

Exclusive extract

**Marketing at Retail**  
**Understanding, influencing, and winning today's shopper**

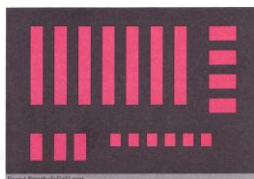
In this exclusive extract of POPAI's latest book, Gregory Smith examines the store layout and explores how to use colour and signage to gain maximum impact in-store.



## STORE LAYOUT

In selecting the layout for a store, it is imperative to remember that for most shoppers, image is absolutely everything. Atmosphere and irresistible visual merchandising displays are what attract customers. The store fixtures, as well as special lighting techniques to accent products, can make all the difference between a purchase and a pass-by. Planning the right store layout boils down to doing your homework. Take the time to view different floor plans and retail store designs, and,

more importantly, case studies of success and failure with each kind. There are three overarching types of layouts you can employ in designing your retail space:

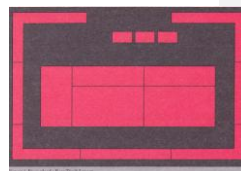


*Grid Layout*

In a grid layout, fixtures run parallel to the walls, so customers typically grab a shopping cart, start in a front corner and walk each and every aisle. Grid layouts are easy to shop because they offer clean sightlines throughout the entire store. Another plus: grids allow for maximum end feature exposure. Grid layouts can be found in grocery stores, but you will also find them utilised in many big box stores.

*Loop Layout*

A loop layout offers a clearly defined main aisle that circles through the store like a race track. Fixture placement in a loop layout differs in different parts of the store. The perimeter fixtures run perpendicular to the wall, and the fixtures in the centre of the loop run parallel to the side walls. In a loop layout, shoppers typically flow to the right and move up and down the aisles in a serpentine manner. Loop layouts offer maximum product exposure because the perimeter walls are just as important as the end features – the layout leads customers to the wall each time they go down an aisle.





#### *Free Flow Layout*

Specialty retailers typically use a free flow layout because it allows for the most creativity. In a free flow layout, there are no set aisles or straight lines. Instead fixturing is placed at angles, encouraging shoppers to easily move throughout the store, where they will find new merchandise displays at every turn. This layout offers many opportunities to romance the merchandise and create lifestyle display vignettes.

Whichever retail store layout you choose, pick wisely and focus on particular needs of the store when coming to a decision. All of these plans are effective in their own particular way, depending on the products and/or services offered for sale. Take your time in making up your mind as the success of your retail enterprise, whatever it may be, depends on your selection.

## DESIGN

Once the overall structure and circulation of the space has been determined, the atmosphere and thematic of the space must be created through lighting, sound, materials and visual branding. These design elements will cohesively have the greatest impact on the shopper and their strategic success will help determine the store's level of productivity.

## COLOUR THEORY

One major psychological influence that all retailers make use of is colour. Colour can be everything to a successful store if the palettes work well across the whole shop and complement other elements such as product displays and lighting. The point, especially for retail designers, isn't about creating the most beautiful shop, but one that uses colour effectively in its overall design.

Colour is central to coherence because we react instinctively to it. Our brains are hardwired to respond to colour and, for modern retailers, the trick to using colour is to understand both its physiological and psychological influences.

The colour spectrum is organically linked to human responses: The cool end – violets, blues, and greens – has a quieting, tranquil influence; the warm end – yellows, oranges, reds – tend to stimulate and excite. The selection of a colour palette in a store should be made to support the total image and design theme. In store design, there are three basic approaches to the composition of colour:

#### *Monochromatic*

A monochromatic colour scheme consists of different values (tints and shades) of one single colour. These colour schemes are easy to get right and can be very effective, smoothing and authoritative. They do, however, lack the diversity of hues found in other colour schemes and are less vibrant.

#### *Harmonic*

Harmonic colours are sets of two or more colour relationships that have been found to be pleasing to the eye. They are described by their relative positions around the colour wheel. Specifically, harmonic colours can be described by the degrees of arc around the HSV colour wheel and their angle(s) of separation.

#### *Contrasting*

Contrasting is the difference between two colours. Colours can contrast in hue, value and saturation, but there are many different types of contrasts that have been defined by colour theorists. They project a bold, dynamic, and dramatic scheme.

Clearly colour is one of the most powerful elements of design for the retail environment. It carries meaning through associations as well as stimulating the shopper's physiological response. Colour associations can vary from country to country, but in western culture they are basically the same. So be sure to understand the colour associations of different cultures and markets because the colour scheme you choose will affect your customers' shopping behaviour and preferences.

