Quinine

Let's get Phygital

An insight report into how retailers can integrate digital into physical retail to optimise the customer experience

TRISH
012 LAPS
ANDRO
021 LAPS

Foreword

The reports we create at Quinine result from the work we do with our clients. Whilst internally we are always thinking about retail and its role within society, it's when our clients present us with their real, day-to-day problems that we evolve our thinking into tangible solutions that make a difference.

This report follows a number of client requests for support in understanding ‘Phygital’ retail and how this can be used to better meet today’s customer expectations. It is only having spent time with these clients to answer this need, whether it be working on 5-year digital strategies, rolling out mobile POS or building in extra shopper convenience, to name just a few challenges, that we are in a position to create reports like this.

This report focuses on Phygital retail; the integration of digital elements within the physical retail environment. We share eight principles that retailers should consider when delivering long-term, strategic Phygital experiences in their retail stores.

If you'd like to know more about the work we do, please get in touch.

Ian Johnston
Founder & Creative Director at Quinine

**This report is best viewed as a double page spread.*

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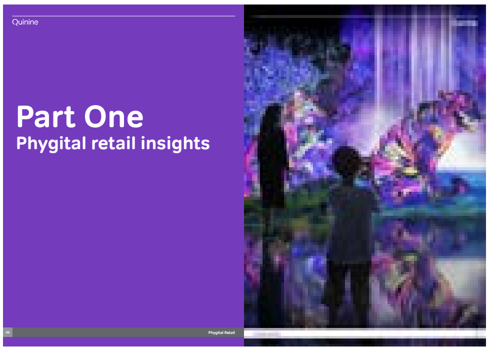
Quinine

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Part Two
Glossary of technology

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Quinine

Part Three
Who is Quinine?

Part One

Phygital retail insights

Introduction

The search for the optimum retail experience continues to evolve for all brands. In recent years omnichannel and experiential retail have been two of the buzzwords circulating amongst retailers and retail designers alike. Today, 'phygital' experiences are what forward-thinking retailers are aspiring to achieve. This current buzzword refers to the combination of digital and physical in retail.

This use of digital in the physical store is by no means a new idea. Digital technology has allowed shoppers to pay with credit cards since the mid-eighties. With the introduction of the mobile EFTPOS (Electronic Funds Transfer at Point of Sale) terminal, cashiers no longer had to take analogue imprints of credit cards, and shoppers didn't have to carry cash. Digital technology has evolved exponentially to facilitate more engaging experiences inside a physical store, inspiring a new term, but 'phygital', has in essence, existed for decades.

Digital technology has typically evolved in retail to facilitate operational efficiencies. Payment technology enabled faster transactions while also relieving the store of handling cash. Digital media has improved messaging capabilities, allowing stores to change in-store communications promptly and without the printing costs. However, among many of these welcomed improvements in operational efficiency, we notice many examples of innovation that haven't stopped to ask what these developments mean for the customer experience. Do digital messages add sufficient value to the customer experience, and if so, how? Is digital media, akin to that used by most customers in their homes, the basis for an engaging experience?

In the current climate, there's great pressure to adopt new technologies in-store to make them more experiential. However, retail brands need to take a step back from their desire to embed stores with all available technology and ask themselves, 'why is technology important, and what are the most appropriate phygital experiences for our brand and our customers?' What is technology's true value, not just to the store operations but, more importantly, to the customer experience?

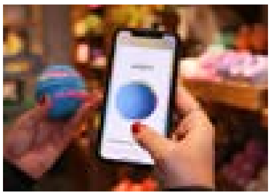
When we look beyond retail, there are some great examples of phygital interventions bringing experiences to life, proving consumers have an appetite for them. The way that Hawkeye technology brings the spectacle of professional tennis to life is one such example. Whether it be sporting events, museums, or pop-up events, many are already excelling at creating these experiential moments. However, these are often short-term tactical interventions. The challenge retail has, is how to deliver the same level of engagement long-term.

Executive Summary

This report shares eight principles that retailers must consider when delivering long-term, strategic phygital experiences in their retail stores.

1. Leverage the customer device

Customers walk into your store with their own handheld computer and screen. Encouraging shoppers to use their mobile device means that customers are more likely to engage in digital interactions, while the retailer is not burdened with supplying all the digital hardware.



2. Define the experience first, the technology second

Customers care most about experiences. Technology is merely a tool, and is only beneficial when it serves to improve moments along a customer store journey. Design the best journey first and then decide how technology can improve it.

3. Create unique phygital experiences

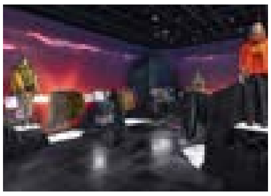
Digital experiences should not be repeatable and generic, but create unique phygital experiences that are adaptable and interactive. Retail stores now have the potential to be infinitely dynamic, with each store visit unique to time and place.

4. Deliver both 'frictionless' and 'sticky' experiences

Some stores focus on reducing friction and improving operational efficiency, other stores focus on creating moments of discovery and brand attachment. Phygital retail can enhance both types of experiences, but in different ways.

5. Make sure the physical environment enhances the digital

We see many retailers using the digital to enhance the physical store environment, but a missed opportunity is using the physical environment to enhance digital experiences. This is a key strategy for brick-and-mortar retail to differentiate itself from online retail.



6. Encourage movement between online and physical channels

Online and brick-and-mortar retail channels should be driving customers between one another, utilising the unique benefits of each channel. Digital interaction in a physical store can conveniently drive customers online, while the physical store can be used to consolidate and localise the online community of a brand.

7. Identify how phygital experiences might exclude or include

Integrating innovative technology into the store experience may alienate some customers that are not ready for change. However, technology can be used to include some customers, such as the neurodivergent, that currently experience exclusion.

8. The best phygital experiences are human

People are always at the centre of the most meaningful store experiences. Digital technology should never been seen as a staff replacement, but should embolden their unique customer service attributes.

01

Leverage the customer device

01

Leverage the customer device

Before retailers invest in endless technology and hardware for their stores (digital media screens especially), they should remember that their customer now enters their stores already armed with a powerful 'super-computer' in their pocket; their mobile phone. This is something all retailers must embrace and utilise, it's a blessing for the modern retail experience. Aside from a cost advantage in customers supplying their own hardware, there are many reasons why smartphone interactions have the potential to be the most beneficial phygital experiences.

Shoppers using their personal mobile devices in-store allows online and offline shopping data to be integrated, this optimises omnichannel retail and can benefit both the retailer and the customer. From the retailer's perspective, a benefit of mobile interactions is the potential to access and track a customer's mobile data. In doing so, retailers can gain valuable insights into their customers, to understand what drives them and how they as a brand need to respond. From the customer's perspective, sharing data enables the retailer to provide truly personalised experiences. Retailers can use customer data from past in-store and online interactions to identify specific needs and tailor the in-store experience. Additionally, following a store visit, customers interacting online can have their experience further personalised according to data gathered from their physical store interaction.

A central component driving the success of digital retail experiences is how intuitive or not they are for the customer to engage in. Given the breadth of users that most retailers are attempting to appeal to, with such varied interest and fluency in digital technology, delivering an appropriate solution suitable for all can be challenging. In positioning the customer's device at the heart of a digital experience, the same device that they use on a daily basis, retailers can provide them with a familiar and intuitive entry point.

Image Right: Customers at ***Nike House of Innovation*** *use their mobile device to enjoy augmented reality (AR) experiences.*

Play Now
Play Now
PRIZE

59% of shoppers say that being able to shop on mobile is important when deciding which brand to buy from

Our familiarity with mobile devices means that shopper engagement is more predictable if digital experiences focus on customers using their own devices. People are already conditioned to behaviours involving the smartphone. Most smartphones now have embedded NFC chips and QR code readers in the camera app and shoppers are happy to tap their device or take a picture, the store just needs to provide a clear 'call to action' and communicate a meaningful benefit.

Importantly, the customer's mobile can also be leveraged for a more personalised digital experience. By using their own devices as the gateway to digital interactions, shoppers have a greater sense of autonomy. They can control their own experience, choosing when they want to engage and personalising the experience to their individual needs and desires in that moment.

As technology continues to evolve at an extraordinary pace, those retailers who leverage customers' devices, in addition to the elements of hardware built into their stores, will avoid having stores containing old, legacy technologies. We see so many relatively new stores featuring what now appears as outdated technological equipment. That said, even those retailers who utilise their customers' devices must remain alert to technological advances. How will customer devices evolve? Will the handset be the device of choice in a few years, or will it be replaced by wearables such as smart glasses or embedded technologies?

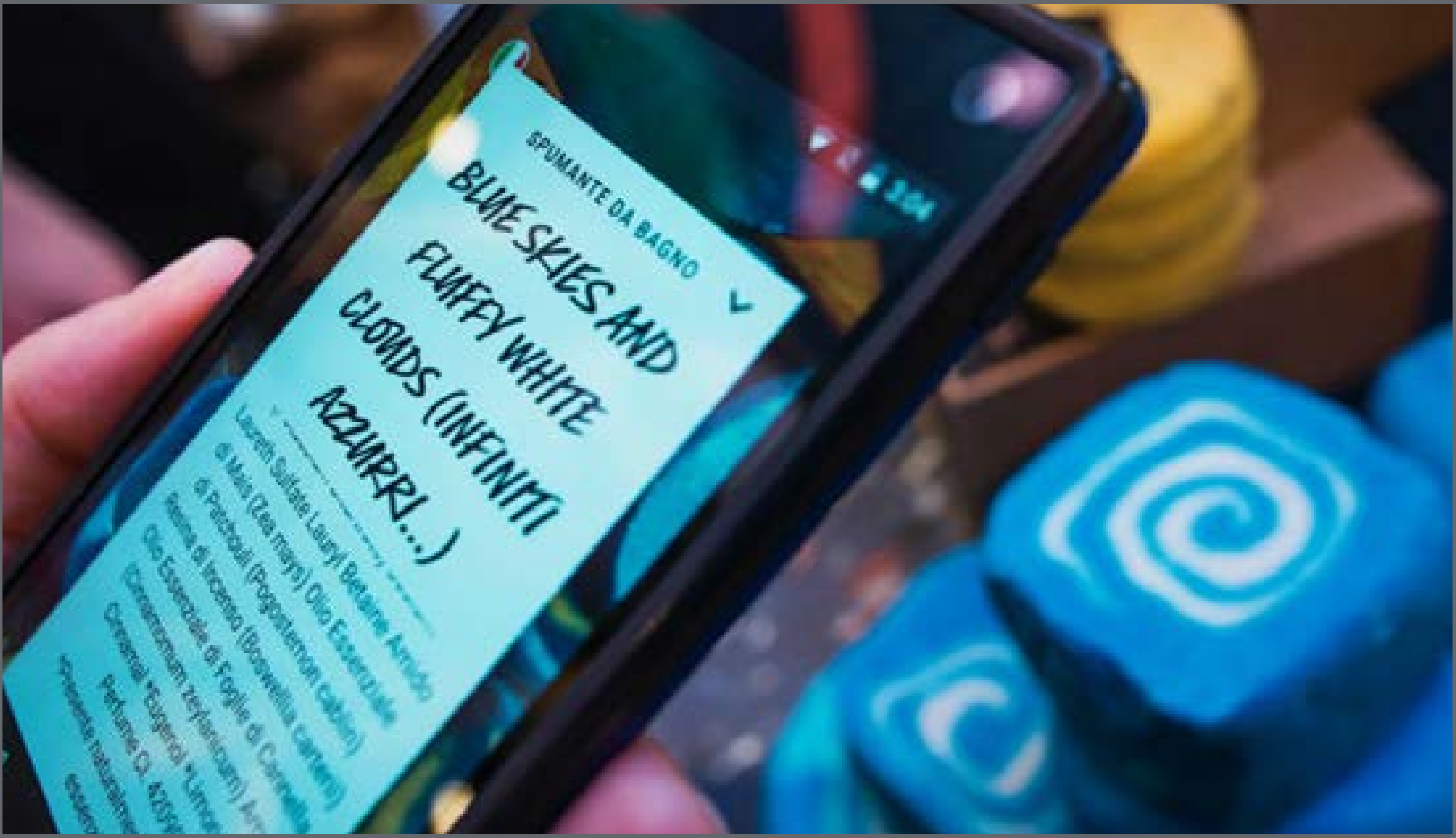
*Image Right: The **Burberry** app utilises mobile technology to enhance shopping operations such as exploring product information.*

CASE STUDY

Lush Cosmetics, Global

Lush Cosmetics leverages customers' mobile devices to fulfil an ecological brand value and reduce product packaging, labelling and POS in-store. Using the Lush app, customers point their mobile phone cameras at displayed products, where in-built AI technology recognises the product and presents product information on their phone. Customers can also purchase products in-store using the app.

Katapultiere dich


SPUMANTE DA BAGNO
BLUE SKIES AND FLUFFY WHITE CLOUDS (INFINITI AZZURRI...)

CASE STUDY

Studio Odeonsplatz by Mercedes Benz, Munich

Studio Odeonsplatz is an interactive brand space housing collaborative exhibitions, a lounge and co-working areas. Visitors use a localised app to turn multiple physical touchpoints into digital experiences. Various technologies are used in different places, each with different benefits - a QR code on a window leads to a gamified moment, and an NFC tag on a plinth provides a product story. The visitor's interaction is based on commonly used behaviours, scanning and tapping, and not based on a high level of understanding of the technology.

CHASE THE SUN
DISCOVER MUNICH'S
BRIGHTEST HOTSPOTS

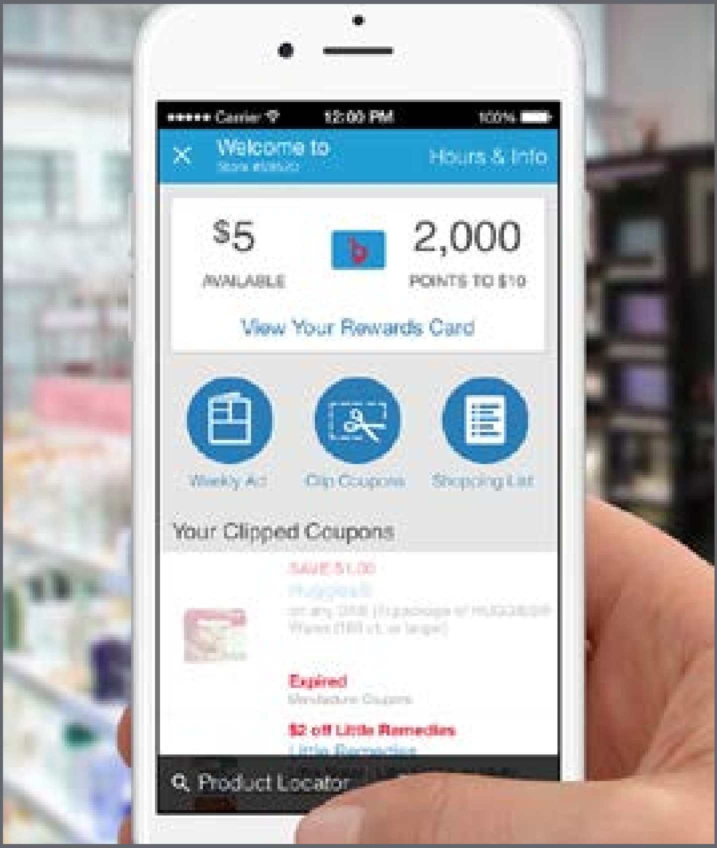
CASE STUDY

Walgreens Pharmacy, USA

Upon setting foot inside a Walgreens store, users of the app are sent a push notification prompting them to set it to 'in-store mode'. This puts the shopper's Walgreens loyalty points right at the top of their screen and launches an in-store product finder – a search bar that enables shoppers to easily find which products are available in the store that they are in.

