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**RIGHT:**

Photographs showing an early store of the Great Atlantic & Pacific Tea Company

# CHOOSE ME

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## THE EVOLUTION OF BRANDING RETAIL ENVIRONMENTS

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**Beginning with the** Industrial Revolution, a new consumer value surfaced: self-indulgence. Retail brands and marketers raced to encourage this new value in consumers, responding with more styles of clothing, more variety at the local grocers, as well as nonessential items like children's toys and entertainment products for adults, too. Consumers were now inundated with choice and with it, the recognition of the power of their spending dollars. With the boom of new products and competing brands, came many more "rules" to follow. Increasingly, retail shopping developed into a game—some might say "a war"—of competitive pricing.

### **In-Store Experience**

One of the earliest examples of fixed pricing in the United States came with the 1846 opening of A. T. Stewart, the country's first department store. Located in lower Manhattan, the store offered European retail merchandise and the first set prices on many dry goods—in the past, consumers



could haggle with shop proprietors about prices. But while setting the standard for all future retail stores with its fixed prices, A. T. Stewart also offered an experience of shopping unlike any other.

The store embodied sheer immensity, as shoppers made their way from the clothing department to shoes to housewares within the largest retail space in the city. It was an experience of luxury, a treat, to be in the store's sublime setting of expensive marble, Italian architecture, and light streaming light from French plate glass windows. Women were especially drawn to the in-store fashion shows, and soon enough, a number of imitation stores sprang up on the same strip of Broadway, all of them becoming popular among the city's fashionable elite.

*Choose Me: The Evolution of Branding Retail Environments*





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Globally, the department store category proliferated with store likes Le Bon Marché in France and Bainbridge in England, providing inspiration for retail monoliths that had serious staying power, like the now world-famous Macy's, which has roots going back to 1858.

The true revolution in retail shopping, however, did not arrive until 1916, when Clarence Saunders introduced the marvelously new concept of self-service shopping in his grocery store, Piggly Wiggly. Before Piggly Wiggly arrived on the scene, shoppers would generally present their orders to store clerks, who would gather the goods. Yet, Piggly Wiggly allowed shoppers to save time by serving themselves, and in turn, the store made more sales. This new method introduced the concept of convenience to grocery store shopping, an attribute that would dominate the retail landscape ever after.

## Catalog Sales

In 1859, The Great American Tea Company, the first mail-order tea house, sprang up, advertising primarily in religious dailies and delivering items to tea enthusiasts by horse-drawn cart. By 1869, with the expansion of the railroads westward, the company was renamed the Great Atlantic & Pacific Tea Company and can be seen as the earliest ancestor of our modern-day catalog companies. The option to order by catalog was one among many evolutions of convenience that included door-to-door sales, in-home demonstrations, Tupperware parties, infomercials, and direct-response TV ads—not to mention web shopping—allowing consumers to shop on their own and from their homes.



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**OPPOSITE:**

The modern shopping mall experience is marked by airy architecture complemented by spectacular backdrops and set pieces.

**LEFT:**

Sears catalog, 1962

The Great Atlantic & Pacific Tea Company pioneered several important innovations that allowed it—known as A&P—to trail-blaze the retail landscape and provide a lasting legacy. After extending operations to the West Coast, the company gave birth to the first national supermarket chain and, in 1880, the brand introduced the first private label product, baking powder. Many more store-branded goods would follow. A&P also ushered in the first customer loyalty program with store savings coupons. The debut contributed to the most exciting and simultaneously, the most detrimental, innovation of the retail market: the sale.

## Listen to Your Customers

While initially an exciting concept, sales have long since lost their luster. In recent years, many brick-and-mortar retail stores have felt the pinch of their own extreme discounting and put themselves out of business. Yet some store brands that compete on price, like the behemoth Walmart, continue to have legs, while others have faded from existence. The success of retail brands of the twenty-first

century relies heavily on their integration into the digital landscape, namely through an online presence, and their ability to stay relevant.

The reason why certain retail chain stores such as Walmart may survive where others fail is their willingness to listen and evolve with the consumer. Walmart, which was founded in 1962 as the premier discounter in the United States, with a promise of “Always Low Prices,” experienced rapid growth over four decades. In 2010, Walmart invested in a complete rebranding campaign, creating consistency across its in-store and web, advertisements, and collateral marketing materials. The branding agency Lippincott also developed a new slogan for the business to extend its appeal to a wider audience without alienating existing customers.

The new tagline of “Save Money. Live Better,” enabled Walmart to speak to a new group that did not associate themselves with discount shopping, but still enjoyed saving money. Walmart also smartly invested in its digital presence by creating a website that was much simpler and more elegant in terms of design at a time when retail shopping on Internet-enabled devices had begun to surge. By understanding how to position itself to appeal to a wider customer base and also utilizing the latest channels for brand communication, Walmart remains at the helm of modern retail.

