

Retail Management
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Module No # 06
Lecture No # 29
Image in Retail

Hello everybody welcome to this swan NPTEL course on retail management this is Professor Swagato Chatterjee from VG from IIT Kharagpur who is taking this course for you. This is week 6, lecture 29 when we will be discussing image in retail.

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Retail Image and Positioning

- Image refers to how a retailer is perceived by customers and others.
- Positioning refers to how a firm devises its strategy so as to project an image relative to its retail category and its competitors.

So image refers to how a retailer is perceived by customers and others. So it is basically the customer's point of view about the particular retailing and why this is very important for a retail sector. Because generally retailers are not must differentiable from one retailer to another retailer. There will be similar kind of products similar kind of services that is being provided and when that is being provided a similar kind of services and products are being provided.

It is deeper it is important that you put yourself in different position you basically differentiate yourself over and above the other competitors that you have. And when you are successful to do that creates your image. For example let us say if different between retailers might have different levels of image like Amazon and Flipkart and let us a Snap Deal or other e-commerce platforms.

There will be commerce status which have image related to very cheap or very huge amount of beans on the other hand Amazon is well known for its delivery for its services. Flipkart is known for its Indian origin product availability so there can be different kind of e-commerce or different kind of retail sectors as well which might have different kind of image. And that is achieved through positioning.

Positioning refers to how a firm devices strategy so as to project an image relative to its category and its competitor. What does this mean that means that the retail company is trying to put an image in consumers mind and when he is trying to create his an image in consumer wise that can be anything in comparison to its competitor. It is using the four piece the price place promotion and product or services in that in this particular case.

To position itself to given give itself a image which is differentiated from the custom from the competitors or inside the retail category whether I have image of a market leader or I have image of ethnic product. For example let us assume from India what is the image of India from India's image will be they are ethnic product seller. They are high end product seller the products will be high.

The products will be ethnic by indigenous in nature they might be they have a probably a image of pro social kind of behaviour. You might feel good while buying the product from Fab India because you might be thinking that okay not only its related to your identity where the matching will happen. You might also think that buying indigenous product I am actually doing good for my country or my society and the feeling this etc.

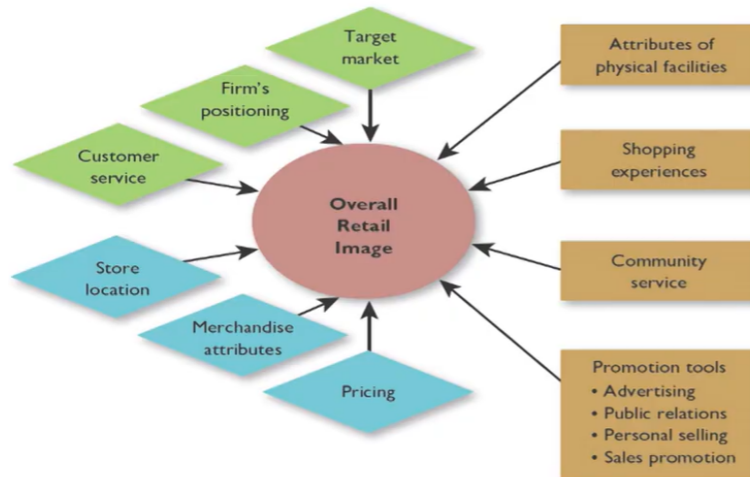
This kind of feeling you might not get while you will buying in let us say Shopper Stop which is a high end and high end multi brand retail it has lots of different kinds of product that it has. And it is all the products are high end and maximum products of Shopper Stop owned only and there will be few brands from outside as well. They may be private level brands of super stocks themselves.

What are the products that you will get generally in superstar we will generally get let us say apparel and house furnishing and house décor. These are the major products that you will get it in this particular place you will not get electronics, or you will not get let us say high end electronics or high end home furnishing like good range and etc good interview and etc those kind of products will not get.

So every retailer creates its own image and those images are done through the 4 piece that we are talking about in the context of marketing.

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Elements of a Retail Image



Now overall retail image has different perspectives the first is customer service from positioning and target market. And then below there are store location merchandise attributes and pricing. And in the orange side that is attributes of physical facilities shopping experience customer commodity service and promotional tools. So let us talk about what they are the below one. The blue ones are store location merchandise and pricing these are operational issue.