2/$7
EXIT
DEAL
battery center
corner

As they move through the store, further push notifications are set off by in-store beacons, alerting shoppers to various deals displayed on the shelves that they pass, and a few coupons are shared in the process. Once customers have found their products they can then transact through the digital wallet for a faster, contactless checkout.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Hours & Info
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2,000
POINTS TO $10
View Your Rewards Card
Weekly Ad
Clip Coupons
Shopping List
Your Clipped Coupons
Expired
$2 off Little Remedies
Product Locator

02

Define the experience first, the technology second

THE BEAST

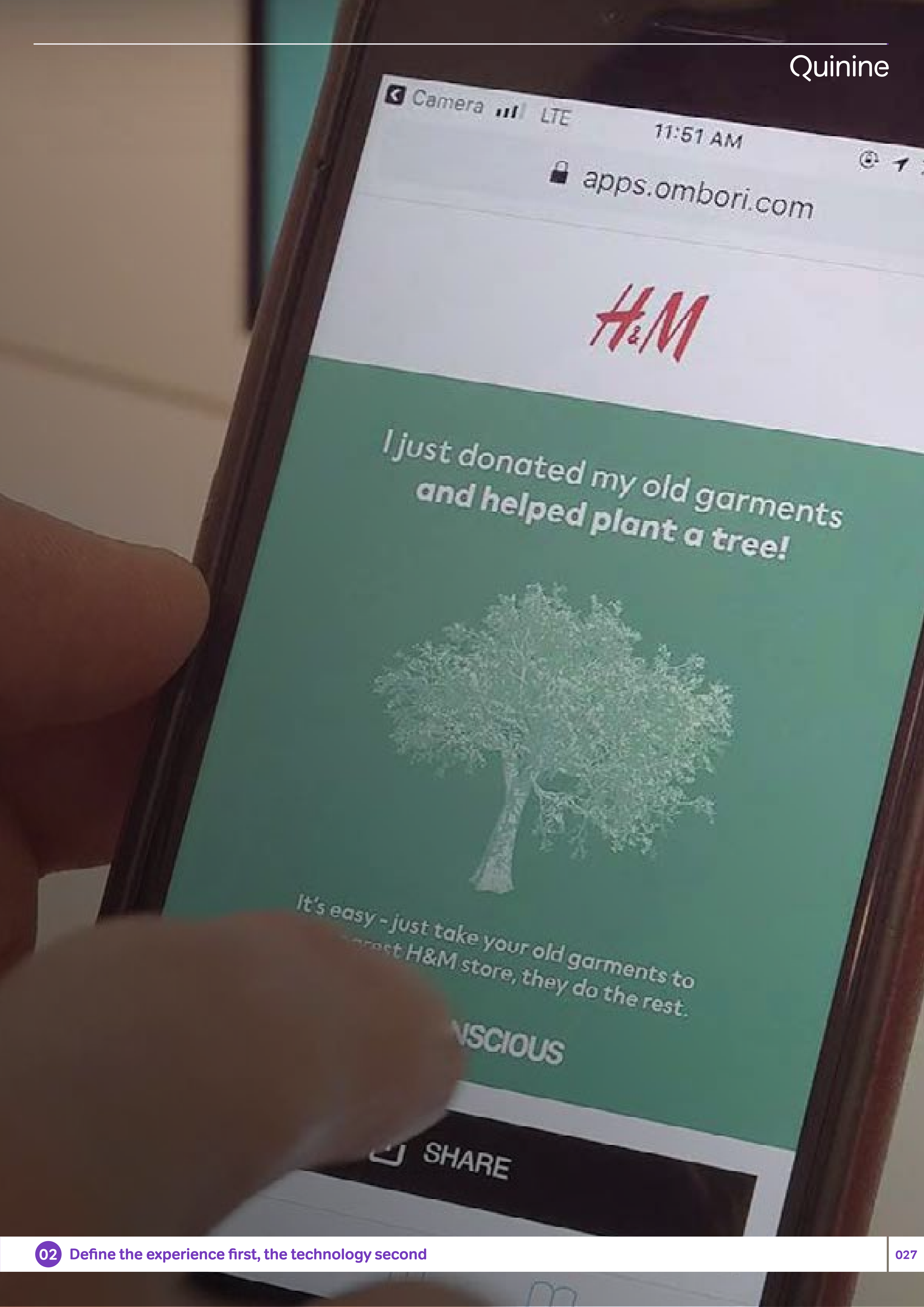
02

Define the experience first, the technology second

Digital technologies are merely tools. Tools that are useless without a focus and a purpose. Delivering a great customer experience is the hallmark of the best retail stores, but experiences are moments in a holistic journey. Retailers must define their store journey to understand what types of touchpoints are needed and then choose the best tools available to create the desired experience. Instead, we see retailers wrongly turning to tech as a default solution without considering the particular needs at a specific point in a store journey. A great example is at the store entrance. This is a moment to welcome customers, which often benefits from human interaction. Being greeted by a tablet or a robot at a store entrance is an application of technology that may help store operations, freeing up staff for other responsibilities, but for some retailers, it risks alienating the customer. A digital welcome can easily de-humanise and frame a brand as operational and utilitarian, making it more difficult to connect with customers.

Technology should not be the star of the show. Great phygital experiences reduce barriers and remove perceptions of the technology being used. The most sophisticated phygital experiences integrate several layers of technology that the user is almost unaware of. Often, they achieve this through a brand app. The beauty of such apps is their ability to bring the in-store experience to life while concealing a range of technologies behind a simple and intuitive consumer-facing interface.

Image Right: ***H&M*** *use digital technology to create a convenient and personal recycling programme in-store.*



Camera
LTE
11:51 AM
apps.ombori.com
H&M
NSCIOUS
SHARE

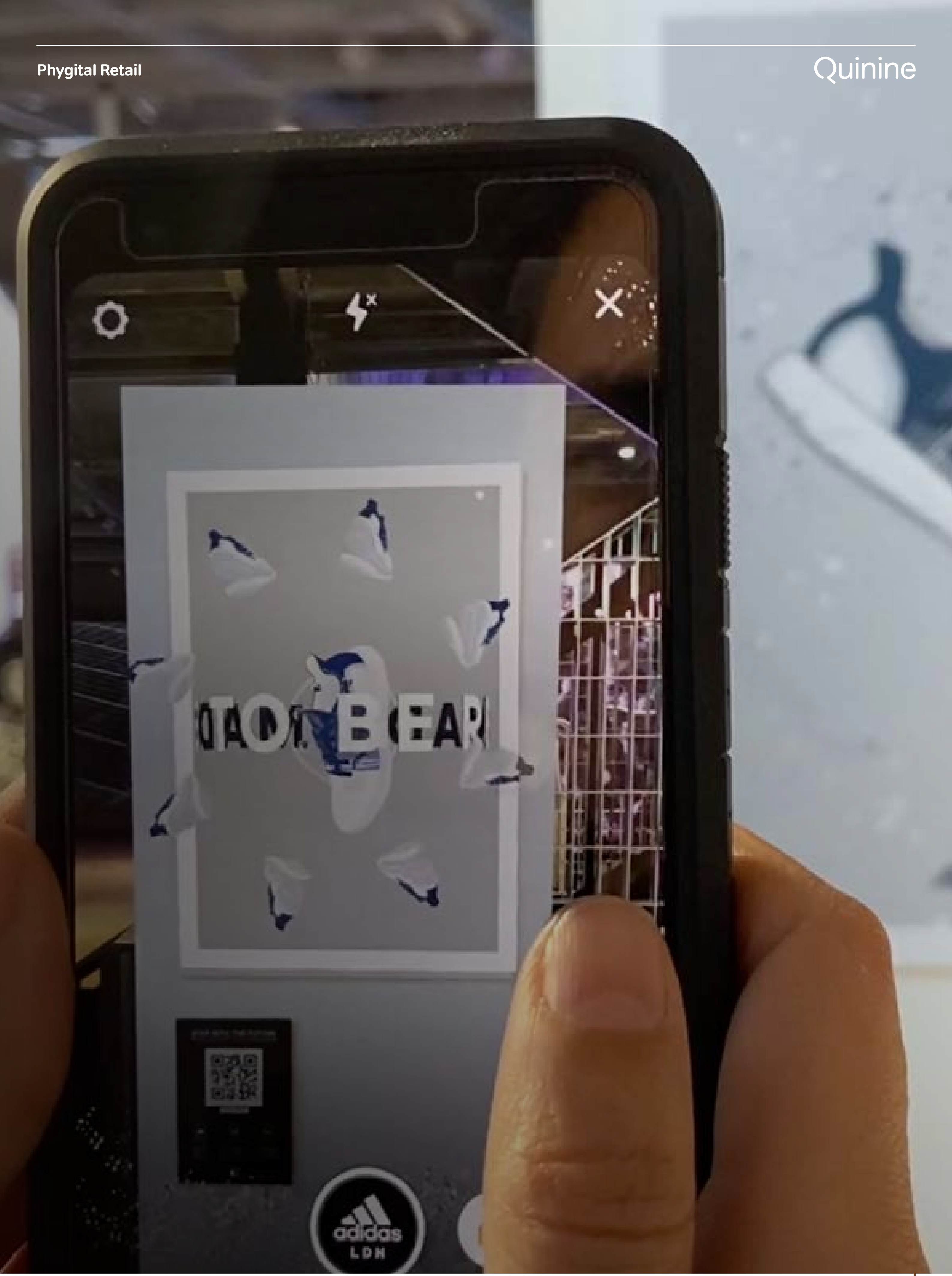
I just donated my old garments **and helped plant a tree!**

It's easy - just take your old garments to
rest H&M store, they do the rest.

Brands such as Nike, Adidas, Burberry, and Browns, invite customers to use a brand app on their mobile devices to engage more deeply in their store experiences. Through the app, customers use multiple mobile technologies to facilitate different outcomes. AI image recognition technology, augmented reality, geolocation tracking, QR code readers, and NFC chips are all types of technologies that provide benefits at various moments. Yet, as technologies that are activated when they point their camera, tap their phone, or click on a link, they're invisible to the shopper. The shopper's focus is on the experience they are having and the perceived added value they are getting.

The use of brand apps to deliver phygital experiences is just one way of ensuring the experience is the focus and not the technology. Whichever way the experience is delivered, what is crucial is how intuitive and straightforward the entry points are that encourage customers to engage. These may be digital, physical, or human, or, they may be a combination of all three.

*Image Right: Convenient store processes at the **Adidas** flagship are enhanced by the Adidas brand app.*


adidas
LDN

CASE STUDY

Browns by Farfetch, London

London's luxury fashion boutique Browns, seamlessly integrates digital interfaces alongside traditional staff-assisted customer service. Expanding on the online shopping experience, the app can be used to personalise a store visit ahead of their arrival, such as arranging an appointment with a personal shopper who can view the customer's shopping history and preferences. Whilst in-store, the app can be used to browse products available and, if needed, request assistance from staff. If products aren't

available in-store, an augmented reality feature allows customers to try products on virtually. This mobile technology complements smart fitting room mirrors that display a customer's choices and interactive touch screens used to navigate through a catalogue of available products.

CASE STUDY

Starbucks Pickup, USA

In response to changing consumer demand during the pandemic, Starbucks shifted its retail strategy to include pickup only physical stores. The new concept responded to customers wanting a fast, convenient, and contactless store experience. Customer preferences have changed from wanting

STARBUCKS
PICKUP
GAME CHANGER.
TIME SAVER
ORDER-AHEAD
EXPERIENCE
STARBUCKS
PICK
UP

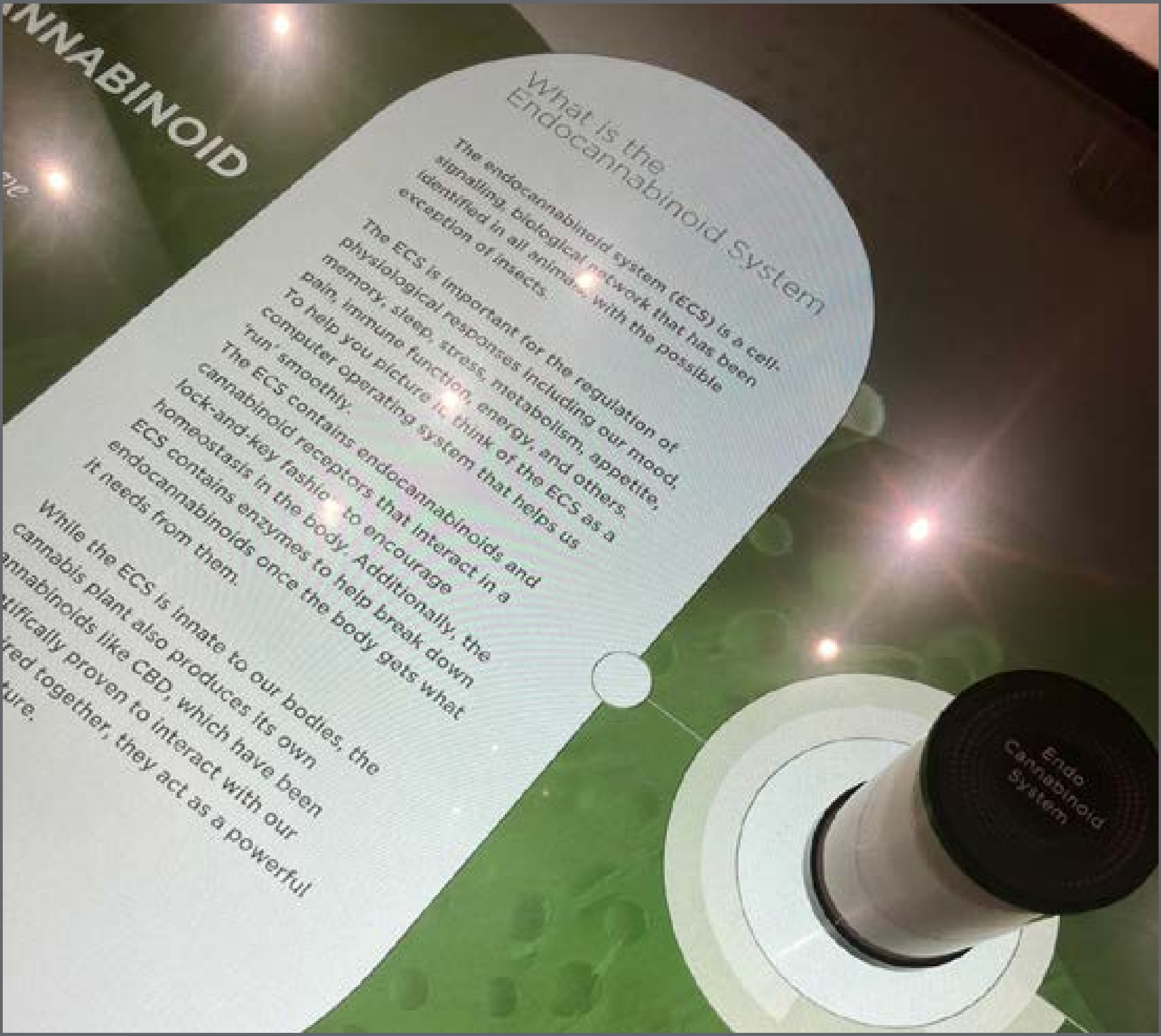
a ‘third place’ to sit and enjoy a hot drink to a greater interest in cold beverages on the go. By understanding customers’ desired experience, digital technology can be effectively utilised. Using the Starbucks app, customers can order ahead of a store visit. The store design and operations are iterated to respond to mobile orders with dedicated staff, a pickup-only service station, and digital media to facilitate efficient pickups from customers ordering from a mobile device. Aesthetically and functionally, the store concept is basic, however, the digital mobile ordering layer creates a functional and efficient physical retail store.

2:29 PM
PICKUP - PENN PLAZA
READY AM
READY MARY
READY Melanie
Taylor

CASE STUDY

Cannabotech, London

Cannabotech, a botanical pharmacy specialising in CBD-based health products, has used digital technology to create a personalised shopping experience in their London flagship store. Often, a personalised store experience is created by integrating the shopper's device into the shopping journey. Yet Cannabotech has chosen



What is the Endocannabinoid System

The endocannabinoid system (ECS) is a cell-signalling, biological network that has been identified in all animals with the possible exception of insects.

The ECS is important for the regulation of physiological responses including our mood, memory, sleep, stress, metabolism, appetite, pain, immune function, energy, and others. To help you picture it, think of the ECS as a computer operating system that helps us 'run' smoothly.

The ECS contains endocannabinoids and cannabinoid receptors that interact in a lock-and-key fashion to encourage homeostasis in the body. Additionally, the ECS contains enzymes to help break down endocannabinoids once the body gets what it needs from them.

While the ECS is innate to our bodies, the cannabis plant also produces its own nnabinoids like CBD, which have been ifically proven to interact with our red together, they act as a powerful ture.

alternative technologies for an experience that best suits its products and services. Shoppers can use their trademarked My Being technology, a face-scanning device that reads blood vessels in the skin, giving information on an individual's stress levels, blood pressure, heart rate and breathing. This information enables Cannabotech to make personalised product recommendations, while also allowing customers to use the data to monitor progress or product success over time. In addition, an interactive screen table utilises RFID technology to provide product information and educate shoppers on CBD-related science as they place products on the interactive table.

BLOOD SUPPORT
GET YOUR
FIRST AI CHECKUP
Cannabotech

03

Create unique phygital retail experiences

Lights of Christmas

03

Create unique phygital experiences

Culturally, we have seen many examples of digital replacing analogue solutions over the last few decades. In many cases, this is the result of digital's ability to be replicated with consistency and without deterioration through overuse. The delivery of in-store brand messaging is one such example. However, in physical retail, where the most meaningful customer experiences are unique and personalised, digital's ability to repeat itself might be a strength operationally, but it can still easily underwhelm the customer too. Seeing the TV advert that you've watched from your armchair at home played out on a digital screen in-store will never be the motivator for a return visit.

The best phygital experiences are not repeated or re-purposed for multiple customers but adapt to each individual in that moment and can only be experienced in that store. Unique experiences leverage time and place with each individual person. Impersonal, canned experiences that are the same for anyone who encounters them, miss today's customer expectations - that a brand understands who they are as individuals. Such experiences are often ineffective, delivering no real value to the customer who has invested their time by coming into the store.

Stores must strive for unique phygital experiences. At the very least, they should be adaptable and interactive whilst ideally enabling the shopper to have some kind of control. At their best, phygital experiences, through compelling technologies such as augmented reality, can delight customers and help them discover new things beyond their expectations. But they can also facilitate more functional yet personalised shopper missions. They might take into account a shopper's historic relationship with the brand, as well as their desires and motives for shopping at that particular moment.

