



THE GREAT RETAIL RESET

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NEW YEAR, ALL CHANGE?

Philip Kotler has long been a guiding voice in marketing, and his latest book, *Redefining Retail*, brings fresh perspectives to today's rapidly evolving retail landscape.

Kotler highlights the urgency for change:

"Previously, there were 2,500 shopping malls in the US; now roughly 700. That may drop to 200. Do we even need stores anymore?"

His message is clear. Retailers must rethink every aspect of the value chain to stay relevant. It's a thought-provoking read for anyone navigating the future of retail.

FROM CONCEPTS TO ACTION

Kotler's principles set the direction, but their value lies in execution. One of his ten principles, 'Be Onlife', urges retailers to blend online and offline experiences, creating a seamless shopping journey that bridges digital and physical spaces. As we know, this is easier said than done. Success depends on exceptional execution, not just good intentions.

Marks & Spencer's recent moves, like refurbishing the Marble Arch flagship and opening at Battersea Power Station, showcase how investing in physical stores can inspire reinvention. Their focus on the in-store experience highlights the enduring value of physical stores

Such efforts breathe new life into town centres and give physical retail a renewed purpose. Engaging younger generations and enhancing in-store experiences can attract foot traffic while fostering a sense of community.

WHY IT MATTERS

Rejuvenating town centres and high streets is about more than just the economy; it's about creating vibrant social spaces where people can connect, engage with their communities, and enjoy experiences that go beyond mere transactions. These spaces serve as the heart of local culture, fostering a sense of belonging and revitalizing urban life.

To illustrate this, two turnarounds from my market in the UK that showing the power of collaboration between planners and retailers

1. **Altrincham Regeneration Project:** The former House of Fraser building in Altrincham has been transformed into a dynamic retail and lifestyle hub. The space now combines a shopping complex with independent stores, flexible workspaces, and leisure facilities, creating a vibrant destination that draws foot traffic back to the high street.
2. **Barnsley Town Centre:** The Glass Works project has revitalized Barnsley's retail offering, blending an upgraded market with a mix of national and independent stores, alongside leisure spaces. Community events and a focus on diverse businesses have re-energised the town centre

THE ROLE FOR INSIGHT

As shopping patterns change, collecting evidence on behaviour to challenge some outdated assumptions has never been clearer.

Creating experiences that delight the shopper

Physical retail must address the deeply human need for sensory and social experiences. While online shopping offers convenience, stores can provide tactile engagement, immediate gratification, and personal connection. They create opportunities for customers to interact with products, explore new ideas, and enjoy unexpected discoveries that simply don't exist in a digital environment.

At DVJ, we delve into these dynamics by exploring shoppers' need-states, their mindsets when shopping, the core emotional and practical motivators (CEPs), shopping missions, and the specific usage occasions that drive trips. This enables us to uncover what truly matters to shoppers and how retailers can meet these needs.

Telling the shoppers' story from trigger to buy

The modern Path to Purchase is no longer linear; it's a web of touchpoints across physical and digital channels. Customers may browse online, visit stores to compare options, and then complete their purchase on an app or website. Retailers must craft seamless transitions between these steps, using data to personalise interactions and creating omnichannel experiences that make the journey feel intuitive and connected.

For our clients, understanding the steps from trigger to purchase decision is critical. Mapping how different Shopper types navigate the journey, their missions, mindsets, and retailer preferences provides actionable insights for both Brands and Retailers. This real-world insight identifies the most effective touchpoints and channels to engage customers. For joint business planning, these insights become invaluable, enabling targeted improvements and enhancing retailer relevance for the right customers at the right time.

Getting the details right at the moment of purchase

Every element of the store environment—from fixtures to shelves—should be designed to guide decisions and enhance the shopping experience. Shelves must be well-organised and visually compelling, drawing attention to key products while encouraging discovery. Fixtures should prioritise ease of navigation, creating moments of delight or inspiration that influence buying decisions.

At DVJ, we rigorously test decision-making and the choices people make at the moment of purchase. Our approach is grounded in understanding not just what people buy, but why they make those decisions. We use a thoughtful combination of methodologies: asking direct questions to uncover motivations, observing real-world shopping behavior to capture context, and analysing choice to identify patterns and triggers.

This blend of techniques ensures we capture the full picture, from emotional drivers to practical constraints, offering actionable insights into what truly influences purchasing decisions.

GET IN TOUCH

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References: *Redefining Retail IO Guiding Principles for a Post-Digital World* by Philip Kotler and Giuseppe Stigliano (2024)