Power Shops

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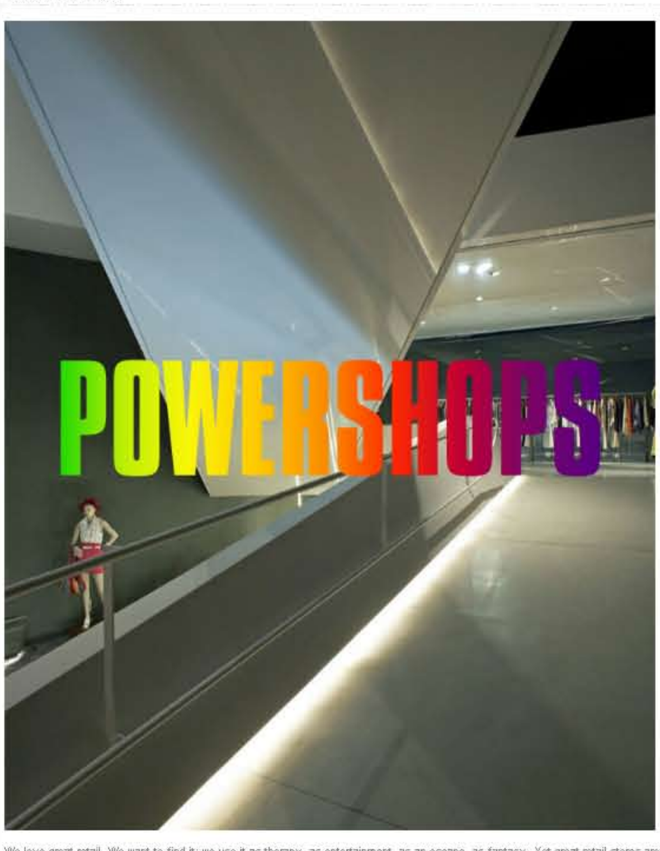
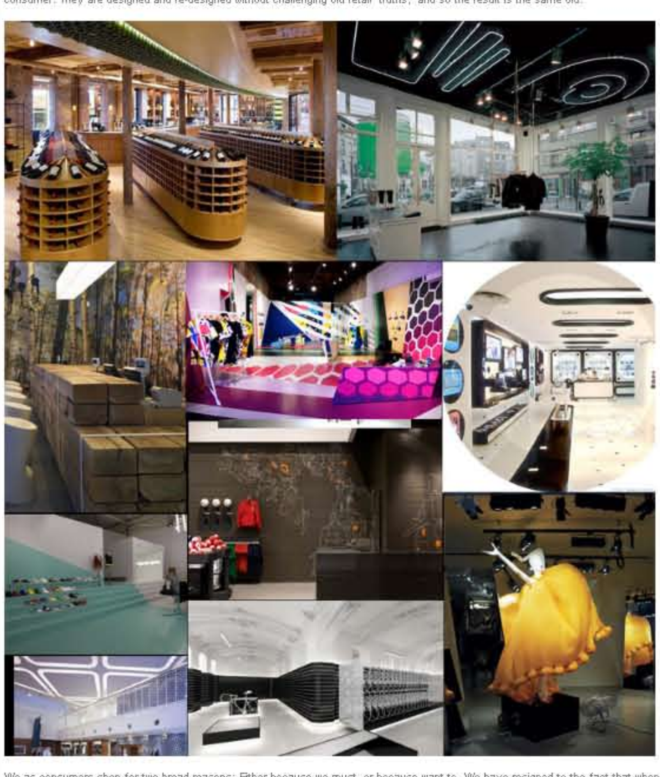
Thursday, 07 May 2009
EMAIL ARTICLE



We love great retail. We want to find it; we use it as therapy, as entertainment, as an escape, as fantasy. Yet great retail stores are much scarcer than mediocre stores. We all can list many stores that underwhelm us, yet we visit them daily. Mostly, because we must. Just think of your run-of-the mill grocery store, convenience store, drug store, gas station, department store, big box. Even the newest "concept" versions of many brands are bland, boring and basic; designed for the retailer and its suppliers, not the consumer. They are designed and re-designed without challenging old retail "truths," and so the result is the same old.

