

SELLING SATISFACTION

Fitting rooms are retail's latest technological playground **by SANDY SMITH**

We've all been there: An item of clothing catches our eye in a store. We rush to a dressing room to see how it looks on, but once there, under the harsh fluorescent lighting ... let's just say it looked better on the hanger. So we leave, thinking perhaps the money would be better spent on spin classes than jeans.

While that particular shade of off-white paint continues to hang on in a few dressing rooms, retailers understand the importance of the fitting room in closing the sale. The numbers back it up, according to a new book called *Fit Happens: Analog Buying in a Digital World*: More than two-thirds of shoppers who use fitting rooms are likely to buy something; those who use fitting rooms are twice as likely to make a purchase as those who just browse.

"The fitting room is extremely important, to shoppers and retailers alike," says Deborah Weinswig, executive director and head of global retail research and intelligence with the Fung

Business Intelligence Centre. "Think about it this way: A customer decides to shop in your store, moves through the first several gateways in the shopping experience and finally commits to an item she wants to try on.

"Getting her into the fitting room is the first major accomplishment. Getting her to buy is the ultimate goal," she says. "How that piece of clothing makes the customer look and feel at that moment in the dressing room is critical for both the sale and the creation of a loyal customer. The fitting room is where the magic happens."

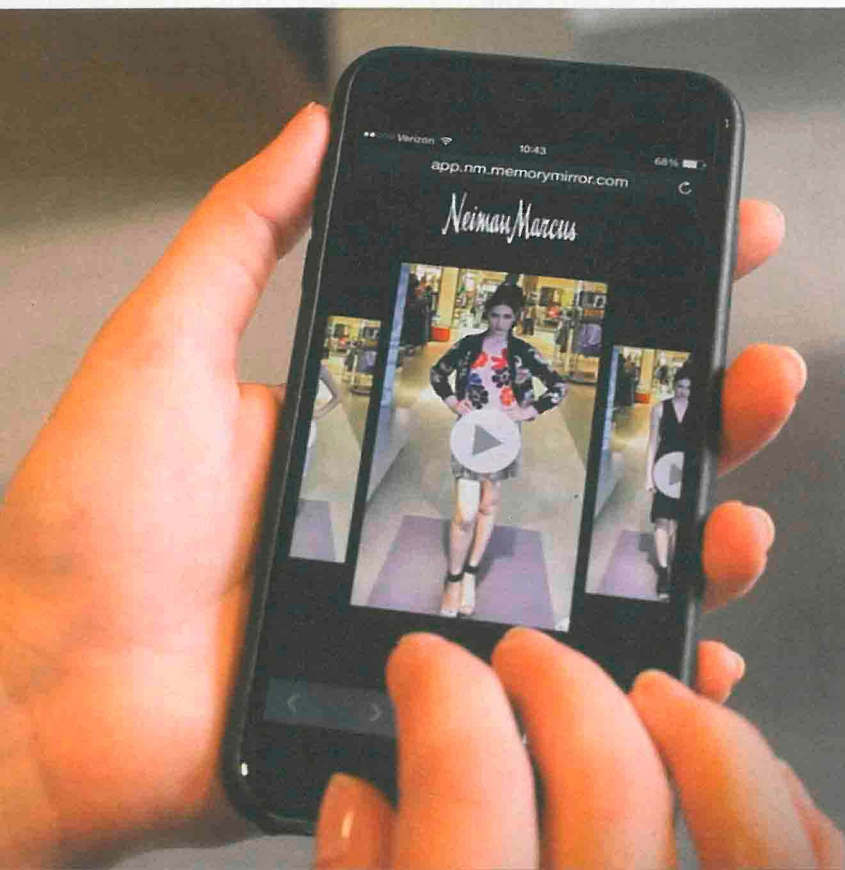
"Design-wise, the fitting room should be an extension of the sales floor," says Marge Laney, author of *Fit Happens* and CEO of Alert Tech. "Sometimes there's such a disconnect between that environment and the sales floor that the enthusiasm is lost and the positive buying experience is gone."

Technology is certainly finding its way into the dressing room as a means to enhance service.

