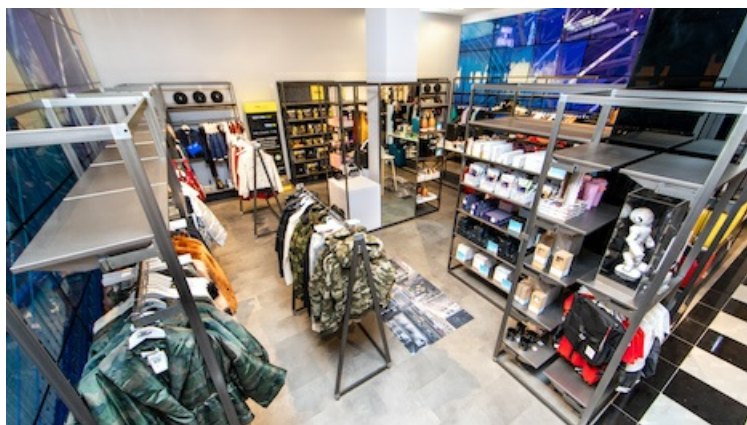


RETAIL

In-store events may not solve bricks-and-mortar's problems

May 20, 2019



Inside Bloomingdale's The Carousel. Image courtesy of Bloomingdale's

By SARAH RAMIREZ

Reluctance and misapplications of omnichannel strategies has contributed to bricks-and-mortar retail's recent stumbles, in spite of a strong economy.

Subscribe to **Luxury Daily**
Plus: Just released
State of Luxury 2019 **Save \$246 ▶**

According to a new omnichannel retail report from Blis, consumers primarily view physical stores as one of many components in their shopping journeys. Shoppers are seeking more seamless in-store experiences, while retailers are looking to unique events to draw foot traffic to their physical locations.

"When it comes to digital-first and direct-to-consumer brands who have been opening more stores and pop-up shops, it's clear that shoppers still like the engagement and experience they get when shopping in-store," said Gil Larsen, vice president of the Americas at **Blis**, New York. "From that, traditional retail brands can begin to take a look at what newer digital-first brands are doing and replicate them to create that seamless experience shoppers are looking for."

The Blis report is based on a survey of 1,200 consumers.

Omnichannel convenience

Despite the growth of ecommerce sales, in-store experiences continue to enjoy popularity among shoppers and cannot be neglected by retailers.

More than a third of consumers prefer making purchases at bricks-and-mortar locations, despite less than 15 percent looking to stores for shopping inspiration or advice.

However, the majority of consumers prefer using desktops to browse for inspiration, advice and price comparisons. Four in 10 favor online shopping via desktops or laptops over purchasing on mobile devices including mobile sites, mobile applications or social media and in-store.



Omnichannel consumers are drawn to convenience. Image credit: Olapic

A quarter of consumers shift from preferring desktops to in-store as they transition from the discovery and research stages to the purchase phase, reflecting the reality of today's omnichannel customer journeys.

Of the 71 percent of consumers who shop online, 32 percent save items to buy later, whether the transactions are completed in-store or at a desktop.

The popularity of online shopping also offers retailers the opportunity to engage consumers through ongoing, personalized subscriptions.

Interest in subscription models is increasing among all age demographics, but consumers between ages 25 and 34 are most receptive.

More than 80 percent of these younger consumers choose to automate shipping, and 26 percent would use a footwear subscription service. Eighteen percent of millennials would also subscribe to retailers that ship clothing geared for work or leisure activities.

Male consumers show more interest in clothing and shoe subscriptions, suggesting opportunities in the market for subscription services geared towards men instead of women.

Convenience can also motivate consumers to shop bricks-and-mortar more frequently.

Forty-five percent would shop physical stores more if they could utilize click-and-collect services, buying or shopping online and picking up purchases in-store.

A quarter of shoppers would also use services that allow them to buy in-store but have purchases shipped to their homes or elsewhere. Consumers are also interested in personalized attention, with 25 percent also showing interest in having their most frequently purchased items waiting in carts upon their arrival in-store.

Only 14 percent of consumers are interested in attending events at bricks-and-mortar stores, such as book readings or live music, and less than 10 percent are motivated to visit stores for the purpose of sharing their experiences on social media.

These findings cast doubt on the effectiveness of in-store events, as luxury brands continue to invest in these areas.

Last fall, department store Bloomingdale's introduced The Carousel, a revolving pop-up featuring an eclectic mix of products picked by a curator based on a specific theme. Creating newness, the pop-up evolves every two months as a different tastemaker takes over ([see story](#)).



Most consumers still have not attended in-store events. Image credit: Harrods

Nearly 60 percent of consumers have not attended in-store events at all. Six percent of shoppers have attended in-store events, but limit their participation to sharing social media content and leave without buying any items.

Another two in 10 consumers report making purchases after attending in-store events, while 16 percent bought items they would have purchased without the event.

"The physical store will always have its advantages, and for many, this is related to security or the possibility to be in the space for other activities, such as participating in a local event while shopping," Mr. Larsen said. "The issue lies in the fact that 59 percent of respondents hadn't been to an experiential in-store event at all, which leads us to believe that there's room for improvement in retailers' omnichannel strategies driving consumers in-store.

"Once on-site, these experiences do have the potential to influence purchases if done correctly, but ultimately the real ROI lies in the step before getting people's attention through their phones and into the store," he said. "And once that's achieved, brands should make these experiences as personalized as possible."

Mobile engagement

Leveraging mobile advertisements can also help draw shoppers to physical stores.

Two-thirds of consumers surveyed by Blis have at least one mobile shopping application.

Retailers who actively promote their mobile applications especially continue to see positive growth as more users embrace in-app shopping, according to a report from Criteo. Bricks-and-mortar retailers, however, still lag behind their online-only competitors and need to better integrate online and offline efforts ([see story](#)).

Blis also reported that 41 percent of shoppers would be interested in visiting a store if they received a mobile ad triggered by their proximity to a retail location.

While mobile phones are increasingly being used by consumers for purchases, they can also play a key role at driving in-store traffic for retailers through search.

According to a report from Uberall, more than 80 percent of consumers are using their mobile phones to search for retailers, products and more that are near them at the moment. Showing the importance of mobile to bricks-and-mortar retail, more than half of those who use their phones for shopping seek out store hours or locations ([see story](#)).

"If luxury brands can replicate some of the ways digital-first and direct-to-consumer brands engage with shoppers, they have a greater opportunity to reach shoppers they may not have before," Blis' Mr. Larsen said.

"Modern consumers have become accustomed to a tailored experience unique to them, which is particularly true in the high-end luxury sector," he said. "By creating a seamless shopping experience that can easily transition from online to offline, luxury retailers can offer an added incentive for consumers with truly one-of-a-kind omni-shopping experience."