

# **Conference Proceedings**

Inaugural Designing Retail & Service Futures Colloquium

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Reimagining the future for retail and service design

theory and practices

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These proceedings were created by compiling the papers presented at the first colloquium of the **Special Interest Group** (SIG) **Designing Retail & Service Futures** from the Design Research Society (DRS). The SIG was established in 2021 under the guidance of the Design Research Society. The SIG strives to gain a better understanding of the value of design in the commercial sector, including disciplines, such as interior design, architecture, retail and hospitality, branding, marketing, strategic design, design management and consumer psychology. Design and its value have been a subject of study for many years and from many different disciplinary perspectives (ranging from product design to marketing, business economics, service design, management, environmental psychology, (interior)architecture, etc.). However, these perspectives have been developed in a fragmented way with discrete research methods and results that present limitations to practically applying these findings holistically across the inter-related fields of design, retail, and services

Recent developments, that have been accelerated by the pandemic and the current economic crisis, show that in practice, services are becoming integral to retail and vice versa. The consumers' needs and the dedication of retailers to serve these needs have sparked new approaches that unite both service and retail design. Whether it be online or offline (or both), for a product or a service or an experience, or all together... It is only natural that the research community support the development of this field through furthering insights. This colloquium focuses on bringing together various disciplines to contribute their related knowledge and insights with the objective of calibrating terms and meanings that strive for consensus across disciplines related to retail and service design. This is to work towards knowledge and practice-based contributions that strive for a more holistic and encompassing retail and service design future.

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#### Scenarios of Virtual-Physical Cross-Influences and Future Perspectives in the Design of Fashion Retail Environments.

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Customers' growing confidence in the usage of the internet and social media is shifting their purchase behaviour and, consequently, the design of commercial venues.

The implementation of the omnichannel strategy suggests a complete integration between the virtual and physical dimensions of shopping, outlining a new, hybrid dimension centred on customers' engagement.

While many research focus on describing in-store technological integration, this paper aims at pointing out the aspects of the spatial relationship between the material dimension of the physical shop and the immaterial one of the digital channels.

Through the qualitative analysis of case studies, this work illustrates four types of integration of digital media with the physical retail space: 1. Physical place expanding into the virtual dimension (physical set ups echoing into the digital world); 2. Phygital set ups (permeation of physical realm into the digital and vice versa); 3. Physical/virtual complementarity (physical and digital brand's universes that collaborate in the realisation of an omnichannel architecture); 4. Virtual flagship stores (digital platforms resembling physical spaces). The four outlined scenarios indicate different design solutions through which it is possible to create continuity in the perception of the material and immaterial dimensions of shopping.

Keywords: Retail Design; Omnichannel Retail; Fashion Retailing; Channel Integration; Design Scenarios

#### Introduction

The emergence of internet-based purchase channels of the last decades is considered one of the most significant evolutions in retailing (Alexander & Blazquez Cano, 2020), with a particular impact on fashion retailing (Bonetti & Perry, 2017). Recently, another change of perspective occurred: in October 2016 mobile phones surpassed computers as the preferred tool to browse the internet (StatCounter, 2016). Since smartphones became a central component within our everyday lives (PwC/Kantar Retail, 2020), it is no surprise that they gradually took a prominent role in the shopping activity as well (Perry et al., 2019). Within this panorama, purchases are more flexible than ever, transposing from the static place of the bricks-andmortar store to the displaceable one of personal computers, tablets and mobile phones. Therefore, technologies related to personal devices, such as apps and social networks, are gaining importance in the definition of new consumption patterns and purchase methods (Perry et al., 2019). This trend forces designers to re-examine the role of physical fashion stores and their relationship with digital platforms, offering opportunities for retail design experimentation (Piotrowicz & Cuthbertson, 2014) at the intersection between the physical and the virtual commercial space. The once well-defined place of the boutique, multiplied in different forms, is much more blurred today, and design is called to act in the retail transformation (Chen, 2020) as a discipline capable of sensing change and translating it into innovation (Bertola et al., 2018).

The adoption of the omnichannel strategy has a significant weight in the future of retailing as the integration of physical and virtual channels is changing our understanding of the role of both on- and off- line marketplaces and, consequently, how they should be designed. Brands across different market segmentations and sectors, from fast fashion to luxury, from beauty to footwear, are finding their own way to merge online and offline platforms to deliver a coherent, holistic, and fluid customer journey. The thinning of the border between physical and virtual channels allows customers to switch across bricks-and-mortar stores and online platforms regardless of place, time, or device, benefitting from each channel's strong points (Alexander & Blazquez Cano, 2019).

Putting the omnichannel retail strategy into practice has several implications design-wise. In the project of bricks-and-mortar stores, it means acknowledging customers' motivations and ways of interacting with the virtual realm both inside and outside the store and translating them into the three-dimensional ambient of the shop providing, for example, BOPIS or DORIS areas, self-check-outs or selfie-mirrors. On the other hand, when designing the interface of their digital channels, brands must try to fill the lack of physical engagement and experiential journey that characterize the store. Through the implementation of the omnichannel strategy, an *augmented* (Chen, 2020), *placeless* store (Pantano & Verteramo, 2015) is gradually replacing what were before two separated purchase platforms, spreading across the real and virtual domains.

While marketing scholars and design practitioners have been dealing with these transformations for several years, the amount of field-specific academic literature remains scarce from an architectural perspective (Servais et al., 2022). It is urgent then to reflect on these evolutions from the point of view of "space-makers" to understand how architects and retail designers should approach this topic in the future. The field of fashion retail is particularly appropriate for this investigation for different reasons. First, architecture and fashion discovered their reciprocal link quite early within the 19<sup>th</sup> Century department stores (Curtis & Watson, 2004), allowing to trace an evolution of their relationship throughout the centuries. Second, fashion is intertwined with architecture as spatial and social practice (Potvin, 2008). Being "a physical manifestation of the culture of the time" (Marenco Mores, 2007), fashion reflects society's cultural and economic changes (Crewe, 2017; Quinn, 2003, Petermans & Kent, 2016) and it is therefore interesting to analyse its connection with the design of space as it might lead to insightful conclusions also on wider topics as urban and social transformations.

With these premises, this paper aims at pointing out the aspects of the spatial relationship between the physical shop and the digital channels within the fashion sector, highlighting cross-contaminations in the design of both kinds of spaces. Through the analysis of significant case studies, this work illustrates four scenarios where digital media integrate with the physical retail space through design solutions that create continuity in the perception of the off- and on-line shopping dimensions. At present, these configurations still represent innovative and sporadic solutions. Nevertheless, the transition to the phygital universe that is currently underway in the retail sector will lead to an increasing number of omnichannel architectures (lannilli & Linfante, 2022). The present research is therefore extremely helpful for future retailers as it provides a classification of different design approaches to set up the physical-digital integration of a brand's retail platforms. The first step to reach this goal was to set a frame of the interrelations between physical and digital spaces, deciding the "position" of the possible scenarios across the two domains. The outcome is a spatial organization that includes four options: physical space with influences on the virtual realm; inbetween existence; complementary physical and virtual existence; digital space with influences on the physical domain (see Fig.1). The second phase consisted in the selection of the case-studies building on the review of significant literature, including academic research, industry reports and news articles, and on subjective observations. After an initial classification of the examples acquired from the literature, the final sorting included those cases where a clear spatial relationship could be identified between the physical and virtual platforms and that could specifically fit into the established framework (see Tab.1).

In the first case, Jacquemus and Balenciaga's pop-ups show how an "hyperphysical" space is designed to be also part of a digital strategy. The second example, Burberry's Social Store in Shenzhen, demonstrate the possibility of physical and virtual universe to coexist within a phygital realm. Canada Goose's "The Journey" experiential store exemplifies the complementarity of digital and physical spaces supporting different functions and, finally, the case of Gucci's and Prada's digital platforms points out how not only is internet culture influencing the design of physical stores, but also bricks-and-mortar retailing influences the design of virtual touchpoints.

As the target of the paper is to define spatial design scenarios, examples related to service integration or technological implementation are not considered within this work.

The Metaverse Effect	Miller, 2022 (BOF)	p
The Next Level of In-Store Events	Miller, 2022 (BOF)	store
Serving the Customer Online and Off	Miller, 2022 (BOF)	
Renewed brand community.	Iannilli and Linfante, 2022	
AR driven experiences across communication and retail.	Iannilli and Linfante, 2022	
In-gaming experience [fashion show replaced with an immersive gamin	Iannilli and Linfante, 2022	TOW
Digital platforms for international retailer-led customization [virtual space not only for promoting, customizing and communicating the collection	Iannilli and Linfante, 2022	
Online retailer: Immersive retail [mixed reality apps to help customers visualize h	Gauri et al., 2021	)n"
Online retailer: Personalized experience [personalized offer/contents based on c	Gauri et al., 2021	
Online retailer: Product Customization.	Gauri et al., 2021	
Online retailer: Direct-to-consumer (DTC).	Gauri et al., 2021	XOILI
Online retailer: Cashier-less stores.	Gauri et al., 2021	
Online retailer: Zero-inventory stores [to serve as showrooms, provide sensory infor	Gauri et al., 2021	
Offline retailer: Pop-up stores [open only for a defined period. Tangible experience t	Gauri et al., 2021	
Offline retailer: "Immersive" retail [mixed reality (MR) and/or augmented	Gauri et al., 2021	
Offline retailer: Resale/rental assortments.	Gauri et al., 2021	
Offline retailer: Experience-in-a-box [to bring the shopping experience into	Gauri et al., 2021	
Offline retailer: In-store experience-driven retail or "Retailtain	Gauri et al., 2021	Иге
Offline retailer: Zero-inventory stores with endless aisles	Gauri et al., 2021	se
Content and experience platform [in-store technologies to connect physical a	Iannilli and Spagnoli, 2021	
Curatorial aproach [content selection and composition to build narrat	Iannilli and Spagnoli, 2021	
Emotional connection [atmospherics and technological innovation to amplify the	Iannilli and Spagnoli, 2021	
Local service hubs [shop capable of adapting to local need	Iannilli and Spagnoli, 2021	ıb
Community center [space programmed to drive community, socia	Alexander and Blazquez Cano, 2020	
Digital zones [technology to deliver customer experience e.g. Smart f	Alexander and Blazquez Cano, 2020	ikoff
Fluid [experimentation, tech-testing embracing agility, changeability a	Alexander and Blazquez Cano, 2020	
Storytelling [curatorial practices to showcase brand identity	Alexander and Blazquez Cano, 2020	Arket
CHARACTERISTIC HIGHLIGHTED	SOURCE	

Table 1. Case-studies from existing literature featuring future retail scenarios. Sources: Alexander and Blezquez Cano (2020); Iannilli and Spagnoli (2021); Gauri et al. (2021); Iannilli and Linfante (2022); Miller (2022)

#### The importance of customer experience in retailing

"The concept of omnichannel represents a shift in the retail paradigm precisely because it is rooted in customer behaviour. [...] Customer experiences have become increasingly important within omnichannel retail with greater emphasis on the physical store environment offering space for interactivity, socialization and communication." (Alexander & Blazquez Cano, 2020; pp. 2-3).

To better understand this work, it is important to frame it, however briefly, within the bigger discourse of shopping experience, which is nowadays a fundamental aspect to take into consideration when designing both physical and virtual brand's touchpoints.

The importance of experience within the shopping domain, and the role of store design in its creation, have been gradually recognized both by academics and practitioners starting from the second half of the 20th Century (Branzi, 2002; Scodeller, 2004; Marenco Mores, 2007). With the economic growth of the post-war period, research into purchasing behaviour shifted from focusing on products and advertising to looking at purchasing activities (Iannilli & Spagnoli, 2021), acknowledging the existence of shopping motivations other than economic reasons (Tauber, 1972). In 1974, Kotler was the first who recognise the store environment as an element capable of producing emotional effects on customers, thus influencing purchase probability, while at the turn of the century, a new evolutionary stage of the global economy considered customers more attracted by experiences created in-store than by products or services for sale (Pine & Gilmore, 1999; 2011). From that moment on, experiential strategies are increasingly conceived to stimulate the customer into creating an emotional bond with the brand, hence the store is designed to translate the brand identity from the products and services into the customer experience (Alexander & Blazquez Cano, 2020), involving all five senses. Through brandscaping (Riewoldt, 2002), the brand is transformed into a physical location and its image is communicated through the design of the store (Kirby & Kent, 2010), which acquires centrality as the stage of shopping experience and brand values. The store is where contents are shared, emotions are created, and customers are actively involved in their shopping journey as co-creators of their own experience. This aspect is becoming particularly relevant today as customers are increasingly stimulated to interact within technologically and digitally implemented stores. The shop is no longer a mere container of goods and product information but a complex space in which functional purposes intersect with communicational and hedonic necessities. Within the fashion industry, providing those hedonic experiences

is fundamental to fostering brand identification and value acknowledgement, which is why fashion brands are increasingly investing in experiential retailing (Stott & Walker, 2018; Wade Clarke et al., 2012).

In the architectural field, the premises of a new attitude toward commercial design also appeared as early as the sixties, leaving behind the dualism form/function inherited from the theories of the Modern Movement. The idea of retail spaces aimed directly at the sale of products was slowly replaced by more abstract and sophisticated concepts. The Biba boutique in London and the Fiorucci store in Milan are early examples of stores where the spatial concept is not driven exclusively by sales and, communicating a clear identity through their settings, become a meeting place for people alike, a place where to belong, hang out, have fun, participate to events (Morone, 2007). In the following decades, many architects, retailers, and fashion brands experimented with design solutions that gradually drove the idea of the store further away from the one of a simple display for goods, increasing the importance of the store a place in its own right. From Issey Miyake's stores to Benetton's, from Kawakubo's Comme des Garçons' ones to Norman Foster's design for Katherin Hamnett, these spaces represent important moments in the development of the retail design discipline, contributing to the shift of the relationship between fashion and architecture from purely operational to an exciting dynamic where one informs the other (Curtis & Watson, 2004). As minimalism affirmed itself as the dominant style in the 90s, it brought new understandings and allegiances between fashion designers and architects as demonstrated by the cases of Calvin Klein with John Pawson (New York, 1995) and Armani with Claudio Silvestrin (Milan, 2000), just to name a few. With stores designed as "consumption temples", where the space is purified from the unnecessary and the quality of materials, the proportions of the elements, and the attention to detail create museum-like settings, the products are finally transformed into artworks and the shopping activity becomes a (cultural) event.

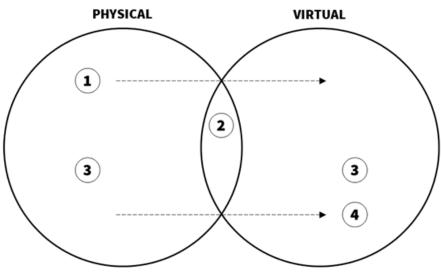
On the verge of the new century, the role of the physical store undergoes a drastic change. The fashion industry grows and finds its place within the new global market by increasing design, creativity, and experience as defining elements while assigning a central role to branding strategies and identification. Retail store design thus becomes a key element for the storytelling of the brands' value system: concept stores and flagship stores represent the place where the brand finds full expression, but above all, the place for creating emotional, narrative, and experiential relationships linked to the brand image (lannilli and Spagnoli, 2020). With PRADA's New York Epicentre, designed by Rem Koolhaas, a new generation of stores arise. If "luxury is waste", in Koolhaas' vision, then the space of the store must be "wasted" to highlight the aura of exclusiveness of the brand (Koolhaas et al., 2001). To this end, the shopping area is hybridized with heterogenous functions not related to the purchase activity, responding to an evolution of the value and sense of the product and the whole shopping process.

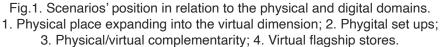
Imposing itself within society as a leisure activity, shopping has taken on more complex meanings, and the physical space of the store has gradually moved away from its primary role of allocating products assuming, in turn, different significances. Nowadays, shopping venues are facing yet another change and the definition of the shopping experience must be reconsidered looking into different factors. What does "experience" mean today, considering the diffusion of online shopping and m-commerce and the necessity to integrate all these channels under the label of the omnichannel strategy? An engaging and satisfying shopping experience cannot ignore the existence of a digital realm in which empowered customers are increasingly active and must accomplish a virtual-physical permeation not only on an operational level or through the integration of digital tools and technological items instore. This contamination must be designed first at a higher, environmental level, trying to conceive spaces, both real and virtual, that trigger the feeling of an inbetween experience, that can be physical and digital at the same time.

The omnichannel architecture breaks the integrity of traditional channels by returning a new retail paradigm and encourages strategic design experimentation with new formats and retail concepts (lannilli & Linfante, 2022).

#### Scenarios of a virtual-physical hybridisation in fashion retail

As interaction and continuity (between platforms) stand at the centre of the omnichannel shopping experience, it becomes necessary for bricks-and-mortar stores to be augmented in a fourth, virtual, dimension while digital platforms are expected to offer much more than just a convenient purchase platform. The complex vision originating from this assumption is a fluid marketplace, and it is interesting to analyse the mutual influence that the physical and virtual commercial spaces have on the design of each other. The following considerations will shed light on phenomena that have an important weight in tracing the direction of the current fashion retail evolution, identifying four different scenarios in which design contributes to the creation of a hybrid space between the physical and the virtual domains of shopping.





#### 1. Physical place expanding into the virtual dimension

An interesting contribution to the revolution of retail spaces offered by digital technologies and social networks is that of giving continuity to the perception of a sense of place between the physical and the virtual domains. Today many experience-oriented stores stage hyper-physical spaces with spectacular settings that trigger visitors to take pictures and share them on social media. In this way, design, sometimes metaverse-inspired (Miller, 2022), intervenes in the physical space to generate resonance in the virtual dimension. With this type of intervention, the store transcends its physical presence expanding into the digital world as it can be enjoyed both in person and through online platforms.

Between 2021 and 2022, fashion brands Balenciaga and Jacquemus opened a series of captivating pop-up stores around the world. The projects were particularly bold, a three-dimensional expression of the brands' identity: Balenciaga wrapped the store in pink faux fur (Parkes, 2022a) while Jacquemus created different surrealistic interiors like life-size automatic vending machines and a swimming pool changing room (Parkes, 2022b). In both cases, the shopping space was conceived with the explicit intention to be *instagrammable*. The accurate design of the stores was not addressed only to the "physical customers" for the short lifespan of the pop-up, but to a much wider public that could visit those spaces in another moment and from a different location thanks to their presence on various platforms as social networks, digital magazines, blogs etc.... The ephemeral experiment of the pop-up store gained, through the hyper-designed physical space, a communicative power able to create a bridge between that space and the virtual dimension. The echo generated within the virtual universe amplifies the user base of the brand and gives a new meaning to the concept of location.

Two decades ago, the so-called "Bilbao Effect" disclosed the power of architecture as a mass-media, with magazines and televisions making it much easier to discover faraway places and revealing the ability of designed building to become an advertising tool (in that case not for a brand but for a whole city). Today, contemporary technologies and new communication media are demolishing any limit left in time and space and the internet is becoming a place where to go and - potentially - also find a physical store. Building an online presence through retail design is today a common practice that helps brands tap their target audience's interest. The virtual presence of a store on digital platforms not only assures its persistence over time and space but, through it, multiplies the possibilities for brands to reaffirm their identity, communicate their values and not least promote their products.

#### 2. Phygital set ups

How people behave in the virtual domain, intended not only as a brand's online channels but as a wider digital world, has an indirect effect, yet worthy to consider, on the configuration of physical stores. Customers, especially the younger generations, are increasingly present on a growing series of social networks and, in general, active online. This inclination to virtual interactions affects the design of bricks-and-mortar points of sale, encouraging the introduction of digital tools or the setup of specific spaces within the store that recreate a social network/digital atmosphere (Alexander & Blazquez Cano, 2020).

In 2020 Burberry inaugurated its first Social Store in Shenzhen in collaboration with Tencent, the creator of the Chinese social network WeChat (Block, 2020). A dedicated app extension is available for the clients of the store, through which they are encouraged to interact both physically (within the point of sale) and virtually

(on the social network). The store experience is designed around the idea of social retailing, a multimedia dimension in which the in-store customer journey is enhanced by stimuli borrowed from social media and video games and physical and digital brand spaces are overlapped. Not only are products provided with QR codes, but also some areas of the store: once scanned, those QR codes give access to extra contents displayed on digital screens instore and on customers' personal devices. Besides that, the store's dedicated WeChat extension provides clients with an avatar that evolves over time and engages them in playing on the app or interacting inside the store, earning points that can be used to unlock off- and on- line services and experiences.

Considering social media as central meeting places for today's social exchanges (Martìn et al., 2014) it is fundamental for retailers to create a virtual engagement within the physical space to ensure reaching a greater audience of customers active on social networks and, increasingly, in the metaverse. The observation of people's interaction within the digital universe encourages the design of a phygital space where material and virtual experiences are made to coexist.

#### 3. Physical/virtual complementarity

The improvement of internet-enabled tools and the enhancement of network infrastructures allowed the relocation of some shopping-related activities from in-person to on-line. Alongside the advancement of internet services and technological devices, another important step forward that contributed to the growth and spread of online shopping is the implementation of logistic support services such as online credit card payments and delivery systems. The possibility to purchase safely on the internet and the easiness and quickness with which nowadays it is possible to buy an item, have it delivered, and send it back if it does not comply with our expectations, makes online purchases much smoother than some years ago (Dimant, 2013). This opens a new opportunity for brands to implement an integrated omnichannel strategy through physical and virtual spaces complementarity. Within this scenario, the material and immaterial touch points made available by the brand are not interchangeable but rather designed to support different activities that, only when combined, will configure a complete omnichannel retail space.

A significative example in this direction is "The Journey", an experiential store opened by Canada Goose in December 2019. The goal of the store is to transport customers from the indoors of a commercial centre to the great outdoors of the Artic through an immersive experience designed in different steps. "The Journey" begins stepping through a two-story glacier façade and walking through "The Crevasse", the reproduction of a narrow mountain pass with rock-like walls and an interactive floor that simulates ice cracking under the visitors' feet as they walk forward. The adventure continues inside the "Elements Room", where floor to ceiling projections and immersive soundscapes put them inside original nature footage of British Columbia. In the "Gear Room", a re-interpretation of a seed vault in Norway, customers can select Canada Goose coat and accessories and then try them out in the "Cold Room", the centrepiece of the experience, a -12°C environment where Arctic climate conditions are simulated (including real snow) while projection screens show breath-taking glacial landscapes.

After leaving the "Cold Room", customers can head to the retail area where "brands ambassadors" help them buying the garments online (with a 24-hour home delivery) as no item is available for in-store purchases (Regan, 2019).

In this case, frictionless online shopping allows the creation of a so-called Zero Inventory Store (Gauri et al., 2021) designed with the sole purpose of offering an immersive experience to a customer that becomes a visitor instead. The exceptional physical set up of the space brought brand values to life and allowed customers to form an emotional connection with the brand experiencing the sensation of owning one of the brand's products. "Thus, an 'experience-centric' offline format designed to deliver customer service and brand interaction while leveraging online fulfilment, provides significant value creation as customers not only generate more demand, but also do so more efficiently" (Bell et al., 2018; p.18). Within this scenario, the possibility to perform some activities through the online space, allows the physical one to exist with a different purpose. In order for the experience to be complete though, both places must be visited.

#### 4. Virtual flagship stores

Until recently, all values related to the pleasure of shopping and desire (hedonic values), were associated with bricks-and-mortar stores due to the possibility to see and touch the product, interact with it, with other people and with the setting. On the other hand, online shopping was seen under more utilitarian terms, not capable of arousing emotions because of the distance imposed between the brand and the customer by the digital tool (Gauri et al., 2021). The situation appears to be different today, especially after the covid pandemic denied the possibility to visit physical stores for a long period, driving brands to design more engaging and entertaining customer journeys also through their e-platforms. Retailers are putting a great effort into structuring their omnichannel strategy to deliver a holistic customer experience even when recurring to online shopping. Despite the absence of a physical point of sale inside which to operate, digital

channels can offer services that contribute to giving the impression of a more complete and entertaining shopping experience (Blázquez, 2014; Childers et al., 2001).

The same improvement of services and infrastructures that has contributed to bringing the virtual dimension closer to the physical one has also done the opposite, allowing online channels to offer experiential services trying to recreate the engagement perceived in a bricks-and-mortar store. Engagement within online channels is delivered, for example, by features that reproduce the impression of being in a store browsing for products on display, such as home delivery with free return and try-at-home options. Other services borrowed from physical retailing in attempt to bring online channels closer to the customer are features like virtual shopping assistants, customized product suggestions or additional content sections that expand the digital offer beyond the provision of just a practical purchase platform.

Alongside these examples related to products browsing and service compliance, another significant trend to point out is that of digital platforms designed as entertaining, experiential spaces. This is the case, for example, of two luxury fashion giants as Gucci and Prada. Observing both brands' virtual platforms it is possible to deduce that their intention goes beyond creating an e-commerce space and is rather related to the creation of a whole branded virtual universe. Websites and apps are curated, edited, as if they were digital galleries or fashion magazines where brands sell their products but, at the same time, communicate a deeper sense of their identity. Through sections dedicated to brand identity, lifestyle, art, events, and initiatives, digital customers are free to discover a world that is not related (at least directly) to purchase, immersing themselves into the brand's universe and joining a community of likeminded people. Through this kind of offer, the online space also becomes a social space, a hub where customers can interact with the brand and its community as if they were in a physical place. The online shopping experience gets closer to the physical one, with digital clients acquiring possibilities that usually belong to the bricks-and-mortar domain and that influence positively the virtual purchase activity, making it enjoyable as well as functional.

#### Conclusion and future outlook

Augmented space represents an important challenge and an opportunity for future retail architecture. Research on technology and digitalisation within the shopping realm highlighted that a true omnichannel architecture can be created only considering material and digital media as part of the same toolkit, overlapping the visible space of the store and the invisible one of data flows since the beginning of the design process (Manovich, 2006). Social media, data, customer preferences, geo-localization info, are today's tools not only to enhance brand loyalty and customer satisfaction but also to design the store environment, as well as lights and furniture. The analyses of four distinct approaches to this issue shows how different fashion retailers are dealing with the design of new commercial spaces including virtual contents as tools to shape the physical retail space as well as using physical retail experience to design virtual platforms.

Focusing on the aspect of experience and space perception, what must be the idea guiding the design of retail spaces in the future? The case studies described above show different answers to this question, providing an overview of virtual-physical spatial configuration possibilities for designers approaching a retail project. As the paper highlights, the digital and physical dimensions have different possibilities to intersect, creating a place that allows in-between experiences. The examples show how a new multifaceted retail realm is emerging where nor the digital or the physical platforms compete to prevail one another but instead create a synergy that expands their possibilities, giving shape to a new omnichannel architecture. The virtual and the three-dimensional spaces increasingly resonate one into the other, defining a multiplicity of hybrid landscapes in continuous expansion and yet to be explored.

Since online shopping began to spread, this expanding intersection opened questions at a greater level: that of the city. Shopping has established itself as a predominant practice within contemporary social activities (Chung et al., 2001) and in the last century retail venues have increasingly gained space and importance within the urban fabric. Nowadays, stores are experiencing a moment of great transformation, evolving into "continuity spaces" between private and public, physical and virtual, while commercial typologies are proliferating thanks to technological innovations, space hybridization, and increasing real estate fluidity. As seen in the third scenario, the dematerialization of the point of purchase allows the re-functionalisation and reconfiguration of the physical store. This creates the opportunity to entrust future retail designers with city planning, being commercial sites such a pervasive and vital element of our urban environment. The possibility for retail spaces to reconfigure as service spaces, social hubs and reference points within the city is definitively a ground to delve into with future studies.

On the other hand, as digital platforms are in continuous evolution, the issue of providing a more engaging virtual shopping experience will become of primary interest in the coming years, with attempts already recognisable as in scenario no. 4. To confirm this trend, some fashion brands like Balenciaga and Gucci are taking their first steps also in the metaverse and gaming universe, trying to create a new, virtual world in which to express through their own language (lannilli and Linfante, 2022). Further research should

investigate in the creation of digital spaces and architectures for fashion in the metaverse and gaming universe as it will represent an opportunity for innovation in the long term.

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#### Ongoing transformations in fashion retail experience design Exploring fashion retail experience design through four case studies

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The ongoing transformations in the fashion retail sector include an important technological innovation, but are also influenced by changes in the relationship between brand and consumers and by the dematerialisation and experiential character that consumption is assuming in the contemporary society. This work addresses the ongoing transformation of fashion retail spaces. Four main arguments are presented and exemplified by four case studies, namely: the use of experience design and emotion for brand engagement; the shift to communication and services offering; the influence of communities and collaborative media in the customer experience; and the relationship between brands and urban environment.

Keywords: experience design; retail experience design; phygital retail experience; brand engagement;

#### **INTRODUCTION - MAJOR TRANSFORMATIONS IN FASHION RETAIL CUSTOMER EXPERIENCE**

*Experience, sustainability,* and *digitalisation* are key themes that sought to challenge existing business models and posit new ways of producing, consuming, and experiencing fashion (Alexander, B., & Rutter, C. 2022). Customers expect a more exclusive and personal relationship with brands (Pine II B. J., & Gilmore J. H. 1998, 2008) (Petermans, A., & Cleempoel, K. van. 2009), which does not end with product purchasing and does not end outside the retail space.

The definition of the term "experience" according to Pine and Gilmore (1999, 2019) is the following: "an experience occurs when a company intentionally uses services as the stage, and goods as props, to engage individual customers in a way that creates a memorable event. Commodities are fungible, goods tangible, services intangible, and experiences memorable. [...] While prior economic offerings—commodities, goods, and services—are external to the buyer, experiences are inherently personal, existing only in the mind of an individual who has been engaged on an emotional, physical, intellectual, or even spiritual level. Thus, no two people can have the same experience, because each experience derives from the interaction between the staged event (like a theatrical play) and the individual's state of mind."

If services are intangible and experiences are memorable and personal, the question arising could be what role fashion retail spaces are assuming in this shift to experience economy, now that the digitalisation and cultural change have created conditions which can overcome the need of shopping in a physical place.

Talking about intangible experiences, virtual and digital worlds and the related communities are emerging and creating new business opportunities, although the technology and infrastructure does not yet exist to allow the development of new immersive virtual worlds at scale - one that our avatars could transcend across platforms (Dwivedi, Y. K., et al. 2022), fashion is going through its first attempts of dematerialization, thinking about completely virtual products to purchase in online gaming platforms or virtual limited editions products certified thanks to NFT technology. According to LSN Global Future Forecast 2023 report, gamers are placing almost the same importance on looking good in virtual worlds with their avatars as they do in real life, opening space for experimentation for fashion brands in the virtual worlds. So virtual worlds opportunities cannot be left behind, since younger generations and new emerging communities (Bolter, 2019) are demonstrating strong interest for that.

At the same time, the loss of corporeity seems something to recover, in the post-pandemic world, above all for native digital companies. In fact, digital native companies such as Google and Amazon are opening showrooms and physical retail spaces gaining back in corporeity and tactility (lannilli, V. M., & Linfante, V., 2022). These places seem to be like traditional brick-and-mortar stores, but they are in fact physical bridges to digital worlds and services. In Amazon Style store artificial intelligence suggests products to be delivered directly into the fitting rooms, together with other items selected by the algorithm, based on customer preferences and information, to deliver a tailored shopping experience, strongly influenced, guided, and mediated by the algorithm, just like the online one, but in a physical store, bringing together all the features of digital and physical.

Thus, hybridisation seems to be the keyword to bring digital, virtual, and physical together. Bertola and Teunissen (2018) underline that digital transformation is enabling the creation of new design-driven business models, where local production facilities are networked with several distributed services to deliver new product-service concepts. From this point of view the physical retail of the future can be interpreted a service-delivering place, where the capillarity of presence on the territory can be crucial. Alexander &

Blanquez Cano (2020) describe the concept of "slow retail" as linked to localization, pursuit of pleasure, convivial experience, diversity, quality and slowing-down.

These points of view bring in discourse the relationship between retail spaces and their urban environment. They influence each other and contribute to building each other identity. Specifically, Fashion is arguably the cultural industry that most typifies the mediated city, both historically and contemporaneously, because of its ability to communicate signs and symbols of social status and actions. Since the 19th century, fashion has developed a distinctive form related to the parallel emergence of consumerism and spaces of consumption, spectacle, leisure, and pleasure (Wilson, 1985, 2006) (Craik J., 2019). Fashion brands in the city become products and territories: they become worlds in which one can also physically enter (Fiorani, 2006).

To sum up, fashion retail experience design is going through a strong transformation and hybridization, in terms of meanings, functions, and technological introduction, and is gaining more and more levels of complexity, and entanglements. The authors reflected on four main transformations drawn from the literature review that can be helpful to better understand the contemporary and future work scenario for retail experience designers, specifically: the use of experience design and emotion for brand engagement; the shift to communication and services offering; the greater influence of communities and collaborative media in the customer experience; and the relationship between brands and urban environment.

#### FASHION RETAIL DIGITALIZATION: AN OVERVIEW

The popularization of the Internet in the early 2000s and smartphones a decade later led to a boom in e-commerce and video streaming, permanently altering the fashion retail landscape. Later on, COVID-19 crises reaffirmed and advanced the digital transformation process as a competitive advantage (Gonzalo et al, 2020). Today, digital plays an essential role, capacitating the creation of products, services and experiences that have implemented, and sometimes replaced, pre-existing ones, all thanks to digital and technological transformation (lannilli & Linfante, 2022).

This rapid technological progress in the more recent past facilitated new business potentials and opportunities (Hofmann & Rüsch, 2017), while the connection between physical and digital dimensions into cyber-physical system gave room for entirely reframe of the eco-system constituted by a company, users and their social environment (Bertola & Teunissen, 2018). In this sense, the contemporary consumers' communities appear to be intrinsically transformed by the digital substrate that welcomes them, and, on the other hand, they are increasingly aware of their relevance in being an active part in the engagement process with fashion brands (lannilli & Spagnoli, 2021).

As retail becomes "phygital" (Soloviov & Danilov, 2020; Armstrong & Rutter, 2017) fashion brands, besides experimenting in-store technologies such as Smart Check-Out and Click&Collect (Jacquemus 24/24, 2021); IoT (LDN Adidas, 2019); Mixed Reality (Hipanda, 2019; Lego & Snapchat, 2019; Gucci, 2022); AI (Burberry, 2018) and Digital Twins (Yooxmirror, 2018; Bacon's version, 2021), are also betting strongly into the gaming field (Goldberg & Nel, 2022), frequently partnering with major gaming platforms like Roblox and Zepeto. Such technological investments by fashion companies, in addition to being motivated by the emergence of the covid-19 pandemic and its urgent call for acceleration of digitalization and sustainable practices (Casciani et al., 2021), is also influenced by generation Z, highly engaged with the digital products and services (Deloitte, 2022). Nevertheless, as digital is augmented with physical in increasingly sophisticated ways, brands will elevate the online customer experience further to power up e-commerce growth, the digital customer experience and behavioural insights will be the top two priorities for data and analytics (BoF & Mckinsey 2020).

In this context, this article seeks to understand, through the analyses of case studies, how emerging technologies address changes in the consumer culture and consequently influence the transformation of fashion retail, especially in terms of customer experience.

### METHODOLOGY

This work, which is aimed at the understanding of transformations ongoing in the field of fashion retail experience to structure future research on retail experience from a design point of view, has been built on a literature review in the fields of marketing and management, design, social sciences, and urban studies with relation to fashion retail experience and consumption practices innovations. The choice of including different fields of studies in the literature review answers to the need of a broad and holistic understanding of the topic in this phase of the authors' research, to put the bases for future work.

Synthetizing major transformations of fashion retail experience design, drawn from the literature review, four main topics have been clustered: the use of experience design and emotion for brand engagement; the shift to communication and services offering; the influence of communities and collaborative media in the customer experience; and the relationship between brands and urban environment.

Moreover, investigating on fashion retail experience from a design practice-based perspective, a collection of 58 case studies has been built through secondary research methods and sources and has been clustered by the four above-mentioned transformations shifts. For this work the authors, to clarify the meanings and the aspects involved in each transformation, have chosen to extensively describe one case study for each transformation, coherently with designers' practice-based work methods. The selection of the four case studies presented here is made using the following criteria: cases which have strong components related to four the above-mentioned transformation shift among those considered in the authors' case study review; collocation over time (not older than 10 years); the amount of information found by researching on design and fashion literature, fashion and design practice-focused sources, and grey literature.

## The Amazon Style case. Digital hybridization of retail spaces: transforming communication and services in customer experience

The dynamic and competitive sector of Fashion Retail undergoes a digital transformation very much driven by the increasing number of technologies available to retailers and service providers that have the potential to enhance both their operations and the experience they can provide to customers. Companies that embrace the opportunities and experiment with these technologies (AI, MX, AR, Click & Collect, Digital Twins) to enhance operational efficiency and the customer experience, are likely to reach success (Grewal et al., 2019). In-store technology can help retailers leverage their store communication and services, capturing and engaging more consumers (Cervantes & Franco, 2020). Within this context, the luxury sector has been experimenting phygital solutions (Burberry with social retail store in Shenzhen; Chanel and Farfetch with Store of the Future), as well the sportwear sector (Adidas flagship store on Oxford Street in London; Nike Digital Retail Experience in Berlin). However, an interesting move coming from American multinational technology company Amazon and targeting the fashion sector is noticed: in 2022 the corporation decides to open its first physical fashion store.

Amazon is perhaps one of the biggest examples of evolution in the digital market, the biggest internet-based company in the world. When it started out selling books online in 1994, Bezos knew the only way to succeed online was to grow big, and fast (McFadden, 2019). Today, almost 30 years later, the company keeps reinventing itself, and after books, music, and food logistics, its latest attack on retail is about fashion.

The Amazon Style store, that merges the physical and digital experience, displays one piece of each model, optimizing its space. The format does not prevent customers from trying the products, the pieces are available thanks to a complex inventory management system. Through the Amazon Shopping app, customers scan a product's QR code and see information such as sizes, colors, overall customer ratings, and additional product details. Once inside the changing room, the user can, through a large display, try on a thousand variations of the same garment with the certainty that it will be his size. Machine learning algorithms produce real-time recommendations to give customers the most personalized experience. It is also a form of upsell by digitally capturing a customer at the physical location, as suggestions related to your preferences will appear in the Amazon Shopping application. Finally, with the support of technology, the team responsible for the service can help customers by supplying the fitting rooms and back-of-house operations, as well as at check-out, having as an option of payment method the Amazon One feature.

It is worth mentioning that Amazon already used artificial intelligence to improve its fashion services before. Style by Alexa, for example, a feature in the Amazon Shopping app that suggests, compares, and rates clothing using algorithms and human operators. Or ways to try on clothes both online and offline, like Prime Wardrobe, which allows users to rate clothes online, try them on, and return the ones they don't want to buy.

#### Gucci Garden. Brand engagement through experience and emotion.

In the society of experience, customer engagement and brand uniqueness run through experiential strategies and customers' emotional involvement. The brand identity is not only represented by products, but it is being built through experiences that can be linked to a product, or just recall the brand's values and atmospheres, and open the brand to a broader offering of products and services. According to Addis (2020), this kind of experience strategy is called transformative experience. "Brands adopting the transformative experience offer multifaceted experiences based on several product categories", which objective is to arouse emotion to feed the brand's relationship with customers. Traditional concepts of sector and industry do not apply to the transformative experience, that broadens brand's perception for the construction of a whole world imagery linked to the brand.

An example of a transformative experience in retail is Gucci Garden: a boutique offering exclusive luxury products, a museum and a gallery curated by art critic and fashion curator Maria Luisa Frisa, with a bookshop and a restaurant, Gucci Osteria, run by Michelin-starred chef Luca Bottura; located in the centre of Florence, in a historical building, Palazzo della Mercanzia, the Gucci Garden links the brand immediately to Italian Renaissance.

The museum and the gallery allow customers to dig into the brand's heritage. In the exhibition Archetypes, it is possible to physically enter the brand's campaigns, thanks to immersive installations. Everything at Gucci Garden is perfectly concerted to be shared on social media by visitors sharing their emotions and excitement, in accordance with Addis (2020) concept of transformative experience which is described as engaging, and therefore with the power to become viral.

The space also has an area dedicated to books, not a common museum's bookshop, but rather a space where to admire limited editions, rare publications and sophisticated books, with the aim to offer the public a multiplicity of cues, as the curator M. L. Frisa explicitly states.

The food area of Gucci Osteria and Gucci Giardino25 (the lounge bar completing the experience) takes the brand's aesthetic and allure and transports it into the realm of dining and food. Everything is consistent with the brand's aesthetics and values, from the tableware to the food itself; Bottura thought of a menu explicitly inspired to renaissance, and the Osteria is a way to display tableware and other products from the fashion *maison*.

However, the Gucci Garden does not stop at the Palazzo della Mercanzia, but also manifests itself in the virtual world with various representations, with the intent of expanding its brand to younger audiences. It is possible to navigate through the exhibition Archetypes thanks to a virtual tour on the exhibition website. Moreover Gucci, in collaboration with Roblox, a gaming platform very popular among gen-z audiences, creates a virtual version of Gucci Garden, in which users are able to enter with gender-neutral avatars reduced to mannequins that gain features, colors and a unique appearance as the user interacts with the virtual environment of the Gucci Garden.

Virtual accessories and clothes can be purchased on the Roblox catalogue to be collected and worn. The resulting outfit will then be displayed temporarily for users to download and share on social media.

To conclude, none of the described experiences or offerings is innovative or original per se, nevertheless, it is the whole of their entanglement and adherence to brand values and aesthetics that contribute to bringing to life the Gucci transformative experience.

#### The Nike Land case study. Communities and collaborative media cultures

Analysing social mechanisms to understand how the virtual communities and social networks have shaped are impacting social consumption behaviour is a necessary step for fashion companies (Tobon et al., 2020). The consumer seeks to satisfy higher needs such as belonging to significant social groups and other social needs, such demands are related to the greater access to information and therefore greater tools for making consumption decisions. In that sense, the relationship between fashion and gaming, which has a direct impact on the creation of tribes and communities, has seen an acceleration and an increasing interest by fashion houses, especially those in the luxury segment (Iannilli & Linfante, 2022). Among luxury brands, the brand Gucci - cited before in this article - has been one of the most enthusiastic about embracing gaming and virtual worlds, with trials across multiple platforms including Zepeto, Animal Crossing and The Sims. His first Roblox event in May 2021 called Gucci Garden won a Webby Award and more recently, the brand established a Gucci Gaming Academy to promote future professional esports players (not associated with the Gucci Vault). Nonetheless, other brands also created continuous virtual spaces, an outstanding case is the sportwear brand Nike, known for using strategies such as technological innovation, intelligence, targeting, engagement and events to keep its community growing. As a smart community targeting strategy, the brand uses dedicated social media pages and community spaces (Nike Running, Nike Women, Nike Basketball); promote events for the community (Air Max day); utilizes User-Generated Content to boost all marketing channels (SNEAKRS app via dedicated hashtag #Kickcheck); uses community feedback to cocreate at scale (Nike by you); creates dedicated app for the community (Nike Run Club); and develops new retail concepts to bring local communities together (Nike Unite). Besides all this, in November of 2021 Nike also became a big investor into the metaverse world, with the project entitled NIKELAND. This specific case consists of a virtual world custom-built within Roblox's immersive 3D space. It aims to transform sport and fun into a lifestyle. The buildings and fields within NIKELAND are modelled after the real-life Nike headquarters and are home to detailed arenas for the Roblox community to test their skills by competing in various minigames custom-built within Roblox's immersive 3D space.