Image Right: An augmented reality experience at the ***Nike*** *Soho store was limited in time and unique to place.*

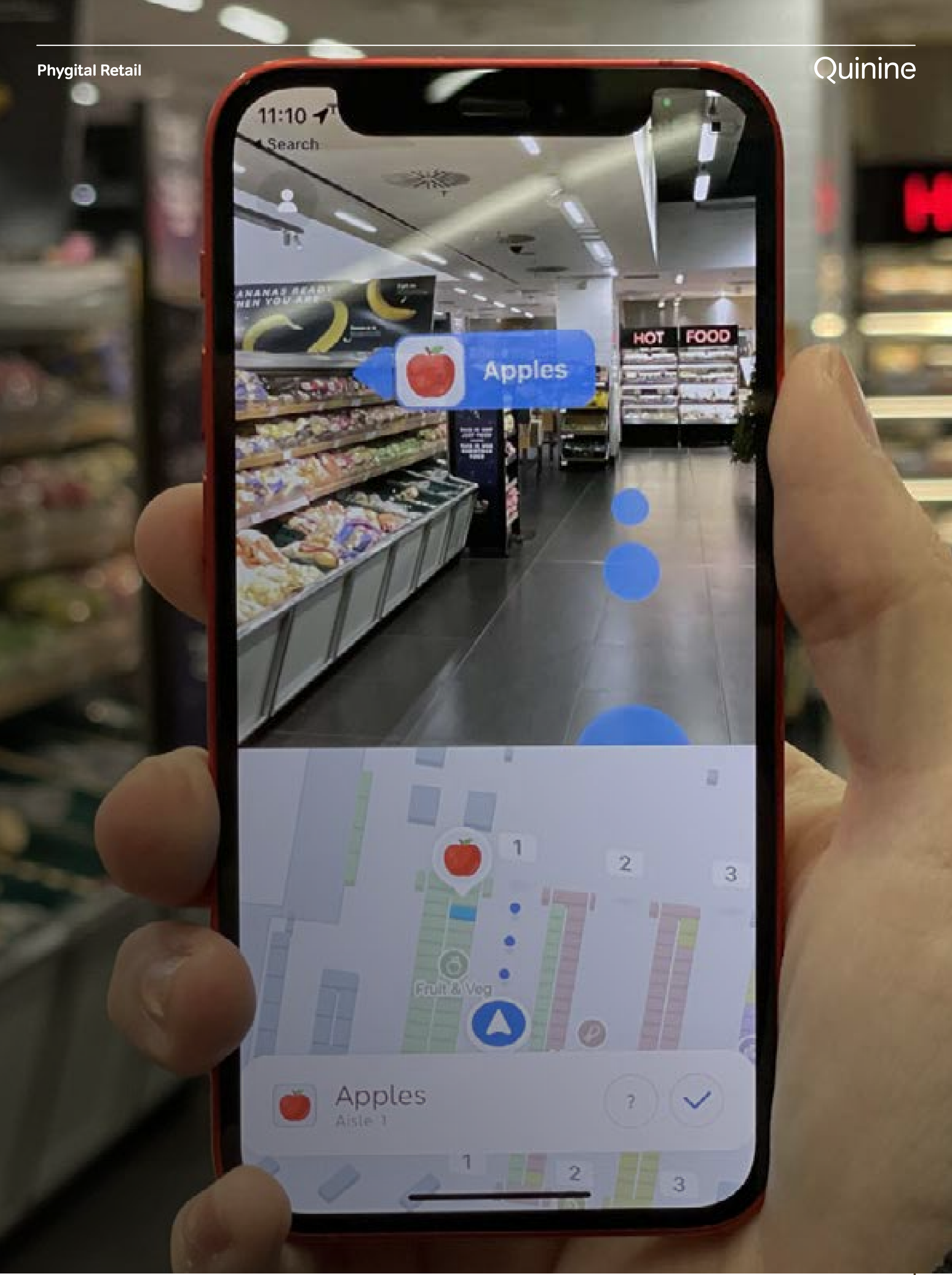
78% of millennials would rather spend money on an experience or event rather than goods

A pharmaceutical brand familiar with a customer's medication history may highlight appropriate offers through its brand app and help customers locate them in-store.

The traditional store of the 21st Century has become a cookie-cutter experience replicated for all shoppers and remained unchanged for repeat visits. Over time, many strategies have developed to counteract this reality; such as changes in stock, sales periods, window design, staff interactions, events, workshops, and dynamic store layouts. These have all been adjustments to make the same store feel like a new experience and encourage return visits. This is where digital technology can add incredible value, and for a fraction of the cost compared to past strategies. Sometimes referred to as 'liminal retail', augmenting the digital over the top of the physical presents unprecedented opportunities for discovery and surprise. Stores have the potential to be infinitely dynamic, ever-changing between individual shoppers and repeat store visits.

AR technology has a broad scope of use cases to improve the shopping experience, and its use is gaining traction in retail stores. Cosmetics brand Lush uses AR to provide product information, and multinational retailer Marks & Spencer uses it to enhance wayfinding. These are examples of the technology being used to reduce friction and improve operations. Many stores are starting to introduce AR-activated windows or installations in-store, but these are usually prompted by a QR code. These are touchpoints where customers intentionally ready themselves for digital engagement. More can be done to evoke discovery and surprise. Retailers should consider activating entire stores for digital engagement rather than select moments in the store journey.

*Image Right: Customers use the **Marks & Spencer** app, and AR technology, to navegate the supermarket and locate products.*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Search
Apples
HOT FOOD
1
2
3
Fruit & Veg
Apples
Aisle 1
?
1
2
3

CASE STUDY

Golden Goose, Milan

Sneaker brand Golden Goose creates a unique digital store experience in their Milan concept store they've called Golden TV. The customer journey allows shoppers to create personalised items while engaging in multiple digital touchpoints. A co-creation phase involves shoppers designing their product on a large interactive screen, a process that is filmed and then shared with the customer. The customer can proceed to a purpose-built recording station, making videos of themselves to share on social media. This journey provides a personalised physical experience while creating and capturing a unique digital artefact.

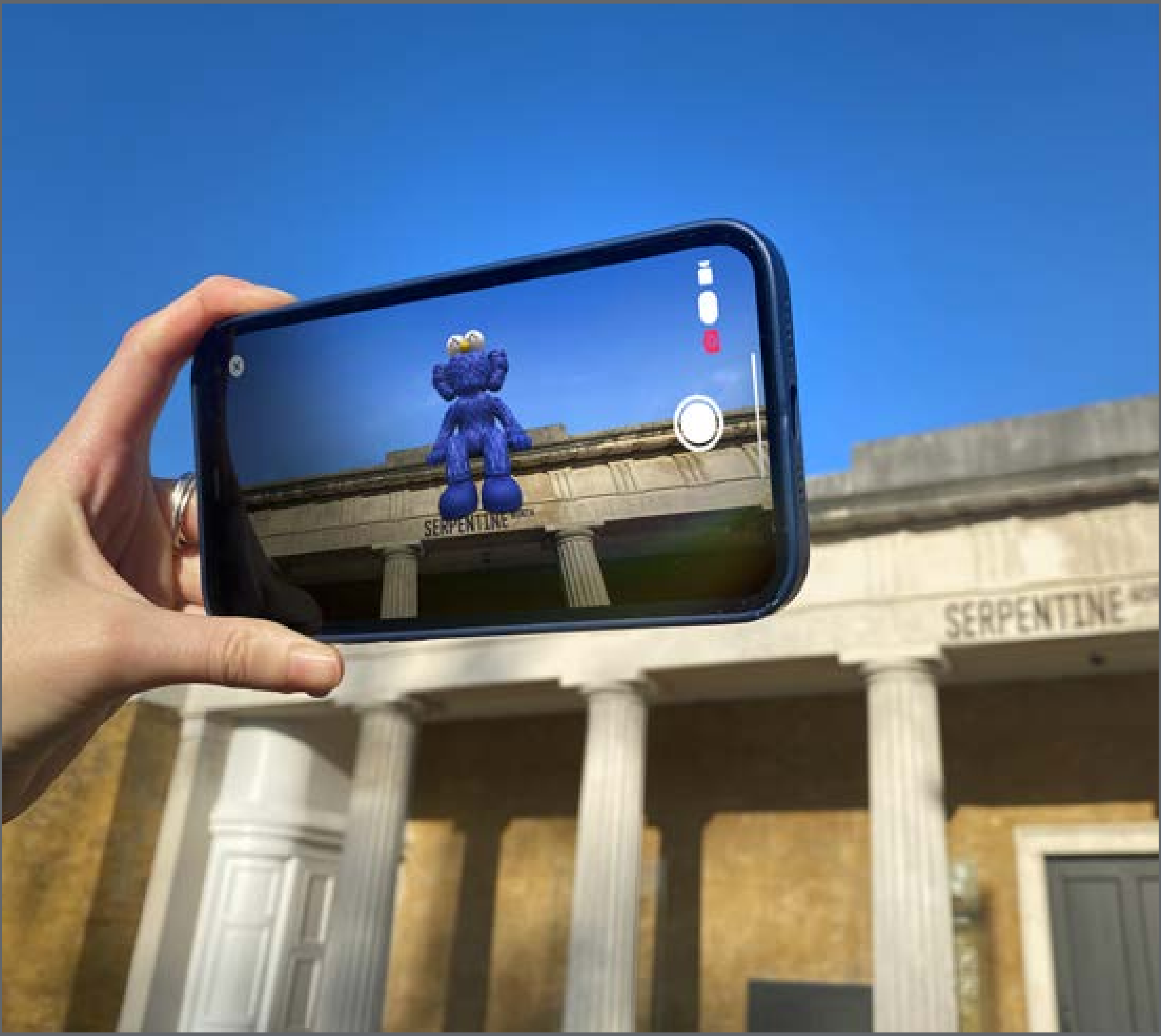
GOLDEN
GOOSE
IS A JOURNEY
OF LOVE
Golden Goose
LOVE

Golden
HAPPINE

CASE STUDY

Kaws X Fortnite, London

An exhibition by artist KAWS at the Serpentine Gallery in London is an example of a virtual and physical world co-existing in one space. Alongside physical sculptures and paintings, digitally augmented artworks existed around the gallery space, waiting to be discovered.



CASE STUDY

Lego, New York

The Lego store in New York creates a unique phygital experience through its personalised and interactive store features. Shoppers can scan Lego creations made in-store and place them into an animated digital world that is presented on a series of interactive digital screens. Customers' unique Lego creations are used as a medium to connect the physical and digital worlds.

MOSAiC MAKER

PERSONALiZATION STUDIO
CTORY
MOSA

04

Deliver both 'frictionless' and 'sticky' experiences

MOTOR
HARLEY-DAVIDSON
CYCLES

04 Deliver both 'frictionless' and 'sticky' experiences

Most of the value added by phygital that we see today is in ‘frictionless’ experiences. These intend to make retail missions more streamlined, faster, and more convenient. Advances in operational efficiency have been the driving force behind technological innovation in retail, so it’s no surprise these have become the most common and sophisticated digital experiences while also delivering the most value to shoppers. Unmanned stores, such as Amazon Go, use a combination of technology, mostly hidden or unknown to the user. These technologies enable customers to enter by tapping their phone at the entrance, selecting products, and walking out. As an experience, this is the height of frictionless convenience in retail.

In addition to frictionless experiences, there are also what we refer to as ‘sticky’ experiences. Sticky experiences are those that are often slower and engage the shopper for longer periods of time, allowing deeper, more meaningful relationships to be formed between customer and brand.

The need for ‘frictionless’ and ‘sticky’ experiences will vary between brands and between touchpoints in a store journey, and many stores will have a need for both types of experiences.

Digital technology has the ability to turn a ‘frictionless’ interaction into a ‘sticky’ experience in two ways. Firstly, if we consider small, urban grocery formats such as Target Express, these stores are driven by efficiency. Most customers move around the store with a clear and pre-determined motivation, locating the products they need before finding a till point, transacting and leaving the store. This enhanced level of convenience shows customers that the brand cares for them and their needs. This can unconsciously help develop deeper bonds with a brand. This is when frictionless moments can become ‘sticky’.

Image Right: ***Target Express*** *stores are optimised to provide a frictionless convenient shopping journey.*

exchanges & returns
WE L♥ VERMONT

The second, and arguably more powerful way that technology can influence, is when interactions in-store become so ‘frictionless’ that they free the customer up to discover the more experiential and engaging moments. This is when frictionless moments lead to ‘sticky’ experiences and when truly deep bonds between customer and brand can be formed.

Chinese grocery retailer Freshippo is a great example of a brand delivering great frictionless convenience which can lead to stickiness through moments of discovery. Customers entering a Freshippo store with a specific purchase in mind benefit from a great range of products and have the option to 'scan and go' whilst they shop, using their own mobile device. Alternatively, they can use the facial recognition enabled self-checkouts and even get their shopping delivered to their home within 30 minutes. Alongside these conveniences, customers are introduced to unexpected moments of discovery via products on display, brand stories, and in-store experiences. Whilst there are familiar ‘analogue’ interventions such as friendly staff with trays of free food samples, it is mainly through the brand app that Freshippo customers can discover unexpected value. Having picked up a lobster from the tank, customers can scan the barcode to gain access to all the information they might need. They are educated about where the lobster was sourced and how it was farmed. They can learn how to cook the lobster at home and which wine would go well with it and even where to find this wine in-store. Alternatively, the app gives the option to have it cooked in-store for the customer to eat in the restaurant. Here they can connect and share the experience with friends and family. Whether they’re social, educational, or entertaining experiences, it’s through these digital moments of discovery that Freshippo creates further ‘stickiness’.

Sticky experiences are arguably the most powerful experiences of the physical store as they provide a greater opportunity for the brand to forge a more meaningful bond with the customer. However, for some brands, store success is determined entirely by the ability to be frictionless. As online shopping continues to gain popularity, the store’s purpose will become less about housing goods to sell and more about forming deeper relationships with the consumer. This change means that sticky experiences will need to play a part in every future store. Yet currently, despite Freshippo’s example, few retailers are using digital technology to add meaningful value to create these types of experiences. Delivering great phygital, sticky experiences is where we see the greatest opportunity for the future of physical retail.

Image Right: ***Freshippo*** *(also known as* ***Hema****) supermarkets use data and technology to create 'sticky' and 'frictionless' moments in the store.*

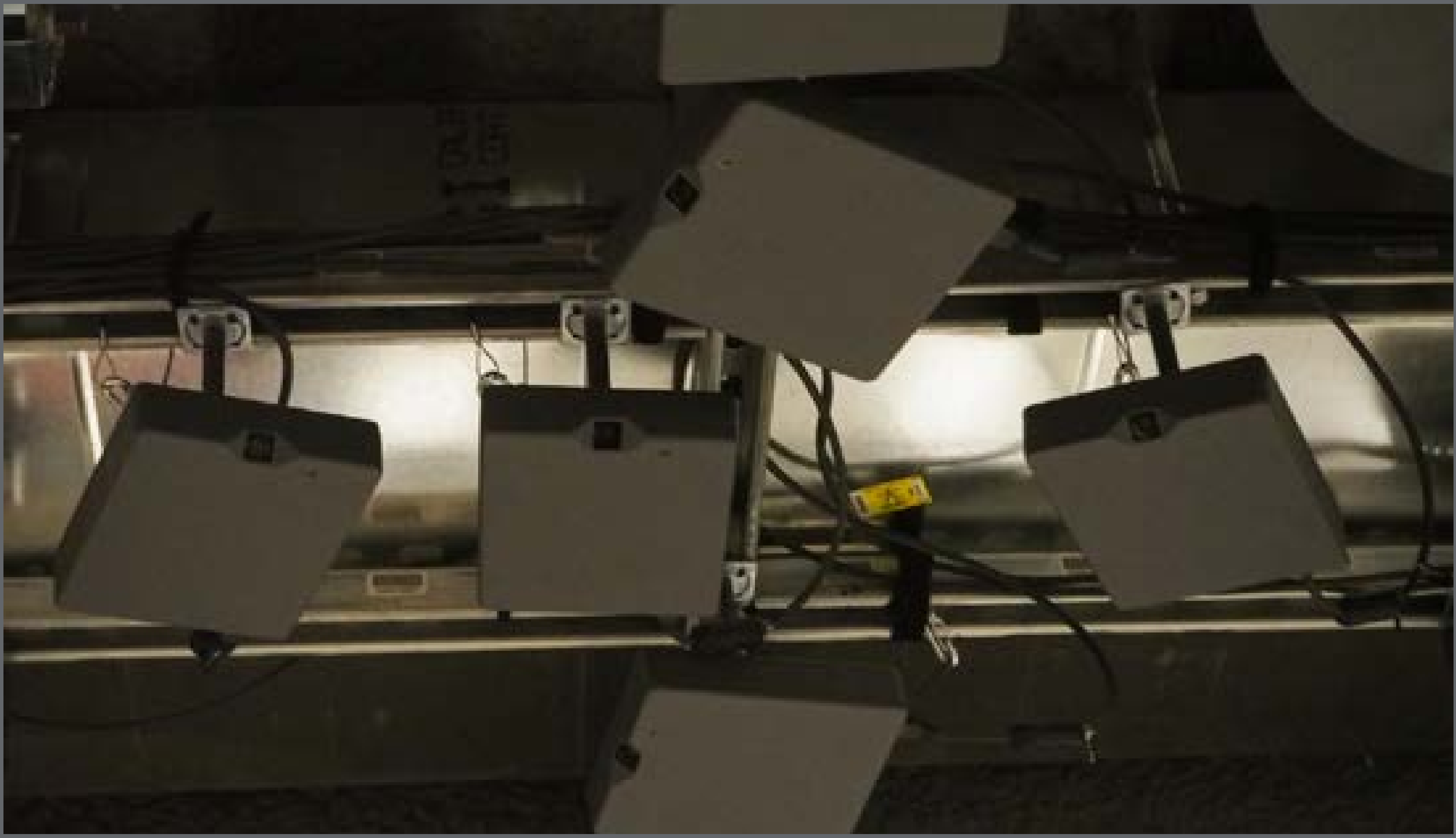
CASE STUDY

Amazon Go, Global

The Amazon Go stores have no tills or cashiers. With the Amazon app, customers scan their phones to enter. In-store technology, made up of a combination of AI, computer vision, and data pulled from multiple sensors, detects when products are taken or returned to the shelves and keeps track of them in the customer's virtual cart. A landmark concept for frictionless retail, amazon customers can simply walk in, select an item from the shelves, and walk out.

amazon go
Now
open
amazon go

go



CASE STUDY

Galaxy Harajuku, Tokyo

An example of sticky phygital experiences, Samsung's flagship Galaxy store in Tokyo spans over six floors and acts as an experiential brand showcase for Samsung technology and entertainment. Visitors can try, test and buy products.

