

The Customer View

Merchandising From All Angles



The number one reason consumers prefer to shop in brick and mortar stores is to **experience the product in person** ([56% of people surveyed, KPMG](#)). When thinking about merchandising and marketing execution in physical environments, it's critical to consider every aspect of the customer experience to ensure expectations are exceeded in the areas where their aspirations are the highest. After all, brick-and-mortar sales still account for [87% of total retail sales](#). Though ecommerce sales continue to climb year-over-year, in-person retail shopping still accounts for the vast majority of retail sales.



Understanding shifting customer behaviors each step of the way through the brick and mortar retail or restaurant environment will increase in-store sales, customer loyalty and even ecommerce sales (as customers follow the evolving purchase journey of in-store to online through intentional programming that unites and rewards online and offline strategies).

Brands who disappoint with the in-store experience face a high likelihood of shoppers transitioning their purchases, as well as future purchases, to online or brick and mortar competitors. Falling short of experiential excellence will cost you customers you already won and make the climb to winning them back steep and arduous.

Top in-store customer experience strategies are heavily reliant on the execution of store and field teams, which inherently presents human risk to the business. In retail and restaurants, store teams are often a mix of highly experienced and skilled

veterans combined with junior associates that boast a high turnover rate - 81% in retail ([Retail Dive](#)) and 73% in restaurant ([DailyPay](#)). Because of this, finding a healthy balance between establishing, organizing and communicating institutional knowledge and encouraging innovation and autonomy of the team is essential. Adapting to new ways of working and generational expectations of employers and work experience will also be key for HR, L&D and Operations teams of the future. Teams who effectively strike this balance while maintaining a clear focus on improving the customer experience will win both short-term and long-term in-store sales with customer and transaction count increases. With education, empowerment and success come teams and individual contributors that are more fulfilled and likely to grow with the company. And institutional veterans can be rewarded and inspired by passing on their legacy and knowledge to the next generation of ambassadors.

Anchor Points



When optimizing the brick and mortar customer experience, it's essential to retain the ability to see the store as a customer would, not as an employee would. Getting an unbiased view of your execution by stepping away from your own perception of your store environment pays dividends, and objectively measuring your performance at 4 - 5 key "anchor points" of your merchandising or marketing can have transformative effects on revenue.

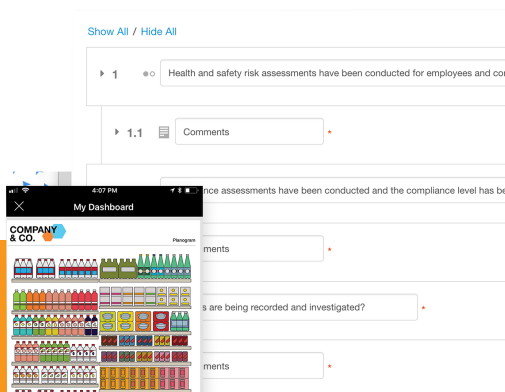
Anchor points are high-traffic locations where you prioritize execution efforts. Identifying these points at every store, then quantifying the performance achieved in them through success metrics, will allow you to objectively track and improve on your efforts over time.

"Brands can build their team's merchandising muscles by clearly communicating display expectations and

teaching to the test," clearly articulating how displays can and should be executed.

As execution at these anchor points improves over time, loosen the reins on how much guidance is being provided for the display. Allow teams to try new things and reward cultures of innovation. Empowering teams to customize displays to their unique store environment builds an authentic sense of ownership over their merchandising, wows customers, and allows for localization and moments of delight that can be extremely brand differentiating.

Tracking these displays visually and identifying top performance by correlating "best executed," "most innovative," or "best localization" with store sales data can yield powerful results for brands. Sharing top displays across locations, and rewarding teams who excel reinforces what success looks like and makes high-performing displays easy to replicate and scale in the future.



Content Sharing in GoSpotCheck

GoSpotCheck's mobile content sharing provides on demand access to relevant images, documents and reports to help your team do their best work. With content sharing, **embed a planogram schematic right inside a survey** you create to validate that a plangram was set up correctly, or embed a photo of the "perfect" display as a reference for your team as they are complete a display execution survey.