"We don't see physical retail going away," says Healey Cypher, head of eBay Enterprise's retail innovation group. "We see it changing — perhaps fundamentally — over the coming years."

At eBay Enterprise, "We look at a physical store similar to an online session," he says. In the same way e-retailers study drop-off points and how visitors navigate to and around their websites, "we think of the physical stores as identical. When you cross the threshold of that store, your retail session has begun. If there's too much friction, people don't buy."

Case in point: 65 percent of shoppers won't ask for help if they can't find their size in a desired item. "That's just leaving money on the table," Cypher says. Similarly, if the checkout line is too long, they'll leave. "But if someone goes into a dressing room, there is a two-thirds chance they'll convert to a purchase. We tried to think about the fitting room critically and make that friction invisible."



THE RIGHT FIT

For an area that is so vital to driving sales, one might think that retailers have found the balance. Not so, says Laney, who has spent much of her career studying retail fitting rooms.

The experiences, she says, “run the gamut from unpleasant to incredible, from disconnected to fully engaged. There are so many retailers that just leave that process to either the customer entirely, or they leave the engagement to the discretion of the sales associate. That’s just wrong.

“Those are opportunities — the fitting room is where the customer wants to engage,” Laney says. “The sales floor is the engagement zone where the customer is deciding whether they want to engage. Once they get into the fitting room, that’s when ... they want to speak personally and engage personally with the sales associate.”

Finding the right balance — the attentive-but-not-cloying sales associate — is vital. Laney’s book includes the statistic that if a shopper is forced to re-dress and head back to the sales floor in search of another size or style, she’ll simply leave the store 75 percent of the time. The sales associate/shopper relationship built in the fitting room can provide benefits that extend well beyond securing the sale.

“The best place to build loyalty and promote loyalty and get information is in the fitting room,” Laney says. “Arm that associate with a tablet with the ability to give and take information with the customer. Everybody has their jean retailer where they go. I always get the same size, but I can’t remember my style.” They access the information and say, “‘You’re a size 12, this is the cut you always use.’ That’s valuable information.”

But there can be too much of a good thing. Paula Rosenblum, managing partner of Retail Systems Research, cites one major retailer where the “sales folks are attentive. The problem, at least in my view, is the lack of tools to alert the associate when you are ready for her.

“There’s nothing more mortifying than to be standing there, three-fourths undressed, and have a sales associate pop in,” she says. “It’s really annoying.”

Rosenblum, who focuses on technology-driven, consumer-centric retail, recommends a light touch with tools in the fitting room. “Really basic technology, like a way to let a sales associate know you need him or her, is probably the most important thing retailers



can install,” she says. “It can be as basic as [an indicator] at the checkout stand, or something more sophisticated, that sends specific wants to the associate ... but I think the human touch at the right time is most important.”

TECH ENTERS THE ARENA

Neiman Marcus understands the power of the fitting room, building in a balance of helpful associates and little comforts like complementary beverages. Sales associates can suggest a pair of shoes or find underpinnings as needed.

“The fitting room is really where the customer can envision themselves and physically put themselves in the clothing,” says Mimi Sterling, Neiman Marcus’s vice president of corporate communications and public relations. “That experience is very important to us.”

Earlier this year, Neiman Marcus unveiled the MemoryMirror in its Walnut Creek, Calif., store; two others have been added in San Francisco and suburban Dallas, with more to come. The MemoryMirror, created by MemoMi in conjunction with Neiman Marcus’s Innovation Lab, is located outside the fitting room — but still has an impact on what occurs inside. A shopper tries on an outfit in the fitting room, stands in front of the mirror and creates a video. When she tries on the next outfit or two, she can see herself in the varying looks side by side. She also can send out the video for that all-important social experience: feed-

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back from her friends.

The technology also allows for efficiency. Sterling relates the story of a mother whose daughter was shopping for bridal-related clothing. They spent all their spare time coordinating trips to retailers to find the right looks. When the daughter tried on outfits and sent her mother images from the MemoryMirror, the shopping process became a lot easier for both as they no longer needed to coordinate schedules for joint shopping.

