

# World Retail Congress 2016

Dr. Violet Lazarevic

**Nested within the Department of Marketing at the Monash Business School, the Australian Consumer, Retail, and Services (ACRS) Research Unit has a 35+ year history as a globally respected source of retail, services, consumer, and marketing knowledge. ACRS strives to provide organisations a portal to deeper thinking, be it through commercial research, insight seminars, trend analysis, or engaging with subject matter experts.**







# Dubai – Retail Mecca

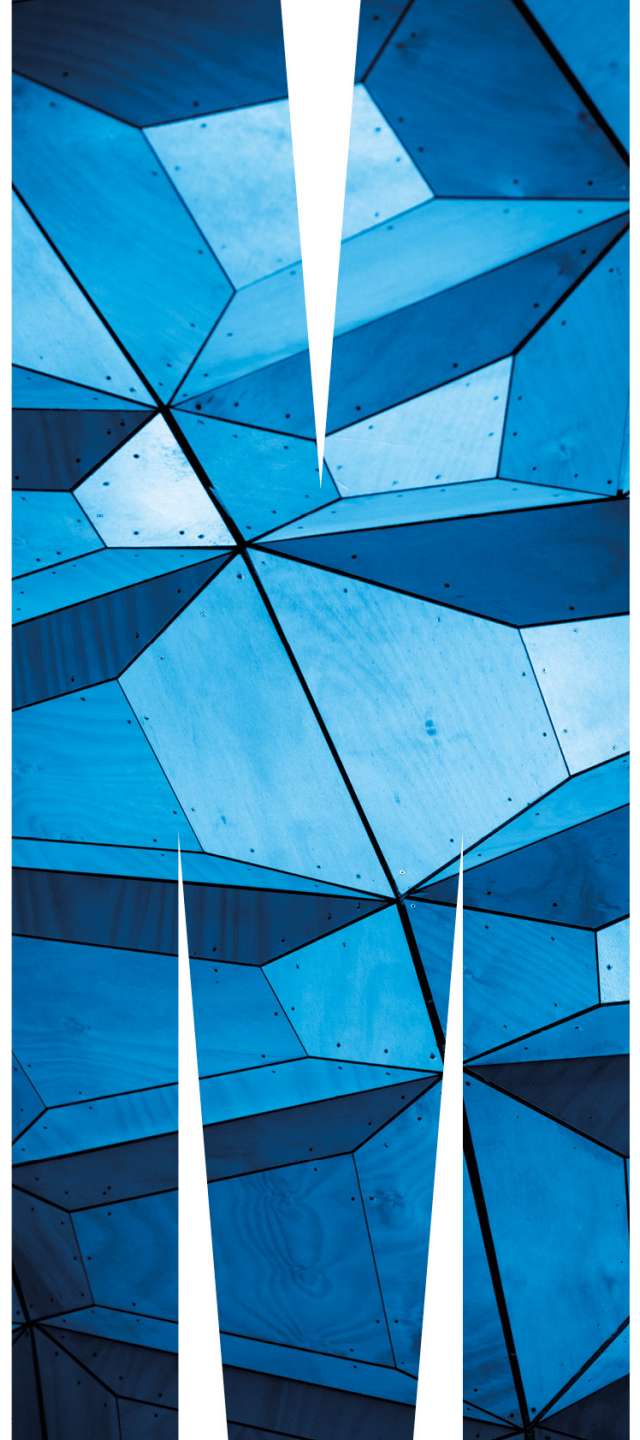




# Dubai – Retail Mecca



# CUSTOMER EXPERIENCE





# Retail Landscape in 2016

“ We are seeing a shift from buying luxury products to buying luxury experiences. Nobu is a luxury experience, a table of six at Nobu is same as a Gucci bag! People want to enjoy the luxury experience and there is no limit, the value equation of luxury good is not as appealing for consumers today as it was.”



THIERRY ANDRETTA, CHIEF EXECUTIVE, MULBERRY GROUP PLC

# Power Shift

Power shift away from the retailer/ associate to the consumer.

- Consumers are using their smartphones – reviewing, sharing, etc.
- Rise of rating experiences, e.g. Uber
- US millennial consumers increasingly renting and spending less on goods, more on experiences





