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RETAIL’S RENAISSANCE?

Thanks to either good fortune or stunning foresight (let’s call it the latter), this special retail issue of The Drum arrives on the back of an especially noteworthy week for the retail industry.

Within the space of a few days we’ve seen Apple Pay finally arrive on UK shores, Amazon’s Prime Day extravaganza exceed its executives’ wildest expectations and Marks & Spencer clothing boss John Dixon quit the firm he’s served for 26 years after yet another sales slump.

The contrasting fortunes of Amazon and M&S’s clothing and homewares division could be interpreted as symbolic of the way online stores are deemed to be stampeding all over bricks and mortar retailers. But to blame the changing retail landscape for M&S’s repeated category failings would be to let it off the hook. Its beige clothing department has seldom been in fashion, and it only has itself to blame for not moving with the times.

To survive today – let alone thrive – retailers must innovate, either in their marketing, use of technology or ideally a combination of the two. Few have grasped this better than Amazon. The numbers it has released for its Prime Day spectacular – on which it claims to have sold more units “than the biggest Black Friday ever” – are staggering. Some 398 items were ordered per second, with 34.4m sold in total in just 24 hours. These included 47,000 televisions, 51,000 Bose headphones and 14,000 iRobot Roomba vacuum-cleaning robots that no one ever knew they wanted. The Wednesday prior, just one was sold.

“Going into this, we weren’t sure whether Prime Day would be a one-time thing or if it would become an annual event,” Greg Greeley, vice-president of Amazon Prime said. “After [these] results, we’ll definitely be doing this again.” No kidding. This was a triumph of marketing and PR. Where lesser retailers would see just another Wednesday in the week, Amazon spotted opportunity.

And it is the Amazons of this world, the success stories, that we focus on throughout this issue – not the retailers feeling sorry for themselves because consumers have moved on and they haven’t. Too often when we talk about retail we labour on the doom and gloom of the high street when in fact this is one of the most exciting and innovative sectors in business right now.

The speed at which retail is moving is incredible – occasionally, perhaps, even too quickly for its own good. The much touted Apple Pay has been causing some confusion on the London Underground: it is worth noting that you’ll be penalised if your Apple Watch battery runs out before you complete a journey, you’ll get charged twice if you switch between iPhone and watch to tap in and out even if you’re linked to the same card and, perhaps most amusingly, the payment reader is on the wrong side of the turnstiles for all those of us who wear our watches on the left wrist.

But despite those teething problems, Apple Pay is a big step towards the kind of cashless society we envision later in this issue. For retailers that can’t keep up… well, they’ll be left cashless altogether.

Managing Director of Events: Jen Faull, Natalie Mortimer, John McCarthy, Minda Smiley, Tony Connelly
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Assistant Editor & Managing Director, The Drum Network: Seb Joseph
Each issue we ask members of our enviable panel of magnificent minds from the industry and beyond to identify the latest trends and brilliant ideas shaping our space. Here we meet this issue’s contributors.

Gideon Karmiloff (p.9) is managing director at Vivid Brand

Carla Buzasi (p.7) is global chief content officer at WGSN

Richard Danks (p.8) is head of strategy at Portas Agency

Lola Oyelayo (p.9) is director of strategy and UX at Head

Kate Shepherd (p.10) is director of strategy at Checkland Kindleysides

Alastair Duncan (p.11) is strategy director at the AutoNetwork

**THE POWER OF CHOICE**

The last bag of Woolworths pic ‘n’ mix sold for £14,500 on eBay in 2009 – what made a bag of dusty cola bottles and hardened strawberry jellies quite so valuable? Not the contents themselves but the idea of the power of choice – the chance to choose exactly what went into the bag was one of the small freedoms you were given as a child.

We’ve always wanted choice and the desire for it has now rippled through to how we engage with brands, breeding a new demonstration of prosumerism. Rather than simply consuming products, people are becoming the voices of that product, to the point of impacting on what kind of products are actually made, how they are purchased and later blogged/tweeted about to then influence purchasing behavior around the world.