An exhibition space and interactive installations allow customers to discover and explore the brand story along with Galaxy device features. Products are displayed in a high-tech setting to illustrate Samsung's product capabilities and innovation.

4D Theater

CASE STUDY

Hipanda, Tokyo

Chinese streetwear brand Hipanda used AR technology in their Tokyo store to create a personalised and engaging store journey. Their sticky phygital experience is gamified, and after downloading the brand app on entry, customers interact with the 'host' (the brand's 'angry panda' character) while experiencing AR and video installations. Customers can reveal hidden virtual characters throughout the store while also experiencing an alternate virtual world inspired by the store's 'haunted house' concept.

05

Make sure the physical environment enhances the digital

05

Make sure the physical environment enhances the digital

Too often, physical and digital mediums are conceived in isolation, but ideally they should interact to enhance one another. Any physical store or digital interaction should be richer for integrating the unique aspects of the other. We see many retailers attempting to enhance the physical store with digital technology. However, a missed opportunity is not looking at it from another perspective and using the physical to enhance the digital experiences. The digital should be thought of as another layer adding to the physical space, never a replacement or alternative. Enhancing the digital with the physical will carve out a unique place for physical retail stores moving forward.

The desire for phygital experiences marks a shift in how retailers see the interplay between online and physical retail. Following the initial rapid growth of online shopping, the two channels were seen as competing agents. Advocates for shopping in physical stores talk about the motivation to reduce screen time and have ‘real’ experiences. This perspective emphasises brick-and-mortar retail as an antidote to online retail, giving customers a purpose to visit a store by providing them with something that a website cannot. This perspective is still relevant, and aspects unique to brick-and-mortar retail remain important. Yet phygital-focused strategies mark the start of experiences involving the digital that can only exist in physical retail.

Amongst other things, physical retail stores should always aim to drive footfall and attract new customers while also motivating return visits. Central to success in fulfilling this aim, has historically been how unique, how organised and how well curated a retailer’s product offer is. As physical retail evolves and the focus on products becomes less important, it will be the uniqueness of ‘place’ and the in-store experience that encourages footfall.

*Image Right: **Camp** family store in New York, uses the physical environment to enhance a digital play experience.*

DO NOT ENTER

Using ‘place’ to motivate a shopper to create social media content from within the store is one of the most basic forms of a phygital experience. That instagrammable moment is the physical enhancing the digital at its simplest. Many of today’s shoppers will intuitively react to a memorable or stimulating store environment by documenting and sharing their experience with others through social media channels.

When we look beyond the instagrammable moment to experiences that don’t just connect the physical experience with a digital platform but blend the two together, incorporating a broader range of senses such as audio, smell and touch, this is when retailers have the opportunity to create experiences that cannot be attained anywhere else. Retailers who use the digital to enhance the physical, and vice versa, are the ones that will deliver exceptional phygital experiences that drive a healthy and regular footfall.

Image Right: Jentle Home, a collaboration between Blackpink's Jennie Kim and ***Gentle Monster****, uses the physical environment to create multiple 'instagrammable moments', to be shared digitally by customers.*

Jentle ho
OPEN 12:
CLOSE 21:

60% of millennials have shared an experience on social in the past year

CASE STUDY

Lego X Snapchat, London

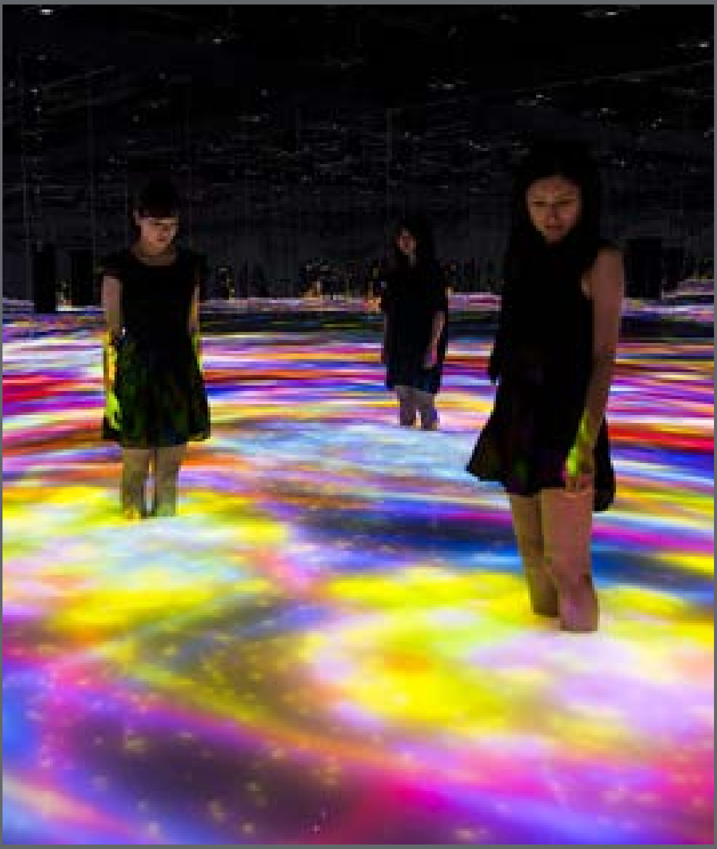
Snapchat and Lego's collaborative pop-up enabled customers to scan a QR code and walk around a space, exploring a VR Lego world through their phones. Yet, while there is an inclusion of digital and physical elements, we see this as a missed opportunity to effectively use both elements in unison. The physical space was completely barren, in no way enhancing the digital experience that had been created. Rather than the physical environment adding a unique layer to the virtual world, it becomes largely insignificant and repeatable.

> *"The digital should be thought of as another layer adding to the physical space, never a replacement or alternative"*

CASE STUDY

Teamlab, Drawing on the Water, Japan

In this digital installation by Teamlab, visitors were invited to enter a dark, mirror-clad space and walk through a body of shallow water decorated with digital projections of dancing Koi. In addition to the physicality of the reflective walls, minimal lighting and the feel and temperature of the water, the fish's trajectory responded to the visitor's movement. When the fish collided with visitors, they turned into projections of flowers which then scattered around the room. The beauty of the installation was how the physical environment combined with digital to arouse an array of senses, creating a truly engaging and magical visit. The immersive and responsive nature of the installation delivered users a rich, powerful and surprising, one-of-a-kind experience.

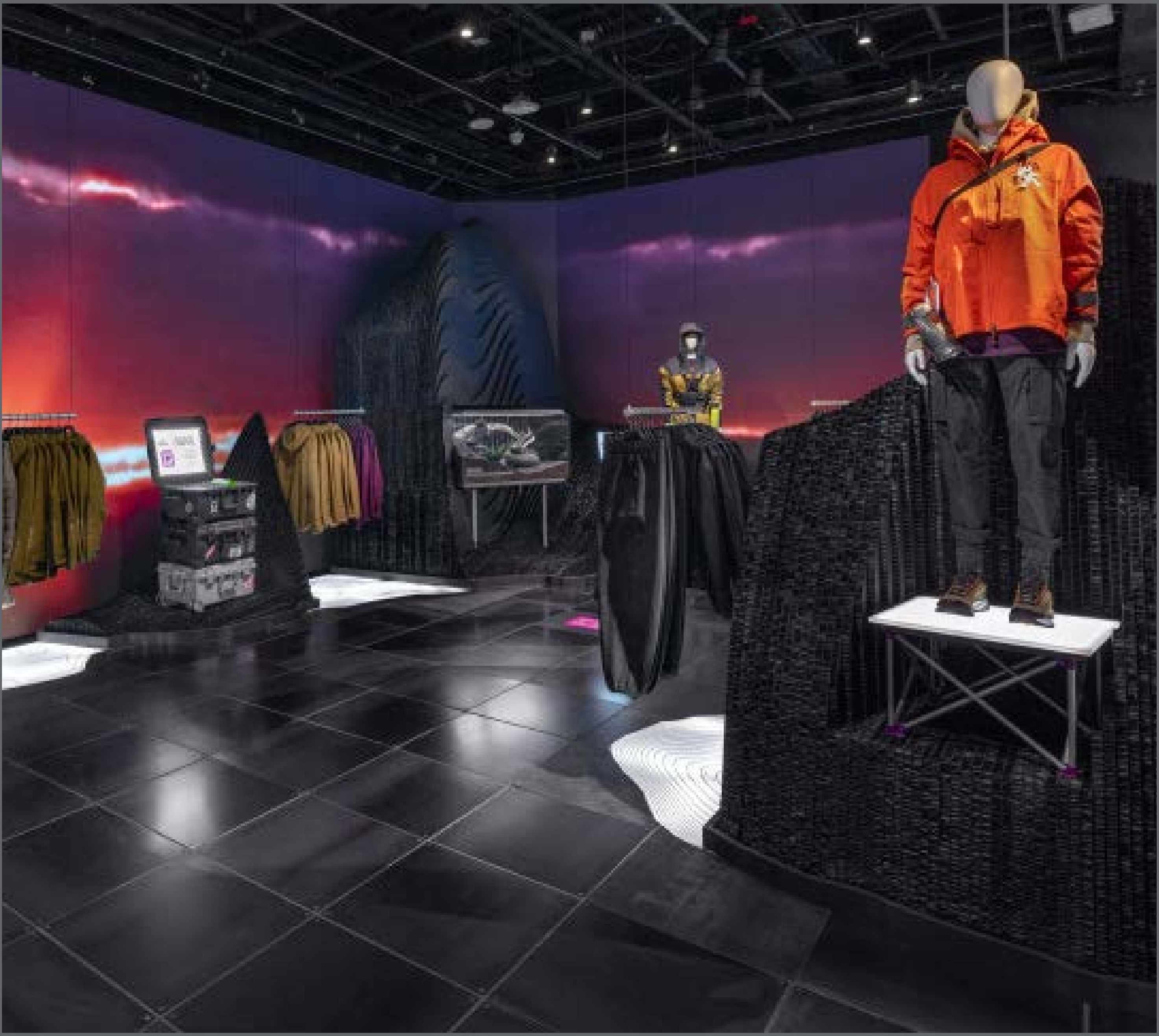


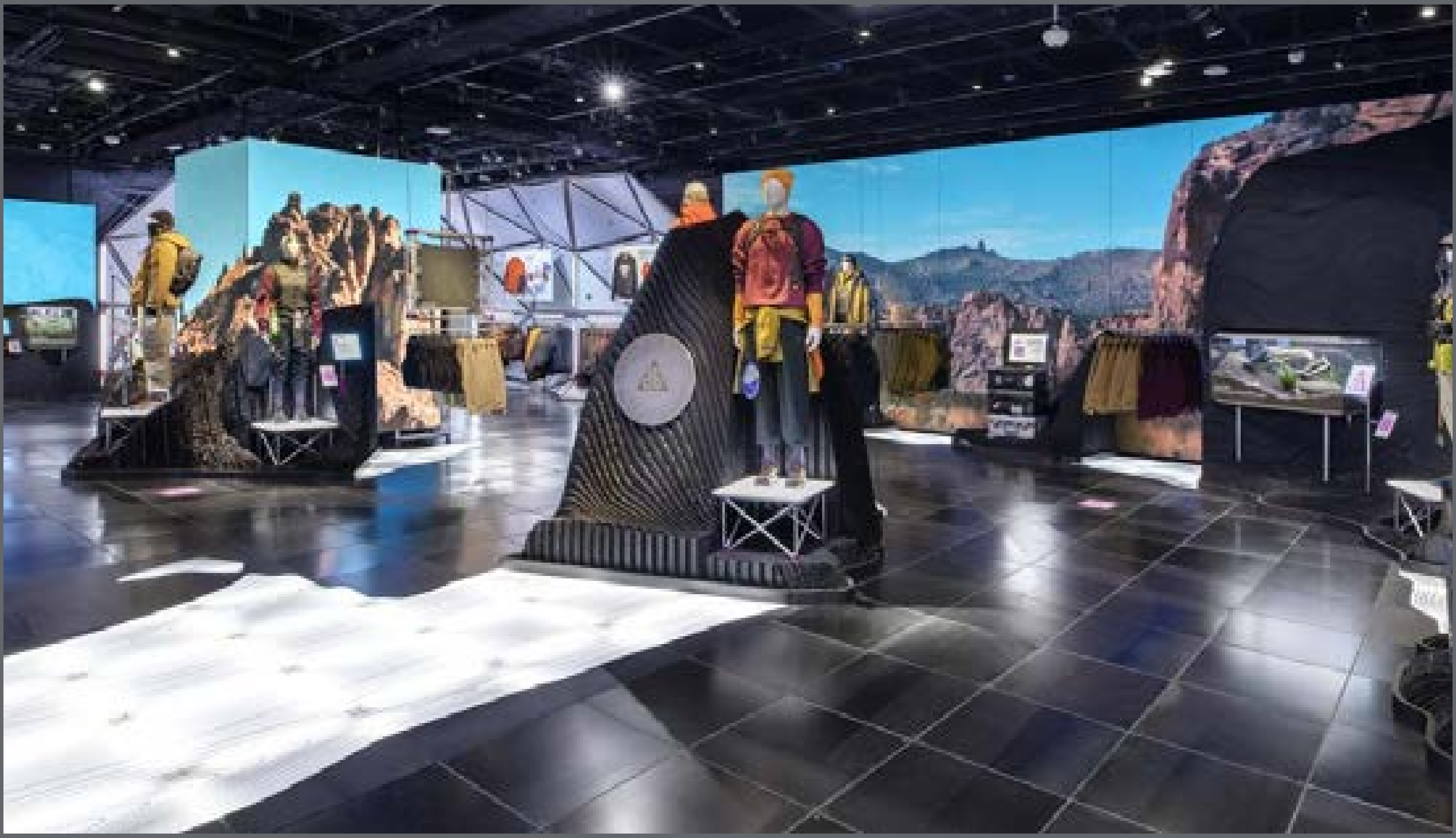
"phygital-focused strategies mark the start of experiences involving the digital that can only exist in physical retail"

CASE STUDY

Nike House of Innovation, New York

As part of a brand campaign for Nike ACG outdoor wear, various Nike flagship stores housed a brand experience named Base Camp, which was inspired and themed by the desert-like region of Smith Rock, located in Nike's home state of Oregon.





The store combines the physical and digital to cohesively simulate the outdoors. Using mobile devices, customers can join an AR virtual treasure hunt that takes place throughout the store. Scanning QR codes introduces shoppers to animated Smith Rock wildlife characters and product innovation storytelling. Displays are crafted to replicate iconic rock formations of Smith Rock's natural environment, complemented by large surrounding visual imagery and camping props. The scents of local plants and the sounds of wildlife greet visitors. In this case, the physical space complements the digital experience it sets the stage for, and the physical and digital journeys are aligned to create one unified brand activation.

06

Encourage movement between online and physical channels

06

Encourage movement between online and physical channels

By definition omnichannel retail experiences must be ubiquitous across physical and online channels and never designed in isolation as two separate brand touchpoints. The online channel should drive customers to physical stores and vice versa. Phygital experiences can facilitate this. There are unique components to both channels that people are drawn to. Whilst online shopping is highly convenient, many shoppers still feel a fundamental need to walk into a store and make a purchase. Thriving DTC online-first businesses, such as subscription retailer Censuum, often expand into brick-and-mortar retail in some capacity in order to provide their customers with an omnichannel experience.

Increasing engagement with technologies such as QR codes and NFC tags has improved the ability of the physical store to drive customers towards online channels. This is commonly done by introducing the benefits of using a brand app inside a physical store, providing customers with a QR code to download the app. For example, customers shopping in an Adidas flagship might be made aware of the benefit of having the Adidas app, download it, and engage in a feature that improves their experience. Even without apps, shop windows now commonly feature QR codes with direct links to products online. Any digitally interactive moment in a store is a chance to connect shoppers to online channels. All in-store display vignettes or shop windows should now be portals to a complementary digital channel.

A physical (store) experience can create a foundational memory that forms a positive association with a brand, enhancing subsequent online experiences. In this sense, making physical brand activations is a powerful way to drive traffic online. Additionally, stores can be used for in-person services that facilitate a more convenient online shopping experience in the future, such as the digital body scans in the Savage X Fenty stores, that enable

*Image Right: **Censuum** brings sustainable online-first brands together in physical department stores.*

customers to select the correct size online with certainty.

Using the physical store to connect customers online does not have to just mean engaging with brand apps or visiting the online store. These are inherently and understandably the preferred digital channels as they keep the customer closer to a point of purchase. Using the physical store to connect customers to a brand's social media community can also have great value. The journey between online and offline channels is never linear or predictable. Many consumers need time to familiarise themselves with a brand, its values and its product offer. Following an initial store visit, social media (whether it be Instagram, Twitter, TikTok or another platform) presents the perfect 'waiting room' for customers to engage more with a brand before deciding whether or not to commit to a purchase. Online stores, physical stores and social media channels should all drive traffic to one another.

Online retail driving traffic to physical stores is not common today, but this may shift with the creation of more online-first brands. Brands commonly incentivise customers to create digital wish-lists. This can be before, during and after a store visit. More recently, brands are providing real-world experiences to online communities to enhance brand attachment for existing customers. For example, British department store Selfridges engages communities from online-first brands by providing physical pop-up stores. These businesses can provide brand experiences such as workshops and educational seminars to solidify and grow their community of advocates. Likewise, permanent stores of online-first retailers provide a local hub that serves shoppers. Glossier's Los Angeles store, containing a café and outdoor space, enables the brand to get up and close with its online community and are often used as a setting for social media photos that indirectly drives more traffic to the online store.