## SIGNAGE

Traditionally, in-store signage was designed to help shoppers navigate the store - evolving from basic aisle identification to incorporate all points in the navigation process from door to product. The evolution of signage has most recently included changes in type of communication, moving beyond simple navigation to include information and activation by both retailers and brand owners.

For the retail designer, however, there are essentially three types of signage that must be considered.



### *Institutional*

The first level of visual communications is known as institutional signage, or signage that describes the merchandising mission, customer service policies, and other messages on behalf of the retail institution.

### *Directional, Departmental, and Category*

Directional, departmental, and category signage serve as the next level of organisational signage. These signs help guide the shopper through the shopping trip and assist in locating specific departments of interest.



### *Point-of-Sale Signage*

The next level of signage is even smaller, placed closer to the merchandise, and known as point-of-sale signage, or POS signage. POS signage is intended to give details about specific merchandise items and is usually affixed directly to fixtures.

In any given environment, the signage must work together to meet shopper needs within the context of the retailer and brand needs. The hierarchy of needs for the shopper, retailer, and brand manufacturer vary.

#### Retailer Needs

- Corporate identity
- Clarity of proposition
- Sales
- Repeat visits

#### Brand Needs

- Brand standout
- Brand values
- Sales

#### Shopper Needs

- Engagement
- Informed choices
- Ease of shopping

In the past few years, retailers and marketers have adapted innovative signage strategies as a means to optimise profit, guide traffic patterns, convey information to the shopper, reinforce a coherent store image, suggest purchasing options, and prompt shoppers to buy. Despite these innovations, however, retailers should take a look at developing in-store signage that returns to the basic understanding of the purchase journey and the role of signage at each stage of that journey to maximise influence on shopper behaviour.

#### Point-Of-Purchase Signs & Displays

Clearly point-of-purchase signs and displays are out of the direct realm of most retail designers yet considerable attention needs to be given to them. If these signs and displays are forgotten during the design process, their chaotic clutter will conflict with the overall store style and mitigate the aim of even the most well-planned and designed retail store.

In order to bring organisation to the potential chaos retailers should develop a whole hierarchy and set of uniformly-designed standards for their brand-manufacturing partners. The goal is not to stifle creativity but to maximise harmony and coherence in the retail setting to help bolster sales – a win-win for retailers and brand manufacturers alike.

#### Conclusion

Retail provides an experiential platform to entertain, inspire, and express individual style in an increasingly competitive landscape. The role of the store is to adopt personalities from brand stores and pop-up shops to become an integrated platform for shopping, experimenting, experiencing and sharing.

Through dynamic use of space, integration of digital content and encouraging customer interaction and contribution, we can create unique, vibrant retail experiences that are both immersive and commercially sustainable.

Careful store planning and effective design strategies are essential if retailers want to have a successful store. Merchandise will sell itself when a store's design is clever, but when it's not, even the best product can sit on the shelf gathering dust. The purpose of a store's design is not merely cosmetic. Its purpose is to create an environment that attracts customers, entices them to spend time in store, and encourages them to purchase impulsively while they are there. The right design will lead customers along strategic targets at each stage of their shopping experience.

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*Marketing at Retail*, edited by Robert Liljenwall and Barbara Daugherty is available to purchase from POPAI Australia & NZ headquarters or from [Amazon](#)

*In its revised fourth edition, Point of Purchase Advertising International (POPAI) has assembled thought leaders from across the industry to share knowledge and insights around the most effective marketing medium available today - marketing at retail. The goal of this book is to disseminate knowledge acquired from leading academics and practitioners in order to ensure the enhancement of competence at all levels of the marketing at retail industry. In this book you will find a complete overview of how marketing at retail plays a critical role in driving sales by engaging and influencing shoppers. In a highly readable format it explains how to create, plan, and execute a complete marketing at retail program. When you consider that 76 percent of all purchase decisions are made in-store by shoppers when they enter the retail environment, you will understand how important marketing at retail has become in the global economy.*

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ABOUT POPAI

POPAI is the global association for marketing at retail. With over 1,700 member companies, representing Fortune 500 brand manufacturers and retailers as well as producers and agencies, its focus is on research, education, globalisation, technology, advocacy and networking.

For Australian membership enquiries contact Kristen Gadd on 02 9938 5150 or visit [www.popai.com.au](http://www.popai.com.au)