Converse and Nike’s invitation to lay your personal design stamp on your trainers has been well documented, as has the open ‘pitch’ for your flavour to be the next Walkers crisp or KitKat Chunky. This is an acknowledgment from brands that consumers are often more able to design ideal products that meet their needs better. And why not, considering we (the consumers) are the ones consuming the products.

Retailers are now behaving similarly by asking shoppers to determine how products should be marketed to them. Take Waitrose’s new initiative to ‘pick your own offers’ for instance, which allows shoppers to choose their top 10 favourite items to receive a 20 per cent discount until August. Waitrose has clearly identified how important it is for it to build a relationship with its shoppers, one where the shopper feels understood and, crucially, listened to.

Waitrose demonstrates an even greater level of insight with this initiative: while shoppers love the notion of choice, too much choice can be overwhelming. With an average of approximately 40,000 different items on offer in a supermarket, the average household purchases only 350 on a yearly basis. Why? It’s so overwhelming that shoppers retreat to habitual purchasing behavior and to the safety of familiar choices.

Shoppers want choice, but not so much of it that it becomes a chore. They want to make easy, intuitive choices that are right for them.

A good example of enabling this intuitive choice comes from the e-commerce retailer Ocado, which targeted us with an offer, from a leading dog food manufacturer, that we, and our beagle, couldn’t refuse. Knowing that we buy a super premium competitor, this brand (and retailer) created an offer and communication that overcame three key barriers; price (half price), weight (free delivery), pain of switching foods (six months supply). In one action this brand has potentially ‘bought’ our loyalty for the next seven years by engendering a habit that we are unlikely to break.

By transferring the power onto the shopper and putting their personal choice first, retailers and brands are opening the door to a more democratic relationship that will prove, like our dog food choice, to be long lasting. Pic ‘n’ mix may have disappeared from our high streets but the power of personal choice endures.
EXPECTED

UNEXPECTED

RETAIL

RENAISSANCE

Carla Buzas, global chief content officer at fashion trend forecaster WGSN, looks at how retailers are creating unique experiences.

You probably don’t need another headline about how millennials are spending all their cash on experiences over actual things to go in their homes, or wear on their bodies, do you? Retailers certainly don’t, grappling as they are with a generation more likely to walk into their shop window while distracted by something on their smartphone than look into it.

So how do you persuade twentysomethings to spend their wages on clothes over, say, an invite-only dance festival on a ship in the middle of the Atlantic, or cold-pressed cocktails from a pop-up bar in Dalston?

Some brands have it nailed and, unsurprisingly, it tends to be those who are using experiences to lure consumers in store, and then being exceptionally careful not to force-feed them product once they’re there (if it feels too commercial or, even worse, inauthentic, you’ll lose this generation’s interest faster than a post from their mum on Instagram).

Kit and Ace is a new Canadian brand from the family that launched Lululemon. Co-founder JJ Wilson is the son of Lululemon founder Chip, while his partner, Shannon, is also his step-mother and former chief designer at Lululemon.

The brand exploits the athleisure trend to its max, with a collection that features high-tech cashmere designs in sporty styles that are a step-up from the now ubiquitous Lululemon leggings beloved of yoga bunnies everywhere (even when they’re not working out). However, it’s not just the clothes that are appealing to a new, more relaxed, customer. Every Kit and Ace store is equipped with an eight-by-eight-foot dining table where managers throw monthly dinner parties for the “creative community”. Over food and drink, they use the card game RealTalk to help kick-start conversation, against a backdrop of chic T-shirts and slouchy dresses.

Along similar lines, super-cool shoe brand Grenson has a social club that, instead of offering discounts to loyal customers, invites them to talk from like-minded creatives, tapping into their devotees’ need for constant stimulation.

But what about older consumers? Millennials might make all the headlines, but they still don’t have as much disposable income as their big brothers and sisters.

Clever retailers who want a slice of the more moneyed pie are relying on newness to attract consumers in store. In New York, Story switches out the brands it stocks every three to eight weeks – each refresh is a new “story”, hence the name. Here the experience is just as important as a lecture or lifestyle experience at some of the other brands so far mentioned, but the experience is still actual shopping. The owner of Story, Rachel Shechtman, calls her boutique a “trade show meets a living press release”, but insists it’s all about creating a “unique experience”.