# Customer Evolution

64

Checking  
smartphone  
150 times a  
day

40

In-store  
experience  
needs most  
improvement

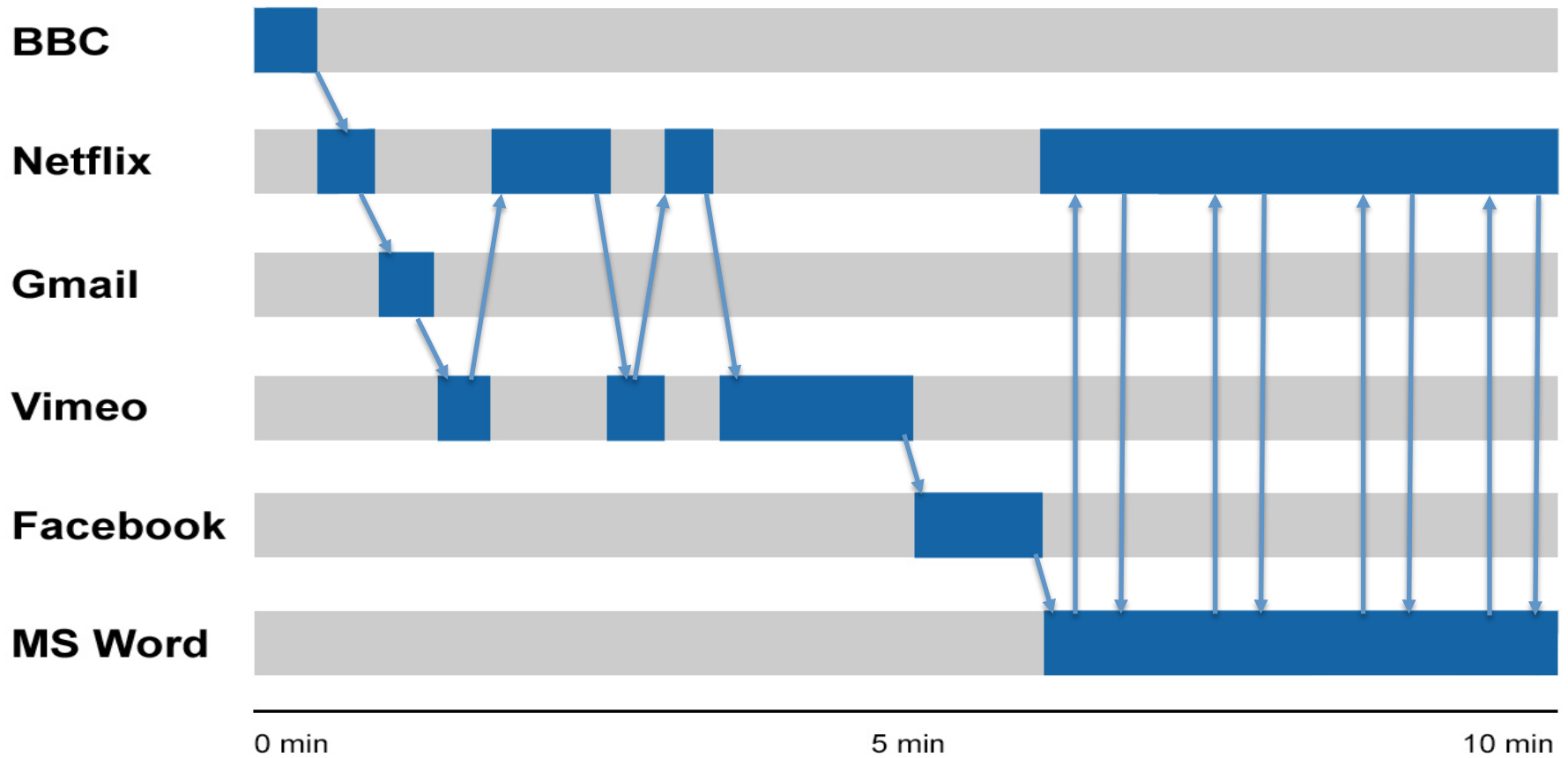
90

Sales including  
in-store

50

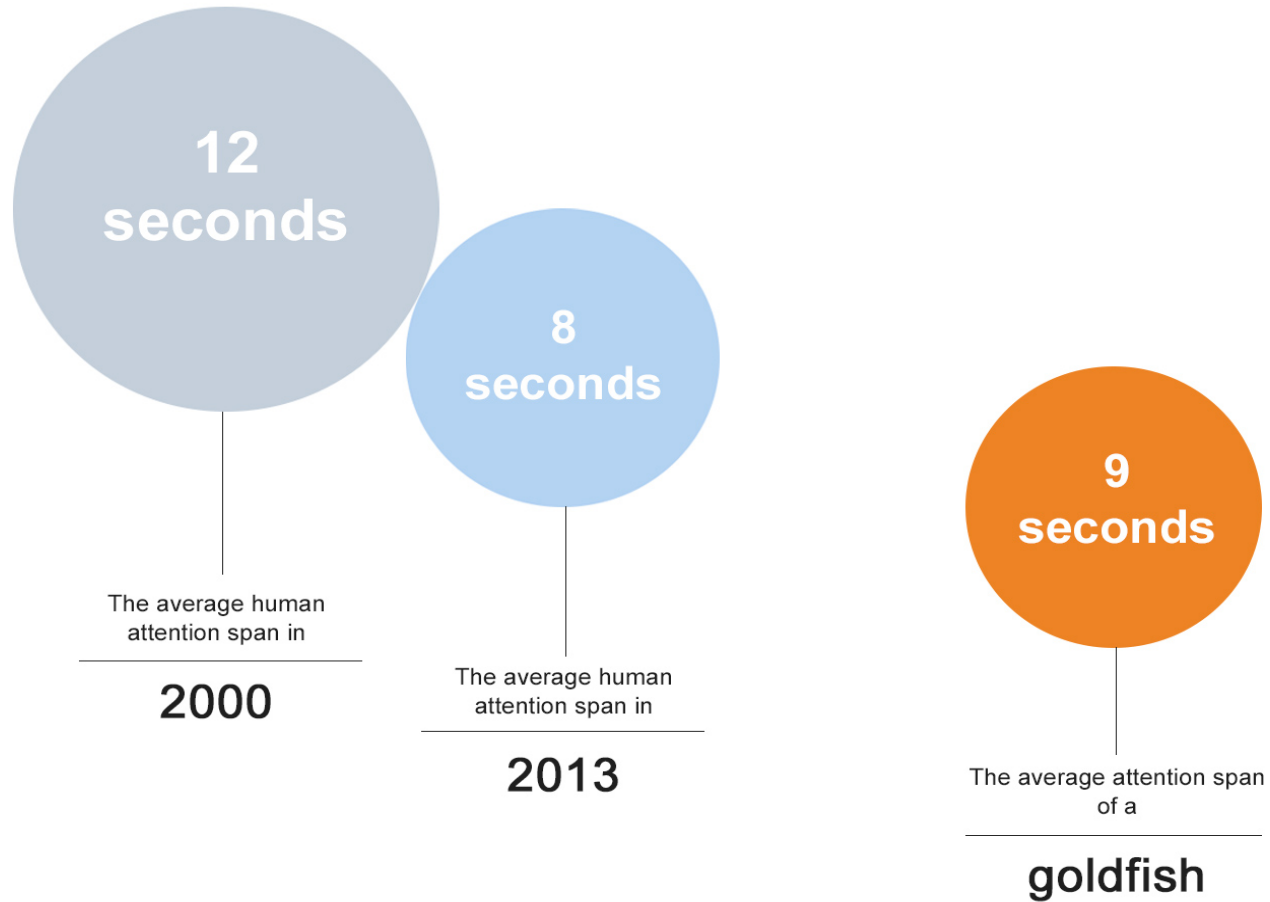
Sales influenced  
by digital  
shopping

