

Building a Better Customer Experience from the Ground Up

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The Retail Experience

Retail has experienced a tectonic shift in recent years, largely in response to the rise of ecommerce giants like Amazon.com. While traditional and multi-channel retail stores may find it difficult to compete with the Amazons of the world on price and convenience, they can offer something that online venues can't: a physical, in-store customer experience.

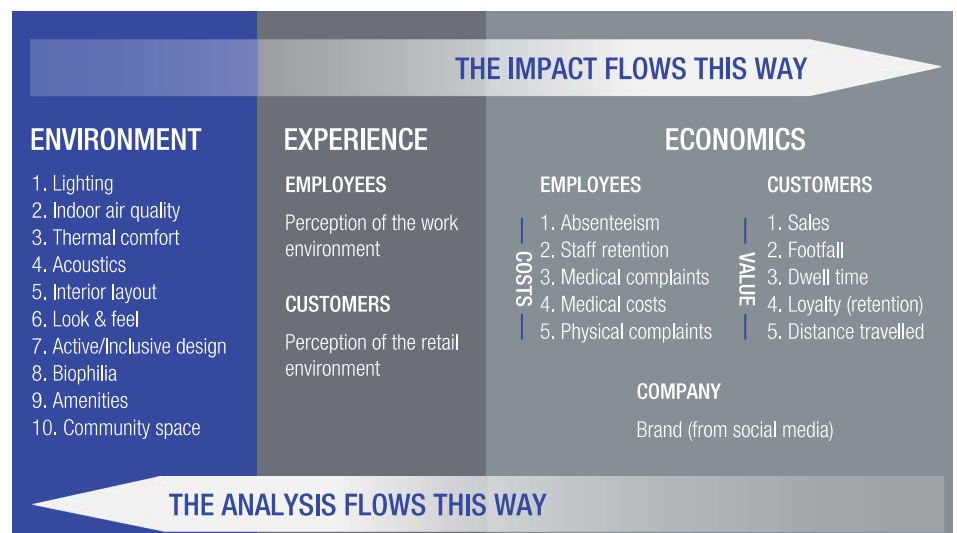
There has been a shift in what motivates customers to visit retail stores. In many cases, the trip is not strictly a utilitarian quest to acquire a specific item; the customer is also seeking the social and entertainment benefits gained by visiting a physical place.

According to Gensler, a leading global design and architecture firm, a positive customer experience, which considers a person's cumulative experience with a brand, is a better indicator of a retailer's

success than customer satisfaction, which focuses on a single visit or transaction. Creating a unique and holistic customer experience has transcended the mere offering of products and services, and has become the basis of competition among multi-channel retailers. Customer experience is associated with brand affinity and loyalty; and in the end, customer loyalty drives bottom line value.

As Gensler states in its report, ROI of Design, store design "plays a critical role in brand expression, customer experience, and customer engagement." Studies have shown a direct correlation between investment in design and customer behavior. In general, greater design investment equates to higher financial performance. Apple Computer is a good example of this. The company invests heavily in design. Both its products and its retail stores are expressions of the company's brand. The result? Fiercely loyal customers who are willing to pay a premium for Apple products. (See Figure 1.)¹

Figure 1: Illustrates the impact versus analysis flow of the environment, experience and economics of retail spaces.



With this in mind, let's look at the elements of the physical retail environment and how they work together to create a positive experience for the customer.

The Retail Environment

In *Health, Wellbeing and Productivity in Retail*, the World Green Building Council defines ten aspects of the physical retail environment that impact occupants. Increasingly, designers are recognizing the links between the physical environment and a positive customer experience, as well as the health and productivity of employees.

Lighting: Increasing daylighting in retail spaces has been shown to positively impact financial performance, but the daylighting strategy must also control glare and unwanted solar gain.

Indoor Air Quality: Bringing fresh air into the building is key to maintaining good indoor air quality, or IAQ.

Thermal Comfort: Customers will not stay in a building if they are physically too warm or too cold, and poor thermal comfort will impact productivity, as well.

Acoustics: Noise pollution can irritate customers and staff, cause anxiety, and in extreme cases, cause ear pain. Designers should consider both background noise and the amount of privacy required for private conversations.

