



Enhancing the Store Experience

WHBM | Store Strategies for the Future

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EXECUTIVE SUMMARY

There are some exciting things happening in Experiential Retail today. And while the impulse may be to try to recreate similar technology-driven WOW moments for our customers, these examples are intended to provide inspiration – not direction; insights – not strategy.

KEY TAKE-AWAYS

- The “retail apocalypse” is over stated. Retail is not dead, it is being forced to modernize by digital native vertical brands. In response, we have to remove roadblocks, build consistent digital brand stories, and create innovative, reimagined physical spaces to compete.
- How we use brick and mortar spaces to reach customers, create brand awareness, and sell products does not have to be the same old, same old. In some markets, showrooms, popups and concept stores may be more effective in bringing brand awareness to various products and or services. (See, Warby Parker, Nordstrom Local, and M. Gemi)
- In-the-moment engagements and personalized experiences are what differentiates great from good retailers. This requires unified behavioral customer data, and a strategy to reach them in the most meaningful ways – where they want, how they want, and in the moments they want.
- Creating a sense of community through immersive services and specialized events builds brand loyalty. Customers who attend an in-store event are twice as likely to attend another...and buy.
- Strategic partnerships are key for agile retailing. Rather than owning end-to-end product development and supply chain, retailers are joining forces with complimentary brands to extend product offering. (See, Universal Standard, Rebecca Minkoff.)
- Create seamless omnichannel experiences and focus on the end-to-end customer journey. This is where the real moments of delight are found.
- Be weary of emerging technology-driven experiences that offer those flashy bells and whistle moments. While awe-inspiring, they require costly, upfront investments that may not reap the rewards over time. Technology is important, but focus on innovating the experience.

Experiential Retail

BEST PRACTICES IN EXPERIENCE DESIGN

People do not buy things, they buy experiences.

Emotional storytelling, sensory immersion and human connections are the new tools retailers are using to lure shoppers off the couch and happily into their stores.

“

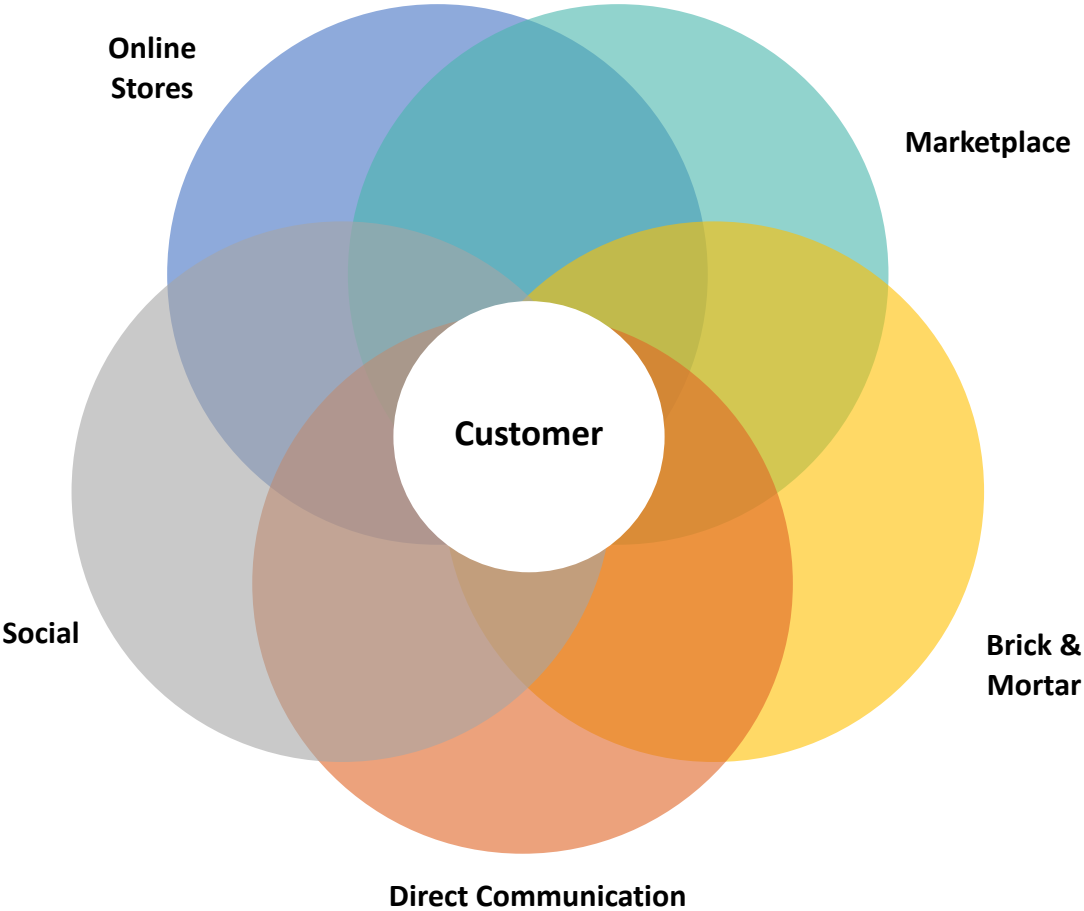
The store is no longer a beginning and end point, but rather a gateway to a brand's entire ecosystem.

”

MULTI-CHANNEL WAS YESTERDAY



OMNI IS TODAY

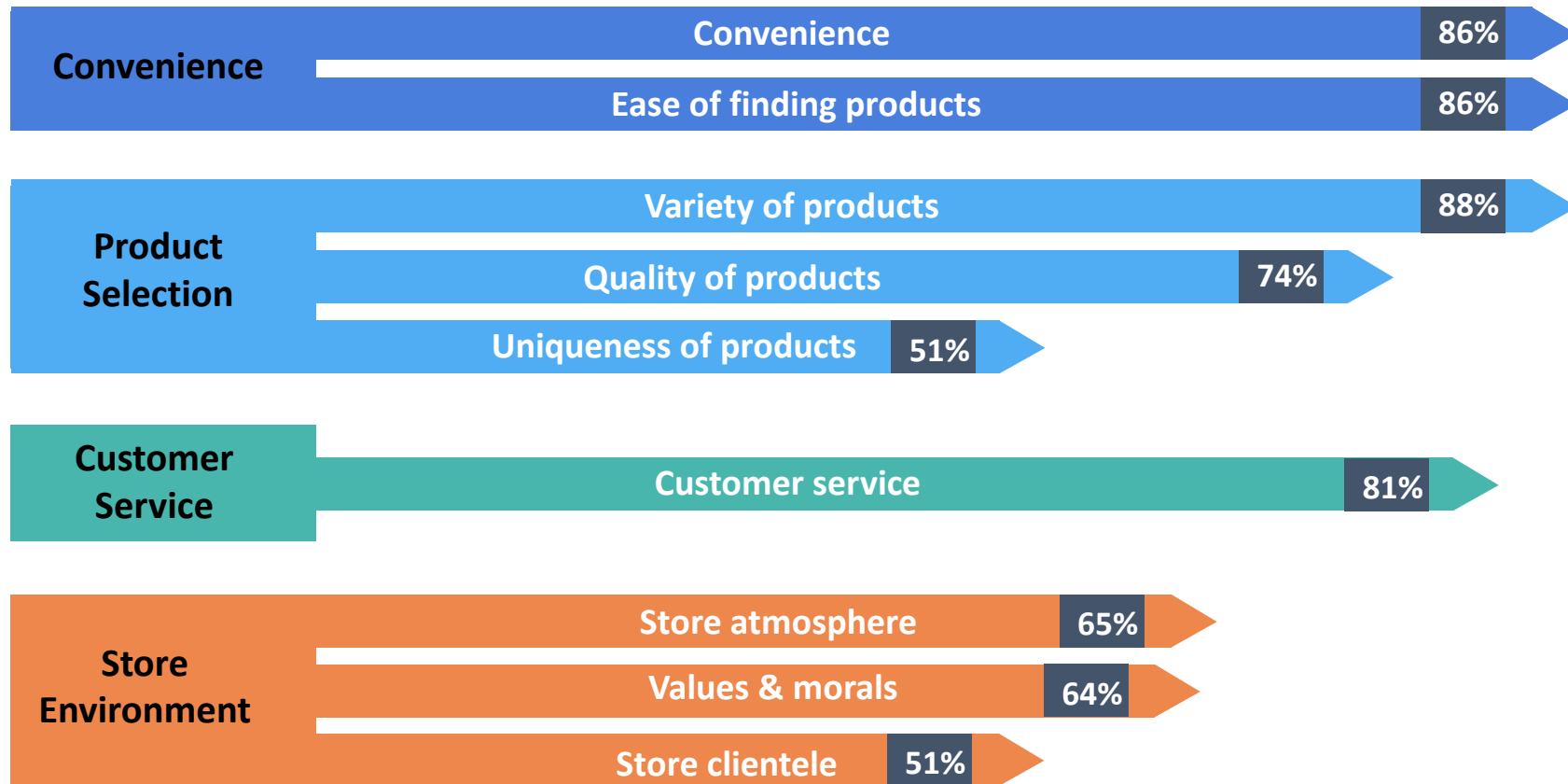


Consumers don't care about channels. They care about a **unique & personalized experience**.

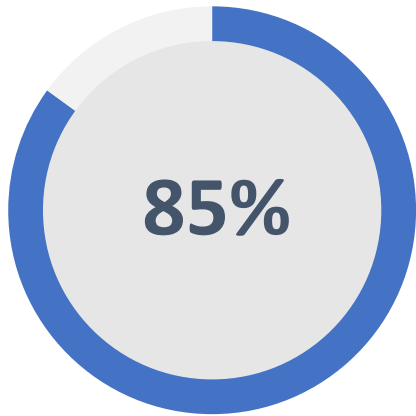


CUSTOMERS CARE ABOUT CONVENIENCE TOO

When imagining their **ultimate in-store experience**, consumers look at four major criteria.

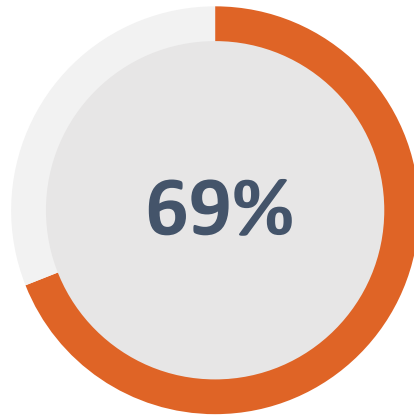


Pairing the **right service with the right in-store customer** is key for retailers.



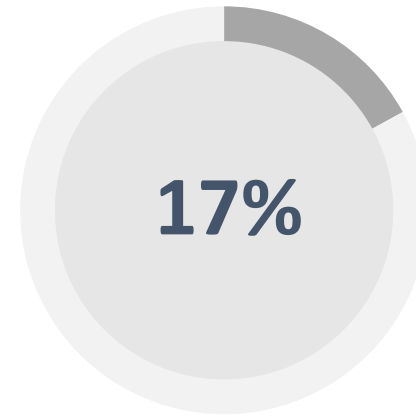
PRICE CHECK

85% of consumers surveyed want to be able to check prices at price scanners rather than having to ask a sales associate for help.



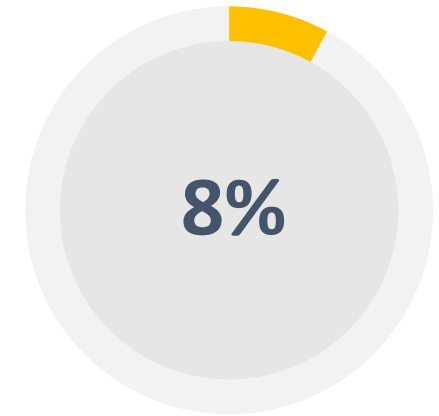
PICKUP IN STORE

69% of shoppers said that being able to order a product online and then pick up in store was important.



DRESSING ROOM TECHNOLOGY

17% of those surveyed deemed technology in apparel-store dressing rooms, that assist with shopping, was important.