# Millennial Attention Span



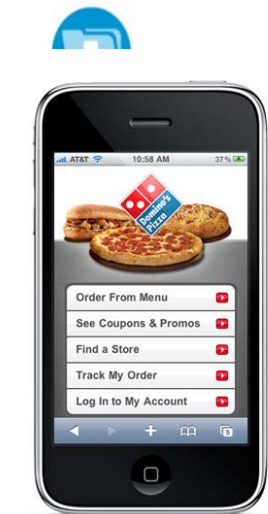


# Attention Span



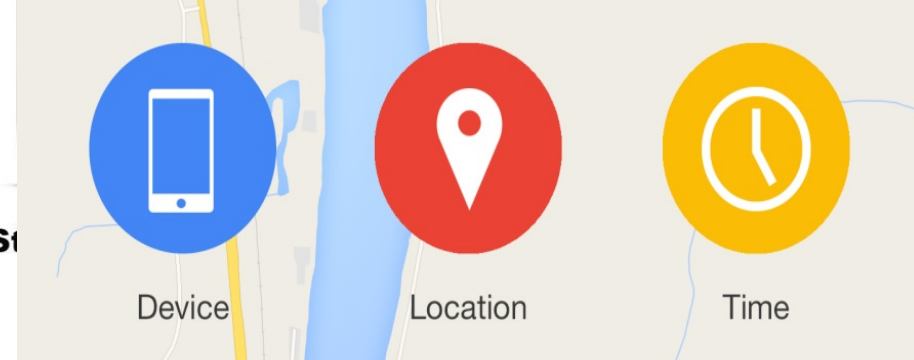
# Importance Of Micro-Moments

- Customers are interacting in ever shorter periods on their devices
- Retailers need to be where the customer is: Micro moments
  - Meeting intent
  - Utilising context



Mobile Website

VS



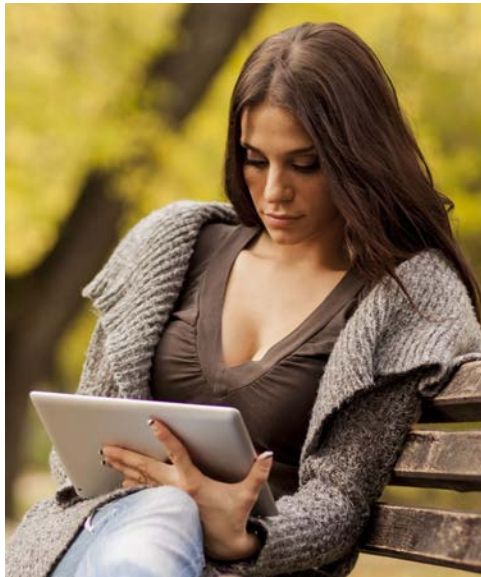


# Evolving Customers

Interacts with  
brands in  
many  
different  
ways

Higher  
expectations  
of brands  
and services

Technology  
empowered



Want to be a  
part of  
something

Fatigued by  
untargeted  
discounts  
and adverts

Content is  
the key to  
engagement

# Social Commerce





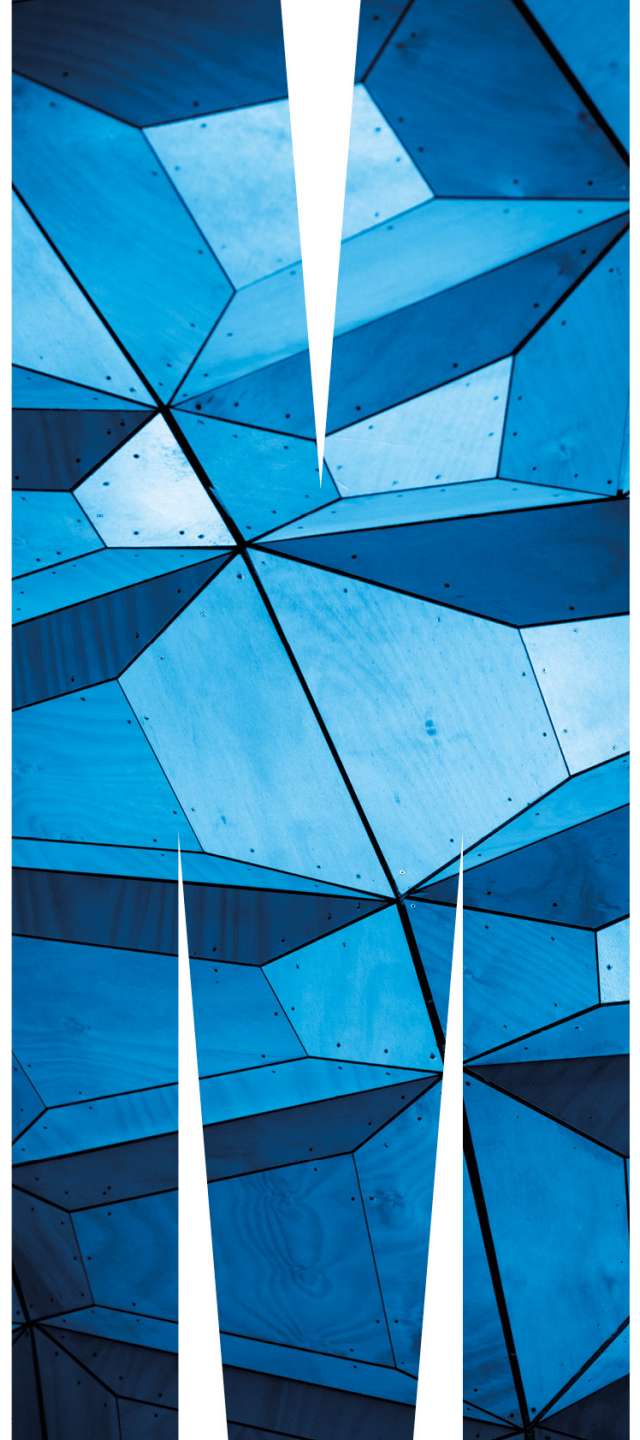
# All Channels Will Win



“ The modern consumer is agnostic to the channel. Retailers need solutions for online, instore and other for the customer regardless of how they want to move.”