Additionally, fulfillment services in physical stores complement online shopping to create a holistic and optimised shopping experience across both channels. Buy-online-pickup-in-store (BOPIS) sees customers first utilise the convenience of browsing and selecting products online, while then being able to try on in-store, or pick up items instantly from a convenient location. Roughly half of adult shoppers use BOPIS, and a majority of shoppers add more items to their cart if they plan to pick them up immediately. Once in-store, shoppers will commonly buy additional items not considered online.

Those retailers that provide easy, seamless opportunities for their shoppers to interact with their brand, whenever and wherever, are the ones that will prosper in the future. A direct and fluid link between the online and bricks and mortar channels will be central to this.

Image Right: ***Glossier*** *have expanded their online growth by providing localised brand experiences in physical stores.*

OSTLD

CASE STUDY

Pinterest X Conran Shop, London

A collaborative installation was part of the London Design Festival, and featured at The Conran Shop's flagship London store. The installation presented customers with 1,600 red topped ceramic Pins. Products contained Pinterest Pincodes, allowing customers to scan with their camera in the Pinterest app to discover curated ideas, products and other content related to the product on Pinterest. Also, featured hero products contained NFC tags, that when tapped using a smartphone, activating a unique digital experience and automatically adding the item to a bespoke 'Conran Wishlist' on the customers Pinterest account.

THE CONRAN SHOP
Pinterest

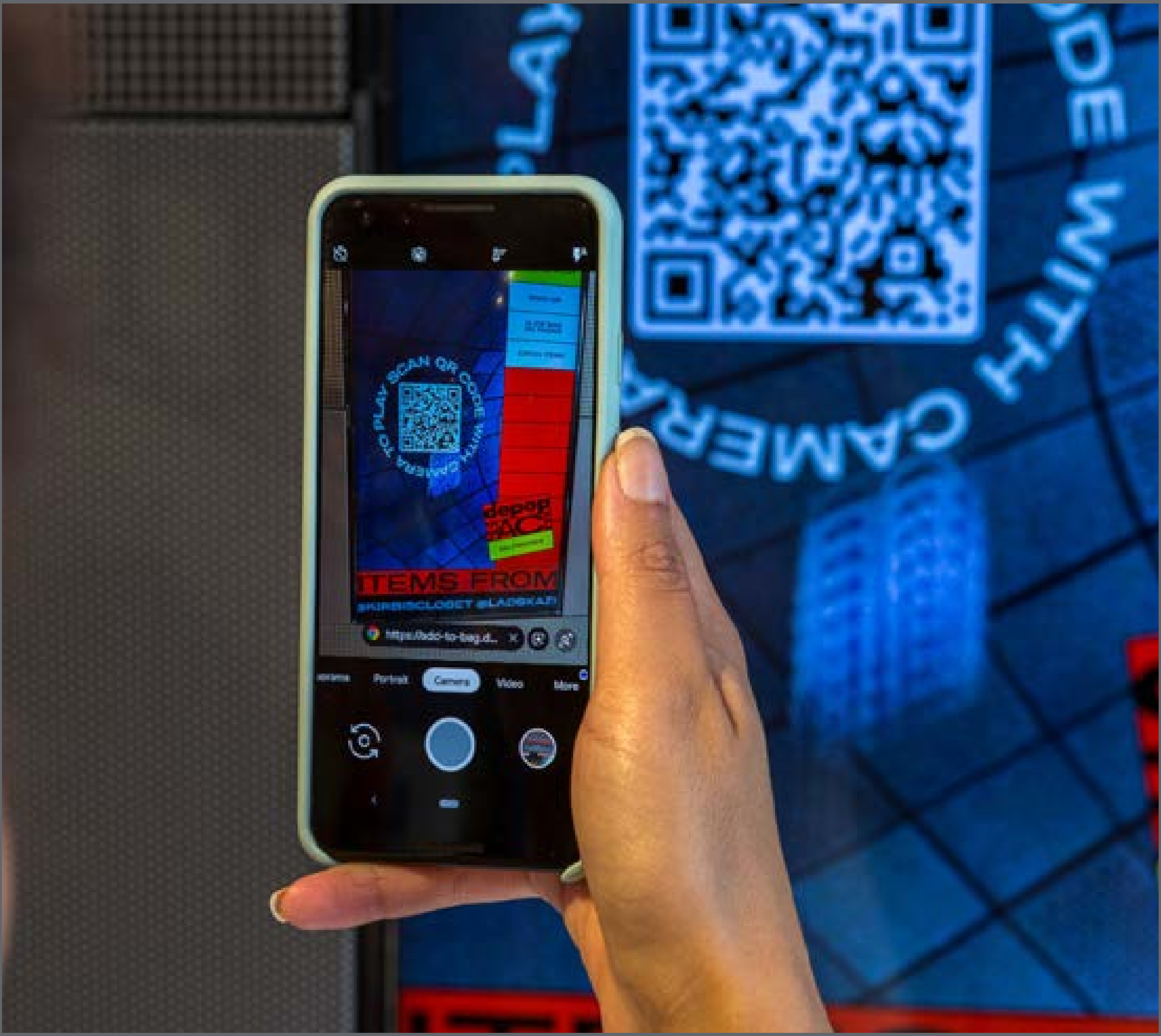
CONRAN SHOP
Pinterest

Exclusive Flo Table Lamp By Samuel Wilkinson

CASE STUDY

Selfridges X Depop, London

A three-month pop-up collaboration with second-hand online fashion retailer, Depop gave their digital-based fashion community a chance to extend their interactions to a physical retail space. Digital mobile games within the physical space encouraged shoppers back to using the Depop app. Also brand-related workshops and live panel discussions were used to engage a new community, otherwise unfamiliar with the brand, that could continue engagement on their online platform.


SCAN QR CODE WITH CAMERA TO PLAY
depop
ITEMS FROM
Portrait
Camera
Video
More

RE AT WWW.D
depop
depop

"Online communities can be enhanced with real-world experiences, and in retail, this is how physical stores can enhance brand attachment for existing customers of an online-first business"

SELLE
@NS_SHOP
UNIQUE, DESIGNER, VINTAGE
depop SPACE
SELFRIDGES

CASE STUDY

Savage X Fenty, USA

This case study is an example of digital technology in physical retail facilitating a more convenient future online experience. Lingerie and intimates fashion brand collaboration, Savage X Fenty, has opened a series of stores allowing customers to get a 3D body scan to ensure personalised product recommendations fit perfectly. While intended to aid the store staff, not replace them, this service can also improve future online shopping experiences with the brand.

SAVAGE X FENTY

07

Identify how phygital experiences might exclude and include

07

Identify how phygital experiences might exclude and include

As retailers continue to refine and improve their inclusivity policies, it's crucial to remember that innovation has the potential to exclude some shoppers. This feels particularly valid with retail's current push for innovative digital experiences. Retailers competing to engage younger digital natives, risk inadvertently providing less enjoyable experiences for some older shoppers less able to explore and use new technologies.

Additionally, for some shoppers perfectly able to adopt a new technology, forced engagement can still create mild discomfort. Most retailers face the problem of enticing shoppers to engage in new digital technology or experiences, but automatic exposure to technology can also pose a problem for retailers to address. Supermarket self-service checkouts have come under some scrutiny in recent times. In Britain, a petition has been launched asking supermarkets to stop replacing traditional cashiers with self-service card-only checkout machines.

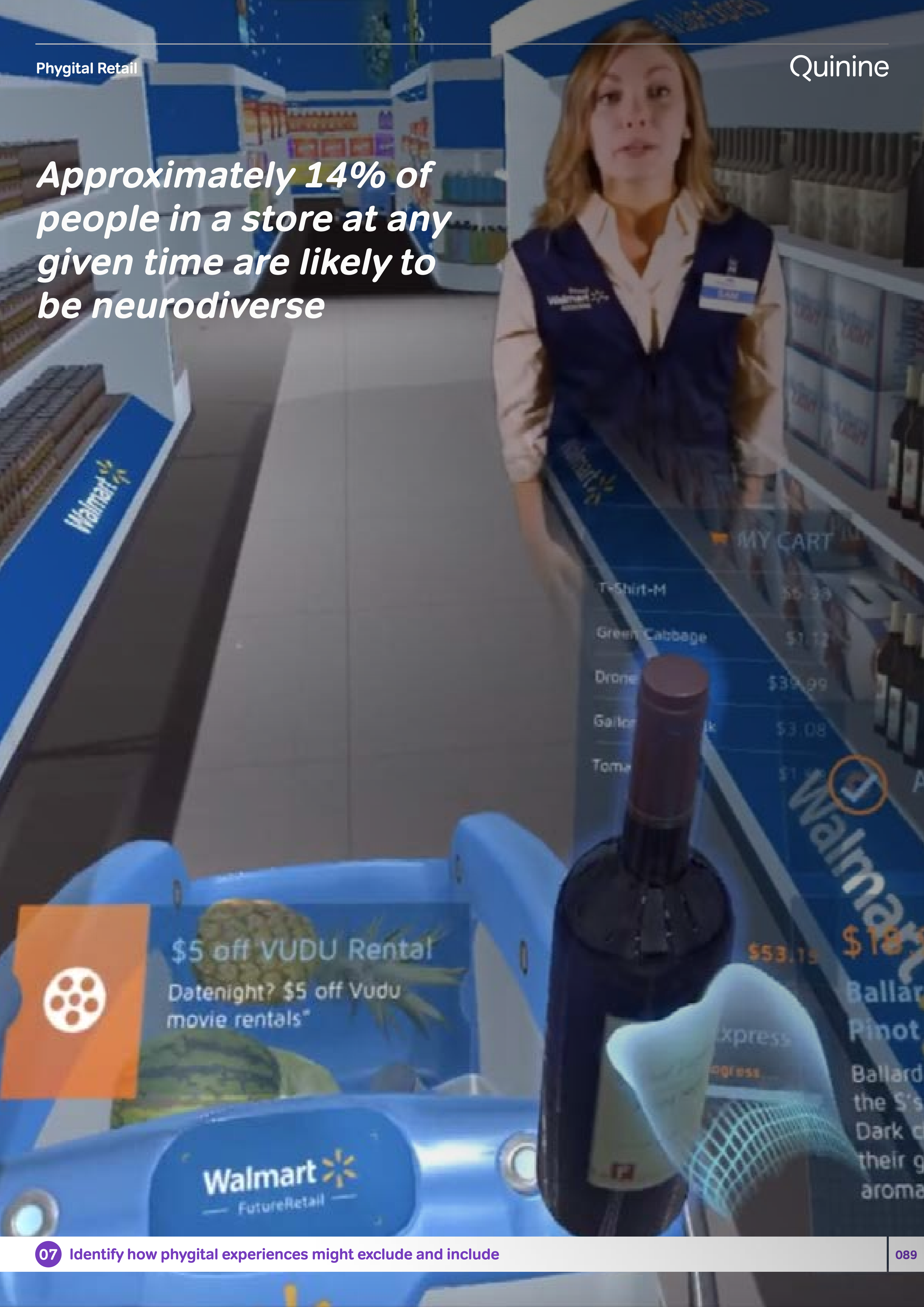
Image Right: In some markets self-service checkouts at supermarkets are criticised for being too difficult to use and lacking social interaction with staff.

In Australia, due to the implications of racial profiling and incursions on privacy, several major retailers are being investigated for using facial recognition technology in their stores without effectively making shoppers aware. For such technology to be inclusive, there must be consent from the shopper.

While digital innovation might exclude some, it also has the potential to include more people in the physical world. United Colors of Benetton's flagship store in Milan has been digitally duplicated, allowing global customers to have an experience of the physical space. Furthermore, having a store duplicate in the metaverse has the ability to benefit neurodivergent shoppers. One of the greatest short-term benefits of the metaverse for physical retail might be providing equitable access. For some shoppers on the autistic spectrum, familiarising themselves with store layout and possible experiences can make a future store visit less overwhelming. Creating virtual duplicates of stores could be considered standard practice to prepare shoppers for the layout, sounds, and processes that may be experienced in future visits. Visiting the physical store can be an extension of the digital store experience.

Whether any specific digital innovation will serve to include or exclude will vary for each brand and their own customers unique characterstics and needs. What is crucial is that retail brands only innovate at the pace their business and their customer base can cope with.

Image Right: ***Walmart*** *is one of many brands creating stores In the Metaverse. This can benefit some people that feel excluded from physical shopping experiences?*


MY CART
T-Shirt-M
Green Cabbage
Drone
$53.15
Walmart
$5 off VUDU Rental
Datenight? $5 off Vudu movie rentals*
Walmart
FutureRetail

Approximately 14% of people in a store at any given time are likely to be neurodiverse

CASE STUDY

Burberry, Shenzhen

The Burberry store in Shenzhen, China, uses the popular mobile app WeChat to create a gamified digital store experience. This gamified mobile interaction, which encourages online interactions and taking images for social media, unlocks rewards that are redeemed in-store. While this might appeal to the brand's younger customers, the lack of incentives for shoppers that are not digitally savvy might be alienating.

BURBERRY

CASE STUDY

Woolworths, Australia

Self-service checkouts have come under some scrutiny in recent times, with some customers preferring the social engagement associated with a traditional checkout over the increased speed and autonomy of a self-servicve system. In Australia, concerns with scanning accuracy have led some large retailers such as Woolworths, K-mart, and Bunnings Warehouse to trial a controversial solution - monitoring all customers with cameras and AI software. This has led to privacy and racial profiling concerns, creating a less comfortable shopping experience for some customers.

2
Assisted checkout Card only
Assisted checkout Card only
4
Assisted checkout Card only

Woolworths
The fresh food people
Crt Odd Bun
Please scan next

Looks like we didn't registe
product scanned.
Please scan the item a

Last item scanned: Carr
Bunch1kg

CASE STUDY

United Colors of Benetton, Milan

The United Colors of Benetton flagship store in Milan has also been duplicated in the Metaverse. No products are sold in the Metaverse, but games played inside the virtual space earn points, which translate into benefits when shopping in Benetton's physical stores. This enables global customers to have an experience attached to the Milan flagship that they can then translate into added-value in their local store. Importantly, this innovation potentially creates access to neurodivergent shoppers that otherwise find shopping in physical stores an overwhelming sensory experience.

OF BENETTON.
UNITED COLORS OF BENETTON.

08

The best phygital experiences are human

08

The best phygital experiences are human

Delivering great experiences that combine both the digital and the physical, where they enhance one another equally, offers up one of the great opportunities for the future of retail stores. If physical retailers want to truly excel, they must deliver the most meaningful experiences possible that build deep, long-lasting and trusted relationships between brand and customer. However, one crucial element that even the very best phygital strategies often overlook is people. The very best retail experiences in the future will not just include 'the physical' and 'the digital', but will also include 'the human'.

Digital technology often lacks the ability to adapt to the dynamic nature of human behaviour. Staff are the antidote. Human interactions are intuitive and flexible, unlike the rigid parameters that define AI learning and digital programming. Staff are able to direct customers towards the right digital experience for an individual shopper, whilst also being able to introduce technology to a customer less likely to engage of their own volition.

Retail technology should not be thought of as a substitute for staff, as sometimes feared. Rather, a good phygital store should embolden and uplift their role. Technology must allow staff to add value to an experience through social connection, empathy, and dynamic problem-solving. This is true of both frictionless payment experiences and sticky experiences.

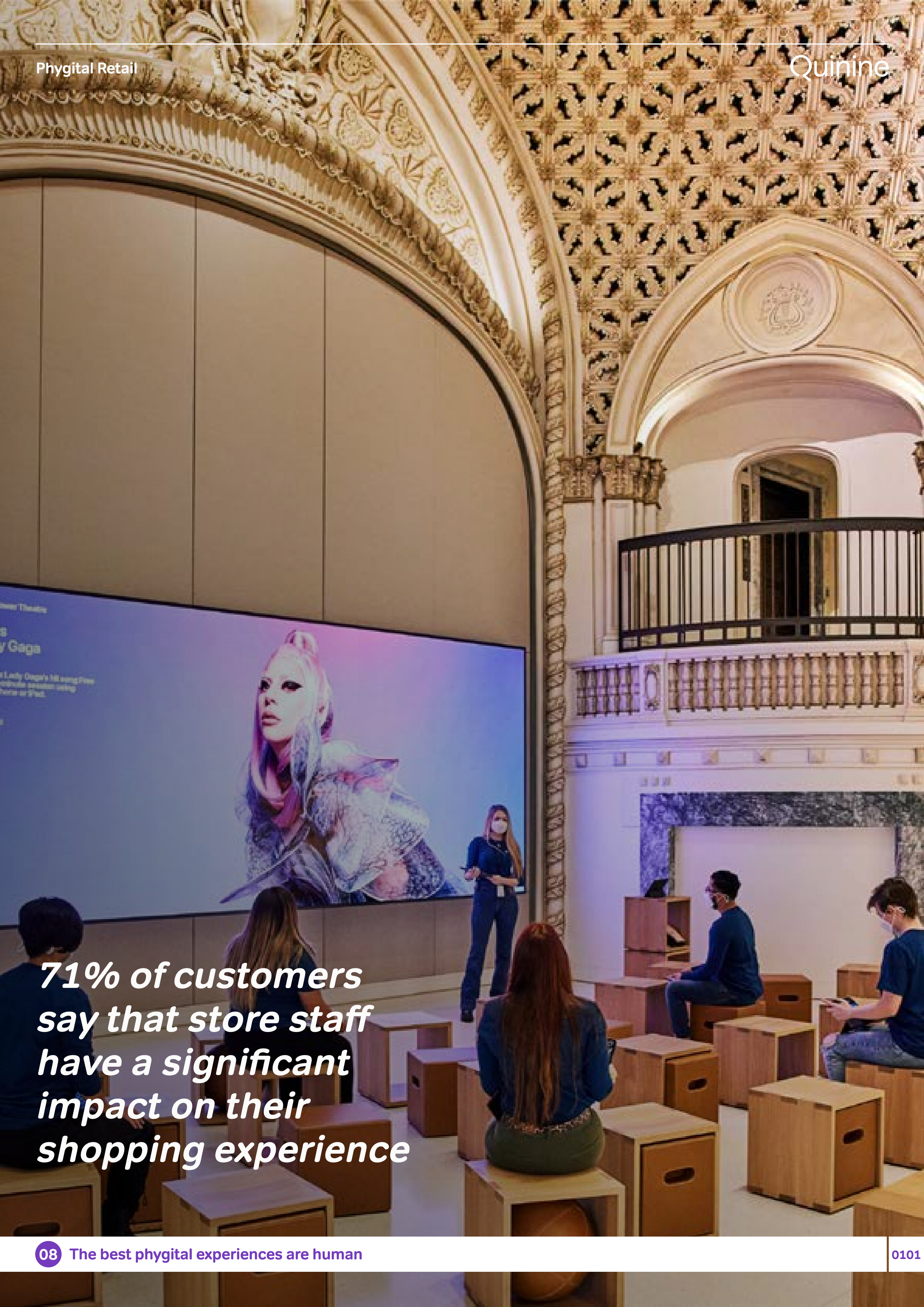
.