So these are classic I would say very tangible attributes to which we are trying to position yourself you are trying to receive your image. For example whether you are located in a community place or your, are located in business district or you look at it outside the city that creates an image. That gives you an idea that what is the probably the product pricing or what kind of products will be available in this particular place?

Same Pantaloons that is located in let us say business where lots of office goers are there and the same Pantaloons which are located in some mall and the same Pantaloons which are located in tier 2 city will have different kind of products in them different pricing, different services and the image will also be different. So location of the retail store creates an image it is like in which zip code you are in it.

So even if you are human being staying in particular place your image often is defined by or your social economic status is often defined by which what is your zip code. So in your particular locality people of similar economic background stay so if you are not staying in that particular locality you might be probably not in the same economic background. Then comes the merchandise attributes what kind of product I put? What kind of products I put also keeps creates an identity.

For example the one that I just told Fab India what kind of products have India put or what kind of products Amazon keep or what can you put products Spencer will keep Mama Earth will keep this will have different kind of image in the mind of the consumers. And then comes to the pricing whether you go for low end pricing or high end pricing same kind of product let us say Pantaloons versus Shopper stop they have similar kind of products in them.

But they might have a different image in the consumer mind just because their pricing is different in the same mall there is one side there is Pantaloon another side or one floor there is Shopper stop another floor there is Pantaloons. But because of pricing is different because of product that they keep the merchandise are different the image is also different. So these are operational issues then comes what then comes the target market customer service comes positioning these are the broad strategies issues.

So these are not tactical issue these are strategic issues like how do I want to position myself strategically or what is my target market or what are the customer service that are providing. Now there are certain other issues which also creates your image which are allied which are not exactly related to your day to day business. For example advertising how many advertising you do? What do you advertise what kind of public relations you do?

What kind of personal selling activities we are doing also creates your image these are not day to day activities advertisements you do not do everyday depending on what type of products are coming in? Demand on which particular I would say which particular month is going on this is a big billion days. If you do lots of big billion day what kind of image will that put.

If you do lots of offers if you do lots of 60% discount 80% discounts kinds of offers whole all over the year what kind of image that will create for that particular retail store. So these are the daily activities these are also certain kind of decisions that you take which are allied

decisions. Similarly what kind of shopping experience that you provide whether the people are happy when they come and whether you give the different kind of experience to them.

Whether there is a availability of let us say AR VR facilities in your retail store whether people can come in and put on the virtual reality kind of tool on their eyes and see that whether they are having a nice experience about the particular retail store or not. Whether you are high tech or not whether there are lots of employees located in the store who are helping you or not in a e-commerce setup.

Whether a person Lenskart they are giving this service that if you can basically try out the Goggles or try out the spectacles on your own while sitting at your home. Or probably somebody is going to your doorstep and checking your eye condition the power and etc that is there in your eye. So in those are the services that I am providing which are parts of the shopping experience that creates an image as well.

Then what kind of community service I am doing whether I am doing good for the society as well. These are not directly related but when you do community service people feel happy while buying from that particular retail store and which gives them a different kind of feeling. So community service also plays a very important role in creating the image of the little through obviously physical attributes do too.

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Atmosphere

- **The psychological feeling a customer gets when visiting a retailer**
 - **Store retailer:** Atmosphere refers to store's physical characteristics that project an image and draw customers
 - **Non store retailer:** Atmosphere refers to the physical characteristics of catalogs, vending machines, Web sites, etc.

When I talk about physical attributes there is the atmosphere that creates a picture. So psychological feeling a consumer gets when visiting a retailer is basically is defined by that mostly. So there are 2 types of retailer store retailer and non store retailer atmosphere refers

to stores physical characteristics in a store retailer. As I told the physical attributes that means it is probably what kind of color what kind of lighting what kind of I would say layout of the store?

Whether the layout of the store is very good or not whether the products are add-on properly or not? All these things will be part of the store retailer in the case of non-store retailer that means let us say commerce and etc., Then the products the design of the website whether the website has lots of images on not whether the website is colorful or not? Whether the website is would say it is easy moving or no? Whether you can change from one page to another page swiftly enough or not?