# HEDONIC VS. UTILITARIAN





## HEDONIC. {FUN}

*Emotional needs of individuals for enjoyable and interesting shopping experiences.*

Traditionally INSTORE shopping.  
*All about the experience.*

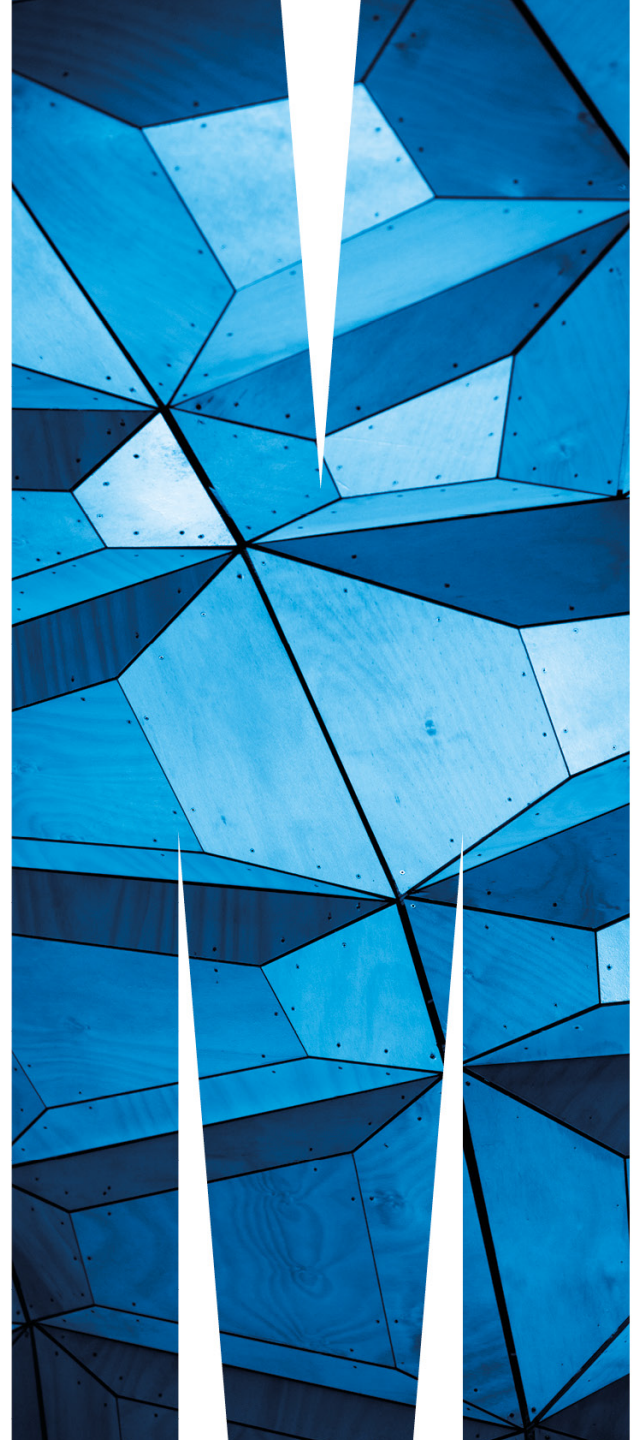
## UTILITARIAN. {FUNCTION}

*Convenience, variety, searching for quality products at a reasonable price.*

Traditionally ONLINE shopping.  
*Driven by convenience, endless aisle and price.*

# HEDONIC

*Emotional needs of individuals for **enjoyable** and **interesting** shopping experiences.*



