortar stores, from social distance floor decals to plexiglass partitions. But the pandemic also will have a deeper impact on the fundamentals of the in-store experience. Both store design and technology will need to shift as retailers redefine stores' roles for post-pandemic shopper journeys.

Stores will need to be more flexible and work harder to adapt to rapidly changing disruptive scenarios. Consumer expectations for convenience, efficiency and seamless fulfillment will be higher than ever before. And despite all these challenges, the need for human connection as the driving force behind experiential spaces will remain at the forefront.

This *Retail TouchPoints* Special Report examines several elements of the store experience that will be in play as retailers seek to create truly successful shopping in a post-pandemic world — one where brand storytelling moves fluidly across all channels. Key topics will include:

- **Store exterior considerations** such as curbside pickup, parking lot signage and store windows;
- **Rethinking store layouts** both for navigation and for front-of-house space allocation for services such as BOPIS or pickup lockers;
- **Shopper psychology and mood:** The impact of materials selections and other sensory considerations;
- **Hygiene solutions:** Balancing safety and joy in the in-store experience, using fixtures made from materials that stand up to increased cleaning;
- **Personalization and appointment-based shopping** to control traffic flow and better tailor the customer experience; and
- **Technology** for **touchless solutions** and **augmented experiences** (e.g. AR/VR integration, mobile payment, sound immersion, etc.).



“We will have a lot of pent-up demand from such a prolonged duration of work-from-home/ everything-from-home life.”

MELISSA GONZALEZ, THE LIONESQUE GROUP/MG2

EXPERIENTIAL RETAIL MUST EVOLVE TO RECONNECT WITH CONSUMERS

While the role of the physical store has been evolving for years, the COVID-19 pandemic accelerated that transformation at speeds that were previously unimaginable. Retailers quickly got creative by ramping up services for click-and-collect, curbside pickup and faster shipping, setting expectations for convenience-focused, seamless amenities that will remain moving forward.

Perhaps most importantly, the need for human connection and community will be greater than ever before — amplifying the need for experiential retail. “I see experiential retail being even more important post-pandemic, as we will have a lot of pent-up demand from such a prolonged duration of work-from-home/everything-from-home life,” said Melissa Gonzalez, CEO of **The Lionescape Group** and Principal at **MG2** in an interview with *Retail TouchPoints*. “There will be a more holistic approach to igniting the senses beyond touch, with the injection of **cheerful and therapeutic colors**, infusion of **scent and music**, and more usage of **kinetic technology**.”

“The best brands know how to captivate their audience at each visit, making a lasting impression and pairing it with a seamless experience,” said Heesun Kim, Creative Director, **NELSON Worldwide**. “The reality is these environments will have to remain experiential and engaging to make an impact. The future of retail experiences has one thing in common, and that’s putting consumers first. The most engaging experiences will tap into **self-service, unmanned options**, as well as **personalized, detail-oriented resources**, and finally, **locally celebrated moments of engagement**. Together, each of these pillars will shape the role of the physical store, and keep consumers coming back long after the pandemic.”

Additionally, customer control over the experience will remain integral to stores’ successful evolution into vibrant destinations. “When a consumer enters a store, they want to know that there’s **respect for their health, and for their time**,” said John Federman, CEO of **JRNI**. “Shoppers are going to want to manage their own journey and make sure they get the most attention. That will be a requirement, a minimum level of service that shoppers will come to expect. **There will be as high a level of personal engagement as one can have without contact.**”



“Turning trips of necessary convenience into memorable brand moments will be a key go-forward strategy.”

JAMIE CORNELIUS, CHANGEUP

PANDEMIC REQUIREMENTS PUT NEW EMPHASIS ON STORE EXTERIORS

With the increase of pickup and curbside services, retailers should take advantage of another layer of engagement with shoppers via their store exteriors, windows and parking lots. “They will need to work together to create a cohesive and compelling experience for your brand,” explained Jamie Cornelius, Executive Creative Director, [ChangeUp](#). “Tear down the wall, pull back the curtain and open up the storefront with a view inside. **Reposition the curbside pickup with a view inside to inspire shoppers to ‘add to cart’ or come inside.** Turning trips of necessary convenience into memorable brand moments will be a key go-forward strategy.”