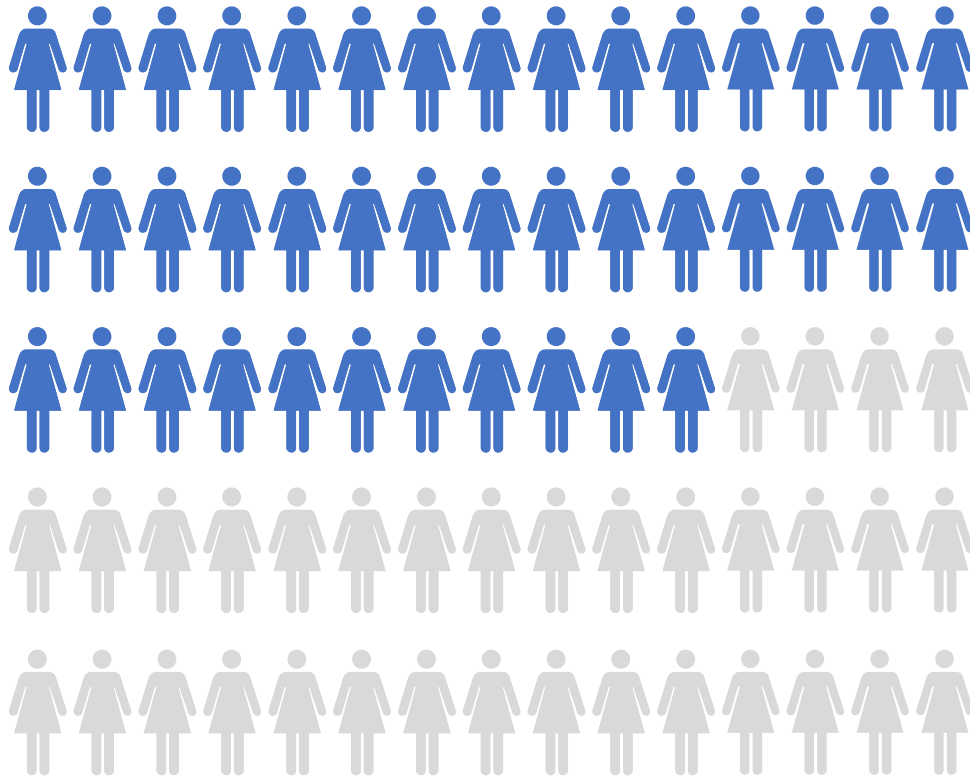


MOBILE PAYMENTS

8% of those polled say that having an option to pay with a mobile app was important to them.

Looking forward, consumers continue to express interest in **retailer experiences**.

58% *Interested in going to a retailer event*



Coming back for more

Shoppers who attended a retailer event in the last 12 months are **more than twice as likely** to express interest in attending a future event or brand experience.

*Interested in going to a retailer event **again***

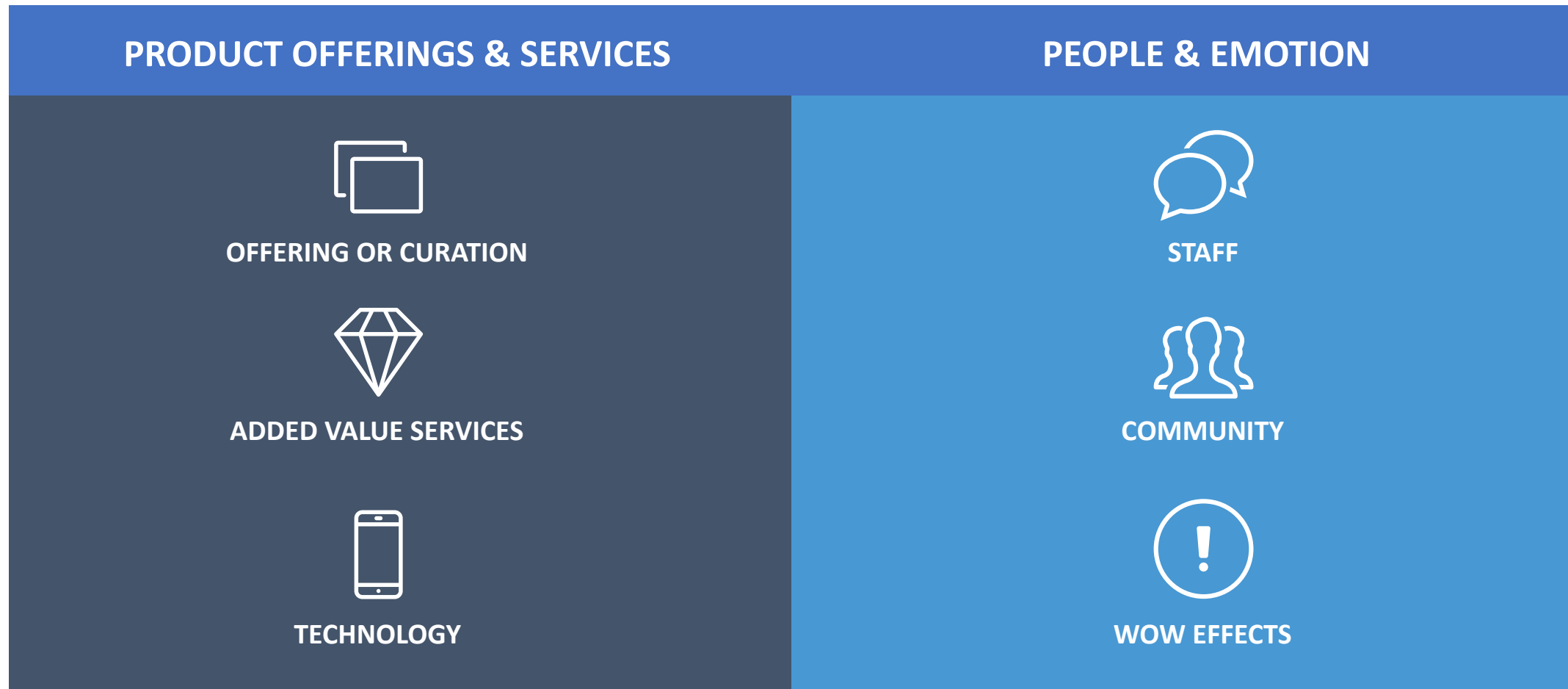
82%

*Attended an event
in the last year*

37%

*Did not attend an
event in the last year*

What are the six aspects of a successful **experiential retail concept**?



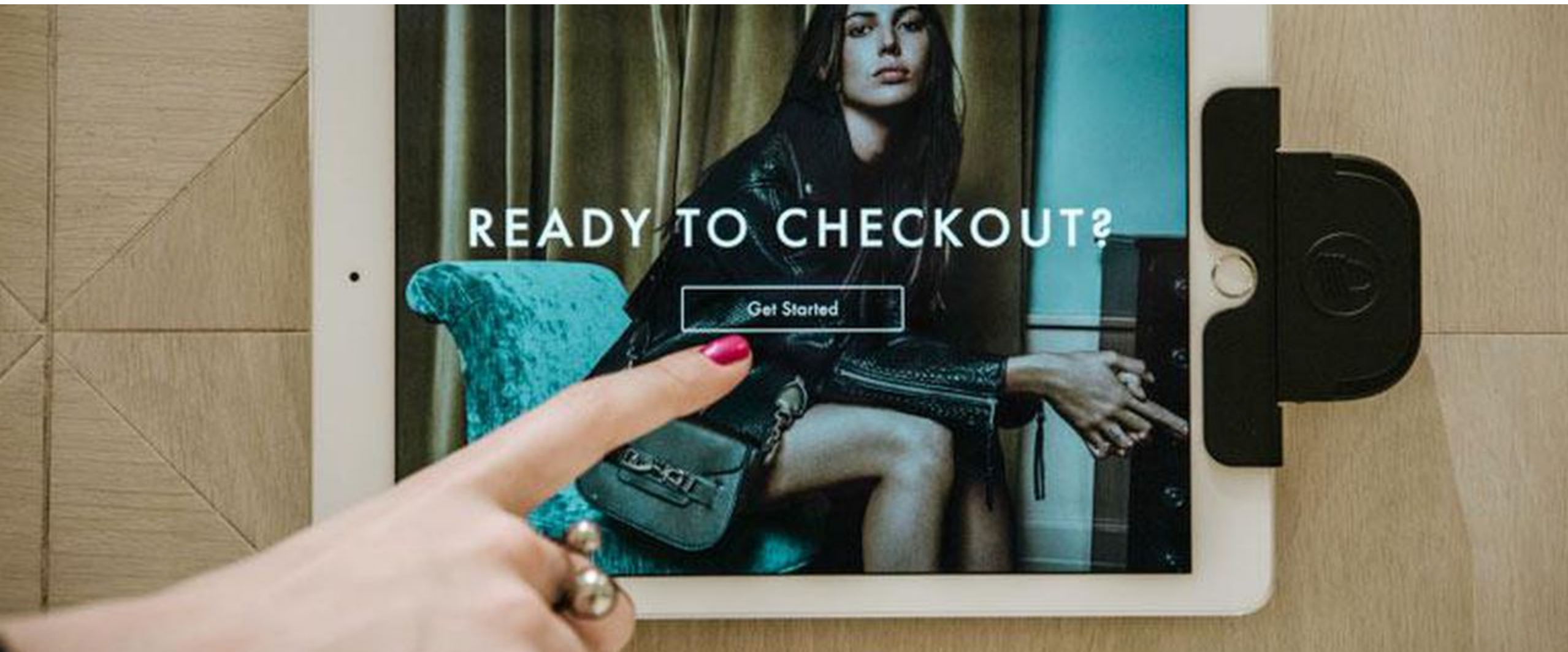
Provide a differentiating and inspirational **product offering or curation.**



Offer **added-value services** to drive traffic in store and engage customers.



Leverage technology to elevate the in-store experience.



Have **welcoming store associates**, trained experts, helpful when customers need help.



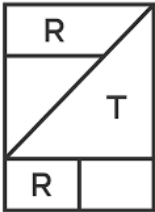
Make shopping a **social experience**, by bringing people together in store and engaging them.



Offer a great physical environment + overall customer experience = **WOW effect**.



Fourteen experiential retailers who are getting it right.

| | | | |
|---|--|---|---|
| Flagships or Concept Stores | REBECCA MINKOFF NORDSTROM LOCAL | ZARA  | ba&sh   |
| Guideshops, Popup Concepts, Store-in-Store, Partnerships | MODERN CITIZEN UNIVERSAL STANDARD | FARFETCH EVERLANE Reformation | M . G E M I WARBY PARKER |

FACT: Community and Technology are the greatest differentiators and yet the least offered.

| | | Offering/ Curation | Services | Technology | Staff | Community | WOW |
|--------------------|--------------------|-----------------------|----------|------------|-------|-----------|-----|
| FLAGSHIP/CONCEPT | Rebecca Minkoff | ● | ● | ● | ● | ● | ● |
| | Nordstrom Local | ● | ● | ● | ● | ● | ● |
| | Zara | ● | ● | ● | ● | ● | ● |
| | Rent the Runway | ● | ● | ● | ● | ● | ● |
| | Ba&sh | ● | ● | ● | ● | ● | ● |
| | Nike | ● | ● | ● | ● | ● | ● |
| | Levi's | ● | ● | ● | ● | ● | ● |
| GUIDESHOP/SHOWROOM | Reformation | ● | ● | ● | ● | ● | ● |
| | Everlane | ● | ● | ● | ● | ● | ● |
| | Universal Standard | ● | ● | ● | ● | ● | ● |
| | Farfetch | ● | ● | ● | ● | ● | ● |
| | Modern Citizen | ● | ● | ● | ● | ● | ● |
| | M.Gemi | ● | ● | ● | ● | ● | ● |
| | Warby Parker | ● | ● | ● | ● | ● | ● |

The background image shows a minimalist retail space. On the left, white shelves display various handbags and shoes. In the center, a large green plant sits in a white pot. On the right, clothing racks hold several items, including jeans and patterned dresses. The entire scene is overlaid with a semi-transparent teal filter.

FLAGSHIPS & CONCEPT STORES

“

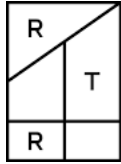
It's about creating unique experiences that capture your own brand promise while purposely helping your customers to reach their own aspirations. It's about building a journey that takes both of you where you want to be.

”

—Amy Roche

RENT THE RUNWAY

Fashion Rental Brand



CONCEPT:

Rent the Runway opened a 5000 sq. ft. flagship store in December 2016, designed like a dream closet where customers could easily pick up, exchange and return outfits and get styling.

LOCATION(S):

1 flagship store in NYC and 4 other stores in the U.S. (Chicago, Washington DC, San Francisco and Topanga.