This new virtual sport experience allows visitors to take advantage of their mobile devices to transfer offline movement to online play. For example, users can move their avatars to perform in-game moves such as long jumps or fast runs. It is also possible to experience football globally within the platform and find products like the Force 1 and Nike Blazer and new releases like the Air Force 1 Fontanka and Air Max 2021. All can be found in the digital showroom, along with a host of other pieces Nike apparel products such as ACG and Nike Tech Pack. As the brand brings the world of the Metaverse to life Nike has created a special Snapchat Lens, committed to inspire and innovate the future of sports experiences. The lens allows people visiting the kids' floor to see the space transformed into an augmented reality version of NIKELAND, including avatars and games.

Recently, however, the brand decided to expand its horizons even further, more specifically in November 2022 and one after the creation of NIKELAND, Nike announced its own platform in the metaverse called Swoosh. The main objective of this decision is to create a Web3 community, in addition to displaying its footwear, accessories and sports apparel through digital collections.

#### Fondazione Prada case study, brand values into the urban context.

The presence of brands in public spaces is nothing new. What is new, however, are the strong expectations consumer-citizens have of brands. They want brands to commit to the common good and to play a useful role, consistent with their core values. These new expectations call for brands to fully take ownership of their influence on consumers' lifestyles and proactively contribute to improving the quality of life in cities, while at the same time cultivating local presence and awareness. Branding activity has become increasingly sophisticated in terms of its involvement with, and usage of, urban space to create specific environments for consumption. An emerging practice consists of forming partnerships with cities to launch and/or finance temporary or permanent urban development projects, devoting a fraction of their marketing budgets to improve city dwellers' quality of life. In 2019 JCDecaux defined this practice Brand Urbanism®, starting a program to promote these forms of philanthropic and neo-patronage interventions of brands in the cities on various scales.

According to Bookman (2013) this is a dynamic process in which brands frame and co-generate experiences of everyday life and forms of urban sociality as part of the interface with consumers and the creation of brand value.

Fondazione Prada in Milan can be considered a well-known and important example of this practice. The project aimed at building a permanent site for the foundation, whose purpose is to become, not only a contemporary art museum, but an innovative cultural centre. From the foundation's website can be read:

"With the opening of a permanent cultural complex in Milan, the Fondazione offers new opportunities to enlarge and enrich our processes of learning.

[...] Our main interest is ideas, and the ways in which mankind has transformed ideas into specific disciplines and cultural products: literature, cinema, music, philosophy, art and science. With the new venue, the Fondazione's range of knowledge will be expanded. [...] leading to unpredictable resonances and cultural intersections.

An attitude of openness and invitation characterizes the political mood of the new Milano premises. We will assert the possibility of participation at all levels for all generations. We will try to find new ways for sharing ideas..." (www.fondazioneprada.org)

This declaration of intent is perfectly consequent with Prada brand value claim "being drivers for change". Fondazione Prada is a new materialization of brand values on the territory, by promoting innovative and inclusive ways of thinking in the cultural sphere.

At the same time, the foundation strongly contributed to the transformation of the city, going outside the usual luxury locations of the city centre to occupy parts of the city that needed requalification. The space is situated in a peripheral area in the south of the city and is made up of a combination of old and new buildings, that gave the area a completely new impetus and identity, transforming an old, abandoned industrial site into a lively, culturally relevant, fashionable location.

There is therefore a mutual exchange between the city and the brand, from one side the company makes its values physically present in the city, and on the other hand, the city has an interesting new spot.

#### DISCUSSION, LIMITATIONS AND FUTURE RESEARCH OPPORTUNITIES

The described case studies contribute to the understanding of the transformation processes of retail experience design.

Firstly, in the Amazon Style example, it is clear how the retail space is becoming more and more a physical bridge to digital worlds and services, and how technology is playing a great role in making the seamless experience possible.

Secondly, in the Gucci Garden case study, the retail space becomes a gateway to the brand's imagery and a way to communicate with customers through emotions and immersive cultural inputs (books, food, location, games, etc.). Thirdly, in the Nike case, the focus is on the centrality of the communities, pushing brands to explore and create new worlds and products to satisfy specific tribes of customers. In the end, the Fondazione Prada case is an example of the mutual exchange between the city and the brand, and how the brand and its presence on the territory can play a commercial, but also a cultural and political role in its relationship with both consumers and the urban environment.

To conclude, the aim of this articles is to understand in which way the experience design of the case studies described addresses the literature findings about transformations ongoing in the fashion retail experience design field, in order to put the base for the authors' future research aimed at a better holistic understanding of the design contribution in the processes of retail experience innovation.

This paper corroborates with published finding, presenting four main arguments guided by four main studied cases. The present work limitations are surely to be found in the number of case studies described, but above all in the lack of primary research data, which makes it impossible to structure a rigorous analysis built on homogeneous categories for all cases, given the heterogeneous nature of the information collected through secondary research.

It is important to notice, that the case studies described in this work cannot be considered as an isolated representation of just one of the trajectories presented here, but show multiple links to the other transformations shift, with a focus of the main transformation aspect which the authors presented here. Taken into consideration the complex entanglements of transformations happening in the retail experience design field this work is far from being an exhaustive analysis, although it can be considered as starting point for future studies regarding the investigation between physical and digital retail and customer experiences, and on the primary role of design in contemporary and future retail experience innovations.

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#### Neighborhood Consumption Coffee Shops and the Value of Surrounding Environments

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For many people, coffee shops are a familiar part of everyday life—they are a pit-stop on the way to work or school, a pause in the middle of a busy workday, or a place to meet for social or business transactions. While normally considered to be an urban phenomenon, a tendency to locate coffee shops outside of commercial districts has been identified in recent research. In European cities such as Copenhagen, coffee shops have begun appearing in abandoned buildings in remote, formerly industrial areas. A similar, though not identical trend exists in Hong Kong, where coffee shops have been established in retail spaces in older neighborhoods formerly dominated by suppliers of industrial hardware and commercial goods. These shops seem to offer patrons a desirable escape from more well-known commercial districts. To better understand this tendency, and the significance of the location in such projects, this study has carried out participant observation activities and interviews in a selection of coffee shops located in outlying areas, where there have not previously been coffee shops. Findings suggest that the neighborhood surroundings create significant value for consumers, who, in return, are willing to spend extra time and energy to visit them.

**Keywords:** Coffee shops; Retail and Hospitality Design; Neighborhood Consumption; Copenhagen; Hong Kong.

#### Introduction

Coffee shops are of central interest to researchers studying coffee from different disciplinary and methodological perspectives. They are retail spaces for the brewing, purchase, and consumption of coffee, and yet they are points of social convergence and the exchange of ideas.

For many people, coffee shops are a familiar part of everyday life. While normally considered to be an urban phenomenon, a tendency to locate coffee shops outside of commercial districts has been identified in recent research. In European cities such as Copenhagen, coffee shops have begun to appear in abandoned buildings in remote, formerly industrial areas (M. B. Münster, Dünser, & Randerath, 2023). A similar, though not identical trend exists in Hong Kong, where coffee shops have been established in retail spaces in older neighborhoods formerly dominated by suppliers of industrial hardware and commercial goods (Barber & Münster, 2023). These shops seem to offer patrons a welcome escape from more well-known and highly commercial districts.

Having originated as a practice in Ethiopia, coffee drinking had spread to the Arab world by the fifteenth century and made its way to Europe by the beginning of the seventeenth. Coffeehouses began appearing in European cities not long after that (Broadway, Legg, & Bertossi, 2020), and have continued to serve as informal gathering places (Broadway & Engelhardt, 2021; Oldenburg, 1989). Habermas (1991) traces the origins of the so-called public sphere to the coffeehouses of seventeenth-century London, where active citizens debated current affairs and jockeyed for political and economic influence. Coffee shops have changed in many ways since that time, influenced by globalization, trends, and by coffee's tremendous growth as a commodity. Yet their essentially social nature has remained unchanged as these places continue to be designed to facilitate specific forms of consumption (Kotler, 1973; Turley & Milliman, 2000).

The present study is part of a larger, ongoing research project aimed at understanding the significance of today's coffee shops. Research presented in this paper is an investigation of a phenomenon to which the larger study has drawn our attention: the tendency of coffee shops to be located in urban areas, yet outside of commercial districts, in neighborhoods that have not had them before. This category of shops seems to serve not just as coffee shops, but also as neighborhood hubs for both locals and visitors who want to explore new areas of the city (Barber & Münster, 2023; M. Münster, 2023). While previous research has noted that these shops bring new demographics to neighborhoods where they might not otherwise have come, so that they can be considered entry points for neighborhood consumption (M. Münster, 2023), it has neither analyzed the particular characteristics of these shops, nor the possible values of the locations themselves. The present study aims to address this gap.

Data gathered through participant observation activities and interviews conducted in coffee shops in the aforementioned cities will be subjected to empirical analysis. While attempting to identify general characteristics among the selected coffee shops, the study will also investigate similarities and differences between the two cities.

### Background

#### Three waves of coffee

Coffee consumption has undergone an evolution that is sometimes described in terms of waves. In the first wave, where coffee became an inexpensive, everyday consumer item, products like instant coffee or industrially produced machine coffee. Coffee became an element of day-to-day life for large numbers of the world's population, and it was typically consumed at home, or in unembellished cafés. The second wave was kicked off by the successes of what are now major, brand-name coffee shops. These brands–Starbucks is a prime example–capitalized on leisure aspirations by offering higher quality products, a wider variety of coffee products, and comfortable interior spaces in which to consume them. The third wave features the emergence of the so-called specialty coffee market, whose purveyors offer an even higher level of coffee exclusivity, including traceability of the beans, local and customized roasting, specialized barista craft, and design-conscious consumer experiences. Iterations of this evolution can be found all over the world (Ferreira & Ferreira, 2018; Tucker, 2017).

#### Coffee Consumption in Copenhagen and Hong Kong

As a nation, Denmark is among the top five consumers of coffee in the world (Dansk Kaffeinformation, 2022). From the time of its appearance in the 17th century, coffee consumption has been a social magnet for Danes. As in other parts of the world, interest in specialty coffee has grown in Denmark in recent years and has brought with it the appearance of specialty coffee shops, although they are mostly found in larger cities like Copenhagen. Compared with Hong Kong, the number of Danish shops focused on specialty coffee is limited, but some bakeries have introduced specialty coffee as a supplement to their pastry and bread offerings. Denmark has an established tradition for high-quality baked goods, and consumption of bread and pastry is also a practice that brings people together (Moat, 2018), so specialty coffee is a natural combination for bakeries focused on exclusivity and craft. This combination is not widespread in Hong Kong, however, there is a tendency to offer freshly prepared meals whose ingredients are carefully chosen to match the coffee.

Coffee culture in Hong Kong is relatively young, but has experienced remarkable growth in recent years, becoming one of the specialty coffee industry's leading centers (Barber & Münster, 2023). During the COVID-19 pandemic, from 2020 to 2022, Hong Kong was extremely isolated due to travel restrictions. Remarkably, specialty coffee shops have thrived during this period. The reasons for this success are multifaceted, but in part reflect conditions imposed by the pandemic. Decreased economic activity produced a drop in building rents, allowing new entrepreneurs to enter the market, and travel restrictions caused Hongkongers to seek out local experiences (Barber & Münster, 2023; South China Morning Post, 2021). Informal counts by local coffee enthusiasts suggest that in 2021 alone, somewhere between 220 and 300 new coffee shops opened in Hong Kong (Barber & Münster, 2023). Many other retail businesses either struggled or were forced to close in this same period.

#### Remote Locations

In both Hong Kong and Copenhagen, specialty coffee shops can be found throughout the city, but there is a growing tendency for them to be located outside of traditional commercial areas (Barber & Münster, 2023; M. Münster, 2023). Possible explanations for this trend are complex. As mentioned above, they might reflect the pandemic conditions, but might also reflect a desire to support local businesses, to be a part of a local community, or to create an identity distinct from that of larger chains.

Specialty coffee shops can be found in many different areas of Copenhagen. Shops are often small, and located in mixed-use residential areas, or on side streets in commercial districts. Recent research has identified a still-growing tendency for coffee shops to be located in abandoned factory buildings in outlying neighborhoods, in areas and in buildings that have not previously housed cafés. Initial study of these shops indicates that consumers appreciate the so-called 'vibe' in these repurposed buildings, as well as the characteristics of the neighborhoods in which they appear (M. B. Münster et al., 2023).

In Hong Kong, specialty coffee shops have opened throughout the city in recent years. There is a tendency for them to be located in older neighborhoods formerly occupied with industrial hardware suppliers. These shops are typically small, independent, carefully designed, and visually appealing businesses, usually located in renovated ground-floor spaces, in buildings dating from the 1960s and 1970s. The spaces are usually narrow and deep, with limited store frontage (Barber & Münster, 2023). Open or transparent facades have traditionally been uncommon in restaurants and older café formats in Hong Kong, whereas the reverse holds for specialty coffee shops, where transparency and openness between interior and exterior has been identified as a key design element (Barber & Münster, 2023). This could be a result of inspiration from other regions, but it could also have to do with the location of these shops on quieter, less-trafficked streets, where

it is not necessary to block out noise and activity from the surroundings. Transparency in the facade design serves to attract interest from the street, while at the same time offering customers a vantage point from which to take in the surrounding neighborhood (M. Münster, 2023).

#### Prospect and Refuge

Views to the outside, and access to natural light are known factors that enhance customer experience. Research shows that the most preferred seats in coffee shops are those offering a view (Waxman, 2022). During the COVID-19 pandemic, outdoor seating was in fact the only option for coffee shops in many countries, due to regulations imposed in order to control the spread of the virus (Waxman, 2022). With increasing frequency, coffee shops in both Hong Kong and Copenhagen include outdoor seating areas that relate themselves just as much to their surroundings as to the coffee shop itself (M. Münster, 2023). In addition to attracting interest from the street, these spaces also offer a vantage point on the neighborhood. Buchanan (2019) describes how 'safe' spaces in buildings, like small niches with views, can support visitors in transforming unfamiliar surroundings into more well-known environments, since they provide both prospect (a view) and refuge (security). In both cities, the layout and design of outdoor seating areas attempt to offer guests some form of protection from the surroundings, and yet the furniture is usually placed so that guests can observe the surrounding area (M. Münster, 2023). This tendency can be explained with reference to Jay Appleton's 'Prospect and Refuge' theory, first articulated in 1975. This theory applies to physical spaces in both landscape and architecture. According to Appleton, from an evolutionary perspective, there is reason to believe that the environmental signals that eventually gave rise to what we now think of as aesthetic judgments might in fact be born out of those that regulate biologically fundamental behaviors, such as approach-avoidance decisions. In other words, the aesthetic satisfaction that humans derive from contemplating a natural landscape is in direct proportion to the extent that its physical features create conditions favorable to survival, like being able to observe the approach of potential dangers from a position of security. Similarly, an outdoor seating area in unfamiliar surroundings might appeal to fundamental survival instincts, by offering visitors a view to the neighboring surroundings from a position of relative security. Appleton's theory offers a biological and evolutionary explanation for the appeal of this kind of layout.

#### Consumption of Place

The trend described in Copenhagen, where abandoned industrial buildings are repurposed for coffee shops, is not present to the same extent in Hong Kong. However, the establishment of coffee shops in older, formerly industrial neighborhoods can be considered a parallel development. In both cases, the retail ecology of an area is altered, attracting people who might not otherwise have come to it (Barber & Münster, 2022). These shops are usually promoted on social media, and particularly during the pandemic, interest among locals for exploring unknown neighborhoods in the cities where they live seems to have increased (Barber & Münster, 2022). In Consuming Places, Urry (1995) describes the reconstruction of places as centers for consumption, providing contexts within which products and services are evaluated, purchased, and consumed. The places themselves also become objects of consumption, particularly visual consumption. This can apply to locals as well as to tourists, and can manifest in local enthusiasm, social and political movements, repeat travel patterns, or simply the pleasure of strolling around in a particular area. Urry calls for research that engages with relationships between social and physical environments, and with the interdependencies between consumption of products and services on the one hand, and consumption of natural and built environments on the other. Coffee shops in outlying areas, and particularly those with outdoor seating areas, offer an interesting lens through which to look at this interdependency, since they attract interest from outside, and at the same time offer a vantage point on the neighborhood, which is likely to be unfamiliar to guests, at least initially, and in that sense is itself an object of consumption. Coffee shops in outlying areas are in this sense crucibles, producing alloys of neighborhoods, built spaces, and consumption.

#### Methods and Analysis

This study is based on qualitative, mixed-methods research, using several data sets. These include photos, videos, field notes, and interviews. Since the study is an element in a larger research project, the first data set is the same as that of the larger study and contains data from more than 200 cafés in Hong Kong and Copenhagen. In the larger study, remotely located coffee shops were identified as a tendency in both cities (Barber & Münster, 2023; M. B. Münster et al., 2023).

The second data set consists of data gathered through repeated participant observation activities conducted at 12 coffee shops, six in each city. These shops were all located outside of commercial districts, in neighborhoods that have not previously contained coffee shops (Table 1). The shops have a core focus on specialty coffee, but shops serving small meals and/or pastries were also included. In Copenhagen, these shops were typically bakeries that offer specialty coffee in addition to their baked goods. Participant observation studies were carried out from March 2021-January 2023. The second data set consists of the author's own photos, videos, and field notes. 23 semi-structured interviews were carried out with customers and store representatives1 (nine customers in Copenhagen, and four in Hong Kong; five store representatives in each city). This small sample is not intended to be representative of all coffee shops in remote areas, but simply to provide insight into considerations behind the store locations, and motivations for visiting them.

#Case	Name <sup>2</sup>	Location	City
1	HW	Sheung Wan	Hong Kong
2	SO	Sham Shui PO	Hong Kong
3	CC	Sham Shui PO	Hong Kong
4	NN	Saikung	Hong Kong
5	ТО	Mong Kok	Hong Kong
6	НО	Lantau Island	Hong Kong
7	HA	Christianshavn	Copenhagen
8	LB	Refshaleøen	Copenhagen
9	ВК	Christianshavn	Copenhagen
10	FF	Nordvest	Copenhagen
11	НВ	Holmen	Copenhagen
12	ВА	Refshaleøen	Copenhagen

Table 1. List of shops included in the study.

#### Findings

Data from observation studies and interviews was coded and analyzed, with a focus on identifying characteristics of the shops and the neighborhoods, as well as the values that these places might represent for users. The following themes were determined to be useful for discussion: 1: Individual businesses; 2. Added Activities; 3: Repurposed Buildings; 4: Appealing Neighborhoods; 5: Light and Spaciousness; 6. Quiet; 7: Outdoor Seating; 8: Storytelling. These themes will be used to structure the following discussion of findings.

The first two themes refer to characteristics of the coffee shop's business strategy:

#### 1. Individual businesses

All shops were independent, individually designed, and locally run. In other words, none are part of a large corporate or international organization.<sup>3</sup> Customers interviewed often mentioned a desire to support this kind of business. A customer in Copenhagen, for example, said: *"I live nearby. There is not much going on in this area, so whenever stuff opens, it's nice to support local businesses."* A customer in Hong Kong, had a more personal motivation: *"I avoid going to shopping malls during leisure time, as those places are too commercial and crowded. The fast pace makes me feel stressed."* 

#### 2. Added Activities

Coffee shops in both cities occasionally organize activities unrelated to coffee. Some stores in Copenhagen arrange weekend markets, musical performances, or readings. These activities seem to be valued by consumers: "Sometimes they do events and invite musicians, or do readings [...] This place is not only a coffee shop, but also a place to hang out with people from around here." In Hong Kong, a store owner explained that before the pandemic, he used to invite jazz bands to play in the niche in front of his store, and we also experienced that coffee shops invite well-known baristas to 'perform' at their shop in special events, and often use social media, particularly Instagram, to publicize and promote these events.

Themes 3 through 7 (*Repurposed Buildings, Appealing Neighborhoods, Light and Spaciousness, Quiet,* and *Outdoor Seating*), refer to qualities inherent to the buildings and neighborhoods, while the last theme, *Storytelling*, refers to narratives pertaining to both the old and the new lives of the buildings and neighborhoods.

## 3. Repurposed Buildings

All shops in the study are located in older buildings that were constructed for a purpose other than housing a coffee shop. In most cases, though, buildings are not historically significant or otherwise protected by legislation. In Copenhagen, locations are often small, abandoned factory buildings or workshops, while in Hong Kong they are often shops in older neighborhoods formerly (or in some cases currently) dominated by, for example, industrial supply retailers. Customers refer to an atmosphere they appreciate in these buildings; often it is called a 'vibe' (M. B. Münster et al., 2023). But in addition to these atmospheric benefits, the use of repurposed buildings dovetails nicely with sustainability ideals and goals. Retail and hospitality projects are known to be heavily resource intensive (M. B. Münster, Sönnichsen, & Clement, 2022; Plevoets & Van Cleempoel, 2017). Prolonging the useful lifetime of existing buildings is one way to reduce waste and minimize the consumption of natural resources, thereby reducing the environmental impact of new constructions (Assefa & Ambler, 2017).



*Photo 1*, Coffee Shop in Copenhagen located in a former workshop. *Photo 2*, Coffee Shop in Hong Kong located in an area formerly dominated by leather and textile suppliers. (All Photos by Author)

#### 4. Appealing Neighborhoods

The areas where this kind of coffee shop tends to be located has a kind of gravitational pull on customers, but they can be attracted for different reasons. One customer in Copenhagen, for example, said *"I like the area [...] because there is water, and it's just a nice environment in general."* A couple in Hong Kong, meanwhile, said *"We cherish old districts because we don't know when they will be demolished."* Some customers also mentioned exclusivity, or separateness, as a value. A customer in Copenhagen said, *"I like historical places, they give me the feeling of being part of the city,"* and went on to describe how these areas are often less reachable for tourists. Being located near a harbor or a canal is attractive in Copenhagen, especially during the summer, where it is possible to swim and observe the boat traffic. As one customer put it: *"It is a good place to hang out in the summertime because you can swim, and it is in the sun. When I come here, I normally stay for a couple of hours. In other cafés I would normally not stay that long."* 

Despite the fact that in these remote areas there are often few other attractions, the presence of other businesses seems to have gravitational pull. A customer in a group in Copenhagen said: "We planned to be here for like an hour and then go climbing [at a nearby rock climbing camp] but now we've been here for almost four hours so I don't think we will go climbing anyway." Several Hong Kongers noted that they had planned their trip to the outlying area in advance and planned to visit other shops in the area while they were there.

#### 5. Light and Spaciousness

Being located outside of the more expensive and busier commercial districts often has the advantage that there is more space available. This is particularly true in Copenhagen, where locations can be more remote than those in Hong Kong. One store owner in Copenhagen mentioned that one quality of his location was its distance from other buildings: *"There are not many places in Copenhagen where you have that much space. The sun comes up here at 8 and then it is here until 6 o' clock in the evening or even until 8 or 9 in the* 

summer. This is unusual in Copenhagen [...] usually other buildings will block the view or cover the sunlight," he said, explaining further that sunlight is something that his guests value (Photo 3).

The shops and cafés themselves can also be more spacious. *"I feel like it's very* [...] *airy. I like that* [...] *there is a lot of space. The ceilings are high.* [*It's*] *like you can breathe,*" a customer in Copenhagen said. Even though shops in Hong Kong are smaller by comparison (Photo 4), customers here also noticed that shops were more spacious than in the busier commercial districts:

"It is quite spacious compared to other cafés [...] I went to some (in more commercial districts) that were very, very tiny, and very crowded. It was super tight and very noisy [...] It was not a nice atmosphere. I prefer this shop because there is a lot more space."



*Photo 3*, Coffee Shop in Copenhagen with open area in front of the shop. *Photo 4*, Coffee Shop in Hong Kong located in an old district without vehicles.

#### 6. Quiet

Reduced traffic, less crowdedness, and quiet were often mentioned as reasons for visiting these stores: A customer in Hong Kong said: *"I prefer old district. I enjoy the atmosphere and neighborhood here. The pace here is rather slow, so I can escape from the busy workday."* Similarly, a customer in Copenhagen noted that: *"The vibe is just very easy going. It is very inviting, calming, and easy. Even when you sit outside it's really relaxing, not a lot of cars."* 

#### 7. Outdoor Areas/View to neighborhood

All of the shops in the study have some kind of outdoor seating area, offering a view to the neighborhood. In Copenhagen these areas were relatively large – often with more seating than inside the café (Photo 5). In Hong Kong, outdoor seating is still relatively unusual. This is probably attributable to the city's climate, pollution, and noise levels. Hong Kong is also one of the world's most densely populated cities, and legislation prohibits incorporation of public spaces by adjacent shops (HKeL, 2022). Nevertheless, incorporation of outdoor seating areas is a growing tendency among specialty coffee shops. Since they are not allowed to be placed outside, most outdoor seating areas must be incorporated within the store's premises (M. Münster, 2023). Most typically, the glass facade is pulled back from the front of the building, creating a small 'niche' for seating (Photo 6).

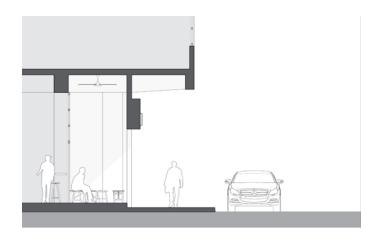


*Photo 5*, Coffee shop with outdoor seating, Copenhagen. *Photo 6*, Coffee shop with outdoor seating, Hong Kong.

Whereas outdoor areas in Copenhagen are usually located in front of the shops (Illustration 1), in Hong Kong they are normally located in small 'niches' within the premises of the shop (Illustration 2). Such framed outdoor areas, offering as they do both prospect and refuge, can be considered 'safe' places that, adopting Buchanan's (2019) terminology, can support visitors in transforming unfamiliar 'surroundings' into more well-known 'environments'.



Illustration 1. Copenhagen: outdoor seating areas located in front of the shop.



*Illustration 2*. Hong Kong: outdoor seating area incorporated within the premises of the shop.

#### 8. Storytelling

One characteristic shared by many of the coffee shops studied was the presence of narratives, which I will call 'storytelling.' Analysis indicates that storytelling takes place at different levels: 1. Through orallytransmitted narratives about the history and characteristics of the location; 2. Through the preservation of physical objects and surfaces, which tell the story of the location's prior use; 3. Through transmission of information and guidance about the local area. These will be discussed individually below. The first form of storytelling identified is the presence of orally transmitted narratives about the history of the building, or the location. Interviews with store owners who had participated in the renovation of the location consistently revealed that they were well-informed about the history of the place, and very willing to share what they knew about previous owners, or the location's previous function(s). Conversations with staff members who were not owners themselves also revealed some level of knowledge. Often they could point out traces of the location's previous life. For example, a barista in Copenhagen could relate that the location had previously been a ceramic studio, and that objects produced by the ceramic studio had been used as decoration (Photo 7). This brings us to the second form of storytelling, narratives transmitted through the preservation of objects and surfaces. Interviews with store owners who had participated in the restoration process revealed that they consistently endeavored to preserve traces of the location's previous use and incorporate them in the new store design (Photo 8). For example, a store owner related that the building had been a waiting room for a ferry terminal: "One of the walls has not been painted [...] you can still see where the seats from the waiting room used to be." In these examples, physical objects and surfaces are used as visual reference points in the retelling of the location's history to its new users. The third form of storytelling is about quidance. Often, the staff and owners of coffee shops in the study were in a position to be able to give guidance about the surrounding area to guests and visitors. A store owner in Hong Kong, for example, explained that when he opened his store, there were no other coffee shops in the area. Most of the other shops in the area sold leather and textiles, which meant that most people coming to visit the area were usually after those products, and not coffee. When visitors stopped in his coffee shop for refreshment, he was able to guide them in their search for specific products, thus supporting the other businesses in the area, and establishing a symbiotic relationship with them. Similarly, a barista in a shop in Copenhagen explained that their shop had been one of the first to open in the area, and that there is now also a museum and some other restaurants. She then proceeded to point out the locations of some upcoming projects which had not yet opened. Examples like these illustrate that staff in remotely located coffee shops can act as neighborhood hosts, disseminating information about not only their own location, but the surrounding area as well.



*Photo 7.* A store in Copenhagen displaying items produced in the former workshop. *Photo 8.* A store in Hong Kong where previous layers of wall surface have been removed, exposing old sketches, which have been preserved as decorative elements.

#### Conclusion

In summary, a particular type of specialty coffee shop, located outside of busier commercial districts, and often in areas that have not had the presence of specialty coffee shops before, has emerged in both Hong Kong and Copenhagen. For customers willing to spend the extra time and energy to get to them, these places offer unique aesthetic, and often more spacious and relaxing experiences. These coffee shops can bring a new demographic to areas that might not otherwise have attracted it and can thus be considered an entry point for neighborhood consumption. In Copenhagen, we found shops in old factories, along the harbor, or in industrial areas outside the city center. In Hong Kong, we found shops in older neighborhoods, often ones that have previously been dominated by industrial hardware suppliers. Although the types of neighborhoods, and often the size of the stores themselves, were typically different between the two cities, the characteristics, and values that the neighborhoods contributed were very similar. The eight themes identified above: *Individual businesses; Added Activities; Repurposed Buildings; Appealing Neighborhoods; Light and Spaciousness; Quiet; Outdoor Seating; Storytelling,* give information about trends, but also reveal values that these shops have for businesses and their customers.

In offering a more thorough and nuanced understanding of the characteristics of coffee shops in remote locations, this study provides insight to stakeholders such as governments, urban developers, store owners, and retail designers about the values represented by projects of this nature. Given that reusing existing buildings is a more sustainable practice than building new ones, this study can provide rationale for preserving existing structures and neighborhoods, and it can therefore also contribute to waste reduction and carbon neutrality, ultimately assisting with meeting global sustainability goals for cities and countries. Further study is needed to investigate the challenges associated with this kind of project. For example, the challenge of adapting older buildings to current needs, including higher standards for insulation and access, to name only two. Additionally, this study has concentrated on the values that this kind of shop represents for owners and users, but it has not investigated the effects that they might have on neighborhood residents and businesses. These factors are clearly relevant and should be studied in the future.

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#### Qualities of hyperlocalised retail and service design in support of local community

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As brands and their communities are increasingly globalising, there is need for greater differentiation between brands and within brand communities. This is because the prevalence of brand services and experiences resulting from global standardisation are less memorable, and therefore less valued by consumers. As a channel to connect with brand communities and support their development, physical retail stores and their services can be designed to address the more specific needs of these communities. The study suggests that brands consider their broad community as a composite of micro-communities. A local community (as a type of micro-community) occupies a shared geography in which a physical retail store is located. Brands respond to local communities through hyperlocalised retail and service design in practice. However, the discourse does not capture the qualities of hyperlocalised retail and service design in support of local communities. There is a gap between the practice and discourse on hyperlocalised retail and service design. The study aims to address this gap in knowledge. Through qualitative empirical research (interviews and artefactual analysis), using a constructivist grounded theory protocol, the study asks what are the qualities of hyperlocalised retail and service design in support of local community? The study found eight qualities of hyperlocalised retail and service design in support of local communities. These are: Located in a district of community significance; Retail site holds meaning to local community; Local referential aesthetics applied to retail design; Unique and tailored service offering; Social opportunities in retail store; Mixed and multi-modal retail programming; Live retail and service design; and Moral expression in retail and service design. The paper contributes to the discourse on localised retail and service design. It also bridges the gap between service and retail design practice and discourse.

**Keywords**: brand community; hyperlocalised retail and service design; localised retail and service design; local community

## Qualities of hyperlocalised retail and service design in support of local community

#### 1. Introduction

"Brand community" is an established concept that originated in the early 2000's in consumer research. Brand communities are groups of individuals affiliated to brands and hold the attributes of "shared consciousness, rituals and traditions, and a sense of moral responsibility" (Muniz & O' Guinn, 2001). As brands and their communities are increasingly globalising, there exists a need for greater differentiation between brands and within brand communities (Sharma, 2017). This is because the prevalence of generic brand services and experiences resulting from global standardisation are less memorable, and therefore less valued by consumers (Teufel & Zimmermann, 2015). As a channel to connect with communities and support their development, physical retail stores and their services can be designed to address specific needs of brand communities.

This paper suggests that brands consider their community as a composite of micro-communities. As a type of micro-community, a local community occupies a shared geography in which a physical retail store is located. Brands are responding to these local communities through hyperlocalised retail and service design in practice (van Veen, 2014). However, the discourse does not capture the qualities of hyperlocalised retail and service design in support of local communities. There is a gap between the practice and discourse on hyperlocalised retail and service design.

Using a constructivist grounded theory protocol (Charmaz, 2014), the study explores the research question: what are the qualities of hyperlocalised retail and service design in support of local communities? This research aims to identify qualities of hyperlocalised retail and service design in support of local community.

It aims to identify the qualities, demonstrate the dimensions of brand community supported by these qualities, and indicate the application of these qualities in practice.

The paper is structured as follows.

- The qualitative research method following a constructivist grounded theory process is outlined. The data, collection, and analytical procedures are described.
- The literature review is presented. This is to motivate hyperlocalised retail and service design as a practice that supports brand differentiation and that facilitates local community connection.

- Thereafter, the theoretical findings, "qualities of hyperlocalised retail and service design in support of local community", are discussed.
- Finally, the theoretical and practical implications of the research and recommendations for further study are provided.

#### 2. Research Method

This study employed a qualitative research approach using the constructivist grounded theory protocol (Charmaz, 2014). The research involved both primary and secondary data collection.

The researcher identified the need to generate theory using practice-based knowledge. In this study, knowledge was sought from designers and retail stores (artefacts). This study is situated in a broader research project on localised retail design. This was considered the study substantive area (Charmaz, 2014).

#### Data, collection, and analysis

I conducted eighteen semi-structured interviews with retail designers experienced in localising retail design. The interviews were transcribed and analysed using Qualitative Assistive Data Analysis Software, NVivo 10. The anonymity of respondents is retained for research ethics purposes.

As I considered the emergent theory, I conducted theoretical sampling of artefacts of localised retail design. These brands were identified during the interview process, where respondents recommended studying their retail and service design. They were also identified through searches responding to emerging codes and categories during the analysis. I collected data on twenty localised retail stores belonging to four brands known for localising retail design. This secondary data was collected through documentation of the retail stores in published books, design blogs, practitioner publications, and websites. The selected brands were Aesop, Dolce & Gabbana, Nike, and Starbucks.

Data was iteratively collected and analysed. I conducted coding, sorting, categorising, and memo writing techniques throughout the process of data collection and analysis (Charmaz, 2014). This assisted in identifying themes and developing the theory: qualities of hyperlocalised retail and service design in support of local community.

The emergent theory was verified within the data using a constant comparison method of comparing data with data and codes with data (Charmaz, 2014).

I summarise the research process using constructivist grounded theory and the position of data in relation to substantiating theoretical development below:

DEFINE THE SUBSTANTIVE AREA	Defining the substantive area Defining a preliminary research question		
2 RESEARCH DESIGN	Finalising the research design: semi-structured, in-depth interviews Developing the interview guide	Memo Writing	
3 SAMPLING	Identifying respondents Scheduling interviews Obtaining informed consent	Men Constant Comparison	Buj
4 DATA COLLECTION AND ANALYSIS	Conducting the interviews Writing memos during the interview Transcribing the interviews (third-party)	8	Theoretical Sampling
5 INITIAL CODING	Coding the data Writing <b>descriptive memos</b> about the data	Ŷ	
6 SORTING AND CATEGORISING	Focused coding: sort codes Generating tentative categories	8	
7 THEORISING	Theoretical sampling: documentation of brands and artefacts demonstrating category relevance (Test, develop and saturate the categories) Escalating categories into theory	Ŷ	¢ data
8 WRITING THE THEORY	Refining the research questions 1. What are the qualities of hyperlocalised retail design in support of local community?		

Figure 1 Research design: the implementation of the constructivist grounded theory process in the study

#### 3. Literature Review

#### 3.1 Brand differentiation and standardised retail design

The act of differentiation requires brands to find ways to appeal to consumer communities in a way that gives them an edge over others. Branding itself came from the retailer's desire to relate a particular personality and identity to consumers.

This was to uniquely identify their products and services and to distinguish them from competitors (Ailawadi & Keller, 2004, p. 332; Saraswat *et al.*, 2010, pp. 169-170; Sharp & Dawes, 2010).

Retail design has played an ongoing role in this effort towards differentiation. As a spatial expression of brand identity, retail stores use an interpretation of the brand's personality to provide services and environments that are recognisable to consumers and to connect with them (Quartier, 2017). Although it does not encompass a single brand's only method of differentiation, physical retail design holds the ability to secure consumer connections due to its inhabitable and memorable nature (Riewoldt, 2002, p. 8). Reflecting the identity of a brand, physical retail stores provide inhabitable brand worlds, making a defined statement to consumers on who the brand is (Quartier, 2017, p. 38).

Through inhabiting a retail store, a consumer gets to know the brand and through service design in retail spaces, the brand can form connection with consumers (Quartier, 2017). As brands have an omnipresence across national and/or international markets, retail store standardisation exists as a normative design practice aimed to maintain the consistent communication of a brand's identity to retain its high standards and a trustworthy reputation with consumers (Dincay, 2015, p. 174; Quartier, 2017). Teufel and Zimmermann (2015, p. 42) argue that although standardised retail design is hinged on the brand's efforts to express its identity as an ultimate demonstration of being true toward itself (this is also supported by Pine & Gilmore [2008]), standardisation depletes authenticity of the retail design.

This is because mass-produced design tends to devalue the brand by rendering it commonplace (Teufel & Zimmermann, 2015, p. 42). Alexander and Kent (2017, p. 63) discuss the advent of the non-place as providing a contextual anonymity to the retail environment. They describe environments such as malls as signifying "non-places" which are without a distinct "identity, history or relation" (Alexander & Kent, 2017, p. 63). Standardised retail design is arguably a non-place as it demonstrates no explicit link to its context and is generic to place. De-Juan-Vigaray & Seguí (2019, p. 300 [7]) concur that *placelessness* threatens authenticity.

They further state that these non-places can diminish the brand's ability to differentiate itself (De-Juan-Vigaray & Seguí, 2019, p. 300 [7]).

Although standardised retail design does assist a brand to maintain the consistent portrayal of a brand's identity, maintain its reputation, provide a consistent standard of services and experiences to consumers, and support a strong communication of this identity (Agarwal *et al.*, 2020, p. 1888), it risks raising a generic design language that becomes unmemorable and less valued by consumers (Teufel and Zimmermann, 2015, p. 44-45). As an alternative, Teufel and Zimmermann (2015, p. 44) argue that retail design that is unique and reproduced in limited quantities are more valued by consumers as they are exclusive and deemed more "authentic". Gilmore and Pine (2007) support this notion of unique retail design and deem this as compatible with consumers' needs. They advocate that authentic retail design is demanding differing stores according to the locations of these stores (Gilmore & Pine, 2007).

This necessitates that brands consider alternatives to standardised retail design in an effort to connect more closely with their communities. This requires a consideration towards ways in which retail and service design can become more unique to connect to the distinctive needs of brand micro-communities.

#### 3.2 Hyperlocalised retail and service design and community

A brand community is a group of brand consumers under which a brand delivers "shared consciousness, rituals and traditions, and a sense of moral responsibility" that forms a common ground between individuals within this brand community (Muniz & O' Guinn, 2001). The brand community is widely defined regardless of geography (Muniz & O' Guinn, 2001). The resultant retail and service design response to a broad community is conventionally standardised. It is driven by a broader engagement with the overall brand community's needs, values, and ideals. It communicates brand identity and prioritises consistency.

The dimensions of a brand community are interpreted and applied to retail and service design on a broad and general scale. A micro-community exists as a sub-defined brand community of individuals united by shared interests in the brand and another common area that define them as a community. For example, a sporting community may be classified as a brand community and tennis players may be classified as a brand micro-community. A local community exists as a type of brand community defined by an additional shared characteristic of occupying a common geography (Landry et al., 2005). Broadly, retailers and local community (Arnold et al., 2013). Through "socialisation, mutual support, social control, and social participation", brands and local communities can find ways to secure lasting connections to each other (Arnold et al., 2013).

This common connection to place prompts a narrowed down and nuanced approach to retail and service design. The retail and service design response can be hyperlocalised. The retail store is leveraged as a physical place that holds connection and meaning to a local community of brand consumers. The brand acknowledges and responds to the brand community's local connection to place (van Veen, 2014; Khan, 2022). Hyperlocalised retail design holds unique features and services that support a brand to differentiate itself across the market (van Veen, 2014). The brand responds to local community through a more specific definition and response to the "shared consciousness, rituals and traditions, and a sense of moral responsibility associated with place" (Muniz & O' Guinn, 2001).

"Place", as a physical region can be characterised as holding repeating features; coherent features that are recognisable; significance to human experience; and a connection to the identity of individuals in a community (Berleant, 2003, p. 43). By understanding local communities, brands can provide exclusive retail services that differentiate their offering and create high demand and consumer involvement (Alexander & Kent, 2017, p. 63). The retail store, as a place, becomes an anchor point to communicate and deliver these tailored services and connect with local communities (Alexander & Kent, 2017, p. 63).

Hyperlocalised retail and service design are interlinked with local community who associate meaning with place (Berleant, 2003, p. 43). This associated meaning, known as place attachment, relates that communities derive a sense of belonging and associate their own identities with a shared location, usually on the scale of a neighbourhood (Giuliani, 2016).

Place attachment is dependent on retaining the existing qualities of place that are valued by its consumers. Hyperlocalised retail and service design must sensitively integrate with or add value to these neighbourhoods to connect successfully with local communities (Down & Paphitis, 2019). Muniz & O' Guinn's (2001) dimensions of brand community must be evident in the qualities of hyperlocalised retail and service design, however these are to be defined on a more narrow or specific level for the local community.