Image Right: Technology replacing staff doesn't always create better customer experiences.

pepper

The potency of human interaction between customers should also be considered and encouraged within future phygital store design. Digital experiences are too often solitary experiences. Perhaps digital technology will allow retail to return to some of its oldest functions - an activity of social leisure, entertainment and education. Integrating the physical environment with the digital is another way that phygital store experiences become truly unique and stand apart from online retail. Currently, the idea of digital social interactions might be a foreign concept to many consumers, but the increasing awareness and development of the metaverse might change this. Digital experiences might evolve with a fundamental desire to be social, and this can inspire physical retail.

Image Right: ***Apple*** *use thier own products as the centre piece of educational digital experiences, using staff as experts, educators, and brand ambassadors.*



71% of customers say that store staff have a significant impact on their shopping experience

CASE STUDY

Nespresso Boutique, Global

The Nespresso Boutique is an automated express store format designed for customers that want quick frictionless exchange. Customers can purchase pods, coffee machines and accessories via self-checkout, while also being able to recycle used pods. Despite the technology enabling self-service, expert ‘coffee specialist’ staff provide product education and customer service for some shoppers. Their presence broadens the store’s appeal and also provides an antidote to problems with self-service technology.

"Technology must allow staff to add value to an experience through social connection, empathy, and dynamic problem solving"

CASE STUDY

Ikea Planning Studio, Global

Ikea Planning Studio, a small-format store concept designed for inner-city shoppers, is an abrupt change to their in-store strategy. With a focus on items for apartment living, products can't be taken away from the store, instead, they are delivered to the shopper's home after purchase. The store is not a warehouse of available stock but a limited series of vignettes showcasing apartment living, catering to a specific local audience. Technology is used to aid the product selection process, allowing shoppers to view products on a tablet and arrange them in a virtual layout, helping them to visualise their new wardrobe or kitchen configuration in their home. This is a phygital experience that is personal and convenient, however, it is facilitated by staff. Here staff take on several roles that create a premium store service, acting as guardians to operate potentially daunting or confusing digital technology while also acting as interior design experts to assist in styling and product selection.

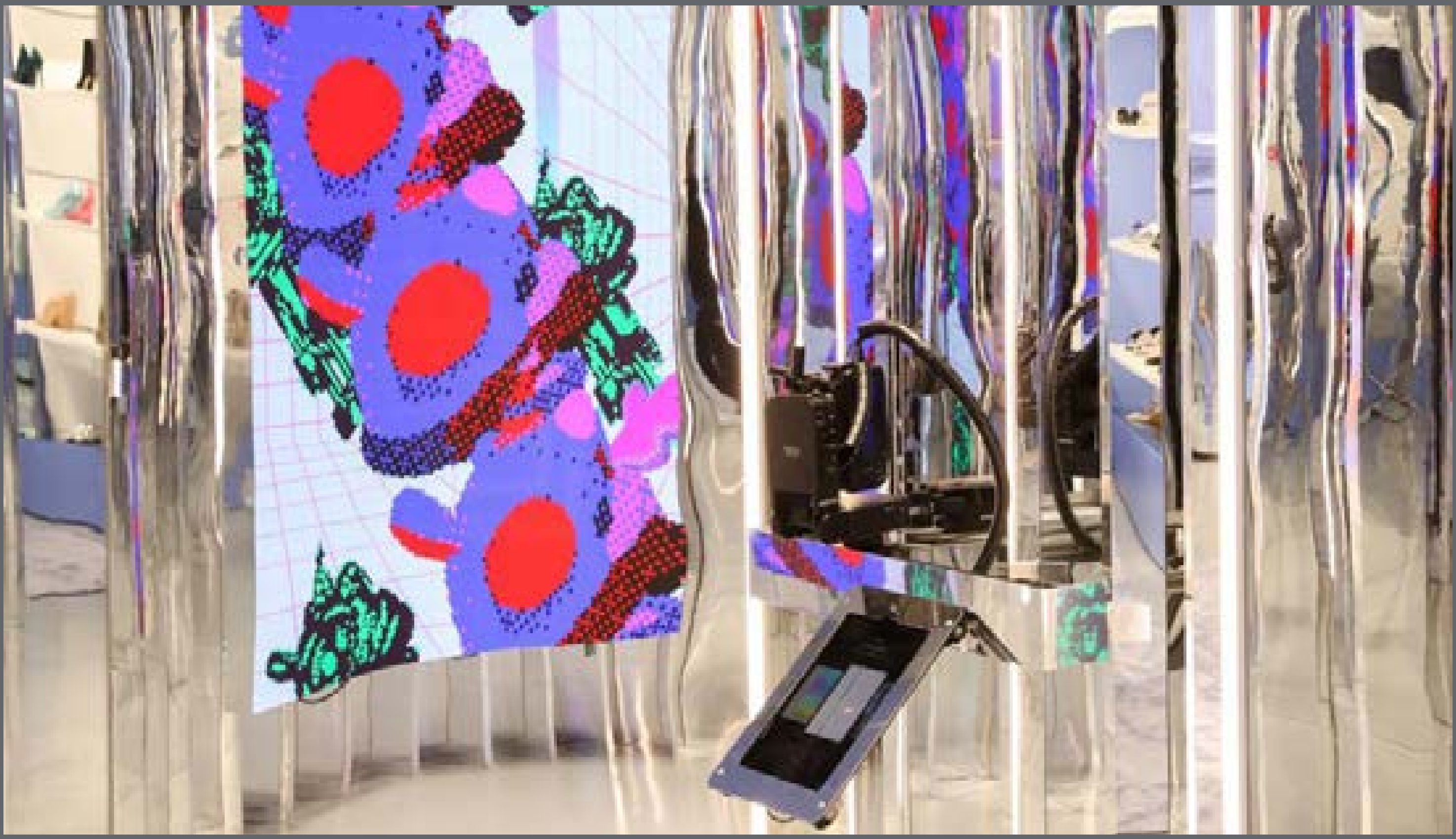
CASE STUDY

Salvatore Ferragamo, New York

Italian fashion brand Salvatore Ferragamo, weaves innovative technology throughout the shopping journey, in its new SoHo, New York store. Customers use interactive screens to customise sneakers, then view a 3D hologram of their newly personalised product, and if purchased, the shoes are then manufactured and sent directly to them.

The store houses an innovative digital installation targeting younger audiences interested in Web3.0. Stepping into a booth with a curved interactive screen, customers can personalise a piece of digital art and then create an NFT (Non-Fungible Token). This is a unique digital experience creating a one-off token of time and place. Also, given the limited number of NFT's available, the installation creates value from scarcity.

Importantly, these digital experiences require some technical knowledge and involve some learning for most shoppers. Customers need to understand how to create the custom show and navigate the hologram model. Also, for the NFT, they need to set up an Ethereum wallet and understand how to download and store the digital file. All this is facilitated by staff, guiding the shoppers through the digital experiences.



Conclusion of insights

Delivering phygital retail experiences is not straightforward, there's a great deal to consider. Whilst the principles listed here are not conclusive and are likely to evolve over time, they provide a sound foundation for any retailer looking to review their existing phygital strategy or define a new direction. Particularly with the inevitable rise in popularity of the metaverse over the coming years, how shoppers expect to interact with digital technology will evolve to unknown places.

What is crucial for retailers looking to establish and sustain a digital future, is to understand and execute strategies that are appropriate to both their brand and their audience. Different retail brands will find some of these principles more relevant than others. Retailers will need to prioritise appropriately and execute the right balance of phygital. Otherwise, they risk not only alienating their customers but potentially their internal teams as well. Brands must only innovate at the pace their user base is ready for.

In the current, hyper-competitive retail climate, it is understandable that retail teams are keen to innovate fast in a bid to remain relevant. But this must not be done blindly. Taking the time to define a 'Phygital' strategy, underpinned by the principles shared here, will not only enable retailers to plan for their future beyond tomorrow, but also help them establish what they need to do today. Those retailers who audit their stores, review their needs and establish what is needed in the long-term, will be the ones who prosper and stay relevant in the future.

path walk 2
point 4

Part Two

Glossary of technology

Augmented Reality (AR)

Overview

Software recognises an object through computer vision technology. The device then downloads information about the object from the cloud. The AR information is presented in 3D, superimposed on the object.

Connection

Point the camera at an object with a phone loaded with AR software/app.

Range

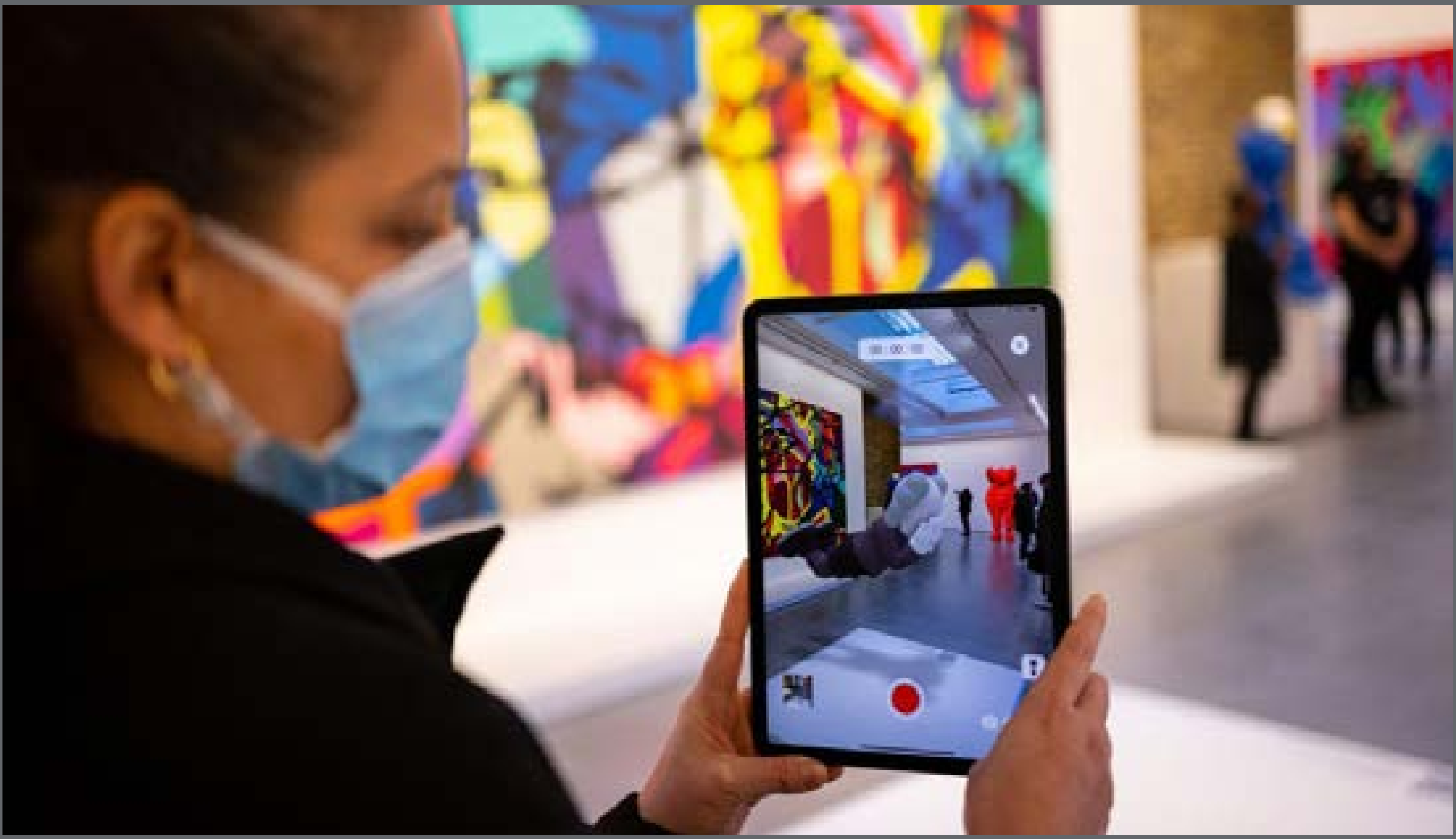
Depends on visual perspective. Range is determined by the size of the viewed object.

Barriers

The phone must have an app with pre-downloaded AR software. An internet connection is also required.

Uses

● Product information
● Product location
● Purchase/Checkout
● Book appointments
● Order products
● Brand stories
● Gamification
○ Content creation



Beacons

Overview

Beacons are small, battery-operated wireless devices that transmit Bluetooth Low Energy (BLE) signals to nearby smartphones.

Connection

Bluetooth must be activated, and a special app is required. iOS devices natively scan for BLE and can wake an app when receiving a signal. Android devices must have the required app open to receive the BLE signal.

Range

Around 70m with no obstructions. One way connection. Two-way data transfer can be done via an app.

Barriers

An app is needed to interpret the signal and transmit data back. Internet connectivity is required to translate a beacon broadcast into a message.

Uses

○ Product information
● Product location
○ Purchase/Checkout
○ Book appointments
○ Order products
○ Brand stories
○ Gamification
○ Content creation

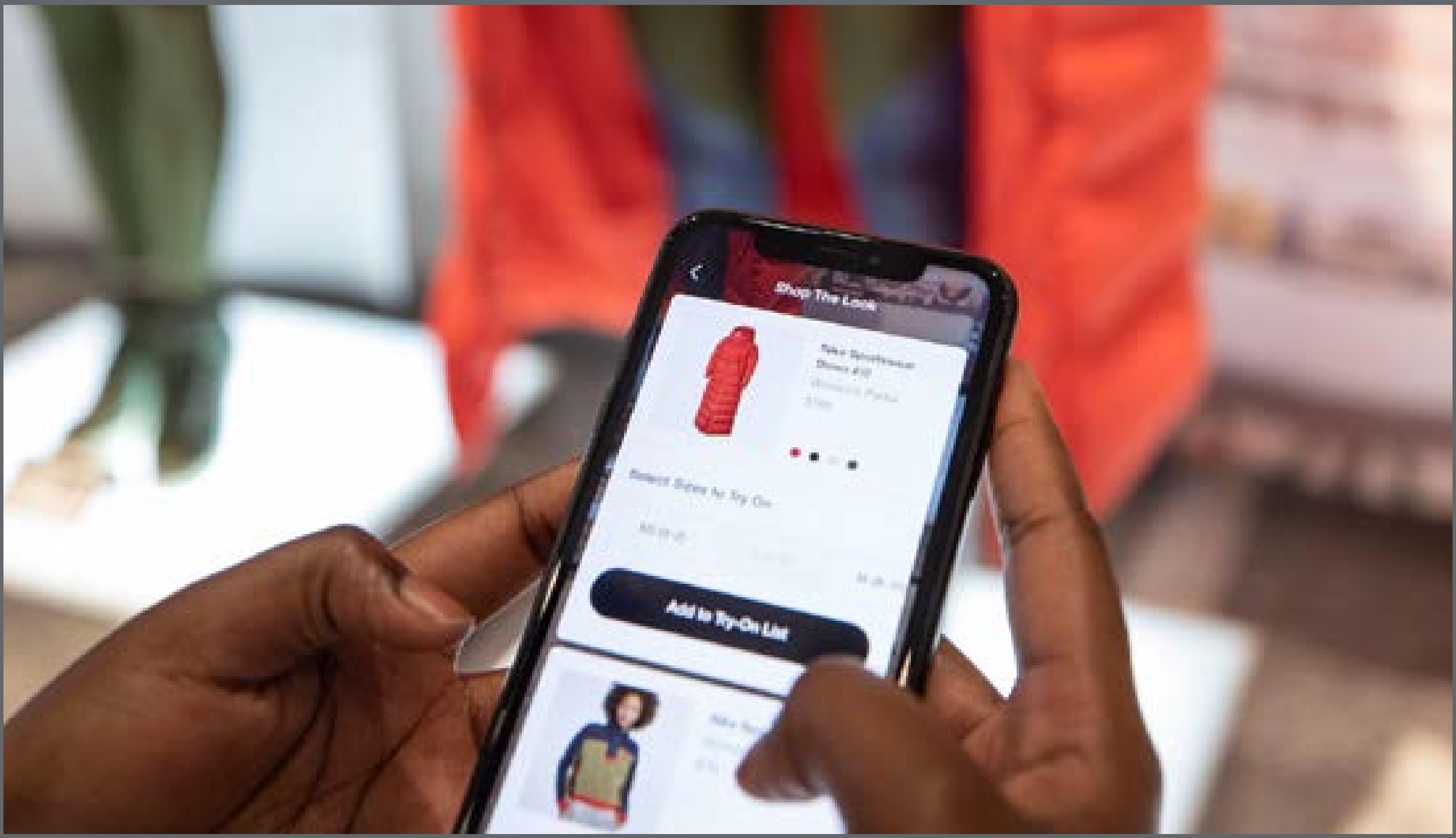
Brand Mobile App

Overview

Specialised brand apps are used to integrate multiple technologies to create a seamless digital experience in one place, such as enabling interaction with QR codes and NFC tags. Apps also integrate smartphone hardware with specialised software, such as using the native camera to identify objects and use AR technology. Finally, they enable a two-way stream of data with technologies such as beacons, that alone only transmit data in one direction.

