

RETAIL

Great store experiences defined by 5 senses: Wharton's Barbara E. Kahn

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The Wharton School's Barbara E. Kahn is author of the newly published book, *"The Shopping Revolution: How Successful Retailers Win Customers in an Era of Endless Disruption"*

By [Daniel Hodges](#)

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Barbara E. Kahn is the Patty and Jay H. Baker professor of marketing at the University of Pennsylvania's Wharton School and author of a newly published book, *The Shopping Revolution: How Successful Retailers Win Customers in an Era of Endless Disruption*.

While acknowledging the growing role of ecommerce and mobile, Ms. Kahn still holds water for store-based retail.

"Great store experiences are also defined by our five senses," Ms. Kahn said.

"Whereas online shopping can provide visual and audio components," she said, "only physical stores can add in enticing smells, tastes and tactile experiences."

The Shopping Revolution is Ms. Kahn's third book, after *Global Brand Power: Leveraging Branding for Long-Term Growth* and *The Grocery Revolution: The New Focus on the Consumer*.

Here are her thoughts on the bricks-and-mortar retail store, role of experience within that environment and the increasing importance of artificial intelligence (AI) in customer personalization.

What is the future of store-based retail?

Although there is no question that ecommerce and mobile commerce sales are increasing at a rapid pace, I don't think any retail analysts would predict the end of physical store retailing.

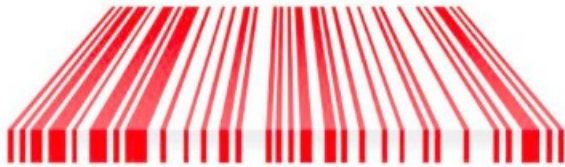
However, there is also no doubt that the store experiences will have to improve to meet rising customers' expectations.

In addition to improvements in physical merchandising and better inventory control, customers will demand better experiences in the stores.

In luxury, I believe consumers will demand personalization and customization, and some sense of surprise and delight.

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THE SHOPPING REVOLUTION



*How Successful Retailers
Win Customers in an Era
of Endless Disruption*



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"The Shopping Revolution: How Successful Retailers Win Customers in an Era of Endless Disruption," Wharton Digital Press, June 2018, pp 174

How do you define the experience within the four walls of the retail store?

Customer experience can range from easy, convenient shopping, probably best exemplified in the U. S. by Amazon's new Amazon Fresh stores with their just-walk-out technology, to luxurious, fun shopping like what one experiences at Eataly or luxury retailers such as Louis Vuitton or Gucci.

Store experiences can also be interactive, either through state-of-the-art in-store technology, augmented reality displays, or just experienced and helpful sales associates.

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What is the role of AI in retail?

What we are seeing in modern retailing is a seamless integration across all channels, allowing the retailer to merge the purchase histories across these channels.

These retailers are also increasing touch points with their customers.

All of this allows them to collect Big Data on their customers' shopping experiences. With this data, artificial intelligence or machine learning can begin to understand what drives shoppers' purchases.

This will allow retailers to improve the shopping experience and to personalize and customize to meet customer demands. It also helps with better inventory control.



Dan Hodges is CEO of Consumers in Motion

*Daniel Hodges is CEO of **Consumers in Motion Group**, New York. Reach him at dan@consumersinmotion.com.*

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