What’s clear then, no matter which age group retailers are targeting, is that the unexpected always wins. Rows of clothes on metal hangers? We’ve been there, bought the T-shirt, and don’t want to buy the same one again.
I've recently become a Tosser. Yep, it's a bit much to drop nine quid on lunch for some salad and a coconut water, but for me the money doesn't matter. Not when the till receipt makes you feel like a superstar. 'You're Arnold Schwarzenegger' it grins to you instead of an order collection number. 'Jennifer Lopez' it winks. 'Tom Cruise' it nods in slo-mo. It's been three months since my first hit and it's yet to get old, raising a smile every time they hand back my card.

The hairnets, the gory pink branding, the laminate floor – it's not really me. But this one small gesture, on the most overlooked of touchpoints, has made me fall head-over-heels.

I love Tossed. I think it's retail at its best. And all because of that one little quirk. A tiny idea that's punching well above its weight.

So, what else can we take from retail?

In an issue bursting with the latest trends, innovations, technologies, and ideas impacting the retail sector, I thought it would be refreshing to look at things from a different angle: what we can learn from them.

Here are five observations picked up from working with some of the world's best brands and retailers, from Clarks to Westfields.

1. When you're on to a winner, order one in every colour

Having worked with Inditex, the world's largest clothing manufacturer, there is much for marketing to learn. When they identify that a style is selling fast, they turn their whole machine (manufacture, distribution, marketing, retail) towards making the most of the opportunity. Agencies should plan budgets, resource and processes to ensure that when something unexpectedly takes off, they're ready to push it even further.

2. Play it long and short

This theory could have been written for retail. Our client's ability to focus on the long-term brand game whilst having one eye on this week's figures is staggering. Agencies should be reactive, flexible, creative, and above all else, not precious, when it comes to producing tactical work that helps sell.

3. Trust your gut

Big retail is at the forefront of big data, but the best in the business know how to balance insights with instinct. Retailers respect (and reward) people with 'an eye'. Agencies must do the same - don't allow the current fixation on big data to overshadow what clients really pay us for, making the creative and commercial leaps that will transform their business.

Use data, but trust your gut.

4. No, no, no populist gimmicks

Something a client actually said to me during a presentation. On reflection she was right: don't do tech for tech's sake. Don't do animals, for shares. Customers aren't interested. Keep things on point and remember - we're in retail to sell, sell, sell.

5. Make every touchpoint count

'You're Marilyn Monroe'.

So there you have it. And this is why we have 'think like a retailer' framed in our downstairs loo.
RETAIL INNOVATION? YES. GREAT RETAIL EXPERIENCE? PROBABLY NOT

Lola Oyelayo, director of strategy and UX at Head, is doubtful rapid innovation in retail is making any difference to customers.

When considering what is exciting in retail right now, I thought long and hard about the last six months of my own shopping behaviour. As a user experience director, it’s my job to collect experiences and case studies and take a view on what might provide that extra point of customer value and delight.

The problem is, despite all the noise about beacons, radio-frequency identification, smart wallets, e-payments, digital mirrors and robot assistants, not much seems to be effective. If asked whether all this rapid innovation has actually made a difference for customers, I can only respond with a moderate ‘maybe’.

The thing is, retailers need to carefully choreograph experiences between touchpoints. This means having a single view of the shopper and allowing them to shop how they want, for what they want, whenever they want it. Ultimately a customer has to have a holistic and consistent experience of any service that a retailer provides.

Unfortunately, almost none of the latest gadgets or innovations available to retailers are effectively providing that holistic and consistent experience for customers. If anything, many are positioned as nothing more than patches: temporarily fixing problems that retailers don’t seem able to invest in dealing with properly.

We are yet to see retailers do two key things. Firstly, they have yet to address the legacy issue. Stock visibility is the single biggest point of convenience for shoppers. Any disjointed information between online and in-store availability, or worse a total lack of information, will effectively sever trust and willingness to buy no matter how many jazzy apps and gizmos there are.