On a more practical level, retailers will need to think about their exterior footprints from the viewpoint of customers using pickup services. “The dialogue will begin from the parking lot, as seen with **Walmart, Home Depot, Target** and **Brookfield**,” said Gonzalez. “It won’t be enough to say ‘we offer curbside,’ they will need to make them great experiences. Signage will need to be clear and direct, yet delightful.”

“The store window will need to flex from a point of storytelling and inspiration to a point of pickup — maybe as far as **redesigning to factor in pickup windows** — or a fully modular storefront window,” Gonzalez added. “Brands and retailers may want to factor in a **dedicated queuing area with a concierge component** as customers wait for their pickup to be ready.”

“The curbside is the new storefront,” added Kyle Jeffery, LEED AP and VP of [CallisonRTKL](#) who leads retail design in the company’s Dallas office. “**Creating a welcome zone breaks down the storefront threshold.** This space will become permeable to the outside, removing the barriers normally associated with in-line store design, and creating more interest and interaction at the entry.”

PUTTING APPOINTMENTS AT THE HEART OF EXPERIENCES



NANCY LIBERMAN, VP MARKETING, **JRNI**

Back in April, I attended a webcast on how retailers were going to manage the emerging pandemic. It was back at the beginning, before “new normal” and “I’ll Zoom you” became part of our vernacular. And the most impactful words I heard came from Sandra Campos, the CEO of DVF: “You can’t just have clothes in a store anymore,” she opined. “It has to be emotional, more educational, much more of an experience where you’re getting something back.”

Think about it. Retailers were already starting to see increased competition for share of mind and share of wallet. Then, COVID changed everything and retailers had to pivot in a hurry. They needed a new playbook based on strategies to deliver an individualized experience, while adhering to guidance about contact, capacity and social distance.

And that brings us to today. Consumers are expecting more of their preferred brands to compel them from the safety of their homes. Not surprisingly, you’ve seen retailers beginning to offer virtual visits with Santa, remote classes for baking holiday cookies or personalized in-store appointments. And what do they have in common?


- **Each engagement is personalized for the shopper;**
- **Each is built for maximum safety and social distancing;**
- **Each is a true experience; and**
- **At the heart of each experience is an appointment.**

Whether it's booking a time to meet one-on-one with a personal shopper to have a more efficient shopping experience, or it's booking a time to enter a store and be notified while you wait in the comfort of your car, it's all part of an experience. It puts the consumer in control during a time when some feel they have none over their circumstance; it puts them in control of their time, and enables them to turn a transaction into a conversation, a delight, an experience.

We, as consumers — as humans — need experiences more now than ever. As we Zoom into our work, as we Zoom into our school, as we Zoom into weddings, and birthdays, and baby showers — we crave human connection more than we crave any product or service. Retailers were already taking us there, but COVID made it happen faster. A world where experiences are more important than things was already coming — and now it is here.

As you look for solutions that support you in engaging with customers, think about technologies that truly deliver on the promise of experience. For us at JRNI, we've grown into a platform that doesn't just help our customers schedule appointments — we've created a platform that helps our customers deliver exceptional experiences. We call it experiential relationship management — XRM for short — and we're looking forward to showing our customers what it can do for them.

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PAUL CONDER, CALLISONRTKL

BALANCING SAFETY AND JOY

Moving inside, the physical store will need to carefully balance offering shoppers both a safe and comfortable environment and delightful, memorable experiences — all while making the journey seamless and effortless. “If a retail experience is effortless and fast, it will also be perceived as low-contact and safer,” said Paul Conder, VP of CallisonRTKL in the New York office, who leads customer experience. “This means that many of the innovations that have been in the works for years — contactless payments, streamlined transactions, mobile integration, etc. — are being prioritized. So **safety doesn’t need to compete with the delight of a great experience, it can enhance it by taking away other pain points in the customer journey.** This is different for every brand — it could be about personalized service, or access to unique products or speed and efficiency.”

Signage, store layout and an effective circulation and site plan all can help maximize the space and simplify customer navigation. Communicating with shoppers about what to expect is equally important, both ahead of time via websites and social media and in-store. “In-store, retailers should adopt clearly defined store signs, wayfinding and safety measures, and make sure they are enforced throughout,” said Aaron Birney, Principal and Global Retail Leader of **Gensler**. “These strategies will help increase a customer’s confidence.”