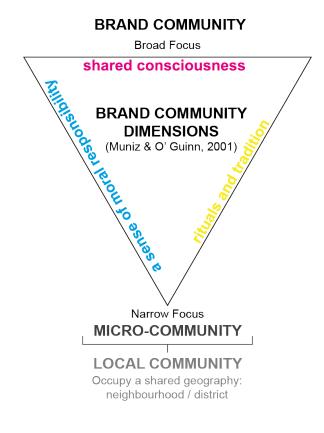


Figure 2 Broad to narrow focus of brand community dimensions

The dimensions of "shared consciousness"; rituals and traditions and a sense of moral responsibility" (Muniz & O' Guinn, 2001) may be more defined according to the local community to inform hyperlocalised retail and service design. This is illustrated in Figure 1 above. Although many avenues exist for retailers to exert these areas of expressing brand community through local community, limited knowledge on how communities connected to place can be leveraged to enhance brand connection using physical retail stores (Peters & Bodkin, 2018). Peters and Bodkin (2018) have explored the potential of grocery retail stores to foster brand community; shared consciousness; social interactions; moral responsibility; rituals and traditions; and store employees" (Peters and Bodkin, 2018). Although these attributes do expand an understanding of the qualities of retail stores that can promote the sense of brand community, there exists an opportunity to develop this from a design perspective that can have more direct implications on hyperlocalised retail and service design practice.

## 3.3 Hyperlocalised retail and service design for differentiation

Hyperlocalised retail and service design supports brand differentiation. It can assist brands to communicate how it is different to its competitors and how it can demonstrate different facets of itself to connect with microcommunities such as local communities. These sites are located in neighbourhoods that hold unique and distinctive characteristics that align with a brand's perspective on their current or developing identity (Sharma, 2017, p. 203). By associating with the unique characteristics of a place, a brand is tapping into place and embracing its qualities into its identity showing a 'version' of itself through retail design rather than a duplicated roll out which would be more relevant to a black box site (a site with no defining characteristics or features, such as a shop site in a mall). This association with distinctive characters of place supports differentiation. Hyperlocalised retail and service design provides the brand with the benefits of a) connection with local community, and b) differentiation. This is summarised in the table below:

Table 1. Benefits of hyperlocalised retail and service design for brands				
a)	Connection with local community	It allows brands to find ways to directly connect with communities and promote belonging on a grass-roots level by tapping into the place-specific social activities, culture, and identity of the neighbourhood or district of the retail		
b)	Differentiation	It assists brands to differentiate themselves from competitors as they are taking a novel approach to store design that differs from the norms of standardisation (Kent, 2007). Hyperlocalised retail and service design can assist a brand to differentiate its approach to consumers		

## 4. Qualities of hyperlocalised retail and service design

The study found eight qualities of hyperlocalised retail and service design that support a brand's local community. These are:

- a) Located in a district of community significance
- b) Retail site holds meaning to local community
- c) Local referential aesthetics applied to retail design
- d) Unique and tailored service offering
- e) Social opportunities in retail store
- f) Mixed and multi-modal retail programming
- g) Live retail and service design
- h) Moral expression in retail and service design

The eight qualities of hyperlocalised retail design are presented and discussed below in a narrative format. Each quality is presented in the following structure.

- The quality is defined and described.
- The dimension/s of brand community that can be supported by each quality of hyperlocalised retail and service design is noted and substantiated through interview vignettes, and
- The application of the quality in retail and service design practice is illustrated through a practicebased example.

#### 4.1 Located in a district of community significance

The brand selects a store location in a district or place that is significant to the local community. The district can be classified as a "place" (Berleant, 2003).

The store location or district holds unique qualities and characteristics that give it local meaning to the communities that inhabit these districts.

The district may hold a unique identity that relates to the vibrancy of the communities inhabiting the neighbourhood, the mix of arts and cultural programmes in the district, the history and evolution of the district, and what this region means to the local communities.

The retail store plugs into the energy of the district, bringing its unique brand identity while symbiotically integrating into the local place. The retail design responds to the local context through integration with the urban environment. The retail design considers public circulation, entry, and shopfronts in relation to the store boundaries and existing activity in the district. Further, the programming of activities in the store can relate to the district itself (See 4.6. Mixed and multi-modal retail programming).

Respondent 15 expressed the importance of local neighbourhood context to localising retail design:

"So, it's not just about what city you go in or which area, even sown to the individual street it was on and whereabouts within the street..." – Respondent 15.

Respondent 13 detailed the type of informants they would look at:

"... what we're searching for are the idiosyncrasies of a place ... that includes not only just the kind of physical things, but climate conditions. What's the heritage of the host city? We're searching for really the DNA." – Respondent 13

This quality of hyperlocalised retail and service design can support brand communities through responding to the dimension of "shared consciousness".

The quality of a hyperlocalised retail design being located in a district of community significance is evident in the store, Apple Milan built in 2019 and designed by Foster + Partners. *Apple Milan* is a store located in Milan's Piazza Liberty, a historic district significant to the Italian city. The store design emulates a "town square" (Stevens, 2018) with the shopping environment zoned beneath the paved square. The retail store does not detract from the historic character of the square. The community enter through a waterfall feature that is a landscape-like element in the square that forms the roof of the store. The design expression does not attempt to overshadow the historic character of Milan, channelling consumers into underground multi-story retail space (Stevens, 2018).

## 4.2 Retail site holds meaning to local community

The site (building and physical space in which the store is built) is significant to the local community. The building itself maybe a stylistic, historic landmark. The site may be prominent within the context by being located on a street corner or it may be of high visibility.

It may be proximal to other significant sites or experiences. The site may have prominent cultural history or have been occupied by people of importance to the local community. Hyperlocalised retail design recognises the importance of retaining the character of the building by understanding its significance to the local community and their connection to the place (provided this community has a favourable association with the *status quo*).

Hyperlocalised retail design acts responsively to the characteristics of the existing building, its history, its inhabitants, its past functions, and its prominence to refer to the meaning they hold and use this to inform retail and service design.

This quality of hyperlocalised retail and service design can support brand communities through responding to the dimension of "shared consciousness".

For example, Respondent 9 spoke about the design of New Balance T-house as a replication of a culturally familiar site to evoke a shared consciousness between the local consumer and the brand.

"They've put it in T-House, which is a traditional Japanese piece of architecture crafted out of an old building that they've got from somewhere and rebuilt it in this tin shed." – Respondent 9

The quality of being in a retail site that holds meaning to the local community can be seen in *Aesop Brera*. Aesop Brera (designed in 2015 by Vincenzo de Cotiis Architects) finds itself in a historic centre of Milan. The store, once a *salumeria* (a traditional Italian charcuterie), is located in a nineteenth century building, within proximity to the Chiesa Santa Maria del Carmine, a fifteenth century church. The district of Brera is known for its occupants of artists, and is the location for the annual Salone del Mobile, Milan's famed furniture design fair (taxonomyofdesign.com, *s.a.*).

The design approach to Aesop Brera sought to retain aspects of the *salumeria* in both preservation of the façade signage and in the references to past use through the design element of a marble topped table in the second area of the store (referring to the display tables of the traditional *salumeria*). Aesop Brera demonstrates a site-sensitive approach to the design. The prior function of the space as a *salumeria* is celebrated through preserving the facade signage. The designer retains the spatial arrangement of two spaces interlinked by a short corridor and uses this to guide the spatial organisation of the store.

Some internal walls have been stripped and the raw texture of existing material. These have been exposed and revealed within the store (taxonomyofdesign.com, *s.a.*).

## 4.3 Local referential aesthetics applied to retail design

The retail aesthetics hold unique associations familiar to the local brand community. The store uses materials, forms, lighting, colour palettes, graphics, furnishing, products, décor, and spatial arrangements that refer to local cultural capital. The retail store could use local storytelling through graphics, such as a district's history, unique rituals and mannerisms, unique vocabulary, past shared events (sporting, celebratory), and what the place may be known for. This can elicit a sense of local pride in the local community. The references can range from being explicit (such as a graphic timeline) to abstract, that only a community insider may be able to grasp the meaning.

For example, Respondent 8 spoke about their application of local identity through aesthetics in retail design:

"... there were other textures and patterns. We looked at a lot of fabric patterns that are often used in Africa and kind of simplified them to work with the brand identity." – Respondent 8.

This quality of hyperlocalised retail and service design can support brand communities through responding to the dimension of "shared consciousness".

The use of referential aesthetics applied to retail design can be seen in the material use in *Starbucks Reserve, New York* designed in 2018 by Liz Muller and Starbucks Global. The attributes of the neighbourhood, its heritage, and physical features inform aesthetic expressions of localised retail design in this example. In Starbucks Reserve New York, the store design takes aesthetic cues from the industrial heritage of the Meatpacking district in which the store is located. The use of copper, steel, and concrete as well as an exposed production line communicate a continuation of the industrial identity of the neighbourhood (Cogley, 2019).

# 4.4 Unique and tailored service offering

The retail store offers services associated with the location and interests of the local community. The retail brand understands the unique needs of the local community and responds to these needs through the provision of services that allow consumers to receive a unique and personalised attention.

This service experience may extend beyond the retail store to digital interaction with the brand (for example, membership applications) and integrate with store services as part of the customer journey. The brand aims to demonstrate it is an expert in the use of its product and facilitates ease of application of that product in the local context.

Respondent 10 discussed the ways in which local communities could inform a unique and tailored service offering:

"...there's a neighbourhood of runners, there's a neighbourhood of basketball enthusiasts. So they can begin to fine tune the product and the services specific to that consumer." – Respondent 10.

For example, a sporting brand located near school districts may offer a tailored shoe fitting service for children who have the unique need of growing feet and learning sports. It may also network parents to local leagues that offer sporting opportunities to children. It may celebrate league winners in the local community through sponsorships of kit, or in some cases, sports fields (such as Nike Pigalle). These services add value to local communities by responding to their unique needs.

This quality of hyperlocalised retail and service design can support brand communities through responding to the dimensions of "rituals and traditions" and "a sense of moral responsibility".

An example of unique and tailored service offering can be seen in Nike Live concept. Nike Live stores present in-store services that integrate digital and physical shopping experiences. The services are shaped by consumer data obtained through the Nike Plus app in each store. Each store is unique but hold the common object of providing tailored services based on local community needs. Consumer purchase habits, lifestyles and feedback are used to determine the store location, product rotation in store and special services needed by consumers in the area (Gibson, 2018; Rebholz, 2018).

As the first Nike Live store, Melrose set the tone for roll out of the Nike Live concept to the locations, Shibuya Scramble, Tokyo and Long Beach, California. In Nike Live Shibuya Scramble, the subway location of the store inspired a material palette of ceramic tiles, steel cage and fluorescent lighting. The store caters for the quick movement of consumers in this location, integrating digital technology to enhance speed and convenience of service.

The Nike Live Long Beach store is a female targeted store. The store sees unique experiences offered to its market, focused on both training and lifestyle events. The store hosts a unique sneaker bar, with curated product from consumer data and local staff picks (news.nike.com, 2019). Consistent to the Nike Live concept is the intention to provide a relevant, tailored services to the local members.

## 4.5 Social opportunities in retail store

The retail store offers consumers the opportunity to socialise with each other and/or with staff. The retail store is seen as a place of connection with like-minded individuals that form a community. The retail store can accommodate social opportunities through the provision of interactive and experiential elements that encourage socialising. This can also be accomplished through social programming where communal activities are designated such as café seating areas, or a bar. The retail store can become a meeting point: a place where like-minded people come together to discuss experience shared interests and make memories. This can also be educational experiences, such as a fitness class or a workshop. Social opportunities can also integrate with social media and social applications for multi-dimensional relationship-building between the brand, its local community and the broader brand community.

Respondent 12 saw the existence of social communities within a neighbourhood to foster a central meeting point through provision of services and aesthetics related to the shared rituals and traditions for this community:

"So, people are super outdoors here" ... "We've done some things like fill a wall with skateboard decks" ... "and we have bike racks in the front." – Respondent 12.

This quality of hyperlocalised retail and service design supports brand communities through responding to the dimension of "rituals and traditions".

Social opportunities in retail stores can be seen in Starbucks, The Bank, Amsterdam, 2012 by Liz Muller. The store encourages social activity through programming local events such as poetry performances, and music events (Meinhold, 2012). The store also holds multi-story coffee experiences that encourage conversation and visual exchanges across the space (Meinhold, 2012).

## 4.6 Mixed and multi-modal retail programming

The retail store provides hybrid functions or activities beyond selling products. There is a mix of programmes. These can be fixed and/or temporal programmes. Fixed programmes are static and permanently zoned in a space (for example, a coffee bar). Temporal programmes occur for a pre-determined duration and are temporary (for example, an event). The retail design is complemented by multiple programmes happening at once in the retail environment.

Respondent 4 described this quality:

"... it's a place that you can do many things in, or what we call multi-modal." ... "More than just one activity" – Respondent 4.

Mixed programming can involve co-branding in which a brand may associate with another brand to bring together overlapping brand communities and create a unique collaboration. The co-brand may be an independent local brand that already holds local significance to the community. In mixed programming, the brand may bring together different rituals, such as shopping, eating, exhibition, entertainment, and events in a single space. The retail space maximises on its programming to encompass further lifestyle interests that add value to the local community's lives and promote an extended duration of interaction with the retail space.

This quality of hyperlocalised retail and service design supports brand communities through responding to the dimension of "shared consciousness" and "a sense of moral responsibility".

Mixed programming is evident in the Vans Covent Garden store 2019 (designed by Vans in collaboration with KesselsKramer). In Van's Covent Garden, the retail designers allocated a second programme to the retail design: a space for temporary exhibitions of art and sculpture by emerging local artists.

As the "first Vans boutique store in Europe" (Lindsay, 2019), the retail design offers a broader brand statement than product alone. The offering of local creativity is a constant process of curation of local art, and artists, creating temporal experiences for the local consumer, encouraging return visits and continuous activation of the space.

## 4.7 Live retail and service design

The retail and services continually evolve. These changes are based on consumer inputs where brands respond continually to the needs, tastes, habits, and preferences of the local community. This live retail and service design requires brands to collate inputs of consumers and use this to elicit adjustments to the retail design. This is valued by local communities as their interests and voice are influencing the brand to transform. This demonstrates that the brand cares about its communities and is willing to go through the effort of understanding what this community needs and responds to that. Although retail design is seen as conventionally static, live retail design requires meta-design. This means that brands design stores strategically for redesign. Meta-design of retail stores occur with the objective of being changed and require designers to define the parameters for flexibility in retail services and space. The continued feedback loop of consumer input, brand response, and consumer feedback requires design management and establishing operations to support the process.

Respondent 4 described this as an agile approach to retail and service design that required continued design negotiation:

"So agility is about planning for the future. That you will be able to plug in and plug out different functions" – Respondent 4.

This quality of hyperlocalised retail and service design supports brand communities through responding to the dimension of "rituals and traditions".

By leveraging consumer insights, Nike continually processes and translates consumer inputs into tailored and responsive retail environments and services (Klanten & Kouznetsova, 2018, p. 226). This innovation is apparent in the brand's retail concepts, *Nike House of Innovation* and *Nike Live*, both launched in 2018.

The aim of the brand is to create retail experiences that are "more personal, more mobile, more distinctive" (Parker in Klanten & Kouznetsova, 2018, p. 226). Nike Live uses consumer app data to reinform design changes. This includes the placement of product, the provision of tailored services, and the retail atmosphere.

## 4.8 Moral expression in retail and service design

The retail store strives to have a positive social and environmental impact on the local context. The social responsibility of a brand can be demonstrated through its retail design processes (the ethical treatment of the retail team, contractors), the retail design store itself (the materials, how these are sourced, and manufactured, whether this is sustainable, the lifecycle of the materials and fitout), and in the use of the store (how consumers perceive and interact with the moral stance that is supported by the brand).

For example, Respondent 18 spoke about the way in which local contractors are engaged in creative contribution to the retail design to empower local communities:

"We believe they should implement an inclusive process where they take into account these local communities and truly connect with them by giving them a voice."

Respondent 16 supported this perspective in their design process, they appoint local craftspeople and see their role as curator rather than sole author of the design:

"...that has all revolved around designers being challenged to be curators as well as designers and it means that sourcing authentic pieces that come from South Africa to infuse the voices of many into the design." – Respondent 16.

Although these are of global ethical concern, the application can be tailored to local context through identifying how local impact can be made with respect to the global cause.

This can be accomplished through:

- building awareness of social and environmental issues through the retail design, and
- engaging the local community to make ongoing positive impact through brand related product consumption and activities and interactions in the service experience.

Beyond the reassurance of social and environmentally responsible measures taken by brands, local consumers are conscious of a brand's impact on local people and place.

For example, Aesop describe doing no harm, working with the existing tenants in nearby businesses, and integrating sympathetically into the neighbourhood (Down & Paphitis, 2019). Communities are conscious that brands are acting to support the local character of the place which may be susceptible to being altered by commercial activity through gentrification (Spencer & Bassadien, 2016).

This quality of hyperlocalised retail and service design supports brand communities through responding to the dimensions of "shared consciousness"; "rituals and traditions"; and "a sense of moral responsibility".

For example, H&M, Mitte Berlin, 2019 (by H&M in-house design) addresses and responds to local ethical values. As a shopping destination, Berlin is known for its local labels, unique merchandise, and culture. The store design intends to create an experience specifically for the Mitte consumer while reinforcing H&M's shift in values towards sustainability and connections to the local market (about.hm.com, 2019). Selected product from H&M is displayed along with second hand clothing and local labels. By using minimalistic visual merchandising, greenery, and subtle palettes, the brand indicates a shift from its high-gloss, fast fashion roots to a toned-down, 'slow' luxury-associated experience that is compatible with local taste and ethics. The use of second-hand goods in store, the possibility for consumers to rent product over buying product is in alignment with local values.

The integration of a local branded vegetarian café in the store's courtyard and seasonal events contribute to mixed programming that is familiar to the local community and appeals to their health and environmental consciousness.

## 5. Conclusion

This paper introduced the concept of hyperlocalised retail and service design as a response to the need for brand differentiation. It was argued that as brand communities are becoming increasingly globalised and that there exists a need to sub-define communities intro micro-communities. Hyperlocalised retail and service design leverages the local community's place attachment and seeks to integrate and add value with places to connect intimately with the local communities. Hyperlocalised retail and service design holds unique qualities that foster local community connection. The qualities of hyperlocalised retail and service design were presented. These were discussed in relation to their contribution to supporting brand community attributes and their application in practice.

The study contributes to the discourse on retail and service design by bridging the practice and discourse on retail and service design. This can further inform and develop practice. The study defines hyperlocalised retail design in the academic discourse. The study suggests qualities of hyperlocalised retail and service design that can inform practice.

The study has implications on the retail design process for brands, prompting an integrated service and retail design approach with built in allowance for retail re-design for a hyperlocalised as opposed to standardised outcome. The qualities of hyperlocalised retail and service design may be applied and tested in practice. Further qualities can be developed using practice-based evidence through design and targeted studies on consumer perceptions of hyperlocalised retail and service design.

Hyperlocalised retail and service design is a current and growing practice championed by brands seeking to offer their local communities relevant, exclusive, and cutting-edge services that set them apart from competitors.

Embedding hyperlocalised qualities into retail and service design can support the brand's objective to support its communities by responding to their shared consciousness, their rituals and traditions, and a sense of moral responsibility. This can help brands connect with local communities and retain their engagement and interest.

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#### Between proximity and relationship: the future "onlife" of Retail.

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People often refer to real as opposed to virtual, to offline as opposed to online, even though it is difficult to draw a line between these two spheres. Onlife is a neologism coined by philosopher Luciano Floridi to indicate that in most industrialized societies there is a fusion of online and offline, digital and physical. These are not two separate worlds but two inextricably intertwined layers that inevitably have strong implications for experience design as well. Reality is changing and in order not to remain passive in the face of this change it is necessary, according to the philosopher, to adopt new languages and definitions, new approaches capable of conforming to a world in constant transformation. We are penetrated by the informational reality and being connected has become an integral part of our everyday life, so much so that the author speaks of lives we led onlife, in an increasingly synchronized, delocalized and correlated info-sphere. "What is real, is informational and what is informational, is real" states Floridi, taking up the famous Hegelian formula. This concept makes our experiences today extremely complex: a non-predictable, non-linear path, made of leaps and bounds. Onlife opens up new challenges and opportunities for design as experience design in all contexts. Onlife design is where digital technologies, Artificial Intelligence and the Internet of Things, are integrated with design strategies that enable the interconnection of physical and digital spaces. The aim of this concept is to investigate how the boundaries between online and offline life tend to disappear as we seamlessly connect with one another, progressively becoming part of a global 'info-sphere'.

Keywords: Metaverse, Experience, Engagement, Brand Awareness.



#### Theme overview: the unexpected meta-revolution of Retail Design

The *Retail Design*, understood as that set of activities involving the design of spaces dedicated to the sale and distribution of goods and services, has undergone several revolutions during the 19th century that have changed the ways in which users interact with retailers and their products, and thus, with brands.

Stigliano G. and Kotler P. (2018), in the volume *Retail 4. 0*, identify four moments that have marked the evolution of this sector: the birth of *department stores*, which introduced *self-service*, that eliminates any mediation between the producer and the product; the birth of the shopping malls and the *everything under one roof* concept, which partially cancelled single-brand shops, but which contributed into increasing the number of users reachable by a company; the spread of the Internet and the advent of e-commerce, which eliminated any mediation between users and products; and, finally, the advent of the smartphone has made the line between *online* and *onland* commerce ephemeral, bringing end customers closer to manufacturers.

In the early 2020s, however, the restrictions that were applied due to the COVID-19 pandemic brought an unexpected turning point for the retail sector, forcing brands and retailers to once again revolutionize the way they engage with consumers.

In particular, the drop of the in-store sales, the sudden closure of factories, the border blockade and the decrease in tourism, brought a change in market behavior that forced brands to focus on generating revenue

from the only channel available at the time, the e-commerce, and on adopting digital as the primary way of communicating themselves. The pandemic, therefore, exponentially increased business demand for all things digital, enabling innovation, efficiency and new ways of growth (*McKinsey & Co., 2021*). Specifically, the advent of the *Metaverse technology, Augmented Reality* and *Virtual Reality* has enabled brands around the world to completely renew their shopping experience, reaching out to their customers even during a difficult time like the pandemic and securing an even deeper relationship with them.



App IKEA Place, AR shopping experience, 2017

## Relevance of the theme: Luxury Brands embracing the new media of Metaverse

Although, in 2020, the entire commercial sector was affected by the restrictions applied due to the pandemic, it was the luxury sector that immediately proved to be a pioneer in economic applications related to the Metaverse. This industry, in fact, has historically been the testing ground for many socio-cultural, economic and technological trends, precisely because it is more inclined not only to acknowledge and interpret them, but also to inspire and nurture them (Montagna L., 2022).

The report published by the American bank, Morgan Stanley (2020), during the pandemic, underlines the fundamental role of Luxury brands in the rising of the new *medium* as a sales channel for goods and services. The American analysts, in fact, determined that thanks to the investments of the major representatives of the luxury sector in NFT technology and *Social Gaming* — virtual worlds mostly used to socialize and host events in which people can participate using their own avatar — "the economic value of the Metaverse is expected to reach \$50 billion by 2030, also expanding the total market by more than 10% and increasing the earnings of the entire luxury sector by about 25%" (Morgan Stanley, 2020). These figures were also confirmed by the McKinsey Global Institute (2021), which quantified a 66% year-on-year growth in digital investments by the largest international brands.

To prove the link between the advent of the Metaverse as a business destination and luxury brands, there is also the increasing adoption, by large companies, of new professional figures whose role focuses precisely on the digital context. These companies, in fact, from the Kering Group to LVMH, are appointing *Chief Metaverse Officers* — professionals called upon to define and implement strategies linked to virtual worlds. In doing so, it is likely that companies will be able to both update their *value proposition*, weighing up the risk of committing missteps typical of periods of great novelty, but they will also be able to independently define innovative retail and communication solutions, not only exploiting the medium of the Metaverse, but shaping it in their favour (McKinsey Global Institute, 2021). The strategy adopted by Gucci is an illustrative case of how digital solutions can influence the success of a brand and the ways in which the Metaverse can be used.

The fashion house, in-fact, under the leadership of the creative director Alessandro Michele, has been among the most active brands in the digital sphere, securing a strong presence both on platforms such as Roblox and Sandbox, where it has defined innovative formats that have inspired many other brands, but also in the NFT market, thanks to collaborations with renowned digital artists such as Wagmi-san and Superplastic. This strategy allowed the brand to expand into completely new markets that enabled it to reach more users, leading not only to economic growth, but also to greater engagement with the public. In 2022, infact, online searches containing the brand's name grew by 248% compared to the previous year, making Gucci the number one most desirable brand (Lyst Index, 2022).



Supergucci, by Superplastic, collectible NFT, July 2023.

## The pioneer role of Fashion in the Meta-Retail

As mentioned above, from 2020 onwards, companies around the world began experimenting with new digital communication solutions, exploiting all the allure of virtual worlds and the possibility they provide into interacting with others, building communities and determining experiences whose levels of involvement are much higher than traditional web.

Fashion, in particular, has pioneered the meta-retail by expanding its market within the gaming worlds, whose were already widespread and used by a large number of consumers in 2020. The online gaming industry, in-fact, in that period, already had more than three billion users worldwide and an economic value of more than 176 billion dollars before the pandemic. (Statista.com, 2021) "There are more and more second worlds in which one can express himself [but] there is probably an underestimation of the value placed on individuals wanting to express themselves in a virtual world with a virtual product, [through] a virtual character" (Robert Triefus, chief marketing officer of Gucci, 2020). An example of gamification implemented by a fashion brand is represented by Balenciaga, which, on 6th December 2020, thanks to the intuition of its creative director Demna Gvasalia, presented its autumn-winter 2021 collection on Afterworld: The Age of Tomorrow, an open world video game developed in collaboration with Epic Games. On this occasion, each user had the opportunity to choose their avatar, featuring a total look by the brand, and explore the virtual world in search of the exclusive garments. This communicative solution was so successful, both economically and in terms of the hype generated around the brand, that the collaboration between Balenciaga and the technology giant continued on Fortnite the following year. "Our collaboration dates back to our first video game, Afterworld, which we created using the Unreal Engine. An experience from which we started and then continued to be inspired by the creativity of the Unreal and Fortnite communities. In fact, it is thanks to the response from users that I felt the need to deepen our collaboration with Epic Games to the point of creating these authentic Balenciaga looks for Fortnite and a new line of clothing, branded Fortnite, to be physically distributed in our shops" (Demna Gyasalia, 2021).

The advent of Fashion in the Metaverse did not only involve the gaming industry, but also blockchain-based virtual realities. From 24 March 2022, for example, the Decentraland platform hosted the first fashion week in the Metaverse. An event that boasted a packed calendar of activities: not only fashion shows, but also concerts, pop-up stores, installations and virtual after parties.

On this occasion, Dolce and Gabbana, among others, organized a fashion show that included 20 wearable looks, meanwhile Philipp Plain presented a virtual showroom, which was more than 120 metres high, that included a total of seven total looks exclusive to the digital platform, in addition to a representation of the brand's traditional garments.

The *Metaverse Fashion Week* is one of the examples of how the Metaverse is changing the luxury economy by presenting itself as an excellent opportunity to perform *brand awareness* activities and to translate the *purpose* and values of traditional brands into a *universal form*.



Metaverse Fashion Week 2022 advertising, Decentraland.org, March 2023

## Other examples of Meta-retail

At the same time, other major luxury brands have also started experimenting with solutions that hybridize digital and real, attempting to ride the wave of innovation and securing their role as pioneers of the new digital market. In the spring of 2022, for example, the historic luxury brand, Saba Italia, specialized in the production of armchairs and sofas, launched the OltreNFT collection: a novel format that, for the first time, combined the tangible appeal of a physical designer product, with the universe of digital art and NFTs. The capsule collection consisted of ten unique pieces, in which each item included an Oltremare physical sofa, covered with recycled fabric, designed by Antonio Marras; an NFT created by the artist Hugo Fournier whose protagonist is the sofa or the fabric itself - and the digital reproduction of the item inside the virtual world of the customer's choice. "With Saba, we wanted to create a continuous project, combining the craftsmanship and concreteness of a real product with the value of a digital artifact and its corresponding virtual product in the Metaverse," explains Mirco Cervi, Chief Digital Officer of the Italian Design Brands (2022). "In this way, we have harnessed the true power of NFTs, which lies in the underlying smart contract, a sort of contract signed within the blockchain, which, once purchased, gives the buyer certain rights. For OltreNFT, the rights involve the delivery of the physical sofa at home, the ownership of the NFT, which is the uniquely linked work of crypto art, and, finally, the reception of the sofa in 3D in a Metaverse of the purchaser's choice: at the moment, we have already received a request for the delivery of a sofa in the Metaverse by Roblox" (Bonazzi F., 2022). Fiat, on the other hand, was the first car manufacturer to use the tools of the Metaverse. In 2022, in-fact, it was inaugurated the Fiat Metaverse Store, the world's first digital car showroom where users can configure their own vehicle with the help of real dealers in the form of avatars. A digital environment characterized by streamline styling that, just like the brand does with cars, use vintage look to shape the future. "At Fiat, we are once again leading the way in offering our customers an innovative and stress-free brand experience. In pure Fiat style, our Metaverse Store offers an immersive, simple and user-friendly journey, accessible to everyone " (Olivier Francois, CEO of Fiat and Global CMO of Stellantis, 2022).



AFTERNOON, by Hugo Fournier / Antonio Marras, NFT, May 2022

#### **Designing virtual spaces**

Having ascertained the close link between the digital experimentation carried out by the Luxury sector and the affirmation of the Metaverse, it is evident the key role assumed by the design of virtual spaces dedicated to the sale and distribution of goods and services. These environments, in fact, besides having to represent brand values, they also constitute the main destination that drives a new user to access the Metaverse and, therefore, potentially the first virtual environment he or she will access. Consequently, the fruition of digital spaces must be natural and immediate, thus guaranteeing both a good bond with the brand and the affirmation of the new medium.

Architect Banham R. (1965) makes it clear how pressing is the need to shape the future: "It is useless for cyberneticists, organization and men of research to tell us that a computerized city can look like something or nothing: most of us want it to look like something; we do not want the form to follow function into oblivion" (p. 2-30). Stigliano G. and Kotler P. (2022) imagine that in the future a large part of commerce will take place in hyper-realistic virtual environments in which people will carry out many of the practices related to the shopping and consumption experience in the form of avatars, interacting with each other and with brands in a more direct and natural way than on an e-commerce site today. (Metaverse and Retail 5.0, 2022). In fact, the first experimentations in the field of digital retail focused on the digitization of real (or realizable) environments to allow users accessing the Metaverse for the first time to locate themselves and adapt to it, to understand its human nature and all of the basic rules of fruition. Moreover, this choice allowed the first brands approaching the Metaverse to transfer their identity, their history, into the new medium in a more explicit manner, guaranteeing immediate brand recognition and facilitating the transfer of brand-related value also onto digital artifacts. The auction house Sotheby's (2020), for example, ha chosen to create an exact digital copy of its London gallery on Decentraland, while Tommy Hilfiger (2021), on the same platform, reproduced the same interior layout of its real shops in the digital store. This type of design, however, implicitly imports some type of rules into virtual reality that are far from the possibilities of composition that it allows. In it, in fact, designers are free from the laws of the physical and economic world, from safety and traffic rules, they can create environments designed to be enjoyed in innovative ways, they can experiment with impossible combinations of forms and materials. They can design virtual environments free of infrastructure and overlays, of any contamination inherent the reality - they can shape a purer and more absolute design experience, a product-driven experience.

There are, in fact, design-models of virtual worlds that, while referring to the real world, facilitating the transfer of brand values into digital, treats the digital retail environments in a more abstract and autonomous way, not imitating the characteristics of reality, but transforming them into pure organic elements. The British fashion brand The Dematerialised (2021), for example, which is specialized in the production of phygital clothes - garments that combine real artifact with digital NFT counterpart -, has developed an innovative virtual showroom with only one reference to reality: the sky. The environment, created in collaboration with the Italian communication agency Mono-grid, takes the form of an organically shaped structure, suspended in the void, within which the clothes on sale float. A concept that, while reducing the elements present to a minimum, provides an engaging and interactive experience thanks to exclusive sound effects and an easyto-understand user interface (Pervinca Bellini, 2021). Not only that, brands, by taking full advantage of Metaverse technology, also have the possibility of forming a new type of relationship with their customers, one that is much more direct and engaging. Virtual environments, in fact, can be developed taking up the principles of interactivity of videogames, so as to transform the experience users have of a brand into a game. A solution that allows companies to communicate themselves and their values, not only through the quality of the products and services provided, but also by designing experiences that are completely different from traditional ones. "Currently, online shopping experiences are incredibly poorer and less immersive than most video-games out there. It is only a matter of time before these two worlds align and e-commerce experiences also reach the same levels of engagement" (G. Stigliano, 2022. Metaverso and Retail 5.0, in L. Montagna, Metaverso, p. 183). This dynamic, according to Stigliano G. (2022), will also be emphasized in the near future by the advances in the Natural Language Processing and machine learning. The author, in fact, states that "in the future, brands, within virtual realities, will take the appearance of avatars animated by Artificial Intelligence, so as to enable increasingly fluid and realistic interactions with customers and to deploy new direct sales strategies" (p. 190).

In conclusion, since there are different approaches to the digitalisation of brands and retail dynamics, it is not possible to identify a preferred strategy that can be adopted at an absolute level. On the contrary, individual brands, in order to enter the Metaverse, must be guided in identifying strategies aligned to their identity and to their target audience. The biggest mistake that can be made in this transitional period, in-fact, is to adopt solutions only for the hype generated, forgetting the ultimate purpose of this new medium: to bring users and companies closer together, to eliminate mediations and interactions, while delivering an *ad personam* experience that is engaging and capable of representing brand values.



The Dematerialised website, by Mono-Grid, September 2022

#### The correlation between Metaverse and the real-world economy

Given the emergence of the new digital retail channel, it is likely that if the brands that currently dominate the market are unable to update the way they communicate themselves and sell their brand, new brands will emerge to replace them, both in the real world and online. In fact, the very existence of the Metaverse will inevitably affect the sales of many companies in the real world. As Maldonado T. (1994) points out: the sophistication of reality-simulation techniques may offer insights into rethinking the relationship between reality and its representations, and into definitively changing the ways in which humanity experiences the world (p. 133). To counteract declining profits then, brands will likely use real-world sales to promote and increase the value of digital ones. For example, a consumer who will buy a product in-store may will be entitled to a virtual copy of the same item (Ball M., 2022).

The dynamics just described, however, seem to overlook brands that do not have the possibility of allocating a substantial budget to this new medium. Someone might be wondering then whether there is a way for these realities to explore the many opportunities of digital without incurring *value proposition* risks and without incurring huge investments.

The American agency, *Spring Studios* (2022), specialized in the conception, production and activation of marketing communication projects on a global scale, has developed a model, called *Metaverse as a Service*, which is intended to respond precisely to the needs of smaller brands. The idea is to guide new companies, as well as small and medium-sized ones, in defining the most suitable digital services for their sector. In this way, the agency aims to help these companies to create high quality content that can also compete with the resources and solutions brought into play by established brands, without having to develop special in-house skills or being subjugated by the monopolies of traditional brands. On the other hand, the frenzy for digitalization at any cost could come to an abrupt halt, proving to be a bubble of economic speculation. In both cases, new communication agencies, as well as new professionals whose role is focused on the definition of digital communication strategies, are assuming an increasingly decisive role in shaping the future of retail and into guiding brands to find innovative tailored solutions to represent them.

## Conclusions

In conclusion, the future of Meta-Retail is difficult to predict, even for the pioneers of this technology, but we can assume that it would follow a trajectory similar to what happened with the spread of the internet, first, and the smartphone, later. "Whenever a technology breakthrough takes place, consumers, developers and entrepreneurs react to what happened. And, in the end, something that may seem trivial (a mobile phone, a touch screen, a video-game) becomes essential and ends up changing the world in ways that had partly been predicted, but often had never even been considered" (Ball M., 2022, p. 431). For this reason, it is important for brands and designers to stay continuously updated on the dynamics of this new digital economy. Today more than ever, in fact, brands, in order to stay relevant, are forced to an all-round design strategy, which involves not only the consumer product, but also the experiences related to it: starting with communication, in-store presentation, and fruition. The designer's work, therefore, has become more complex, involving marketing and hype-creation strategies, but also more risky, because the risk of designing products that are unable to represent the quality of a brand is higher than ever. In particular, the gamification of brands, precisely because it is based on the logic of video-games that tends to lighten the appearance of digital products in favor of the fluidity of the game, very often tends to reduce a brand's signature, its values, to a mere label, to a subtle reminder of the products that the same brand produces for the real world. This strategy, however, as much as it leads to bringing a new target of consumers - the new generations who primarily use these platforms - closer to real products, also tends to make traditional buyers reevaluate the same brand. Indeed, it is no coincidence that the biggest international fashion houses, such as Hermès or Chanel, are still reluctant to adopt product placement strategies on digital platforms. At the same time, Web 3.0, through the tool of NFTs, also allows the creation of digital products that prioritize the rendering of details and the perceived quality of it, instead of interact-able solutions. Bulgari, for example, in 2022, created a capsule collection, named *Beyond Wonder*, in collaboration with MIAT (Multiverse Institute for Arts and Technology), which consists of three pieces of fine jewelry, reproduced in a limited number, that can be purchased and enjoyed as a true digital work of art. In this case, the strategy adopted by the brand does not focus so much on *mass adoption* (an element that, by the way, is far from the brand's values) as on product exclusivity. This example, in particular, highlights one of the more underrated possibility of the Metaverse linked to Fashion: the opportunity to turn consumer products into a limited edition one which can be compared more to Art than to product Design.

The future of Retail, in conclusion, while it is obviously linked to the quality and responsiveness of real products to contemporary needs, it is also firmly tied to contemporary digital experiences. Just as has been the case with the adoption of the *Web* and *Social-Media* for communication, it is now anachronistic to think that any brand that wants to be relevant can avoid some form of communication involving the Metaverse for long. The contemporary purpose, then, is to identify the most suitable channels for individual brand-needs and this can only be possible through experimentation and through the collaboration between the different fields of knowledge involved.



Beyond Wonder, Bulgari, NFT, June 2022

#### Images

- Figure 1: VR representation, 2023, <u>https://it.freepik.com/foto-gratuito/decomposizione-della-persona-che-indossa-gli-occhiali-</u>
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- Figure 2: IKEA Place app, Inter IKEA System B.V., 2017, <u>https://apps.apple.com/it/app/ikea-place/</u> id1279244498
- Figure 3: *Supergucci*, Superplastic, collectible NFT, July 2023, <u>https://opensea.io/assets/ethereum/</u> 0x07187957e1e8877c7da42a89188fe6b0d80a2370/434
- Figure 4: Metaverse Fashion Week 2022 advertising, Decentraland.org, March 2023, <u>https://</u> <u>decentraland.org/blog/announcements/metaverse-fashion-week-is-here/</u>
- Figure 5: AFTERNOON, Hugo Fournier / Antonio Marras, NFT, May 2022, <a href="https://foundation.app/@sabaitalia/oltrenft/3">https://foundation.app/@sabaitalia/oltrenft/3</a>
- Figure 6: The Dematerialised website, by Mono-Grid, September 2022, <a href="https://mono-grid.com/project/dmat-virtual-showroom">https://mono-grid.com/project/dmat-virtual-showroom</a>
- Figure 7: *Beyond Wonder*, Bulgari, June 2022, <u>https://www.instagram.com/tv/Ce5bLNeokE1/?</u> <u>utm\_source=ig\_web\_copy\_link</u>

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## Designing Virtual Reality Shopping Experiences for the Fashion Industry: A Luxury Handbag Case Study

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With the spread of digital technologies such as Virtual Reality (VR) and the diffusion of the Metaverse, new models of shopping experiences are emerging for both retailers and consumers. One of the retail sectors that can benefit from this technology is certainly the fashion industry. Indeed, VR can play a crucial role in this industry, by improving sales processes to enable fashion to become more sustainable and competitive. Thus, shopping experiences in VR could allow, for example, the configuration of the product in real-time and the visualization of its features, even before buying it. However, it is important to understand how to represent the information of a fashion product through a user interface in VR. Indeed, there is a lack of established guidelines in the literature on how to visualize product information. Therefore, we chose a luxury handbag as a case study and designed an innovative VR user interface. A sample of 60 users was asked to evaluate each user interface component through a questionnaire. The results, although preliminary, are encouraging and suggest future applications of VR within e-commerce platforms. This work, therefore, represents a first attempt to outline useful information to be presented to the user in VR when selling a fashion product.

Keywords: Retailing, Virtual Reality, Shopping Experience, User Interface, E-Commerce, Metaverse.

#### 1 Introduction

In the emerging scenario of the Metaverse, the fashion industry is experiencing a shift towards technologies such as Virtual Reality (VR) (Boardman et al., 2020; Bonetti et al., 2017). Nowadays, VR represents a promising tool for producing satisfying consumer experiences that mirror those experienced in physical shops (Shen et al., 2021; Flavián et al., 2019; George et al., 2021; Park & Kim, 2022) and go even beyond. Indeed, VR has emerged as key interactive technology, which is increasingly adopted in the fashion retail setting (Javornik, 2016; McCormick et al., 2014). Nevertheless, research investigating VR in the fashion retail context is still limited (Xi & Hamari, 2021). Yet there is plenty of room for its potential use in the industry. But, indeed, VR can enhance the shopping experience both online and offline, which presents well-known limitations (Wu et al., 2019). On the one hand, current online stores may be functional and efficient, but they do not offer a sufficiently engaging shopping experience.Offline stores, on the other hand, lack to provide the final product configuration when products are not in-store available. Also, they present limited warehouses in terms of space, and they can be accessed only during specific hours. On the contrary, VR stores, like ecommerce websites, have no specific opening hours and are thus accessible 24 a day, seven days a week from any location with Internet connectivity. Furthermore, the problem with fashion is the "product complexity". High-quality or "luxury" products require special attention and, due to their high cost, they need a high level of confidence in their purchase (Fiorentino et al., 2022). As an example, purchasing a luxury handbag in an online shop might require product imagination and, often, users are not satisfied with their choices and return the products (Ricci, 2022). Therefore, our aim is to design a VR shopping experience by focusing on the VR user interface and the information useful for the user to complete a purchase.We selected as a case study a luxury handbag, and we formulate the following research question: "What information is useful for the user in a VR shopping experience of a fashion product?"

#### 2 Theory

Only three contributions in the literature concern VR shopping experiences of a bag (Altarteer et al., 2016; Altarteer & Charissis, 2019; Wu et al., 2019). Each of these studies presents specific features of the user interface. The first were Altarteer et al. (2016), who presented a VR experience for the products of an online luxury brand. The application showed a customizing interface located on the right side of the screen, where the user could choose between three types of material and three options to customize a travel bag. Interaction with the product could be done via the control panel at the bottom left of the screen or directly

with the object by clicking and dragging the mouse to rotate and enlarge the product. Other interface functions were enlarging or shrinking the bag and rotating and resetting the position (Altarteer et al., 2016). Later, Altarteer and Charissis (2019) proposed a semi-immersive 3D VR system for online visualization and personalization of luxury products. The customer could select one of six different photorealistic 3D bag models and could manipulate (e.g., rotate, pan, and zoom) the suitcase in three dimensions and analyze all its features. For both the exterior and interior, the customer could modify the materials, colors, and various details currently provided by the brand in question. The bag could have been further customized with a monogram that could be operated and applied through the VR interface (Altarteer & Charissis, 2019). Finally, Wu et al. (2019) designed a bag shopping experience in VR. Users could interact with a bag interface that allowed them to perform the following functions: select, zoom in and out, rotate 180 degrees along the y-axis, view detailed information (e.g., brand and price) and change the color of the bag itself (Wu et al., 2019).