Still, there were hurdles for Neiman Marcus before the product could be deployed. “The way cameras capture you versus what you look like in a mirror had to be overridden with an algorithm,” Sterling says. “We wanted it to look like a mirror, not a video camera. There was a whole process of going through these changes with the developer. Color changing options weren’t really relevant for our product, but ‘shareability’ was the key to making things easier for the customer.”

Neiman Marcus is far from alone in incorporating technology in or near fitting rooms.

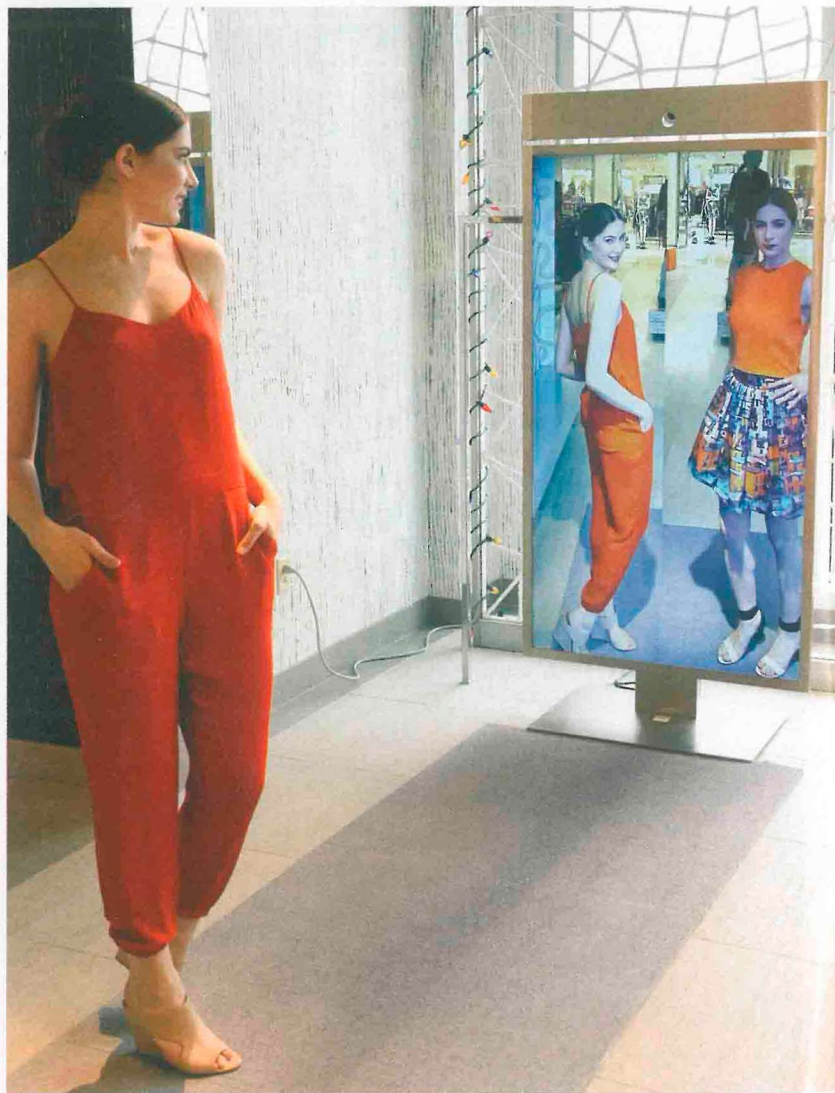
“‘Tech meets fashion’ will be a buzz phrase in the months ahead,” says Weinswig. “There are some very innovative applications of fitting room technology in place today, and technology will continue to generate creative solutions for engaging the customer. I think if the tech is focused less on capturing the customer’s attention and more on meeting the customer’s need, it will be most effective.”

But so too is the balance in creating an atmosphere where the customer feels at his best. “Fitting rooms are a psychological landmine for everybody,”

Laney says. “Retailers can’t do anything about that at all, and they shouldn’t even try to address that. What they can do is ride as lightly as they can on psychological problems by creating an environment that makes the customer look and feel good.

