RETAIL MARKETING

Instructor:
Dr. Mayo De Juan Vigaray

Power points: conceptual framework
PART 3
MERCHANDISING

M.1. Communication methods
M.2. Retail image
M.3. Design of a store
M.4. Physical environment
M.5. Customer service

Atmospherics

Exterior

Store layout

Interior displays
CHARACTERISTICS

**Physical Environment**
- Wall textures
- Width of aisles
- Temperature
- Cleanliness
- Scents
- Technology
- Vertical transportation
- Fixtures, equipment & furnishings
- Cash register-placement
- Prices
- Dead Areas

**Atmospherics**
- Flooring
- Colors
- Lighting
- Dressing facilities
- Personnel
- Sounds
- Vertical transportation
- Fixtures, equipment & furnishings

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FLOORING

Cement, Wood
Linoleum, Carpet
Polished wood
Terracota tiles
Marble or stone tiles
Textured rubber/plastics

Colors

Plush, thick carpet vs. Cement floor

High% supermarkets: Vinyl floors
High % department stores: Carpets, wood
The significance of different colors can also vary from culture to culture. Sometimes it is hard to understand, because we all see colors differently.

And... Obviously ....

COLORS

- Increase _________ to certain things, recognition, motivation & participation
- Sells products and ideas more effectively
- Differentiate and attract attention
- Cause excitement and tranquility
Red and warm colors

- Increase blood pressure & respiratory rate
- Generate excitement
- Denotes action
- Full of energy and vitality

...in Global Retailing

- Red & Christmas: Used Everywhere but in France, where white, silver and sometimes black are key Christmas colors. *Printemps* in Paris sets up a “Boutique Noire” every year.
- Attract customers and gain attention
- Danger: Politic Connotations
Orange

- Familiarity
- Dynamic, ____________
- Intimate
- Positive, eye-catching

...in Global Retailing

- Buddhism: goodness, robes
- Christianity: color of God, religious items
- Hinduism: goodness and altruism
- China: reincarnation and intuition
- USA - Orange & black: Halloween
Brown

Positive
Homely

...in Global Retailing

Stimulating the appetite
<table>
<thead>
<tr>
<th><strong>Yellow</strong></th>
<th><strong>...in Global Retailing</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><em>Positive</em> warmth, optimism, enjoyment, friendliness, freshness, sun/summer</td>
<td><em>Used for mental stimulation</em></td>
</tr>
<tr>
<td><em>Negative</em> envy, egoism, jealousy, stinginess (sun/protection products), falseness</td>
<td><em>Danger signals</em></td>
</tr>
<tr>
<td></td>
<td><em>Summer category</em></td>
</tr>
</tbody>
</table>
Cool colors Blue & Green

- Fresh
- Peaceful
- Calm
- Pleasant

...in Global Retailing

- Good for selling expensive shopping goods
<table>
<thead>
<tr>
<th>Blue</th>
<th>...in Global Retailing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sympathy</td>
<td>Encourages reflection and logical thought</td>
</tr>
<tr>
<td>Harmony</td>
<td>and has the tendency to make people spend</td>
</tr>
<tr>
<td>Sky</td>
<td>less!</td>
</tr>
<tr>
<td>Sea</td>
<td>Man - Boy</td>
</tr>
<tr>
<td>Depth</td>
<td></td>
</tr>
<tr>
<td>Wideness</td>
<td></td>
</tr>
<tr>
<td>Spirituality</td>
<td></td>
</tr>
<tr>
<td>Intellect</td>
<td></td>
</tr>
<tr>
<td>Friendship</td>
<td></td>
</tr>
<tr>
<td>Endlessness</td>
<td></td>
</tr>
<tr>
<td>Trustfulness</td>
<td></td>
</tr>
<tr>
<td>Reliability</td>
<td></td>
</tr>
</tbody>
</table>
Green

- Reassuring
- Uplifting (bright greens)

...in Global Retailing

- Natural Store
- Natural cosmetics Store
Pink

- Soft, physical weakness
- Used as an appetite enhancer (if you are on a diet, don’t choose pink!!!)
- Maternity dress shops
- Little girls’ merchandise & babies clothes
- Girl merchandise

...in Global Retailing

- USA, West Europe: feminine, romantic, soft
- Asia: trust, stability, marriage
<table>
<thead>
<tr>
<th>Purple</th>
<th>…in Global Retailing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extraordinary, original, fashion, magical</td>
<td>Deep or bright purples suggest riches</td>
</tr>
<tr>
<td>Unnatural, vanity, artificial, insecure, unfaithful</td>
<td>Lighter purples are more romantic and delicate</td>
</tr>
<tr>
<td>Contemplation</td>
<td>Thailand: worn by a widow mourning her husband’s death</td>
</tr>
<tr>
<td>Black</td>
<td>...in Global Retailing</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>-----------------------------------</td>
</tr>
<tr>
<td>Conservative, goes well with almost any color except the very dark</td>
<td>Elegance and high class Store</td>
</tr>
<tr>
<td>It also has conflicting connotations</td>
<td>Most western countries: mourning</td>
</tr>
<tr>
<td>Sexy, sophisticated</td>
<td>China: little boys</td>
</tr>
<tr>
<td>White</td>
<td>...in Global Retailing</td>
</tr>
<tr>
<td>------------</td>
<td>---------------------------------------------------------</td>
</tr>
<tr>
<td>Purity</td>
<td>Most Western countries: color for brides</td>
</tr>
<tr>
<td></td>
<td>East (Japan &amp; Korea): for mourning and funerals</td>
</tr>
<tr>
<td>Goes well</td>
<td></td>
</tr>
<tr>
<td>with almost</td>
<td></td>
</tr>
<tr>
<td>any color</td>
<td></td>
</tr>
</tbody>
</table>
LIGHTING