Contactless solutions already were a trend before COVID-19 hit, and now they have become expected in-store features. “Stores will have to expand contactless beyond checkout, including changing rooms and product testing,” said Ari Peralta, Director & Founding Partner of **Arigami**. “These new challenges will lead to a wave of innovation that will hyper-focus on consumer well-being, including the use of elements like **sound**.”



IN-STORE TRANSFORMATIONS START WITH FIRST IMPRESSIONS

While everything from POS, fixtures and materials selections will need to evolve, the front of store will see a hefty portion of the transformation. “That first impression is imperative as you welcome more and more guests back into the store,” said ChangeUp’s Cornelius. “It’s important to deliver **convenience that isn’t cold, and contact that is meaningful and safe.**”

Agility will reign supreme, with an emphasis on fixtures made from materials that are easier to clean (taking inspiration from healthcare), and boasting flexibility and modularity for quick transformations. “Modular and agile design will be key going forward so that layouts can flex as needed throughout the year to accommodate for varying BOPIS and flexible fulfillment needs,” Gonzalez said.

Brands will need to deliver on quick-serve metrics as much as they do on customer service, Gonzalez added. And they will need to consider not only whether the customer expects flex fulfillment, but also what they find gratifying (or not) about the experience.

- **Do customers want to open the package on-site? Do they need to discard the cardboard?**
- **Do they want to seamlessly return the item?**
- **Do they want self-serve options such as pickup lockers?**

The need for more durable materials that can withstand more frequent cleaning is giving new meaning to the term “retail-hardened.” There’s an emphasis on anti-microbial properties and sustainability as well as a heightened awareness of the impact material selections have on overall experience. “We know that material can impact our health and therefore our well-being, both physical and mental,” said Peralta.

Upheaval also may be coming to merchandising, including the ways retailers place, stock and present SKUs on shelves. The center store of supermarkets, and potentially all merchandise categories, may be changing in an enduring way, explained Eric Daniel, Creative Director at **LANDOR & FITCH**. “Now, **[a shopper’s] time is an expense against the cost of the order, and it has to be managed or reduced,**” he said. “Retailers will find labor efficiencies in how they place items or SKUs in stores. One significant presumption here is that the utility of stores as local points of distribution will continue to be a highly prized asset.”

Bolstering the store experience extends to employees as well, including using retail associates to better facilitate brand connection and engagement. “Staff training is more crucial than ever before. Training will be more like ‘casting,’ adding a much-needed theatrical quality to shopping,” Peralta said. **“People don’t want to visit a store, they want to take part in a brand immersion and escape reality.”**

DESIGN EXPERTS REVEAL ADDITIONAL KEYS TO WINNING INSIDE THE STORE

LEARN FROM LUXURY

“**When observing what brands are thriving through the global pandemic, luxury brands are unexpectedly set up for success.** The type of white glove concierge service offered at a high-end retail store is unmatched in the shopping industry, and consumers are starting to recognize the value of this type of personalized, one-on-one attention. Non-luxury brands can emulate this type of service by elevating their in-store experience, creating loyalty programs and VIP experiences that go beyond discounts and early access, instead making it part of the in-store shopper journey. Giving consumers the option to shop by appointment, or even arrange for personal shopping assistance, can help them feel empowered, pampered and valued, improving the overall shopping experience. And this attention to detail doesn't end with fashion, jewelry or handbag brands. It can expand to beauty, electronics, home décor and more.”

HEESUN KIM, CREATIVE DIRECTOR, NELSON WORLDWIDE

PUTTING EMPLOYEES AND CUSTOMERS FIRST

“**I can't stress enough the importance of employee satisfaction, health and wellness to businesses.** Proper training programs and benefits that enable trust, caring and advocacy are important. Taking into consideration customers' new needs, as well as addressing their emotional concerns and physical demands for a safe and functional retail space, will necessitate a new design experience for customers. Brands should focus on creating a better, more efficient and safer experience to remain competitive and be resilient in the post-pandemic world.”