Interior Layout: Poor layout can lead to confusion and frustration, and many customers find an overly dense layout overwhelming. An orderly or legible layout, by contrast, helps customers navigate the space and positively influences mood.

Look and Feel: The aesthetics of a retail space, as determined by color schemes, textures, shapes and artwork, have the power to attract and retain customers. Similarly, if the space has good ergonomic design—comfortable chairs, for example—customers are likely to spend more time and money there. (See Figure 2.)

Active/Inclusive Design: A space that encourages physical activity and sends a message that all are welcome promotes well-being in customers and staff.

Biophilia: Including plants or natural shapes and materials in retail interiors and implementing a place-based design that connects the retail space to its greater natural and cultural context positively impacts customers and staff.

Amenities: Access to amenities, whether other shops, transportation or nearby green space, promotes health and well-being in both staff and customers.

Community Space: Building social capital by participating in community events and charities promotes well-being and productivity and increases sales. Hosting in-store events engages customers and helps set the retailer apart from competitors.

Of these ten elements of store environment design, flooring can play a key role in determining Look and Feel, and Interior Layout as well as

improve Lighting, Acoustics and Indoor Air Quality. Now let's consider how these metrics come together to set the tone of a retailer's brand.

Supporting the Brand

Imagine how a high-end fashion retailer conveys the message that its merchandise is sophisticated, organic, and of high quality. The physical space is intimate. Warm, diffuse artificial lighting is used to highlight the merchandise, which is displayed along the perimeter and on a few racks arranged along an orderly geometric grid. The design incorporates natural materials and a blend of warm and cool colors. The flooring is a combination of grays and soft blues, while shoji screens and wood paneling line the walls. The music is soft and unobtrusive. A vase of lilies graces the glass-topped sales counter, and the scent is noticeable throughout the store. The clothing, which ranges from camisoles and blouses to skirts and pants, is arranged by color on thick wooden hangers. A discreet but well-placed digital screen helps customers find items and learn about special promotions. These factors all combine to create a soothing, sophisticated space that evokes the feeling of a Japanese spa.

As this example clearly shows, the design of the store environment can be used to capture the tone of the brand. Elements work together to create a specific mood, whether playful, sophisticated, luxurious, homey, retro or cutting-edge. The design should involve the five senses—textures that can be touched, pleasant odors, music and other audio, and even taste all add up to a memorable sensory experience that helps the customer forge an emotional connection with the space and its merchandise.

Figure 2: Represents overall aesthetics of a retail space for a memorable sensory experience. Photo courtesy of Armstrong Flooring, Inc.



Store layout and display design are reflections of the brand. A more formal grid layout punctuated with orderly modular displays creates a very different mood than a meandering layout with whimsical displays. Often, displays are used to tell a story. Tableaus that invite customers to interact and to imagine a product in their lives and homes are far more effective than mere displays of merchandise.

Digital technology, from digital signage and video walls to interactive kiosks and mobile apps, is a strong presence in today's retail spaces. Customers don't necessarily want to be passive observers, but instead expect to be able to interact with such technology.

Lighting is an art, and good lighting design uses the four layers of lighting—ambient, accent, task and decorative lighting—to create an overall look.

Many design choices—lighting, music, and aesthetics, for example—have the power either to induce a state of calmness or to increase excitement. Warm, stimulating colors attract customers initially but may also be perceived as tense. Cool colors, on the other hand, have a calming effect. Likewise, busy patterns and multiple textures may be initially stimulating, but they can also create a cluttered look.¹ Keeping in mind that many of today's shoppers are likely to be taking time out of stressful lives to enjoy some retail therapy, the design should balance its ability to attract customers initially with its ability to retain them, in addition to reflecting the preferences of the target audience.

Design choices which support the brand identity must be balanced with other considerations, such as comfort, maintenance required, durability and the ability (in the case of flooring) to withstand wear and tear. Designers should also consider the effect of their choices on other factors; for example, lighter color surfaces will reflect more light, reducing the amount of illumination (and lighting energy) required.

Some elements of a design are more permanent—basic architecture, flooring, and ambient lighting, for example—while others can be changed more easily. These more permanent elements should complement the merchandise and should also be able to weather seasonal changes.

