Perspectives on retail renovation

2014

When it comes to the customer experience, renovation is inevitable

Perhaps no category has undergone a more radical transformation than retail has in recent years. Near-global access to the Internet and speedy adoption rates of smartphones have spawned countless changes to the way we shop and how retailers compete. With a recent U.S. Census report putting e-commerce at less than 6% of overall sales, the in-store experience is as important as ever. The retail industry will inevitably see many more changes in the years to come, but here are three questions that smart retailers are asking themselves now in order to deliver the best possible overall experience for their customers today.

Three questions smart retailers are asking themselves now:

1. **Are we offering an omni-channel experience?**

More and more retailers are striving to build a true omni-channel experience that merges at-home, in-store and mobile commerce into one seamless experience. In other words, if a customer wants to view an item online, purchase it using their phone and pick it up in-store, they can do so in a smooth and effortless way.

Omni-channel is all about continuity of experience and provides the perfect example of merging digital insights with in-store physical experiences. The look and feel of every channel, from mobile to desktop to in-store, should feel the same to the customer.

2. **Are we leveraging the right technology?**

Smart retailers are saying goodbye to boring, antiquated layouts. They know that if they want to keep people in their stores, they need to make their locations interactive and engaging. This can be done in a number of ways, the most basic of which is by leveraging the right technology. Tablets and smartphones are versatile and can be used in several ways, including taking payments from the customer where convenient rather than making them wait in a checkout line, demonstrating product features, offering more information and encouraging social sharing.

In addition to tablets, smart retailers are implementing interactive experiences with the use of large displays that are meant to fully engross customers to the point where they even forget that they're inside a store. To the customer, the experience is interactive, engaging and powerful.

3. **Are we collecting actionable data to help personalize the customer experience?**

According to a study by Infogroup Targeting Solutions, 54% of marketers have already invested in data solutions to date and 9 out of 10 marketers plan to do so in 2014. Why the focus on data? Because smart retailers know that in order to provide truly personalized experiences, they need to gather as much information about the behavior, history and whereabouts of consumers as possible. Collecting this actionable data through customer loyalty programs, point of sale data and online shopping behavior ultimately enables retailers to implement dynamic browsing, customized displays, personalized recommendations and shopper-specific discounts.

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AMC renovations lead to consistently sold-out shows

Recognized as an iconic destination for more than 90 years, AMC knew it needed to align the guest experience with the visual experience of the movie in order to remain at the forefront of its industry. Adding more food and drink options to concession stands, replacing conventional seating with powered recliners and providing guests with the ability to not only buy tickets online, but reserve actual seats are just a few ways AMC brought its theaters back to life, ultimately enhancing the overall customer experience. Now, AMC is selling more tickets with fewer seats—to sold-out audiences.

▶ Go to us.jll.com/AMC to hear how experienced project management executed across more than 130 of AMC's sites has led to an improved guest experience and ultimately increased ticket sales for AMC.

In response to customer feedback, grocery chain Food Lion renovated several of its stores—making them easier to shop, offering the greatest value in private brands and providing fresh produce—in order to enhance the overall customer experience. Since the renovations took place, customer feedback has been extremely positive across the board.

Whether you answered yes to one or all three of the questions above, one answer is clear: renovation is inevitable in order to give your customers the best possible experience in this industry. Modified layouts, in-store kiosks, virtual walls, virtual dressing rooms, augmented reality and new product offerings are just a few examples of how smart retailers can enhance the customer experience and ultimately maximize ROI.

Are you doing all that you can to improve the overall experience for your customers?

For more information, please contact:

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Steve Jones is a Managing Director at JLL with extensive experience in Multi-site Program Management. Under Steve's leadership, JLL has provided Program Management services at over 100,000 locations in the last few years alone. JLL Program Management assignments include new retail facilities, renovation programs, technology roll-outs, re-branding programs and facility audits.