HUMAN | MEANINGFUL | IMMERSIVE | PERSONALIZED







CHECK IN TO GET STARTED







“A customer’s “personalized closet profile” includes data points such what they have recently browsed online, what designers they favor, birthday, rental histories, and many more details. All of this data helps associates create a frictionless experience and make appropriate recommendations based on upcoming occasions or intent.”



- Koda Wang, Chief Customer Officer, Rent the Runway

RENT THE RUNWAY: STORE STRENGTHS



OFFERING OR CURATION

- Rotating selection of designer styles from everyday outfits to black tie, personalized for each store based on store's customer data analysis



ADDED VALUE SERVICES

- Pickup, drop-off & exchange of online orders (related to membership)
- Same day rental offered in store
- Styling services
- Online reservation to book a styling appointment, RSVP for an event, book a last minute appointment or a membership consultations



TECHNOLOGY

- Interactive kiosk to self-scan items for order pickup, drop-off an exchange (Self-service)
- 6 tablets available to browse inventory and order/reserve an item, book a styling appointment, etc.
- Interactive mirror with empowering messages
- Stores customer data analysis



STAFF

- Welcoming
- Helpful if needed
- Expert stylists



COMMUNITY

- Regular events in-store (Sample sale, etc.)
- Private events
- Leverages word-of-mouth by encouraging customers to share photos of their outfits
- Incentivizes customers to share their love with their friends through a referral program.



WOW EFFECTS

- Overall concept & experience



BA&SH

French Fashion Brand

ba&sh

CONCEPT:

The French fashion brand Ba&sh offers affordable luxury clothing. The brand is very well-rounded: they present everything from jeans to sweaters, while many brands in the United States are only offering one kind of thing. Customers can borrow clothes for the weekend, free of charge. Events are also hosted in-store each month encouraging customers to view the brand as a trusted friend

LOCATION(S):

222 stores located throughout Europe and the US (New York and Miami)

INTUITIVE | HUMAN | MEANINGFUL | IMMERSIVE



ba&sh

dream together

257





“ Every element of the shop is a part of us. We chose this area because we frequent it a lot. We tried to bring to life the store that we’ve always dreamed of. This is our dream store. ”

- Sarah Benady, Ba&sh's CEO for North America

BA&SH: STORE STRENGTHS



OFFERING OR CURATION

- The test concept is based on “friendship.” Every Friday from 5pm to 7pm, each customer will be allowed to borrow a piece from the collection for a weekend — for free. The brand will take care of the dry cleaning. The goal is to make shoppers feel at home at Ba&sh.



ADDED VALUE SERVICES

- Dream Closet (can borrow free of charge for 72 hours)
- Shop-in-shop with other brands who are yet unestablished in the United States
- Complimentary French breakfasts
- Reduced-price French classes
- Children’s play area near the dressing rooms



TECHNOLOGY

- Mobile app
- Clienteling app for associates



STAFF

- Welcoming
- Helpful if needed
- Staff can create personalized shopping experiences based on digital and physical shopping behavior



COMMUNITY

- Regular events in-store
- Private events
- Expert panel discussions
- Monthly dinners with local influencers & friends



WOW EFFECTS

- Overall concept & experience

NORDSTROM LOCAL

Neighborhood Hub

NORDSTROM
LOCAL

CONCEPT:

Nordstrom opened a new kind of store called Nordstrom Local last year. Each store is only 1,200-3,000 square feet and carries no inventory. Instead, Nordstrom Local is a place for customers to pick up packages, their meet with a personal stylist, get their clothes tailored and even get a manicure or haircut, depending on the store.

LOCATION(S):

3 stores in the Los Angeles area

HUMAN | MEANINGFUL | IMMERSIVE | PERSONALIZED





“ As retail continues to transform at an unprecedented pace, the one thing we know is that customers value great service, speed and convenience. Finding new ways to engage with customers on their terms is more important to us now than ever. ”

- Shea Jensen, senior vice president of customer experience for Nordstrom





NORDSTROM LOCAL: STORE STRENGTHS



OFFERING OR CURATION

- Stores don't have any inventory. Customers can order items online and can pick them up and have them tailored at local stores, which breaks down the walls between online and in-store shopping.



ADDED VALUE SERVICES

- Buy Online & Pick Up in Store (or curbside!), same-day and expedited delivery, and international shipping
- Fast and easy returns from Nordstrom.com and other online third-party retailers
- Personal stylists & beauty stylists
- Elevated gift wrapping in partnership with Paper Source
- Alterations, tailoring & shoe repair (Trunk Club services)
- On-site Concierge
- Barber and nail salons
- Dry Cleaning
- Coffee, juice, beer or wine bar



TECHNOLOGY

- Digital pickup kiosks
- iPads for ordering online
- Mobile app



STAFF

- Welcoming
- Helpful if needed
- Expert stylists



COMMUNITY

- Donates 1% of all Gift Card sales to nonprofits in local **communities**.



WOW EFFECTS

- Overall concept & experience
- More personalized visit with less friction—shorter waits, fewer returns, and lower levels of frustration on returns and pick-ups overall



LEVI'S

Personalized Retail



CONCEPT:

Levi's New York flagship is the apparel brand's largest store in the world, at nearly 17,000 square feet, and focuses on customization and personalization. Shoppers can browse in-store iPads for style inspiration and create custom garments printed in store using photos and images from four New York-based artists.

LOCATION(S):

Sold in 110 countries worldwide, 3,000 retail stores and shop-in-shops. 53 company operated stores – 2 with experiential upgrades (SoHo NYC and Times Square)

HUMAN | MEANINGFUL | IMMERSIVE | PERSONALIZED







“ Our direct-to-consumer and global marketplace strategy continues to pay off as we continue to invest in truly unique consumer experiences that emphasize customization, denim leadership originality and the authenticity that only Levi's® can claim. ”

- Jen Sey, Chief Marketing Officer for LS&Co.

LEVIS: STORE STRENGTHS



OFFERING OR CURATION

- This larger format of a company-owned store reinforces Levi's direct-to-consumer confidence and features Levi's technology advancements, customization and authentic Levi vintage products.



ADDED VALUE SERVICES

- Buy Online & Pick Up in Store, Ship from store
- Tailor shop – personalized denim & Iconic SoHo and NYC pins and patches & studding service
- Custom t-shirt printing (using photos and images from four New York-based artists)
- Vintage Collection



TECHNOLOGY

- RFID technology (inventory tracking)
- Digital fitting rooms
- Mobile POS
- Mobile work stations (iPads)
- Direct-to-garment (DTG) printing capabilities



STAFF

- Welcoming
- Helpful if needed
- Four on-site tailors



COMMUNITY



WOW EFFECTS

- Overall concept & experience

NIKE

House of Innovation (NYC)



CONCEPT:

Nike has innumerable other stores that do a great job of selling, but the Nike House of Innovation 000 represents the best of product, style and sport innovation, all centered around the heartbeat of New York City.

LOCATION(S):

3 experiential stores (Shanghai, New York and Paris)

INTUITIVE | HUMAN | MEANINGFUL | IMMERSIVE |
ACCESSIBLE | PERSONALIZED



NOISE-CANCELLING COLLECTION

In the noisiest cities on earth:
Dream so loud you silence everything.

For incredible moments
Do more than cut through the
noise—They create legacies
that will never be forgotten,
and futures no one saw coming.

In cities where chaos is the
norm—innovation is disruption.
So dream as loud as you can,
and chase whatever you want.

Turn your moments into the noise
that cancels all the others.

Dream Loud. Silence. *Green*
Nike

NIKE HOUSE OF INNOVATION NYC/000

NIKE
HOUSE OF INNOVATION
NYC/000

NIKE
HOUSE OF INNOVATION
NYC/000









“ My sense of immersion today and tomorrow is about doing a couple of things well. You have to stir the emotions, and I think you do that by captivating and engaging all the senses. I like to say that one of the things we do really well is to design for goose bumps. ”

- John Hoke, Nike's chief design officer

NIKE HOUSE OF INNOVATION: STORE STRENGTHS



OFFERING OR CURATION

- The six-level, 68,000-sq.-ft. Nike NYC, dubbed a “House of Innovation,” combines innovative physical services and digital features via the Nike app to provide a personalized and futuristic shopping experience.



ADDED VALUE SERVICES

- Buy Online & Reserve in Store, same-day and expedited delivery, and international shipping
- Skip the checkout line and pay for purchases from within their Nike App (NikePlus members)
- Nike Speed Shop/Sneaker Bar (for customized shoes)
- An entire floor that uses local data to stock its shelves
- One-on-one appointments with Nike style experts
- Cut-and-sew customization of Nike’s latest



TECHNOLOGY

- Mobile app
- QR code on products to scan product details, availability by size, shop the look, and requesting a fitting room
- “Instant checkout” kiosks and beacons
- Digital lockers (pickup)
- Digital displays



STAFF

- Welcoming
- Helpful if needed
- Style experts



COMMUNITY

- Basement floor just for New Yorkers, displaying the top-selling items in the region
- As a sign of appreciation to NYC, some of the hottest styles from the past year were made available to select members via exclusive access SNKRS Pass



WOW EFFECTS

- Overall concept & experience

REBECCA MINKOFF

Technology-Driven Retail

REBECCA MINKOFF

CONCEPT:

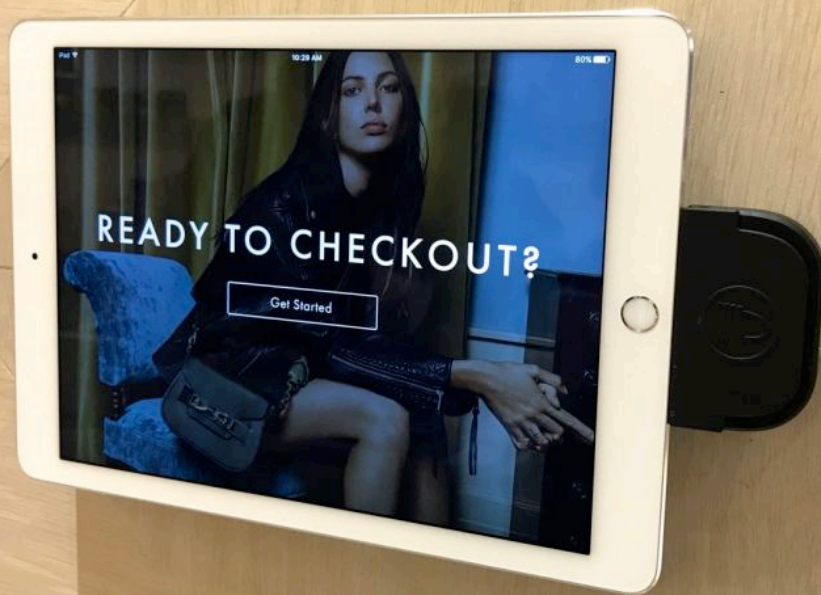
Rebecca Minkoff is a retailer that cracked the code for Unified Commerce. The sauce to the brand's success is a mix of high tech stores, discounted warehouse, and savvy online site and sales strategy.

LOCATION(S):

12 international stores and 4 stores in the US (SoHo is home to the flagship store)

INTUITIVE | IMMERSIVE | ACCESSIBLE | PERSONALIZED







REBECCAMINKOFF





“ Fashion traditionally has been designer-driven, with brands dictating to consumers what is in vogue. That’s changed in the digital age, with customer data and feedback informing design trends in significant ways. ”

- Rebecca Minkoff , founder of Rebecca Minkoff

REBECCA MINKOFF: STORE STRENGTHS



OFFERING OR CURATION

- Rebecca Minkoff is an industry leader in accessible luxury handbags, accessories, footwear, and apparel. She splits her merchandise evenly between physical, digital and wholesale channels, but leans heavily on technology for curation.



ADDED VALUE SERVICES

- Complimentary Champaign
- Digital product recommendations & product descriptions, & visualization
- Digital checkout (scan products and pay on iPad)
- QR codes embedded in bag to unlock content & rewards



TECHNOLOGY

- RFID technology (inventory tracking) & QR codes
- Digital fitting room “Magic mirrors” (browse and order different styles or sizes)
- Adjustable lights in fitting rooms
- Digital wall (5 x 12 feet) that lets you order a drink or request help from an employee (sends text message to customer when someone is on their way)
- Self-checkout kiosks



STAFF

- Welcoming
- Helpful if needed



COMMUNITY

- Regular events in-store (Sample sale, fireside chats, art openings, host female entrepreneurs who want to launch something)
- Private events
- Uses Twitter for new updates, Pinterest for our mood board, and Instagram for marketing & PR. Minkoff uses the media to interact directly with customers and style bloggers



WOW EFFECTS

- Overall concept & experience

ZARA

AR & Robotics

Z A R A

CONCEPT:

In April 2018, clothing retailer, Zara, opted to swap mannequins and window displays for an augmented reality catwalk. The initiative was rolled out across a fleet of flagship stores and allowed shoppers to experience products in a new way by holding their phones up to sensors on various displays. They could then click to buy based on the physical demonstration.