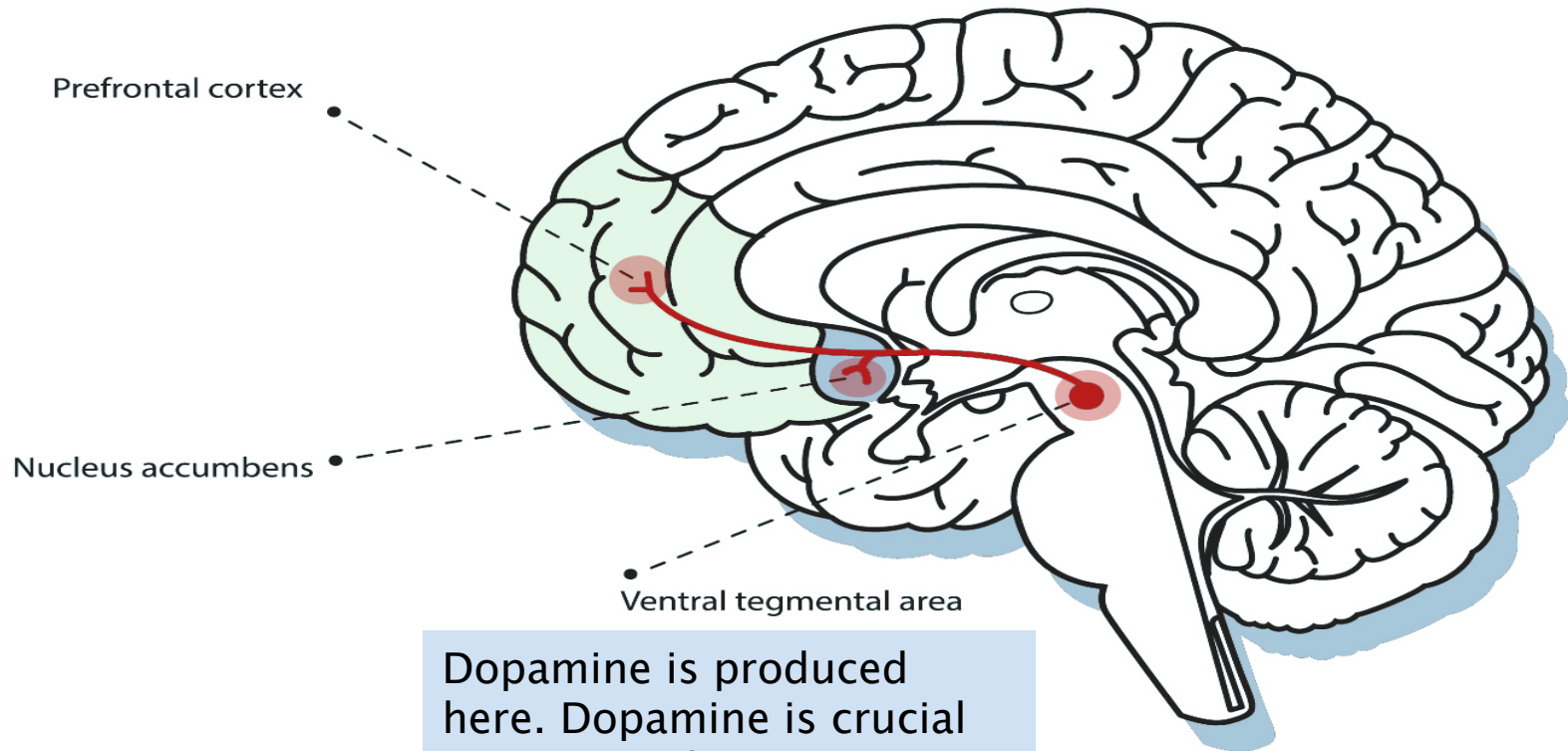
# Progression of Economic Value

## *Progression of Economic Value*





# Reward Pathway



Dopamine is produced here. Dopamine is crucial to memory formation. It helps us remember experiences and motivates us to repeat pleasurable experiences.

# Customer Experience Dimensions

## PARTICIPATION.

A spectrum from passive to active participation.

Passive Participation.  
*Customers don't affect the performance.*

Active participation.  
*Customers play key roles in creating the event that yields the experience.*

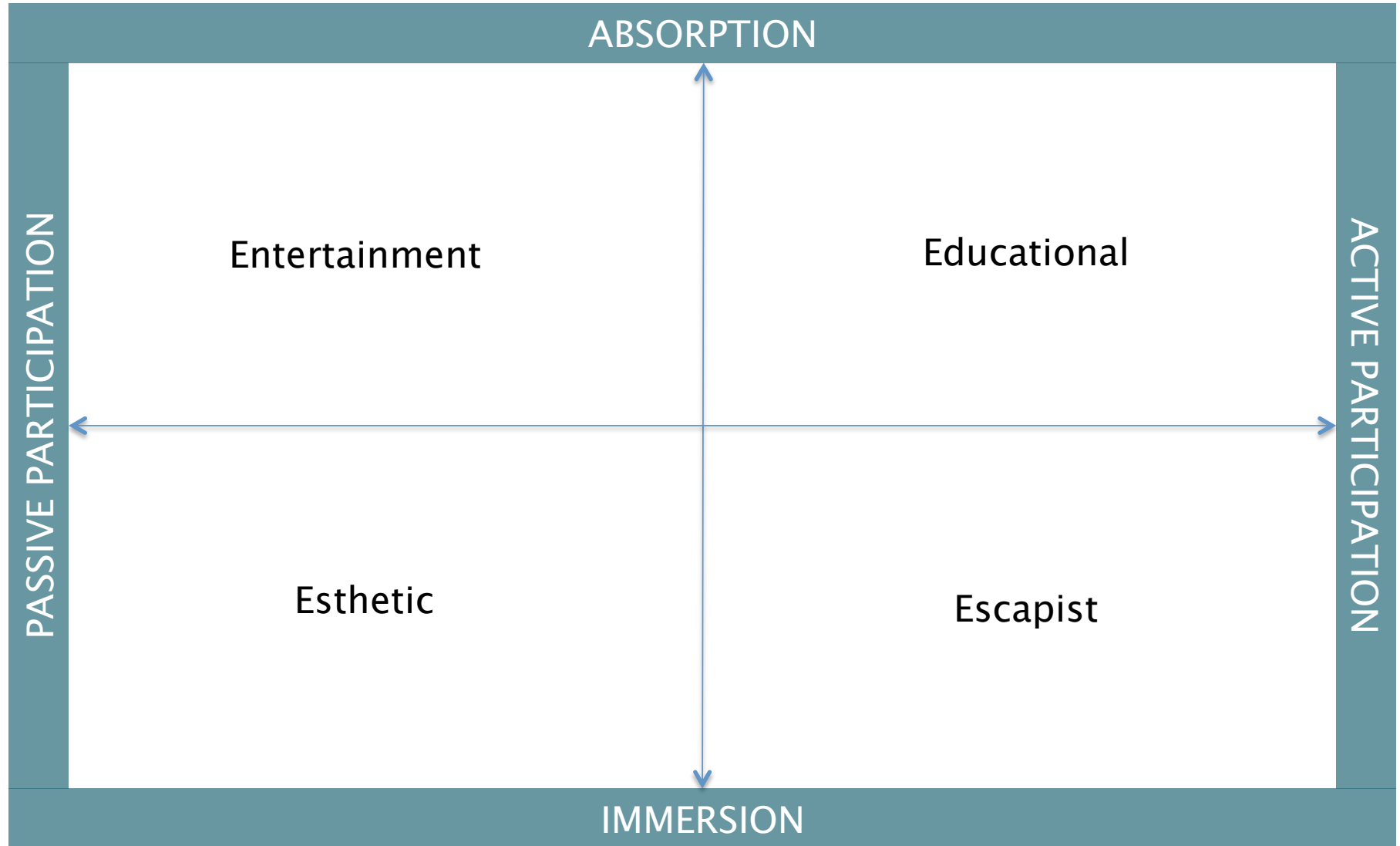
## CONNECTION OR IMMERSION.

A spectrum from absorption to immersion.

