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From transaction to immersion:

Brand Experience in Physical Retail

Mian Wang, Jamie Marsden, and Briony Thomas,

University of Leeds, School of Design UK

Keywords: brand experience, omnichannel, retail, physical store

Purpose

Well-designed experiential retail stores provide customers with an attractive

environment to experience merchandise and facilitate the creation of a relationship

between brands and consumers (Jones, Comfort, Clarke-Hill, & Hillier, 2010). Through

the emergence and development of instore technology, the traditional physical retail

store has the potential to revitalise the shopping experience (Blázquez, 2014; Grewal,

Noble, Roggeveen, & Nordfalt, 2020) and fundamentally alter how customers engage

and build emotional bonds with brands (Jones et al., 2010). Although there is

acknowledgement that the functions of physical stores are migrating to different

models, in terms of being showrooms or offering return and fulfilment flexibility, (Gao,

Agrawal, & Cui, 2022) there are few empirical cases that have explored the experience

of retail spaces and its role within the broader omnichannel offering. Related studies

(Baek, et al., 2020) have investigated online virtual tours through the lens of brand

experience and argued that retail brands could have distinct advantages from

employing virtual tours to show physical stores online; however there has been little

emphasis on the experience of physical retail stores.

We draw from a case study to report on the role that physical stores can play in an omnichannel environment and its important contribution to brand experience. The objectives of this study were twofold: firstly, to explore how a luxury brand has used its retail space to focus primarily on providing an engaging brand experience, and not directly focusing on transactions; secondly, how a range of technologies have been incorporated into the retail space to provide an immersive and relevant experience across the four recognised brand experience dimensions. Through this exploration we see how an experience-dedicated retail space is dependent upon omnichannel efficacy to manage the displaced transactions.

Methodology

We adopted a case study approach to report an innovative experience store that has revolutionised the concept of the retail environment. The luxury brand Canada Goose was selected as the case, specifically for their retail experience termed 'The Journey'. Data was generated via semi-structured interviews with experts directly involved in the development and delivery of this case, which allowed for deeper investigation and discussion of the topic (Silverman, 2015). We conducted seven semi-structured interviews with the individuals who worked on the case, each interview lasting approximately 60 minutes. The discussion guide was based on the interviewees' direct experience of retail design in the specific case, and was comprised of three main areas: (1) how has the integration of omnichannel capabilities affected the design of the physical retail store; (2) how can the design of physical retail spaces improve the instore experience for customers; and (3) what types of experience dimensions might be evoked instore, and what is the role of the technology in achieving this? All interviews were conducted online via Microsoft Teams to ensure we complied with local distancing restrictions in place at the time of capturing data. All interview data, with the permission of the participants, were recorded to aid the transcription and analytical processes.

Findings

Canada Goose wanted their retail store to shift from a transactional sales function to become an immersive and memorable brand experience. In the context of their omnichannel offering, it seemed wasteful for the physical retail space to simply replicate the functions that could already be fulfilled online. As one expert proceeded to explain, physical retail is searching for a new way to translate and extend their functions into a space that tells brand stories: "We wanted to create something that's never been done before: a new retail space that is able to take customers deep into the heart of the brand's stories." Canada Goose saw their Journey store concept as a means of enhancing their brand credentials by providing a realistic atmospheric experience that enabled the benefits of the products to be readily appreciated. Visitors to the store were able to learn through direct experience the superior qualities of the outwear through the recreation of Arctic conditions. The physical design of 'The Journey' store allowed customers to enter the store through The Crevasse, an interactive floor that gives the appearance of, and simulates the sound of, cracking ice underfoot when customers walk through the aisle. Once instore, The Cold Room presented a temperature of -12°C against a backdrop of immersive Arctic landscapes, and actual snow on the floor. By recreating these unusual conditions instore, customers were able to experience the extreme environment that is part of the brand story, and more importantly the ability of the garments to cocoon the wearer from these extremities. As explained by one expert: "It is hard to convince people in the perfectly climate-controlled environment like the traditional retail stores."

Through this process customers are deeply engaged with the instore experience, which provides a memorable and sharable event that can forge an emotional connection with the brand. By having The Journey Store free from inventory there were no storage or layout needs, leaving space solely for participating in the experience, exhibiting the products, and building the brand experience of Canada Goose. Visitors were able to make instore purchases, via technology, but the items would be delivered later the same day direct from a separate warehouse.

Technology optimizing brand experience

When designing the store, the retail designers of The Journey tapped into the sensory dimensions of brand experience by using technology to provide unique sights, sounds, smells and touches to deliver a multi-sensory, immersive and vivid experience. As cited by one expert: "People today crave real things, we want our customers to really feel the warmth in a Canada Goose jacket, with a similar temperature as the Arctic in the Cold Rooms." The Journey store focused on emphasizing the unique characteristics of being present in a physical store, namely the ability to engage the senses that cannot be replicated in online platforms and build an emotional connection. The physicality of the setting invites visitors to participate in the experience encouraging a behavioural interaction. The incorporation of virtual and augmented reality technology, sensory displays, and interactive kiosks, enhanced the intellectual experience by enabling customers to physically interact with products, explore features and benefits through digital hotspots, and gain a deeper understanding of the brand. The recreation of the Arctic conditions enabled the products to demonstrate their benefits and superior performance to visitors, creating an intellectual experience.

Theoretical Implications

Our research indicates that the physical store does not need to be limited to the functions of a fulfilment centre or a showroom (Gao et al., 2022), but can be designed to provide a more holistic brand experience and tell a 'brand story'. By incorporating the dimensions of brand experience into Canada Goose's physical store, visitors were able to participate in an engaging interaction that became a memorable experience. This innovative experience turned visitors into advocates keen to share their enjoyment. It was evident from the discussions with the strategists that such innovative experiences were expected to generate positive media impressions, further fuelling interest in physical store. There is a risk that such innovative technology could be seen as a novelty, however in the case of 'The Journey' the experience was authentic and relevant to the purpose of the brand and its story for its customers.

Practical Implications

Such memorable experiences soon become known and therefore in need of dedicated updates, which introduces resourcing considerations. Stores that aim to develop innovative experiences are only viable for luxury brands. The complexity of 'The Journey' store had practical limitations that restricted the number of visitors at any single point, resulting in long queues outside the store. From a brand experience perspective, it is essential that interactive experiences are relevant to the brand and authentically incorporate the products and services seamlessly. The singular focus on using a retail space to provide a compelling experience requires excellent omnichannel capabilities to support the sales function.

Originality

The originality of this study is that it reports on an exemplary case of innovative retail design that emphasised experience over transactions. While other cases of consumer experience have focus on the transaction environment, the case reported in this study focused more broadly on building the experience of the brand by incorporating a range of brand experience dimensions.

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