Today, more than ever, the influence of a brand extends far beyond the retail space. Consistency between elements in the physical space and websites, social media outlets and other marketing materials contributes to the overall customer experience and reinforces the store's brand.

Interior Layout and Wayfinding

As we saw earlier, the layout of a retail space can help users navigate through a space. Signage, walls, lighting, furniture, ceilings, decor and flooring can all contribute to wayfinding. These elements work together to create traffic flow patterns, define a space and its use, or provide warning signals.

Why is wayfinding important? Most customers don't have time to waste and need to reach their destinations and accomplish tasks quickly. A store that lacks good signals can frustrate the customer

and contribute to a negative experience. If a customer can't find the product they are looking for, they may leave the store. Similarly, if a customer has found an item but can't find a salesperson or a fitting room, they may not purchase the item in hand. Finally, if the customer isn't made aware of new products in the space, they obviously won't buy them.

The most successful retail stores are those that draw customers in and encourage their movement throughout the space and to all parts of the store, including the far walls. (See Figure 3.) A good percentage of purchases are unplanned, so a retail space that

Figure 3: Displays the use of flooring to delineate areas and provide wayfinding direction in a retail space.
Photo courtesy of Armstrong Flooring, Inc.



exposes customers to items they weren't necessarily planning to buy has an advantage.

Here are some of the main components of a successful wayfinding strategy in retail spaces.

Just as in outdoor environments, **landmarks** serve as distinctive signs which help customers get their bearings. Landmarks can be global—seen from most parts of the space—or local—used to navigate within smaller areas. A three-dimensional object, a permanent display, a colorful mural, or even a distinctive light fixture can serve as a landmark.

Displays are an important component of interior layout. Displays should be designed and placed so the customer can see as much of the store as possible from the front area. Displays should draw customers in, but they should not block travel to far corners. Similarly, displays located in the front and center of the space should not block the view of the far walls. These far walls should include high merchandise displays that are visible from any point in the store.

Signage, including dedicated kiosks, can help customers navigate a space by providing important information, not only about where departments or categories of items are located, but also temporal information about sales and promotions. For signage to be effective, it must be visible and legible. In general, signage should be set apart and placed at eye level. The size or scale of signage, the font used and the contrast between the letters and the background all affect legibility. The hierarchy of elements in signage provides customers with clues; for example, large icons that represent different departments are often followed by smaller text instructing what can be found within each department.²

Lighting can be used to draw attention to certain areas within a space and is also important for the visibility of signage. Signage can be illuminated internally or externally; digital signage is also increasingly popular.

The Role of Flooring

Because it is a large, often unobstructed area, flooring plays an important role in wayfinding, and designers can use color, patterning and even texture to provide customers with clues about how to navigate through a space.

Wayfinding: A color or pattern change can indicate a different department within a store. This visual cue can be reinforced with signs. Distinctive colors or patterns can also be used to designate specific locations, such as stairwells or elevators, or can serve as directional cues, indicating, for example, the way to an exit.² Even a change in texture can serve as a cue and would be especially helpful to colorblind and visually impaired people.

Space Definition and Functionality: Flooring can be used to define a space and delineate its function without relying on walls or

Figure 4: Shows use of flooring to define a space and delineate its function. Photo courtesy of Armstrong Flooring, Inc.



partitions.³ (See Figure 4.) Patterns can also be used strategically to break up large areas or to shorten long hallways. A very common strategy is to use one style of flooring to define paths and another to designate merchandising areas. A change in style can also be used to define special areas, such as the sales counter.

Safety Indicators: Flooring can be used in conjunction with signage and lighting to indicate potential hazard areas, and/or to guide people away from certain parts of the space—areas reserved for staff or storage, for example.

Keeping It Fresh

First impressions count, especially in the world of retail. A Morpace Omnibus poll revealed that appearance heavily influences whether or not a customer will patronize a store.⁴ Ninety-five percent of respondents said appearance is important, and over half (52%) said they would avoid a store altogether because it appeared dirty from the outside. In fact, cleanliness and organization are as important as customer service and cost.