Absorption.  
*Watching from the stand and absorbing what's in front of you.*

Immersion.  
*Standing in the field immersed in sights, sounds and smells all around YOU*

# The 4 Realms Of An Experience





# Entertainment – Alessi



# Entertainment – Hamley’s World





# Esthetic – Frank & Oak





# Esthetic - Samsung



# Educational – IKEA



# Educational - kikki K





# Escapist – Jo Loves



# Escapist – Jo Loves



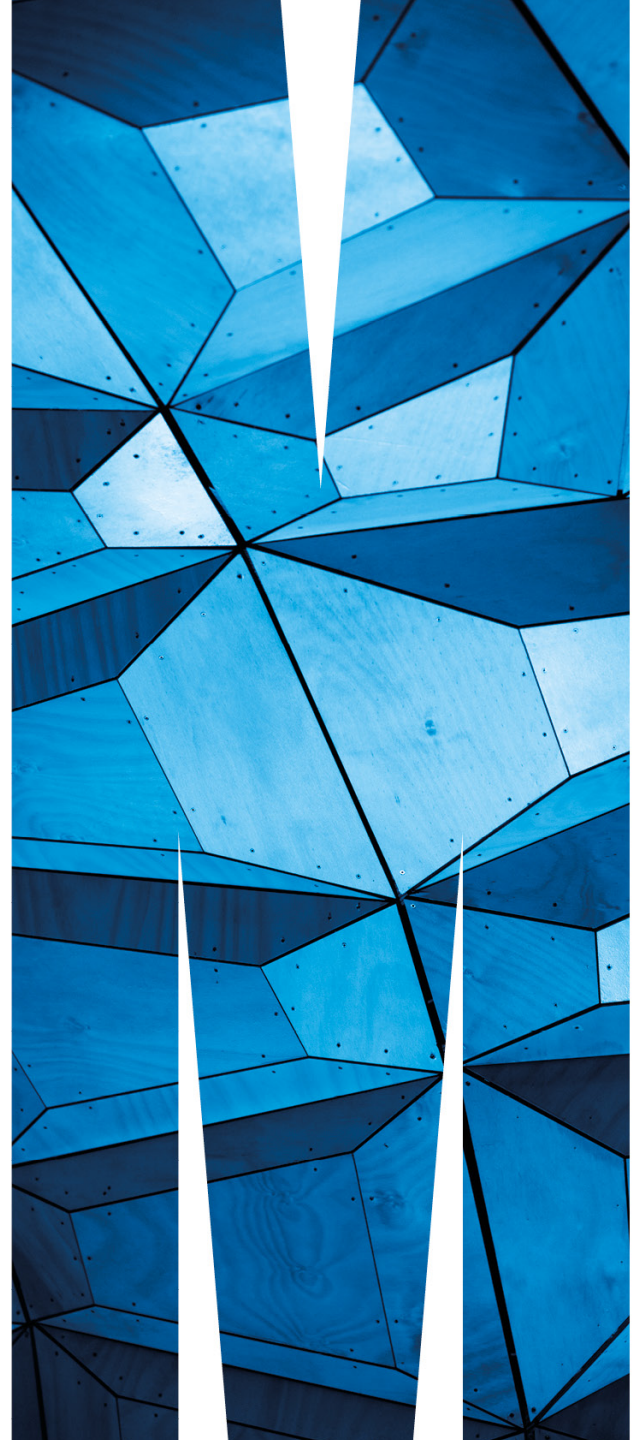
# Escapist – Pirch





## UTILITARIAN

*Convenience, variety,  
searching for quality  
products at a reasonable  
price.*



