



INTRODUCTION

The pandemic has changed the in-store experience, possibly forever. After spending months with home delivery and curbside pickup as the norm, shoppers have developed a greater taste for convenience than ever before, which in turn has changed how retailers need to look at their stores. Omnichannel is no longer just about connecting digital and physical offerings but about removing friction from the entire operation, from warehouse to front of store.

Meeting the requirements of modern shoppers requires retailers to rethink both the **layouts of their stores** and the **technology being used inside**. Everything from the stockroom to the POS needs to be seamlessly aligned for the benefit of both associates and customers.

While this can seem like an overwhelming challenge, the most important aspects of good store design can be condensed into broader imperatives:

- **Design stores with order pickup in mind:** Curbside pickup, BOPIS and other omnichannel offerings are now the baseline, so retailers must encourage traffic flows that enable both order fulfillment and in-store browsing without them interfering with one another;
- Connect consumers to the store with digital experiences, wherever they are: The modern store extends past its physical boundaries, particularly when serving the needs of safety-conscious shoppers, so look to AR tools and personalized appointments to bring the experience to the next level;
- Understand that speed is important, but it's not the only thing: Many shoppers are still cautious about touching anything, from merchandise to PIN pads, but that doesn't mean the age of experiential retail is over modern store design can be made tactile in a safe manner; and
- **Remember, customer service comes first:** Store design upgrades need to be handled with the customer top of mind, so focus on upgrades that will improve performance in key areas like convenience, speed and ease-of-use.



GOOD STORE DESIGN ACCOUNTS FOR MULTIPLE TRIP TYPES

While technology is at the forefront of modern store design, physical layout still plays a very important role — particularly with the popularity of curbside pickup and BOPIS options. Parking lots in particular have undergone major changes; they now need to be designed to minimize the distance between associates and waiting curbside customers — without feeling unsafe for foot traffic.

"Retailers can redesign stores to make them more efficient for pickup, such as locating pickup counters near the entrance," said John Harmon, Senior Analyst at Coresight Research in an interview with Retail TouchPoints. "They can also offer dedicated parking spots located near the front door or pickup counter, in addition to curbside pickup. Store layout can also be optimized to accommodate both pickers and shoppers."

Of course, technology still plays an important role in the pickup experience. Empowered associates make for better pickers, communication tools can make the process easier for shoppers to get their items without a hassle, and proper inventory management is necessary to minimize out of stocks when products can be sold through several different channels.

If retailers want to get the entire experience right, they need to deliver consistency above all else. Sometimes a customer who prefers delivery will visit the store to browse, and sometimes a traditional shopper will find it more convenient to place a BOPIS order. Retailers need to make everyone feel comfortable and familiar with the experience no matter how they're choosing to interact, using both technology and store design.

"Providing options, from BOPIS to in-store to delivery, will become table stakes for retailers from big box to specialty," said Katie Thomas, leader of the **Kearney Consumer Institute** in an interview with Retail TouchPoints. "**Consumers sometimes want the speed of curbside and other times want to run into the store** — true retail tech will help support making this a consistent experience."

STORE TRANSFORMATIONS SHOULD BE AGILE

The past 18 months have "reinforced just how volatile the future can be," according to Rance Poehler, CEO of **Toshiba**. As a result, retailers are looking at literally hundreds of technology options to improve the in-store experience. Retailers are working to become more agile to better respond to future challenges, but they also need the ability to safely experiment with new options and scale them across the entire operation.

"Retailers want to digitally transform their businesses at their own pace and retain control over the process," said Young in an interview with Retail TouchPoints. "Our approach is to empower them, through unified commerce, to build the cohesive services and experiences they want, implement them across their entire physical and digital environment, and scale them at their own pace and with as little or as much support as they need."



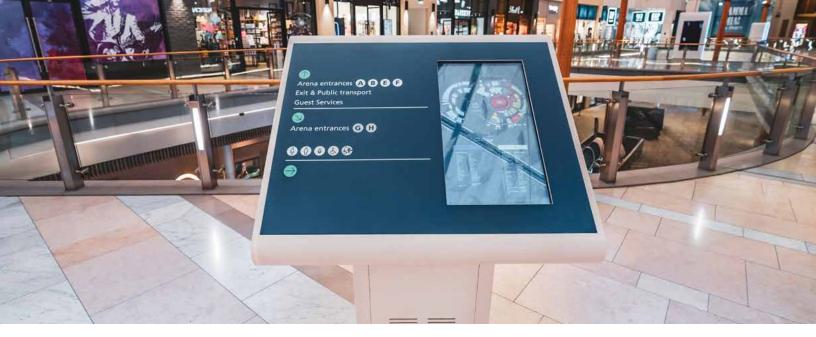
OMNICHANNEL IS A CORE COMPONENT IN MAINTAINING IN-STORE SAFETY

Shoppers may be returning to stores, but with the Delta variant on people's minds many aren't ready for close-quarters shopping. This is a challenge for highly tactile segments like apparel, where fitting room technology has yet to reach mass adoption and AR is only just reaching its full potential. In the meantime, retailers have other ways to connect with their shoppers outside the store.