Uses

- ● Product information
- ● Product location
- ● Purchase/Checkout
- ● Book appointments
- ● Order products
- ● Brand stories
- ● Gamification
- ○ Content creation



'Endless Aisle' Shopping

Overview

Endless aisle shopping uses digital media screens to bring the online store into the physical shopping journey. Shoppers can browse physical products in-store, while also turning to a digital screen to browse and purchase from an expanded product range available.

Uses

- ● Product information
- ○ Product location
- ● Purchase/Checkout
- ○ Book appointments
- ● Order products
- ○ Brand stories
- ○ Gamification
- ○ Content creation

Touch screen for savings.
Oster

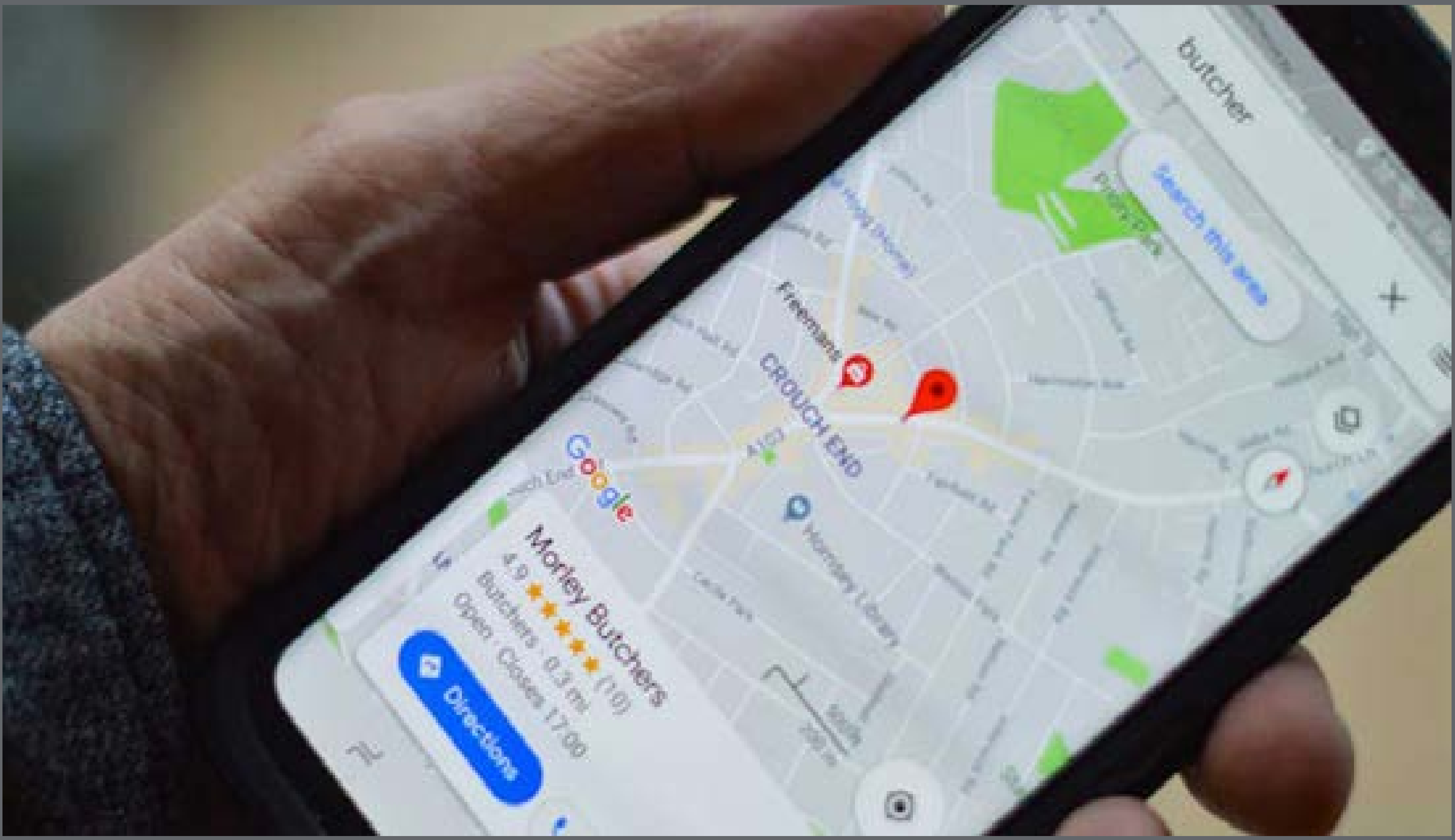
Geo-location Tracking

Overview

Geo-location is the geographical (longitude and latitude) location of a device that's connected to the Internet. Geo-location collects its data from the GPS on your device and cellular networks. Brand apps often use geo-location tracking to know when a customer walks into their stores. It can be a gateway technology to providing a personalised experience based on a person's location.

Uses

- ○ Product information
- ● Product location
- ○ Purchase/Checkout
- ○ Book appointments
- ○ Order products
- ○ Brand stories
- ● Gamification
- ○ Content creation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Hornsey Library
Google
Morley Butchers
4.9 ★★★★★ (10)
Butchers · 0.3 mi
Open · Closes 17:00
Directions

'Just Walk Out' Shopping

Overview

Cameras are enabled for motion detection and product identification. These are augmented by separate depth-sensoring cameras. The information from these cameras is sent to a central processing unit that identifies different people in the store and the objects being picked up and held. Facial recognition is not used, instead, the system uses other visual cues and watches for continuity between cameras.

Alternative technologies

Heat detection technologies monitor when someone enters a store and how many people are in a store.

What other tech is this combined with?

Walk out shopping systems require customers to be identified. The initial identification is often made via smartphone detection. Camera systems are commonly used with 'smart shelving' that monitors changes in weight on store shelves. Additionally, RFID tags can be used to monitor when a product is moved.

Uses

- ○ Product information
- ● Product location
- ○ Purchase/Checkout
- ○ Book appointments
- ○ Order products
- ○ Brand stories
- ○ Gamification
- ○ Content creation

amazon go | exclusives

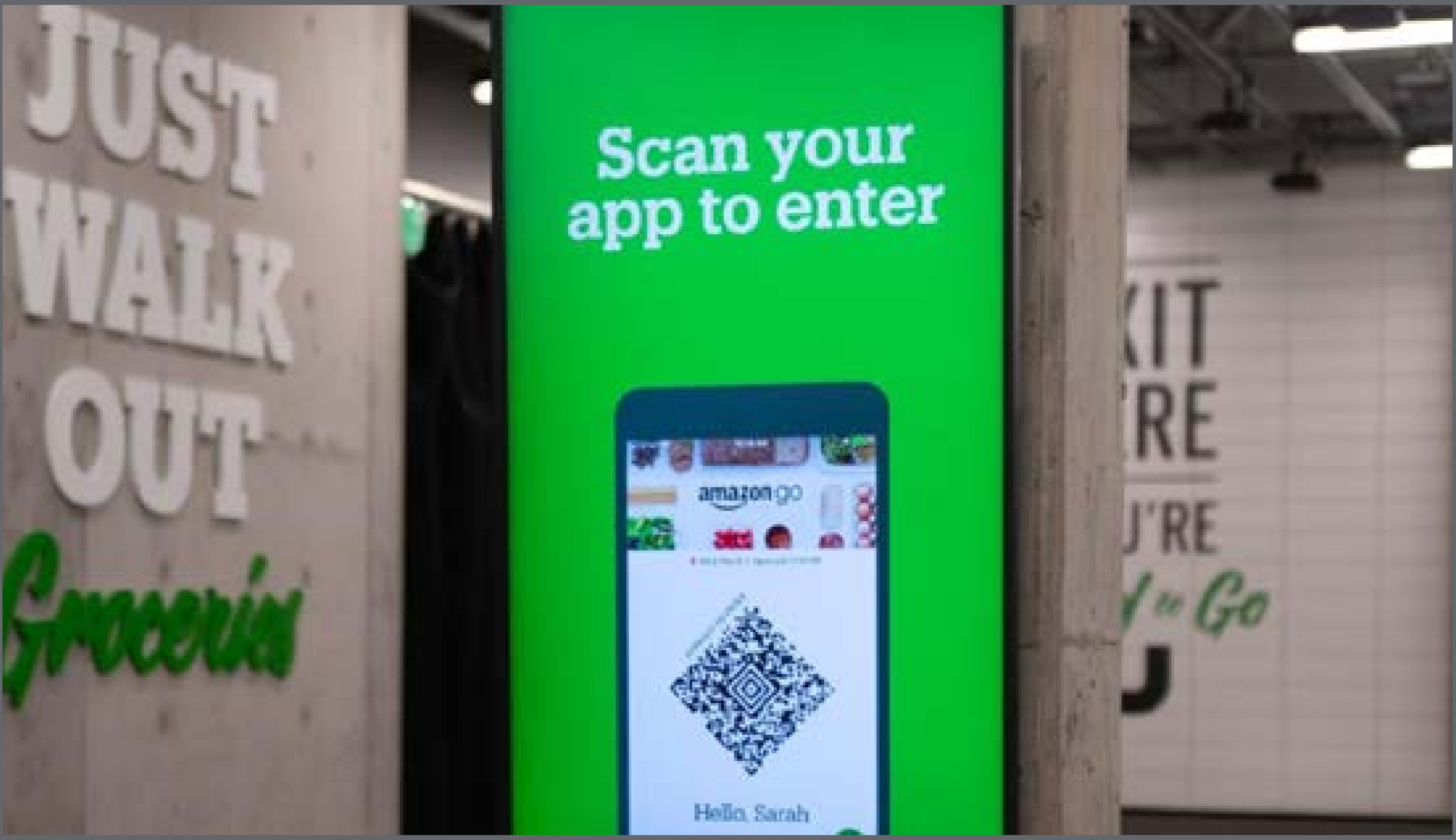
Media Screens

Overview

Digital media screens include variations of capabilities and use cases. Most media screens in retail stores display digital media only, largely used for advertising or brand messaging. Some digital media can become a link to digital channels by displaying a QR code for interaction, or by displaying social media content to incentivise participation. Interactive digital screens have a broader range of applications to create a more personalised experience, such as being used to customise a product, explore product information, or navigate the physical store.

Uses

- ● Product information
- ● Product location
- ○ Purchase/Checkout
- ● Book appointments
- ● Order products
- ● Brand stories
- ● Gamification
- ○ Content creation



Near Field Communication (NFC)

Overview

Derived from RFID technology, Near-field Communication (NFC) transmits data through electromagnetic radio fields to enable two devices to communicate with each other.

Connection

Bring the smart phone close to the NFC chip. NFC enabled devices must be either physically touching or within a few centimetres of each other for data transfer to occur.

Range

Around 10cm.

Barriers

Both devices must contain NFC chips. Only newer smart phones have NFC chips, for older phones an NFC reader app must be downloaded.

Uses

- ● Product information
- ● Product location
- ● Purchase/Checkout
- ● Book appointments
- ● Order products
- ● Brand stories
- ● Gamification
- ○ Content creation

TAP HERE
YOUR PERFECT FIT IS HERE

Quick Response (QR) Codes

Overview

Similar to a barcode, a unique pattern is translated into readable data.

Barriers

Smartphones without a reader in the native camera app require a QR reader app.

Connection

Using the camera on a smartphone, or a QR reading app, point the phone at the QR code, prompting a link to appear.

Uses

- ● Product information
- ● Product location
- ● Purchase/Checkout
- ● Book appointments
- ● Order products
- ● Brand stories
- ● Gamification
- ○ Content creation

Range

Short distance - determined by the camera's ability to read the QR code.

DOWNLOAD THE
#LUSHLABS APP

Radio Frequency Identification (RFID)

Overview

RFID technology uses small computer chips and antennae to store data, creating a unique identifier. The technology is contained in 'tags' attached to items.

Connection

Smartphones cannot natively read RFID tags. Smartphones can act as RFID tags, however, for Apple devices using iOS, Bluetooth must be activated.

Range

Around 8m. A reader can read multiple RFID tags at once. Connection is one-way phone to tag.

Barriers

Cannot be read natively on a smart phone. For Apple devices using iOS, Bluetooth must be activated to transmit info to an RFID reader.

Uses

RFID tags are often combined with other technology that connects to the mobile phone, such as QR codes.

Smart Mirrors

Overview

Smart mirrors integrate various digital technologies to create an interactive mirrored surface that allows customers to access various store functions. The application of smart mirrors is varied. Some enable a customer to call for an assistant, check stock or request other items to try on, others allow customers to view additional products online. Smart mirrors can be combined with RFID technology to recognise products held by customers when they approach. They can combine with camera and AI technology to suggest products based on the shoppers appearance, provide fit recommendations and enable shoppers to 'try' a garment on virtually.

Uses

● Product information
● Product location
○ Purchase/Checkout
● Book appointments
● Order products
○ Brand stories
○ Gamification
○ Content creation

Smartphone Camera

Overview

Newer smartphone cameras equip customers to seamlessly interact with some store technology. Native Apple cameras can read QR codes without the addition of a QR reading app. Additionally, mobile sites and speciality apps that run AR technology also integrate with the smartphone camera to identify objects and initiate interactive features and experiences.

Uses

○ Product information
○ Product location
○ Purchase/Checkout
○ Book appointments
○ Order products
● Brand stories
● Gamification
● Content creation

Part Three

Who is Quinine?

HELLO
LONDON

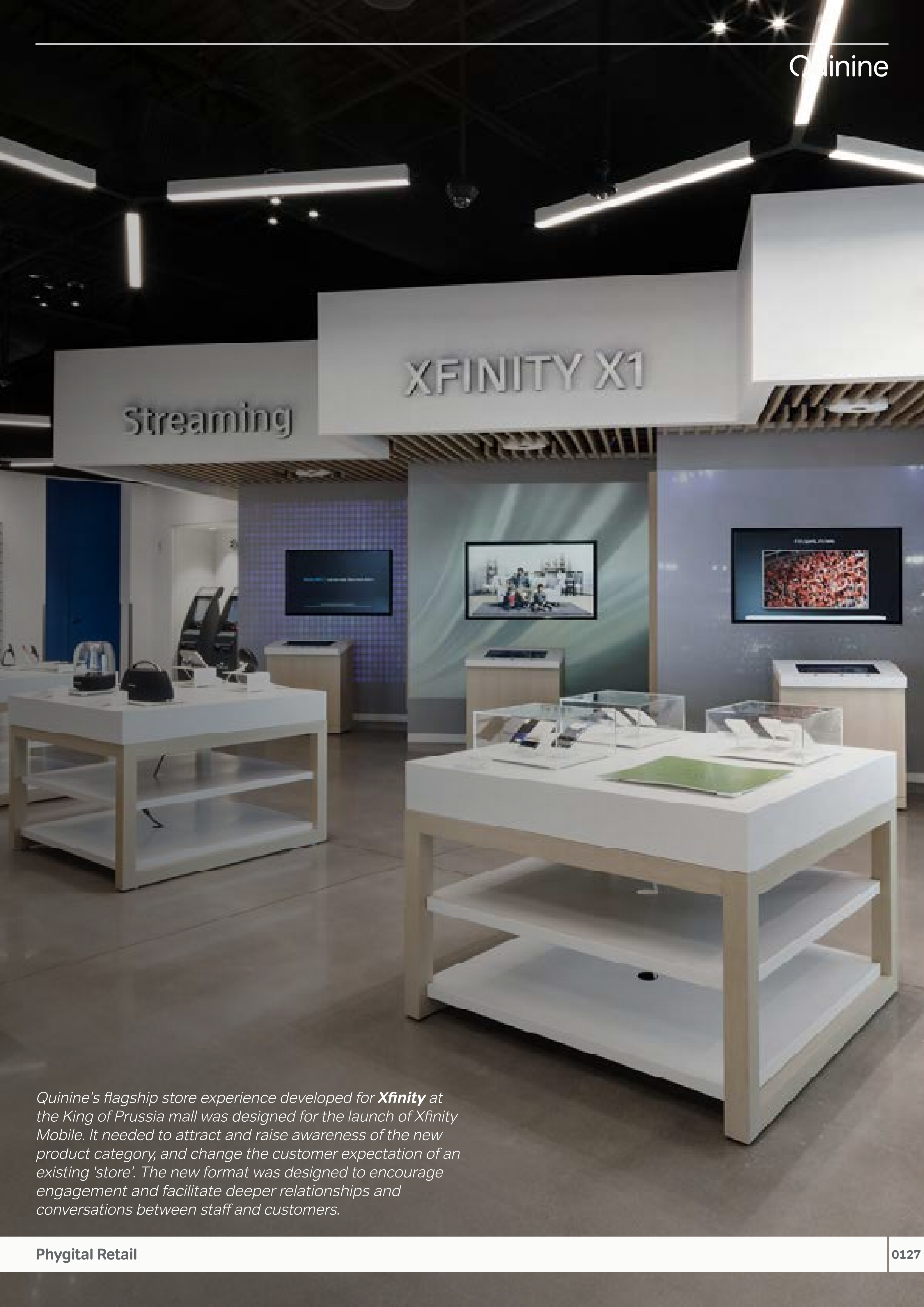
Who is Quinine?