Digital mirrors or stands that allow you to explore accessory combinations seem all well and good. But then, when you want to actually purchase this combination of products, you suddenly find yourself with a frazzled sales assistant holding one shoe whilst searching every possible corner for the box containing the other one.

Secondly, clicks and mortar retailers haven’t managed to work out what to do with their physical stores in order to mirror the convenience and value customers have become accustomed to in their online offering.

In a recent trip to my local electronics retailer (one of the largest in the country), there was barely any stock on the shelves. The employees kept insisting that there was more choice online, but this begged the question: what exactly is the point of the shop if all the staff do is send people online?

Before I or any other customer can become excited about a retailer’s smartwatch integration or its virtual store, I’d expect it to have totally integrated its technology and know how to get me exactly what I wanted in the most convenient way. Unfortunately, I suspect that in the short term, the fight for column inches and all the attention will still be focused on the ‘next big thing’ instead.
"A GREAT IDEA CAN COME FROM ANYWHERE, INCLUDING THROUGH THE LETTERBOX."

Elsbeth Lynn – Executive Creative Director, M&C Saatchi

10 TRENDING

RETAIL DESIGN

“A GREAT IDEA CAN COME FROM ANYWHERE, INCLUDING THROUGH THE LETTERBOX.”

Elsbeth Lynn – Executive Creative Director, M&C Saatchi

“SEnSoRial bRanD SToRyTElling”

Checkland Kindleysides’ Kate Shepherd takes a look at multi-dimensional brand storytelling through the retail environment.

When online retailing emerged in the 90s, many predicted we would soon no longer wish to shop in stores at all. Today a very different future is taking shape. Physical retailing is flourishing and, according to eMarketer, 87 per cent of everything bought in the UK is purchased in-store.

Even Generation Z places high value on personal interaction. Although the digital world is all they have ever known, research by Innovation Group suggests they crave real, physical experiences as much as those who have gone before, with 67 per cent stating they would rather shop in stores than online.

The future of retail is a fusion of digital and physical, with bricks and mortar and online stores learning from each other and brands playing to the inherent strengths of each, creating a virtuous circle whereby all brand communications and experiences support one another. Naturally, the distinction is the sensory experience provided by an immersive and engaging physical environment that is entirely unique to the personality of the brand and store locality.

The role of the store is to reward the consumer with experiences they could never receive online; providing the very best opportunities for product test and try, enabling personalisation and social interaction, wrapped up in a store environment that is highly emotive and multi-sensorial. However there is a danger the pressure to entertain could lead brands to take it too far, with unnecessary gimmicks and gadgets.

Ultimately, the design must be guided by meaning and relevance; not only to the brand, but also the consumer. As designers, it is important to truly understand the mindsets and motivations of the target consumer. By looking at life through their lens, we are able to uncover a rich source of inspiration, as well as providing a valuable filter for our creative ideas. Equally, it is essential to understand the unique brand personality and values and to share these stories in the most imaginative and surprising ways.

We consider brand storytelling on a multi-dimensional level, as every element of the retail environment presents the opportunity to convey the personality of the brand. The most effective spaces have layers of detail; each with their own narrative. This approach engages all of the senses, stretching far beyond the obvious methods of communication to include touch, sound and smell; all of which evoke a deep emotional and intuitive understanding of the brand.

The Nixon brand story is shared in-store in a way that touches every sense; connecting the consumer to the spirit of the ocean and the sense of freedom in surfing the waves. We translated these feelings into physical and digital experiences, where watches are displayed on white ‘floats’ set into translucent blue glass, as if bobbing...
CAR RETAILERS NEED TO GET SMARTER

Alastair Duncan of the AutoNetwork gathers views on the changing role of the car dealer.

Nowhere is the experience economy writ larger than in the booming car market. 1,376,889 cars were registered in the UK between January and June, higher than the previous record of 1,376,565 in the same period in 2004. Despite this, our general view of car dealers remains stuck in a time warp, ranking them amongst estate agents and politicians on the trust level. What are they doing about it?

Pieny, say industry experts. Ross Sleight, chief strategy officer of Somo, sums up the challenge. “Customers no longer see the physical dealership as the only source of information. They are far more likely to research online, and benchmark prices on their own.”