LOCATION(S):

120 UK flagship stores (Shanghai, New York and Paris)

4300 stores in more than 70 countries

IMMERSIVE | ACCESSIBLE | PERSONALIZED



A photograph of a ZARA store interior, viewed from a mezzanine level. The store has a modern, minimalist design with white walls and a polished floor. Clothing is displayed on long metal racks, and some items are placed on white pedestals. A large glass window on the left shows the exterior view. A dark blue sign with the ZARA logo is mounted on the wall. A glass railing is visible in the foreground.

ZARA

Temporary Concept Store
for Online purchases,
Returns and Exchanges







“ The customer must continue to be our main centre of attention, both in the creation of our fashion collections and in the design of our shops, of our logistical system and of any other activity. ”

- Amancio Ortega, Founder of Zara

ZARA: STORE STRENGTHS



OFFERING OR CURATION

- Zara's strategy is to offer a higher number of available products than its competitors. Ownership of its supply-chain steps allows for more rapid product turnover; Zara can design a product and have it sold in stores a month later.



ADDED VALUE SERVICES

- Buy Online & Pick Up in Store
- Mobile phone payment
- Self-service checkout
- Radio frequency identification technology (RFID), which offers up recommended or coordinating items when a customer scans something.



TECHNOLOGY

- Augmented reality app + 68 cameras for holographic fashion show (QR codes for online viewing)
- Payment kiosks
- RFID technology and beacons (inventory tracking)
- Robotic package-picking fulfillment



STAFF

- Welcoming
- Helpful if needed



COMMUNITY

- Leverages word-of-mouth by encouraging customers to share photos of their AR experience
- Incentivizes customers to share their love with their friends through a referral program.



WOW EFFECTS

- Overall concept & experience

A photograph of a modern retail store interior, likely a shoe store, with a blue overlay. The store features white walls, track lighting, and various shoe displays. On the left, a sign reads "Our Felicity Your Design" and lists steps for customization. In the center, a large wall displays several framed images of people. To the right, a circular display holds various high-heeled shoes. Two people are visible in the background, one standing and one sitting. The overall atmosphere is clean and contemporary.

GUIDESHOPS, SHOWROOMS, STORE-IN-STORE & PARTNERSHIPS



FARFETCH

Store of the Future



CONCEPT:

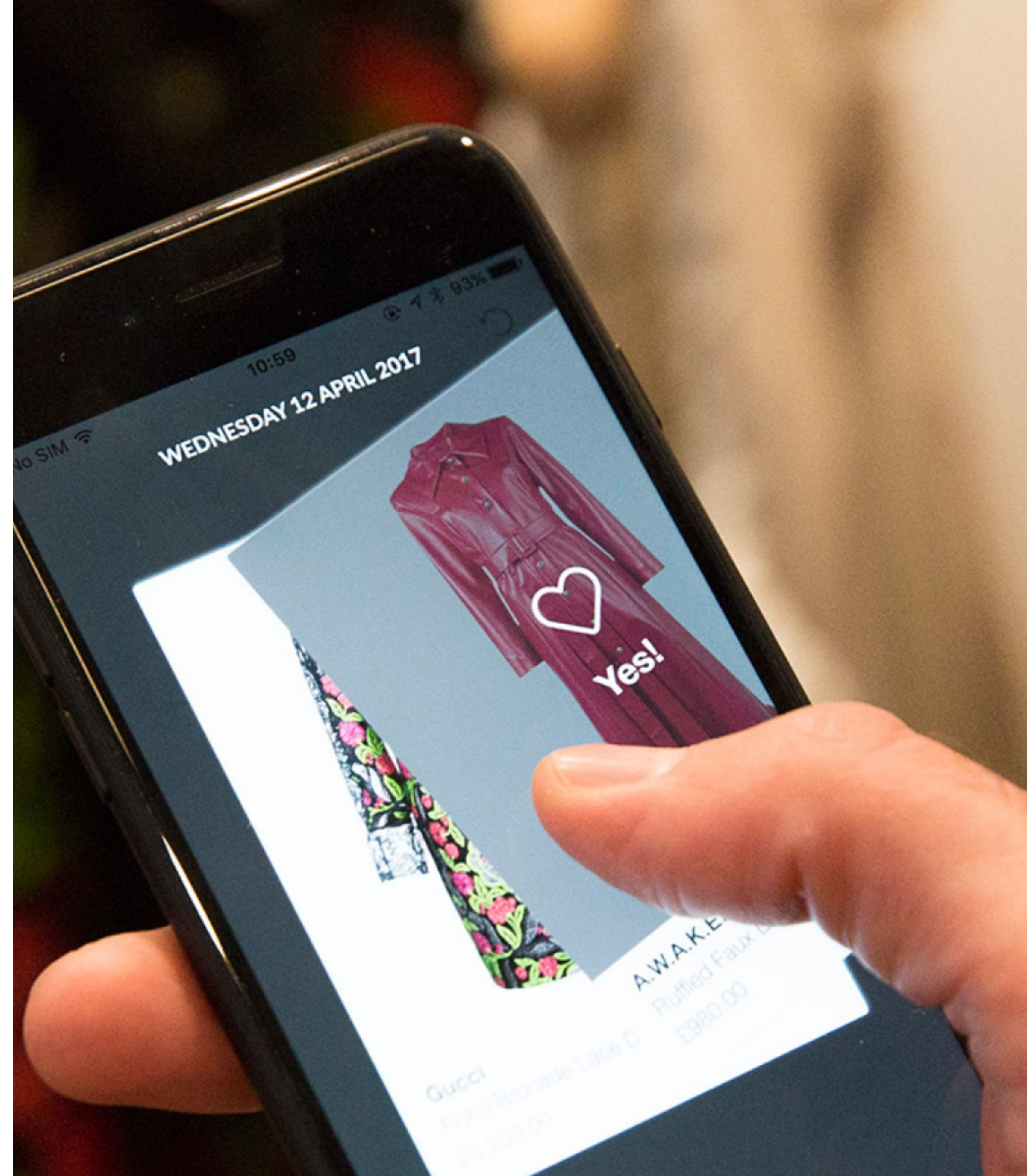
Farfetch, a high-end fashion marketplace representing more than 700 brands and boutiques, has a vision for their new London store. It involved taking customer data collected online and applying it to experiences in store.

The store of the Future is about leveraging the platform Farfetch has and trying to really look at online behavior and take that online behavior into an in-store context. This is something Farfetch calls “enabling the offline cookie”.

LOCATION(S):

3 experiential stores (Browns East in London, Thom Browne in New York and Chanel in Paris)

MEANINGFUL | IMMERSIVE | ACCESSIBLE | PERSONALIZED



£1,560.00

Request Sent to

Caroline May

CANCEL REQUEST



Here's what you
saw earlier...

My Picks

All Items

Payment Request

Browns is requesting payment of
£1,560.00 for 2 items

Cancel

Accept



A.W.A.K.E.

Ruffled Faux Leathe...
£980.00



Gucci

Floral Brocade Lace...
£3,230.00





“ The first fundamental is removing the friction from the shopping experience so that [stores] can focus on [customers], on storytelling and experience. The second pillar is personalization. In the digital world, experiences are personalized. ”

- Jose Neves, Founder and CEO of Farfetch

FARFETCH: STORE STRENGTHS



OFFERING OR CURATION

- Built around the showroom concept, Farfetch's concept store showcases products in their marketplace.
- By downloading an app, you're recognized as soon as you enter the store



ADDED VALUE SERVICES

- Buy Online & Pick Up in Store / Free Returns Pick Up
- Personalized stylist experience
- In-store digital wish list of products the customer looked at that can be added to cart
- Sales associate can create personalized styling with curated outfitting



TECHNOLOGY

- RFID-enabled clothes rails detect products that interest you and add them to your online wish list.
- Touch-screen mirrors enable you to request alternative sizes as well as to pay without leaving the dressing room
- Universal login & QR code to enable identity recognition via an app



STAFF

- Welcoming
- Staff not only greet shoppers personally, but are armed with a wealth of information about their style and the kind of clothes they're looking for a tailored, personalized and higher level of service



COMMUNITY

- Incentivizes customers to share their love with their friends through a referral program.



WOW EFFECTS

- Overall concept & experience

EVERLANE

Socially-Minded Retailing

EVERLANE

CONCEPT:

Everlane is a direct-to-consumer brand selling wardrobe staples like T-shirts, cardigans, pants, and loafers mostly online. Much like app developers who post frequent software updates, Everlane is constantly iterating on its products. Everlane releases small batches of new apparel continually throughout the year. It gathers feedback from customer surveys, return shipments, and in-person "fit clinics" to make products better. This model is in stark contrast to how traditional fashion brands operate.

LOCATION(S):

2 brick-and-mortar stores (New York and San Francisco)

HUMAN | MEANINGFUL | PERSONALIZED





OPEN HOUSE

Know the story behind every object.

A two-week experiment in Radical Transparency

Everyday we encounter thousands of objects, but what do we really know about them? At Everlane, we've committed to being radically open about our products and processes: from documenting our factories to revealing our costs and markups. We wanted to take this ethos offline and into the place where we live most intimately with our possessions: the home. To make this happen, we researched the stories of common household items and asked a few of our favorite brands to share theirs as well. Welcome to our Open House.

See upcoming events at [everlane.com/openhouse](https://www.everlane.com/openhouse)

EVERLANE





“ Being on-trend is not the goal. We don't want fashion. We want lasting styles. ”

- Michael Preysman, Founder and CEO of Everlane

EVERLANE: STORE STRENGTHS



OFFERING OR CURATION

- Built around the showroom concept, Everlane offers sustainable products with radical transparency in pricing, resourcing and environmental impact - direct to consumer



ADDED VALUE SERVICES

- Partnered with **Postmates** to offer one-hour delivery in San Francisco and New York
- Partnered with **Afterpay** to offer customers an option to finance their purchases
- Accepts complimentary returns in-store at any of their brick and mortar locations
- Partnered with **Happy Returns** to allow for in-person returns in locations where we do not have any physical stores
- Recycled plastics line of products



TECHNOLOGY

- Gathers data from a number of sources including “fit clinics”, return data and customer surveys



STAFF

- Welcoming
- Helpful if needed
- Cashiers can log you into your digital profile and use the credit card you have on file



COMMUNITY

- Hosts event & workshops in the evening
- Everlane donated profits made on Black Friday to the Surfrider Foundation, to support the removal of 20,000 pounds of plastic off of beaches around the country
- Referral program that offers store credit when friends or family sign up for an Everlane account and make their first purchase through



WOW EFFECTS

- Overall concept & experience



M. GEMI

Luxury Footwear

M . G E M I

CONCEPT:

When the customer tries a few pairs of the gorgeously handcrafted Italian shoes on at M.Gemi's flagship, and decides on a purchase, they leave without any new footwear in their hands (or on their feet). This is showrooming in its most deliberate and optimized sense. Made the old way, sold the new way.

Collaborations with Goop, Marianna Hewitt, and Draper James.

