TERRITORIALISING RETAIL: TOWARDS AN ALTERNATIVE SPATIALITY?

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Keywords

Introduction

Converging retail channels and the proliferation of customer touchpoints have had significant impacts on consumer behaviour (Barrera and Shah, 2023). Technological advances have allowed retailers to encompass otherwise interstitial space, merging physical with digital to offer 'phygital' environments to provide customers with immersive, interactive and distinctive experiences (Hänninen et al. 2021; Pangarkar et al., 2022). Sixty eight percent of consumers now seek out retailers that offer phygital experiences (Deloitte, 2022), and over 70% of retailers regard digital transformation as an essential part of retail's future (Wahi and Medeiros, 2023 - see also Barrera and Shah, 2023; Neslin, 2022; Rahman et al., 2022).

Such developments increasingly challenge traditional notions of retail *space* and *place*; specifically the confinement of 'place' to a particular location, delineated by finitude, boundary, function and materiality (Gieryn, 2000), manifested in a retail context in terms of where physical stores are sited, while 'space' has been likened to a "realm without meaning" (Cresswell, 2015:16), associated with online and virtual activities (Gieryn, 2000). In a retail context, the term 'space' is especially used to refer to the in-store selling area, such as in 'space allocation' and 'space planning' (Goworek and McGoldrick, 2015).

In retailing, the treatment of place and space almost as synonyms has arguably contributed towards a sense of nomenclatural ambiguity, especially with increasing channel multiplicity and customer touchpoints. Klaus and Kuppelwieser (2023) note that there remains a dearth of research exploring if - or how - customers use and experience different types of retail places and spaces, with implications for future retail predictions and conceptual developments (See also Pangarkar et al., 2022). Indeed, given the rapidly evolving retailing industry, scholars more generally are recognising the increasing gap between academic research and retail practice,

casting doubts on the saliency and alignment of traditional conceptualisations to ongoing developments (See Roggeveen and Sethuraman, 2018; Dekimpe and Geyskens, 2019; Hänninen et al., 2021). Consequently, more nuanced, contemporary and interdisciplinary theorisations are arguably required to help advance new retail and customer experience in meaningful ways (Picot-Coupey et al., 2016; Shi et al., 2019; Chevtchouk et al., 2021), not least in terms of the places and spaces where this activity occurs.

Purpose

In response to such calls, this conceptual paper introduces a territoriological perspective on retailing to offer a novel perspective on retail space and place in terms of a more fluid spatial retail 'territory'. By way of definition, territoriology (also referred to as territorology) refers to the theoretical and empirical science of territories and territorial formations (Brighenti and Kärrholm, 2020). The concept of territory has been widely discussed in various academic disciplines (i.e. political, biological, geographical, psychological and social and behavioural sciences - see Brighenti, 2010; Brighenti and Kärrholm, 2020), including the specific context of physical urban retail locations (Kärrholm, 2007, 2008, 2009).

However, Brighenti (2010:53) argues that territory is "not an absolute concept, but is better conceived as an act or practice rather than an object or physical space", that has both expressive and functional components. This means a territory is a result of human and institutional relations, having both spatial and relational implications, and that territorial boundaries become the object of an ongoing work of enactment, reinforcement, interpretation and negotiation (Brighenti, 2010:62). Taking such a territoriological perspective consequently changes the meaning of place as a site of consumption (Kärrholm, 2012), in that instead of restricting territory to material, fixed spatial entities (i.e. servicescapes, retail settings etc.), it can be considered as having much broader socio-material and relational attributes, consistent with recent technological and behavioural trends in retailing. Thus, when applied to a retail context, territories can become embodied spaces, in which social space and social action are inseparable, and part of a lived experience of people (Cohen, 2007), made, shaped, given meaning and de-and-re-territorialised in social and individual action (Paasi, 2003; Elden, 2013).

Consequently, retail territories can be considered as non-exclusive, overlapping and intersecting constructs whose shapes, characteristics and experiences are constantly being renegotiated. A shift has occurred from traditional separate, singular channels (i.e. 'places') to a convergence of on- and off-line and interstitial *spaces* of retail consumption (Lambach, 2019; Shi et al., 2019). This is consistent with the broader challenging of more traditional binary notions of space and place, manifested in conceptions of *third-place* (Oldenberg, 1989), *third-space* (Lefebvre, 1991), *progressive place* (Massey, 1987) and *re-place* (Rosenbaum et al., 2017). Massey for example, argues that places are marked by openness and change rather than boundedness and permanence. In the specific context of the fashion industry, Crewe (2013) argues for a recalibrated understanding of consumption practice, process, space and place within the surging collision, coalescence and coexistence of physical and virtual worlds. She calls for new theorisations, visions and vocabularies of time, space and knowledge to better reflect the relations between people and places. It is in this non-binary and non-bipolar (Crewe, 2013) sense of place that we ascribe the notion of territory in a retail context.