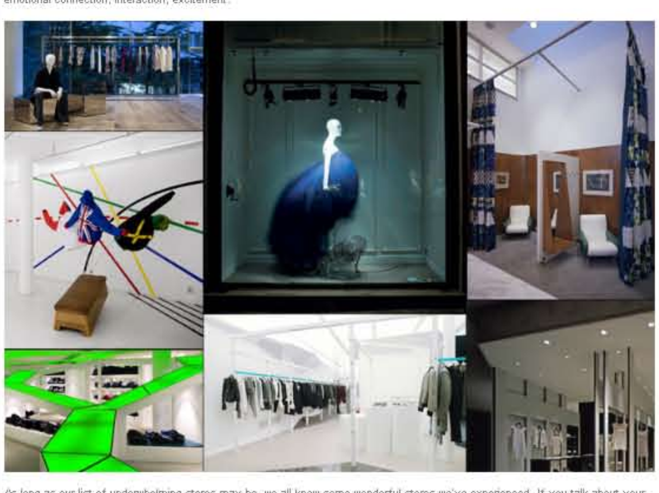


We as consumers shop for two broad reasons: Either because we must, or because want to. We have resigned to the fact that when we shop for items we must buy — gasoline, medicine, food — the stores will not look great. And yet, we'd most likely prefer shopping at a gas station that isn't scary, dirty, neon-lit and dull, or in a drug store that doesn't look like a warehouse for the most powerful brands. Even in today's multi-channel environment where consumers can stay at home and shop for necessities online, many retailers still assume that consumers don't notice or care.

Mass-appeal stores —including gas stations, grocery, convenience and department stores — have a much wider target audience than a niche boutique, and the two groups' challenges are different, but a consumer who shops for food does not suddenly forget his or her experience in a niche shop. The expectations, or at least the knowledge of a great experience goes everywhere with the consumer.

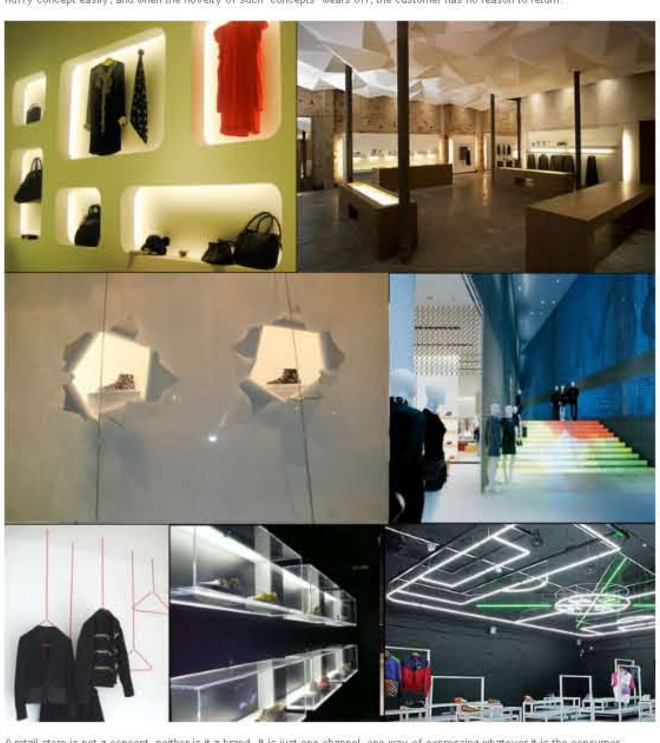
As business people, and as consumers, we know that retail today is more challenging and complicated than ever. Consumers shop less and demand more from each experience. They spend less and demand more value. In all categories and at all price levels, consumers look for value in the end, but value is not the same as cheap. Value is defined by the consumer as: Is it really worth my time, attention, money? The joy, prestige and pleasure produced by a newly acquired tech-toy or pair of shoes — expensive as they may be — make them worth the price to the consumer. And if the shopping experience was awesome, we have something more to tell our friends.

Regardless of segment or even price, today's power retail is all about authenticity, consistency and experience. Retailers must be nimble and adaptable, and evolve with consumers' tastes and needs. Consumers can find everything online, so the in-store experience must give them something that is much, much better. Stores must be relevant, engaging, fresh. They must offer an emotional connection, interaction, excitement.



