STORES

There will be twists and turns on the path store design takes in 2015, but the pace of change is certainly expected to quicken. **John Ryan** reports

2015: What's in store for

"Where are we going and are we nearly there?"

The paired questions that float daily from thousands of car back seats towards drivers are a familiar cry for any parent. Yet they could equally be applied to what's likely to happen to stores over the next 12 months.

Speak to any retailer about the road we are cruising along at present and it would appear that while all start from the same place, there are many different routes that may be taken. Yet in spite of this, the similarities are greater than the differences.

Experience, channel convergence and tangibility seem to be what shoppers want and retailers with stores are striving to provide this.

There is also the sense that we are at a turning point and real change in store estates lies ahead. As the head of store design for a major retailer put it: "There's going to be a shakeout and if that means that a lot of space is released onto the market, then all bets are off."

Maybe so, but familiar principles will hold good. There is likely to be a larger field on which to operate and retailers may even have the whip hand when it comes to choosing from where to trade.

Digital in 2015

Guy Smith, head of design at Arcadia, is responsible for the new Topshop on New York's Fifth Avenue. He is clear that technology has a part to play, but things may not take the direction that would have seemed clear at the outset: "We're beginning to see a bit of maturity as far as emerging channels is concerned.

"Almost in the background, technologies like iBeacons, which have been promoted as a way of pushing messages out to people, can also be used to track how people move through stores. It's almost a sideline, but it's interesting."

The changing nature of technology is one feature that will affect store design, but the equally rapid evolution of the consumer will also play an important part.

Peter Cross, communications director at John Lewis, says: "The shopper has got very comfortable very quickly with the omnichannel world. They move effortlessly between channels, yet 85% of the shopping experience still involves the shop in some way. And so it's really retailers looking forensically at what this means for each channel in the future.

"In stores, it's not just about completing the sale. What retailers have to do is take a long, hard look at the purpose of the shop as part of the shopping journey."

Next autumn John Lewis will open its first full-line store since its opening at Westfield Stratford in 2012. This one will be the Birmingham New Street outpost and it's a fair bet that it will be a beacon of convergence.

DIY retailers are also plugging into digital technology.

William Ostrom, director of communications at B&Q and part of the retailer's 'future store' team, says: "We've just launched click-and-collect on DIY.com, so we're going to see increasing convergence between DIY.com and the stores. We're going to be pushing video content very hard on DIY.com so that when people come to the stores they are well-informed."

Customer-facing digital technology should be regarded as a given in 2015, it would appear, it's just a matter of how it is used and the form it takes. Do not, however, expect any kind of futuristic vision.

Stores or no stores?

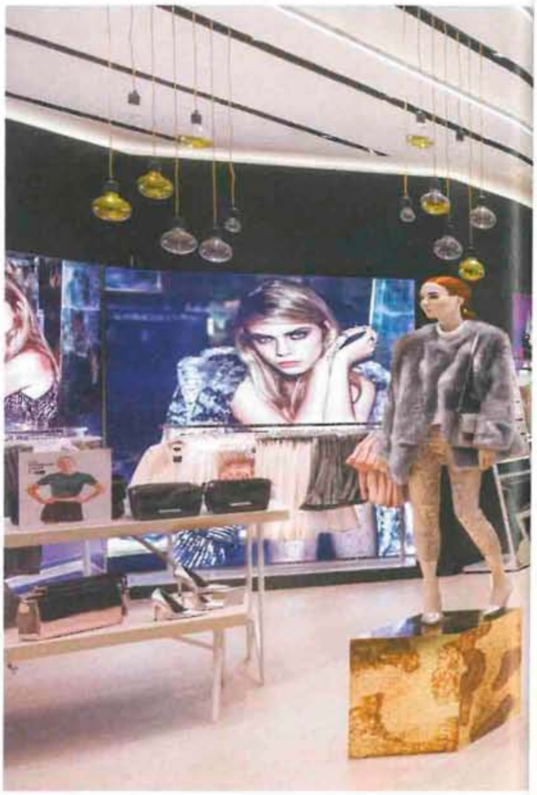
Much has been made in 2014 of the desire by the big stores to get smaller, while large-shed retailers have been characterised as having inherent problems and even being dinosaurs for whom extinction cannot be a distant prospect.