It is in such 'hybrid' space that the notion of retail territory animates Deleuze and Guattari's (1987) and Massey's (1997) belief that territories are always places of passage. Thus, places are open, hybrid and dynamic, a result of interconnecting flows and mobility, which in doing so, contests the traditional notions of place as rooted, introspective and immobile (e.g. Harvey, 1996; Lippard, 1997). If territorialisation is, therefore, better understood as the process of inscribing and imbuing space with meaning and experience (Johnstone and Conroy, 2008; Elden, 2013; McIntyre, 2013; Cresswell, 2015) then in the context of retail, the conventional meaning of 'place' is unshackled from its physical confines (Ballantyne and Nilson, 2017). These (re-)conceptualised retail territories are neither reductionist nor determinist, but they are emplaced; that is, they happen somewhere and are ensconced with meaning, value and experience (Gieryn, 2000).

Methodology

This conceptual paper draws on a review of an extensive range of interdisciplinary literatures, including geography, urban studies and sociology, as well as the management, marketing and specific retail literatures. From these conceptual and theoretical antecedents, we advance conceptions of the reimagined retail customer experience - termed *Experiential Retail Territories*.

Findings

Our review of the existing literature on retail experience (e.g. Petermans et al., 2013; Lemon and Verhoef, 2016; Picot-Coupey et al., 2016; Ballantyne and Nilsson, 2017; Bolton et al., 2018; Grewal and Roggeveen, 2020; Babin et al., 2021; Mele et al., 2021) indicated that an imagined, more holistic customer experience could be described and characterised using numerous adjectives, including: *multiplicity* (of interacting channels), *complexity* (of management processes and structures), *temporality* (continually evolving online and offline presences), *socio-relationality*, *intersectionality* (through channel and touchpoint convergence), *non-linearity* (in the customer purchase journey), and *liminality* (of 'new' in-between spaces, such as for example, pop-up activities), to create *dematerialised* (beyond the physical), *customised* and *co-created* (between consumer, retailer, others) space, which can engender collective *cognitive*, *affective*, *emotional*, *behavioural* and *social* customer responses to the retailer, which are *personal* and *subjective* and also time and context specific, generating hedonic (e.g. immersive) and/or utilitarian (e.g. convenience) customer value. All this arguably combines to create a reimagined holistic retail experience in 'territories' (both online and offline) that potentially enable new customer communities and representations, unbounded by spatial or psychic territorial boundaries (Ballantyne and Nilsson, 2017).

Figure 1: Reimagined holistic retail experience characterisation (author's own)
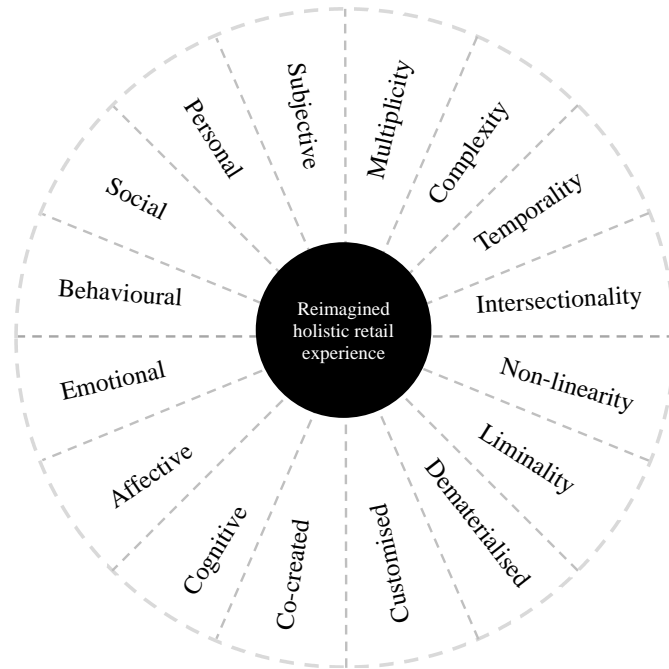
These amorphous physical and virtual retail environments can create what Moor (2003:41) terms "spaces of proximity" for consumers. Therefore, retail territories arise through processes of producing, maintaining and assigning these myriad spaces with meaning (Kärrholm, 2007, 2008). Notions of digital- or physical-first retailers are displaced by the idea of an integrated retail territory - fully blended (Bolton et al., 2018), and 'holistic' - as conceived in Figure 2.