To conclude this section, the literature on the VR shopping experience of a bag is limited. Moreover, the existing contributions are not able to provide some guidelines on the features/components to be displayed in the VR shopping experience. Therefore, our aim is to present a VR user interface that includes more features to communicate the fashion product features more effectively.

#### 3 User interface design

The design of VR shopping experiences presupposes the development of user interfaces that are explanatory and representative. We, therefore, propose a user interface, starting from the study of similar literature and extending the functions of the interface. The case study is a luxury handbag for which several fundamental properties have been assumed to be visualized in VR. The main consideration concerns the craftsmanship of the manufacturer and the complexity of its concept and production. Therefore, to communicate the characteristics of a luxury product, sections on the in-depth presentation of the brand, the history, and the production process of the product were included.

For the development of the user interface, we referred to the related works about handbag user interfaces (Altarteer et al., 2016; Altarteer & Charissis, 2019; Wu et al., 2019). In their studies, they presented several target tasks for interacting with a bag. We found relevant for our study the color changing, size changing, enlarging, or shrinking, viewing product details, and adding to a shopping cart. Instead, the other user interface elements such as production process, brand, and history have been chosen based on luxury brands' online shopping platforms. Therefore, our VR application presents a user interface located around the handbag. When the user interacts with each component, a panel appears on the left side of the handbag. From a structural point of view (See Fig. 1), the VR interface presents six narrative components:

- 1. Brand. It presents the history of the brand and its evolution over time.
- 2. History. It illustrates the history of the product, how it was conceived, and by whom it was worn.
- 3. Production process. It shows the process by which the product was made. This is a very valuable aspect of the shopping experience because it allows you to emphasize the craftsmanship with which it was made.
- 4. Size guide. It illustrates the size of the product through dimensioning.
- 5. Washing mode. It shows the process of washing the product, suggesting how you can take care of it so as not to affect its quality.
- 6. Reviews. Like online websites, it shows the reviews that have been left on the product, so as to train the user who intends to purchase it.

Also, the VR interface is characterized by three call-to-action components:

- 1. Color configuration. It allows changing the product color in real-time and evaluating its appearance before purchasing it.
- 2. Shopping cart. It allows the user to add the product to the cart to place the purchase.
- 3. Zoom in/out. It allows the user to enlarge or reduce the size of the product.

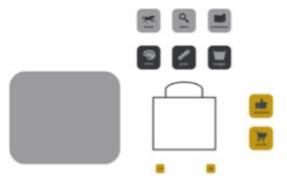


Figure 1. The proposed VR user interface for a luxury handbag. The interface surrounds the product, and a panel appears on the left side when the user clicks on the various components.

## 1 Case study: a luxury handbag

We designed the VR user interface by using the Unity 3D engine (See Fig. 2). For the experiment, a sample of sixty participants (36 men and 24 women) ages 22 to 58 were recruited from the Polytechnic University of Bari. Therefore, we conducted this experiment in a university laboratory. The configuration consisted of a workstation with a seat, an Oculus Quest 2, and two wireless controllers. First, we instructed participants about the experimental objective, followed by an informed consent process.

Question (Rate on a 7-Point Likert Scale)	Mean	St. Dev.
1. Think about the handbag you just interacted with. How do you rate its presentation?	6.4	0.97
2. How do you rate the brand of the product?	6.3	1.14
3. How do you rate the history of the product?	6.15	1.10
4. How do you rate the production process of the product?	6.38	0.99
5. How do you rate the color configuration of the product?	6.4	0.87
6. How do you rate the size guide of the product?	5.8	1.55
7. How do you rate the washing mode of the product?	6.22	1.03
8. How do you rate the reviews of the product?	5.78	1.15
9. How do you rate the shopping cart of the product?	6.4	0.47
10. How do you rate the zoom-in/zoom-out of the product?	6.53	0.65

Figure 2. Questionnaire for the evaluation of the VR user interface components

The task assigned involved interacting in VR with a handbag and exploring its features. Once the experiment was completed, the participants had to answer a questionnaire to rate the components of the interface on a 7-point Likert Scale (See Fig. 2). Also, after the questionnaire, we asked the user to provide us with their opinion about the user interface and we take note of their feedback. Results showed that the VR user interface components present positive rates. Participants also verbally expressed their enjoyment and involvement in the VR shopping experience. Notably, 42 users stated that it is very important to depict the production process to communicate the work behind the product, especially if of luxury craftsmanship. Thirteen out of 42 stated that this would increase their desire to buy the product. Additionally, 20 users argued that it is also important to visualize the history of the product and its evolution over time, to communicate more brand trust. Lastly, all of them stated that, in their opinion, combining VR with ecommerce could improve their shopping experience.

## 2 Discussion and conclusion

In a period of transition towards the Metaverse and increasingly virtual futures, shopping experiences are becoming increasingly hybrid, mixed, and phygital (Ricci et al., 2023). To this end, digital technologies such as VR represent an opportunity and a tool to extend normal shopping experiences, generating new shopping models for consumers but also for retailers. But the scientific literature on VR in the fashion industry is limited. Furthermore, the design of VR shopping experiences should also include the study and development of user interfaces but, even in this case, there is a lack of established guidelines. Therefore, we decided to consider a luxury handbag as a case study and to develop a VR user interface. We, therefore, analyzed the only three existing contributions in the literature on VR shopping experiences related to a handbag as a baseline for the development of a new VR user interface. For our objective, we designed a user interface that included both narrative and call-to-action components (i.e., brand, history, production process, color configuration, size guide, washing mode, reviews, shopping cart, and zoom in/out). A sample of 60 users tested the VR user interface and was asked to complete a questionnaire to rate the components on a 7-point Likert scale. In addition, users provided verbal feedback on their experience, demonstrating that VR could be

integrated into online shopping to enhance their experience. In fact, although preliminary, the results are encouraging, showing how user interface elements may enrich a VR shopping experience and bring user satisfaction. Although the case study of the research is a luxury handbag, the study can be broadened to other categories of fashion products as well: accessories, clothes, etc. Indeed, as online sales are increasingly on the rise, VR could represent an opportunity by providing more exciting, entertaining, and useful experiences for consumers. Furthermore, VR solutions can provide an alternative way of displaying and selling products, helping to make the fashion industry more sustainable. For example, by configuring products in VR, material waste can be reduced as products are only manufactured after the user's choice. This aspect can reduce product returns, waste in the environment, and even inventory in physical shops. However, research on the fashion industry of the future should investigate more deeply how to transform shopping experiences together with a broader definition of the Metaverse (or Meta-Commerce), intended as a future space in which interconnected, shared, and persistent 3D virtual spaces coexist.

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## Gamification for a Better Creative Community - Motivational Graphics in Interaction Design

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This study investigates how graphics work in gamified interaction design and the principles to make it work better. The study goes through building a gamified mobile application that works for the online creative community while opening more opportunities for local art supply stores through online and offline user experience design. Gamification is a design approach that places emphasis on human motivation in the process. This approach aims to enhance users' engagement with a product or service. This practical case of user experience design for a community-based art supply store is a side project of an application design which serves online creative communities. The real rewards from local art supply shops and gamification mechanisms are the specific features of this creative application design. Active users can get real rewards from local art supply shops, as well as a real exhibiting space. Principles for this user experience design are drawn from the practical process of building this app and followed the tests in different community-based user groups. This research positions user experience design in the context of both online and offline, with the background of post-pandemic lifestyles, demonstrating how could user experience design flexibly work for online communities and local art supply shops.

Keywords: gamification; interaction design; creative community; real rewards

#### 1.Introduction

Gamification in mobile app technology has become a popular strategy, both in the commercial culture and the field of academia as a means of influencing behaviours. [1][2] What role practical graphics in gamified interaction design plays and how it influences people in mobile technology is still an area that needs to be explored by more researchers. Gamification is the application of game-design elements and game principles in non-game contexts. [3][4] It can also be defined as a set of activities and processes to solve problems by using or applying the characteristics of game elements. In fact, gamification is a design approach that places the most emphasis on human motivation in the process. [5] To these aspects, this research explores how graphic design works with the concept of "gamification" by which to encourage practitioners and researchers, designers, and educators to increase their involvement in contributing to a better design community, here specifically referring to groups of people work or interested in graphic and illustration design. The gamified creative software application will be the final interaction design outcome, exploring how to use digital products to facilitate more positive contributions and communication in the creative industry. Gamify activities online while getting rewards both online and offline can motivate users to enjoy and engage in the process of teaching, learning, and sharing. Specifically in this project users are creative professionals and people who are interested in art and design. Through this digital product to make creativity-oriented events and works happen in users' life, a creative community is being formed collaboratively by users themselves.

Gamification commonly employs game design elements to improve user engagement, organizational productivity, flow, learning, crowdsourcing, employee recruitment and evaluation, ease of use, the usefulness of systems, physical exercise, and more. A collection of research on gamification shows that a majority of studies on gamification find it has positive effects on individuals. [6] Yang and Chen (2018) conducted a systematic review of gamification in e-Health and found that gamification can positively influence users' health behaviours, attitudes, knowledge, and outcomes. They suggested that gamification can be an effective tool for promoting health behaviour change and improving health outcomes. Morschheuser et al. (2018) proposed a method for engineering gamified software that aims to optimize the positive effects of gamification on user behaviours. They suggested that gamification can enhance user engagement, enjoyment, learning, and behaviour change. Sailer et al. (2017) conducted an experimental study to investigate the effects of game design elements on psychological need satisfaction and found that gamification can motivate users to engage in desired behaviour and foster positive psychological outcomes. However, individual and contextual differences exist. [7]

In this project, gamification is mainly applied to an online creative community app that functionalizes as sharing, exchanging and exhibiting creative works while teaching and also encouraging the learning of new skills. This creative community mainly focuses on the art of graphic design and illustration design. In the education system, the mechanics of gamification are often used to enhance students' involvement by providing positive reinforcement for study, to promote mutuality in the teaching and learning process. In the creative industry, gamification is often deployed to attract users who can enjoy playfulness while they engage in the creation process. Designing the motivational graphics in this research will periodically employ different methods for different tasks to facilitate the production of the final visual forms, followed by a group test in different geographical areas and for different groups of targeted people.

Effective visual language helps to interpret the main concepts clearly and makes the graphical elements work in the gamification system. It can also guide users to get through the main functionalities efficiently and encourage users' stickiness to the product. In the gamified creative software product, graphics are designed to be more psychologically attractive, as well as in consistency, visual hierarchy, and organisation. This research provides different sets of avatars and stylized user interfaces to employ graphics in the gamified software system, supporting the gamification process to attract and retain more practitioners, educators, creative people in general and students/potential students, the creatives would help to build the application bigger together when they collaboratively contribute more to this digital community while getting more rewards, these rewards from both online and offline. A special feature of this app is that the users can use coins and credits to get real rewards and exhibit their works at the local art supply stores. The main principles of graphics design which work effectively in gamification systems would be drawn from the design process and from tests in different user groups. These user groups come from two different local residential communities in London, and one online LinkedIn group, while the other different university age students users group from Middlesex University. Only some of the participants of the surveys also get interviewed.

The word 'graphic' in graphic design derives from the ancient Greek word Graphein, which meant 'markmaking' and which covers written and drawn marks. [8] In this creative application technology, it not only means how the graphics communicate with users, but also mean how the creatives collaborate together, contribute to build a digital community together while employ diverse personalized UI elements. Different templates would be designed to provide to users while the creatives could donate/sell their own one to the community. Well worked graphics in gamified software system do not need users to learn to understand the system but engaged users enjoy it then are more likely to use it again, more stylized templates would get users to a more creative sense of involvedness, users could submit their own template design to the digital product for common use after tested by groups. For the outcome of graphics on gamified creative software, the common principles of good user interface design are also applicable; they are consistency, hierarchy, and organization. But all these principles need to be presented by the layouts, fonts and font family, colours, icons, also pictures and illustrations. Different avatars will be employed in this project to meet user's different preferences to be more personalized.

Organization enables users quickly to learn the logic of the component distribution in an app, so as to achieve their purpose easily. Consistency presents the personality and identity of the app to enhance user's impression and familiarity with the app. Hierarchy uses visual skills to cleverly layout the information and components on the screen, so that most information can be aware at a glance, without wasting time to read all the things before filtering the information themselves.

Motivational graphics in interaction design has mainly referred to two-dimensional visual images in the interaction system. Due to state-of-the-art technology, for example, the popularity of motion effects in products, motion graphics are also included. It means two- and three-dimensional image work for the gamified interaction design system are going to be explored in this project, for positively attracting people to enjoy a more dynamic user experience. The most advanced technologies and trends in new digital tools or graphic styles are always a posh element for design initiatives.

However, motivational graphics in gamification mechanics is not only about the visual form itself, but also the design interaction system and how it works. The main target of this study is to focus on those graphics which can attract people to enjoy using the app in the long term while willing to contribute more by virtually exhibiting their works, teaching some creative skills, or simply learning from peers. This research defines motivational graphics in interaction design by gamification as a design strategy. It contributes to expanding the definition of nowadays graphic design in a digital context while the practical design principles generated from the research process would contribute to UX/UI designers as a basic guide. Software engineers may be interested in how gamification mechanisms worked for the structure of app building.

### 2.Background

How to apply design strategies and approaches to get users be benefited from online events and communications emerges as an important interdisciplinary question which is based on 'CX', this question turns out to be more practical and needs to be solved in the post epidemic situation. The concept OF 'CX' in design context was proposed by John Maeda in his '2020 CX report'. CX here means Customer Experience × Computational Experience. Practically, 'CX' could happens everywhere in people's daily life while they use computational products, these products could be ambient intelligence living system, it also could be an AI speaker, or a software application on smart phones. It exists while people start to digitally interact with products. In this research, through the project to embed the 'CX' concept in practical creative digital product by the design methods – the motivational graphics in interaction system of gamification mechanics.

The definition of design in technology turns to be more complex while it has a mission to help solve problems which brought by the covid-19 pandemic. Design needs to be more realistic and more user friendly in such situation as lifestyles and work mode meant to be another scenario with lots of changes after the pandemic. Design principles would lay on the new normal situation. Designing the motivational graphics in this research will employ different methods according to different periodical tasks to help produce the final visual forms and make all visual elements effectively works in interaction system.

Distributed online working style needs the exploration of new experience design. Motivational graphics in interaction design has mainly referred to two dimensional visual images in the interaction system. Due to state-of-the-art technology, for example the popularity of motion effects in products, motion graphics are also included. It means two- and three-dimensional image work for the gamified interaction design system are going to be explored in this project, for positively to use technology and art to balance work and life in post pandemic time.

It should be possible to set up a design thinking + computational thinking + future lifestyle mode for building this application, online and offline, the concept would be built gradually in the process. The research proposes a gamified application and analyzes the graphic factors in the system with the contribution of engaging users through proper visual forms, such as customized characters and user interface. Also, to explore new principles of graphic design in gamified technology to enrich the computational experience for users. Graphics in interaction design for gamified creative application is based on the three components: motivation, gaming element and creative works. This research draws new theories to fill the gap in the previous research by building a dynamic app for the creative community.

#### 3. Research Questions

The purpose of this research is to explore how graphic design works with the concept of "gamification" to generate new visual languages in interaction design, while the principles of this new language will be generated through the design process. Graphics as a visual language applied in a gamified creative digital product which is a software application, such as diversity of graphic features, the definition of proper style, the relation between functionalities and aesthetics, the psychological influence of customized characters and the influence of aesthetic system styles. From icons to colour, fonts, and motion images, all elements work together to be integrated into the system, to positively engage the users. Users are people who are interested in creative industries or professionals who work in this industry.

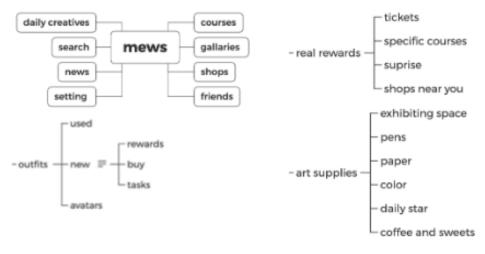
Art + Science or Sci-Art is not a new term, although visual graphics can be defined as art and design according to different context. In this research, the new transdisciplinary technique will aim to help to build a better creative digital community for different groups of people. These gamified elements are mainly visualized to attract users and personalized collaborate features mainly for get users not only involved in this product, but also to release a more creative nature, while enjoy the aesthetic joy and innovatively involvement.

The main question of this research is: Q1: How graphic design works with the concept of "gamification" to generate new visual languages in interaction design? Why these forms can be visually attractive to users, and how to apply these forms in the design system to engage users to stay with this app? The second question of this research is the Q2: What principles help to design the gamified graphics that can enhance the CX for both users and producers? Another research question lay on the post-pandemic situation is Q3: How the distributed online working style creates a new experience design through practical work?

How are users' feelings generated by motivational graphics, are there any guidelines? We still don't know if there are any patterns or laws about it, the research tries to explore this magic power which hides in graphics, and also in possible design patterns further in future for sake of evoking user behaviour.

## 4. Expected Outcomes

According to the target and concept of the app, creatively mutual-benefit, personalization, space to exhibit, communicate, and real rewards for new skills and real coffee and art supplies would be embedded in the branding system. To start the design, the first step is to investigate competitive products to distinguish the new ones from them while identifying and naming them. Investigation of the top 300 apps in the same category of the UK apple store shows that these apps all could be easy to identify and easy to be remembered. The name for this app comes to the 'mews' which confirmed by a 5 creative professionals meeting, simply means me-we, and a small but strong creative community. The main information architecture of this app and main specific features show as the charts below:





## 4.1 branding and logo

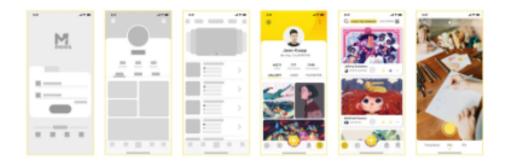
According to the mood board developed by team brainstorming and interviewing users and stakeholders, a color system was standardized from the mood board and applied to the main system. The logo came from the character M and a direction sign means go ahead, be together and share, which is as the figure2 follows, and the figure 3 is the standard colour system for the app.



#### 4.2 Customized characters and user interface

Different styles of avatars will provide for different groups. People could also personalize

their own avatars, while different styles of templates would be offered to users. Because users mostly come from the creative industry or people are interested in this field, a special feature of this app is that people could upload their own template to contribute it to the templates repertory, it could be flexibly customized later by users. The first version of user interface is developed for now. The user interfaces are as follows:



#### Figure 4.

Personalise characters and user interface in digital product could make it more user friendly, it is a popular technique to improve user experience. In this project, this feature is integrated with the gamification mechanism for inspire users to use and enjoy the app more. A small library of different styles of characters and user faces will build to meets users' different preference, while encouraging users design some new cases with skills provided by this app, because this is an online creative community app, the users are people who do illustration, graphic design, visual arts or any people who are interested in these works. Users would be happy their work be included in the library as a model for other people, while the platform will produce plastic to exhibit and sell in the local art supply stores.



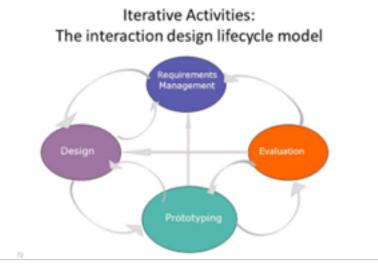
Figure 5. Avatar generating in the process

## 4.3 new principles

Based on surveys and practical work, new principles of motivational graphics in gamified apps will be drawn out. They follow the basic functional UI principles of consistency, hierarchy, and organization, and present through the layouts, fonts and fonts family, colours, icons, also pictures and motion graphics and illustrations. Meanwhile, a new thread according to psychological and preferential feedback from users will be integrated to develop the new principles.

## 5. Research Methodology

The methodology for this project should be the development of a user centred UX design process. Usercentred design is about deep research on users' habits, from their interactions with the product to their vision of how the product should look and behave. User-centred design improves the user experience while this methodology can be applied to almost any product, in this mobile app development, the research focuses on graphics. It helps to understand how these graphics work in the process and what are users' needs and preferences regarding features of a product, task, goals, user flows, etc. Every "touchpoint" that the customer has with the product should be analysed, well-designed and developed. Figure 6 shows the process to develop the design of user-centred applications, and the process should be repeated until the best design is achieved.





The state of art technology, design trends, and social events all will possibly affect the new outlook when the software is extended to different branches, but the creating of new outlooks will still always be based on the development of user-centred UX design process. Initial literature review for this research investigates the information about motivational graphics in gamified creative apps, by studying relevant texts and theories. The results show that other researchers rarely specified graphics in this field. This information should be enhanced by users' surveys, leading to the final design practice and theory.

Interviews and surveys will be the main research methods in this research which conducted in different groups, such as different areas groups of people, and different ages group of people. Interviews and surveys as research methods are used to initiate defining the needs of targeted users at the beginning and the tests and iterations at the end, while design tools like empathy maps and the mood board are to initiate stylish user interfaces. Interviews and surveys can be used to understand users' pain points and challenges in their experiences to use this application. Some open-ended questions are set to interviews to gather not only feedback but to find further insights for helping to dig out the specific pain points that can be addressed in different versions of the product and the later iterations. Users' behaviour and usage patterns could be analysed from the data through interviews and surveys. This information can help designers identify areas where the product can be optimized for greater efficiency or improved user experience.

We need to be able to interpret visual images because they are "an important means through which social life happens". [9] The analysis of the data collected from groups is also a resource for a visual image methodology. But all of the data and interactivities move towards setting up actual, multi-scalar and imaginable relations with each other that involve testing of shared and distinct capacities of reflexive perception.

Different visual analasis methods help with different design decisions of motivational graphics to optimise the interactivity of the user interface. Task analysis, usability testing, card sorting, and eye tracking are used as visual analysis methods in the practical design process for the project. Task analysis is a method of analyzing the steps that users take to complete a particular task using the user interface. This method involves observing users as they complete a task and documenting their actions, decisions, and thought processes. This helps to identify pain points and areas for improvement in the user experience. Usability testing involves observing users as they interact with the user interface and asking them to complete specific tasks while card sorting is a method of organizing the content and structure of the user interface. This method of recording the movements of the eyes as users interact with the user interface. This method can provide insights into how users visually process and navigate the user interface. The research strategy leads a generative and stylized design process, leading a range of concepts for the forms, functionalities and usage of proper tools in interaction design for creative-related applications.

## 6. Conclusion

The tools required for this project are Mac, Figma, iOS, Android, Adobe Suites, Unity, The aim of the research is to deliver the prototype of the app, user interface and visual expressions. Unity is used in this research because it is multiplatform as well as opens up opportunities to make the gamification aspects more sophisticated in the future. Adobe software is used to produce graphics, and Axure is used mainly for information architecture, flow charts, and software Principle for interactive animations of the prototype. This research project conducts a comprehensive analysis on the fundamental element that contribute to actively engage in online creative community, enjoy it and benefits from it, then contribute and develop it together. The goal of this research is to contribute design practice and theory to help develop a creative community application through motivational graphics in interaction design, work out the proper visualized elements of graphics, and the general methods of interaction design in the gamified app. The strategy is to keep people becoming more willing to share and contribute more to the online community through attractive graphics and user interface in the gamification mechanism while encouraging people by real rewards of local shop art supplies. That means the graphics and avatars do have the human, emotive side of use to get people to come back to the same app regularly. Some elements such as specific characters, logos, icons or haptic feedback emotionally evoke people to achere to the app.

Another benefit of this research is to enrich the complexity of the use of technology, especially for online skill exchanges, combined online creative activities with offline local creative stores by real rewards, helped local shop businesses while expanding the functionalities of motivational graphics in interaction design to real life. Possible principles will enrich the visual expressions and conceptual process for gamified products and enrich the practical aspects of Computational Experience (CX).

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# Interactive shopping experience in the phygital store: a Spatial Design approach to boost consumer's engagement

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The consumption world is evolving following the fast pace of digital evolution. Simultaneously, the consumer reflects this transformation, remodeling his/her needs, desires, and expectations. The customer acquires a new dimension: he/she is no longer made just by a physical body and a psyche, but also by a virtual body. The consumer expects the shopping experience in the physical store to engage all his/her dimensions and to go beyond the mere purchase that can be made quickly and conveniently online. The research aims to investigate how the store's space can be adequate for the hyper-connected customer by analyzing the retail spaces of the contemporary scene and conducting a user investigation. The research findings lead to the drafting, on a theoretical level, of guidelines for a phygital store able to provide an interactive shopping experience that fully engages the consumer. The phygital store plans to generate a hybrid experience shaped by merging the physical and virtual dimensions. The space of the phygital store is conceived as a place where purely physical moments alternate with those mediated by the use of smart technologies. It also hosts individual experiences of intimate contemplation and collective ones of social interactions. By adding to the offline shopping experience a digital layer, the social encounters and brand storytelling can be extended to the virtual dimension, offering a shopping experience unique and customized for each consumer.

Keywords: retail design, shopping experience, consumer interaction, smart technologies, phygital store

## 1. Research introduction

## **1.1 Research questions**

In contemporary society, the consumer acquires a new dimension: it is no longer composed only of physical body and psyche, but also of a third, emerging reality, the virtual one, made possible by the democratization of smart communication technologies. Nowadays, during the shopping experience, the new multifaceted ego also needs to satisfy its virtual being. In the retail field, the brand must adapt to consumers' evolution to meet their new needs and growing expectations and to involve every dimension of the consumer [Figure 1]. Therefore, how the physical store can fully satisfy the user's three dimensions and his shopping experience?

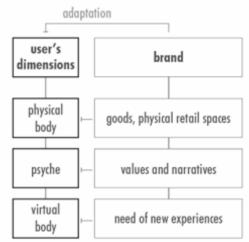


Figure 1: Consumer's dimensions and consequent brand adaptation.

Recent technological innovation could make possible the hybridization of retail spaces by merging physical and virtual dimensions, making consumer participation dynamic and social in the retail space [Figure 2]. New technologies continuously connect people to the virtual dimension, but at the same time, they bombard the user with information stimulating above all sight and hearing. The consumer can feel overwhelmed by technologies because of sensory imbalance. Thus, how to design smart spaces and experiences that stimulate user sensoriality in a balanced way?



Figure 2: Hybridization of retail spaces thanks to technological innovation.

Moreover, in the phygital store, which combines physical and digital dimensions, it is necessary to avoid that, during the shopping experience, technology controls the consumer's decisions and ends up taking away the pleasure of random discovery [Figure 3]. Indeed, the Internet has allowed widening boundaries, but the big data used to customize the shopping experience do nothing but close the horizons of choice. The question then arises: how can space design help the shopping experience to be both customized and serendipitous?

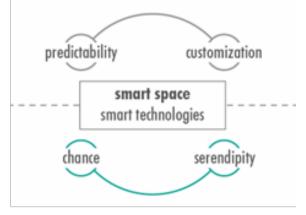


Figure 3: Features that smart retail spaces must provide.

## 1.2 Research purpose

The research aims to answer the questions mentioned above by studying the current retail design situation, aiming to anticipate possible future retail scenarios. The application of smart technologies to the retail space allows involving the consumer's virtual dimension by providing a layer of personalized information and extending the sociality to the online space. Between the brand and the customer, new relational dynamics would be born, based on the trust that comes from the shop's first-person experience. Indeed, technology would allow creating a continuous, but not intrusive, relationship with consumers and brands, extending the experience beyond the store's physical boundaries [Figure 4].



Figure 4: New relational dynamics occurring in the store space.

## 1.3 Methodology

This paper represent an extract and a synthetis of a master thesis developed by the authors as a final step of a Double Degree Program between Politecnico di Milano (major of Interior and Spatial Design) and Tongji University (major of Environmental Design). The thesis research has been conducted both through literature review and primary research. The primary research consisted of a user investigation conducted in person throughout a questionnaire meant to explore consumer habits, perceptions of shopping experiences, and predispositions towards new formats. The primary research was fundamental to confirm what was stated with the desk research. In this paper, the primary research is not reported, but its insights, together with the literature review, have been used to draw conclusions and define a design spatial strategy. The outcomes of the research consist of a generic experience matrix, followed by the meta-designed spatial model of a store thought for a defined target and merchandise. The matrix identifies at a theoretical level the moments that nowadays consumers should experience in a phygital store. The meta-designed spatial model consists of conceptual environments to suit the experiences envisioned in the matrix. This theoretical model, illustrated in section 3, can be developed according to different brands and sites, resulting in spaces that are always different but able to meet and exceed consumers' current needs and expectations.

## 2. Literature review

## 2.1 Complex and connected consumers

Nowadays shopping can happen everywhere and anytime through virtual channels thanks to the ubiquitous digitalization and mobile connectivity (Demestichas, Meani, Paglierani, Ropodi, Stasinopoulos, Tsagkaris, 2018; Gao, Waechter, Bai, 2015). Ubiguitous connectivity is changing both online and offline shopping experiences (Pathak, Pandey, 2019), and consumer behaviors, as well as the consumer itself. Today the majority of consumers are represented by the so-called "digital natives", meaning people who grew up in the digital age: millennials or Generation Y (born between 1980 and 1995) (Rese, Schlee, Baier, 2019), and Gen Z (born after 1996). They are "hybrid consumers who are always switched on and connected to one another" (Campanini, Hutchins, 2014). Todays consumers are digitally empowered (Alexander, Olivares Alvarado, 2014), hyper-connected (Mosquera, Olarte-Pascual, Juaneda Ayensa, Sierra Murillo, 2018), and driven by new shopping behaviors: consumers use mobile technologies in the store to compare products and prices, access discounts and coupons, review product information, ask for advice, and share their purchases. These behaviors increase the number of touchpoints through which the brand can get in touch with consumers. So they require brands to connect with them even in the virtual world, and not anymore just in the physical reality (Quinn, 2016). They expect the shopping experience to combine both its traditional and digital aspects (Singh, Singh, Singh, 2019) and be omnichannel, meaning happening continuously and seamlessly through physical and virtual channels (Battisti, 2015). To summarize: the purchasing experience needs to become holistic and characterized by connectivity, mobility, and multiple touchpoints (Mosquera, Olarte-Pascual, Juaneda Ayensa, Sierra Murillo, 2018).

#### 2.2 Omnichannel retail

In the omnichannel retail, consumers no longer have to choose a priori which channel to buy through, but they shape their shopping experiences freely jumping between channels. The purchasing process is no longer linear but fragmented among multiple touchpoints. E-commerce and brick-and-mortar stores are no longer considered separate platforms (Alexander, Cano, 2019): the line between channels will blur until there is no distinction anymore (von Briel, 2018), transforming the shopping experience into a seamless and smooth action. Shopping becomes extremely flexible, smart, and effective. Combining online and offline channels, the shopping experience benefits from both (Mosquera, Olarte-Pascual, Juaneda Ayensa, Sierra Murillo, 2018): adding to the physical experience's richness and immediacy virtual shopping's benefits: wide availability of products, convenience, vast amount of information (Foster, Lewis, Whysall, 2014), ratings, reviews and recommendations (Betzing, Beverungen, Becker, 2018). Online and offline shopping become complementary, integrated, and inseparable. The physical store is a crucial part of a bigger and more connected shopping experience (Alexander, 2019). Indeed, if well designed, physical stores will be able to attract consumers, gain their loyalty, and convey them to purchase online. Buying through smart devices will complement the richer adventure that consumers can experience offline (Mikocki, 2016). The store will focus not on the purchase phase (Cook, 2014), but on other moments of discovery, interest, need, trial, and inspiration (Stephens, 2017). In the omnichannel scenario, the physical store's role must be rethought since selling is not its primary purpose anymore, but to make consumers live innovative experiences.

#### 2.3 Physical store in the omnichannel scenario

The physical store becomes a crucial touchpoint in the omnichannel scenario, a "dynamic system of interactions" (Gerosa, 2008) established between the consumer and the store ambience. These interactions happen at two levels, between the consumer and the surrounding made of merchandise and store

environment, and between the customer and other consumers. These interplays highlight two aspects that characterize the in-store visit, respectively, sensoriality and sociality (lacking features in online shopping). The physical store should be a three-dimensional manifestation of the brand and its values, aiming to engage the consumer by stimulating his senses and by weaving social relations.

#### Physical store as brand media

The brick-and-mortar store is a tridimensional media for a brand (Stephens, 2017), and its purpose is to communicate its values and philosophy. Brands are "fictional entities" (Harari, 2015) that flank their products to intangible values that shape their souls. The brand defines these fundamental principles as fixed basics that persist over time. Values are narrated through stories, impersonated and made tangible by sales objects, people (brand representatives, meaning the retail clerks), services, and places (Gerosa, 2008). Narrations and these material elements represent the variable part of the brand, which changes over time according to market demands and consumer needs.

In a world where the Internet conveniently offers goods and services, the store becomes venues for magical brand experiences that must break into consumers' hearts. In the store, the brand establishes a relationship with the consumer, creating emotional connections that lead them to trust the brand, be loyal to it, and believe in it (Wheeler, 2003). The store is the place where it is possible to design unique sensory experiences to generate brand awareness (Alexander, Cano, 2019). Indeed, the retail design aims to shape spaces as the sensory interpretation of brand values, ables to exceed consumers' needs and desires (Quartier, 2017).

## Physical store for sensory experiences

The physical store focuses on stimulating the five senses to trigger feelings, thoughts, actions, and social links. Through the right stimuli, the store can provide a unique multi-sensory shopping experience (Rese, Schlee, Baier, 2019; Alexander, Cano, 2019). Multi-sensory experiences can positively influence the consumer decision-making concerning the retail choice, permanence in the store, willingness to buy, unplanned purchases, spending level, positive word-of-mouth, loyalty to the retailer, and it influences the overall shopping satisfaction (Kourouthanassis, Giaglis, Vrechopoulos, 2007; Soars, 2009; Pantano, 2016). The store set-up is the narrative language through which the brand tells its values. As words give shape to a narrative, in the same way, the spatial setting, with graphic images, geometries, plastic, material, and chromatic form, communicate the brand (lannilli, 2016). All the atmospheric features, such as ambient factors (scent, music, lightng, etc.), design factors (fixtures, displays, space layout, etc), and social factors (presence of customers and service personnel, quality of interactions) (Baker, 1987) are essential to creating the experience (Kent, Dennis, Cano, Schwarz, Brakus, Alamanos, 2015) and have the power to influence consumer's shopping behaviors (Alexander, Cano, 2019). The retail space should generate multi-sensory experiences through the thoughtful design of its environments and related atmospherics.

# Physical store for social experiences

Shopping has always been a moment of socialization: for those who have hedonic motivations, going to the store to experience the products is a pretense to spend some leisure time with other people. The physical store is composed of a social environment layer, which happens in both physical reality and virtual reality, and that impacts the customer's experience. The physical social environment comprises the own peer group, other customers, and store personnel. When they enter the store, connected consumers bring a social network that goes far beyond the store's physical boundaries. Thanks to mobile technologies, such as smartphones and social media, they can reach a wider virtual social environment, consisting of friends, family, and strangers (Betzing, Beverungen, Becker, 2018). The youngest generations (Gen Z and Gen Y), in addition to the need for physical social interactions, they feel the urge for virtual social experiences while doing offline shopping.

#### 2.4 Smart technologies for enhanced experiences

Today's consumer expects the physical store experience to be as immediate, convenient, and rich of information as online, but with the addition of meaningful sensory experiences (Mankodiya, Martins, Francis, Garduno, Gandhi, Narasimhan, 2013). To meet the connected and multidimensional consumer's expectations and needs, retail becomes "phygital". Phygital is a neologism that combines in one word the concept of physical and virtual dimensions. Phygital retail uses technologies to appeal digitally inclined consumers, shaping innovative ways of interaction (Singh, Singh, Singh, 2019) to catch their interest (Pantano, Laria, 2012). The technologies must be applied to the shopping experience to enhance it and add entertainment value and visual excitement to it (Stephens, n.d.). Digital technology has the power to "activate a space, physically and emotionally, and immerse visitors in a way that would be otherwise impossible" (Morris, 2019). Many authors argue that technologies are a means and not the end of the experience, as

consumers are not interested in technology for its own sake (Burke, 2002). However, given the recent developments in consumer behavior and the evolution of mobile technologies communications, consumers expect technological innovation to be applied to the shopping experience (Pantano, Laria, 2012). The consumer experience becomes engaging, memorable (Mosquera, Olarte-Pascual, Juaneda Ayensa, Sierra Murillo, 2018) and surprising (Fontaine, 2020) through the use of powerful tools that have the ability to influence consumer subsequent buying behavior (Pantano, Naccarato, 2010).

#### Consequences, opportunities and threats of the phygital format

For a seamless experience between channels, it is necessary to recognize the customer when entering the store to link its online shopping to the offline experience. By linking data for each consumer from offline and online experiences, the brand manages to have a holistic customer analysis (Foster, Lewis, Whysall, 2014) and "the buying process becomes continuous as the customer changes channel or enters the store" (Cook, 2014). Through real-time big data analytics, it is possible to reach a level of information richness to benefit both customers and brands. On the one hand, it allows generating a customized shopping experience based on consumers' needs and preferences, always changing; on the other hand, it enables collecting knowledge from customers and codifying their consumer habits to be used as useful feedback. However, the use of personal data for the in-store customized shopping experience can lead to "a degree of mistrust into the public consciousness around how our information is being used by big business" (Shilton, 2019), also raising privacy and security concerns (Foster, Lewis, Whysall, 2014). Nevertheless, the youngest generation is accustomed to perceiving technology as an extension of their lives and continually benefits from digital services that require access to personal data; therefore, they are more likely to grant their data in exchange for highly personalized services (Cuthbertson, Piotrowicz, 2014).

Sharing data allows to customize the shopping experience according to different degrees: personalization of information, products, service, relationship, and space (Miceli, Ricotta, Costabile, 2007). All consumers' online preferences (as wish lists and liked products) follow them in the brick-andmortar store; likewise, the offline experience also continues at home through social media (von Briel, 2018). Shaping a holistic experience across channels, the brand can help consumers through recommendations, meaning customized information, to not be overwhelmed by the wide variety of products. If too many products are displayed in physical stores, the consumer finds himself/herself in front of a choice that he/she does not know how to make. The consumer is subject to a "cognitive meltdown" because accustomed to using tools for research refinement available for online retail channels (Stephens, 2017). So it becomes logical to provide customers tools and recommendations that can help them not to be confused and lost in product variety and its consequent information overload. If the customization of the information, on the one hand, allows the consumer not to be overwhelmed by a massive quantity of data, on the other hand, it closes the customer's options. Retail space's ability to control and predict consumer choices take him/her away the joy of random discoveries. Dough Stephens argues that, ironically, the more hyper-connected consumers are, the more the world becomes small and less discoverable (Stephens, 2017). Following his logic, the chances of finding things in an unexpected way become slimmer and slimmer. It is crucial to create an exceptional shopping experience with a balanced "combination of predictability and chance" (Stephens, 2017).

#### 3. Meta-designing the phygital store

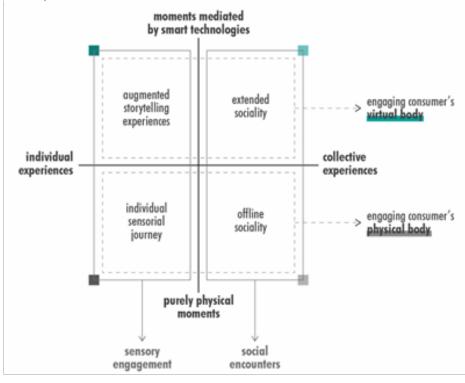
The research introduced in the previous paragraphs encloses the near future store's scenario. The scenario is the illustration of a possible future, shaped, in this specific case, by a creative process based on the observation of the current situation through the literature review and the primary research. In this section, the transition from theoretical outputs to a spatial approach takes place. A generically defined consumer experience matrix is then made specific by defining consumer actions that take place in stores of the defined merchandise and target. Each detected consumer's action is translated into a visualization of conceptual space. Each environment identifies the characteristics that space must have to suit the mentioned activity.

The outcome of the research is meta-designed by definition: it has been designed a system of guidelines, which is a synthesis of the information gathered through interdisciplinary research. This framework becomes the basis for generating endless solutions, different in form but similar in concept: in fact, the meta-designed spaces can be designed specifically by tailoring them according to the features of chosen brands and selected sites. Indeed, generally speaking, the meta-design is the first, analytical phase that transforms the collected knowledge into a language that is, although still abstract, effective and immediate. The meta-design step represents the phase before the development of an actual project.

#### 3.1 Research conclusions

The shopping journey can start both online and offline and continue on other channels. By adopting omnichannel strategies, it will be possible to indulge hyper-connected consumers' fluid behaviors and

improve the shopping journey efficiency and consumer satisfaction. The first step for omnichannel strategies is to recognize consumers inside the physical point-of-sales and link their data with their online shopping profiles. In this way, all their virtual preferences will follow them offline, and, vice versa, the shopping started in the physical store can smoothly continue online. The physical space of the store becomes dotted by hotspots to access the virtual dimension, using smart devices, in particular smartphones, as key medium to enable omnichannel fulfillment. The shopping experience project must articulate in a balanced rhythm of purely physical moments and other occasions mediated by technological devices to not stress just consumer's sight and hearing, but also the other senses. The spatial project must consider the customer's shopping motivations, therefore designing two main flows of the in-store consumer journey: one planned for customers who have utilitarian reasons, and the other for those who have hedonic motivations. The former, who have identified a precise need for products or services, prefer fast, efficient experiences, with a minimum degree of sociality, rich in product information, and offering services such as click&collect or efficient return services. Consumers with hedonic motivations, who approach the shopping experience without having intended to make a purchase, prefer experiences that offer entertainment and fun, a high level of sociality, sensory involvement, playfulness, and excitement. Besides, the shopping journey must be structured in a succession of moments and spaces in tension with each other to shape dynamic experiences: public and private spaces, occasions of active interaction and passive observation, moments of social conversation and intimate contemplation.



#### 3.2 In-store experience matrix

Figure 5: In-store consumer experience matrix.

To satisfy the consumer's three dimensions, the shopping experience in a phygital store must include moments in tension with each other. These moments are identified through a matrix that generates four different situations depending on the degree of sociality and use of smart technologies [Figure 5]. At the horizontal axis's apexes are individual and collective experiences, while on the vertical one purely physical moments and occasions mediated by smart technologies. The result is four quadrants or four experience moments that consumers can perceive during a phygital store visit, which satisfy their needs of sensory engagement and social encounters. The two purely physical moments identified, which engage and satisfy the consumer's physical body, are a personal sensorial journey if the experience is individual, and an offline-shared social visit if the experience is collective. While the two moments mediated by smart technologies that engage consumer's virtual body are: storytelling experiences introducing the customer to what lies beyond the merchandise, in the case of individual experience; and, in the case of a collective shopping experience, a sociality extended to the virtual dimension.