Yet as Ben Phillips, managing director of kitchenware retailer Steamer Trading remarks, there are still shops and a lot of them: "From our point of view, shops are obviously critically important. Fundamentally, the way in which they will evolve is that they are part of our social fabric.

"More than ever, shops are going to need to be really engaging spaces. If they are just functional, then I think they will not survive."

'Experience' is a word that is bandied about in the context of retail to the point where it is in danger of becoming meaningless. Yet all commentators seem convinced that it is the way forward in 2015.

Noting that visual merchandising is probably more important today than was in the days when high streets were filled with department stores boasting large arcade-style windows.



Click-and-collect has been adopted by DIY retailers such as B&Q (below)

To see the latest store news and pictures of the best-lookin shops go to Retail-week.com/stores

stores?

The year ahead

- The use of technology in-store will change
- Shopper impatience will increase
- Channel convergence will be the norm
- Store design will focus on experience
- In-store outlook: changeable

Topshop's new store in New York blends technology and traditional retail tropes

The new Pro-Direct store in London's Foubert's Place makes extensive use of beacons

"More than ever, shops are going to need to be really engaging spaces. If they are just functional, then I think they will not survive"

Ben Phillips, Steamer Trading

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Waitrose has embraced in-store experiences, introducing 'grazing areas' in some branches (below)

Amazon's in-store presence thus far only extends to lockers; Steamer Trading (below) sees stores as fundamentally important

"We've been including hospitality as part of the package and 2015 will be about building on this"

Anthony Wysome, Waitrose

Cross says: "It's about being standout. There are traditional [retail] skills that have their day and some of them come back."

He adds: "It's [windows and shops] all about connecting."

Phillips says this connection is about information and stores being a "reliable guide".

"If you want somebody to tell you why Japanese knives are the answer to your prayers, that's difficult to replicate online," he says.

"Somebody needs to be able to tell you how to cut through all the crap that's available. We're finding that people will have done their research online, but they really want a trusted adviser to help them when it comes to buying something."

But what about the largest spaces? Ostrom says things are not as clear-cut as might be supposed: "People still need space. We still think that space is a real advantage.

"If you think of Amazon, their visual presence is probably some funny-looking lockers in the Co-op. That's not really a retail presence."

Big, for B&Q at least, would appear to remain pretty good-looking.

Show, don't tell

Phillips notes that price, even when coupled with a good-looking shop, is a vital ingredient: "You have got to be absolutely on-the-button with price these days and this is not about growing sales, it's about preventing your business from atrophying."

Live demos and giving shoppers reasons to spend more time in stores have been two of the elements that have informed thinking at Waitrose this year and the trend is to continue, according to Anthony Wysome, Waitrose head of store development.

"We're going to continue to develop our offer to make shopping a pleasure for our customers," he says. "During 2014 in our Swindon and Salisbury stores we've been including hospitality as part of the package and 2015 will be about building on this with additional changes."

Another aspect of showing off, which is what the best shops do, is mood-setting. Ostrom notes that in-store lighting will have a major role to play in this respect: "The changes that are taking place in lighting are still in their infancy. The price of LEDs is coming down all the time, which will give retailers the chance to set the mood in their shops at will, at any point during the day. They will be able to reset things."

So are we there yet?

No we are not. If there are any lessons to be drawn from 2014 as the New Year approaches it is that things we might expect to happen tend not to.

Three years ago we might have thought that QR codes and stores with terminals rather than stock would be the future. Yet the former are nowhere to be seen in stores and 'editing' and 'curation' of merchandise in stores might seem to indicate that abundance and choice continue to be important requirements for shoppers.

Predictions made about how things will look 12 months hence are notoriously prone to being at variance with reality. There will, inevitably, be something in the world of store design, layout and visual merchandising that will take almost everybody by surprise during 2015.

We are on the road, but a long way from any kind of final destination.