To study the critical success factors of Retailtainment marketing

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Abstract
The digital shopping is becoming a trend with young shoppers making it essential for retailers to up their game to avoid getting obsolete because of their digital counterparts. The Retail industry have tied its hope on in-store marketing and are planning to add entertainment value instore to engage the customer thus resulting into a new concept “Retailtainment”. This paper aims study the critical success factors of retailtainment, on the basis of understanding of the customer’s engagement through various cases. The paper attempts to determine critical success factors and gives suggestions to retailers for building an entertainment strategy.

Keywords: retailtainment, in-store marketing, critical success factors, customer engagement

1. Introduction

The in-store identity crisis.
The word ‘Retail’ is derived from a French word with the prefix re and the verb tailer meaning “to cut again”. The face of retail has changed a lot in past few years the malls came and reduced the margins of small retailers and faced the same fate when e-commerce came.

The digital shopping is becoming a trend with young shoppers, the increasing shortage of time, ease of payment, wide range of products, easy refunds and returns, heavy discounts are luring customers from brick and mortar stores to click options. The novelty, entertainment and engagement of social media is robbing the retail stores of their customers, thus making it essential for the retail industry to strategize in order to gain the customer base back. Apart from developing a digital marketing strategy the marketer also needs to have a strong instore marketing strategy.

A recent case study by Popai found that 76% of grocery store purchase decisions were made at the shelf. The Retail industry have tied its hope on in-store marketing and are planning to add entertainment value instore to engage the customer thus resulting into a new concept “Retailtainment”. The basic principle of entertainment on all platforms remain the same “content is the King”; the retailers need to develop content which converts the showroom into an entertainment venue. Michael wolf (1999) in his book “Entertainment Economy” suggests that all retailers will have to entertain and embrace the “hedonomics” of entertainment-hungry consumers to maintain a competitive edge.

Literature review

Researchers have been working to understand the shopping behavior and motivation of buyers and the attributes and strategies of store that influences their behavior. An important marketing tool that has emerged is shopping center Entertainment which can increase the amount of time spent in a mall and increased revenue for the retailers. Shim & Eastlicl (1998)

Stone (1954) was one the first to examine the motives of urban shoppers. The other researches to identify shop-
per typology were Darden and Reynolds, 1971; Darden and Ashton, 1975; Bellenger et al., 1977; Darian, 1987; LaBay and Comm, 1991; Bloch et al., 1994; Roy, 1994).

Bellenger et al. (1977) classified the shoppers as recreational shoppers and economic/convenience shoppers, further studies by Bellenger and Korgaonkar (1980) established that recreational shoppers shop in group, invest more time and continue shopping even after making a purchase.

The recreational shoppers can be influenced more by engaging and entertaining them in store. Roy (1994) suggested that frequent mall shoppers are more likely to be recreational shoppers. Bloch et al further classified customers into these categories – Enthusiasts, Traditionalists, grazers and minimalists.

Karande and Ganesh (1998) also classified the mall shoppers as recreational shoppers, serious economic shoppers, and time conscious or deal prone shoppers.

(K. Meenakshi, 2009) stated that malls throughout the country are now being positioned as one-stop-shop for shopping, entertainment, leisure and eating out needs rather than a place only for shopping for fashion products and hence also getting bigger day by day.


Mansurali, A. and Swamynathan, R. and Chandrasekhar, Umesh (2013) gave a model for mall-mania which suggested that entertainment is also an important aspect among various other factors like comfort, fashion, food court, window shopping, multibrand portfolio, quality, mall essence, convenience, attractiveness and luxury which attracts customer.

The marketer needs to understand the profile of their customers and develop in-store marketing strategy based on the profile of the customers. These researches indicate that in store marketing can increase the engagement, time spent, and number of purchases made by customers.

### Objectives
1. To understand the meaning of retailtainment.
2. To understand critical success factors in retailtainment.
3. To develop recommendations for retailtainment implementation.