Whether there are lots of pop-ups that are blocking your activities or not these are all related to atmosphere that is created in these are physical attributes these are a tangible visible attributes. These attribute are not related directly with the merchandising or operations due to the operations of the retail store. But that creates the image if I like the view of let us say Amazon over or let us say if I like the view of Mama Earth over some other retail store.

What kind of visuals they are keeping or what kind of let us say the products they are keeping and how they are putting those products how they are putting the descriptions of the products whether they are add-on properly? These are all making me interested in the particular purchasing experience and shopping atmosphere that is why in the non-retail store and retail store also plays a very important role in creating the image of the particular.

So we talked about if you remember actually we have not talked we will talk about the particular case of bestbuy.com. I think I have talked about earlier in the first week where we talked about the how best buy has handled e-commerce retail store retail setup. Let us say if there is a competition that is coming up from the Omni-channel marketers then how best buy can? So, best buy creates its image by changing the retail store targeting a particular customer.

Let us say if my retail stores for example let us say what best buy did is that best buy found out that there are lots of customers who are either profitable or not profitable. So first of all they found out who is the non-profitable customer who comes in the retail store moves around the retail store increases the crowd. But they are not contributing much to the retail store. So what they started doing is discouraging this particular people.

They were identified and giving less number of services they were always told to buy a little bit few products and etc. And then for other people who are actually purchasing they segmented and they found out there are 5 different kinds of segments of people that comes to them. Like if you search for best buy in Google just go and search for best buy Barry stores or Buzz stores or Lily stores.

So Buzz, Barry, Lily this kind of 5 different kind of stores they have created Barry is a person who is basically a very high class I would say professional he is a doctor or lawyer or very successful business man or very successful entrepreneur. Who comes this bestbuy which is the ecommerce which is electronic store (()) (14:07) store electronics who comes and buy this products from them.

On the other hand there is a person called Buzz is a family person or lily I think who is a again a family person female. So family a working mother lily and a family person will be very practical he will be products from household items he will be focusing on will be price sensitive he will be focusing on deals and etc. On the other hand lily who is a working mother that particular segment also focuses on 2 things.

While buzz with a little bit, may focus on his own personal need also let us say he might spend a little bit money on games or on video games and etc. Well lily will not do that lily will spend most of the money on kitchen items or kids products. So the games that he will buy she will buy is for the kids rather than for her. So these are the profile both buzz and lily will be both lily and the person will be basically more concerned towards the price sensitive and there will be more concerts towards household items.

Buzz I actually miss I told it differently buzz is a person who is a young college going person he might be a male or he might be a female predominantly male. And he spends a lot of money on good quality but recently developed a recently launched item. So he is a fast mover almost in the electronics products and he does not buy household items you might consume means for personal usage kind of items like let us say earphone or let us say some laptops some new mobile phones and etc.

And most of the multimedia products this person will buy and then BB 4b I think bestbuy for business something like that. There is another segment which is not businesses so which are which are buying all the products from best buy in a bulk amount for their own business

purpose usage. And these are basically products that are brought are office products like printers and laptops and these and that.

Now if I know that in this particular if I am putting my store in a business where most of the people will be either BB 4B or Barry or probably a few if you let us say name will be Lily or family going person I will be majorly focusing on these barriers or before BB in this particular retail store. Because I know that more number of barriers are staying in this locality or they are moving in this locality they come to my store.

So I will put up the store by looks and feels the atmosphere of the store will be focused on Barry. So there will be very classy sofas inside this thing for somebody to rest. So leather coated etc and etc. So there will more amount of product which are AI enabled which are automated. On the other hand the same best buy if it is in a college location let us say in a college district or in a college city means where in the university we see lots of this kind of retail store.

I will come up with more of a store which is buzz oriented there will be lots of multimedia items which is not AI enabled high class multimedia item which are new, cheap, good quality multimedia items which gives value for money to the buzz kind of candidates must kind of consumers. So the atmosphere should also be in sync with the type of people that you are coming in it is possible when you doing this is possible when your intention is not very big.

If your real story is very big at least you keep certain part of the retail store which is specifically designed for a particular customer segment. So that when they come they can actually access that particular space and they can feel that what this retail activities let us say for e-commerce are. Let us say for electronics or so how this particular items will fill in their home when they buy it or when they use it.