LOCATION(S):

2 showroom stores (Boston and Florence), Shop-in-shop in Bloomingdales, NYC

MEANINGFUL | ACCESSIBLE | PERSONALIZED



THE CERCHIO

THE

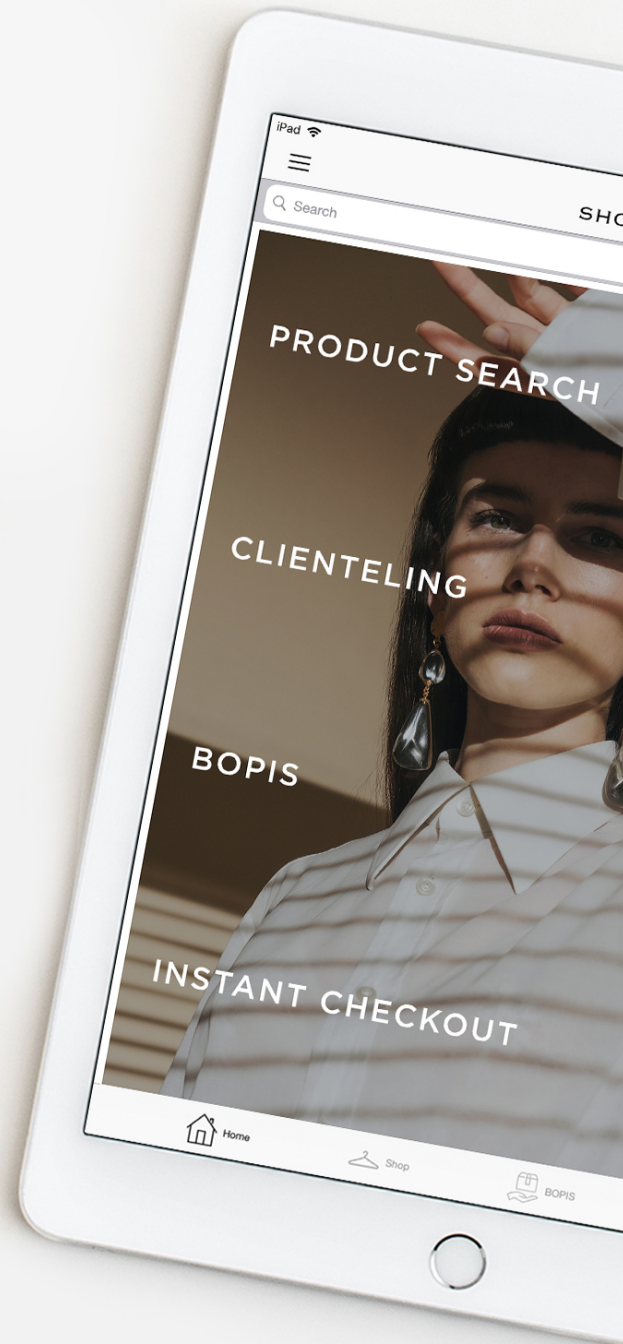
THE LUCENTE

THE CAMMEO

THE VOLO

M.GEMI

Coffee.
SHOES.
Repeat.





“ We want to be able to meet our customers where they are and provide an experience that goes beyond just transactional. We want to create warm and welcoming environments that not only encourage trying on shoes, but that also bring the brand’s story to life and enable education around the Italian handcraftsmanship that makes M.Gemi so special. ”



- Ben Fischman, CEO, Chief merchant at M. Gemi

M.GEMI: STORE STRENGTHS



OFFERING OR CURATION

- Direct to Consumer brand of hand-crafted Italian footwear at unprecedented speed and price points
- Instead of releasing seasonal collections, releases new shoes each and every Monday to create excitement (women's only) – Drops sometimes sellout in a week, but last now longer than 12 weeks.
- Unique supply chain - if shoes do well, can go back to workshop and have more in 30 days.



ADDED VALUE SERVICES

- Fit shop experience – find size, order online
- Completely cashless transaction via iPad
- The shoes are delivered free to the customer's home address two days later with free returns
- When you receive a pair of shoes, it has your name on it because it was made for you



TECHNOLOGY

- iPads used to available to browse inventory and order/reserve an item, book a styling appointment, etc.
- Collects customer data for product enhancements and personalization with predictive analytics



STAFF

- Welcoming
- Helpful if needed
- Store attendants can pull out your online profile so they can instantly bring you styles and sizes that fit you
- A team of experts try on each and every shoe and offer style advice



COMMUNITY

- Uses micro-influencers to talk about brand through social media to build following with authenticity
- Incentivizes customers to share their love with their friends through a referral program.



WOW EFFECTS

- Overall concept & experience

UNIVERSAL STANDARD

Partnering With Brick & Mortar Brands

UNIVERSAL STANDARD

CONCEPT:

Universal Standard is stylish, well-made, great-fitting clothing line that has revolutionized plus-sized fashion. It has transitioned from online start-up to fashion collaborator by creating collections for other brands. This is a lesson in how brands can effectively segue into extended sizing when they lack the experience of adapting to the fit and approach in designing for plus-size women.

LOCATION(S):

1 showroom in New York and Paris

Collections found in J. Crew, Goop, Nordstrom, Rodarte, & Rent the Runway

ACCESSIBLE | PERSONALIZED







**1 PIECE OF FOUNDATION
+ 2 SECRET ELEVATED ESSENTIALS
= YOUR FOUNDATION MYSTERY BOX**

It's the fastest way to build a FOUNDATIONAL wardrobe,
beginning with the best layering basics of all time.

[shop now](#) ►



“ We’re not a plus-size brand, we’re not even a size inclusive brand. We’re just a brand of clothing for women, which is what the future holds for the fashion apparel industry and I think the sooner that’s embraced, the better for everyone. ”

- Alexandra Waldman, co-founder and CCO of Universal Standard

UNIVERSAL STANDARD: STORE STRENGTHS



OFFERING OR CURATION

- Universal Standard is an inclusive fashion brand for people of all sizes (00-40). Known for its high-end fabrics and minimalist aesthetic, Universal Standard now includes more than 100 items (usually priced between \$30 and \$160), and releases new styles each week.



ADDED VALUE SERVICES

- To accommodate customers afraid of buying because of weight loss, they introduced the Fit Liberty return policy that allows customers to exchange garments for a new size within a year of purchase – even after they have worn it.
- Complimentary 1:1 appointment with a stylist in a private styling suite
- Free 2 day shipping on all online orders, delivered to your doorstep



TECHNOLOGY



STAFF

- Welcoming
- Helpful if needed



COMMUNITY

- Leverages influencers on social media, like Danielle Brooks (Orange is the New Black) and Georgia Pratt to co-design fashion.



WOW EFFECTS

- Overall concept & experience



REFORMATION

Eco-friendly Brand

Reformation

CONCEPT:

Reformation, a direct to consumer brand, offers trendy, tailored, recycled and eco-friendly items ranging from \$28 to \$600. Reformation has incorporated technology into its business especially when it comes to sustainable practices. Their factory uses the most efficient, eco-friendly and pro-social technologies and practices available.

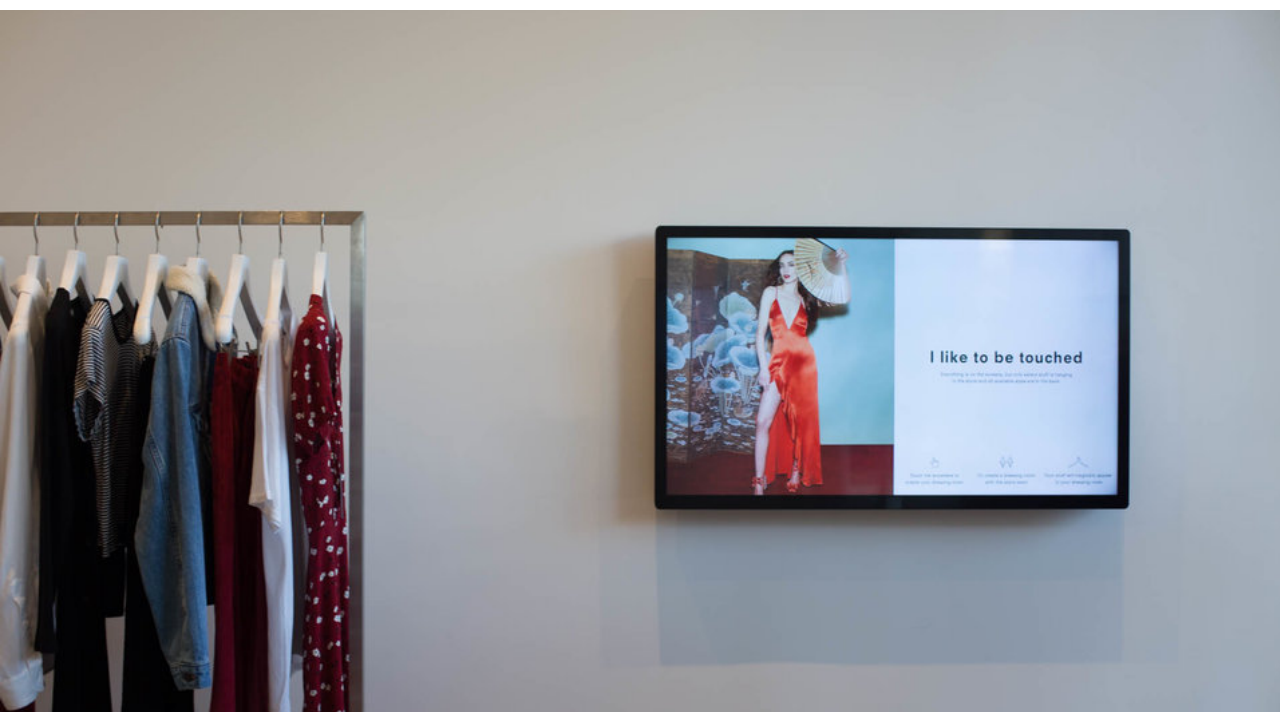
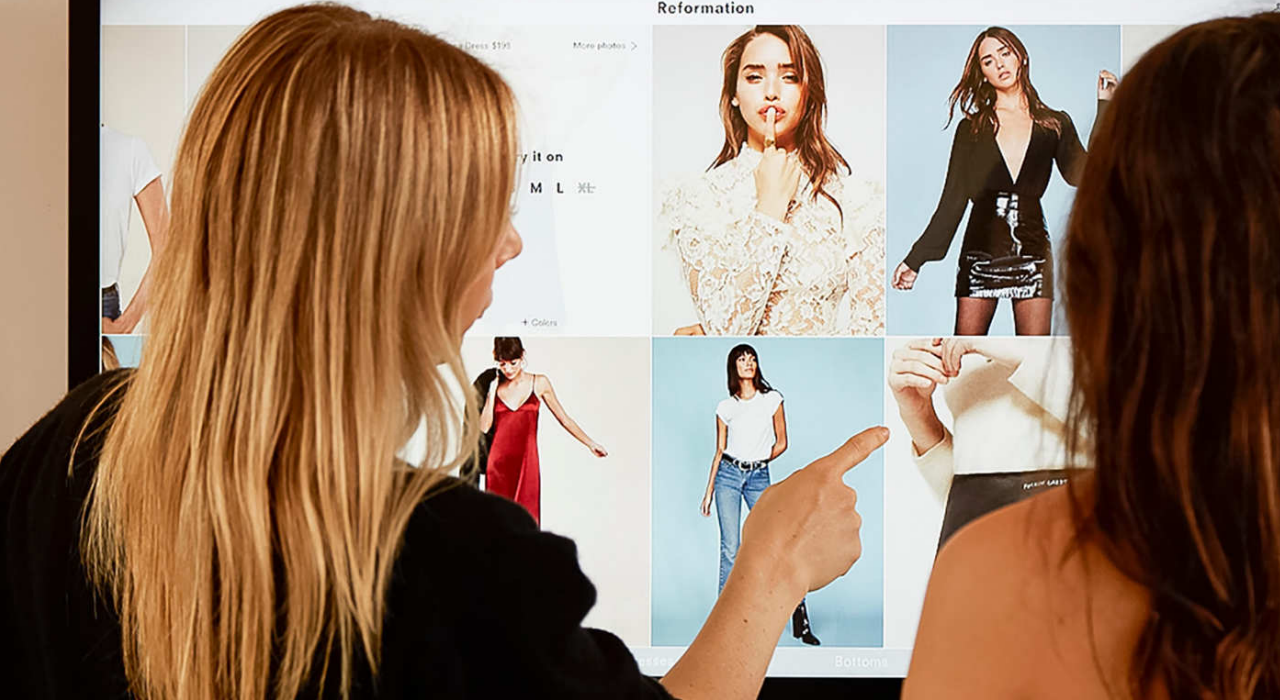
LOCATION(S):

14 concept stores (San Francisco, Santa Monica, Los Angeles, Dallas, Boston, Miami, New York and Washington, D.C.)

INTUITIVE | MEANINGFUL | ACCESSIBLE | PERSONALIZED

Reformation









“

A big piece of my approach has been educating the consumer. It's not only our job to provide beautiful, limited-edition clothing to women around the world, but also to let our consumers know how much power they can have in the fight against traditional fashion practices. I hope that, moving forward, sustainability isn't seen as an added bonus for companies. It should just be the standard.

”



- Yael Aflalo, founder and CEO of Reformation

REFORMATION: STORE STRENGTHS



OFFERING OR CURATION

- Upon walking into the Reformation store, customers will now only see a small selection of curated clothing items that the brand has determined are most popular among its consumer base. This gives the store an appearance of being more luxurious and selective, while still being accessible.