Light pastels

Maternity dress shop

Bright

Hypermarket

Vibrant

Discoteque

Direct-indirect

Home Decoration

Constant-flashing
Popping the merchandise ...

...means focusing spotlights on special feature areas and items....

...And using lighting to focus on strategic pockets of merchandise trains shopper’s eyes on the merchandise and draws customers strategically through the store.
DRESSING FACILITIES

Some apparel customers dressing facilities are a major factor in store selection

Elaborate
Plain
Non existent
STORE PERSONNEL

**Physical environment**

**Atmospherics**

**General interior**

- **Polite**
  - Well-groomed
  - Knowledgeable

- **Ill-mannered**
  - Poorly groomed
  - Unknowing personnel

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SOUNDS

BEAUTY SALON
- Play soft or rock
- Attract different people

HOUSEWARES
- Chopping & Sizzling
- Stimulate cookware customers

SUPERMARKETS
- Slow-Tempo music
- People move slowly

PET STORE
- Animal’s sounds (bird, dog)
- Persuade customers
SCENT

Of all the human senses, smell has the greatest impact on our emotions

Research:
- Korean & Americans: best ability to smell
- Black & white Hispanics: middle
- Japanese: worst sense of smell

Influence customer’s mood
Can control the pace of store traffic
Create an image
SCENT

PET STORE
Animal’s scents
Woo customers

RESTAURANT
Food scents
People’s appetites
Smell is the quickest way into the brain!!!

The use of aromatic marketing solutions can impact positively on behaviour in-store*

Some scents are purported to:

- have positive effects to reinforce the brand
- engage customers
- provide other beneficial effects on shopper mood and demand
- Strike such a discordant note that, for some customers, far from enticing entry, it can act as a repellent (*heady perfume of the department store cosmetics counter*)
How can the scents be introduced into the store?

Retailers can use time-release atomizers available through janitorial supply vendors

Pellets soaked in a fragrance & candles

Fragrance placed in ordinary light fixture, where the lamp’s heat activates the scent
VERTICAL TRANSPORTATION

The position within a floor is also important when assigning locations to departments.

The best locations are those closest to the store’s entrances, main aisles, escalators and elevators.

Multilevel stores often place escalators so customers must walk around the sales floor to get to the next level.
FIXTURES

Permanent or moveable store furnishings

UTILITY & AESTHETICS

Pipes
Plumbing
Vents
Beams
Doors
Storage rooms
WALL TEXTURES AND TRIMS

ENHANCE OR DIMINISH

Prestigious stores: fancy walls and wallpaper
Dept. stores: flat wallpaper
Discount stores: barren walls
Upscale: elaborate chandeliers

Utilised to display stock, photo panels displays and other visual aids to complement stock
WALL TEXTURES AND TRIMS

WALL TEXTURES

- Painted plaster
- Paint effects
- Opaque glass or coloured glass
- Wood panelling (dark, light, stained)
- Slatted wood
- Textile
- Textured rubber/plastics
- Ceramic tiles
- Illuminated panelling

TRIMS

- Chrome
- Stainless steel
- Metals (polished, matt, brusched)
- Galvanised metal (aluminium)
- Textile
- Coloured acrylic
**WIDTH OF AISLES**

**Wide uncrowded **  vs  **Narrow crowded**

People shop longer and spend more time if they are not pushed and shoved while walking or looking at merchandise.
TEMPERATURE

UNCOMFORTABLE IF

Insufficient heat in winter
Insufficient coolness in summer

CENTRAL AIR-CONDITIONING

FANS

OPEN WINDOWS
CLEANLINESS

Atmospherics

TOILET

FACILITIES

TRASH BASKETS

HOUSEKEEPING

General interior

Merchandising

Physical environment

M.4.

Garay a

De Juan Vi

Mayo De Juan Vigaray
TECHNOLOGY

STATE-OF-THE-ART: computerized cash registers
Automated inventory

IMPRESS PEOPLE WITH SPEED

SLOW, OLD TECH: long lines

IMPATIENT SHOPPERS
PLACEMENT OF CASH REGISTERS

PRESTIGIUS STORES: incospicuous areas

DISCOUNT & OTHERS: centrally & big signs
MERCHANDISING

M.4.

Physical environment
Atmospherics
General interior

PRICES

WAY PRICES ARE DISPLAYED

PRICE LEVEL
Summary

MERCHANDISING

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Atmospherics

Exterior

Interior displays

GENERAL INTERIOR. End