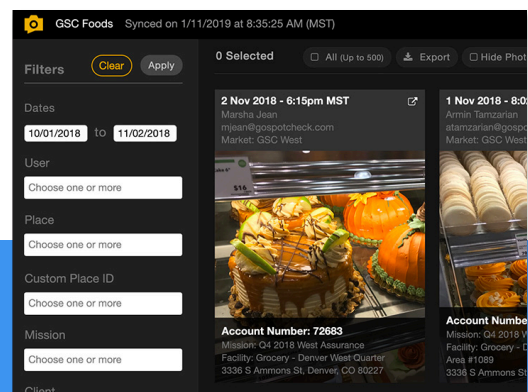


Photo Validation in GoSpotCheck

GoSpotCheck offers a number of powerful photo validation solutions to make capturing, organizing and analyzing photos a breeze. First, verify that your team is submitting only the freshest photos by requiring they capture and submit real-time photos. Next, use Photo Album to organize and navigate your photo library from stores across your execution footprint, **filtering and sorting to quickly identify standout execution examples.**

GoSpotCheck makes it easy to take the data and images your team has collected and transform them into something meaningful and actionable. Help influence better placement by sharing GoSpotCheck Mission Responses with store leadership, right from the mobile app. Create custom dash and leaderboards for each new initiative within Insights, GoSpotCheck's Advanced Reporting solution. You can even choose to integrate your sales data inside Insights, to help tell an end-to-end story about the effectiveness of your team's execution efforts.

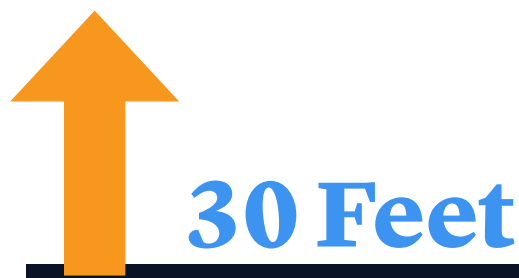
View Points

As teams master execution at anchor points, and new team members become proficient more quickly by referencing historical success, it's time to add on a few more layers to the thought process.

When customers shop in a retail or foodservice environment, their needs and behaviors change drastically throughout their experience depending on where they are physically in the store. Meaning: the customer's **'job-to-be-done'** is different at the entrance of the store than it is along the store perimeter, center store, or check-out. *Your* job-to-be-done is to see what customers see throughout the shop, and make their shopping experience as easy, enjoyable and successful as possible.

To do this, take those 4-5 anchor points identified previously, and layer on a plan for how to execute against a customer's perception of these anchors at three different "view points" in the shopping experience. The specific view points will likely

change based on store size and layout, but we'll use the points of **30 feet**, **20 feet** and **10 feet** away from anchors as examples here. At these points, consider what customers see and think at each point, what they are influenced by, and how to audit these pieces to ensure consistently enjoyable experiences for customers.



Job-to-be-done

At this point, customers are thinking at a high level - less about items, more about categories. This is where they look for help to get oriented in the store. *How do I get to where I need to go?*



What do customers see?

Way-Finding

- As customers pass the decompression zone - defined by Paco Underhill as the area inside the door where potential shoppers adjust and relax their speed and vision, prior to engaging in purchasing decisions - they'll look up for help to find where they need to go. Accurate and visible way-finding signage is key here, and should be audited at new store openings, remodels and category resets.

Decor

- High-level decor pieces are an area in which the customer's overall perception of brand can be influenced. While they likely won't read messaging at this level, the visual aesthetic of the materials can help shape customer experience and inform their emotions. Audit decor pieces at large seasonal shifts for proper installation and material usage.

General Cleanliness

- A lack of cleanliness is a leading reason that customers stop shopping at specific brick-and-mortar retailers (right up there with

out-of-stocks). While not directly related to merchandising, cleanliness impacts whether or not a customer even makes it to the key anchor points in the store. Audit these spots daily to keep customers coming back.

Brand Influence on Long Term Value

- Other touchpoints in this moment within the customer journey should be unique to your brand and have the ability to influence purchasing decisions in the moment, but more importantly, over the long-term.
- Vice President of Marketing at Lucky's Market, Ben Friedland, offers that the customer "*should feel a sense of arrival upon entering the store to validate the decision they made to shop there in the first place. After that, a million little brand touchpoints can help to positively disrupt people from their original expectations of what the shopping experience is going to be like, and can add up to a feeling that they've 'bought right,' then influence their desire to keep coming back. Customers should leave the store feeling like they've won.*"
- Consider what these touchpoints are for your brand - whether it's the music playing, unique aspects of store design, above-and-beyond customer service or merchandising style - and validate that those efforts are executed as intended on a daily basis.