ADDED VALUE SERVICES

- Reserve online, pick up in store & In-store returns
- 1:1 Bridal Appointments & Styling services
- The clothes are delivered from the warehouse to the "magic wardrobe" in fitting room through a system of magnetic door locks that preserve the shopper's privacy.
- Guests can choose from a variety of lighting presets and plug in their phones to enjoy a personal soundtrack.



STAFF

- Welcoming
- Helpful if needed
- Expert Stylists available



TECHNOLOGY

- Embedded touch screens in the display area allow customers to reserve items to try on
- Tech table for browsing Reformation content, updates and styles on iPads
- Smart" dressing rooms with customizable lighting, docking stations for iPods, touch screens with outfit suggestions, and call systems to request different sizes without going back into the store
- RefScale, a tool that measures the carbon dioxide and water savings and the labor behind each garment produced, giving every customer the ability to track their own environmental savings with every Reformation purchase.



COMMUNITY

- Regular events in-store (Sample sale, etc.)



WOW EFFECTS

- Overall concept & experience



MODERN CITIZEN

Women's Professional Retailer

MODERN CITIZEN

CONCEPT:

Modern Citizen launched with a trendier take on direct-to-consumer fashion than comparable brands like Everlane, more affordable prices than Reformation and a focus on building a community from scratch.

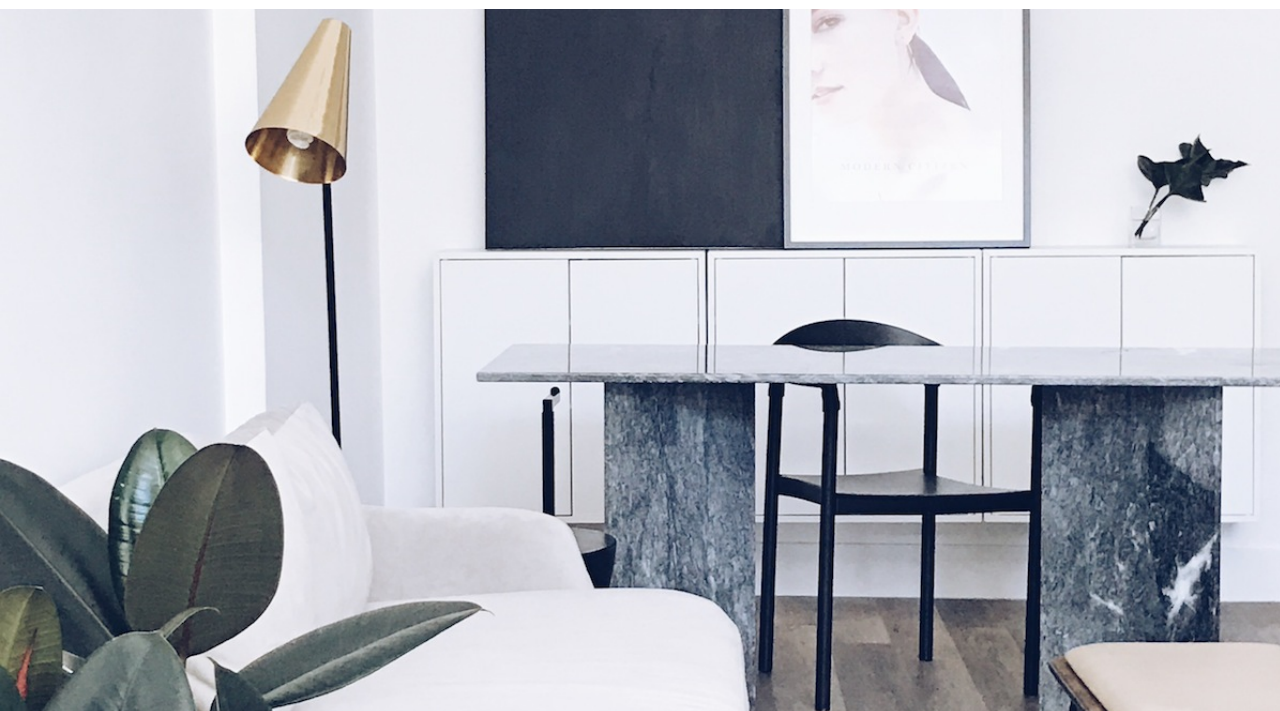
It moved from digital to physical commerce with temporary shops in Facebook, Sephora and Lyft offices, which allowed the brand to collect feedback and build relationships with a community of early adopters before opening its flagship store.

LOCATION(S):

1 flagship store (San Francisco) 1 popup store (New York City)

INTUITIVE | HUMAN | ACCESSIBLE | PERSONALIZED









“ As working women in our 20s and 30s, planning for meetings, weddings, travel, and everything in between, our goal is to make life simpler for our customer. The majority of our pieces are also travel-friendly (no wrinkles!) and machine-washable, in an effort to help save her time. Ultimately, our mission is to offer her versatile, elevated pieces that provide the confidence she needs to face her day — without breaking the bank — so she can focus on the things in her life that are most important to her. ”



- Jessica Lee, co-founder and CEO of Modern Citizen

MODERN CITIZEN: STORE STRENGTHS



OFFERING OR CURATION

Modern Citizen curates an expertly designed collection of around 15-35 items per category, from dresses to blouses and everything in between, each with some sort of unique twist. Everything is made in neutral colors, save for the occasional pop of red or muted purple, and everything is Audrey Hepburn-level effortless. With a nimble supply chain, it offers constant newness and a fashion point of view.



ADDED VALUE SERVICES

- Online returns accepted in-store
- Personal styling services
- Online reservation to book a styling appointment, RSVP for an event, book a last minute appointment or a membership consultations



TECHNOLOGY

- Stores customer data



STAFF

- Welcoming
- Helpful if needed
- Expert stylists



COMMUNITY

- Regular events in-store (Salon series, trunk shows, & seasonal parties)
- Leverages word-of-mouth it has captured a cult-like following on Instagram
- Incentivizes customers to share their love with their friends through a referral program.



WOW EFFECTS

- Overall concept & experience

WARBY PARKER

Social Giving

WARBY
PARKER

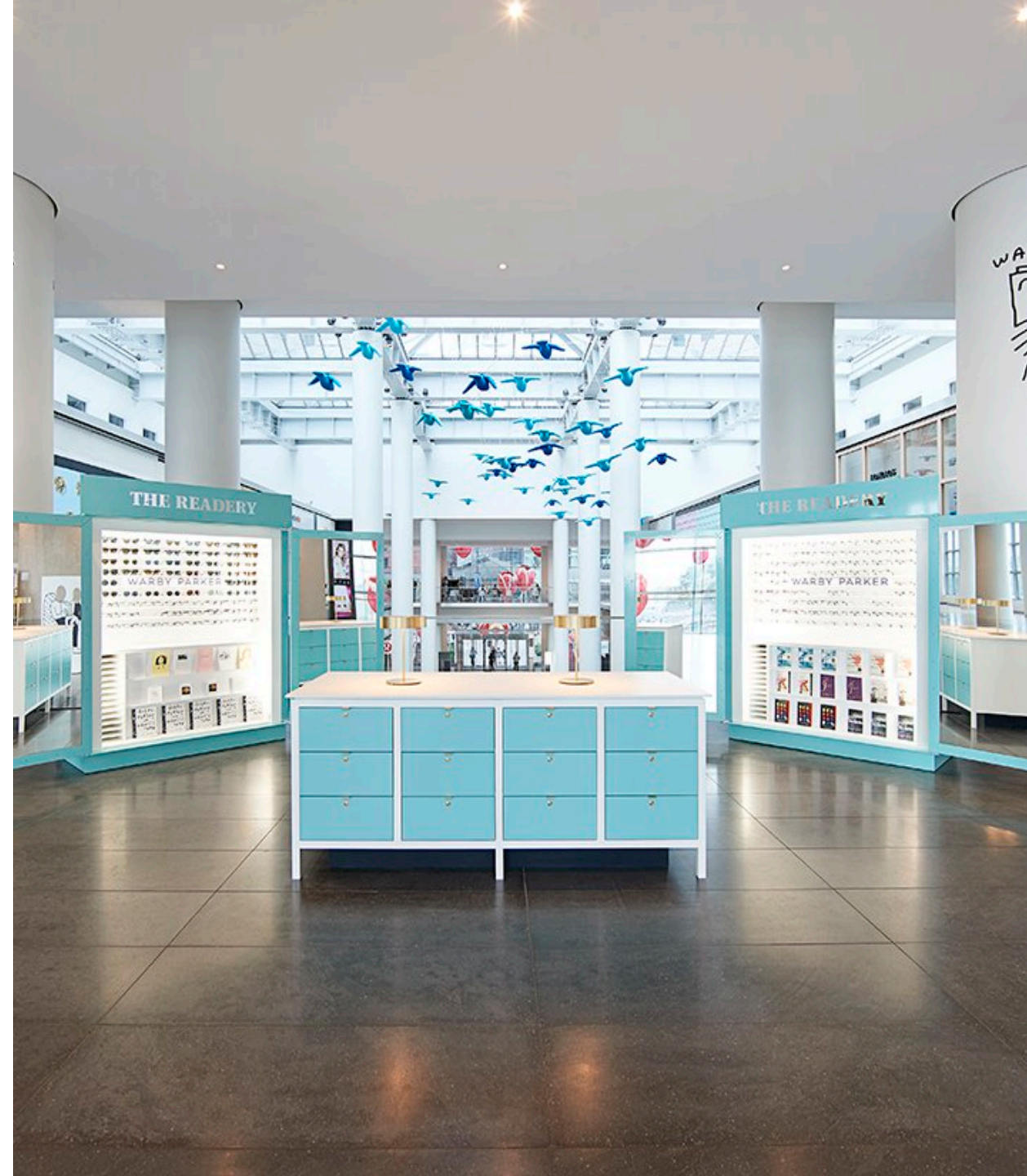
CONCEPT:

Warby Parker's original ecommerce-only, try-at-home, one-for-one business model (where for every pair purchased, a pair is distributed to someone in need) made it a quick favorite among the hipster set. Today, the company's reach is far and wide, and spans from online to in-real-life. It has become known for its incredible retail experience.

LOCATION(S):

90 showrooms across the US with goal of having 200 by 2020 to compliment their online business

INTUITIVE | MEANINGFUL | ACCESSIBLE | PERSONALIZED









“ Sometimes it takes outsiders to look at an industry and say, hey, this is broken, or this isn’t working and to come in and disrupt it. ”

- Neil Blumenthal, Co-founder, Warby Parker

WARBY PARKER: STORE STRENGTHS



OFFERING OR CURATION

Warby Parker offers affordable products both online and offline, innovating and taking a “do well by doing good” approach. A direct to consumer brand it uses stores as showrooms for online transactions.

Each store has its own design and personality reflective of the local market and audience, and the company created its own unified POS system



ADDED VALUE SERVICES

- Buy Online & Pick Up in Store, next-day and direct-to-door service
- On-the-spot eye exams
- Inviting stores that combine books, local art and architecture with stylish frames



TECHNOLOGY

- “Prescription check” is a telehealth service for its app
- “Find Your Fit” feature uses the iPhone X’s face-mapping technology to recommend glasses
- Uses AI to offer personalization through algorithms



STAFF

- Welcoming
- Helpful if needed
- Associates can take a picture of customer wearing favorite frame and send a visual bookmark to the customer via email – one click adds it to cart



COMMUNITY

- Regular events in-store (Sample sale, etc.)
- Private events
- Leverages word-of-mouth by encouraging customers to share videos on social media
- Incentivizes customers to share their love with their friends through a referral program.



WOW EFFECTS

- Overall concept & experience

Emerging Technologies

INNOVATING THE EXPERIENCE

As consumer preferences and behavior have changed with the introduction of eCommerce businesses and on-demand delivery, retailers turn to emerging technologies to **find alternative ways to keep their customers happy** and serve them from all angles.

INVESTING IN THE FUTURE

Retail is undergoing a technological transformation that is driving retailers to automate redundant tasks and revamp their omnichannel strategies. Below are a list of emerging technology trends that are making their way into stores, ecommerce sites, and consumer's homes.

The goal here isn't to hype up technology or convince you to adopt them all in your brand. But you do want to keep these trends in your radar and determine if they're worth investing in.