Design choices have a huge impact on how much maintenance will be required to keep the space looking fresh, clean and new between scheduled cleanings. Flooring is one of the most impacted elements of a retail space. Every store has flooring hotspots—places that receive a lot of traffic, such as hallways, reception areas, and entryways—that are likely to show wear and soiling disproportionately. Fortunately, strategic design can draw attention away from these areas. Various characteristics of flooring and flooring design, including color, visual, texture, gloss and patterning, can work together to draw attention away from certain areas and toward others.

“ Perceived cleanliness is critical for positive customer experience. A Harris poll found that 86% of U.S. adults have a negative impression when floors are dirty.⁵ ”

Color: As we saw earlier, color in an overall design scheme can be used to create mood, delineate one area from another, and provide wayfinding clues. These functions should be balanced with a color’s ability to hide wear and soiling. White and light colors tend to show scuffs, but dust and scratches are not as apparent. Dark colors do the opposite: they are better at hiding scuff marks, but dust and scratches are more obvious. Mid-tone colors disguise scuffs better than light.

Visuals: The visuals of the flooring also impact how scuffs, scratches and stains are perceived. In general, active patterns have more hiding power than quiet patterns. Some styles have spotting and scratches built into the pattern; even lighter colors with this type of visual are good at hiding wear and tear. Active wood graining, with its natural variation of light and dark areas, helps make scuffs and scratches less apparent by breaking up lines.

Texture: The degree of embossing on a flooring product affects how much of the surface is regularly impacted by traffic. A heavier texture breaks up scuffs and scratches because some parts of the surface are higher than others—a good choice for high-traffic areas. Lighter texture materials are

easier to clean, and so might be a better choice for areas where perceived cleanliness is important.

Gloss: Flooring with low-gloss is matte or satin finishes are on trend today. While shiny, high-gloss flooring can impart a luxurious, bright look to a space, higher-gloss finishes are likely to show more scuffs and scratches, and dark, glossy floors tend to show dust. In general, a lower gloss attracts less attention to what is on the floor. Texture will also impact gloss. Heavy textures scatter light, making scuffs and scratches less visible, whereas smoother textures return most light directly to the eye.

Floor Patterning: Combining different colors and visuals expands the possibilities of flooring to provide wayfinding clues and create a distinctive style while boosting its visual performance. (See Figure 5.) Patterns with hiding power draw the eye from high-traffic areas and areas likely to receive spills and stains. Contrasting colors and visuals distract the eye so that a

Figure 5: Demonstrates the use of color to disguise scuffs, dust and scratches. Photo courtesy of Armstrong Flooring, Inc.



person is less likely to notice scuffs and scratches. Floor patterning allows the designer to use many tools at once—the hiding power of an active pattern can also be used to designate a special area; a color change can distract the eye from wear and tear while at the same time delineate a path.⁵

At the same time, new technologies that enhance the durability and performance of the flooring surface are enabling greater design flexibility. Flooring products coated with Armstrong’s Diamond 10[®] Technology, for example, are resistant to stains, scratches and scuffs, reducing maintenance and helping the flooring maintain its appearance between cleanings and over its lifetime.⁶

While design can go a long way to hiding wear and tear, it does not eliminate the important role of regular maintenance. In addition, an orderly layout and calming color scheme can be sabotaged if the merchandise is not kept well organized.

Designing Down the Road: While many features of a store layout can be changed easily, and displays can be updated from season to season, some choices, including flooring, represent a longer commitment. While it may be hard to predict how styles and preferences may change, choosing a product with timeless appeal—one that can weather trends as well as traffic—will go a long way toward making your investment count.

It’s important to consider how flooring design choices impact other elements of the retail space. For example, a light-colored, glossy product will reflect more light and may reduce the energy required to light the space. However, this same choice may also require more regular maintenance, which translates into higher labor costs. Other factors to consider are the product’s durability and sustainability attributes—for instance, whether it is made of recycled or recyclable materials. Life Cycle Analysis is a helpful tool that can help you balance all of these considerations.

Remember, successful design is a collaborative and integrative process which considers many factors. A well-conceived design choice will support the brand, help customers find their way, and keep the space appealing—all of which add up to a positive customer experience.

Resources

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