So, that kind of focused atmosphere creation is very important you can study about this buzz and buddy store in best buy you can go and search in Google it is a very prominent case study. The lots of news items that you can find out based on this and please read about that.

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Visual Merchandising

A proactive, integrated atmospheric approach aimed to create a certain look, properly display products, stimulate shopping behavior, and enhance physical behavior

Then comes visual merchandising what is visual merchandising? It is a proactive integrated atmospheric approach aim to create a certain look properly display products stimulate shopping behaviour and enhance physical behaviour. So what is merchandising? The word merchandising means that we are keeping products in such a way such that more number of people will buy it.

For example let us say I put the soap and shampoo close by or I put let us say the detergent and scrubs close by or I put the utensils and detergent close by the utensils and dishwasher's close-by dishwashing gels or dishwashing foams close by. So that whenever person is buying this will also but that I keep tooth brush and tooth paste close by. So these are merchandising technique merchandising means how to keep the products on what products to keep and how to keep such that more sales can be created.

Now visual merchandising is something that is coming up in the when retailer becomes image focused. It is trying to stimulate the consumer behavior the shopping behavior of the consumer I would say interest of the consumer through visuals through promoting lot of good looking kind of a product either the product is good looking. Or you are giving a signal that if you want the product you will be good looking or you are giving the signal that this particular product will fit in your house a lot.

So those visual setups are getting created a lot for example the models the mannequins that is there and you put the product on them is done for that. And not old school kinds of models which are like you which have only a certain kind of setup. It is not now people are designing

varying tool which are of different shape they are standing in different standing or sitting in different position.

So those are visual merchandising that we are doing so that people gets interested in the product. Similarly in a e-commerce setup you will see that the live models are coming up and buying the products and showing and displaying the products and you can probably hover the cursor over and you can show the picture in a broader way. You can sometimes run a video inside the e-commerce platform in the picture there will be 4 pictures and one video you can run the video and you can see that how the product is actually being shown inside the house.

How the product is being used inside the house if it is an electronic product so all these are facilities sometimes the dimensions and etc are also shown inside the picture. So these are visual merchandising that we are doing you are enhancing you are using the atmosphere whether it is e-commerce or whether it is brick and motor store. You are using the visuals the image, the picture, the colours to entice a person in the shopping behaviour.

So this becomes an important factor so atmospheric leads to shop image and atmosphere also needs to shop more shopping through visual merchandising.

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A Warehouse Store Image



For example let us say warehouse store image it looks like this there are lots of it is a huge warehouse. So look at the warehouse it is not well lit lights are at the top it is not well need it is a huge store there is I do not see probably there is not an AC that is available in this particular store. And there will be less amount of I would say design in the particular store the walls are not designed the roots are not designed there is no fall ceiling in the roof.

There will be warehouse very high roof and probably those are made of out of tin or some kind of asbestos or something likes that. And lots of iron rods and etc is being shown out inside so it gives you a shabby feeling it gives you the feeling that there is nothing more. It is only the products are there no extra services you can expect. And the rack sizes are very high gives you a feeling that the products all the job that I am doing in a warehouse store is getting the products here.

You do your job and get the products from that height I am not going to help you or there might be some few person to help you but most of the time you have to bring it up. So it gives a feeling in the whole setup that I am doing cost cutting. And I am doing cost cutting means that I am giving you lowest possible price. If a product is priced they are 4 dollars then it is not possible to give you lower than 5 dollars that kind of feeling that I am trying to give.

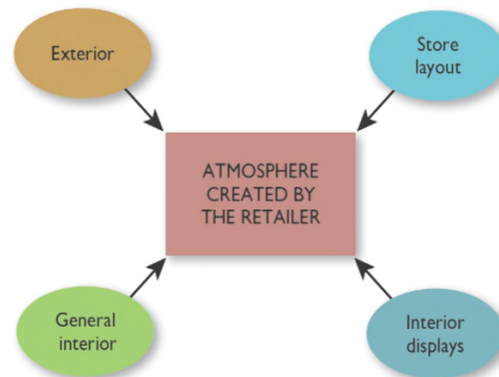
Whether it is actually the truth or not I do not care at least the retailer can create that image whichever is trying to create that image that by showing that there is absolute no services no design. Just the amount of services and atmospherics has been created just the amounts such that it is just right not anything extra. No freebies if those kind of cases that you are creating you are basically creating this image that product availability is high and the products are low and that is the lowest possible that this particular retail store can do.