AARON BIRNEY, PRINCIPAL AND GLOBAL RETAIL LEADER, GENSLER

THE EXPERIENTIAL SPACE

“**Experiential retail will be more about health and wellness, effortlessness, joy and appreciation.** No more over-the-top roller coaster rides, artifice or novelty. The experiential retail space will be about testing new profit models, new products, new ways to engage with the brand, and new forms of cross-channel connection for the business and the customer. It will be a node in a multichannel brand ecosystem — one that brings the brand to life in a physical space and can deliver services with a personal, face-to-face connection (albeit at a bit of a distance these days). It will be a place where brands can learn about their customers, try out new ideas and find out how to provide the most value. It will be a platform for innovation and a testing ground for business.”

PAUL CONDER, VP, CALLISONRTKL



STUDY CUSTOMER DATA TO PERSONALIZE TECH OFFERINGS

The integration of technology for more experiential spaces includes exciting new elements such as projection mapping — to allow brands to unlock a new dimension of design — and sound spatialization, which refers to using sound to create specific and unique sonic environments within spaces. “The use of sound will continue to evolve from today’s practice of curated music playlists to providing sophisticated soundscapes for noise control and creative sonic experiences,” Peralta said.

As ecommerce and subscription services increasingly handle consumers’ stock-up purchases, technology will help make physical store visits — which will be rooted in discovery and inspiration — more meaningful to each consumer, Cornelius said. Harnessing appointment-based experiential retail will allow for connection while honoring the mindset for social distancing, as will the use of mobile in-store to enhance engagement while minimizing high-touch surfaces.

To make the most of the contactless and convenient technologies that have been adopted during the pandemic, retailers will need to study customer preference data to determine which solutions they should invest in. Personalizing tech offerings to individual shoppers has the potential to increase customer satisfaction and provide a stronger ROI for the retailer.

A variety of verticals, ranging from convenience and grocery stores to car dealerships and beauty, began experimenting with contactless/cashierless checkouts and autonomous stores even before the pandemic. Now, the convenience and efficiency of those models are being leveraged to solve issues related to shopping during COVID-19.

These leaps in technology have also put consumers in the driver’s seat. According to [eMarketer](#), **61%** of consumers globally are interested in using unmanned stores. “This seamless engagement is not only being accepted, it’s being requested,” said Kim. “And **due to the general chaos consumers are feeling in 2020, control will be strongly desired in the coming years.**”

Part of that control already sits directly in the palm of the customer’s hand via smartphones. Shoppers have adapted to fluidly using their mobile devices in-store, which will lead to more “integration enabling a ‘choose your own adventure’-type shopping experience via mobile devices, albeit with **the layers of augmented reality or dynamic video content,**” Gonzalez said.

A rise in technology-driven customer engagement will be powered by VR and AR offerings, as well as livestreaming of product demos, classes and webinars for shoppers to tune in. “These refined digital services will bring more individualized recommendations, video concierge services and biometric inputs for enhanced customer experiences,” said Birney.

“Some stores may not focus on selling products, but instead adopt a showroom model or offer relevant programming or services.”

HEESUN KIM, NELSON WORLDWIDE

THE ROLE OF THE PHYSICAL STORE IN 2021 AND BEYOND

With ecommerce currently dominating the market, the role of the physical store must evolve quickly. “Mega-flagship stores in major cities with a full line of merchandise are no longer as significant to consumers,” said NELSON Worldwide’s Kim. “Convenient, localized shopping experiences are more important than ever before, and retailers must rethink their real estate strategy and portfolio to attract and retain loyal shoppers. **Some stores may not focus on selling product, but instead adopt a showroom model or offer relevant programming or services.** The key will be connecting with shoppers in a meaningful, authentic way. Smaller, more adaptive environments will be welcomed by consumers and keep them coming back for new rotational merchandise.”

The evolution in shopper behavior and retail habits reveals that many consumers want to interact with others and be a part of a larger community. “The role of the physical space should be defined by each individual brand and how they engage those communities — whether virtually or in a physical location,” said Birney. **“Every retailer needs to define the purpose of the physical store and how that fits into their brand ecosystem.”**

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JRNI is an experiential relationship management (XRM) platform for scheduling and managing personalized experiences at scale. With apps for facilitating appointments, virtual queuing, and events, plus industry-leading analytics, JRNI helps businesses offer remote and in-person experiences that increase revenue, profitability, and efficiency, build customer relationships, and improve customer satisfaction and loyalty.

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Jessie is a retail expert, design lover and storyteller. She has never turned down an invitation to go shopping — in the name of research, of course.