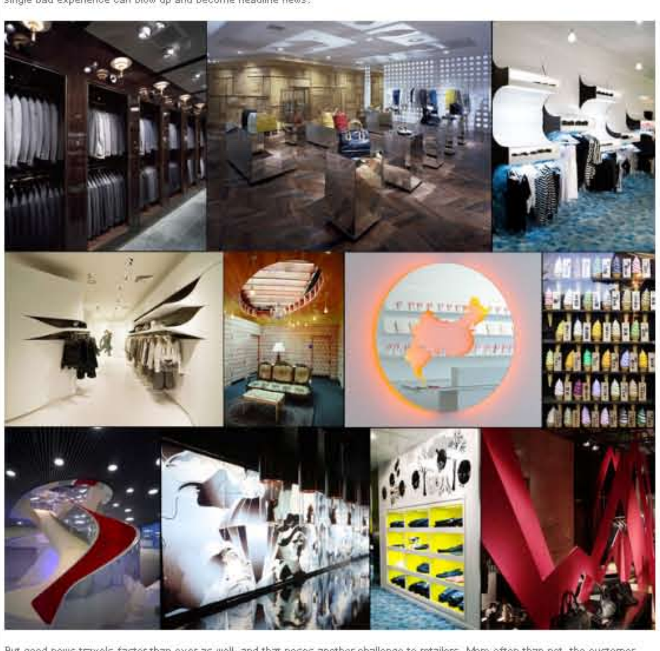
As long as our list of underwhelming stores may be, we all know some wonderful stores we've experienced. If you talk about your list of such favorites, most likely you will end up telling a story. It will be about the experience in the store: The way it looks, smells or feels. It will be about the staff behavior, the music, the selection, the philosophy, the brands, the changes, the activities. It has been a memorable experience in a good way. It has made an impression. You were – and are — emotionally engaged.

Whether the store is specialized in high-end fashion, cool skateboards, discount foods, knock-down furniture or exclusive art books, to the customer the overall honesty of the offering is what will bring us back. Will the components match? Is it all on the same page? Is it authentic? Can we trust them to deliver the same or more again? Today's customer can spot an empty shell and a fake, fluffy concept easily, and when the novelty of such "concepts" wears off, the customer has no reason to return.

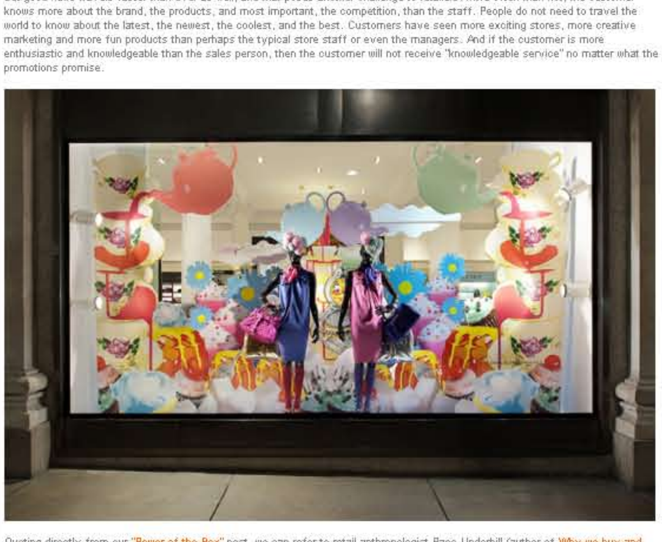


A retail store is not a concept, neither is it a brand. It is just one channel, one way of expressing whatever it is the consumer understands the promise to be, whatever the consumer feels the experience is going to add to his or her life. Branding, marketing, store design, merchandise selection, staff behavior, the windows, the change rooms, the website, the wrapping paper and bags, plus a million other details make up that promise, and every store visit either renews or shatters the trust.

Today, with word-of-mouth sped up by social media, bad news travels faster than ever. That can be a serious challenge, because a single bad experience can blow up and become headline news.



But good news travels faster than ever as well, and that poses another challenge to retailers. More often than not, the customer knows more about the brand, the products, and most important, the competition, than the staff. People do not need to travel the world to know about the latest, the newest, the coolest, and the best. Customers have seen more exciting stores, more creative marketing and more fun products than perhaps the typical store staff or even the managers. And if the customer is more enthusiastic and knowledgeable than the sales person, then the customer will not receive "knowledgeable service" no matter what the promotions promise.



Quoting directly from our "Power of the Box" post, we can refer to retail anthropologist Paco Underhill (author of Why we buy and Call of the mall) and his studies and surveys on shelf impact, shopping behavior and consumer psychology. They all show that it matters what the box looks like, what it makes us feel — even when we say it doesn't. A retail store is that box.

Also in the same post, we referred to Buyology — Truth and Lies about Why We Buy, a book by Martin Lindstrom who is now on Time magazine's list of world's 100 most influential people. Buyology covers the results of Lindstrom's $7-million study that attempted to figure out what really makes us vote with our wallets. The over-arching revelation — if it is indeed a revelation — is that, more often than not, we as consumers do not know why we buy. We do not know what actually affects us when we make a buying decision. But mostly it is about emotions.

When we encounter a fantastic retail store today — a store that we feel is worthy of our attention, time and money — we are really seeing a minor miracle and a major business feat. We should tell the world about it and we should demand more of it. Retailing is an extremely complicated and well-researched business, yet succeeding in it is still perhaps closer to magic than anything else. - *Tuija Seipell*

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