“Fitting room design, service and technology that enhances the customer’s personal relationship with the brand are areas of focus,” she says, “but cameras are a no-no. That’s just one of those things people will not tolerate in there.”

That’s a lesson eBay Enterprise learned the hard way when testing its connected store concept, which includes an interactive fitting room. They brought a test group into the lab, and one woman ran out five seconds after entering the dressing room. “She said, ‘I’d never use this,’” Cypher says. “When we asked why, she said she’d been working out all summer



and her thigh gap was larger than the mirror showed.”

That underscored the importance of “skinny” mirrors. “We then spent several hours going to every fitting room in SoHo and making sure we had the best mirror before we could put the technology behind it,” he says. This is in line with the eBay Enterprise team’s core principles: It’s always got to be about the fashion — the tech comes second.

At first glance, the eBay Enterprise interactive fitting room looks like a typical stylish fitting room: Once products cross the threshold, however, an RFID sensor informs the mirror of all the items brought in, and the mirror becomes a touchscreen.

“The first thing you can do out of the gate is change the lighting,” Cypher says. “If you’re looking for an outfit to wear after dark, you can choose a nighttime lighting setting. ... It allows the customer to gain control. This comes from our experience in game design — there has to be an immediate win. When they figure it out, their confidence level increases and they continue to other features.”

eBay Enterprise has found that many consumers will tweak the lighting almost immediately. As they become more comfortable they choose other options, like requesting a variation of what’s in stock or browsing recommendations. The technology also allows the shopper to connect with stylists armed with iPads. Associates don’t just know what the shopper has asked for; they can access everything that has been brought into the fitting room.

“The first interaction is a value-add,” Cypher says. “The stylist can say, ‘Here’s a belt that goes nicely with that,’ or ‘That jacket always runs a little big, so I’ve brought another size.’”

For customers who don’t like technology in their dressing rooms, it can easily be minimized, but few are doing so. “The percentage that has minimized the experience and not maximized it is less than .05 percent,” Cypher says. Currently, the eBay Enterprise interactive fitting rooms are open in two Rebecca Minkoff stores — in New York’s SoHo neighborhood and San Francisco — with another in Los Angeles due to open soon.

“We started in apparel and fashion because that’s the most challenging place to start,” Cypher says. “If you can solve the incredibly complex catalog structure and consumer demands that come with fashion, you’re on the

right path.”

The interaction is a two-way street, as retailers also gain valuable insights. The RFID technology provides information on every item taken into the dressing room — not just those purchased. Customers can also link fitting room sessions to loyalty accounts. “It’s like an abandoned cart online,” Cypher says. “We can say, ‘Here’s that one item you didn’t buy, and it’s now on sale.’”

That insight comes with some unknowns: Will consumers use it? If so, will they spend so much more time in the fitting room that it creates a bottleneck that drives other shoppers from the store?

“We were worried about that,” Cypher says. “But we found that just by removing the inefficiency, the average time in the fitting room has gone down.”

At Neiman Marcus, that question isn’t even on the table. “We have plenty of fitting rooms,” Sterling says. “We want our customers to take the time they need to make a decision. As Stanley Marcus always said, ‘We are in the business of selling satisfaction.’”

While the Neiman Marcus and eBay Enterprise projects are enjoying successful rollouts, there is some question as to how widely such technology will be adopted.

“That is the million-dollar question,” Weinswig says. “Do they really want a tablet to provide wardrobe suggestions, or will it feel like advertising has extended into the privacy of their dressing room? How a retailer integrates technology will determine whether or not technology in the fitting room sticks. If the technology is enabling the customer to buy what they want, how and when they want it, it will get the customer excited about her bricks-and-mortar experience.”

Just a few months in, that is proving true at Neiman Marcus.

“We’re very happy with the technology and the response that we’re receiving from the customer,” Sterling says. “It is surprising and delighting them, and providing an additional level of service. The mirror enhances the experience in the store. The excitement that everyone is having around it is what makes us feel that it is a true success.” **STORES**

Sandy Smith grew up working in her family’s grocery store, where the only handheld was a pricemarker with labels.