It’s a complex business. Dealers have to predict how many cars they will sell a year and effectively buy these in advance. Car brands spend most of their money advertising desirability to attract new customers, yet bank customer loyalty too easily. It’s easy to see why customers feel left out.

Car manufacturers have to ensure three things, claims Sleight. “A multiscreen digital presence that engages through content, a shop pregnant with experiential technology, and to bring cars and digital experiences closer to customers in high footfall locations rather than wait for the customer to come to them.”

Sites like Autotrader and carkeys.co.uk already provide services to help people choose and compare models. And both Audi and Vauxhall have developed successful pop-up store approaches.

More systemic changes are needed, according to Mike Mulholland, managing director of Loyalty Logistix. “The focus is shifting from transaction to engaged customer experience, as manufacturers offer better rewards for loyalty and invest in retail as a proper extension of the brand.”

At the luxury end of the spectrum, brands like Bentley, Bugatti and Rolls Royce see their cars as a ticket to a lifestyle experience, where the sophistication of the machines is paramount. Ben Whattam, managing director of Kelso London, works with Bentley Motors and is, as you’d expect, discreet and succinct. “It’s not just about what you get with the ‘metal’, it’s about the access and engagement with the world that surrounds it.”

Luxury customers prefer not to be overtly sold to as, frankly, they are successful people used to making their own decisions.” A lesson for all car brands, perhaps.

Omid Hiwazi, chief marketing officer of Blippar, has the final word. “Consumers have more control than ever before and retailers must embrace this, taking models closer to the consumer and giving them more control of their entire purchase and ownership process.”

If someone ticks that all-important box, you don’t have their permission to talk to them. But if they trust you they won’t. To find out what people really think about sharing their personal data, and how to build their trust, download our free research report from

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BATTLE OF THE BUY BUTTONS
Social networks are fast developing new ways to help consumers buy products directly from their social accounts, as the world of e-commerce moves towards a socially led future. Katie McQuater explores what the hybrid of social commerce means for brands, and whether social networks can ever truly rival Amazon.

As sharing becomes the norm, social networks are incorporating e-commerce features to bring together consumers’ love of social with a love of shopping.

The appeal is obvious. Combining a highly engaged user base with e-commerce capabilities is attractive for brands, but are these evolving features likely to rival the likes of Amazon or remain purely as lucrative acquisition channels?

Most of the major social players have made recent strides in this area in a bid to attract further investment from brands. Facebook has expanded testing of its buy button following a deal with e-commerce platform Shopify, while YouTube has rolled out TrueView for shopping to allow brands to add product listings alongside video ads.

Another notable development in this space has been the recent announcements by Pinterest and Instagram that the visual content sites will add ‘buy button’ functionality. By marrying Pinterest’s active user base – predicted to reach 50 million in the US by next year – with brand partnerships including Macy’s and Nordstrom, the launch of buyable pins has the potential to establish the visual listing site as a shopping destination. The addition of the buy button will enable users to purchase items within the app, rather than directing them towards an e-commerce site. Brands looking to invest in socially led visual marketing may also turn their eye to Instagram, which launched a suite of new buttons including a ‘shop now’ option.

These developments are a natural progression for social networks, according to Shirley Yang, vice-president of social strategy at StyleHaul, a YouTube content network for fashion and beauty. “It makes sense because social commerce is based on trust, and social networks harness the opinions, reviews and endorsements on brands and products from people we follow. Twitter’s new Product Collections, for example, is betting on that trust; consumers are more likely to be engaged with a curated list of products by someone you follow than with a random brand. “Social networks also provide multi-way conversations between the brand, the customer, and the greater community. Its user base acts as built-in distribution for brand content. Soon we can look at a brand’s website almost as the product catalogue and the social platform is where the purchasing decisions actually happen.”

The further merging of social media and e-commerce raises questions over e-commerce giants like Amazon. Could these sites see their
“Affiliate traffic has always driven between 10 and 20 per cent of a retailer’s traffic and I think what’s happening with the likes of Instagram and Pinterest is just a morphing of that affiliate traffic from other content sites to these new visual oriented content sites.