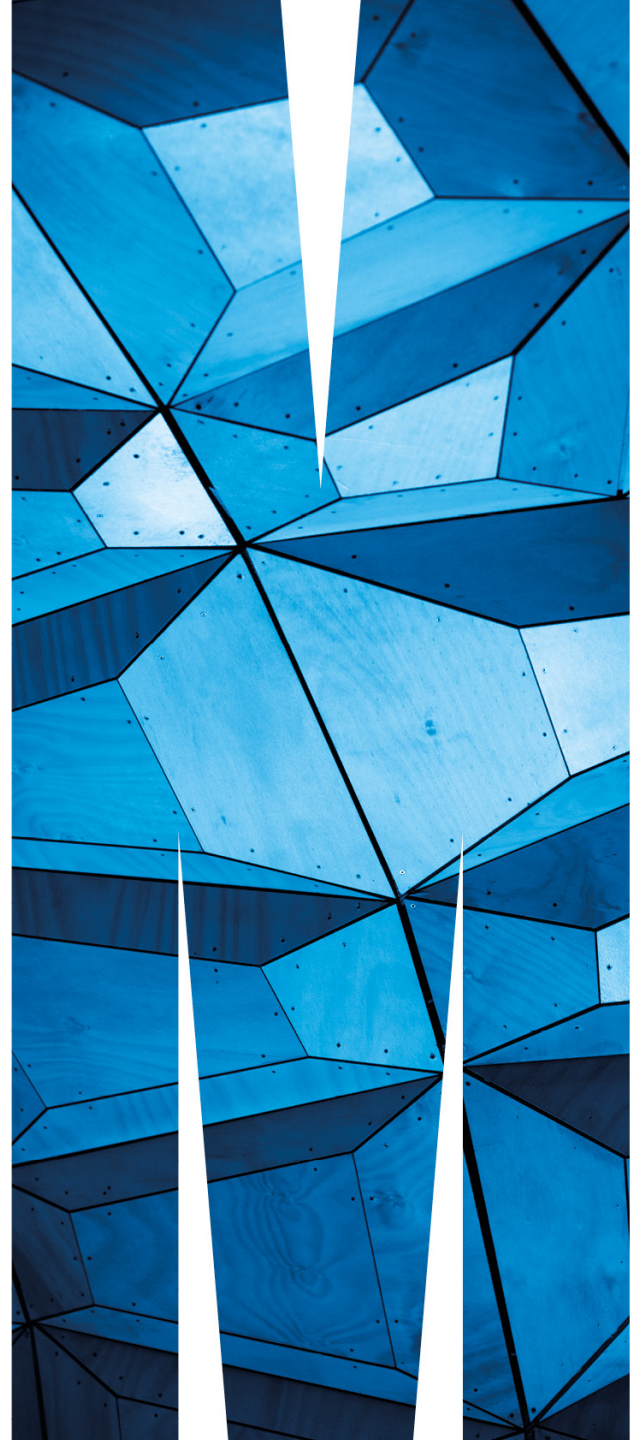


# Magrabi Optical



# BRIDGING THE GAP

*Hedonic and Utilitarian  
Online and Instore*





75

Customers not  
having 'one brand'  
experience



50

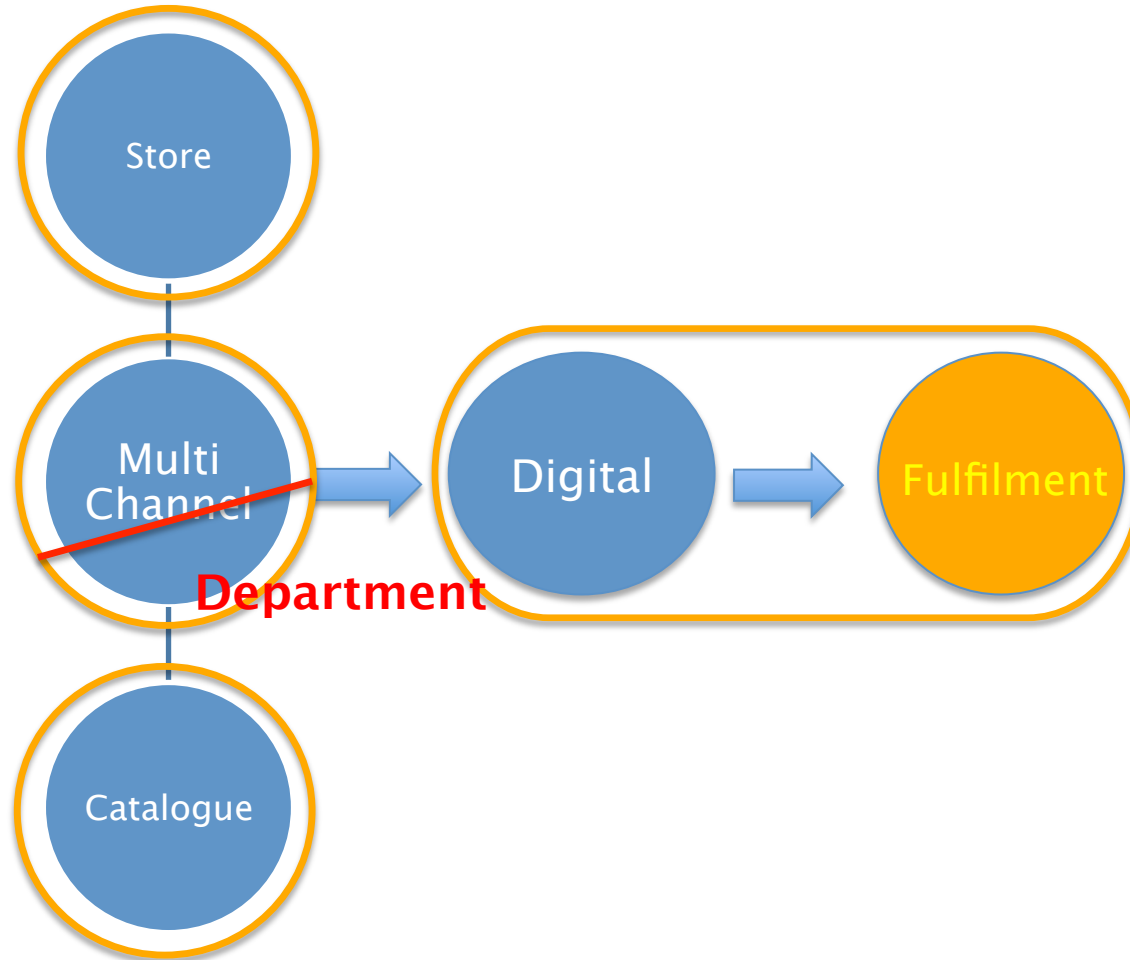
Not progressing fast  
enough towards  
omnichannel