- Artificial Intelligence and Machine Learning
- Augmented Reality
- Virtual Reality
- Voice Activation AI
- Sensor Data (Beacons)
- Voice Recognition
- Radio Frequency ID
- QR Codes
- Omnichannel
- Customization enabled by Technology
 - Project FLX – Customization
 - YR Live - Customization



ARTIFICIAL INTELLIGENCE & MACHINE LEARNING

OVERVIEW

Generating tangible insights from data collected across multiple channels requires the use of algorithms and models that can process and learn from huge datasets, and make actionable predictions and recommendations.

Perhaps the simplest — though most-useful — form of artificial intelligence and machine learning revolves around onsite search and product recommendations.

RETAILERS USING

- Nike House of Innovation (via mobile app)
- Macy's (via On Call app)
- FarFetch Concept Store (via mobile app)
- Rebecca Minkoff (via digital mirror)
- Walmart
- Asos

VENDORS

- AIMS (internal)
- CalculAI
- IBM Watson

PROS

- Provides smarter R & D and forecasting
- Provides personalization & product recommendations
- Offers enhanced customer experience (Shopping Assistants)
- Targeted sales & marketing / price optimization & promotions

CONS

- Need for talent
- Data quality
- Need for cultural change
- Compliance
- Data security/Cybersecurity risks
- Difficulty integrating legacy systems

DEPENDENCIES

- Requires unified data source
- Requires platform that supports AI
- Skill set
- Investment in tools



KEY ALGORITHMS FOR RETAILERS

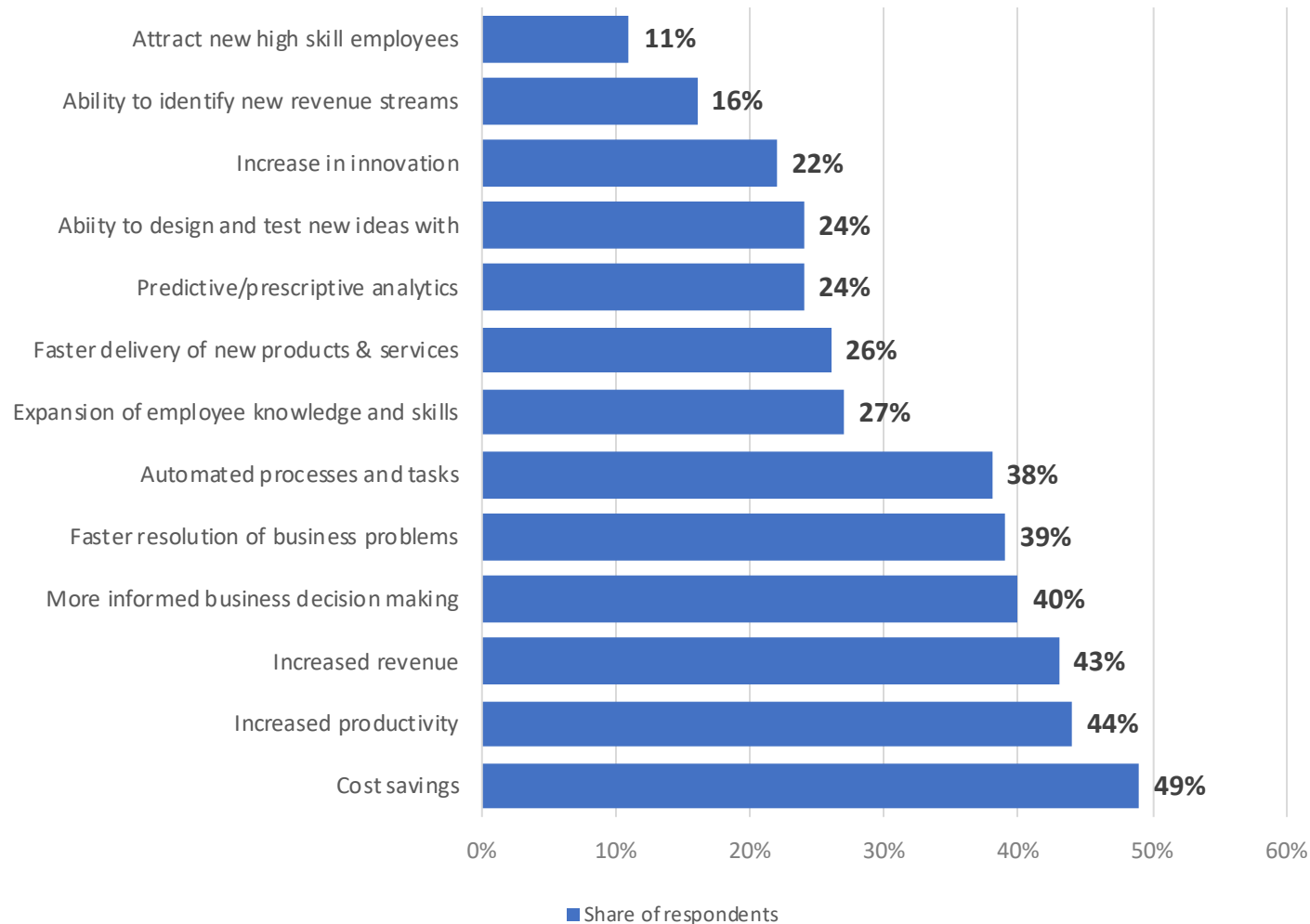
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| | | | | |
|-------------------------------------|---|---|--|--|
| HYPER-LOCALIZATION | Available / Trends Near You Guaranteed availability | Same-Day Delivery Quicker delivery | | |
| POST-TRANSACTION | Post Purchase Upselling items after initial purchase | Cart Abandonment Help finish incomplete purchase journeys | | |
| STORE | Store Specials Use sensors and computer vision AI to provide special offers based on store path | Get What She's Wearing Use computer vision AI to show products that match an image or video | Integrated Marketing Campaign & Marketing omni channel integration using behavior-driven messaging | |
| BEHAVIOR SEGMENT | First Time Buyers Identify real first time buyers | Churned Buyers Entice existing customers who have not bought in a while | Seasonal Buyers Find consistent seasonal buyers for all segments | Fraud/Anomaly Identify and flag indicators of potential fraudulent purchases from behavior |
| PRODUCT TRENDS & MORE | Last Chance Sale Products that are almost out of stock | Predictive Intelligence Forecast demand and predict trending products based on relevant factors | Best Sellers Showcase best selling items based on season and segment | Auto Tagging Advanced catalog management and merchandising |
| PERSONALIZED RECOMMENDATIONS | Only For You Personalized product suggestions & recommendations based on history & trends | Mobile Specials Products that sell well on a specific channel or promotion | Because You Bought Recommendations based on your purchases and search history | Dynamic Pricing Flexible pricing based on demand and loyalty |



CalcuAI has identified a range of key algorithms for digital retailers (especially those with a physical presence) to effectively use AI and machine learning.

THE BENEFITS OF AI FOR RETAIL



Retail is well-placed to benefit from the intersection of Artificial Intelligence, machine learning and big data. There is a need to manage and track a large number of items across various categories, track consumers' shopping habits and above all, maintain a compelling brand that keeps consumers coming back.

Today's consumer wants to keep up with the latest trends, but also craves convenience; hence, the popularity of subscription boxes and online shopping.

A recent survey of retailers worldwide identified **cost savings**, **enhanced decision-making** and **process automation** as some of the main areas that AI has the potential to impact meaningfully.

AUGMENTED REALITY

OVERVIEW

Augmented reality is completely changing shopping experiences. Consumers can now virtually try on clothes or test products via AR. For example, within Sephora's mobile application, users can virtually sample makeup in real time. By placing filters over their live selfies, users can see what makeup products would look like on their faces. Similarly, Warby Parker uses AR to help customers visualize what their eye glasses will look like on them by using Apple's Face ID technology built into the iPhone 10.

RETAILERS USING THIS TECHNOLOGY

- Zara, ()
- Warby Parker, (via app using Apple's face ID on iPhone 10)
- Gap, Inc (via dressing room app)
- Nike, (via Nike SNKRS app)

VENDORS

- Avametric
- Apple Face ID
- Marxent

PROS

- Engages customers
- Visualize purchases in context
- Improves customer satisfaction and reduce returns
- Personalize the shopping experience
- Provide self-service store navigation

CONS

- Do not use AR just to use AR.
- AR needs to be accurate. If something does not look realistic, it will not have the desired impact for a consumer.
- Speed is very important. If it takes too long for an image to render or load, customers will not use your app.
- If there are too many steps to use AR, customers will shy away

DEPENDENCIES

- Requires a mobile app
- AR vendor requirement & cost

VIRTUAL REALITY

OVERVIEW

While AR is transforming the consumer retail experience, VR is changing the business side, according to Forbes. VR is helpful for visualizing and redesigning stores, and testing different layouts without having to physically rebuild the store. Retailer Rebecca Minkoff is using VR to plan store organization that is most convenient and logical for the consumer's preferences.

RETAILERS USING

- Rebecca Minkoff
- Karen Millen
- North Face
- Lowes

VENDORS

- Oculus
- Samsung
- HTC
- Gear

PROS

- Makes shopping fun again
- Creates experiences that entertain, engage, educate and convert lookers into buyers
- Enables shoppers to see a virtual product on themselves or in their environment
- Retailers get increased brand and product exposure

CONS

- Still in the early stages of software development and best practices are still being developed
- Equipment used for VR is very expensive
- Low resolution content. Most VR is in stereo format and the hardware is just not able to fully support it
- Current VR platforms require a some kind of download to begin. Often the file sizes are over 1 GB and requisitely, slow.

DEPENDENCIES

- Requires specialized software and hardware
- Requires specialized skill set

VOICE ACTIVATION AI

OVERVIEW

Whether it's instructing your Google Home to buy you things or asking Siri to search for an item online, voice control has gained popularity in the retail space. Voice activation is now even helpful for retail employees: For example, with 'Theatro,' employees can communicate throughout a store via voice-controlled wearables.

RETAILERS USING

- Starbucks (order via mobile app)
- Walmart (shop ecommerce site via Google)
- Target (shop ecommerce site via Google)
- Home Depot (shop ecommerce site via Google)
- REI

VENDORS

- Apple (Siri)
- Amazon (Alexa)
- Google Assistant/Google Home
- IBM Watson

PROS

- Used with Customer Service chatbots, it can allow customers to ask product questions, track orders, and start returns
- Can be used to send reminders when it might be time to reorder products, send a product back, or ordering gifts.
- Can be used to search for products
- Can be used to give product reviews

CONS

- Voice AI still feels like a novelty
- Discovery is a concern as a customer needs to know to look for you, (No major platform has paid voice search yet)
- Targeting will have to be highly personalized (and possibly opt-in) in order to succeed
- Concerns about privacy laws

DEPENDENCIES

- Requires search queries to be written in conversational format
- Customer must have voice platform/device

FACIAL RECOGNITION

OVERVIEW

Facial recognition technology can help retailers better understand customer preferences. According to Forbes, facial recognition can track where customers gravitate within stores, determine customer demographics, and even prevent theft. By tracking where most customers first go in shops, business leaders can develop a store layout that is most productive for its clientele.