### Research Methodology
The research methodology used is a secondary.

After going through substantial literature companies were identified which have successfully implement retail retailtainment. The identified cases formed the basis for recommending success factors for retailtainment.

### Retailtainment
Retailtainment is commercially-designed experience intended to combine entertainment and retailing. Shopper marketing expert Simon Temperley of Los Angeles agency The Marketing Arm, describes “retailtainment” as a “live brand experience” that frequently includes the use of “brand ambassadors” who “converse with the consumer.” Retail-tainment is the concept of adding entertainment and experiences to the retail mix. The trend started a number of years ago but has accelerated during the economic downturn as retailers, shopping centers and malls desperately look for new ways to remake themselves to attract the New Consumer. The rise of “retailtainment” is also prompting innovative development concepts that are almost entirely entertainment-based.

### In-Store Marketing Tools
1. **Sensory marketing** – sensory marketing can be defined as - marketing that engages the consumers' senses and affects their perception, judgment and behavior. Marketing as always used audio and visual cues to connect with the customers, sensory marketing talks about exploring all 5 senses to influence customer behavior.

2. **Use of Visual cues** like window static, floor stickers, pallet wraps, dumpbins, free standing display, pop-up displays, box towers, leaflet dispensers, furniture, counter

<table>
<thead>
<tr>
<th>Engagement In mall Activities</th>
<th>Time Spent</th>
<th>No. of stores Visited</th>
<th>No. of Purchases</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Enthusiasts</strong></td>
<td>High</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td><strong>Tradiotionalists</strong></td>
<td>Average (Not in food or experiential services)</td>
<td>High</td>
<td>Low</td>
</tr>
<tr>
<td><strong>Grazers</strong></td>
<td>Low</td>
<td>High</td>
<td>High (Higher No. of impulse purchases)</td>
</tr>
<tr>
<td><strong>Minimalists</strong></td>
<td>Low</td>
<td>Low</td>
<td>Low</td>
</tr>
</tbody>
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mats, brochures etc. will have a positive impact on customer.

**Use of Audio cues:** - The sound has definite impact on moods of customer, playing the right kind of music will help the retailer have a positive impact on customer, the choice of music should be based on customers and products offered.

**Use of fragrances** – Olfactory Fragrances increases the customers’ remembrance of the brand. Neuromarketing studies indicate that Neuromarketing studies show that 75% of emotions are triggered by smell. Smell is associated with pleasure, wellbeing, emotion and memory. Sensory Cues are most important in food items and can play an important role in non food items as well. For eg the distinct earthy fragrance of Fab India stores indicate freshness.

**Use of taste Gustative marketing** is usually used food and beverage brands as taste can elevate mood and change brand perception to a certain extent. Free trials of certain items for food items is very common.

**Use of Touch Tactile Marketing** – the feel of product, material, softness and texture of shelves, walls also create the image of retailer by evoking the emotions of customers.

2. **Merchandising Entertainment Areas** - the stores should have entertainment areas in sync with product offerings for e.g. specialty Store decathlon which sells sports goods and related items has facility to play indoor and outdoor sports for its shoppers. Electronic form of free trials is also available where the clothes and make up can be tried on screen image of the customer thus engaging him and assisting him in taking purchase decisions.

3. **Children’s Entertainment Areas:** - a kid zone where kids can play while the parents can shop, the kids zone should be attractive, colourful and safe. The parents would be able to shop peaceful knowing that their kids are enjoying and are in safe hands.

3. **Relaxation Zone:** - a relaxation zone for elders, pregnant women, crèche for children, a small area for feeding mothers sends a positive message to the customers.

4. **Theme based decoration:** - The retail outlets can keep the entire décor based on theme, not just on special occasions but also according to seasons, movies and current fashion.

5. **Photo Walls:** - This generation is crazy about clicking themselves the photo walls or accessories which can be used to click selfies will engage the customers.

5. **Contests** – in store contest where participants have a chance of winning interesting articles or offers are another way to engage customers.