"Augmented reality and 3D fitting rooms did not see the 'forced' adoption of other technologies during the pandemic for two main reasons — the technology itself has not been mastered yet, and consumers still want a high-touch experience with clothes, shoes and accessories," said Kearney's Thomas. "While AR should continue to be advanced, apparel can also learn from beauty and some of the tech they've leveraged, such as livestreaming. **Brand ambassadors demonstrating how a product fits, moves and feels can provide an interim benefit while fitting room tech is further developed**."

Associates can help bridge these gaps by offering personal appointments, whether in person or via phone or video call. These options gained popularity during the height of the pandemic as a way to limit traffic, but stores built to support the idea can offer a next-level experience for customers at any time. Consultations can carry over from calls to store visits, with the added benefit of helping the associate get to know the customer better than has been possible with traditional interactions.

"Appointment-based shopping is critical for smaller stores because these stores typically have a lean staffing model," said Gaurav Joshi, Director in the Retail and Supply Chain Practices of AArete in an interview with Retail TouchPoints. "Appointment based shopping distributes that customer load evenly to allow store representatives to provide dedicated attention to customers, thereby enhancing the overall customer experience. This is particularly true for retail segments where sales are influenced by expert consultation and recommendations — jewelry, high fashion and electronics."



DON'T RUSH THE CUSTOMER IN THE QUEST FOR CONVENIENCE

While many post-pandemic modern store design strategies are aimed at getting shoppers in and out as quickly as possible, retailers can't afford to neglect the importance of letting shoppers take their time and browse. Even a simple grocery store trip can be a relaxing experience for many people, so retailers need to make sure their friction-busting efforts aren't making shoppers looking for a more traditional trip feel rushed.

"Not all 20 minutes are created equal, and while consumers hate to wait in line, many people like to browse — which, despite the desire to get in and out of a store, is still a better experience in-store rather than 20 pages of shoes on a screen," said Kearney's Thomas. "Experiential retailing can automate processes that don't add value to the consumer, complementing a highly engaging brand experience."

The key to maintaining a great experience while meeting social distancing demands is to focus on cutting out the unpleasant parts of shopping, like searching for products and waiting in checkout queues. Retailers can use modern smartphone-enabled capabilities like wayfinding and choose from a growing number of accelerated checkout technologies to enable speed where it matters.

"The store layout has a major effect on efficiency," said Coresight's Harmon. "Combining shopping lists with wayfinding maps on a smartphone app would enable shoppers to travel the shortest path and spend a minimum amount of time in the store. Also, unstaffed, 'just walk out' technology or smart shopping carts could make shopping faster and reduce human contact."

BALANCE OPTIONS WITH DIFFERING LEVELS OF CUSTOMER INPUT

Modern store design is largely about convenience, but not all convenience technology is created equal. Good modern store design allows customers to choose their level of engagement.

"It's worth noting which of the technologies require consumers to participate, versus which retailers can largely implement on their own, impacting the timing and success of the initiative," said Thomas. "For instance, an app or mobile wallet rely on the consumer. [In contrast], an up-and-coming winner in cashierless checkout, the smart cart, does not require consumer participation and also provides additional data for the retailer."



CUSTOMER SERVICE IS AT THE CORE OF STORE DESIGN

Retailers can't afford to forget that all of their technological upgrades and physical redesigns serve a single purpose: making the shopping experience as pleasant as possible. While there is no easy path to a good customer experience, retailers can look at what they offer — and what they lack — to get a good idea of what's needed, which is where **customer data will be vital**.

"There are many facets to the customer experience, including how long it takes to receive your order, or how long you have to wait in a checkout line and pay, that can be streamlined," said Harmon. "This is in addition to other experiences such as in-store cooking classes or services such as optical, financial, travel, hair salon, etc. One other aspect of the experience is the retailer knowing you — for example, if you require gluten-free food or a have favorite brand or other preferences."

There is one universal ingredient in a good customer experience: the associate. Even the best technology in the world can be enhanced by friendly, knowledgeable and enthusiastic employees. Whether it's helping a first-timer handle self-checkout or troubleshooting a problem with a loyalty app, associates are the heart of the store.

"Customer service continues to be flagged as a top complaint, sometimes even more so with technology and the inability to get access to an actual person," said Kearney's Thomas. "Service to complement [your] technologies can be optimized, with employees empowered with the right tools to answer questions quickly and effectively."

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