Figure 2: Retail territories continuum conceptual schema (author's own)
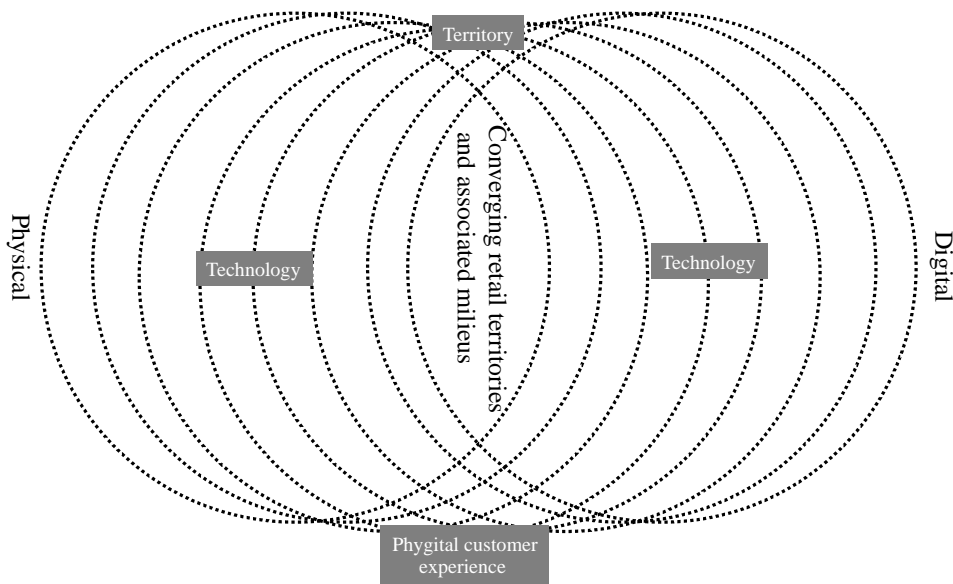
Each circle represents a point on a continuum of convergence, orientated towards physical (to the left) or digital (to the right) spheres with complete coalescence and overlay in the centre. But importantly, these retail territories are not seen as singular entities but complex colliding, converging and conjunct spatialities and temporalities, and in this, the nature of the boundaries between these territories assumes importance. The experiential characteristics presented in Figure 1 overlay this continuum, with their relative resonance, dependent on the retailer's temporal spatial reality. Collectively, they encompass the fluidity, openness and mobility of the retail territories, including the porosity of their boundaries.

Brighenti (2010:60) notes that boundaries "are a constitutive prerequisite of territory", which can be 'drawn' in various ways. Given the converging and conjunct spatialities in this particular context, one concept that has explanatory utility is Deleuze and Guattari's notion of interior, intermediary, exterior and annexed *milieus*. Deleuze and Guattari state that "milieus pass into one another; they are essentially communicating" (1987:313); the implication being that milieus are not mutually exclusive and they blend into each other. Indeed, the ordering of the descriptions of the different milieus below reflects the expanding of the scalar extent of the nature of the space in question. Thus, the *interior milieu* constitutes the in-store environment, evident in the materiality of store design elements (e.g. fixtures/fittings etc.) and the visual and other corporate identity symbols that identify the retailer. The *intermediary milieu* constitutes the interface of the store with its immediate environs, thereby creating boundaries, which may be manifest in both material and performative ways. It denotes what Deleuze and Guattari term the 'membranes' that limit and mark the extent of the physical store 'territory'. The *exterior milieu* denotes the wider - usually urban - locale within which the store is located. Finally, the *annexed milieu* combines the materiality of the store with a potentially wider, virtual operation, recognising the increasingly multi- and omni-channel nature of the contemporary retail industry. Thus, retail experience potentially becomes more 'holistic', not only restricted to the physical territory of the physical store, but also incorporating a related digital experience in other retail channels which could be conceptualized as virtual territories.

Original/value

Despite rapid advances in retail research and practice, there is potential for further research concerning the physical store and customer experience management within an omnichannel context (Picot-Coupey et al., 2016; Becker, 2018; Grewal and Roggeveen, 2020; Grewal et al., 2021; Hänninen et al., 2021). This paper responds to recent calls to reimagine evolving retail places and spaces, and the multiplicity of novel, temporal and interstitial ways of experiencing retailing. *Experiential Retail Territories* offers an alternative theorisation to help inform a prognosis of future retail activity.

Practical implications

Practically, this alternative theorisation offers several implications for retailers. First, it challenges existing preconceptions of retailing as structural boundaried *space* (controlled by the retailer), to incorporate broader, social, temporal and relational perspectives resonant with *place*, which at the interface, offer new possibilities to experience, connect, consume and engage (Johnstone and Conroy, 2006, 2008; Rosenbaum and Massiah, 2011; Rosenbaum et al., 2017) within retail *territories*. Second, it highlights that not all retailers evolve at the same time or pace and that notions of digital- or physical-first retailers are displaced by the idea of an integrated retail territory continuum (Figure 2). Finally, these characteristics of the reimagined retail experience (Figure 1) provide a useful aid to retailers in assessing their current - and potential future - experience of their customers.

Research limitations and outlook

While this paper offers a new territoriological spatial lens to reimagine future retail activity in the conception of *Experiential Retail Territories*, it would benefit from further empirical enquiry. Specifically, recognising that differences may exist across sectors, contexts and cultures, future studies addressing these specificities would be worthwhile. We call for further research (incorporating both retailer and customer perspectives) on the exploration of the evolving interplay and coalescence of offline and online retailing and how it might enhance the effectiveness of customer experience, both in theory and practice.

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