So by doing all this kind of image you are creating the feeling to the customers that they are getting value for money. So, what else that is how it is a live example of how story image can play on your showing shopping behaviour.

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The Elements of Atmosphere

- Storefront
- Marquee
- Store entrances
- Display windows
- Exterior building height
- Surrounding stores and area
- Parking facilities



For the elements of the atmosphere the lots of as I told so storefront, marquee, and then store entrances, display windows, exterior building height, surrounding stores and areas, parking facilities these are all part of exteriors which can impact the retail store. So other than that the store layout the general interior and the interior displays so first we talk about the exterior what is the outside thing that gives you a idea?

For example how the stored front is whether there is a so sometime you will see the store front is just created whether there is a balloon kind of shaped this things build kind of shape entrance which is a welcoming entrance. If there is no door in the entrance let say the entrance as no doors at all. So there is this much of a big entrance and there will be 2 persons is standing in that entrance who are security guards.

But there is no doors at all which is a; welcoming kind of entrance, however there are other stores which do not have out those kinds of windows it is warehouse stores which might have let us say entrance which is glass door entrance. So the moment there is a door there which is that is less welcoming. So you might want to create a welcoming kind of atmosphere inside the outside the store.

So that people can come in obviously parking facilities is whether there is there what is; the surrounding area, whether the surrounding area has lots of foods and other items that are available. Or it is located very outside whereby lots of congestion is there you will see that many retail store face problem because of congestion. Probably let us say there is one retail store which is facing problem because other retail store is driving the traffic there are lots of traffic for a big bazaar in their locality.

But there are stores beside big bazaar which are not selling complementary items let us say they will face problem. So then what kinds of stores are outside? What kind of stores are available outside and whether you selling complimentary items and whether you are expressing those that I am selling these complimentary items makes huge difference. What are the display windows?

Whether you are using those windows to attract customers whether you are probably putting out lots of advertisements outside the particular retail store creates a difference. That also creates which in turn creates the image of the particular retail store. Now exterior is not a concern for e-commerce websites they might think that exterior is not something that is related to my area. So I will not talk about that in the context of e-commerce next comes store layout let us say.

Store layout so I will talk about first general interior and general distress and last I will go to store layout.

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Store Entrances

- How many entrances are needed?
- What type of entrance is best?
- How should the walkway be designed?

So what is the store entrance the exterior how many entrances are needed is an important question. What type of entrance is base? As I was telling just now the closed one or the open one that is an important factor. How should the; walkway be designed means whether there will be a stroller that will allow the stroller up to the parking facility? Whether there will be roads that will lead to the stroller up to the parking facility?

Or what is the walkway means whether people will be having a broad walkway or they will be very narrow walkway at different locations different directions. These actually play into the minds of the consumers and you have to design that properly depending on the situation if it is a business district kind of retail store one kind of market design will work. If it is would say retail store which is located outside the city in a secluded position. Then another kind of walkway will work so you have to think about that depending on your context.

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General Interior

- Flooring
- Colors
- Lighting
- Scents
- Sounds
- Store fixtures
- Wall textures
- Temperature
- Aisle space
- Dressing facilities
- In-store transportation (elevator, escalator, stairs)
- Dead areas
- Personnel
- Merchandise
- Price levels
- Displays
- Technology
- Store cleanliness

Now what are the general interiors as well as telling the floating the colours lighting, sounds, store fixtures, wall textures, temperature, aisle space, personal, merchandise, price levels, technology these are all parts of general interior which will some way or other impacting your retail image.

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Store Layout: Allocation of Floor Space

- Selling space
- Merchandise space
- Personnel space
- Customer space

And next is store layout so what we will do is we will stop here for this particular lecture. And the next lecture onward I will talk about these 2 other things one is stores layout another is interior displays and how that can impact your overall atmosphere in the retail store. So thank you very much for being with me and I will see you in the next video.