6. **The Impulse effect** – a lot of customers cannot resist impulse if the retailer is able to create a sense of urgency that will lure the customer to do those smaller and supplementary purchases that offer an affordable, last-minute addition to their purchase. The sales promotion schemes can enhance this effect.

7. **Customer’s Suggestion day:** - Invite suggestions from customers to improve the facilities, product offerings, and services of retail store and reward the customers for their innovative ideas. This will create more customer engagement.

8. **Life enhancement activities** – Organizing learning activities related to use of product can make the user aware of ways in which product can be used and made them feel empowered because of new leanings.

9. **Augmented reality** – use of augmented reality 3d images, interactive screens, apps etc increase the level of involvement by attracting the customer because of its novelty. E-commerce is cannibalizing the physical commerce, the marketers needs to replicate the charm of digital marketing in the physical realm as well.

### Retailtainers in India

- **Heineken’s Supersonic sound** – Heineken created an unique beer buying experience of its buyers by using high frequency beam of directional sound which is audible in only targeted area and does not scatter. The buyers in a mall in a retail store in Delhi were directed using a sticker to stand at a spot marked by Heineken logo, on standing there they heard a sound which appreciated them and asked them buy something great that they deserve – Heineken beer. The customers were amazed at an almost surreal experience.
- **Virtual Shopping Wall at Delhi International Airport, India** - HomeShop 18 and Delhi International Airport have made an virtual mall, “Scan N shop” at Delhi Domestic Terminal T3, offering premium merchandise to consumers. The passengers can browse and order by scanning the OR code using their smartphone.
- **iPads in Restaurants** - A lot of restaurants are using ipad to display the menu, dishes, information regarding nutrition and origin of dishes, offers, information about their chefs etc. in Mumbai – Koh by
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Ian Kittichai (InterContinental Marine Drivei), Royal China (Bandra and VT) are using this to entertain their customers.

- **Colgate at Shipra Mall** – Colgate organized an ice-cream eating contest open for all. The promotional event talked about problem of sensitivity and rewarded the winner and loser both.

**Suggestions**

- **Expectations** – Understand the needs of the customers - Enthusiasts, Tradionalists, grazers and minimalists will have different needs from the retail entertainer. The customers invest time in browsing to see what retail environment have to offer; as mentioned by Bloch, Sherrrell, & Ridgway, (1986). Bellenger & Korgaonkar (1980) suggested that customer want to enjoy the experience and Hoffman & Novak, 1996 said that they are motivated by the process rather than outcome

- **Exclusivity** – The retailers have to understand that competition is on customer engagement and entertaining customers in a unique way is a challenge. The retailers have to work on USP of their promotion plan. Steenkamp & Wedel (1991) a positive and unique retail image creates an substantial advantage that cannot be copied easily by competitors

- **Excite & Engage** – the entertainment plan has to excite the customer, create curiosity and should be able to increase the level of engagement. Bloch & Richins (1983) suggested that experiential shoppers want to invest time if it carries an opportunity of recreation or leisure activity.

- **Economic Entertainment** – The retailer should focus on using cost effective measures the ultimate objective is long term profit, innovative engagement techniques that outweighs the benefits as compared to the cost should be deployed.

- **Evolve as a retailtainer** – Don’t do promotion host an event. As a host the retailer has to understand what will entertain the customer, what will increase the level of engagement without building the pressure to buy but creating the environment of fun where the customer would love shopping(Mullick and Khan, 2011). Sensory experiences have an impact on shopping behavior of customers (Mitchell, Kahn and Knaso, 1995), sensory experiences and innovations can be helpful in engaging and entertaining them. (Shankar, Inman, Mantrala and Kelly, 2011)

**2. Conclusion**

The retailers have to understand the pulse of customer in this era of entertainment economy. The retailers have to evolve as entertainer to manage their top line. Innovative methods to entertain and engage customer without increasing the bottom line will be a challenge for the marketers. Malls have become the socializing points for youngsters and office goers the retailers can build on this by engaging them in various ways and thus surviving the digital threat.

**3. References**