To have a more specific outcome, a reference target and merchandise have been selected based on the primary research insights. The actions that targeted consumers, or Chinese Gen Z, perform in the selected merchandise stores, meaning beauty and cosmetics shops, are applied to the general in-store consumer experience matrix. These actions are based on the answers obtained from the questionnaire's participants and are identified by observing consumer behaviors.

As shown in [Figure 6], these actions occur individually and collectively and happen in the physical dimension and extend into the virtual one.

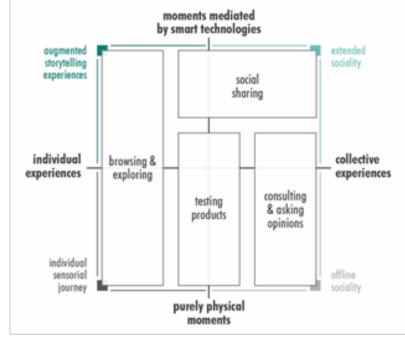


Figure 6: Actions of targeted consumers in beauty stores during the pre-purchase phase, applied to the in-store consumer experience matrix.

The actions individuated would shape a complete shopping journey able to satisfy the consumer's needs and desires, and engage all his or her dimensions. Indeed, each action requires environments with distinctive furniture and equipment, shaping different experience occasions. The next section focuses on the visualization of these environments through conceptual spaces.

#### 3.3 Meta-designed spatial model

The spatial model aims to define every step of the shopping journey in the phygital store, describing them through conceptual environments. Such spaces are thought by keeping the distinction in the three shopping journey stages, meaning the pre-purchase phase, the purchase moment, and the post-purchase step.

#### **Pre-purchase phase**

The pre-purchase phase is the most important one, both in terms of power and amount of space.

In spatial terms, the pre-purchase phase can be divided into two functions: environments for browsing the merchandise and exploring the brand's narrative, and spaces for testing products. Following the consumer matrix, these two functional areas are designed to offer different experiences to satisfy consumers' multidimensional needs and desires. The space for <u>browsing and exploring</u> can be divided into three types of environments, offering three experiences ranging from an individual sensorial journey to augmented storytelling experiences, with an increasing degree of smart technologies mediation [Figure 7].

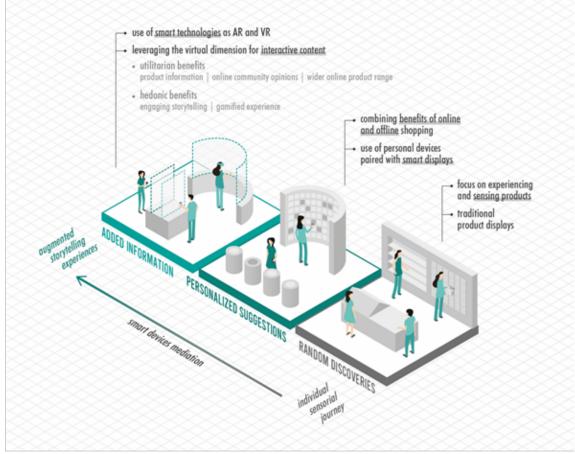


Figure 7: Meta-designed spatial model: pre-purchase phase, browsing and exploring.

The space for random discoveries allows consumers to explore the merchandise in a traditional way, without the mediation of smart technologies. It gives consumers the pleasure of serendipitous shopping while focusing on stimulating their senses. This type of space can be equipped with counters and displays exhibitors to create functional yet attractive layouts that encourage customers to move throughout the whole exhibition area. It is a transit space that must foresee several people's presence at the same time, hence, being spacious but avoiding consumers lingering too long except in a few strategic points. Cold lights and color hues tend to confer the environment spaciousness and give a sense of transit rather than permanence, as well as the presence of visually vertical lines. The environment for personalized suggestions envisages a consumer interaction with displays mediated by the use of personal smart devices such as smartphones. Linking consumer data (as past purchases and preferences) to smart displays allows combining the advantages of a personalized experience offered by online shopping and the sensoriality characterizing the offline store visit. This kind of experience aims to offer fast and efficient service and needs to be thought for one user at a time. Smart displays can be designed to provide both utilitarian and hedonic benefits, appealing to consumers with interaction and entertainment.

The space for <u>added information</u> features experiences where the virtual dimension is leveraged for interactive content narrating the brand and its products. Smart technologies as Augmented Reality and Virtual Reality can provide utilitarian information and hedonic occasions of engaging storytelling and gamified experiences. VR requires individual stations, while AR can be used simultaneously by multiple users, exploiting their smart devices.

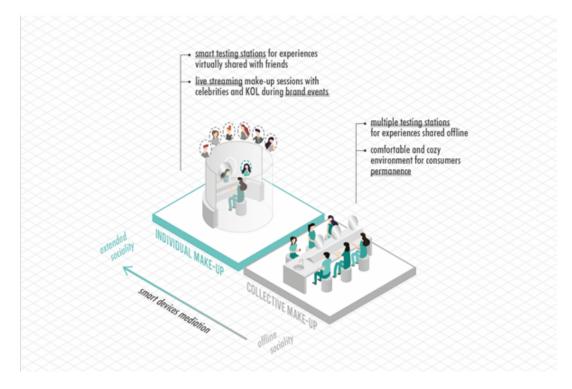
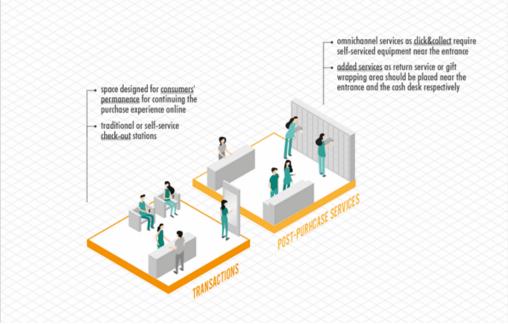


Figure 8: Meta-designed spatial model: pre-purchase phase, testing products.

The area for testing products can offer experiences both shared offline and online, depending on the kind of sociality sought by each consumer [Figure 8]. Since the testing area is a permanence space, it should be furnished using warm lights and colors, soft materials, and horizontal shapes. This space should provide two types of environments: one equipped with multiple testing stations where consumers can feel comfortable and spend time together; and another designed for individual experiences, where a single user can feel welcome for an intimate contemplation. Both the ambiences should feature smart testing stations, especially the one for individual use, to let users share experiences virtually, extending the sociality outside the physical store boundaries.



## Purchase and post-purchase phases

Figure 9: Meta-designed spatial model: purchase and post-purchase phases.

The space dedicated to the purchase moment [Figure 9] can feature traditional check-out areas where consumers can interact with sales assistants or self-service stations for independent transactions. In cases where the variety of products displayed in the store is limited due to space issues, areas for browsing the wider online availability can be provided for consumers. Hence, an environment designed for consumers' permanence can help them continuing the shopping experience online, allowing smooth omnichannel behaviors.

Ultimately, the space assigned to the post-purchase phase [Figure 9] can feature an area assisted by store personnel for customer services as returns and changes, which should be placed near the store entrance for a fast and efficient flow of consumers who need these services. Omnichannel services as click&collect require stations where consumers can pick up their orders, which should also be located near the entrance or in strategic points near passageways.

### Spatial consumer journey

All the environments described so far are assembled to have an overall view of the conceptual phygital store layout and define two hypothetical consumer journeys [Figure 10]. The distinction of the two flows depends on the motivations with which the customer approaches the shopping experience, namely hedonic or utilitarian motivations.

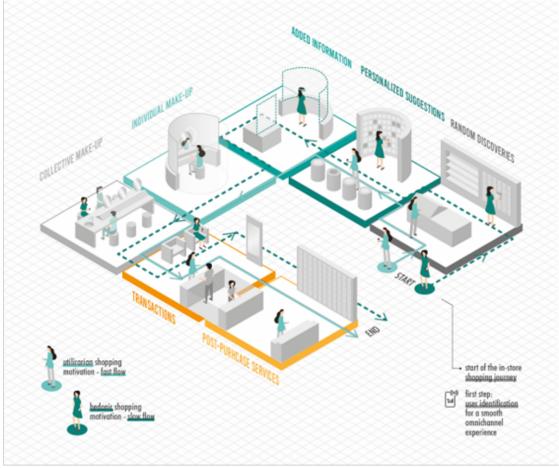


Figure 10: Meta-designed spatial model: hypotetycal consumer journeys.

The journey thought for consumers with hedonic motivation, who seek fun and entertainment, is slow and leads them to visit all the store's areas and dwell in the environments designed for permanence. The journey planned for customers with utilitarian motivation is a fast flow and satisfies their need for efficiency and speed. Both journeys in the phygital store should start with user identification to offer a smooth omnichannel experience. Indeed, if the shopping journey started previously online or if it will continue on the virtual dimension after the in-store visit, it can smoothly shift from online to offline. Through this meta-designed spatial model, it is possible to satisfy the needs of targeted consumers and their physical and virtual dimensions and provide sensory engagement and social encounters. The third key element, the brand narrative, should be used to decline the meta-designed spatial model into a retail space, shifting from theory to design practice.

#### 4. Conclusions

As mentioned in the introduction, this paper is an extract of an Interior Design master thesis. In the thesis work, the meta-designed spatial model has been applied in a more practical example through the project of a phygital store designed for a cosmetic brand and a specific site. In the same way, the research illustrated in this paper could be further developed by applying the meta-designed spatial model for chosen cosmetic brands, obtaining phygital stores with different spatial and atmospheric features depending on each brand's values and identity, however, all offering hybrid experiences for satisfying the physical and virtual dimensions of consumers. Alternatively, it would be possible to rethink the experience matrix by choosing a different target and merchandise. In this case, the new consumer group's behaviors in the merchandise stores should be studied; then, these actions should be applied to the experience matrix to generate a new meta-designed spatial model. Afterward, the latter can be declined according to the chosen brand's spatial identity in the selected site.

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# Designing Meaningful Retail Experiences by Adopting a Scenario-Driven Approach. The "Shaping Retail Innovation" Pilot Project.

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In a context of technological transformation impacting the production, distribution and consumption patterns, processes and dynamics of goods and services, the retail system is today strongly influenced by the overlapping of the traditional physical dimension and the new and ever-present digital layer and requires experimenting with new approaches to bring meaningful innovations into the system. Design, in particular, finds itself redefining its role in relation to the other competence domains operating in retail - among others management, marketing and IT - and having to experiment with new tools and approaches to bring meaningful innovation to the sector.

Within this framework the article presents the results of the pilot project "Shaping Retail Innovation" conducted within the FoReSeE – Forecasting Retail Service Experiences – basic research, discussing: (i) how applying Design-Orienting Scenarios could push meaningful retail solutions by envisioning how to embed advanced technology within the retail customer experience; (ii) how adopting a meta design approach could improve a multidisciplinary collaboration among design and IT promoting meaning-driven retail innovations with a long-term perspective.

Keywords: Design-driven Innovation, Retail Design, Meta Design, Design-Orienting Scenarios, Pilot Project

# Introduction. The evolution of the contemporary retail environment.

The globalized economy reconfiguration (Ciravegna & Michailova, 2022), the consumption behaviors changes (Paltrinieri & Parmiggiani, 2017), the digital technology pervasiveness (AI, AR/VR/MX, Big Data, Digital Twins) (Alexander & Kent, 2021; Hoyer et al., 2020; Shankar et al., 2021), the new production system increasingly linked to new forms of diffuse and creative manufacturing and the demand for greater awareness and transparency (Lorek & Spangenberg, 2014) are at the basis of a new economic, social and cultural framework in which a changed attitude towards goods and their access can be observed.

Within this context, a radical transformation has characterised the retail sector over the last twenty years jointly mirroring the transformation that has taken place within the market competitiveness, the consumer horizon, and the technological readiness. In a highly interconnected system, the dematerialisation of goods and services (Semprini, 1996) impacted and drove the emergence of new distribution system's formats and concepts thus pushing the transition from a product-centric model to a service-centric (Akaka et al., 2013, 2015; Merz et al., 2009) and experiential one (Pine & Gilmore, 1999). Retail, from being primarily focused on goods' transactions, become capable of catalysing and promoting value co-creation within an interdependent system of service innovation, meaning generation and consumer centrality (Kustrak Korper et al., 2021). The servitisation process affecting the production and consumption system (Dinges et al., 2015) thus made the handling of different distribution's channels and touchpoints more complex and extensive (Hickman et al., 2020; Piotrowicz & Cuthbertson, 2014).

Moreover, in recent years, the technological transformation has grown exponentially and quickly in prominence, becoming a driving force in the sector's transformation dynamics, and promoting an increasing hybridisation and fusion of the physical and virtual dimensions of the retail experience. The "traditional" retail system evolved into an intertwined omnichannel system - with the multiplication of both physical and virtual channels and touch points - and ultimately into a more fluid and integrated "phygital" approach (Alexander & Kent, 2021; Silvestri, 2020). The current technological availability impacts all the management flows of goods, services, information, and experiences in the consumer sphere and systematically involves the entire back end (supplier management, fulfilment, CRM, etc.) and front-end (on-site and online customer experience, service assistance, etc.) process chain. Operations streamlining, seamless connection and compliance with customer expectations' strategic goals drive the sector's evolution paths, and technology is interpreted and exploited as a valuable and now essential enabler of such improvement measures in the retail system.

This approach aimed at the optimisation of specific and timely knots in the retail chain has widely led to the adoption of technology-push innovation rooted in a dynamic response to market needs: extensive technological shifts (IoT technologies, AR/VR, AI, Digital Twins, NFTs and blockchain among the most

impactful concerning the end-customer relationship) have introduced new and alternative solutions that, very often, "solve" and enhance exact features of the consumer experience (Deloitte Insights, 2019; Grewal et al., 2020), while rarely exploiting the possibility of introducing meaning-driven radical innovations within the retail system.

# Exploring retail design processes and tools to nurture meaning-driven innovations.

Within this highly transformative context, the competence domains involved into the design of retail spaces, services and experiences are multiple and constantly redefined their roles, hierarchies, and intervention models. Retail design, marketing, management and, more recently, IT converge within a system that requires a shared and comprehensive language composed of a renewed vocabulary, grammar, and syntax. In particular, design is called upon to redefine its role, tools and approaches in response to the intervening changes in order to bring value to the system.

From a core interior design expertise – still relevant, design has embraced the major experiential paradigm shift and, secondly, the servitisation one by applying its peculiar approaches and tools to customer experience management. The Human-centred Design approach (Giacomin, 2014), which, starting from the observation of users' needs, behaviours and habits proposes, in an iterative process, solutions capable of satisfying them, has proved to be effective and valuable at a time when widespread technological availability has demanded ever greater integration within the flows and dynamics of the distribution system. In the same way, however, the contemporary changing scenario is increasingly highlighting the limits of this approach, which certainly produces positive incremental innovation but risks losing track of both the long-term horizon (purely technological innovation is proving to be faster than systemic process innovation and with a high degree of obsolescence) and the necessary pursuit of innovations capable of encompassing and addressing the transformation dynamics of current economic and socio-cultural models. It is in this context that design today appears to be called upon to reflect on and redefine its own role precisely because of its peculiar ability to bring out and introduce meaning-driven innovations (Norman & Verganti, 2014) and to claim itself as a directing figure within an ecosystem of multilevel actors within which converge the different management, marketing, IT skills and expertise.

The basic research FoReSeE - Forecasting Retail Service Experience<sup>1</sup> - is being carried out in this context. The research aims to investigate the role of design as a knowledge integrator among different disciplinary domains and as a driver of retail innovation processes in a complete hybridized – physical plus digital – retail experience. In particular, the article presents the "Shaping Retail Innovation" pilot project developed in collaboration with Deutsche Telekom and its results. The pilot aimed at developing multiple design interpretations, expressed through concepts of "phygital" retail experiences, by adopting Design-Orienting Scenarios within a meta-design and multidisciplinary methodological framework. Relying on the systematisation, analysis and critical interpretation of the pilot project results, the article finally proposes to discuss how adopting a meta-design approach (Van Onck, 1964) can (i) positively nurture retail design practice and (ii) support innovation of meaning, triggered by the use of new technologies, to improve the customer experience and develop long-term perspectives.

# The "Shaping Retail Innovation" pilot project: objectives and phases.

The "Shaping Retail Innovation" pilot project has the broader objective of modelling and testing a designled and future oriented operational approach capable of generating and positively nurturing innovative retail solutions in a properly phygital framework. From the design perspective, the phygital universe represents a significant and promising opportunity both to investigate and propose new design solutions capable of embedding technology within culturally relevant sense universes (Armstrong & Rutter, 2017; Iannilli & Spagnoli, 2021; Pangarkar et al., 2022) and to experiment and verify through which processes and tools design can add value within this specific setting. The pilot aims to reflect on the relationship between designdriven innovation and technology by developing highly phygital retail experience design proposals and adopting a Design-orienting scenario approach to retail concepts generation.

In particular, the pilot is aimed at: (i) reflecting on the relationship between design-driven innovation and technology considering it as an enabler of new socio-cultural and consumer dynamics and not purely as tool to respond to emerging needs; and (ii) assessing the effectiveness of a Design-Orienting Scenario approach both as a tool for promoting meaningful innovation and as a tool to improve dialogue and convergence between different disciplines (here in particular retail design and IT) to identify and agree on design trajectories to be followed.

The pilot project was carried out in cooperation with Deutsche Telekom, Customer Experience and Design area, and involved different actors: researchers from Politecnico di Milano, Design Department, fashion designers and professionals from Deutsche Telekom with a strong experience in Experience Design and Innovation. The project focused on the fashion field as it is a sector that is highly receptive to innovation and has extensively absorbed the technology's potential to transform and improve its production and

distribution processes (Bertola & Teunissen, 2018). Deutsche Telekom, in this context, provided both technical expertise – by providing specialised knowledge on advanced technologies – and strategic expertise – by providing a medium- and long-term vision on the technological evolution and its possible impacts in the distribution area.

The pilot project resulted in 13 design proposals grouped into four design-led scenarios representing both a theoretical and applicative framework. The pilot was developed following three phases:

1) The first phase embraced and explored the changing contemporary dynamics in the social, technological, and symbolic spheres concerning mainly, but nonexclusively, the fashion product-system. The pilot's first step was functional in identifying emerging and consolidating trends, starting from the interpretation of the current transformation dynamics in terms of consumer habits and behaviors, reference value systems, emerging business models and widespread technological availability. Trends and innovation trajectories have been identified through mixed-method research (Doyle et al., 2009) rooted in scientific literature review, qualitative-quantitative case studies analysis, technological solutions' mapping, and semi-structured interviews with professionals in the field of retail design, open and tech innovation, and user experience design. The trends have been translated in visual boards (a sort of pre-design concept expressed through visual metaphors), then codified within Design-Orienting Scenarios (Manzini & Jegou, 2006) and capable of inspiring and driving the concepts' development.

2) The second phase shaped and represented design-driven retail futures informed by technology, by using a classic 2x2 scenario matrix nurtured by the visual metaphors previously developed. From a design perspective, Design-Orienting Scenarios are widely used as tools for exploring possible future alternatives within a shared framework to guide choices and help strategic conversation between different actors (Colombi & Zindato, 2019). For this reason, adopting a Design-Orienting Scenario approach could be particularly suitable and valuable. On the one hand, the current complexity of the retail system requires the ability to understand and portray a systemic and future-oriented vision of an ecosystem of instances, actors and variables in ongoing change (Hoyer et al., 2020; Shankar et al., 2021). On the other hand, the technological dimension requires more than ever to be traced and framed within flexible constellations of meaning and open to positive and far-sighted planning. Based on this premises, almost 40 visual metaphors and 4 scenarios were generated emphasizing the possible and preferable technological impacts from a future-oriented perspective: what technology enables today, in the near future and the far future. The scenarios were considered both strategic and visualisation tools and intended to represent as many positive and actionable experience retail futures.

3) Based on the previously defined scenarios, the third phase developed 13 design proposals for new phygital retail environment capable of investigating and imagining new meaningful retail concepts, services, and experiences.

While the third phase mirrors the traditional process of concept generation and development (physical and digital channels identification and definition, customer journey and associated service system development, physical channels interior design etc.), the first and second phases inform concept development through an extensive meta design approach whose relevance lies in its ability to provide long-term visions, frame technology adoption in a meaningful perspective and promote a design dialogue with the various players contributing to innovation in the retail sector.

# Interpretative framework. Applying Design-Orienting Scenarios to improve the design of Meaningdriven Retail concepts.

The interpretative framework presented in this article is an outcome of the second phase of the pilot project, and it aims to show how a meta design approach - based on scenario building - can be a valuable tool for proposing, guiding, and sharing future-oriented design solutions. A non-traditional backcasting approach was adopted to establish the interpretative framework. The backcasting practice is here applied in an unconventional way since, unlike the traditional backcasting methodology that aims to identify policies and programmes to act on the present (Dreborg, 1996), in this specific case, the objective is to identify and codify scenarios as representations of evolutionary macro-trends. Design can act on these trends by orienting design action towards new and valuable retail formats and services.

In order to produce the interpretative framework, a typical scenario building technique – the 2x2 matrix technique is used (Curry & Schultz, 2009) – has been applied with both a critical-interpretive and generative objective. This approach is based on identifying two variables describing many key driving forces that influence future developments and, in the case of the retail system, have significant impacts on business models, strategies and operations. Each driving force, or variable, ranges between two polarities, alternative to each other, describing the variable's spectrum possibilities. The intersection of the two variables results in a four-quadrant matrix. Each quadrant returns a valuable scenario from a design perspective to strategically steer the design action and envision its implications within a chosen time horizon. In attempting the matrix, a couple of variables were defined, referring to the varying degrees of interaction between a brand and its

community into a retail environment. Moreover, the variables result from qualitative and interpretative retail trends deepening conducted in the pilot's first phase. This interpretation assumes the user experience perspective as a preferential viewpoint, and the impacts of technology adoption according to different time horizons were also considered. More in detail, the two variables act as follows:

- the first variable, represented on the vertical axis, describes the relational model that the retail experience establishes within a user community, and the polarities vary between an *individual* and a *collective* kind of connection. On the one hand, *individual* refers to the brand's search for an exclusive connection with its end customer, who is the beneficiary of several customised service offerings and narratives. Consumer behaviour monitoring technologies, together with advanced customer relationship management (CRM) tools, combining data analysis and consumption-driven supply chains, foster tailoring servitisation (Dinges et al., 2015). On the other hand, *collective* refers to a network-type connection model that enables intra-community networking by fostering, for instance, collaborative consumption (Arrigo, 2021) and value co-creation processes (Thomas et al., 2020). In such a case, the digital dimension's pervasiveness, enabled by online communities, social media and by the metaverse, together with a sustainable consumption attitude (Lee & Huang, 2020; Shang & Wu, 2022) are among the two most relevant drivers towards this "collectivization" of the fashion consumption process.

- the second variable, represented on the horizontal axis, describes the brand's strategy for organising the retail system and related services. In this case, the polarities vary from a curatorial to an opencollaborative approach. As far as the curatorial approach is concerned, the whole fashion distribution, display and valorisation are intended as an opportunity to deliver the multiple and interconnected narratives of fashion brands. The latter act as curators in selecting and arranging predominantly symbolic and cultural content and return a series of structured and strongly codified narratives to their audience (lannilli & Spagnoli, 2021). In this context, the consumer accesses content assuming a cultural consumption approach. The purchasing act becomes, first and foremost, a fruition activity and the attachment to the brand is enhanced by an accountable and shared system of meanings. As far as the open-collaborative approach is concerned, the fashion retail ecosystem is conceived as a highly open infrastructure to contamination and consumer agency. The consumers become active subjects who "interfere", participate and shape both the communication processes - a phenomenon that originates within the social media with spill-over effects in the physical retail spaces - and the products and services offering with consequences within the manufacturing pipeline and, sometimes, the creative phase. In this context, the dematerialisation of the fashion product (supported by fashion garment 3D modelling tools and Digital Twins) impacted both the fashion supply chain and business models, multiplying opportunities for open-source innovation and crowdsourcing (Casciani et al., 2022).

Crossing such variables results in four quadrants corresponding to many scenarios within which the design-led interpretations generated in the first pilot phase were classified (Fig.1).

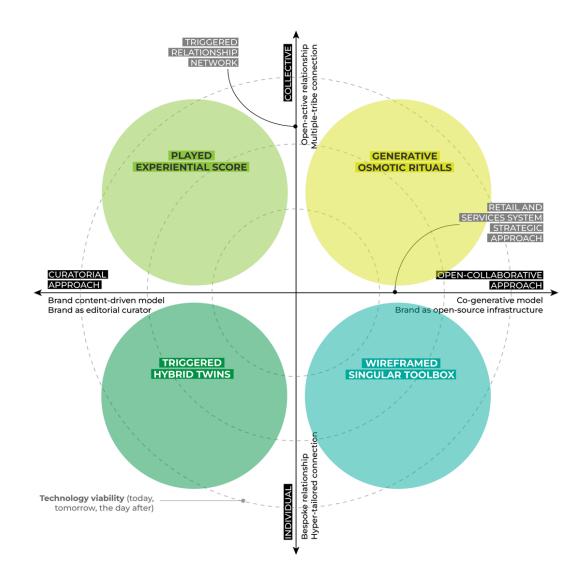


Fig.1. Design-Orienting Scenarios resulting from the pilot project implementation.

The first scenario, resulting from crossing the curatorial approach with the collective relational and experiential dimension, is called "Played Experiential Score". The increasing multiplication of physical, virtual and mixed channels has allowed brands to experiment with new languages and formats to deliver different contents (Vaccari et al., 2020) and connect various punctual and targeted services. In this operational environment, the risk of fragmentation and parceling of brand value and meaning is high. Fashion companies should strive to maintain a coherent and identity-driven approach. In this scenario, technologies become valuable allies in building planned experiences within a firmly structured palimpsest. In particular, in-store technologies are fundamental as bridges able to guarantee smooth and consistent inter-relations between shopping experience and consumer engagement, a plurality of services and brand narratives (Alexander & Kent, 2021).

The second scenario, resulting from crossing the open-collaborative approach with the collective relational dimension, is called "Generative Osmotic Rituals". The operational environment of this scenario refers to the growing relevance of micro-communities in orienting brand strategies and policies. The virtual environment sprawl allows aggregation through collective but exclusive experiences and self-recognition based on shared values (Burnasheva et al., 2019; Romero & Molina, 2011). Fashion brands react to these forces by multiplying touch points and adapting languages, codes, and offerings to the new digital platforms – for example, the metaverse – by implementing mimesis, colonisation or re-signification strategies in these environments.

The third scenario, resulting from crossing the curatorial approach with the individual relational and experiential dimension, is called "Triggered Hybrid Twins". As in the first, this scenario is part of an operational environment marked by the multiplication of touch points and related realms. Unlike the former, however, the fragmentation of the customer experience becomes a strength. For example, AR/VR try-ons,

digital wardrobes, and haptic controllers allow consumers endless possibilities for bespoke customisation and manipulation. In this context, consumers' self-expression is amplified and tailored to their multiple identities.

The fourth scenario, resulting from crossing the open-collaborative approach with the individual relational dimension, is called "Wiredframed Singular Toolbox". The operational environment of this scenario confirms the centrality of the consumer; individual agency becomes the driving force behind the dynamics of retail evolution and a possible source of innovation (Dominici et al., 2017; Singh & Sirdeshmukh, 2000). The brands respond to this scenario becoming open and porous infrastructure capable of providing their audience with the tools to create and co-create value. The servitisation of the retail area (Akaka et al., 2015; Artusi & Bellini, 2020) is a crucial component of this scenario and has significant backward effects on upstream retail processes such as creative and prototyping, sourcing & manufacturing phases.

The scenarios, and the related interpretative framework, were used both as input and operational design tools to generate design proposals. All scenarios are rooted, as already described, within a theoretical discussion based on literature review and case studies analysis concerning the technological capabilities within a variable time horizon: which operations technologies enable at this moment in time, which ones will be desirable in the medium term, and finally, based on weak signals' detection and theoretical speculations, which innovations will be envisaged and desirable in the far future. Mapping the proposed design solutions concerning the identified scenarios allows to emphasise which role is assigned to the different technological solutions with the aim not to display in detail which operations are enabled – simplified workflows, shorter timeframes, reduced iterative processes, etc. – but to envision how the adoption of technology can help produce new meanings within the retail and services sector.

In this sense, the use of Design-Orienting Scenarios proved to be a helpful tool to promote the design of new, valuable retail concepts by allowing the designers involved in the pilot to shift their focus from a retail space-centred design (retail interior design) to a retail experience-centred design (user experience design) by nurturing and leading the conversation with experts in advanced technological solutions.

# Conclusions

This article presents how adopting a Scenario-based design-driven approach has been a useful tool for designers to develop future-oriented fashion retail concepts and formats in the context of an increasingly widespread digital experience mediated by advanced technologies. (AR/VR, IoT systems, AI and blockchain, Digital Twins among the most relevant in the front-end management of the consumer experience). The study's central hypothesis is that although a huge and widespread availability of technology, which has already affected retail operations at many levels, needs to be matched by adequate consideration of how the technology should bring innovative insights into the retail sector. Faced with a predominantly technology-driven innovation, which forces retail to a continuous recourse and adaptation process to remain competitive, it is necessary to find new ways and opportunities to trigger meaning-driven innovations that result in new formats, concepts, and retail experiences. Within this framework, design, which is required to reconsider its role and redefine practical operational approaches, may once again become a relevant player thanks to its natural capacity to trigger meaning-driven innovations.

A pilot project was conducted to explore and evaluate the effectiveness of adopting a scenario-driven approach involving one of European most relevant technology providers, Deutsche Telekom. This perspective shift, which focuses on the technology's capabilities to trigger new and future-oriented customer experiences instead of the conventional pre-designed conversation with the company or brand, is interesting as the technologies are placed within a medium- and long-term evolutionary perspective. Within this operational and interpretative framework, technologies have taken on different roles and meanings:

- Supportive technologies: technology is considered purely as instrumental to functions and operations that support retail sales and services such as shopping experience, payment system, info/product display or information search (Pantano & Vannucci, 2019). Adopting this perspective hardly promotes radical innovations of meaning; much more frequently, it allows the technology to penetrate and be sharpened for specific tasks on an ongoing and incremental basis.

- Narrative technologies: technology is conceived as a channel for broadcasting narrative fragments. In this regard, the narrative is to be understood as a knowledge and value generator (Bruner, 1991) by activating experiences' elaborations, understanding and interpretations (purchasing experiences, in this specific case). In the progressive fragmentation of channels, formats and platforms of communication, distribution and engagement, considering technology as a narrative tool in its own right means experimenting and unhinging established dynamics of use and playing with new grammars and syntaxes (lannilli et al., 2019).

- Generative technologies: the concept of generative technology is closely related to that of technological agency, namely "a special type of human-computer relation, in which a technology is used to act and make decisions on behalf of a user for social affairs" (Yu et al., 2021). This framework, within which the leading

actor is AI, is not entirely new (think, for instance, of the use of AI for recommendation agents or automated shopping assistants) but may prove to be the most promising for generating significant innovations in the field (Shankar, 2018). In this sense, the challenge is to bring together human and technological agencies to experiment with new creative production and distribution models through widespread value co-creation processes.

Limitations to this research are represented by the need for more involvement of the management domain within the pilot that could be biased in exploring the multiple implications of using scenarios for retail concept generation. The management domain is relevant here because of the process of complexification that has affected the system of production, distribution, and consumption, together with the multiplication of channels and touchpoints which makes its expertise significant in the dynamics of value creation. Similarly, the IT expertise was mainly involved in the initial inquiry research phase. In contrast, their more operational involvement in the scenario validation and design proposal development phases would have been suitable. Finally, a significant limitation derives from the non-involvement of the final consumers in the pilot project. In fact, on the one hand, the pilot benefited from an extensive analysis of consumption trends; on the other, it was oriented towards testing the Scenario-driven approach in the context of professional experts. Future research directions will consider the involvement of end users to verify this approach and develop additional tools in a broader co-design context.

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#### Towards responsible material selection in Thai fashion retail design

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The rationale for this paper is the rapid growth of fashion retailing in Thailand and the need to understand principles and practices of store design that improve the sustainable use of resources. Its aim is to examine fashion retail stores in Thailand and how the design and specifically, material selection processes are undertaken. The Methodology is based on field work in major shopping centres in Bangkok, leading to the categorisation of three types of fashion store. Observations and interviews were used to answer research questions about the sustainable use of resources in designing fashion stores and second, the roles of different participants in the design process and their effect on designing for sustainability. The findings demonstrate the complex and sometimes contradictory responsibilities of owners/managers, designers and contractors, the lack of knowledge about sustainability and the market development needs.

Keywords: Sustainability, Responsibility, Fashion retail design, Material selection

# Introduction

The purpose of this paper is to examine fashion retail design, its sustainable use of resources and the responsibilities for implementing sustainable designs. In the twenty-first century sustainability has become a major concern and consumers are increasingly interested in sustainable fashion brands. Brands themselves have responded to environmental concerns by integrating aspects of sustainability into their strategies (Maignan et al., 2005) and consider sustainability as a distinctive way of competing in the market (Yang et al., 2010; Strähle, 2017). Sustainable markets create opportunities to add value, but the retailer has to carefully take creative and effective steps to ensure they do not have unforeseen impacts on their brand (Gazzola et al., 2020). This has caused retailers of fashion brands to examine the broader significance of the ethics of environmental sustainability and their effect on the minds of consumers (Rosmarin, 2020).

Sustainable fashion industries significantly stimulate waste reduction through materials selection, products, and consumer experiences. The selection of materials made by environmentally conscious fashion businesses helps to develop longevity and reduce resource consumption (Ikram, 2022). However, sustainability issues are particularly complex in retail design; they include waste, short term installation life cycles and intense competition (De Brito et al., 2008), which puts pressure on brand strategies and financial performance. (De Brito et al., 2008). The essential challenge is to balance the different perspectives of people, organisation and the environment (Elkington, 2002).

To achieve these objectives, the literature shows that the process of advertising and promoting interior environments with sustainable materials is the responsibility of interior designers and retail brand management (Alfuraty, 2020). Developers and retail store operators must evaluate specific aspects of the store design, including renovation, decoration and design to create outstanding sustainable retail stores (Ilić and Stanković, 2013). Some countries with an awareness of the heritage of their built environment apply restrictions to changing the use and appearance of historic buildings, which contributes to their longevity. However, architects and designers should create solutions to increase the performance level of sustainable materials, as well as encourage the use of materials that adhere to concepts of reuse and recycling, to increase the environmental sustainability of interior spaces that succeed in improving the health and wellbeing of occupants, building a better and more sustainable future (Alfuraty, 2020).

Interior design is not just about the appearance of the building's interior, but its functionality (Siltanen et al., 2013). Using an in-house or external a retail interior design team can help the brand to support a brand concept and avoid costly mistakes that not only help to save money but also can increase the value of the brand. To design sustainable built environments effectively, an interior designer must understand the integration of interdependent components of sustainable development and economics and the ways that sustainable retail can contribute to a more socially and environmentally responsible public (Birkeland, 2002). However, only a small number of retailers and developers support and promote sustainability long or consistently enough, with enough actual demonstration of changes in their standard

operations to demonstrate the benefits of a sustainable industry (Polonsky et al., 2001). The difficulties of some retailers following this path, serve to underscore the point (Garcia-Torres et al., 2017; Ozdamar Ertekin et al., 2015). Consequently, the sustainable space in fashion retail design research is still wide open and with it, new insights for fashion retailers and developers (Ilic and Stankovic, 2013).

This paper focuses on the Thai fashion market because Thailand's textile industry is a major nonwestern entity that encompasses more than 2,000 garment companies, most of which are located around Bangkok, this industry plays a key role in the country's GDP and export revenue (Mordor Intelligence 2023). Fashion consumption and retailing has grown too, from 2011 to 2016 the number of clothing retail stores in Thailand has grown at 3.5% year-on-year, triple the global growth rate 2011 (Statista Research Department 2022). With previous research identifying the distinctive features of the fashion retail sector, the rapid growth of fashion retailing in Thailand, and the need to adopt store designs that recognise the need for sustainability, the research question that is explored in this paper is what are the barriers to sustainable materials selection in Thai fashion retail design?

# Methodology

A qualitative methodology was used for this project, and the research was undertaken with case studies of three representative shopping locations in Bangkok over 18 months. A Case Study can be understood as a strategy, (Robson 2002), a methodology (Creswell 2009) or method (Gomm et al. 2000; Yin 2010). Nevertheless there is general agreement about their distinctive characteristics: that they involve empirical investigation of a particular contemporary phenomenon within its real life context using multiple sources of evidence and have an application when the boundaries between phenomenon and context are not clearly evident. Case Study enquiry copes (*sic*) with "the technically distinct situation in which there will be many multiple sources of evidence" (Yin 2010:20). The cases followed a real life set of events from which data was drawn (Yin 2004) and where the investigation must cover both a phenomenon and its context (Wisker 2001; Yin 2006). This research follows Gerring's position (2007) that insight is held to be the product of a good case study and that data requires interpretation to understand behavior from the actors' point of view (Gerring 2007). The approach has been used, in line with Yin's (2009) suggestion that there are three types of case study, the descriptive, the exploratory, in this paper explorative cases were used to research the uniqueness and context of the problem.

The research was divided into two parts; in the first stage (pilot research) international stores and multiple Thai retailers were observed, field notes, records and photos were taken concerning their design characteristics, which focus mainly on exterior store design storefront. Interviews were undertaken with retail designers and retail project managers. In the second stage (the main body of the research), international stores and Thai designer brands were observed in more detail for their exterior and interior design components and the selection of materials in the retail stores. In addition to the observations, interviews were conducted with retail designers, retail managers and contractors. The interviews used a mix of open and closed questions to obtain different points of view on the designer experience. Before the COVID pandemic, the interviews were undertaken face to face, but later the interviews were conducted by phone and email to acquire more information. The second stage interviews were developed from issues arising from the pilot questionnaire and created an emerging theoretical framework. The interview participants were owners of fashion retail brands or retail managers, retail designers (and architects with a design remit) and contractors. The interviews were supported by documentation from suppliers to the Thai retail market, which included brand requirements, project briefs, and interior materials and specification drawings. The observations and interview data were analysed using thematic coding following Braun and Clarke (Clarke and Braun 2018) and Microsoft Excel was used to help organise the data before creating the final visual maps.

# Findings

Five themes were developed from the perspectives of retailers, interior designers and contractors working in or with large multiple fashion brands, independent brands and international brands (Table 1). The findings show that the responsibility for sustainable design is complicated by the different participants' perspectives about the selection of materials in store design and that the design process is intertwined with the management of the brand, specifically brand identity and the project's costs and timescale. Table 1 demonstrates this relationship; themes one and two are about design practice and themes three, four and five are concerned with the process of materials selection and its place in sustainable store design. In theme 1 and 2, the most important consideration is the initiation of the project to become a sustainable brand relating to the store design. Next, themes 3 and 4 are to support design practice in managing the whole

installation process including materials selection, by following the design specifications. Theme 5 is concerned with the division and orchestration of responsibilities to successfully implement the other themes.

Theme 1: Duties and Responsibilities	Theme 2: Consideration of materials selection	Theme 3: Decision- making about sustainable materials	Theme 4: Responsibility in materials selection	Theme 5: Management of overall responsibilities
Installing a store	Budget	The design process	Brand policy	Overlap
Supervise the team	Time limited	Didn't have much time to research	Support the brand identity	The balance between three key players
Management of the whole project	Sustainable materials suppliers	Selecting the same materials	Following the interior designer	Collaborate
Following specification requirement	The relationship of the materials selection	Sustainable materials less need for concern	Not focus on sustainable materials	The sustainability concept
Control the cost	Brand's policy	Focus solely on budget	Give the brand recommendations	Complex

 Table 1: Thematic analysis of qualitative data of key participants interviews

# Theme 1: Duties and Responsibilities

The interview findings led to an evaluation of who has the responsibility for store design and the use of sustainable materials. While the brand owner has an over-arching responsibility (see Figure 1), contractors agreed that the interior designer has the responsibility to choose all the materials, the variety of surfaces and coverings in the store design. Two internal contractors explained that their role was to provide advice regarding design and technical issues that focused on the project's goal. Their most important responsibility was the process of store installation, and their role included the acquisition and management of the assignment from the client and managing the removal of existing structural elements. But managing client budgets also involved using cost-effective materials and taking care of, personnel management, site surveying, site engineering, schedule monitoring and waste on-site. Some of these have long-term implications. Toxic materials found in installations, finishes, and consumer goods, may pollute indoor air or water supplies or cause harm. These can effect those who demolish or refurbish the building at the end of its useful life (Brophy and Lewis 2011).

Contractors had different ideas about their responsibilities to help designers to choose their materials; one strongly believed the interior designers have more experience, so contractors don't need to recommend anything; the designers will tell them straight away if they want to change anything (Respondent B). However, Respondent F believed that contractors still had opportunities to recommend selecting the materials because of the need to consider initial and ongoing costs, for example, the re-specification of materials if they went over- budget.

# Theme 2: Consideration of materials selection

For fast fashion or mass-market products, the design challenge is to build and install the store quickly and easily with a brief that can be applied across all the existing stores while working within existing budgets (Respondent B). Respondents B and F believe that using sustainable materials is not popular in the fashion mass market because these materials are expensive. For respondent B, sustainable material suppliers need to decrease their prices; if not, they should position themselves to sell into the premium market, typically luxury brands, that can stand the price. So, choice of materials depends on the price and quality that the brand needs to project its identity and maintain its position in the market.

Usually, contractors bought from the same supplier because of the convenience, which saved them time; they did not often choose a different product from other material suppliers. In addition, contractors had to ensure that the quality of materials was suitable, the price was cost-effective and the products were available to avoid waste (from over-ordering) at the end of the project. In Group A (large multiple stores) the contractors attempted to save on the budget, but sometimes experienced problems due to breakages during transport or by accident, leading to extra costs they had to bear.

# Material choices in construction

Illustrations 1 and 2 demonstrate how the contractor can contribute to the sustainable concept through the choice of materials in construction. In this case, Jaspal brand's design project by PAKARA

Design & Engineering, used laminate, stainless steel and glass for the showcase and plywood, paint and laminate for the wall decorations.



Illustration 1: Displays and showcases



**Illustration 2:** Long-term installation of inside store

In the materials selection process, the relationship between key players is important. Figure 1 shows that the owner of the brand or brand manager is in the most powerful position, as every material must be approved before it is ordered. However, the relationship between the players varies between different types of retailers. By following the brand's policy, the project manager must understand what the brand wants to communicate to the team about the selection of materials or the concept of material usage.