40

Lack of internal  
coordination is  
biggest threat

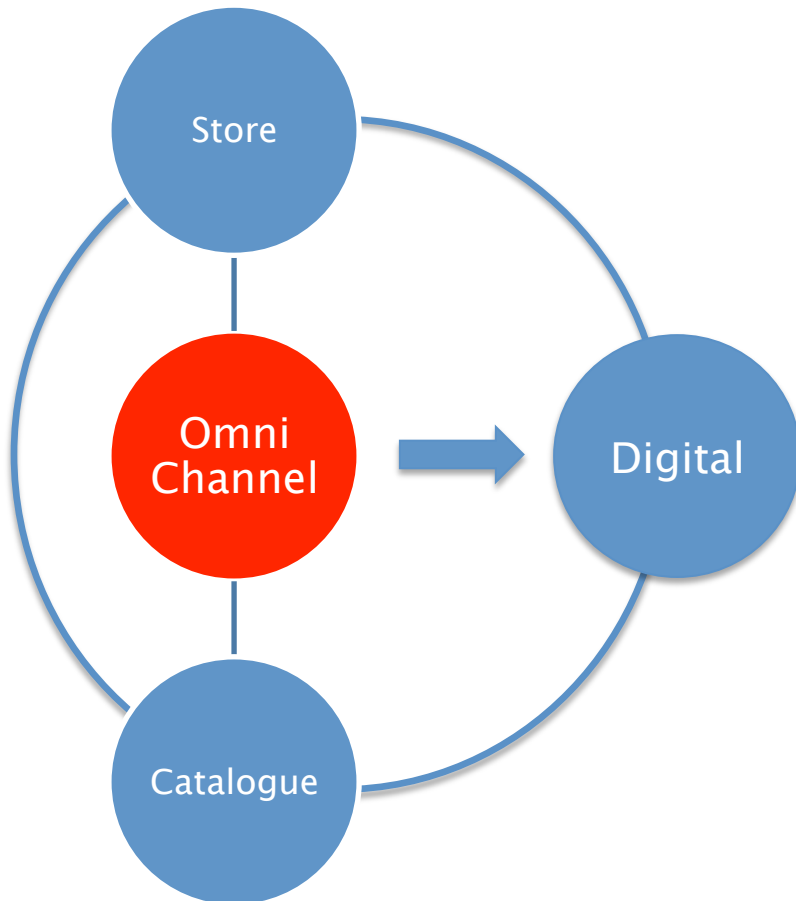
# Disconnected Customer Touchpoints



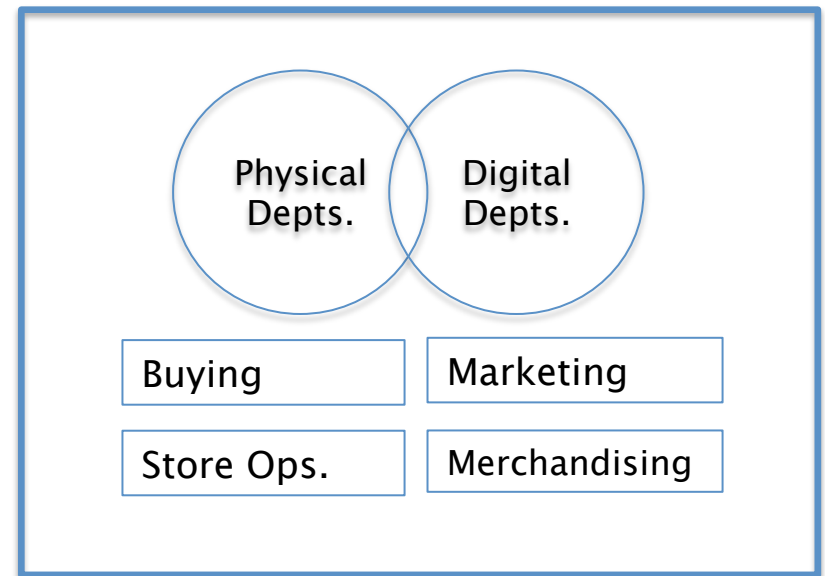


# Protecting the brand

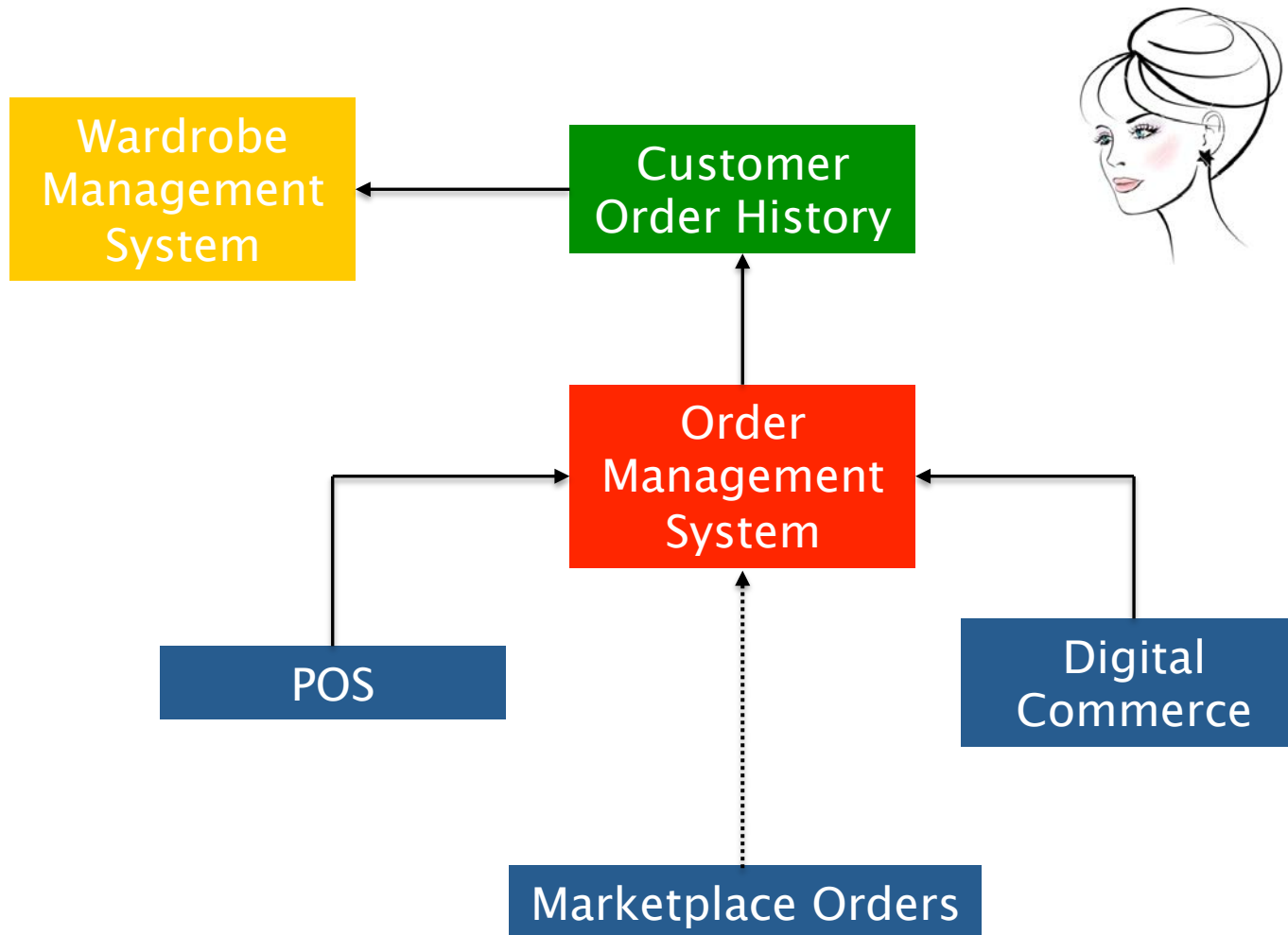
## Omni Channel Seamless Shopping Journey



Integrated and Synchronised.  
One view of the customer  
One view of the brand



# One View Of Order



# One View of Customer



SOCIAL



MOBILE



EMAIL



LOYALTY



FACE-TO-  
FACE



AT HOME

# AllSaints - The Best of Both





# THANK YOU

Dr. Violet Lazarevic  
Senior Research Consultant, ACRS  
Monash Business School  
[violet.lazarevic@monash.edu](mailto:violet.lazarevic@monash.edu)  
[@VioletLazarevic](#)