

Marketing

Shoppers: Buying Into Store Settings?

By Valerie Seckler

NEW YORK — "Winning the shopping challenge will be an obsession of 21st-century business."

So says Kevin Roberts, chief executive officer worldwide of Saatchi & Saatchi, in "Diamonds in the Mine," a new chapter slated to appear in his second edition of "Lovemarks," published in 2004 and set to be reissued in September by powerHouse Books.

"Consumers and shoppers are two different people," Roberts contended. "They enter a store and everything changes."

While personal spending already drives about two-thirds of the nation's economy, Roberts expects a sharper focus on shopping by American business because today's consumers are making more of their purchase decisions right in the store. The bar for marketers is being raised by shoppers who, Roberts said in an interview, increasingly are making decisions based on how they feel about a store environment as well as a product and a brand image — and are doing so more quickly than in the past.

For example, Roberts said, Saatchi & Saatchi has found 85 percent of purchase decisions are now reached in stores, dwarfing previous data that indicated two-thirds of such transactions were triggered there, and 80 percent of those decisions are made in just four seconds. A store's design, ambience, product packaging and display each are making lightening-quick impressions, which are playing an ever-bigger part in what's bought.



Chanel's use of beige in its Beige Tokyo restaurant creates a warm experience of the brand, said author Kevin Roberts.

BY THE NUMBERS: PURCHASE TRIGGERS

85%: The share of purchase decisions reached in stores.

3 seconds: The time it takes for a product to make an impression on a shopper.

80%: The portion of purchase decisions made in 4 seconds.

95%: The percentage of purchases driven by a person's emotions.

6: The average number of brands for which a person feels loyalty beyond reason.



"Product impressions are made in three seconds," Roberts noted. "The idea of [someone] agonizing over which shampoo to buy is a fictitious concept in today's economy." As a result, the author-advertising executive advised, "The store has to lift its game and become part of the entire marketing mix."

Indeed, Roberts identified the rising importance of store environments to brand marketing as one of two "massive things" that have affected advertising in the past 12 to 18 months. The other, in his view, is the growing dominance of screens in media ranging from mobile phones and video games to computers and digital billboards.

As stores are transformed into more effective marketing platforms, instead of a brand's equity being determined by its managers, Roberts said, "there will be a 'dialogue' with consumers in stores about what it is." And one part of that interaction will

be based on shoppers' feelings about brands — which now drive 95 percent of purchase decisions, he maintained, citing Saatchi & Saatchi research.

If Roberts is right, apparel brands, among others, have their work cut out for them.

In the first edition of "Lovemarks," the Saatchi & Saatchi CEO posited that brands are elevated into lovemarks when people feel a strong emotional connection with those entities, a bond he described as "loyalty beyond reason." And he estimates each person has an average of just six lovemarks — the brands they are most likely to acquire or experience — suggesting shoppers' purchasing loyalties will only add to the highly fragmented nature of the apparel-brand universe.

In much the same way, stores themselves will need to develop empathetic relationships with their shoppers if those locales are to become the places where people scoop up things, Roberts said in the interview. Likening the environment found in many stores to a dark, gloomy mine, he said, "When you find an intimate connection, it's like finding a diamond in a mine."

Asked about his favorite diamonds, Roberts named *Vosges Haut*, a chocolate shop on Grand Street here that he considers "the best store experience in SoHo." Besides a cooled vault of very expensive chocolate and a chocolate drinking bar, Roberts said he was engaged by the interest the store staff took in him.

"It is as if the staff behind the counter are tuned into my radar," he writes in his new chapter: "One of them noticed and commented on my black shirt, a favorite purchased in France. From there we moved to a joint love of sport," he continues. "Was I in a mood to stay on and shop after that? You bet. And I did. After all, I felt I was amongst friends. This sort of empathy is not easy; it can quickly fall into flattery. Done well, empathy is the diamond in the mine."

Also high on Roberts' list of jewels is Chanel's Tokyo store, opened last December in the city's Ginza district. It is noteworthy, he said, both in its offer of a 360-degree Chanel experience and in its departure from the design of many luxury shopping venues, which he thinks are too cold to connect with people. The integration of the interlocking, double-C Chanel logo throughout the 14,000-square-foot boutique; adornment of staff with Chanel clothing, and use of beige ("Coco's favorite color") as fashion backdrops and in the Alain Ducasse restaurant *Beige Tokyo* combine to create an embracing experience, in Roberts' view.

In contrast, he said, many luxury boutiques "seem hard-edged and overly masculine, with heavy use of marble and stone."

"They are focused [primarily] on showcasing the product, rather than creating a warmer, more tranquil environment," Roberts contended, adding a softer ambience is one in which luxury stores are more likely to forge an emotional connection with shoppers.

"Everyone you meet is talking about 'doing retail,'" Roberts writes in "Diamonds in the Mine."

"Some start with consumers," he observes. "Very few are starting with shoppers."