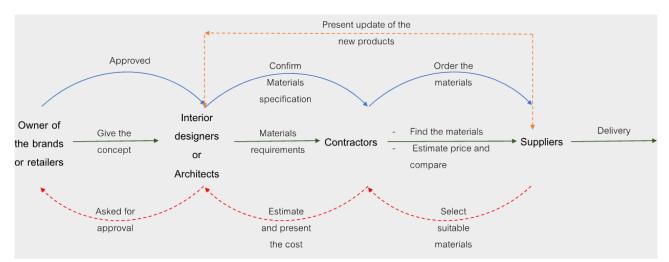


Figure 1: The relationship of the materials selection process

In Group B (independent stores) the contractor must provide an estimate of materials needed before starting work. After agreeing the specifications, normally the contractor can not change the specification of materials from the interior designer or architect's original requirements, unless there is an issue with the materials. It is necessary to ask permission from the architect or interior designer first (Respondent L), and the customer must agree to change in terms of budget control (Respondent N). In addition, *"if the materials are not available in the market, we must select some materials that are of similar type which follow the designer requirements" (Respondent P).* All respondents have enough experience to understand the strengths and weaknesses of materials. However, the life cycle of the materials is not the main consideration, although they are well aware of the short fashion lifecycle of the store.

By contrast, a luxury retail environment creates expectation of a unique ambience and atmosphere, reflecting and reinforcing the brand's values (Avery and Gupta 2014) by following the designer's original requirements. The findings show that every international brand imported materials from abroad for their store installation, and it was rare that the brand wanted to change the specification of the materials. Contractors rarely had to help designers choose materials and make recommendations about the selection of materials for customers. But problems arose from site issues and limitations of material availability, such as *"some materials are difficult to maintain and very expensive, such as doors, copper handles" (Respondent R)*. In the case of respondent R, sustainable materials for each project were never chosen because they were expensive, there was less choice and most of them were not 'modern'.

All international brands have a strong identity in which sustainable materials may not fit the brand image and concept. However, Respondent R still believed that there will be more to be seen of sustainable materials in the market in the future. There is a need to explain to the brand owner alternative sustainable materials that could be comparable to those normally used and to move away from dominant price considerations (Respondent R). Thus, the use of sustainable materials depends on understanding the owner and how they want to achieve their brand relationship with their customers.

# Theme 3 Decision-making about sustainable materials

While themes 1 to 2 are concerned with the design practice process, themes 3 to 5 are focused on the selection of materials management and the restrictions imposed by the brand, which effect decisions about choosing the materials. While most respondents focused on budget in the design process, Respondent I said the first concern is more about brand communication, and the challenge is for designers to improve their skills and use different techniques to create a sustainable design. The research showed that most interior designers didn't think about a sustainable design strategy (Respondent C). Respondent E explained that sometimes the interior designer didn't have much time to research or study all materials options, so they choose the easy way out by selecting from the supplier's offer or the representatives who come to present their products to the company. An additional factor for selecting materials is that the retailer *"is the one who approves the price, but we (designers) are the main key for proposing the design. Customers do not stick with specific requirements (Respondent C)."* That means the interior designer or Visual Merchandiser (VM) can present sustainable materials to the retailer, but are ignored or over-ruled.

From a more creative perspective, Respondent I said it is impossible for designers to consider only using sustainable materials or those with longevity for their fashion retail store interiors because *"it is halfway, if you think to only use something that could last for the long term it could be less colourful or without flavour. It seems you have a plain design, no flavours on it so you have to find a balance and know how to add something into the store design (Respondent I)."* Moreover, on the issue of selecting sustainable materials, Respondent I said *"it is important that you need to know which area you should use for long term materials and which area you need to add flavours to it…."* The construction itself can impose limitations on sustainable store design. For respondent I, construction has the most effect on the designer's work because although the brand can attempt to reduce the materials used in-store decoration, it cannot always control construction work. Further, it is difficult to control the use of construction materials when there is a standard building requirement that inhibits the use of alternative sustainable materials.

# Theme 4 Responsibility in materials selection

All respondents believe selecting suitable materials will benefit the brand identity. Respondent D explains that materials selection needs to support the brand identity and concept, which helps make the product stand out. Thus, the interior designer is key to the selection of the colour scheme of materials and that the selection needs to follow or to be adjusted to follow the brand specification (Respondent D).

Selecting materials is significant because it could positively and negatively affect the brand image, so any interior designer and the VM should be clear about their concept and understand the brand identity before commencing on the design (Respondent D). Therefore, the interior designer must make appropriate suggestions for selecting materials because they have retail experience, design vision, and a taste for design more than the retail manager or owner. Some brands use Thai designers, but when the brand wants the design to stand out more, they choose international interior designers to work with. Respondent A expects they are responsible for doing more research and comparing materials in the market. Thus, when the interior designer has more material information about their sustainability, local and international availability to present and suggest the alternative materials available in the market for the retailers, more informed choices are possible (Respondent A). However, Respondent D believes that however much research the interior designer undertakes, it isn't easy to find the right sustainable materials supplier company in the Thai market at the present time.

Thai brand collaborations with an international partner present a particular problem in sustainable material sourcing. For example, the Jaspal brand had a new project to build a new store by collaborating with international interior designers. International interior designers were used to selecting the materials from their own country and specified materials according to their experience. They believed their country had better materials and in Jaspal's case, where they needed to use marble, were concerned that the same marble quality might not be available in Thailand.

However, Respondent A still believes that international interior designers can use alternative materials produced in Thailand and to design differently. That means international interior designers have to do more research or *"they will have to fly into study here before we begin and observe the available raw materials in the domestic country. They will consider what to import and obtain locally, the price etc. These are the points to discuss to reduce the transportation footprint (Respondent A)."* In this context, the owner of the brand and the designer collaborate to discuss the store design concept and decide what kind of materials need to be used in the store. Selecting materials is not only one person's responsibility in this process, *"sometimes the owner gives the main idea and concept to the designer, and afterwards the interior designer has to present the design. Then the brand owner will check all store designs to approve the design and pass it or not (Respondent H)."* 

The research findings show the relationship between the brand owner, interior designer, contractor, material supplier, and the retailer manager are involved in selecting materials (Figure 2). The brand owner is an extremely important player, responsible for approving the work in almost every process and who gives the main concept to the interior designer. The interior designer is involved and able to give the brand recommendations for the type of material suitable for the store. In addition, the contractor also plays an important part in this role because they must present the quotation of the materials by following the interior designer and the brand's owner; if the price is too high or the material is unavailable in the market, it will not be suitable for the project. The last person able to make the final decision is the brand owner who decides which materials they want to use in their store. When the store interior is set up and finished, the retail store manager will be responsible for looking after the store by controlling the colour scheme and adjusting the decoration to follow the season and collection. The VM will work under the retail manager to help create the window display and signage to communicate with the customer (Figure 2).

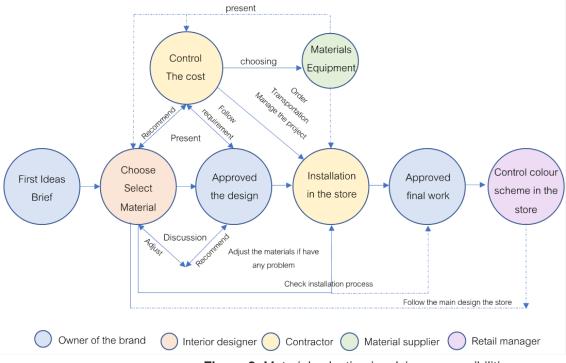


Figure 2: Material selection involving responsibilities

# Theme 5: Management of overall responsibilities

Positions and responsibilities in the fashion retail industry can largely overlap depending on whether the brands' organisational structure is clear or not. This draws out the relationship between the role of key players and finds who is responsible for driving sustainable store design.

It is not solely the interior designers' responsibility but the balance between three key players: retailers, interior designers, and contractors. The research analysis shows the gaps between sustainable understanding, sustainable knowledge, waste management, and owner requirements (Figure 3). However, there is a possible way for the brand to adjust from a linear to a circular brand system. Thus, all of them, for instance, retailers, designers and contractors, must collaborate and communicate more in the early stage of design to understand the direction the brand wants to drive sustainability. Thus, every team will have the same mindset of a sustainable strategy.

Among the retailers, brand identity is difficult to change but that doesn't mean the brand cannot use the sustainability concept to create a sustainable store design. Sustainability is not a single ticket, but a journey that should breathe continual improvement. Successfully implementing and maintaining sustainability can be complex with many stages, such as determining which metrics to track, identifying ownership roles, and deciding what data and performance outcomes to analyse. Sustainability initiatives are often forgotten in the midst of performance objectives.

Retailers or the owner of the brands are involved in fulfilling sustainability initiatives because of their role in overseeing or managing operations. Retailers can be limited in their ability to change organisational strategy; therefore, it is important for sustainability initiatives to be developed at the top but be systemic throughout the organisation and success comes when witnessing the true benefit of the initiatives by monitoring efforts and outcomes over time (FEA 2018).

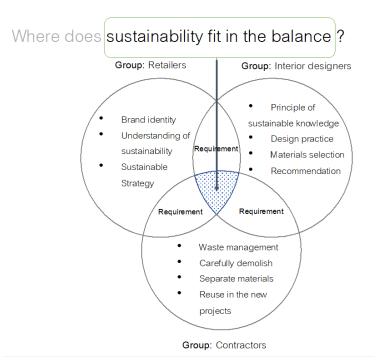


Figure 3: The balance of responsibility

# Conclusion

In fashion retailing, brand strategy makes it difficult to find the balance between brand identity and communication of the sustainability concept including how to translate the concept into the store atmosphere. This is challenging, especially for retailers and designers as they need to work together in the early stages of any store design project.

This research undertaken in Thailand shows that interior designer respondents don't communicate with the brand's owner about the most suitable balance between brand identity and a sustainable concept. In addition, interior designers accept that they lack time to research new materials and tend to use only familiar ones. The findings highlight two problems: responsibility for sustainable design and the relationship of work responsibilities between the designers, contractors, and retailers. The designers and the contractors believed that the retailers had more power than other participants in the design process and were able to impose a sustainable position on the others. The contribution of knowledge to existing theory is through the development of interior design practice in the circular economy. A significant challenge for fashion retail is the inclusion of sustainable design practices in the interior design strategy for retail stores and the process of material selection. This paper advances understanding of interior fashion retail design practice, its organisation, opportunities and constraints to develop more sustainable brands.

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# **Building a Case for Slow Retail Design**

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While we are all consumers, how and where we consume is just as important as what we consume (Fletcher, 2014). As fashion designers seek to create a sustainable future through slow fashion philosophies, including product longevity and the circular economy, the retail store has an important role to play in the education of consumers through the services offered and communication of these principles. This paper explores how the retail store design can achieve these goals by examining four North American brands and their store designs. Utilizing slow fashion principals as a basis, the stores are evaluated on six of the slow fashion principles: Materials, Process, Customer Care, Localization, Biomimicry, and Engaged (Fletcher and Grose, 2012). These case studies serve as a preliminary guide on how to create a slow retail vernacular including spatial and programmatic elements (physical, human, and digital touchpoints) necessary to foster stronger relationships between consumer and producer, educate the consumer on best practices, and influence consumer behaviors.

Keywords: Slow Fashion, Retail Design, Slow Retail, Sustainable Design, Millennial GenZ Values

# Building a Case for Slow Retail Design Introduction

The slow fashion movement integrates sustainability within the apparel industry through the ideology of linking pleasure to environmental responsibility (Fletcher, 2014). It educates consumers on responsible product lifecycles to establish a more environmentally responsible lifestyle. It also strengthens the relationships between designer and maker; maker and garment; garment and user (Fletcher, 2014). Research indicates that these and other slow fashion themes resonate Millennial's and GenZ's values. These generations demand authentic retail storytelling, social and environmental consciousness, operational transparency, and focus on the company's purpose towards environmental and social impact (Cheung, Davis, Heukaeufer, 2017). Their decision to purchase relies heavily on identifying with a brand's image and purpose and they seek to express themselves and their values through their purchases (Finneman et al, 2017 and Ordun, 2015). For GenZ this conviction goes further, if a product, service, or experience does not live up to their expectations and value alignment, they will take their business and their influence elsewhere (Cheung, Davis, Heukaeufer, 2017). This is evident even in a post-pandemic environment; a 2020 study found that products with an environmental, social, and governance-related claim have an average 28 percent cumulative growth over a five-year period (Frew et al, 2023).

While slow fashion has captured these values in their product design, retailers lack the in-store design features to connect with these consumer's values. A 2022 study indicated that both slow and fast fashion consumers are equally ignorant about a brand's sustainable practice (Gomes de Oliveira et al., 2022). This makes a case that more education is needed and a canvas for this education is needed to direct consumers to make more sustainably conscious decisions. When the retail store experience continues to promote mass consumption, customers are unaware of the brand's ethos and are unable to change their behaviors to become more engaged in the slow fashion process. To meet the these generations desires, slow fashion themes should be integrated into store design, establishing a slow retail experience. Some have defined slow retail as encouraging leisurely browsing and creating relaxed shopping experiences (Gutsche, 2023). This definition, while possibly emphasizing mindfulness, does not build from the principles of slow fashion. In contrast, Matheny defines slow retail as the designed store experience that through its physical, digital, and human touchpoints connects, educates, and influences consumers' behaviors to be more environmentally and socially responsible (Matheny, 2019). If sustainable fashion is about forming a strong and nurturing relationship between consumer and producer (Fletcher, 2014) then the retail store must be the physical link, providing the canvas to transparently communicate a brand's sustainable philosophy through engaging storytelling experiences.

# Transforming retail design one case at a time

While we are all consumers, how and where we consume is just as important as what we consume (Fletcher, 2014). As fashion designers seek to create a sustainable future through slow fashion philosophies, including product longevity and the circular economy, the retail store has an important role in the education of consumers through the services offered and visual communication of these principles. When designing the store to do more than sell a product the retail experience can becoming the physical platform to emotionally connect with people's ethics and link the customer journey to the product's lifecycle story. To achieve this, slow fashion principles must extend into the physical retail environment and establishing a slow retail movement. The following case studies examine how six of the slow fashion principles can be translated into retail store design elements: Materials, Process, Customer Care, Localization, Biomimicry, and Engaged (Fletcher and Grose, 2012).



Slow Fashion framework utilized for case study analysis of existing environmentally and socially responsible retail experiences.

In the context of retail design, materials refers to the interior finish materials within the interior space such as flooring, wall finishes, counter surfaces, and furnishings and fixtures. Process is translated into two aspects, the programmatic space or the touchpoints within the customer journey and the service design that accompanies that journey. Customer care translates to how the physical space can educate customers on the garment care process. Localization can be aesthetically expressed through materials and decorative elements or programmatically realized through spaces that are dedicated to community activities. While biomimicry can be translated into material selections, for this analysis the focus is on biophilia, or humankind's innate biological connection with nature which draws from the fourteen patterns of biophilic design as a framework (Browning et al., 2014). These case studies serve as a preliminary guide to creating a slow retail vernacular including spatial and programmatic elements (physical, human, and digital touchpoints) necessary to foster stronger relationships between consumer and producer, educate the consumer on best practices, and influence consumer behaviors.

# Case One: Eileen Fisher

Eileen Fisher has successfully stood behind their values for the past 30 years. Fisher's Vision 2020 statement vows to create an "industry where human rights and sustainability are not the effect of a particular initiative but the cause of a business well run. Fisher established their Renew program in 2009, in 2017 it became a pop-up within their New York store to engage consumers in product life extension. Where social and environmental injustices are not unfortunate outcomes but reasons to do things differently" (Fisher, 2022). Doing things differently has been Fisher's path for her retail experience as well. What started as a temporary shop-in-shop become so effective in communicating Fisher's mission that it is now a permanent part of the store.

"Without the physical store, there's no anchor point for the customer. The concept of the brand's purpose is just a concept, not a reality. When the customer sees it in reality within the store, it's easy to understand why it's a good idea and it doesn't come across as too preachy." (L. Altrok, personal

communication, May 19, 2018)



Utilizing biophilia, daylight floods the space from the skylights above, tapping into the "dynamic & diffuse light" principle to further connect customers to nature. Natural materials, such as wood flooring, stone table tops, and woven wool rugs further creates a biophilic connection through strategically leveraging "material connection with nature." Graphics on the walls and floor educate customers on sustainable practices such as how the Renew program reduces environmental resources and the Remade program uses damaged items to creates artisinal pieces. The signage also explains methods to reclaim and repurpose garments, such as overdyeing or patching, to inspire customers to DIY their own used clothes.



Eileen Fisher's goal is to nudge their customers to be more receptive to slow fashion and illustrate how they can become an active participant by reducing their environmental footprint through their wardrobe. The physical store, though their narrative storytelling and unexpected shop-in-shop space, eases customers into the sustainability conversation and allows them to grasp the concept more tangibly. As Altrok explained,

"When we didn't have these actual products in the store and they just existed on-line, the idea of sustainable fashion, especially when you talk about second-hand product, is too nebulous for people. People don't understand what that truly means, what that looks like, or why they might want to know more about it. When they see the product here, customers are curious and want to know more. Before this space existed, when we were trying to explain the idea to someone on the street with a flyer, it didn't resonate and they would avoid the conversation" (L. Altrok, personal communication, May 19, 2018).

Fisher's website features instructional videos and stories on their "Repair and Care" section, however these educational tools do not appear in-store. To help bridge the informational gap between digital and physical, incorporating digital touchpoints within the physical space could help further their cause and create a more memorable connection between product sustainability and consumer behaviors.

Fisher continues to innovative outside the traditional retail space to engage the local and global community. "Making Space" is a community-centered retail experience with workshops and neighborhoods events. Promoting local slow fashion focused designers, each unique Making Space has an "artist in residence" and illustrates that everyday people can become artists with a purpose through classes and workshops.



Fisher's "Waste No More" exhibit debuted during the 2018 Salone del Mobile in Milan. This installation, with an archway that resembled gabion cube construction, filled with garments rather than stones, was a physical call-to-action for the fashion apparel industry to rethink their behaviors. A pared-down version was shown at WantedDesignNYC to showcase the collaboration with DesignWork to create felted and stitched wall hangings, upholstery, acoustical panels and interior accessories. Expanding from her retail stores into the museum and exhibition space allows Fisher's mission to reach a broader and more global audience.

# Case two: Everlane

Everlane opened in 2011 with a single t-shirt and the mission to sell affordable, ethical, and high-quality apparel while being "radically transparent" in the process. This idea stems from their dedication to building a strong personal relationship with the people producing their garments and fostering a relationship between consumer and producer. Using a digital platform to sell their products provided Everlane with a vehicle to visually communicate their mission through storytelling of a garment's life cycle, including taking consumers to factories around the world, revealing the environment in which the products are made and educating customers on the making process. Expanding "radical transparency" Everlane believes their customers have a right to know production costs, from materials to labor to transportation (Everlane, 2022). This philosophy was the greatest challenge when opening a brick-and-mortar store.

Designing a B&M store for Everlane's was not an overnight process; they took an experimental attitude to discovering their store experience language, creating a series of pop-up-shops to test ideas. This approach meant that the risk of failure was minimized and thus reduced material construction waste. In 2017, Everlane's first store opened in San Francisco and New York. Both spaces are considered small for flagship locations at 3,000 and 2,000 square feet respectively. The small footprint is a means to communicate their effort to reduce their environmental footprint. Although the B&M are an extension of their online store, the space also facilitates talks, workshops and performances. The digital to the physical proves that the online experience is not superior to the physical one, but that the brand and its store can be about more than just products, it can be in service of community (Bhattarai, 2017). It is this sense of community that Everlane cultivates through locally-focused activities, including intimate family-style dinners that feature local chefs, to demonstrate and activate the customer care and localization principles.

Everlane's digital platform follows their "radical transparency" philosophy by providing a vast database of information about their factories and products. Communicating this in store could be challenge, however looking to exbibit design tools to develop an emotional link between consumer to producer. Creating active engagement to develop an emotional link between consumer to producer, the store creates a moment of pause through the customer's sense of sound, transporting them to the manufacturing floor of the Vietnam denim or Los Angeles T-shirt factories.



Everlane recognized that in an ever-growing digital marketplace people still desire to touch products and have human interactions with sales representatives when they return or exchange items. Customer Care requires this human connection component and also led to establishing styling consultations as a care touchpoint. Each location also celebrates their local community by providing funds to nurture wellness for low-income and immigrant communities. Gestures such as this encourage customers to become more directly involved in giving back to their local community, with the hope that customers not only change their consumer behaviors but also change their social behaviors.



Biophilia within the Everlane flagship stores steps away from just using plants, instead they utilize patterns of biophilia through the integration of daylight. Large skylights march down the center of the San Francisco store, creating a dynamic interior experience that is constantly changing as the sun changes positions throughout the day. This connection to nature brings the outside in, framing a view of the sky while also creating dynamic shadow patterns as the daylight passes through perforated material of the display fixtures, becoming emblematic of shadow patterns filtering through a tree canopy or passing through clouds. The abundant use of daylight reduces the required energy load and decreases the store's environmental impact. Daylight follows the customer along their entire journey, from the large storefront windows flanking the framed entry, to the smaller windows in the rear of the store at the top of the gathering stair. Skylights strategically placed in the dressing rooms allow customers to see themselves and the garments in the best light possible. Mirrors throughout the store, particularly the large "picture window" styled one at the back of the store, echo the front entry windows, reflecting the light and amplifying its presence.



# Case Three: Levi's

Established in 1873, Levi's is a North American Heritage brand that "started as an invention for the American worker and became the uniform of progress. Worn by miners, cowboys, rebels, rock stars, presidents and everyday men and women, these functional pieces were the clothes people not only worked in—they lived their lives in, too" (Levi's, 2022). Today Levi's corporate and retail culture has evolved to be more environmentally conscious, taking less from the environment, and putting people and the planet first. With a holistic approach to manufacturing clothing, Levi's considers every step of the process, such as working with growers, product care, and product lifecycle. Through their website and in-store campaigns, Levi's transparently highlights their "Made of Progress" philosophy which targets four key areas: materials, process, people, and the environment. Highlighting their innovation and dedication to product longevity, the store artfully showcases their product production from recycled content, durable materials, and water conservation.

A hallmark of the Levi's brand is constructing a customized experience, engaging the customer in the design and process of creating their personal denim wardrobe. To realize this within the store, a tailor shop acts as a shop-in-shop concept to create a monumental customer journey touchpoint and is often located at the forefront of the store, as seen in their San Francisco location. This spatial gesture greets the customers, communicating and establishing their mission as a priority in the retail experience. This service design concept follows Fletcher's (2014) notion of customization to facilitate slow consumption. In the tailor shop, customers can have off-the-rack jeans tailored to their specifications or they can select patches to make their jean jacket reflect a personal message. A digital screen displays the story of a master tailor crafting custom apparel, communicating the labor and process that goes into each pair of jeans. This space is a physical encouragement to repair worn-out items, rather than dispose of them, and it serves as an advertisement for their vintage jean program that renews used jeans to be resold in specific stores.



The tailor shop is paramount to communicating of the brand's values. Each store strives to integrate this service component as a touchpoint. Even in smaller neighborhood locations, the tailor seen here is nestled in a four-by-three-foot space along the cash wrap. The tailor shop also brings to life the sensorial elements of manufacturing as the sound of sewing machines permeate the space. The human touchpoint is not lost on the customer either as the tailor directly engages with them as they check out. Some locations feature a bespoke t-shirt station where customers can create a personalized shirt for local events. This implements the personalization principle while also connecting to the local community. Levi's flagshi locations install a full

customization space where every component of the garment is individually selected, from vintage patterns to the denim and even to the hardware and thread. This makerspace illustrates Levi's attention to customer care and is a crucial link to emotionally connect people to their product's lifecycle journey.



# Case four: Lululemon

Lululemon's Toronto stores have taken the idea of localization to a new level. The "Queen West" flagship store is not only a retail space, but also a pop-up shop, art gallery, living room, and practice studio. Rather than greeting customers with merchandise, the store bringing the company's value of community investment to the forefront of the customer journey through rotating local venders and artists in a pop-up shop space called *The Residency*. Continuing that narrative, unique programmatic spaces like *The Hustle* living room and *The Attic* on the third floor that offers yoga, meditation, boxing, and other fitness classes serve the community. Through these programmatically innovative concepts, Lululemon creates a space that is more than just a retail store, but is a place where they create "a community hub where people could learn and discuss the physical aspects of healthy living, mindfulness and living a life of possibility," a place where they can cultivate real relationships with their customers (Lululemon Athletica, 2022).



Although all stores offer a free yoga class, the dedicated *Attic* space provides a permanent physical representation of the brand's dedication to being focused on mindfulness. This space engages the local brand ambassadors to foster personal relationships. One example is the *Squad* program at the Queen West location where mentors work with young community girls. Nicole Breanne, a mentor, says:

"We may not be able to fix all the mistakes of our generation, but we have a chance at making the world better for the next one. If I can help even a few young girls learn to love and be kind to themselves, my work is done (N. Breanne, personal communication, March 3, 2019)."

Another space that exemplifies Lululemon's vision is *The Hustle*, a multifunctional room where the community comes to hang out, hold meetings, or attend classes on sustainable living, community activism, and wellness. This dedicated space cultivates community activists through education, inspiration, and challenging communities to become leaders in sustainability. This space also features a repair station where a seamstress is elevated as a valued feature within the brand's product lifecycle. In a typical store, customers might not realize that Lululemon's products can be repaired by the company or that they recycle 98% of damaged products into mattress stuffing and home insulation (Lululemon Athletica, 2022). Integrating this service zone within the first-floor experience allows customers to interact with the seamstress who can

educate customers about the company's sustainable initiatives and explaining how to reduce product waste through their repair process.



# **Creating Slow Retail**

In order to design a sustainable retail future, these cases studies illustrate that the entire customer journey is a canvas for connecting to customer's sustainable values. The retail store environment is a critical link in establishing a nurturing consumer-producer relationship that reinforces a brand's sustainable ethos. From material selection to service design, these stores highlight some initiatives that engage customers and cultivate a community, moving retail toward becoming "slow" rather than fast. The following are key insights these retail cases offer as a means for designing slow retail experiences.

#### **Conscious Construction**

The design of the retail store, weather it is a new construction or a remodel, can implement sustainable methods of constructions and leverage rating systems like LEED as a tool to make sustainable decisions. LEED, an internationally recognized green building rating and performance management system, provides a holistic framework for the design, construction, operations, and maintenance of retail spaces (U.S. Green Building Council, 2022). While LEED has been widely been implemented in the healthcare and workplace design typologies, they have not been commonly utilized in retail design. By applying these systems, retailers dynamically display to their customers that the brand cares about environmental protection, human health, and community resilience.

#### Engauge the senses

- The principles of slow fashion identify biomimicry, an approach that seeks sustainable solutions by emulating nature's patterns and strategies. As an extension of this philosophy, biophilic design can reduce stress, enhance creativity and clarity of thought, and improve human well-being. The fourteen patterns of biophilia provides another framework for sustainable strategies. The patterns outline how to bring nature into a space, create nature of the space, and leverage natural analogues (Browning et al., 2014). Leveraging these patterns within the store design can reinforces the brand's values and brings sustainable storytelling into the store through environmental immersion. Daylight integration, dynamic and diffused artificial lighting, biomorphic forms and patterns, materials from nature, and visual and auditory connection with nature all contribute to the overall sensory stimuli within the space and are of particular importance in retail design.
- When the senses are engaged, place attachment forms. Place attachment is the cognitive emotional bond formed with a place, typically after an individual experiences long and intense memories in a specific place. It can develop on multiple levels, including psychological—familiarity, or perhaps a community/cultural tie; and emotional—having experienced intense or many feelings and brings with it 13 established benefits (Scannell, L. & Gifford, R. , 2014). The most important of those benefits in the context of retail design is memory; places within which people form positive memories can serve almost as a time machine, allowing individuals to revisit good times when they return to that space. Sensory-immersive experiences may lead to more time spent in a store, translating to heightened place attachment opportunities and subsequently benefitting brand recognition and brand loyalty.

# Materials Matter

Slow fashion places a focus on the entire lifecycle of the materials used in the garment. So too should the interior store design through the use of eco conscious finish materials. Over the last decade, interior material product manufacturers have made great strides to incorporate recycled, reclaimed, and rapidly renewable content into their products. Utilizing these materials, be it reclaimed wood for feature walls or recycled fishing nets dredged from the ocean as carpet fibers or mannequins, materials have a way to connect to sensory perception and will further communicate the sustainable goals of the brand. Material selection is an extension of biophilic design, when specifying finishes it is important to stay authentic, to the brand and to the integrity of the material. If the brand desires a wood or stone look, the material should be real and not a simulation to reinforce the connection and impact to the environment.

#### Sustainable Services

It is paramount to change the retail store's programmatic makeup up (the spaces within the customer journey), going beyond just selling products, to change the way in which the brand connects with the consumer. Creating connections between brand, customer, and store is critical to changing how people consume. Through service design the store can create a parallel journey between the product on the consumer. By creating specific spaces along the customer journey, the store can encourage product longevity initiatives through repair and tailor shop-in-shops and customization stations. Workshops in community spaces engage, educate, and empower consumers to tackle product longevity on their own, instilling sustainable agency and establishing a slow fashion mindset.

#### Cultivate a Community

The evolving relationship between brand and consumer is changing how retailers can help consumers live the values. Brands like Lululemon and Levi's have moved beyond the model of maximizing their square footage to sell as much product possible, instead they allocate spaces for community building, product knowledge and understanding, and local activities. The shared spaces are areas of discourse relevant to the brand's philosophy and consumers values, providing spaces for physical improvement, wellbeing, and education. These stores are cultivating a sense of community by sharing their spaces, often without asking for anything in return, changing what retail destinations can mean to the local community. As brands share more of their sustainable production techniques, supplies chains, and brand philosophies online, it is imperative that the narrative not be lost in the physical retail location.

#### Go Beyond the Store

Retailers can reach beyond the traditional brick-and-mortar store to create a much larger impact and expand their current consumer group through innovative experiences. By creating a mobile makerspace or pop-up educational engagements outside of the store's location allows the brand to share their values with current and potential customers. Utilizing venues such as art or design exhibitions allows a brand to breaks away from the traditional retail model and provide a setting for creative exploration. As retail continues to evolve, how brands incorporate unique experiences while encouraging slower consumption habits and sustainable teaching practices will be important for the vitality of the brand.

The fashion industry's impact on the environment needs to be tackled from many fronts. Examining the spatial elements necessary to foster stronger relationships between consumer and producer, these case studies demonstrate innovative ways brands utilize design elements that align with the principles of slow fashion to connect more deeply to Millennials and GenZ. Utilizing slow fashion as a framework, brands and designers can transform retail to develop a slow fashion vernacular to educate and encourage these generations towards more sustainable behaviors.

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# Applying service design approaches to create a sustainable fashion retail future

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# 1 Introduction

Fashion retail is a huge contributor to problems of carbon emissions, waste and pollution. Reducing its impact is a matter of urgency. The fashion industry has understood clearly the points in the fashion ecosystem where sustainable innovation is needed. These include the raw materials used, fabric and garment production, disposal of garments and of course retail and consumption patterns. Whilst this paper is focused particularly on retail and consumption, it recognises that the different points in the system intersect (see figure 1 below) and therefore takes a holistic view of the opportunities for innovation.

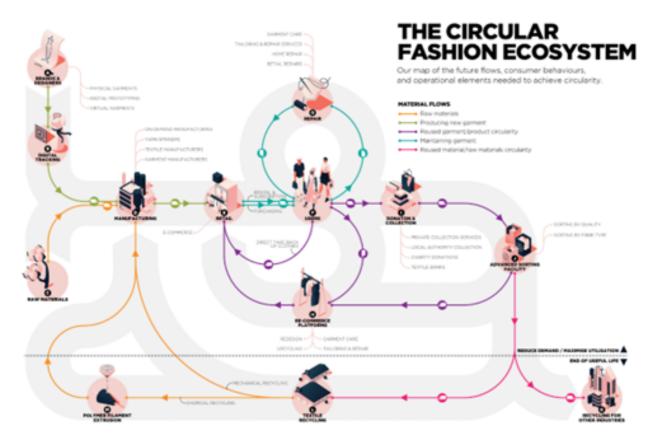


Figure 1: The Circular Fashion Ecosystem: A Blueprint for the Future. Institute of Positive Fashion (2021) London: British Fashion Council.

We argue that Service Design offers a valuable way of inspiring and guiding sustainable fashion retail. It can do so by bringing a human centred approach to business problems and a systems thinking approach to a complex "wicked" problem (Rittel & Webber, 1974). In the context of fashion, service design is an approach

aimed at understanding people and systems, accommodating changes in behaviour and on system level over time (Kongelf & Camacho-Otero, 2020).

This paper explores how to actualise this potential that service design practice offers. It brings two forms of new knowledge. The first comes from identifying examples of where service designers are already addressing challenges within the fashion retail system. The second comes from exploring critically how this contribution can be expanded and refined. We do this by analysing the work of students on a leading Service Design Masters programme in the UK, who represent the next generation of service design. The analysis concludes that new service designers are already working on a range of emerging areas of interests in the fashion system: material innovation, behavioural change, business model innovation, and technology. They are applying service design to the fashion retail system in wide-ranging ways, from shaping behaviour change at the point of purchase, to building services that aid diffusion of new materials and technology to helping fashion retail actors to identify and exploit intangible assets within the industry. The paper also identifies considerable barriers to the use of service design education also needs to evolve to support the next generation of service designers to address complex, systemic problems such as building a sustainable fashion retail system.

# 2 Fashion Industry and Challenges

The global fashion industry is forecast to grow exponentially from £1.2 trillion in 2020, to £1.8 trillion by 2025. In the UK alone, clothing and textiles had a turnover of £55 billion in 2022, with clothing purchases rising by 25% compared to figures in 2019 (lkram, 2022). The thriving garment industry, however, contributes 8-10% (4-5 billion tonnes annually) of CO<sub>2</sub> emissions through its globally distributed supply chains (Niinimäki, 2020). With a shift in production from the Global North to the Global South, 80% of the supply chain impacts the environment in low-labour-cost countries (Cobbing et. al., 2022). To keep up with fashion trends, approximately 98% of purchases, in 2022, were worn only 10 times before being thrown away. According to WRAP (2023), each year, an estimated £140 million worth of clothing and textile waste are sent to landfill. The EU reported that 1.4 million tonnes of textile waste, often "falsely labelled as second-hand goods", were exported to non-OECD countries in 2020 (EU, 2022: p.13). Greenpeace claims that 40% of these exports are of poor quality and "deemed worthless on arrival and end up dumped in landfill" (Cobbing et. al., 2022: p. 6).

The main drawback with the existing textile and clothing industry is the concept of a linear system that undermines its sustainability (Rathinamoorthy, 2019). The need for a more "circular" model is widely accepted amongst the fashion and textile industries as the way to achieve a more sustainable future. For example, the 2022 EU Strategy for Sustainable and Circular Textiles has set in place a framework to help fashion businesses achieve a more circular, sustainable, and resilient value chain (Centobelli et al., 2022; EU, 2022).

The concept of circular economy utilises waste, which is transformed into new products and useful resources, in contrast to the existing linear take-make-waste system (Rathinamoorthy, 2019). A circular economy approach to fashion addresses design strategies which include reduced utilisation of virgin raw materials, efficiency, recycling, reuse, and remanufacturing, new business thinking, avoiding textile waste, slowing down consumption; and embraces new business strategies which include renting, sharing, swapping, and borrowing, while at the same time increasing sustainable fashion consumption (Peleg Mizrachi & Tal, 2022).

However, to make the transition to a circular economy and to achieve the goal of sustainability, there are significant barriers. First, the fashion industry forms part of a larger social and cultural phenomenon known as the "fashion system", a concept that embraces not only the business of fashion but also the art of fashion, and not only production but also consumption (Čiarnienė & Vienažindienė, 2014). Ertekin and Atik (2020) argue that all actors in the system, including producers, mediators, and consumers, are not separate, but highly connected constituents. The collective effort of different actors is necessary to address challenges in the fashion system (Ertekin & Atik, 2020; Todeschini et al., 2020).

To do that, it is vital to understand the role and responsibility of the various actors and institutions involved in the production and consumption of textiles and clothing in solving the sustainability challenges (Ertekin & Atik, 2020). It has long been recognised that there is a need to innovate and to strengthen failing systems (Faerm, 2012) and to shift towards non-material design for a more sustainable future to promote ideas and behaviours rather than material products (Geller 1989). Although there has been a rise of projects that encourage and support textile and fashion designers in considering their responsibilities as creators of sustainable products and systems (e.g. Fashion Futures 2025), they have been struggling to find a way to both comprehend the complexity of the challenges and to know how to go about tackling them in a scalable and economically viable way (Earley & Goldsworthy, 2015). Bertola and Teunissen (2018) argue for the importance of including a range of practices beyond fashion design, e.g., service design, to promote ideas

and behaviours rather than creating material products. Further to this suggestion, this paper looks into service design to explore its value and limitation in the transition of the fashion industry towards a more circular and sustainable one.

# 3. Service Design

Service Design from its inception in the 1990s (Hollins and Hollins 1991) grew significantly as a practice and an academic discipline in the 2000s (Sun and Runcie 2016). Whilst definitions of Service Design may vary (Sun 2020) it is generally agreed that Service design "entails a human-centred, holistic, creative, and iterative approach to creating new service futures, building on a design thinking process of exploration, ideation, reflection, and implementation" (Sun, 2020: p.51). As Service Design has matured, it has, like design as a whole, addressed increasingly complex challenges. Kimbell (2011: p.286) notes that "professional design is now operating within an expanded and increasingly complex field. Some design professionals take solving complex social issues as their domain". Sun et al (2022) trace the shift from designing visual materials and physical artefacts to creating intangible outcomes which focus on social, cultural, and business issues. Irwin et al (2015) cite Buchanan (2001)'s teleology of design from focusing on visual communication and information design to product and industrial design to designing actions and interactions to addressing complex systems.

In this shift in thinking, Karasti (2014: p.144) advocates an infrastructuring approach that will "extend design towards more open-ended, long-term, and continuous processes where time and resources could be allotted in a flexible manner and diverse stakeholders could innovate together". Bannon and Ehn (2012: p.57) argue for "design-after-design", designing for a continuous appropriation and redesign". Akama et al (2016: p.896) advocate for a form of design as a complex socio-material process "where various contexts or practices and technologies concurrently undergo change and therefore demand continuous infrastructuring and aligning of partly conflicting interests." Irwin (2015) encourages a commitment to change the system through multiple, iterative interventions and the tenacity to persist and change with it, over time.

This is consistent with the discussion in service design. Sun et al (2022: p.2) distinguish between designing services and designing for service where, in the latter "what is being designed is not an end result, but rather a platform for action, with which diverse actors will engage over time." Sun et al (2022) suggest that service design practice adds value to complex challenges at two levels. On one level, when service design operated at an early stage of innovation, it created value by reframing problems and revealing opportunities; and on the other, when service design operated in a later stage of innovation, the value was about solving problems and delivering outcomes.

# Service Design Characteristics

In dealing with complex challenges, service design practice is associated with a number of valuable characteristics.

First, service design's human-centred approach can help address the behavioural problems. Brown and Wyatt argue that a user-centred approach can prevent the failure of many social and business innovations, "Time and again, initiatives falter because they are not based on the client's or customer's needs and have never been prototyped to solicit feedback." (2010: p.32) Byrne and Nhampossa argue that "A primarily technical approach is limited since it does not take into account the human dimension of the eventual system use." (2004: p.45). Sun et al (2022) highlight the specific tools, such as journey maps and empathy maps, that service design uses to draw out and capture the nuances of human experience.

Secondly, service design uses systems thinking to engage with complex systemic problems. Brown and Wyatt (2010) argue for the need for systemic solutions. Buchanan (2019) traces the long history of interest in systems in design as a whole, back to the organisation of the Bauhaus and argues for a view of systems as evolving and unpredictable social phenomena. Sun et al (2022) suggest that systems thinking needs to be further developed amongst service design professionals and academics.

More importantly, a combination of systems thinking and human-centredness gives service design its potential power. The human-centred design approach avoids the problem that "systems thinking sometimes fails to adequately consider the concrete experience of individuals, who live, work, play, and learn in the particular environments of their lives". Buchanan (2019: p.98)

Further, service design is a practice where collaboration is fundamental and pervasive, "including collaboration with the users, experts from different disciplines, clients (in the case of consultancies) and different departments in an organisation (in the case of in-house) and laypersons." (Sun et al., 2022: p.4) As the sustainability challenges of the fashion industry are associated with multiple, interrelated, and complicated issues, involving a large number of these different institutional constituents, the collective efforts of different actors is vital (Ertekin & Atik, 2020) (Todeschini et al., 2020). Service design practice entails a collaborative approach that brings different disciplines together and to balance human centred concerns with a planet centred trajectory (West, 2020, Tironi et al., 2021).

As such, the role of service design can be described as enabling change and can serve as a tool for gathering information and developing and implementing interventions (Kongelf & Camacho-Otero, 2020; Pettersen, 2015). It is an approach aimed at understanding people and systems, accommodating changes in behaviour and on a system level over time. The aim is to use service design to decouple value creation from resource use, enhancing environmental, economic and social perspectives (Bocken et al., 2016; Reason, Polaine, & Løvlie, 2013).

# Service Design in fashion

More recently, there is a growing body of work that explores the applicability of service design to fashion sustainability, as the fashion retail industry goes beyond designing goods and focuses more attention on designing the systems in which these goods are produced and consumed. This work envisages multiple levels on which service design approaches could contribute. These include: increasing user acceptance of more sustainable business models through a more human centred design approach (Kongelf & Camacho-Otero, 2020); helping create more circular business models through a systems thinking approach (Ko, 2020, Ballie, 2018); creating new systems that help manufacturers and retailers use technology to track the sustainability of their products (Faerm, 2012; Stickdorn et al., 2018); encouraging a shift in design pedagogy away from a focus on making to a focus on analysis and reflection (Faerm, 2012); identifying opportunities for the dematerialisation of fashion away from tangible to intangible products (Bertola 2018); increasing garment longevity not by designing "perpetually durable" items - viewed as undesirable by customers (Fletcher, 2017: p.11) - but through Walter Stahel's (2010) "usership" model, where users become stewards. The most influential "actants" are the "habits, skills, ideas and practices of the wearer" gaining satisfaction through wear (Fletcher, 2017: p.9). In 2020, Cynthia Ko designed the "Re-Create" App, from a Service Design perspective, to help users engage with their clothes resourcefully, and shift from "a philosophy of having" to a "philosophy of being". This is achieved through a digitised wardrobe, peer-to-peer styling, tailored content and social interactions with users "shopping their own wardrobe" or "re-using someone else's clothes" instead of buying new (Ko, 2020: p.6). These examples suggest that service design has potential to contribute both through its ethos (a service versus product orientation) and through its methods (understanding people and systems thinking).