Quinine is a strategic design consultancy. We use our design thinking and design making expertise to help brands engage and connect with their consumers in more meaningful ways, wherever they are.

We work at the intersection between the human, physical and digital worlds ensuring you are always asking the right questions, exploring all the opportunities, and looking differently at your problems.

Whether we're defining future visions, developing retail strategies, or creating physical environments and experiences, we always balance rigorous, pragmatic, and informed thinking with intuition and imagination.

Every day we collaborate with business leaders and their retail, brand, marketing, and operations teams around the world to elevate the ordinary to the extraordinary. We drive towards maximising our client's investment, positively impacting brand culture and improving performance.



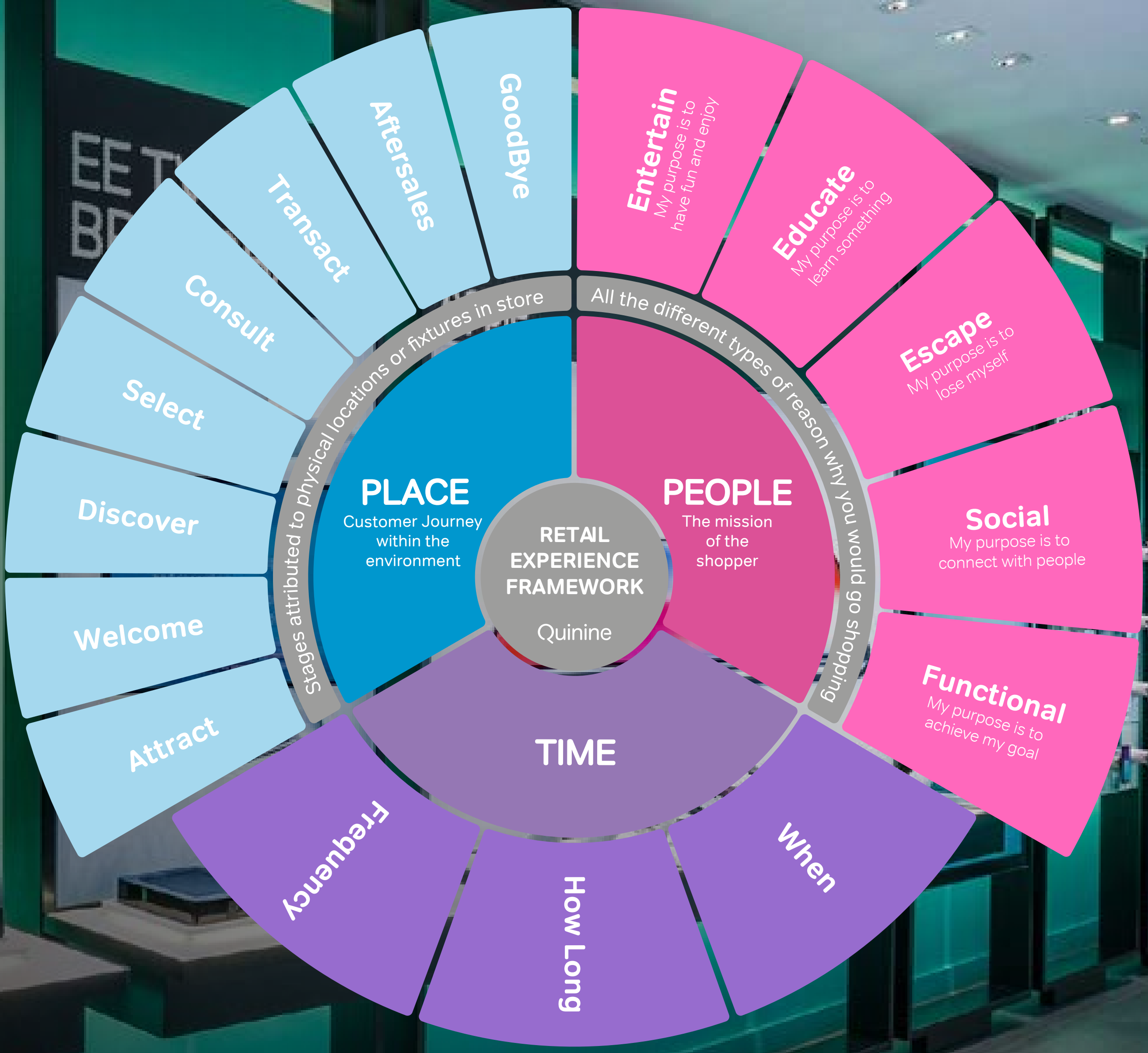
Quinine's flagship store experience developed for ***Xfinity*** *at the King of Prussia mall was designed for the launch of Xfinity Mobile. It needed to attract and raise awareness of the new product category, and change the customer expectation of an existing 'store'. The new format was designed to encourage engagement and facilitate deeper relationships and conversations between staff and customers.*

We do Research

We start with the right question. We use innovative ‘Design Research’ methods to immerse ourselves in our client's world to uncover the insights that nobody is telling them. We identify their problems, needs and opportunities. Our agile techniques reduce time and costs and allow research to become an integrated tool to understand their ever-changing world.

Quinine offers Research services including:

- **+ Market Benchmarking Reports**
- **+ Store Experience Audits**
- **+ Customer Experience Audits**
- **+ Staff Experience Audits**
- **+ Brand Experience Audits**
- **+ User Insight Gathering**
- **+ Research Analysis**
- **+ Store and Fixture Reviews**
- **+ Tender Reviews**
- **+ Sustainability Reviews**

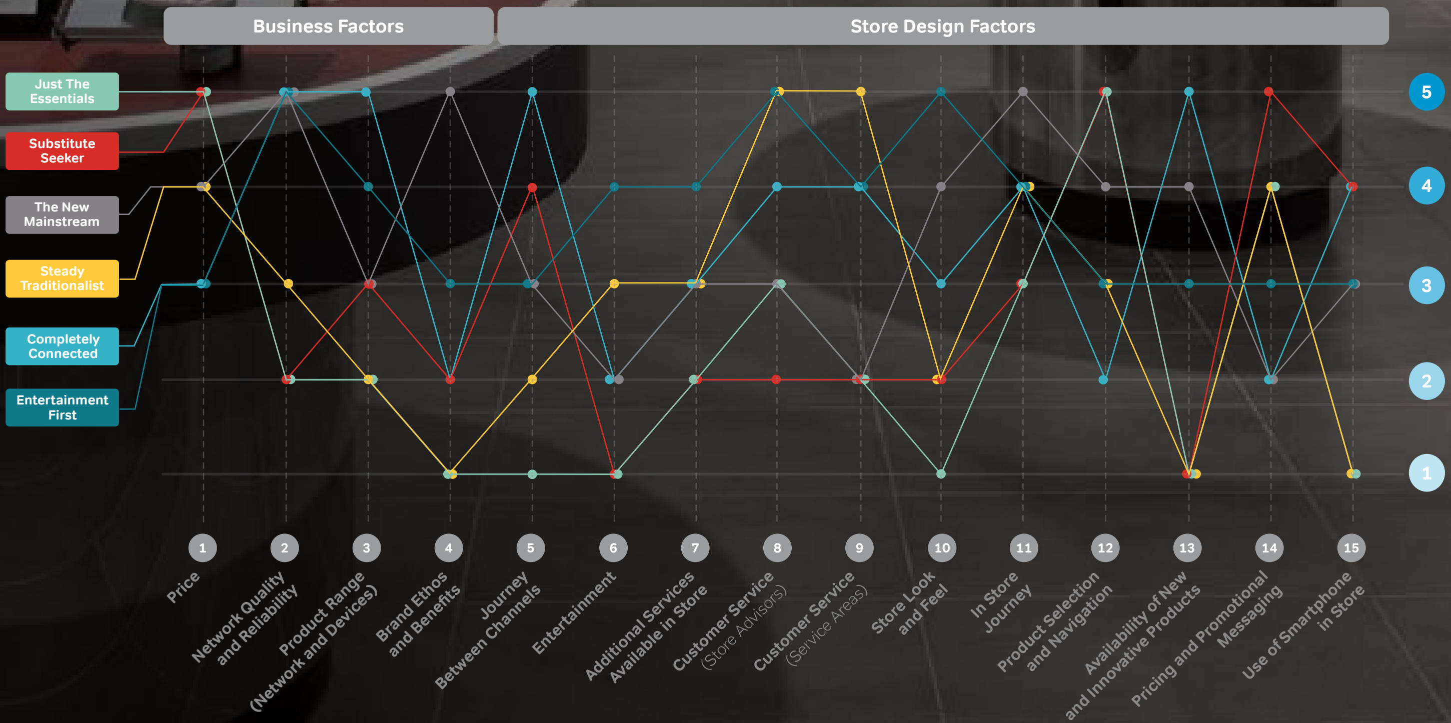

RETAIL EXPERIENCE FRAMEWORK
Quinine
PLACE
Customer Journey within the environment
Stages attributed to physical locations or fixtures in store
Attract
Welcome
Discover
Select
Consult
Transact
Aftersales
GoodBye
PEOPLE
The mission of the shopper
All the different types of reason why you would go shopping
Entertain
My purpose is to have fun and enjoy
Educate
My purpose is to learn something
Escape
My purpose is to lose myself
Social
My purpose is to connect with people
Functional
My purpose is to achieve my goal
TIME
Frequency
How Long
When

Using Quinine's Retail Experience Framework, we have conducted Store Experience Audits for multiple brands around the world. We analyse the insights to identify what is working well, what needs to work harder and where the gaps are.

Quinine

In response to a redefined user segmentation Quinine supported ***Rogers Communications*** *to understand if their current store design was suitable for the new audience. We uncovered the in-store experiences that each of the six customer segments valued most and identified gaps in the in-store design and made recommendations for improvement.*

INTRODUCING
ROAM LIKE HOME
LIVE STREAM OVER 1,000 GAMES



We do Strategy

We develop a plan that takes our clients to a better place. We identify opportunities and give recommendations towards a brighter future. We add value by bringing an alternative point of view and an iterative approach to non-linear problem-solving that fosters innovation, spurs growth and change.

Quinine offers Strategy services including:

+ Define Guiding Principles
+ Brief Definition
+ Opportunity Identification
+ Design Recommendations
+ Visual Business Case
+ User Scenario Development
+ Experience Strategies
+ Retail Brand Strategies
+ Retail Estate Strategies
+ ...plus more

We do Design

We design new or upgrade existing retail experiences, operations and services. We use the latest tools and tech to aid the process. We use imagination and intuition to make our ideas come alive. We bring together the physical, the human and the digital realms into a holistic solution that is right for the audience.

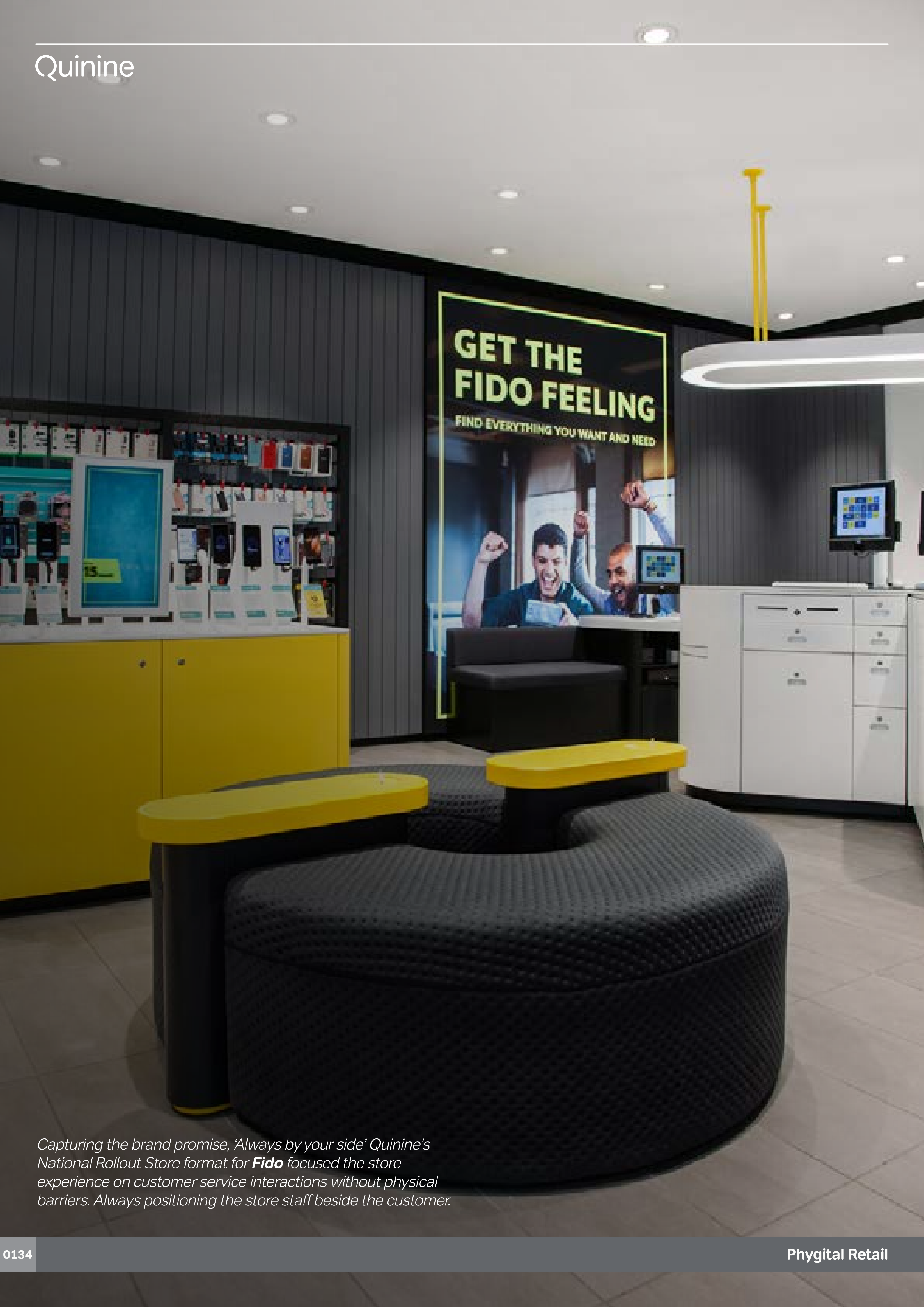
Quinine offers Design services including:

- **+ Colour Material and Finish**
- **+ Conceptual Design**
- **+ Detailed Design**
- **+ Customer / Staff Journey**
- **+ Flagship, BAU, Franchise**
- **+ Kiosk, Pop-Up, Store-in-Store**
- **+ POP, Third Party Fixture Design**
- **+ Exterior Store Front Design**
- **+ Value Engineering**
- **+ Fixture Updates/ Development**
- **+ Staff Training/ Design Guidelines**
- **+ Store Roll-Out Guidelines**

photographic memories

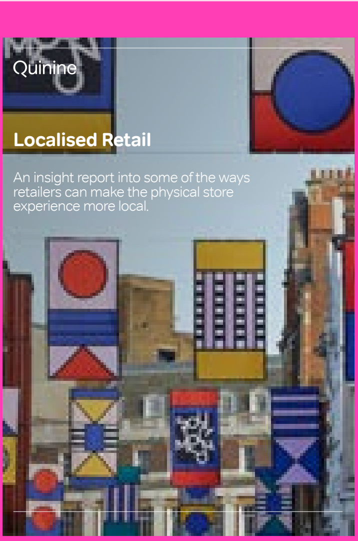
A multi-sensory playground, Quinine's Watch, Play and Listen experience store balanced interactive digital with physical displays to engage customers in ***Orange UK's*** *new Mobile products and Network services.*

Quinine


GET THE
FIDO FEELING
FIND EVERYTHING YOU WANT AND NEED

Capturing the brand promise, 'Always by your side' Quinine's National Rollout Store format for ***Fido*** *focused the store experience on customer service interactions without physical barriers. Always positioning the store staff beside the customer.*

Want More Quinine Thinking?



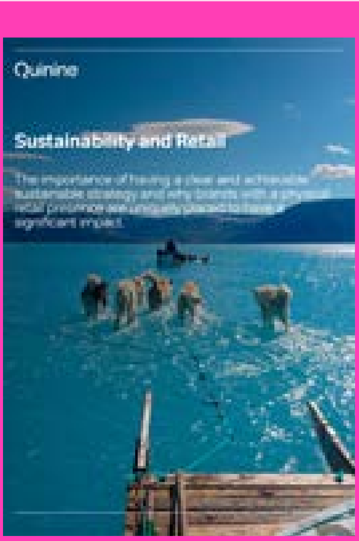
Quinine

Localised Retail

An insight report into some of the ways retailers can make the physical store experience more local.

Report

Localised Retail



Quinine

Sustainability and Retail

Article

Sustainability and Retail

Quinine

Experiential Retail

Webinar Series

What is Experiential Retail?

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