Job-to-be-done

Here comes the nitty gritty navigation of store, especially when using a shopping cart. This is also the best place for interaction with team members and other customers, as well as 'window-shopping' while shopping.

What do customers see?

Anchor Adjacencies

- As customers approach merchandising anchor points, they will be influenced by the **merchandising adjacencies** near the primary display and are open to unplanned purchases. Plan merchandising here intentionally to be seasonally or thematically relevant, to blend margin or to build basket/ticket size. Audit adjacencies at each major merchandising shift or schematic revision.

Team Members

- This is where customer service plays a role in the overall experience. Aim to warmly greet customers within 10 feet or 10 seconds of their entering the store. Ensure the team is prepared to speak to and suggest the products that are featured on anchor displays by providing training materials early, then during store audits, stop team members that you see for a short and informal quiz. Record and aggregate correct responses to get a pulse on how effective the training tactics have been.

Large Format Promotional Signage

- No team members around? Signage can act as a stand-in to suggestive sell as customers navigate to anchor points.

- Audit use, fit and installation of promotional materials at each major merchandising shift to get the most out of the investment in promotional materials. Millions of dollars are spent every year on signage materials that never make it to the sales floor. Don't let those dollars go to waste!

Other Shoppers

- Sentiment with experience is contagious. We may not often consider this a factor in how customers shop, but the energy created by the people shopping in your store is a powerful influencer that impacts the behavior of other consumers nearby.
- You can measure this phenomenon by conducting and recording brief customer intercept surveys monthly to evaluate the overall perception that customers have while they are in the store environment. Track these trends over time as a success metric for experience. Consider timing your intercepts during high-traffic, "buzzy" times to understand the impact of your experiential innovations. Keep surveys brief and focused only on the types of data that you can't glean from sales data or other existing data sources. Ask customers about how they 'feel' rather than about what they 'do' in order to enable you to pair this qualitative data with existing quantitative data to complete the picture of the customer experience.



Use GoSpotCheck to create and distribute mobile surveys that help you find answers to the questions that matter most to your business.

Create targeted, intelligent surveys using our web-based form builder, and immediately make them available on the mobile devices of specific teams, banners or regions. **Precise distribution settings give you control of what gets asked and when**, including the ability to target the specific time of day when the survey ought to be presented to the team for completion.



10 Feet

Job-to-be-done

The final ten feet before a customer reaches a display is "decision time." Here, they'll hone in on what they came for, evaluate other options, review your pricing, and perhaps find something new or unexpected.

What do customers see?

POP Signage

- This is the last chance to use messaging to influence a decision. After this step, customers will be influenced by the packaging and price point. Point them in the right direction with curated messaging to close the deal on the item you are promoting. Audit signage use and installation at each merchandising shift to measure how effectively POP materials are "closing the deal." Ensure your message is brand relevant, catchy, and short. Experiment with messages based on customer segments--what do they care about most?

Out-of-Stocks

- This one is obvious - if the product isn't there, it can't be purchased. Per [Retail Wire](#), out-of-stocks are responsible for 4.1% of lost revenue for the average retailer.
- Track out-of-stocks daily by auditing volume and reasons for each out-of stock. Report on this to gain visibility into trends over time, and influence purchasing, production or operational needs to improve performance.

SKU Count

- The eternal merchandising question - how much choice is too much? Answer this for your business by tracking SKU count compliance to planograms at all locations and measuring effectiveness through different iterations. The first step to understanding what works is to understand with precision what is currently happening. (Reporting screenshot - overlay responses with sales data)

Conclusion

Anchor points and **view points** defined and optimized throughout the customer experience are critical for retailers and restaurants to drive incremental sales. They also represent a large swath of 'won' sales that could otherwise slip through the cracks with sub-par execution. Gaining visibility into execution and experience gaps at these crucial points in your customer experience can help you to identify the areas where you can better serve your customers with more consistency.

Gain visibility into, and transform, what customers are seeing by using GoSpotCheck to confirm execution, close experience gaps across locations, and correlate execution data to key success metrics. Capture visual and quantitative data to help build institutional knowledge and improve execution over time. Use data captured to coach and develop excellence in times of rapid transition and change. Think of GoSpotCheck as an investment in knowledge and a mechanism that can inform your business decisions and to help teach to the test so that your team continually improves and excels at all aspects of in-store execution.



See how GoSpotCheck can help communicate, validate and improve your merchandising execution.

[Schedule a live demo today.](#)