However, the real world application of service design to fashion sustainability is a research topic still at a relatively early stage (Kongelf & Camacho-Otero, 2020). There is scope to understand more of how potential translates into practice by exploring further the following questions:

- What areas of fashion do service designers work in?
- What value does service design practice add to the sustainability of the fashion system?
- What are the limitations of service design when applied to the lifecycle of a garment from design to raw material sourcing, manufacture, retail, use and recycle at the end of life?
- What future links are needed between service design and fashion retail?

# 4 Analysing Service Design Projects

We wanted to analyse the extent to which, and ways in which, service designers were addressing issues in the fashion retail system. The RCA Service Design course is one of the largest service design courses in the world and has produced several hundred service design concepts through its masters students' projects. A total of 100 of these student service design projects were reviewed by the project team of service designers and fashion experts. Of the 100 projects reviewed, 7 were selected for more in-depth analysis. The selection applied the following criteria. First, we sought to include projects from different regions, with chosen projects covering Europe, North America and Asia. Second, we analysed the degree to which projects could be said to address the challenges of the fashion retail system by comparing the projects' focus with the issues identified in the British Fashion Council's model of a Circular Fashion Ecosystem. (Fig 1 above).

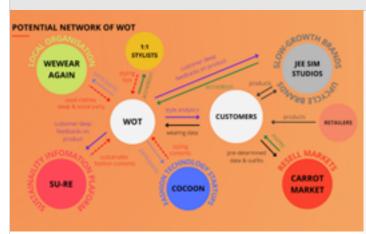
#### Case Study 1: Adidas Next (in partnership with Adidas)



*Challenge*: Most businesses are still designed based on a "take-make-waste" model. Consumers are exposed to a flood of advertisements and social media posts that prompt them to consume more, but receive less information on how to consume in a circular way.

Design opportunity: adidas NEXT, is an innovative learning service that allows consumers to renew their product's life by repurposing it by themselves. It supports all conscious consumers with pathways and means to extend the use and life of their products.

#### Case Study 2: Wear Over Two Hundred Times



*Challenges:* One of the reasons that young consumers over-consume fashion is that they don't have a distinct sense of their own personal style. They buy garments that don't suit them, or which they rarely find occasions to wear because they seek items based on trends, rather than according to their own individual style.

Design opportunity: Support consumers to purchase consciously by helping them develop and purchase around a clearer idea of their own personal style.

Case Study 3: <u>Reboot</u> - how do you turn recycling into an aspirational activity



*Challenges:* The football industry is driven by a linear take-make-waste model. Every year, boots and training gear are thrown away due to lack of resources, wear and tear, and overflowing donation lines.

Design opportunity: create a closed-loop recycling system that will reduce the amount of waste generated by the football industry that is normally improperly disposed of.

*Innovation area/s:* Systems level. A Software agent focuses on collaboration and information sharing. *Case Study 4: <u>Aethos</u>* 



*Challenges:* Consumers are finding it hard to assess the environmental and social impact of their choices, with so many brands making claims around their goods and services and the difficulty for consumers of understanding the complex supply chains behind their products.

Design opportunity: Empower ethical brands and hold others to account by showing consumers the reality of the supply chain behind their purchase in the form of a receipt.

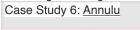
Innovation Area: Emergent technology (blockchain, NFC) combined with systems level bringing info from across the Case Study 5: Supplin



*Challenges:* It is hard for fashion brands to certify their clothing accurately. Many clothing products are made from a mix of materials from different suppliers, different certifications have different requirements and getting certification is a cost burden. In addition, it can be hard for manufacturers to understand and keep up with changes in certification.

*Design opportunity:* To update manufacturers regularly on changes in certification standards and practices. Ando help match manufacturers with suppliers who fit their sustainability aims.

Innovation Area/s: System level intervention. Some use of technology, but more focused on soft interventions of knowledge building, information and support.

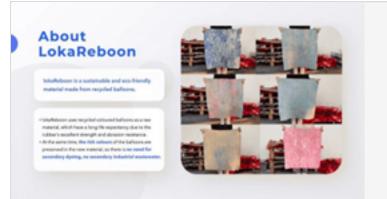




*Challenges:* The fashion industry in 2020 became the second largest polluter after the oil and gas sector. and a major contributor to carbon emissions. Current business models of fast fashion rely on continuing heavy use of resources and disposability of product. at current growth rates fashion is set to produce 25% of carbon emissions by 2050.

*Design opportunity:* To reduce the amount of new materials used and prolong the use of clothes already in the market by helping retailers to build up an inventory of 2nd hand clothes through collaboration with vintage stores.

*Innovation Area:* System level intervention. Soft agent focus, based on building connections. Case Study 7: <u>Lokareboon</u>



*Challenges:* 480 tons of balloons are used and released in Beijing alone every year. An estimated 70% of balloons fall into the sea, where elastomers harm over 700 species, whilst the majority of the rest end up in landfill.

Design opportunity: To turn otherwise discarded balloons into fabric that can be used for furniture, accessories and clothing.

Table 1: Examples of Service Design Projects

## **5 Discussion**

#### What challenges does service design work on

These service design projects reveal a wide range of opportunities for sustainable innovation in the fashion retail system. These are consistent with the challenges that the fashion industry faces as recorded in the literature and we have found that they are contributing across a range of points in the ecosystem identified in Figure 1, including Raw Materials, Tracking, Retail, Re-commerce, Sorting, Donating and collecting. To dissect the contribution of service design practice further, we mapped the case studies on the matrix in the following figure 2.

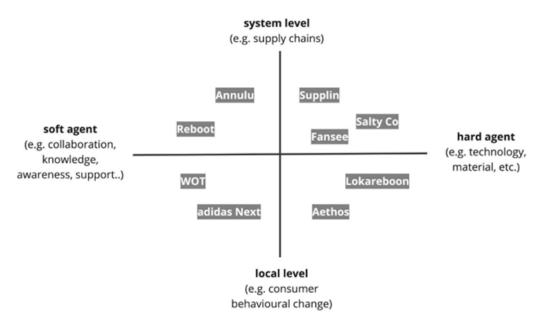


Figure 2: Diversity of service design projects

The horizontal axis represents the change agents that the proposed innovation relies on, which can be either intangible (about knowledge, awareness, and collection opportunities), or tangible (focused on technologies and materials). The vertical axis represents the level of the proposed innovation either at system level (e.g., supply chains) or at local user level (e.g., individuals). The areas of innovation in these projects cover all four areas, suggesting again the range of areas within fashion retail where service design can contribute. *The value of service design* 

1. Service design identifies opportunities for innovation/ speculative approach. Case studies suggest that service design projects can inspire the industry to look into new areas of innovation and challenge the

mindset of the industry in two ways. First, Service Design's holistic, collaborative approach can help fashion connect to opportunities outside its borders, to become sustainable by engaging with other systems as well as make its own systems more sustainable. This is visible in the example of Case Study 7 Lokareboon, which suggests opportunities for new sustainable materials for fashion products in an unexpected and unrelated industry. Second, Service Design can work as a provocation by proposing services that may not have immediate practical applicability, but offer alternative possible futures. This is visible in the example of Case Study 4 Aethos, a service difficult to implement immediately, but challenging in its scope and aims. We see scope for the fashion retail system to follow other fields such as policymaking (Tsekleves et al., 2022) in using speculative services as a bridge to designing practical interventions. This builds on work (Light, 2021; Akama et al., 2016) that seeks to use speculative design in more practical ways, to open up new routes for future practical interventions.

2. Service Design introduces intangible/soft change agents into the innovation process. Service Design's interest in intangible resources - capacities, knowledge, skills, finance - has potential to help the fashion retail system identify and make greater use of its intangible assets. For example, Case Study 6 Annalu and Case Study 3 Reboot show the untapped potential for collaboration between different forms of knowledge.

3. Service Design provides a holistic approach to look at the challenges at the system level. All the projects analysed seek to increase the degree of collaboration across boundaries (e.g. stakeholders, companies, disciplines), by looking across boundaries the projects identify opportunities to maximise resources on a systemic level that can benefit all actors, rather than from a single actor perspective. For example, Case Study 5 Supplin shows the value of sharing information resources through more effective matching of manufacturers and suppliers.

4. Service Design brings human experience into the fashion system, to address the fundamental needs to empower people to change their behaviour and attitudes. Both Case Study 2 Wear Over Two Hundred Times and Case Study 3 Reboot show how service design can help fashion retailers to understand the nuanced feelings and habits behind people's reluctance to adopt more sustainable behaviours. They both show how service design can work with these complexities to design solutions that acknowledge the quirks and contradictions of human behaviour.

5. Combining both system and local views: Many of these projects show the power of combining human centred and systems approaches - a core strength of Service Design.

6. Building new services around material and technological innovation. For new sustainable technologies and materials to fulfil their potential, they need to be integrated into existing fashion retail systems. A number of these projects look at how emerging technologies (infra-red sorting in Case Study 7 Lokareboon and Blockchain and NFC in Case Study 4 Aethos) will need new complex service systems created around them in order to fulfil their promise.

#### Limitations of service design practice

#### 1. Complexity of the system - and the limits of one design solution to make change

The fashion retail systems in which these projects seek to intervene are extremely complex, with multiple stakeholders, locations and relationships. This complexity means that the knowledge of them is hard to amass, it is hard to understand the system in a rounded way and in some cases easy for designers to propose ideas without considering the difficulties of enacting them. This suggests again that the identification of opportunities may be more valuable than the solutions themselves. Second, complex fashion systems need long-term, multi-actor collaborations. Whilst academic discourse on service design increasingly aspires to work in this way (Sun et al 2022), the projects proposed often function as discrete services, rather than embodying the ethos of "design for service" and "infrastructuring" discussed above. This raises questions about how service design is taught. What would courses need to do differently to teach "design for service" and how would this fit with the time constraints of courses, the obligation of students to develop their own personal projects and to market themselves as designers capable of creating working solutions?

#### 2. Power structure of the system - and the challenges of understanding power dynamics

Service designers' position outside the fashion system offers scope for innovation, but to make changes within the system requires the in-depth understanding and influence to do so. We suggest there is a tendency in service design to frame problems in terms of lack of information (and to envisage that more efficient sharing of information is a solution) when problems are also problems of economic incentives and power relations. We argue that more analysis is needed of power relationships within the fashion retail system, the relationships and incentives that may block or precipitate change. There is scope to use tools

like power maps employed by service designers in other fields, such as humanitarian aid and to apply insights on leverage points from systems thinking (Meadows 2009).

#### 3. Impact needs time to show

None of the case studies in our sample focus heavily on how their impact will be measured and rarely reference the metrics used, data gathered, modes of analysis. They thereby leave open what constitutes success and make it harder for actors in the fashion retail system to test and assess their impact. This reflects a criticism that has been levelled at design more generally as being focused on creating interventions, rather than assessing the impact of these interventions (Bazzano et al 2017).

4. Lack of awareness of range and priorities of problems within the fashion retail system.

Unlike fashion design, Service Design is inherently domain-neutral, it makes claims to be able to apply its skills to potentially any industry. This means it approaches challenges from a position of relative freshness and naivety. Whilst this opens new directions for innovation, it can also leave service designers unaware of emerging innovations. We would ask, for instance, how service designers might respond to innovations like True Fit and Zalando, which use advanced size normalisation algorithms to help customers make informed choices and reduce the need to return items.

In addition, there appears potential for service designers to engage more with emerging issues in the fashion industry, such as the need for just and fair transition in which workers in the Global North and Global South displaced by the transition to a circular model are properly supported. This systemic, human-centred change is one that Service Design could potentially contribute to significantly, but is not addressed by any case study. Other priorities not addressed in the case studies include disincentivising serial returners and creating city-level circular fashion systems.

## 6. Conclusions

This research confirms the hypothesis that service design practice can be valuable to the sustainability of the fashion retail system in a number of ways. However, there are a range of limitations constraining what service design can achieve. These include:

- the difficulty of engaging with increasingly complex systems,
- the lack of analysis of power within systems such as the fashion retail system
- the need for more attention paid to measurement of impact
- a lack of awareness and lack of exchanges with the fashion system and fashion design,

With the potential of service design practice being a transdisciplinary approach to address the sustainability of the fashion system, this paper suggests that

Service design can help nurture a mindset in fashion retail designers as they move away from certainty in solutions and to shift from making to exploring.

Within the fashion industry there is increasing demand for the next generation of designers to be happy working with uncertainty and comfortable with complexity. Service design nurtures these mindsets and there is scope for fashion educators to use methods from and collaborations with Service Design to help develop them within fashion retail design.

• Service design educators need to accelerate the shift from designing services to design for services.

We need to teach in ways that allow students to work across longer time-scales, to work on projects that are designed for service, rather than designing services. This raises significant questions for student assessment and course design.

• Industry could use service design to be more speculative, innovative and systemic

We propose creating spaces for the fashion industry to work with the speculative and the provocative contributions that service design can make. This could include forums, working groups, methodologies within the fashion retail system. In particular we see a need to find ways to build a bridge between the immediate and practical problems that industry is focused on and the speculative, longer-term priorities of service design.

• Engaging emerging fashion actors with service design

Powerful new stakeholders have emerged in recent years within the fashion retail system with a mission to drive systemic change. We see scope to explore how service designers with an interest in fashion retail could learn from movements like Labour Behind Label and Fashion Revolution in the UK parliament and how these movements might use service design as a tool of innovation.

• Building sustainable bridges between fashion retail and service design

Fundamentally we conclude that more structures and forums are needed for knowledge exchange between service design and fashion retail. The two worlds are engaged in parallel endeavours to bring systemic change to make fashion more sustainable, but dialogue between them is limited.

Building on this work, we plan a second phase of research, involving interviews with fashion experts, who will respond to and critique these service design interventions in the fashion retail system and explore opportunities for bridging the gaps identified between service design and fashion retail.

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# From passive to (pleasure) active(ism): Reimagining Charity Retail

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This paper explores the potential for Charity Retail to become a leading figure in the sustainable fashion industry through using pleasure activism and experiential retail strategies to engage and educate the future consumer. Taking a qualitative approach, research was conducted using secondary data sources and primary data in the form of 15 semi-structured expert and practitioner interviews was collected for this inquiry. The research centres around specific 'future consumers' that will impact the next 5-10 years of retail: young Millennials, Gen Z and Gen Alpha. The research aims to add momentum to the discussion around the Charity Retail sector and the role it can play in amplifying positive behaviour change regarding sustainability and clothing consumption. This paper considers how the concepts and resulting frameworks of Pleasure Activism and experiential retail strategies can be used to educate consumers. The paper suggests that these are through experiential strategies facilitating community and belonging, and democratisation and building networks. The research makes a valuable contribution to emerging debates around clothing consumption and behaviour change. It offers a new perspective on Charity Retail and engaging the future consumer through the theory of activating Pleasure Activism.

Keywords: Sustainability, charity retail, consumption, clothing, behaviour change

#### Introduction

The sustainable fashion industry and surrounding media are currently concerned with the details of materials, supply chain, end of life, and ethical manufacturing as solutions to, or at least better practices for improving fashion's impact on the environment. While these are important endeavours to tackle the 2.1 billion tonnes of GHG emissions produced by the fashion industry annually, the sheer volume of clothing produced – and in turn where 71% of GHGs are produced – is a key concern to be addressed (McKinsey & Company & Global Fashion Agenda, 2020). This tension between overproduction and supposed offsetting action has not been fully addressed, chiefly due to the nature of the retail: for profit. The newest focus for many fashion retailers – including fast fashion chains – is resale as a new opportunity space, with the number of brand in-house resale outlets increasing by 275% from 2020 to 2021 (ThredUP, 2022). While clothing consumption may be shifting from new to pre-loved, the rate of consumption is not. For profit resale platforms will not shift consumption habits alone; wide-scale behavioural change is needed.

Charity Retail is a not-for-profit service-based anomaly in the resale arena that, despite their longstanding presence on the UK's highstreets, are overlooked in sustainable fashion conversations. As resale sites increase their customer base and normalise the buying and selling of pre-loved clothing to younger generations, charity shops that have been trading on this premise for decades are falling behind in both recognition and quality sales (Harris, 2022 and D. & L. Tinker, personal communication, 14 November, 2022). There is a confidence and transparency to online marketplaces like Ebay, Vinted, and Depop that is in direct contrast to the 'frailty', 'sadness' and 'opacity' traditionally associated with charity shops (H. Saunders, personal communication, October 25, 2022). This further removes the perception of Charity Retail from the space of enjoyment and relevance, thus placing it in a negative or overlooked space.

Charity Retail cannot be viewed or assessed as one entity; there are over 410 different charity retailers in the UK at the time of writing, each one focused on raising money for the parent charity (Charity Retail Association, 2023). Each charity's objectives and priorities will differ slightly, yet every of the 10,300 shops+ across the UK contribute positively to the clothing pollution problem, alleviating the burden of discarded and unwanted fashion garments by giving the public a clear disposal route (Charity Retail Association, 2023).

However, this route is far from perfect, as charities bear the cost of increasingly low quality or unfit donations.

As Susan Meridith, Head of Charity Membership and Deputy Chief Executive at the Charity Retail Association (CRA) states: "where we sit is so incredibly helpful to the climate crisis ... we should be at the centre. But it's kind of a secondary aim ... I think it's about education, getting the messaging out there that if we don't tackle climate, we're going to end up with more service users anyway" (personal communication, 9 October, 2022).

This paper explores the benefits of the Charity Retailer as a leading voice in the sustainable fashion arena and proposes that an iterative cycle of future consumer behaviour changes can be the key to elevating the charity shop into a leader in the resale/re-commerce space. For the purpose of this paper the definition for future consumer encompasses young Millennials, Gen Z and Gen Alpha, in the interest of how these demographics will shape the next five to ten years of retail.

We propose that through pulling levers of pleasure within positive sustainable acts, rather than precipitate negative or guilt-ridden experiences, young consumers will embrace the altruism inherent to Charity Retail and see this as a positive social signifier. In order to achieve the 'Pleasure Activism' our research suggests that Charity Retailers must enhance the experiential side of the shopping experience and engage key socio-cultural needs from young Millennials, Gen Z and Gen Alpha: community building, knowledge sharing, and sensorial spaces.



Fig 1. Venn Diagram of Pleasure Activism creation, L. Healy-Adonis, A. Tombazzi

The first part of this paper examines the need for Charity Retail elevation and motivations behind the paradoxical consumption patterns of young Millennials, Gen Z and Gen Alpha in conjunction with their relationship to pre-loved clothing. The paper then offers an overview of Pleasure Activism as a concept and key driver for these younger generations to embrace positive behaviour shifts, through the lens of experiential community-driven retail to enhance belonging. The paper concludes with offering seven levers of experiential retail that charity shops can activate to amplify their position in the sustainable fashion industry.

# Methodology

This paper is written through building on and furthering research conducted for a project that commissioned the authors to explore the futures of Charity Retail. Adopting a qualitative approach, the secondary research constitutes relevant literature reviews and various data sources. The primary research data was obtained using semi structured industry expert interviews. The discussion guide was built on the literature reviewed and iteratively amended after each interview in order to validate opinions.

In total, 15 industry informants, representing leaders in retail and charity sectors, were recruited to take part in the study. The interviews were conducted online and lasted between 30 and 60 mins. Interviews were recorded, from which full annotated transcripts were developed and thematic analysis conducted. Findings from both primary and secondary data were synthesised to form new potential frameworks and recommendations for Charity Retail strategies.

#### **CHAPTER 1 – ELEVATING THE CHARITY RETAIL EXPERIENCE**

For many years there was a drastic visual and experiential distinction between profit retail and Charity Retail shopping experiences through visual merchandising (neatly ordered garments vs jumble sale) and sensory facets like music or smell (branded perfume or mothballs) plus negative perceptions of used clothing. Purchasing pre-loved clothing was not always as widely accepted as it is now, with used garments still perceived by non-pre-loved shoppers as being lesser in quality and cleanliness than new items (Hur, 2020, p.17). The Mary Portas effect of 'boutiquification' in 2009 reinvented Charity Retail and drastically shifted the public perception and expectation of pre-loved clothing. By replicating profit retail strategies such as slick curation and attractive store design, Portas blurred the lines between profit and charity retail (2021). Many other charity retailers have since followed suit in an aspiration to replicate this style. The Portas effect was a well-timed intervention that has ensured charity shops remain a staple on the high street – however additional interventions are now needed to ensure charity shops remain not only relevant, but active elements of the high street experience.

Profit retail has shifted focus towards offering its target audience more experiences to build consumer-brand relationships, through more engaging event-like instore experiences, and enhanced digital and physical methods for the consumer to connect with the brand (Trotter, 2022). This embodied and omni-channel connection is now the minimum the future consumer expects. The store experience must be augmented and elevated to meet the desires of the omnichannel generation. With competition for brick-and-mortar footfall at an all-time high as a result of the Covid-19 pandemic and rising costs, Charity Retail is at risk of being overshadowed (Creating Resilient and Revitalised High Streets in the 'New Normal,' 2022). Additionally, with the growth in popularity and choice of preloved marketplaces – both physical and digital – charity shops are no longer the single source of pre-loved clothing for their younger audiences. Ebay, Depop, and Vinted were the most popular resale platforms for Gen Z in 2021 ("The Future of Fashion Resale," 2021). Charity Retail must set its sights beyond the Portas effect in order to gain the attention of their future consumer.

With their purpose proposition focusing on serving both social and environmental good, Charity Retail is primely placed to not only gain the future consumer's attention but shift it in a direction that benefits people and planet in multiple ways, more-so than other resale spaces. Charity Retail can become an active leader in the sustainable fashion movement through spreading awareness to their consumers. The charity shop experience can be educational and proactive, as well as desirable, pleasurable and engaging: this will not only meet the demands of the future consumer but influence their behaviours positively and catalyse mindset shifts to more ethical consumption modes.

# CHAPTER 2 – OVER CONSUMPTION AND COGNITIVE DISSONANCE OF THE PARADOX GENERATION

It is no secret that Gen Z are bearing the weight of the climate crisis, with 84% of 100,000 16-25 year-olds surveyed in a study are at least moderately worried about climate change - of which 59% are extremely worried (Hickman et al., 2021). This is a generation that is continuously exposed to the current permacrisis realities amidst societal and economic pressures exacerbated by social media. This current climate reality is juxtaposed with the luxurious aspirational, yet unobtainable lifestyles portrayed by fashion media, which are harmful to mental health, self-esteem, and confidence while driving a need to 'keep up' with the latest trends (Gaffney, 2020). Coupled with the performativity of social media, displaying 'hauls' and brand sponsored influencer advertisements, the current system ensures a constant stream of purchases, using consumption as a method to achieve social validation (Kale, 2021). This hyper consumption mentality now starts at an early age and is fuelled by other industries too. Online gaming has normalised the fast and relentless consumption of digital clothing or 'skins' that the avatar of the user wears to project and/or personalise their identity. Skins can be purchased and worn, changed and discarded as often as every match (How Often Do You Guys Change Skins? [Online forum post], 2021). Arguably, younger gamers (67% are aged 18-24) are learning ultra-fast clothing change behaviours from online gaming use, without ever engaging in physical fast fashion consumption (Zaidi, 2018). The future consumer may already have these concepts embedded and the voice of the sustainable consumer will have to compete.

The future consumer isn't afraid to make their voice and values heard, and fearlessly engages with retail to open dialogues around sustainability and consistently demand better of their brands. A YouGov tracker found that Gen Z are more concerned about the environmental impact of their clothing now (as of Aug 2022) than ever before. However, the future consumer's strong values towards sustainability are not conveyed through their actions, and this is where the cognitive dissonance experienced by these young generations is fuelled. ThredUP's data indicates 36% of Gen Z add garments to their wardrobes at the same rate that they clean them out (2022); while more circular in principle, this flow of use-dispose-reuse is rooted in the current linear

flow model. The act of replacing new with pre-loved does not change the equation or the thinking behind it. Clothing consumption habits need to pivot, quickly. Per capita and total consumption levels of garments are expected to keep rising, reaching 102 million tonnes globally by 2030 (McKinsey & Company & Global Fashion Agenda, 2020). Using the Paris Agreement's 1.5 degree target as a structure/framework, new clothing purchases must be limited to an average of five items a year (Coscieme, L. et. al, 2022). In 2021, 81% of 18-24s surveyed by WRAP bought clothing at least once a month (WRAP, 2022).

While attitudes towards the concept of pre-loved or secondhand clothing are shifting to a more positive view, the underlying behaviour or mindset towards clothing value and consumption has not changed. The global resale market is booming worldwide with an expected 127% increase by 2026 (ThredUP, 2022). The UK market is no exception, with 53% of UK public aged 18-64 surveyed having bought secondhand clothing in 2021, a high percentage aided by the emergence of online platforms that put ease and agency at the heart of their value proposition (Statista, 2022). Awareness of online resale platforms including Ebay, Vinted and Depop is growing, with Gen Z more acutely aware of resale platforms than any other generation ("The Future of Fashion Resale," 2021). Secondhand clothing has transformed from a mundane afterthought to a valuable commodity turned business opportunity seized by the side-hustle generations vulnerable to the cost-of-living crisis.

Rather than accepting this data as evidence the future consumer is moving towards more sustainable habits, there are behavioural and attitudinal nuances that should be addressed. Is much of the resale for personal financial gain rather than planetary gain? If so, will Charity Retail get further removed from the very category it is a key constituent? Can pre-loved purchasing behaviour shift from profit to non-profit through generating an activist mindset?

Gen Z are generous charity supporters, with nearly half (48%) having donated to three or more causes (Donor Pulse, 2018) yet the move to altruistic pre-loved clothing consumption is not engaged with in the same numbers. Could this be down to perceptions of 'doing good'?

Despite some positive movements from younger generations to embrace and act on sustainable desires, emotions associated with activism relating to sustainability and climate justice can be overwhelming and negative (Hoggett. P and Randall. R, 2016). The general feeling of climate anxiety and resulting existential stress for younger generations is widely reported (Hickman et al., 2021) and the cohort who are consciously making change through secondhand purchases and sustainable behaviours have been labelled "sacrifice consumers" (McNeill and Moore, 2015). The lack of positive sentiments attached to the concept of climate activism and participation could be a factor in the younger generation's minimal engagement with Charity Retail. The authors propose adopting the concept of Pleasure Activism to inform strategies to generate positive engagement.

# CHAPTER 3 – PLEASURE ACTIVISM

In her book, Pleasure Activism, adrienne maree brown presents an alternative perspective on activism; instead of being associated with negative traits such as pain, sacrifice and suffering, can pleasure be the organising principle? (Brown, 2019). Through utilising this notion, "we can generate justice and liberation, growing a healing abundance where we have been socialised to believe only scarcity exists" (Brown, 2019, p10). Moving into a positive mindset could drive beneficial behaviour shifts towards pre-loved consumption.

We next must discuss how Pleasure Activism could be experienced and embedded. Younger people are making decisions that are removing them from painful or stressful experiences in their lives, moving closer to the concept of Pleasure Activism. Climate Quitting is a new term that refers to the resignation of a job that was not enacting or producing climate positive outputs, to work at a company that has high quality eco credentials (<u>Boyd</u> and<u>Rathi</u>, 2023) while 51% of students surveyed by Yale Management School in 2021 would accept a pay cut in order to work for an environmentally responsible organisation (Gross, 2021). This aligns with Klaffke's provocation that to enact Pleasure Activism would mean rejecting activities or work that "don't make us feel alive" (Klaffke, 2022). Where Charity Retail has historically relied on altruism or even, perhaps unwittingly, guilt, in order to engage the future consumer, they will now need to activate a positive experience of meaning, purpose, enjoyment and ultimately 'feeling alive'. As buying pre-loved clothing opposed to new increasingly becomes an "act of rebellion" by many, Charity Retail can help empower activist actions through creating a pleasurable experience (Wylie, 2023).

Gen Z are reported to be the loneliest generation yet, partly due to the isolation encouraged by phone usage – particularly social media – but also due to the effects of the Covid-19 pandemic (Eden Project

Communities, 2022). Many young people had their formative years marked by long periods of time away from friends and social events, impacting their physical experiences of belonging and community. Despite this, Gen Zer's are radically inclusive and don't delineate between friends on and offline, but actively participate in communities built around common interests. This can be across physical spaces and digital platforms that are designed specifically for empowering community, such as Reddit and Discord (Dagostino, 2021).

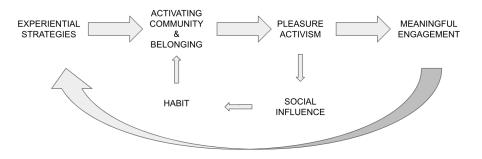
This breadth of community-making through multiple touchpoints could be a significant factor in creating a missed sense of belonging for younger generations. Community as a source of joy and positivity is one of the facets of the SHIFT Framework that recommends Social Influence and Habit as key in creating behaviour change in ways that improve climate impacts (Habib et al, 2021). Social influence across all touchpoints is essential in forming new behaviours through knowledge sharing and recommendations, as "people tend to conform to what they expect future norms to be" (Habib et al, 2021, p.3), this in turn creates habit as new norms become accepted. In the same way that oil and gas have become undesirable and unethical for younger generations, so could new fashion clothing consumption (EY, 2017). Creating values-led social communities in Charity Retail spaces could enhance belonging and enjoyment for future consumers while simultaneously facilitating the move from personal gain consumption to people and planetary gain consumption.

Offering meaningful, pleasurable experiences and connections to create community and belonging for younger generations by utilising Pleasure Activism, may embed these ideas into a reimagined Charity Retail. In the next chapter we discuss how these spaces may be generated.

## CHAPTER 4 – HOW TO CREATE THE MODES AND SPACE OF AND FOR PLEASURE ACTIVISM

Many charity shops have evolved their presentation and offer to fall in line with a boutique aesthetic and experience as discussed in Chapter 1. As proposed, these stores must now build on the success of this strategy and scaffold the experiences to engage the future consumer through focuses on community and belonging.

Through our research we have synthesised categories that constitute community and belonging using an experiential retail lens; messaging and spatial touchpoints, and democratisation and building new networks. Within these categories lie strategic levers that when activated could achieve a new mindset of Pleasure Activism, in turn creating an iterative engagement cycle with Charity Retail.



DESIRE TO REPEAT EXPERIENCE = REINFORCE BEHAVIOUR CHANGE

Fig. 2 Iterative cycle of framework for behaviour change by L. Healy-Adonis, A. Tombazzi

# Experiential strategies facilitating community and belonging.

# Messaging and spatial touchpoints

The most obvious entry point to amplifying community is through the channels Charity Retail currently use to engage with their consumer. This includes the physical location, but Charity Retail's digital presence is becoming increasingly more important to the future consumer to facilitate ease and frequency of interaction. These levers focus on reflecting the charity shop's purpose, values, and facilitate a sense of belonging through consumer connections, activating Pleasure Activism.

**Digital authenticity as convener of community** – The power of social media to unite people together through a common theme has been well documented. Collaborating with influencers that align with Charity Retail values can increase engagement, nudge perspectives and open dialogues with the future consumer. Although many Charity Retail social media accounts work with various influencers, it is not commonplace for charities to work with ambassadors in a constant and publicised partnership. Influencers can act as authentic

mouthpieces on Charity Retail's social platforms and help provide a face and genuine connection to a large charity body that may feel opaque and unknowable (D. & L. Tinker, personal communication, 14 November, 2022). This role is not necessarily for celebrities; these representatives need to have power or recognition in their local communities, whether that is a maker, fashion or neighbourhood community. Being a real, recognised, and trusted community facilitator can help reassure consumers on behaviours and actions (Habib et al., 2021).

**Digital marketplace as augmenting the physical store, not replacing** – Charity Retail is currently embracing digital resale for the future consumer through selling items via Depop stores, Ebay and Instagram stories. However, by viewing the digital retail space as a facet of the brand and not simply a duplicate of the original physical space, Charity Retail can offer their audience a different experience. Lucy & Yak have an (Im)perfects Hub in which their Depop and Ebay shop sell samples and flawed items at a discounted price. This drives specific traffic and revenue as consumers have another touchpoint they can interact with, while the brand continues to embody their sustainable values ensuring everything they make stays in circulation. Additions of digital interactivity such as the soon-to-be-launched Untagged, a "gamified, tokenized application" for pre-loved clothing, can enhance the engagement and enjoyment of purchasing via a charity in a familiar digital mode (2023). Creating a separate value proposition for the digital marketplace offers another opportunity to showcase Charity Retail's values and elevate a previously transactional mundane experience to authentic engagement with feel-good purpose.

**Facilitating knowledge sharing and skill building** – Charity Retail must engage and build relationships with the future consumer beyond consumption. Younger generations are craving experiences outside of their purchasing habits, and this extends to their passions and career (Faramarzi, 2021). Charity Retail can foster a community-based knowledge exchange through collaborations with academic institutions, public services, and family groups in their local area. Fashion students could be given opportunities to dress windows, or curate a pop-up within the shop (K. McLennan, personal communication, October 28, 2022). As part of Pleasure Activism and as the future consumer looks to contribute more in and to their communities, charity shops could reframe their volunteering offer to make it more appealing, while scaffolding learning experiences. Charity Retail needs to demonstrate what it can offer through highlighting the importance of their work in a positive, engaging way.

**Reframing physical events** – Part of experiential retail is offering more experiences, new experiences, and/ or more opportunities for Charity Retail to convene their community. From the curated edit of higher-end goods to the affordable warehouse style kilo sales, the future consumer is interested in accessible physical shopping experiences that create spaces for like-minded others to connect and enjoy (D. & L. Tinker, personal communication, 14 November, 2022). Partnering with other charity retailers or like-minded organisations to host these events will amplify critical awareness and educational messaging around sustainable fashion values, in a collective space.

# Democratisation and building new networks

After the Covid-19 pandemic people are craving pleasurable physical experiences that bring meaningful connection. This is true of the high street, with people wanting more personal relationships and interactions from their coffee shops, butchers, and supermarkets (H. Saunders, personal communication, October 25, 2022). Charity Retail has already been building these relationships through their volunteers for years but can do more to build positive behaviours.

**Harnessing hyper locality** – Charity shops reflect their local area; from stock to character, no two are the same. This is a strategy profit retail cannot recreate and should be used to Charity Retail's advantage. Using locality as Charity Retail's superpower, their touchpoints can amplify the work of local voices and strengthen the community ties felt by residents.

**Skill exchange for life extension** – Sitting at the intersection of social and environmental causes, Charity Retail is uniquely placed to be a beacon of education for the future consumer. Charity shops can be a physical and digital touchpoint for consumers to interact with the climate crisis through positive action and empowerment, by hosting events that build on knowledge and skills. Clothing repair workshops run by local tailors, fashion students, or a skilful volunteer could be hosted physically in the space or online. Suggested washing methods for preventing microfibres or ways to upcycle clothing could be demonstrated in the shop. By offering a space for the community to nurture skills and education, Charity Retail is creating a pleasurable environment for behaviour change.

**Reimagining next life** – Charity shops are the main point of contact for clothing donations for the vast majority of the UK public (WRAP, 2020). A key component of the circular economy is keeping clothing in use for as long as possible, which is where recycling needs to be rebranded. Charity shops help keep clothing local and reduces the amount of travel done by discarded clothing. While charity shops rely on the donations given, not all the donations are fit for purpose and end up in textile recycling or landfill. Through their connections with their local communities, Charity Retail can be innovative with their recycling strategies and create a spectrum of pathways for unfit donations instead of the traditional linear funnel model. For example, broken clothing can be given to fashion students or artists to mend or upcycle.

#### Conclusion

This paper has discussed and progressed the ideas surrounding Charity Retail elevation and future consumer behaviour change. The study has proposed a significant shift in strategy, utilising the concept of Pleasure Activism to encourage joyful engagement from the future consumer with Charity Retail. This is activated through levers of community and belonging and sub-strategies within these. The recommendations span digital and physical touchpoints and cite best practices and innovations from our industry experts. The momentum driven by this discussion is at its nascent stage but is a key contribution to move this work forward.

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#### From Slow Fashion to Slow Retail: A methodology for designing a sustainable retail culture

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This paper presents a pedagogical approach for translating slow fashion's methodology into a slow retail design process. The pedagogy builds upon the professors twenty years of professional experience in retail design and brand strategy and explorative research in translating Fletcher's principles for slow fashion to develop a slow retail vernacular. Redefining Retail, a multidisciplinary (Interior, Industrial, and Visual Communication Design) collaborative studio course at a Big Ten University, emulates a retail design agency and incorporates workshops with designers and strategists from five internationally influential retail agencies. This partnership highlights the importance of collaboration between educational institutions and industry, where theoretical student designs demonstrate their values and future vision which educates professionals and influences their approach to client projects. This paper presents the outcomes from four years (2018-2021) of winning projects and the key learnings as identified by the students and retail agencies.

Keywords: Slow Fashion, Retail Design, Slow Retail, Sustainable Design, Millennial GenZ Values

## Introduction

The future of retail is rapidly changing based on Millennial's and Gen Z's values and behaviors. For the past decade, retail professionals have discussed the industry's struggle to personally and connect with these generations, their desires and ethics, which drive their brand loyalty. This has led to an increased investment in understanding these generations values and vision for the future. Both generations care deeply about a brand's values and purpose, Gen Z specifically wants to breathe new life into what corporate responsibility towards environmental and social impact looks like (Rahilly, 2020). These generations desire to trust that the brand authentically lives by these values (MLSGroup, 2014). For a brand to be authentic they must be credibile, honest, and demonstrate their values (Frew et al, 2023). For these generations, purchasing is an act of authentic self-expression which aligns with their core values: transparency, authenticity, sustainability, connection and collaboration, equality, and social justice (Francis, T. and Hoefel, F., 2018). To connect with these generation, retail must address the three pillars of sustainability (environmental, social, and economic).

Slow Fashion addresses these three pillars, encouraging consumers to evaluate the ways in which products are designed, produced, consumed, and used in everyday life to establish an environmentally and socially responsible lifestyle. It is establishes a strong relationship between the consumer, the product, and producer's ethics while aiming to educate consumers and connect people to their local and global community (Fletcher, 2008). If the retail store is the place that physically brings people and products together, then the store experience can emotionally connect with people's ethics and link the customer journey to the product's lifecycle story. Building upon slow fashion's principles to establish a slow retail vernacular, the retail store design can transparently educate and authentically connect people and products through value aligned purpose. Slow Retail can be defined as the brick and mortar store experience that through its physical, digital, and personal touchpoints connects, educates, and influences consumer behaviors to be more environmentally and socially responsible (Matheny, 2019).

As educators, our pedagogical approach to retail design must be future driven and evolve to address these generations values. The Council of Interior Design Accreditation (CIDA) states in their Future Vision 2020-21 Report that today's students embody and unprecedented mix of ambition and social and environmental consciousness, sparking them to redefine the discipline as "creating spaces and experiences that allow people, the community, and the planet to thrive." This report is a call to action for educators to prepare future designers to close the gap between practice and values, and disrupt the current ecosystem (CIDA, 2020). The fashion industry is tackling this same issue, having developed a methodology for shifting from "fast" to "slow", so too should retail design in order to create a more environmentally and socially sustainable consumer culture.

This paper presents a pedagogical approach for translating slow fashion's methodology into a slow retail design process and toolkit. Redefining Retail is a multidisciplinary (Interior, Industrial, and Visual

Communication Design) collaborative studio course at a Big Ten University. The studio emulates a retail design agency, builds upon the professors twenty years of professional experience in retail design and brand strategy, incorporates workshops with designers and strategists from five internationally influential retail agencies, and was sponsored by VMSD Magazine. These partnership highlights the investment and importance of collaboration between educational institutions and industry, where theoretical student designs demonstrate their values and vision which inturn influences professionals approach to their projects. Juried by representatives from each agency and VMSD Magazine, one project per year has been awarded and that team has presented their project to design professionals at the International Retail Design Conference, demonstrating the value of their novel solutions to the industry. This paper presents the outcomes from four years (2018-2021) of winning projects as case studies.

# **Redefining Retail Studio**

The Redefining Retail is comprised of students in their third and fourth year and across three design majors with a total of 18-24 students per year. The studio begins with a reflective exercise, asking Millennials and Gen Z students to contemplate their core values. In the years between 2015-2017, the number one reported value was concern for environmental sustainability. In 2018 a shift occurred, to include: human relationships, honesty and authenticity, memorable experiences, giving back to their local and global community, and equality and social justice in all aspects including racial, religious, gender and sexual identity, economic, etc. (Fig 1). This discourse reinforces the research of Francis, Frew, Rahilly, and others.

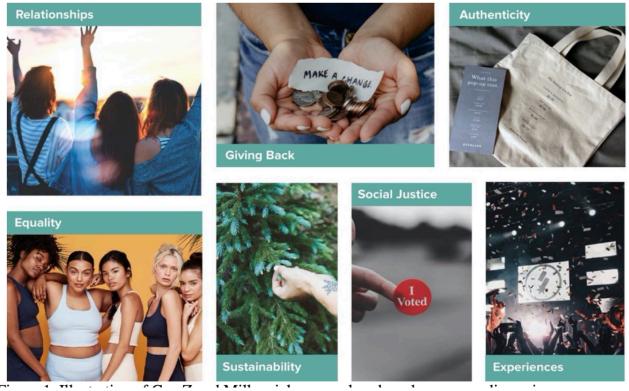


Figure 1. Illustration of Gen Z and Millennials core values based on course discussions

These ethics directly translate into their desires as consumers. However, these goals are rarely established within current retail stores and instead brands often rely on their website to communicate their principles to their consumers. Information overload is a norm in today's fast paced, digital world and it is easy to get lost in the propaganda. This makes it challenging for consumers understand a brands true impact, both positive or negative, on the environment and society and in turn makes it difficult for consumers to comprehend their personal impact (Matheny and Lau, 2019). However, this presents an opportunity to educate and cultivate a community around a set of shared sustainable values, taking the message offline and instead placing it within the retail store. The Redefining Retail studio does just that by leveraging the principles of slow fashion as physical interior elements to communicate the brands ideology while educating and emotionally connecting people to their purchases.

#### A Pedagogical Framework for Slow Retail Design

Following the values discussion, the studio is introduced to Fletcher and Grose's (2012) fourteen modes of transforming fast fashion towards slow fashion. The instructor then presented six of the principles as

translated through interior design elements and principles. The following six descriptions serve as an initial framework for developing a slow retail experience. (Figure 2).



Figure 2. Slow Fashion framework utilized for designing environmentally and socially responsible retail experiences.

#### Materials

A successful and meaningful interior space develops a personal connection between the user and the place. Central to the practice of interior design, and the specialization of retail design, is the study of how each element (color, materials, and light) influences people's experiences of the interior space (Ching, 2007). In the context of retail design, "materials" refers to the interior finish materials utilized in constructing the space, such as flooring, wall finishes, counter surfaces, and furnishings and fixtures. With the encouragement of sustainable building and material product rating systems such as LEED, Green Globes, and others, material resource conservation has become an integral part of designing sustainable interiors. It is critical that retail designers consider incorporating recycled, reclaimed, and rapidly renewable materials within the construction of their retail environments. The utilization of these materials communicates to the consumer that the physical space represents the brand's sustainable mission. Material selection can even creatively incorporate the material approach from the garment or product to continue the slow fashion story through to the space. Early retail adopters of this approach, REI and Starbucks, provide an example of connecting the emotional quality of interior finish materials with their brand identity and sustainable missions through the use of reclaimed wood (Matheny, 2015).