## **The Online Retail Experience**

Many recent brands have found themselves a new retail space online, the technology for which emerged in the early '80s. In 1981, Michael Aldrich developed the first business-to-business online

purchasing system for the travel brand Thomson Holidays. Online shopping services made shopping far more efficient, cutting out the need for a retailer—or travel time.

One of the largest ventures into online retailing was Amazon.com. Founded in 1995, Amazon offered an extensive collection of books and made them much easier to purchase. After its launch, the company nearly went out of business and did not show a profit until 2003, reflecting the slow

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The Walmart shopping experience throughout the world is defined by low prices and large stores.

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adoption of online shopping. From its base of books, Amazon has expanded into music, video, electronics, and more, and improved its user experience so much that it has become one of the most successful ecommerce sites to date. When regular customers log on to the site, intuitive technology “recommends” products based on previous purchases. Easy navigation, speedy shipping, partnerships with select vendors, and a welcoming feedback forum all combine to provide a seamless retail experience that is much richer than those we might have in-store. Even more significantly, Amazon is one of the original retail brands to exclusively live online.

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# WAL★MART SUPERCENTER 沃尔玛购物广场

Walmart  
沃尔玛



福兔迎春欢喜年

新禧賀

入口  
ENTRANCE

WAL★MART  
SUPERCENTER  
沃尔玛购物广场

出口  
EXIT

梁平修



The successful launch of Amazon opened doors for other retailers, such as the auction site, eBay, as well as the opportunity for brick-and-mortar retailers to move into the Internet retail space.

## Social Media Influences Buyer Behavior

Today the Internet retail space continues to be shaped by new technologies and trends, most noticeably through social media and mobile Web access. Social media has fostered a conversation between consumer and retailer over the interface of the Web. Where previously shoppers struggled to determine which online stores were safe to buy from and where to click for customer service, now they can get tips from friends and online reviewers and feel more comfortable shopping online. Additionally, consumers can ask questions, provide feedback, and send each other recommendations over a number of social media forums.

Some of the most vibrant subsets of social media are user reviews and product category blogs, where consumers search for information before they make their purchases—both online and off. Brands that participate in these conversations, by viewing and responding, or by building their own feedback forums, are able to engage consumers, and in some cases, gain long-term loyalty.

Online shopping seems to have become a permanent fixture in the way we purchase products and has naturally extended to Internet-enabled mobile devices. During 2010 and 2011, mobile-centric technology, marketing, and websites

have experienced a boom and brands are scrambling to catch up. Half of smart phone users make purchases with their phones, and brands like Virgin America, Converse, and Lexus are investing heavily into their digital marketing and presence. Here, we even see Walmart resurface with the company's new division @WalmartLabs, which will support mobile and social strategy. But as screens get smaller, how will logos and other visual representations of the brand be affected? On the consumer side, other questions remain unanswered, such as issues concerning privacy. Will brands find mutually agreeable ways to engage consumers on their iPhones and Androids?

In the midst of all these technological and seemingly impersonal methods of shopping, there continue to emerge a number of organic and experiential retail channels and brands.

Pop-up stores began springing up in 2004 as a low-cost alternative for new and established brands to generate excitement about their products. Brands would find a storefront or a streetscape to occupy for a limited time—from a day to longer periods—and create buzz around the limited opportunity to purchase limited-edition goods. This type of store model was a very effective and low-cost method to get consumers offline, out of their homes, and in personal contact with brands. In an apparent contradiction, these same pop-ups are now helping brands drive traffic to their websites, but they are still a great way to raise brand awareness, even for national chains that want to push a trend. Target is a prime example of an established company that has used the strategy; the retailer has set up pop-up stores to promote the Rodarte clothing line. Other brands like Nike and J. C. Penney have also popped up in

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The retail environment of modern shopping malls features multi-level atriums that provide exposure for stores while allowing consumers to people-watch.

major cities. By providing goods that are unattainable elsewhere, pop-ups have brought the thrill back to shopping.

As a struggling economy has shifted consumer spending habits, there has been a shift in how stores pitch to consumers. Clearly, many households don't have the discretionary income that they once did. Similarly, the social experience of going out and shopping is evolving. Perhaps this can explain the sudden upsurge of farmers' markets and flea markets, which encourage attendees to buy local goods and spend a day surrounded by a de facto community, often in

open-air environs with snacks and entertainment. Are markets back to stay, or are they simply the flipside to our plugged-in options? If we look to New York as a cultural epicenter that reflects significant trends, the flea market success story at the hip Brooklyn Flea seems to suggest the trend has inertia. This revival of market-style retail is closing the loop on a long cycle of retail innovation by returning us to our roots; these counterpoints to "convenience" are reignited our sense of adventure.