RETAILERS USING

- Lowes
- Walmart (has patent for customer satisfaction)
- Warby Parker (Apple iPhone 10 Face ID technology)
- TJMaxx, Target, Home Depot, Best Buy & Macy's (wouldn't verify)

VENDORS

- FaceFirst
- Microsoft
- Kogniz
- Amazon Rekognition
- Gemalto

PROS

- Provide tailored text messaging, recommendations, and discounts and offers to VIP customers who have opted in
- Can be integrated into a variety of retail systems, such as CRM, Loyalty systems, Point of Sale and more.
- Connect online and offline behavior
- Use to measure levels of customer satisfaction to localize pain points

CONS

- Privacy concerns about collecting biometric data
- Concerns of gender, age, and ethnic bias & profiling
- Pretty hard to get a clear identity in such case. What's more, scanning a photo for varying face sizes is a processor-intensive task.
- Initial investment is not cheap

DEPENDENCIES

- May require customer's implicit opt-in
- Requires secure storage of data

SENSOR DATA (BEACONS)

OVERVIEW

Sensor data is revolutionizing brick and mortar retailers. The most popular vessel of sensor data is beacons. Major brands strategically place small beacon sensors around their stores, which connect to customer's phones if bluetooth is enabled and the retail app is installed. With this connectivity, retailers can see how long users are in their stores and what they pick up, as well as offer personalized discounts based on that information. Sephora uses beacons to offer users a map of the store and offer promotions

RETAILERS USING

- FarFetch
- Urban Outfitters
- Macy's
- Target

VENDORS

- [Gimbal](#)
- [BlueCats](#)
- [Estimote](#)
- [Gelo](#)
- [Sonic Notify](#)
- [Mobiquity](#)
- [Kontakt.io](#)

PROS

- Everything from coupons, deals, and product recommendations can be tailored to individual customer preferences and shopping habits.
- Shoppers can be marketed to at the right time and in the right place.
- Understand customer flow throughout the store
- Relatively easy to set up, install, and start using, making it a low-risk and worthwhile product to try out

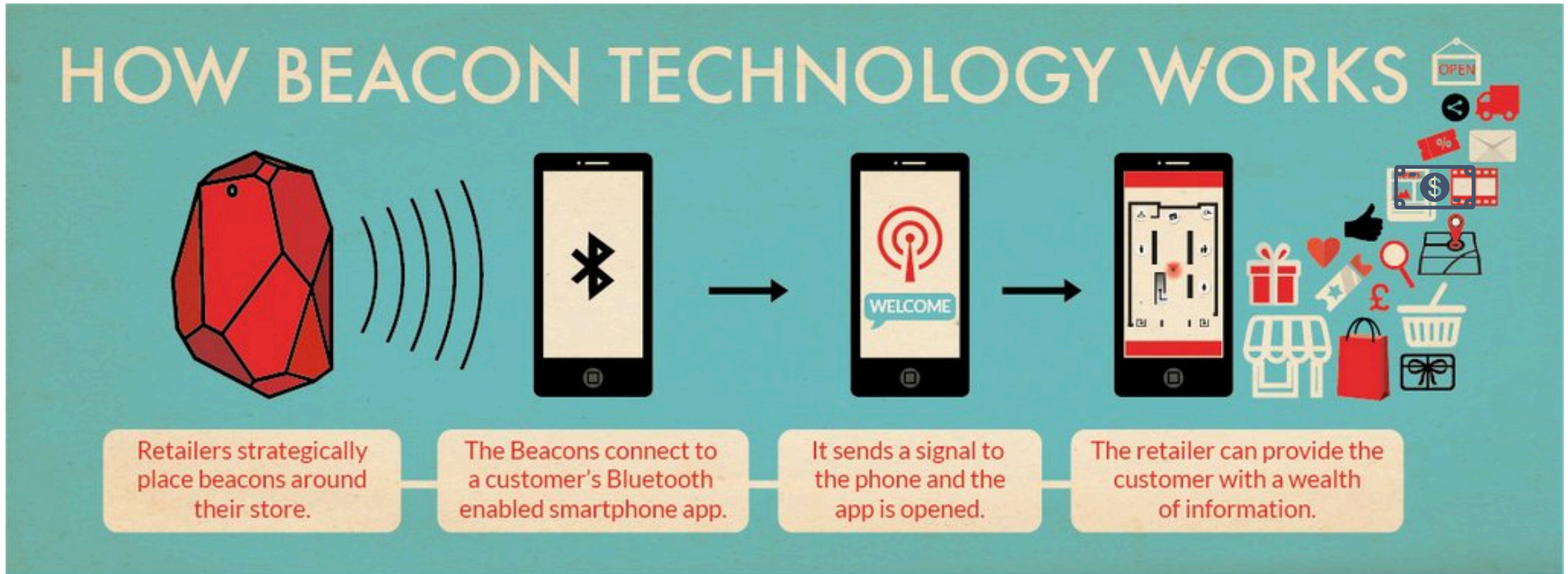
CONS

- Adoption is slow (related to app requirement)
- Complications with using a customer's mobile phone as the backhaul channel for your data collection
- Maintenance problem due to lifespan of beacon batteries

DEPENDENCIES

- Requires app
- Customer must have Bluetooth enabled smartphone and opt-in
- Must purchase beacons and a beacon plan

SENSOR DATA (BEACONS)



RADIOFREQUENCY ID (RFID)

OVERVIEW

Retailers are investing millions into integrated RFID solutions that minimize out-of-stock situations, provide real-time merchandise location data, and improve the customer experience. Rebecca Minkoff used RFID-enabled hang tags that qualified the owner for the company's loyalty program and unlocks exclusive perks like private styling sessions, style recommendations, video content, and exclusive events.

RETAILERS USING

- Macy's
- Lululemon
- Rebecca Minkoff
- FarFetch
- Zara

VENDORS

- Omni ID
- Avery Dennison
- Tyco TrueVUE

PROS

- Minimize out-of-stock situations
- Provide real-time merchandise location data (Omnichannel fulfillment)
- Track inventory throughout supply chain – from warehouse to shelves
- Provide enhanced data and product detail
- Cut checkout wait times through autopay technology
- Develop interactive marketing campaigns with digital billboards

CONS

- Security is a concern because tags have no authentication mechanism and can be cloned
- Privacy and transparency over tracking
- Cost and integration

DEPENDENCIES

- Requires extensive investment in-store wifi & tags, scanners, IoT equipment, and software
- Requires significant changes in process and training

QR CODES

OVERVIEW

After years of being raved about by marketers, QR Codes have finally started gaining momentum. Given that the number of US households with users who scanned QR code on a smartphone in the year 2018 estimated to be 9.8 million, it looks like the efforts of marketers all around the world have managed to uncover the real potential of QR Codes successfully.

RETAILERS USING

- Walmart (mobile payment)
- Amazon Go (cashless checkout)
- Zara (product information)
- Macy's (browse, see offers, add to cart & checkout via mobile app – scan and go)
- FarFetch (Universal login & QR code to enable identity recognition)

VENDORS

- TAGO
- Scanova

PROS

- Increases traffic to website
- Can be used for cashless payment
- It's cost effective
- Highly versatile – they have a variety of use cases
- Easy to implement
- Offers measurable results
- Has crowd appeal

CONS

- Security risks- spammers now using QR Codes and with shortened URLs – no telling who URL is pointing to
- There are other methods of connecting via smartphones that consumers may be more willing to adopt.
- Difficulty in scanning

DEPENDENCIES

- Requires customer have a smartphone with a QR code scanner app
- May require a mobile app (payment)

OMNICHANNEL

Omnichannel aims to make the customer experience more seamless across in-person and online channels.

Neiman Marcus' Snap Find Shop app, in which customers can take a picture of an item in the store and look for it or similar items online.

REI encourages customers to use their app to scan products to see online product reviews, while Target displays guest ratings near top selling products on their sales floor to unite online and offline.

Other omnichannel strategies include:

- **BOPIS** (buy online, pick up in store)
- **BOSS** (buy online, ship to store)
- **BORIS** (buy online, reserve in store)
- **Order online from in-store**
- **Find in store** (locate)
- **Return to store**
- **Clientelling** (appointment with personal stylist via StyleConnect)





Project FLX

Levi's



CONCEPT:

Denim retailer [Levi's](#) created a pop-up studio called [Project FLX](#) that uses lasers to create custom jeans in minutes. Shoppers can choose their desired denim finish and wash, and watch as lasers create their custom jeans in minutes. The on-demand finishing allows Levi's to reduce the amount of labor that is traditionally needed to distress a pair of jeans, while also reducing waste and giving them valuable insight into changing consumer tastes.

LOCATION(S):

The service will launch in select Levi's stores and online in spring 2019

YR LIVE

Live Printing Company



YR Live is a company that provides live printing services for companies like Selfridges, Liberty, Topshop, Bathing Ape and Nike. Their recent merger with experiential agency Luma has allowed them to expand the personalization services they offer.

They have four services that can be used to create immersive digital products:

- YR Designer allows customers to quickly and easily create patterns and on-brand designs and then watch as they are printed onto a range of products.
- YR Wall is a 10ft wide screen where guests create graffiti using a digital spray can.
- YR Insta allows for seamless live printing of Instagram images.
- YR Photo is the world's first emoji-enabled photobooth, giving users the opportunity of adding emojis and text to their photos before printing and sharing on social media.



Creating the Roadmap

BEST PRACTICES IN EXPERIENCE DESIGN

People do not buy things, they buy experiences.

Emotional storytelling, sensory immersion and human connections are the new tools retailers are using to lure shoppers off the couch and happily into their stores.

Crawl.

Where can we accomplish today

- Bring product reviews in-store
- Create an omnichannel marketing strategy to drive customers in-store
- Support omnichannel initiatives, such as Style Connect, BOPIS, locate in store, and return to store – this may mean a dedicated location for pickup and returns

Walk.

What can we accomplish in the next year

- Deliver small scale personalization to select customer segments, such as in-store exclusives, events or discounts.
- Organize community building experiences, such as work-shops, personal style events, etc.
- Roll out store redesigns that will enhance the in-store shopping experience

Run.

What can we do in the next three years

- Deliver highly personalized customer strategies, such as weather-related product offerings, personalized product recommendations based on behavior, localized trending products, etc.
- Create immersive services to enhance the in-store experience
- Establish key partnerships to extend product offering
- Use showrooming as a retail strategy in select markets

OPPORTUNITIES TO COMPETE

121

Experiential retail is the future. By creating a more immersive retail experience, we can drive people towards our stores and ensure they leave not just with our products, but also an emotional connection to our brand.



MAKE SHOPPING A SOCIAL EXPERIENCE

Encourage community by bringing people in store for hands-on experiences and face-to-face engagements, this may include:

- Professional mentoring events
- Life/Work guest lectures
- User-generated content across channels



THINK OUTSIDE THE RETAIL BOX

Consider complimentary add-value services that enhance the brand position & promise, and drive customers to stores, such as:

- Personalized curated closets
- Custom in-store tailoring & monogramming
- Cosmetic, massage or spa services
- Dry cleaning services



CREATE SENSORY DELIGHT

Immerse the customer in the brand experience with sight, sound and smell, and touch. This can include:

- Mood/occasion lighting in fitting rooms
- Personal playlists or shopping soundtrack
- Digital displays with customer-generated content, curated under a hashtag

COMPETING AGAINST DIGITAL NATIVES

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We don't have to think of "Digital Natives" as the enemies of brick and mortar, but rather as allies with complimentary audiences to expand our reach.



BUILD STRATEGIC PARTNERSHIPS

Consider opportunities for introducing custom collections in-store, shop-in-shop retailing or renting vacant store space, located near our other brand stores, for collaborative selling opportunities.

Possibilities for alliances could be:

- Eye glass brand, (Warby Partner)
- Shoe brands, (Rothys or M. Gemi)
- Beauty brands, (Ouai, Glossier)
- Plus-size brands, (Universal Standard)



FOCUS ON THE CUSTOMER

Focus on inherent customer behavior, both online and offline, and build experiences that resonate between channels and touchpoints, such as:

- Convenient transactions (Cashless)
- Painless fitting room/fit experiences
- Simplified browsing and outfitting
- Ease of returns
- Accessible product information
- Personalized recommendations



USE DATA TO ENHANCE EXPERIENCES

Capture customer data to create a 360 view to deliver what she wants, when she wants it, where she wants it & how. This can include:

- Scan products to save to a shared wish list from store
- Offer promos based on previous browsing behavior
- Show product trends or recommendations based on local data and predictive analytics

THE STEPS TO BUILDING A ROADMAP



STORE EXPERIENCE ROADMAP: 2019

Mapping the Future

| FAS Imperative | FAS Strategy | WHBM Initiative | Q1 (Feb-Apr) | Q2 (May-July) | Q3 (Aug-Oct) | Q4 (Nov-Jan) |
|--|---|-----------------|--------------|---------------|--------------|--------------|
| <i>Instill CUSTOMER CENTRICITY Put the customer at the center of every decision we make by leveraging actionable retail science</i> | Strengthen our brand positioning | | | | | |
| | Evolve the customer experience | | | | | |
| <i>STRONG FOUNDATION Optimize operations and the way we work to allow the business to thrive</i> | Continuously improve our operations | | | | | |
| | Cultivate a high performance culture | | | | | |
| <i>INNOVATE for the future Innovate and develop capabilities that will drive us into the future</i> | Leverage innovative ideas | | | | | |
| | Fuel incremental growth through new platforms, channels, partnerships and markets | | | | | |
| | | | | | | |

“

The reason it seems that price is all your customers care about is that you haven't given them anything else to care about.

”

—Seth Godin

WHITE
HOUSE

BLACK
MARKET

WOMEN'S APPAREL AND ACCESSORIES

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Thank You!