#### Process

As described by Fletcher and Grose (2012), process is an essential part of converting raw ingredients into a textile and into the garment. Within interior design, process is translated into two aspects, the programmatic space, or the touchpoints within the customer journey, and the service design that accompanies that journey. For example, if the intent is to engage the consumer in the process of making a garment, a maker space may be included as a dedicated space along the customer journey. If the objective is to create transparent storytelling about the manufacturing process, the retail store could use digital screens and graphic narratives to create moments of pause to tell these stories. By designing for service, rather than just product sales, the store can create a parallel journey between the product lifecycle journey and the consumer journey. These services, such as a tailor shop-in shop or a customization station can encourage product longevity, product care, and product attachment.

#### Customer Care

Customer care for slow fashion refers to the way in which the individual takes personal responsibility for their garment care, striving to extend the product's lifecycle. In a retail experience, customer care influences how the retail store can educate customers on the garment care process. This can often be seen as garment tags or possibly merchandising signage. However, extending customer care into the store design could result in the inclusion of a repair shop within a shoe store, or by offering sustainability classes to encourage customers to consider their environmental footprint, connecting that education to their consumer behaviors.

#### Localization

For slow fashion, it is critical to foster a deep connection to the local community. This concept isn't new or radical in retail design; Starbucks transitioned over a decade ago from the rollout concept to a more localized strategy, but it remains critical to innovate new ways to leverage the physical store to connect with the local community. Localization can be aesthetically expressed through materials and decorative elements or programmatically realized through spaces that are dedicated to community activities. This slow fashion principal is also about connecting to the global community, from the supply chain to possible benefactors of the social initiatives of the brand. The store provides a canvas to connect people to their global community as well. Localization impacts the supply chain, moving towards sourcing clothing locally to reduce the impact of the global supply chain. This also relates back to the material category and the LEED building standard for locally sourced materials.

## Biomimicry and Biophilia

Although biomimicry is a facet of retail design, often relating to material innovations, biophilia is a growing initiative within the interior design practice, particularly in healthcare and workplace as it contributes to the WELL building rating system. Biophilia is defined as humankind's innate biological connection with nature (Browning et al., 2014). The fourteen patterns of biophilic design provide a framework for understanding design opportunities, strategies, and considerations for implementation within the physical environment. The patterns outline how to bring nature into a space, create nature of the space, and leverage natural analogues. The fourteen patterns include: visual connection with nature, non-visual connection with nature, non-rhythmic sensory stimuli, thermal and airflow variability, presence of water, dynamic and diffuse light (daylight), connection with natural systems, biomorphic forms and patterns, material connection with nature, complexity and order, prospect, refuge, mystery, and risk/peril (Browning et al., 2014). Leveraging these patterns within the store design can reinforces the brand's values, brings sustainable storytelling into the store through environmental immersion, and engage the senses which can form place attachment. Place attachment is the cognitive emotional bond formed with a place, typically after an individual experiences long and intense memories in a specific place, and can assist in developing a deeper connection between the brand's purpose and the customer leading to brand loyalty (Scannell, L. & Gifford, R. , 2014).

# Engaged

To transform consumer behaviors, consumers and designers must consider business models, social questions, and the ecosystem as an intrinsic part of life, extending into the fashion and the retail experience (Fletcher & Grose, 2012). Developing engagement through retail store design revolves around two main questions: how can the spaces along the customer journey within the store consider alternative business models to transform the store's purpose and, ultimately, its environmental impact? and: How can the store more actively engage customers to address societal issues plaguing the local and global communities? As previously mentioned, Gen Z wants to reinvent corporate responsibility towards environmental and social impact (Rahilly, 2020), through engaging moments within the store, the brand can actively demonstrate their responsibility and invite customers to participate.

#### **Slow Retail Design Process**

in Practice Teams, comprised of three students, one from each major, begin by select a brand that aligns with their values and has an online presence but does not have a physical store. This allows the teams to completely rethink the user experience, customer journey, and service model in order to address their sustainable values. Students then progressed through a modified retail design process based on the professor's research and professional experience, specifically addressing environmental and social sustainability through: design research, brand strategy, and brand placemaking (Fig. 3). Professional designers from the five internationally recognized retail agencies are engaged in the brand strategy and placemaking phases through workshops and critiques.



Figure 3. The Redefining Retail Studio: Designing Slow Retail process.

The three phases (Fig. 3) are a standard retail design process practiced within the U.S. The Design Research phase builds upon the four Ps of marketing popularized by Neil Borden in the 1950's which include product, price, place, and promotion. Retail design expands this to include people and projection. Matheny has further expanded this to address sustainability by including planet, brand purpose, and product lifecycles. Next students develop the purpose statement and personas to establish empathy and a human centered approach to the design. Personas traditional focus on the customers, but for a sustainable project it is important to take a holistic approach and include people throughout the entire products lifecycle, supporting the "who made my clothes" movement started by Orsola de Castro and Carry Somers and be inclusive of all gender and racial identities through tools such as the Design Justice Matrix of Domination developed by Patricia Hill Collins (Costanza-Chock, 2018) (Fig. 4). The Brand Spirit and Visual Positioning (Fig 5) are tools to filter the nine Ps into design strategies for conceptual ideation. Together, these are represented within the brand strategy phase as a highly curated visual story referred to as visual positioning and board.



Figure 4. Persona development by Katherine Hunter and Mikayla Hernandez.

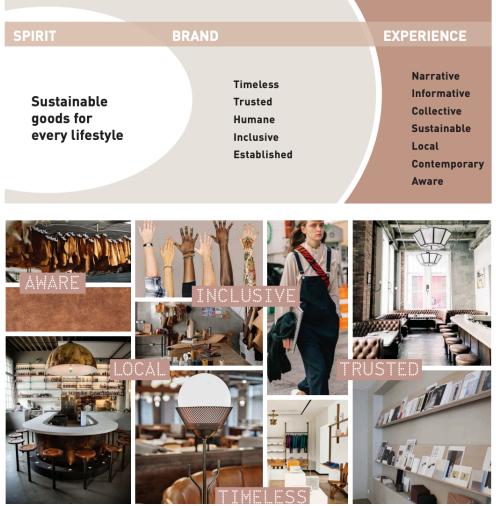


Figure 5. Brand Filter and Visual Positioning by Tyler Hatton, Katherine Hunter, and Kelsey Regan.

Students then storyboard the customer journey and the product lifecycle journey, seeking unique ways to innovative retail experiences (physical, digital, and personal) to addressed: programmatic development, journey touchpoints, service design, app development, environmental graphics, storytelling elements, and merchandising strategies (Fig 6).

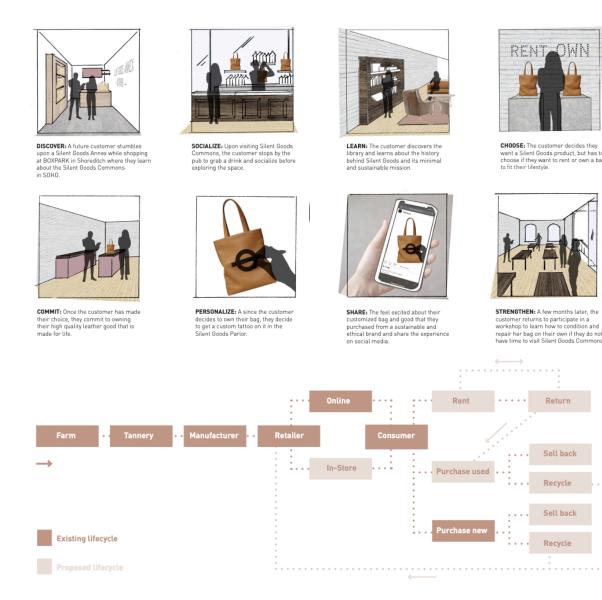


Figure 6. Redeveloped product lifecycle journey and service design by Tyler Hatton, Katherine Hunter, and Kelsey Regan.

The following project examples present the outcomes from four years (2018-2021) of the Redefining Retail studio and were selected by a jury of professionals as the winning project for that year. These prove a case study in how the process has been applied and the outcomes to serve as an inspirational guide for transforming retail design and from fast to slow.

#### 2018 Project - Sevenly

The design for Sevenly is based on the concept of crafting a better tomorrow. The customer journey is choreographed to create a meaningful connection and spark a conversation through a crafted experience that provides customers an experience that is active and observational. Customers can actively engage in learning about the cause of the week though the interactive digital touchpoint, participate in a workshop happening the maker space, or listen to a speaker present while on the community stairs. While enjoying a cup of coffee at the airstream or relaxing on the community stairs, customers can experience the essence of Sevenly through the artistic installations, graphic elements that promote stories of advocacy for others, and connection to the outdoors through views and material finishes.



Figure 7. Conceptual rendering of community stair by Bianca Adams, Libby Riddell, and Brian Lightfield.

The second floor is dedicated to creating meaningful work. From learning artisan crafts to packing meals in support of woof and water relief, this floor allows people to be more than customers. The third floor brings global and local outreach together through the co-working space where local organizations work alongside Sevenly's main office staff. Here, people can work to spread good. Going beyond the store, an airstream emphasizes the crafted concept by popping up at cause specific events to promote mutual support, advocacy, and connections between Sevenly and its causes. The Sevenly pop-up reaches individuals who are already passionate about the causes Sevenly supports and bring brand awareness to more people.

# 2019 Project - BANGS

Designing for BANGS shoes, this project cultivated a community within the store design by providing specific spaces for educational programing and life enrichment activities through the Live BANGS Café and Kiva Classroom. Leveraging third-place principles, the café is a social space where people can relax and enjoy an organic local juice, coffee, or snack while being inspired by the BANGS community. BANGS has a existing partnership with Kiva to provide jobs around the world, the classroom space brings those stories to the customer while providing opportunities for local job initiatives, community activism, and educational programing. Utilizing the Kiva network, the team developed an extended product lifecycle system that would recycle shoes and scrap material into additional products. Bring that to life within the store and engaging customers in that process was important.



Figure 8. Conceptual rendering of an interactive educational display by Tyler Hatton, Emma Waters, and Gabby Wilson.

The floor plan only provides a quarter of the space to be dedicated to product displays. Within that area a digitally immersive experience was created to tell the story of the national parks and other locations that the shoes are named for, creating another engagement and educational moment. Engaging customers in customization by themselves or local artists was another touchpoint to form emotional attachment and to promote product longevity. Through the concept of a BANGS Bus and Passport Program, the team designed a way to take customers outside the store and into their local community.

## 2020 Project - Silent Goods

The Silent Goods brand stives to worked silently behind the scenes, creating handcrafted luxurious leather goods for some of the most acknowledged brands in the industry. As with all of the project, the Silent Goods team took the brand beyond their website to create a new retail experience to expand their reach and impact. In doing so, the projects are challenged to evaluate the product Lifecyle journey and utilize the new store to reconceive the customer journey through the insertion of new service elements. The Silent Goods project was exceptional in this area as they developed channels for product rentals, lightly used patinaed product resale, customizing new products through tattooing to establish product attachment and longevity, and an app that connected these to the customers personal journey with the product.

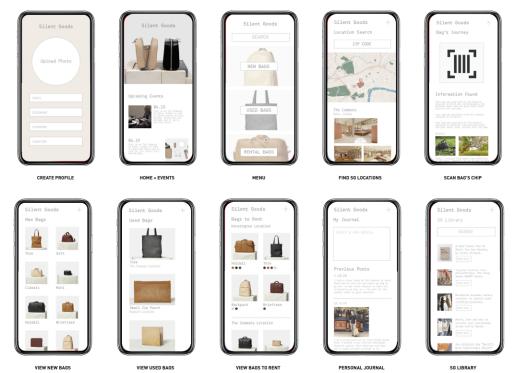


Figure 9. Redeveloped product lifecycle journey and service design by Tyler Hatton, Katherine Hunter, and Kelsey Regan.

While the student's concept for Silent Goods deployed many of the ideas illustrated in the prior two projects such as sustainable materials based in biophilia, personalization stations by local artists, educational and maker spaces, and pop-up shops, this concept went a few steps further. With leather goods, one of the core principles of the brand was to utilize a small ethical farm. Bringing this story to the customer, and connecting slow food to slow fashion to slow retail, the space introduces a restaurant that utilizes produce and protein from the same farm as the products. By connect the slow food and slow fashion movement through supply chain and circular economy strategies, the brand is able to come more sustainable, aligning with their brand values. Around the pub imagery from the farm along with wall quilted from scrap leather and tattooed by local artists reminds customer of the importance of a wholistic approach to sustainability. Through the development of a digital app, consumers to document the story of their bag's journey allowing the story to continue beyond their ownership.



Figure 10. Conceptual rendering by Tyler Hatton, Katherine Hunter, and Kelsey Regan.

# 2021 Project - Native Nourishment

Developing a brand from scratch, the Native Nourishment project evokes a sense of belonging and encourages consumers to remember that we only have one Earth and that we need to celebrate it for all it given us. The Native Nourishment project acknowledges that people have learned so much from the indigenous peoples but there is still so much more to learned from those who first inhabited the lands we live on today, the ones whose cultures have always valued the interdependent connection humans have with nature. Their respect, conservation, and defense of the planet against humans destruction can be influential in consumer behaviors. This project illustrates the importance of placing people alongside the planet when developing sustainable strategies.



Figure 11. Persona development by Katherine Hunter and Mikayla Hernandez.

The Native Nourishment project is a new take on a pharmacy, reframing it as a Farmacy. The store would provide the resources and education necessary for the local neighborhood to use food as a pathway to health and allow people to connect back to their roots. Understanding the impact the built environment has on people's wellbeing, this project set out to be more than a store, to instead help people be healthier when they leave than when they entered the store, not just because of the products they purchase, but through the

store's design. Although WELL Building is mainly used in corporate offices, healthcare facilities, retail design and its customers can benefit greatly from the inclusion of the WELL standards which focus on seven concepts: Air, water, nourishment, light, comfort, fitness, and mind. Using sustainable construction and connecting to reginal architectural vernacular, shipping container kiosks make up the mass of the market and take design inspiration from Albuquerque's history and the native tribes that first occupied the lands. Each container is used to organize product placement to assist customers in navigating the space independently while highlighting local native products and different health benefits. learning walls throughout the store provides educational opportunities to learn more about the sustainable and healthy living practices from experts and peers.



Figure 9. Conceptual store design by Katherine Hunter and Mikayla Hernandez.

#### Key Insights:

For Millennial's and Gen Z, brands need to design an experience that is tangible, engaging, authentic, educational, and memorable. Identified by the instructor, students, and retail design professionals, the key takeaways from the past five years of the Redefining Retail studio are:

# People Make the Place

Millennials and Gen Z care deeply about equality and social justice which often manifests as advocacy and action. Representation matters, and for these generations they are acutely aware of the intersection of environmental and social justice and the impact companies have. As they seek brand value alignment, each purchase is weighed against a bigger moral picture and they demand that brands take action too, not just through marketing and visuals but through active engagement. To achieve this, an inclusive approach to the "customer" journey must be developed. Leveraging the design justice matrix of domination (Costanza-Chock, 2018) is one way to address BIPOC inclusivity. Expanding the journey beyond the customer to include the stories of the makers in the experience is another. This will create a deeper understanding of the relationship between producer and consumer, the resources that go into each product and the impact purchase have on other's lives.

Inclusivity also extends to gender identity and body acceptance. Shopping is a means of selfexpression and self-realization, to express one's true self. In a 2022 Gallup poll, roughly 57% of Generation Z Americans identify as bisexual (Jones, 2022). In terms of queer and nonbinary gender identities, research suggests that sustainable consumption is not based on the biological identity of a person but rather based on the gender they identify with (Bloodhart and Swim, 2020). Brands must break stylistic gendered stereotypes of how men and women shop by creating space for expression and a sense of autonomy to explore and identify freely with choices. The navigation within physical space is a component and can be achieved by avoiding binary choices and disconnecting gender implications in finish material, color, and branding selections.

#### In Service of Community

Consumers are no longer passive supporters of the brands and products they purchase but desire to be actively engaged in the mission of the company. It is paramount to change the retail store's programmatic makeup up (the spaces within the customer journey), going beyond just selling products, to change the way in which the brand connects with the consumer and cultivate a community of shared values. Creating

connections between the brand, the customer, and store's function is critical in changing how people consume. Designers have the opportunity to change the purpose of the store by creating spaces that promote sustainable behaviors through in-store services which encourage product longevity, such as repair shops, makers spaces, and community rooms and allows the brand's mission to be at the heart of the store experience. Through these service design elements, the physical space can engage and educate consumers on more sustainable behaviors, establishing a slow fashion mindset. This also creates activist through brand purpose aligned activities and positions values above product consumption.

# Leverage Digital in the Physical

Transparent storytelling is key to forging trust. Physical exhibitions that showcase a product's evolution through time or care instructions are important. However, demand for digital adaptation is paramount for these digital native generations leading to the rise of "phygital" — the combination of physical and digital for enhanced experiences (Prior, 2021). Phygital experiences in Slow Retail must go beyond omnichannel and digital "wow" moments to engage and educate the customer. Leveraging digital elements in-store can connect customers to the people or the location where the product is made, bridging the local with the global. Apps are another digital touchpoint that can extend the storytelling beyond the store. Similarly, apps need to go a step further than being simply a channel to purchase products or see customer reviews, instead they are an opportunity to connect the products story to the customers story.

## Connect the global to the local

Moving beyond the store to connect to the local community allows the brand to share their values with current and potential customers. This is another way to address inclusivity as rural and low income neighborhoods are often not able to access sustainable products and services. Mobile marketplaces or popup shops are a way to reach these communities. By meating people where they are, such as at farmers markets, community events like charity marathons, or schools and libraries, brand can engage communities while providing additional services, educational workshops, and philanthropic opportunities. Through this, brands can create loyalty, extend awareness, and invest in impact.

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#### To play, to learn? Exploring social sustainability as an experiential dimension in retail design

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This paper aims to investigate past and current social sustainability considerations and developments in scientific research and practice in the context of retail space design. An explorative content analysis is used to identify major research areas and design disciplines in the sustainability literature relevant to social participation, and sustainability considerations in retail practice. On this basis, a case study approach is used to derive strategies for integrating approaches for social sustainability into retail design.

Sustainability-related issues have been discussed for many years, but the "social" aspect was integrated late into debates on sustainable development. In retail design research, there seems to be a lack of theoretically oriented social sustainable design approaches for instore touch points and experiences. However, various indications can already be traced from retail design practices. In summary, socially sustainable approaches in retail design can be addressed as 1) sustainability storytelling, 2) social responsibility areas, 3) inclusive design, 4) collecting communities, 5) educative engagement, 6) sustainable mobility.

Sustainable design has received considerable attention in the retail trade literature. However, no summative scholarly studies have been identified that demonstrate how a retailer's approach to store design has put into practice a commitment to the environment through social sustainability in (interior) design principles. This study intends to encourage educators and practitioners to incorporate principles from the discipline into the retail approaches.

Keywords Social sustainability, Retailtainment, Interior Design, Digitalization, Consumer Engagement.

#### Introduction

Retail industry is being challenged by rapid digital transformation and environmental crisis. In this sector, with the passage of time, consumers' expectations and behavior also keep changing. On one hand, from the perspective of digital transformation, as a response to the increasing power of online and offline retailers and the development of new customer needs, companies improved the traditional store by exploiting new technologies to create innovative formats to fight competition. Retailing has become a technologically intense industry. Technology is transforming the way retailers shape their supply chain, manage their operations and interact with customers. Retailers have all the tools to offer a unique multichannel experience enriched by technologies that allow satisfying the needs of convenience, guality and usefulness through four main levers: comfort, service, uniqueness, and socialness (Lamberti, 2015). On the other hand, sustainability has become an influential strategy for the future development of retail corporates. According to an investigation by McKinsey (2022), in the sporting goods area, two-thirds of consumers are aware that sustainability is an important factor when purchasing apparel (Becker et al., 2022). Although a variety of sustainability definitions exist in the literature, however, the recent research has mainly agreed on the Triple Bottom Line (TBL) model developed by Elkington (1997), which incorporates the economic, environmental and social dimensions of sustainability and highlights the interdependencies between them (Wiese et al., 2012).

The digital and sustainable transformation of retail generates bridges in socialness. In digital transformation, the main principles of socialness are responsibility, solidarity, and sharing. Socialness can enter different types of business at different levels. It can result in innovative business models (Lamberti, 2015). From the perspective of sustainable development, socialness is 'development', to meeting basic needs, inter- and intra-generational equity, etc., 'bridge', to change behavior to meet bio-physical environmental goals, and 'maintenance' refers to what can be sustained in social terms (Vallance et al., 2011).

The objective of this paper is to examine the existing research and practices in designing digitalized retail spaces with a particular emphasis on social sustainability. While the academic sphere of interior design research and practice has investigated how to apply sustainability approaches in physical stores, well there is a shortage of systematic interpretation of the social aspect. Although the marketing, sociology, and management literature (Boström, 2012; Davidson, 2010; Eizenberg & Jabareen, 2017; Marín-García et al., 2022; Sundström et al., 2021; Vallance et al., 2011), already provide relevant arguments on social

sustainability, the available evidence has not been consolidated and applied to practical considerations of retail design approaches.

In this paper, we present an exploratory study that aims to provide a more comprehensive view of social sustainability in retail environments, with the objective of being insightful to retailers, and retail designers in the context of practicing. Following a preliminary literature review, case studies are analyzed and justified in order to provide a more synthetic view of the topic.

In particular, this paper addresses the following research questions:

RQ1. What is social sustainability in retail? Why is social sustainability an important aspect to retailers, designers, and consumers?

RQ2. What can social sustainability progress be observed in retail practice? How to employ social sustainability in designing retail spaces?

RQ3. Which implications can be drawn for retail research and practice based on the findings presented?

#### Define social sustainability

Since the Brundtland Report was published in 1987, the notion of sustainable development has come to inform efforts to reform the environment by both public and private organizations and to facilitate interaction among participants from various societal spheres. It is customary to characterize sustainable development in a familiar typology comprising three pillars: environmental, economic, and social (Boström, 2012). However, the literature reveals that the "social" was integrated late into debates on sustainable development (Eizenberg & Jabareen, 2017). Within the social sciences, the discipline of sociology has been invisible in professional circles, and public and policy discussions have focused on climate change and sustainability (Lever-Tracy, 2008), nevertheless, it is accepted that a triad model, in which the ecological is interwoven with the economic and the social, is required to formulate methods of sustainable development (Eizenberg & Jabareen, 2017; Hopwood et al., 2005). Yet, a review of the literature shows that social sustainability is a chaotic concept in the academic world, and a consensus definition has not been reached.

Vallance et al.'s (2011) described the three components of social sustainability, 'Development' social sustainability, is concerned with meeting basic needs, inter- and intra-generational equity, and so on. 'Bridge sustainability' focuses on changing behavior so as to achieve bio-physical environmental goals. 'Maintenance sustainability' refers to social acceptance or what can be sustained in social terms (fig 1).

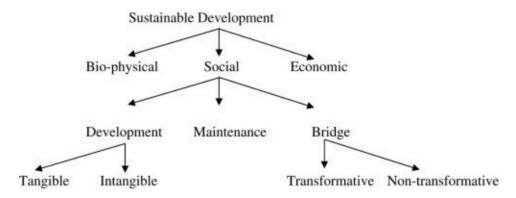


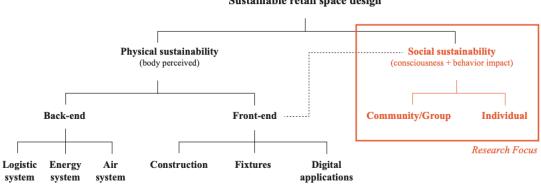
Figure 1. Three strands of 'social sustainability', image by Vallance et al (2011).

A commonly accepted theory in retail research was introduced by Elkington, in 1994, who coined the term the "triple bottom line" to represent the three component areas of sustainability: social, environmental, and economic or 'people, planet profit' (Elkington & Rowlands, 1999). From the point of view of social sustainability, many arguments have been made that commodities are consumed not only to satisfy needs or wants but also to construct a social identity and structure interpersonal interactions (Lunt & Livingstone, 1992; Ogle et al., 2004; Schor, 1998; Twitchell, 1999), there is growing evidence that some consumers' purchase and post-purchase behaviors and intentions also are influenced by their strong social consciousness (Domina & Koch, 2002; H.-S. Kim & Damhorst, 1998; S. Kim et al., 1999; Minton & Rose, 1997; Ray & Anderson, 2001; Shaw & Newholm, 2002). From the perspective of the management and marketing disciplines of retail, social sustainability in a retail environment may be reflected in 1) improving the quality of life of customers, such as healthy living and inclusivity issues, 2) employment policies, such as employee training and development, health, safety and inclusivity, and 3) achieving the wellbeing of a

widespread community, such as charitable giving and initiatives to support local communities (Jones et al., 2005, 2007; Marín-García et al., 2022).

In retail, sustainable development can include both the building design (e.g., efficient energy systems, lowimpact materials, and natural light) as well as store features (e.g., countertops, flooring, wall coverings, and product fixtures that incorporate recycled or recyclable materials) (Walthers, 1999; Wilson, 2000). Although prior research has demonstrated the importance of retail store design (i.e., atmospherics) in creating an image and influencing consumer behavior (e.g., Baker et al., 1994; Bitner, 1992; Donovan et al., 1994; Sherman et al., 1997; Sirgy et al., 2000; Turley & Chebat, 2002; Turley & Milliman, 2000, 2000), few empirical studies that explore consumer response to sustainable store design have been identified. In the retail design sustainability certification protocols (Green Building Rating Systems - GBRSs) (e.g., LEED, BREEAM, WELL, SUSTAINABLE INTERIORS, etc.), clear guidelines can be observed for the construction of store interiors, but not for the attention to social sustainability in retail design at the consumer awareness dimension.

In summary, in this study, we attempted to explore the tangible representation of this concept in retail design research by incorporating theoretical frameworks such as Vallance et al. (2011) and the triple bottom line on the definition of social sustainability in sociology and related notions in retail research, for which we mapped a sustainable design framework for retail spaces (fig 2).



Sustainable retail space design

Figure 2. Sustainable design framework for retail spaces, image by authors.

#### Consumer engagement for social sustainability in retail design

#### Retailtainment aspect

In the past few decades, e-commerce has brought an anytime, anywhere experience to shopping, and the role of brick-and-mortar retail spaces has continued to shift, actively or passively, one aspect of which is to serve not only as a place for commercial exchanges but also as a meeting place, a place for communication and social exchange, often beyond the confines of adjacent neighborhoods (Barbara & Ma, 2021; Ceylan, 2019). A new concept of shopping is emerging which is characterized by a combination of essential shopping functions and the non-commercial or even recreational attributes of shopping areas (Kunc et al., 2012). This concept of shopping is referred to as "leisure shopping" or "retailtainment" (Ritzer, 1999) that is emphasized as an important form of the currently widely understood shopping process in the classification of consumer behavior (Guy, 1998). This is also the main motive of the "experience economy" theories. Rizer (1999) describes "retailtainment" as the "use of ambiance, emotion, sound and activity to get customers interested in the merchandise and in a mood to buy." In retail design, the ultimate objective is to remove all types of borders between the brand and the customer in order to establish warm relationships between the two (Ceylan, 2019).

People want a higher return on investment in their time (Shechtman, 2015). Experimental and radical retail experiments such as the STORY store by Rachel Shechtman transform the retail space into a magazine concept that changes like an exhibition. Every four to eight weeks, the store layout will be completely redesigned and transformed, so the motivation for opening the store changes from selling to providing consumers with experiences, activities and emotional value. This approach, through the creation of experiences in brand marketing and store spaces, can be an important means of building sustainable relationships between retailers and consumers. As well as a way to create experiences in bricks-and-mortar retail that are irreplaceable online is also an important motivator to increase the value, competitiveness and attractiveness of stores.

# Education aspect

The European Commission (2009) attests to retailers' "enormous power to raise awareness and influence shopping choices". Retailers increasingly try to live up to this expectation and a growing number of major retailers claim to be integrating sustainability into their business strategy (Jones, Comfort, et al., 2011). Consumers are both more aware and more concerned about social and environmental problems now than ever before (Carrigan & Attalla, 2001; Peattie, 2001), sceptics claim that consumers' expression of good ethical intentions must not be taken for anything more than just that; good intentions (Thøgersen, 2010). Retailers need to satisfy the diverging expectations of society on the one hand and consumers on the other hand (Jones, Hillier, et al., 2011; Maignan et al., 2005).

In recent literature, a view of sustainable consumption emerges in which a consumer's decision to act sustainably is to a great extent the result of factors such as the context in which a purchase is made and the wider socio-psychological context within which individuals live their lives (Devinney et al., 2010; Lehner, 2015; Ottman et al., 2006; Warde, 2005). Therefore, by incorporating educational features and tools into the retail space, retailers can, on the one hand, demonstrate to consumers the sustainable transparency of their business and improve communication between the two; on the other hand, through educational activities retailers can help consumers understand sustainable lifestyles that are relevant to their interests.

#### Touch point of social sustainability in retail stores

By reviewing brands' annual sustainability reports and related coverage, we found that many brands have invested in emphasis and initiatives on social impact, such as committing to create positive change in the communities where they operate, launching initiatives to reduce carbon footprint and promoting social equality (Nike Inc., 2022; Port, 2021), and integrating these commitments and initiatives into their corporate development plans for 2025 or 2030 from a corporate social responsibility (CSR) and social sustainability perspective. For instance, Lululemon and Timberland support a range of social and environmental causes through their community-giving programs. The company has established partnerships with local organizations to support health and wellness, support education, social justice, and environmental causes (Lululemon, 2023; VF Corporation, 2020).

In this section, we demonstrate a case study approach to analyze how stores in the digital context can design experiences to achieve social sustainability goals and enhance consumer engagement in the retail space.

We have selected several projects to examine the embodiment of social sustainability in the design of physical retail spaces through physical touchpoints. The selected cases were based on several criteria. Firstly, they are stores that opened within five years, because the lifespan of most retail interiors is said to be five years or less (Christiaans & Almendra, 2012). The consideration is based on the most recent projects with a more updated representation of digital integration in brick-and-mortar stores. Secondly, they are located in modern cities with regionally important retail activity. Thirdly, in each project, social sustainable initiatives are applied. Fourthly, in each case study, we can recognize the projects, by considering the measures of social sustainability practiced in the design of retail spaces focusing on social sustainable design strategies.

Data were collected by reviewing professional publications, observing photos, or watching videos of designer interviews. The detected retail design touchpoints may follow several strategies, 1) inclusivity of the local communities, supplier and consumer, 2) educating consumers and supportive activities, 3) active design to shift consumer awareness and behaviors, 4) engaging consumers to be part of the brand sustainable vision and seeking for a sustainable relationship.

#### Case 1: Adidas Store in Mönckebergstrasse, Hamburg, Germany, 2021

Various brands and retailers have included sustainability initiatives in their development strategies. While this may include utilitarian motives to enhance the brand image, acting on CSR in practice from an ethical point of view contributes, in a positive way, on one hand, to society's sustainability goals, on the one hand, to activate consumer engagement. For the case in point, the sports and lifestyle brand Adidas' End Plastic Waste sustainability strategy focuses on sustainable practices in its brick-and-mortar retail network, in addition to its product focus. In its recently opened store in Mönckebergstrasse, Hamburg in 2021, we also found traces of experiential social sustainable design in spite of the usual green building standards. For instance, the store has installed a water filling station to encourage customers to refill their bottles; it's designed a flexible area for sustainability, education and interaction; digital screens for sustainable storytelling and gamification experience to educate consumers through hedonic activity on the interactive screen.



Figure 3. Water refill point in Adidas Hamburg Store to educate consumers on reducing plastic bottle waste. (Source from Frame, 2022, available at: https://www.frameweb.com/project/adidas-home-of-sport-hamburg)

# Case 2: The Body Shop in Singapore, 2020

The Body Shop store launching in Singapore in 2020 also employs a similar physical touchpoint of refill, the difference being that this touchpoint focuses on product refill, where consumers can purchase refillable aluminum bottles and fill them with a variety of shower gels, in addition to the brand's other sustainable program in the store, 'Return Recycle Repeat' encourages consumers to return their empty bottles, jars, tubes and tubs in exchange for vouchers for future purchases, a reflection as an activist that also promotes the habit of reducing resource waste to consumers. Moreover, by installing an "activism corner" in the store as a dedicated space where customers can learn about the brand's activist roots and social change movements around issues ranging from gender equality to the fight against animal testing of cosmetics, the brand is able to improve its communication with consumers and increase transparency about corporate sustainability.



Figure 4. "Return.Recycle.Repeat" bin in The Body Shop store in Singapore. (Source from GreenQueen, 2020, available at: https://www.greenqueen.com.hk/the-body-shop-singaporeopens-sustainability-focused-activistworkshop-store-orchard-shopping/)

# Case 3: Lululemon flagship store in Chicago, US, 2019

Some projects have also focused on engaging consumers and their communities as a way to increase brand stickiness and community vibrancy. For example, Lululemon has dedicated an area in their Chicago flagship store to host community events, spotlighting local businesses and creating an area for rotating retailers. Film screenings and mini-concerts will be held regularly as the company aims to solidify its presence in the community.

# Case 4: TIMBERLAND London, UK, 2019

The concept of collecting community in a retail store can also be expressed in other ways. For example, the TIMBERLAND store that opened in London in 2019 introduced a community table, which was placed in the center of the store to provide concrete and small actions that can have a significant impact on our communities and the planet. There is also a focus on sustainable storytelling in this project, with full-height digital screens highlighting the Nature Needs Heroes manifesto and the people who are really making a real difference.



Figure 5. "Central community table offers tangible and small actions that can make a big difference for our communities and planet."

(Source from Retail Design Institute, available at: https://retaildesigninstitute.org/2020/11/16/timberlandlondon-2019-design-award-winner/)

# Case 5: CONVERSE RENEW POP-UP London, UK, 2019

In addition to the application of socially sustainable design in long-life cycle urban stores, some projects communicate sustainable retail design through the ephemeral form of expression that is the pop-up store. For example, CONVERSE's Renew pop-up store in London hosts events to engage and educate consumers on sustainability awareness through community building.



Figure 6. Community building, teaching consumers sustainable awareness. (Source from Frame, 2019, available at: https://www.frameweb.com/project/converse-renew-pop-up-london) Three principles were applied to make the pop-ups as sustainable as possible. Apart from the choice of materials and the design of the structure that can be varied and adapted to multiple scenarios, the project communicates with consumers through lectures and workshops in the store, and through these entertaining activities, sustainability education for consumers is accomplished.

# Case 6: IKEA Greenwich, London, UK, 2019

Similar evidence of a commitment to improving the environment and surrounding community can also be found in IKEA Greenwich's store design project. The store hosts a series of classes, such as making bunting from the trimmings of fabrics, to help spread the message of making the most of it. And a dedicated space Learning Lab - which became an in-store creative hub, hosting upcycling workshops and demonstrations for anyone keen to gain upcycling skills. In addition, the project embraces digital sustainable storytelling tools, such as digital kiosks at the entrance welcome corner to introduce the store's sustainability approach.



Figure 7. IKEA's Learning Lab — an in-store creative hub where upcycling workshops and demonstrations take place for anyone keen to acquire upcycling skills abound.

(Source from Retail Gazette, 2019, available at: https://www.retailgazette.co.uk/blog/2019/02/ikea-officiallyopens-new-greenwich-store/)

#### Case 7: Nike House of Innovation 002/Paris, France, 2020

Another project that can be traced back to the journey of design development is Nike's House of Innovation 002, which, as part of the brand's Move To Zero sustainability plan, evolved through two years of learning from the findings generated by the collections' first two flagship stores in New York and Shanghai, focusing on four key areas: providing the most innovative services for women, creating more opportunities for kids to lead active lives, designing a more seamless end-to-end consumer experience and finally connecting shoppers to a global community.

The store has a digitally driven motive to provide children with entertaining activities through Kids Pod; an instore interactive game and trial station that encourages kids to get moving and stay active. The brand is creating experiential destinations for kids to get started with instore virtual play activities.



Figure 8. In-store experiential device for kids to get moving through virtual gaming activations. (Source from Davidson Corporate, 2020, available at: https://davidsonbranding.com.au/nikes-house-ofinnovation-002-transforming-the-future-of-retail/)

The store's second floor boasts the largest and most progressive women's collection to inspire female athletes. The brand continues to challenge the world's definition of an athlete and encourages women's participation in sports through inclusive design. To appeal to a wide range of female consumers, the store has introduced plus-size mannequins and apparel enhancements such as Victory Swim and Pro Hijab to help foster a more female-accessible sports culture. To improve the shopping experience for female shoppers, the brand introduced more inclusive designs through its Bra Fit app, including different mannequins, a hijab collection and an innovative bra fitting assistant.



Figure 9. Trash Labs in-store exhibition to activate sustainable awareness for consumers. (Source from Nike, 2021, available at: https://visualist.com/NIKE-MOVE-TO-ZERO-TRASH-LABS)

Beyond the fixed areas, the project also hosts temporary interactive events in key locations on the ground floor. The exhibition program Trash Labs in 2021, for example, features immersive storytelling, including the use of mechanical devices and digital screens to demonstrate goals for a sustainable future and to inspire sustainable production processes. Encouraging consumers to have sustainable lifestyles.

Touchpoints Case	Sustainable storytelling	Refill station	Gamification devices	Recycle point	Temporary event space for community	Community table	Educational event space
Adidas Hamburg, Germany 2021	•	•	•		•		
The body shop, Singapore 2020	•	•		•			
Lululemon Chicago, US 2019					•		•
Timberland London, UK 2019	•				•	•	•
Converse RENEW Pop-up London, UK 2019	•				•	•	٠
IKEA Greenwich, London, UK 2019	•				•		•
Nike House of Innovation 002, Paris, France, 2020	•		•		•		•

Figure 10. Summary of social sustainable design touch points in store, made by authors.

# Retail design approaches for social sustainability

Through the qualitative research and analysis above, in summary, we discovered that the interaction between brands and consumers in social sustainability is always reflected in the touch points of retail space design, through both retailtainment and consumer education. We can trace the shreds of evidence on the application of social sustainability design methods in retail research and practices, but a systematic and theoretical approach has not yet been developed in the field of retail design, and through research on this topic we addressed the following approaches.

#### 1. Sustainability storytelling

Retailers should encourage the promotion of data visualization through videos on interactive screens. For instance, the presence of a video screen related to sustainability education or showing of information/data linked to sustainability. This approach would help retailers improve the transparency of sustainability integrated into their operating process and articulate the right for consumers to have information about the environmental performance of products at the point of sale. Although digital screens will lead to higher electricity consumption, they will be a long-term investment to replace traditional printed display materials to reduce periodical waste.

#### 2. Social responsibility areas

To encourage social responsibility among consumers through events in designated areas or touchpoints that are directed by the store's "green ambassadors." This approach entails creating spaces for initiatives that promote Corporate Social Responsibility (CSR) in-store (e.g., special initiatives for charity, or to promote giving, etc.). It's also driven by the extended digitalization that connects the store to external networks and activities.

#### 3. Inclusive design

Inclusive practices to support activities encouraging inclusion inside designated areas of the store. Creating areas in the store for activities that educate consumers and store staff about diversity, inclusiveness, and cross-cultural communication.

# 4. Collecting communities

To designate areas in retail spaces for sustainable or green organizations or local NGOs, who can use the stores to promote books, hold workshops, or host meetings on sustainability-related topics. Application of sustainability-related activities in the store to enhance the sense of community, foster social interaction, and promote customer loyalty.

# 5. Educative engagement

Engaging users and consumers in sustainable activities (workshops, lectures, etc.) to be part of the brand's sustainable vision. Application of activities to involve users in changing behavior during shopping, learning sustainability aspects and lifestyles.

# 6. Sustainable mobility

To encourage consumers to embrace green transportation to reach the store which helps to shift consumer awareness and behaviors on sustainability, by using bicycles or other efficient transportation, increasing health and recreational physical activities and decreasing carbon emissions linked to automobile use. It can be applied by designing green transportation facilities and bicycle parking areas for staff and consumers.

However, this study explores social sustainability in retail design primarily in terms of the theory of social sustainability and its application through larger brands and the analysis of their stores. However, research on smaller, non-chain and localized retailers is lacking. At the brand level, it requires significant investment to develop and implement in retail stores to initiate consumer awareness of sustainability. This study focuses on general scenarios in modern cities in the process of digital transformation and does not consider localized and culturally diverse, as well as small retailers' specific scenarios.

## Conclusion and discussion

Sustainable design has received considerable attention in the retail literature. However, no summative scholarly studies have been identified that demonstrate how a retailer's approach to retail design has put into practice a commitment to the environment through social sustainable (interior) design principles. This study intends to encourage educators and practitioners to incorporate principles from the discipline into the design approaches.

Retail culture cannot be reduced just to commodities, to shops, or to consumers, but must be understood in terms of relationality, as a recursive loop (Crewe, 2008). In retail design, the ultimate objective is to remove all types of borders between the brand and the customer in order to establish warm relationships between the two. In retail spaces, the border appears as a physical as well as a psychological element that needs to be dealt with throughout the design process (Ceylan, 2019).

Depending on the product, peer validation is always an influential factor in decision-making. Customers can crowdsource ideas from peer-review websites and share their experiences via social platforms. For retailers, this social interaction has a direct impact on customer loyalty and means gaining a competitive advantage.

The threat of virtuality may, in fact, be an enormous opportunity for retailers who can use interactivity, connectedness, new forms of media and mobility in order to deepen their brand message and appeal to emergent audiences, who are alert and responsive to developments in both the on-line and off-line worlds of retailing.

Commercial areas do not only have to respond to the functional demands of trading, but also need to be able to combine more complex environmental issues which positively respond to the reference context, which, thanks to the quality of retail spaces, are transformed from goods containers into opportunities for socializing and communicating. The new retail and consumer places are becoming centers for socializing and developing interpersonal relations of great importance, but if, on one hand, the central role of consumption in modern society is more and more evident, on the other hand, there is still a refusal to accept that shopping has become a fundamental moment in everyone.

With the reduction of basic needs, desire has become the leading criterion for purchase decisions. Consumers are looking for solutions as close as possible to an esthetic lifestyle. To fulfill a more superficial desire, Rem Koolhaas states, "shopping is arguably the last remaining form of public activity". The kind of purchasing growing more and more over the last years contains a strong, playful, evasive, experience approach. The typological hybridization of retail spaces should become an opportunity for the creation of a new functional identity that brings together, as it is more and more common today, entertainment, education, social relationships and commercial activities (Gerosa, 2008). The design of retail spaces combined with entertainment and educational experiences will also be an opportunity for retailers to create a socially sustainable bond with consumers.

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