“We now spend 80 per cent of our non-work online time being social – we are connected to people. We are minded to share,”

According to Lask, social is a mindset rather than a destination, and brands should focus their efforts on tapping into consumer connectivity through social.

“We have not remotely, according to Gideon Lask, chief executive of social commerce technology company Buyapowa, which works with brands including Tesco, O2 and Sony.

Social networks should stay true to their purpose, according to Stuart McLennan, head of paid social at iProspect, who doesn’t see them rivaling Amazon anytime soon. “That’s not to say they are not strong platforms from an e-commerce perspective. We’ve seen some really strong results from this channel with a wide range of brands. I don’t think they’ll be...
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"Affiliate traffic has always driven between 10 and 20 per cent of a retailer's traffic and I think what's happening with the likes of Instagram and Pinterest is just a morphing of that affiliate traffic from other content sites to these new visual oriented content sites.

"We now spend 80 per cent of our non-work online time being social – we are connected to people. We are minded to share, so how does a retailer tap into that connectivity mindset? Simply put, putting a buy button on a Pinterest page or an Instagram feed doesn't do that remotely."

Consumer behaviour may also lag the networks' developments in this area, as buying directly from a social platform may create trust issues for consumers, who are used to purchasing from established e-commerce sites.

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The agency recently worked with one of its clients, a fashion brand, to trial Twitter’s ‘buy it now’ functionality, which showed that the cost per sale for buying directly from the social platform was very high. "The trial suggested to me that there is a reluctance from the consumer to buy direct from the platform. They want to go to the e-commerce site and browse," adds McLennan.

One social network circumventing this issue is The Net Set, Net-a-Porter's social shopping app, which allows consumers and brands to upload and share content which is then available to purchase, via a couple of clicks, through Net-a-Porter's e-commerce infrastructure. The app uses image recognition technology to scan uploaded content and then display items from Net-a-Porter that most represent that image, making the content shoppable.

According to Sarah Watson, vice-president of social commerce at Net-a-Porter, social networks looking to harness the power of e-commerce will either need to partner with an e-commerce player, or create their own.

"What social networks have is the audience and they've built the community, and what retailers have is the e-commerce infrastructure. We're coming at it from the other angle – we already have the e-commerce infrastructure and we're just building the social layer on the top."

With social platforms developing products geared towards driving e-commerce sales, it's clear they see value in helping advertisers drive revenue. From an expertise perspective, the merging of the two channels also creates a need for better education within agency teams and social media managers.

As social becomes a serious contender in e-commerce terms, its previous perceptions need to be overcome for social commerce success to prevail, according to Lask.

"If social is looked after by brand creative people it's just written off as something fluffy and if the trading people look after it, it's just used as a hard acquisition channel," says Lask. "And actually it's a hybrid, just as email was a hybrid."
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AGILE ADAPTORS

The past three years have seen a surge in retailers investing in innovation hubs, but why? The Drum’s Jen Faull takes a look.
The past three years have seen a surge in retailers investing in innovation hubs, but why? The Drum’s Jen Faull takes a look.

**Adaptors**

John Lewis is one of many high street businesses that has embraced innovation through the introduction of its startup incubator JLab. The 150-year-old bricks and mortar retailer was faced with the challenge of catering for the digital needs of its customers while still managing to get on with the daily business. The solution? Bring in the startups.

“As a business there’s no shortage of ideas internally,” says innovation manager John Vary. “But there are so many companies doing new things, creating new technologies, new software, new applications. We just wanted to be a part of that.”

Last year, the programme – which promises £100,000 funding plus mentorship – attracted 165 applications. This year 183 applied. After pitching, five are chosen to enter the incubator before one is selected to work with John Lewis.

The cliché of startups fostering a ‘fail fast, learn fast’ attitude to innovation is no different for John Lewis. But beyond that, Vary says opening up the business to startups has encouraged its own partners to pitch their ideas as well as attract new talent. “As a business there’s no shortage of ideas internally,” says innovation manager John Vary. “But there are so many companies doing new things, creating new technologies, new software, new applications. We just wanted to be a part of that.”

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Last year, the programme – which promises £100,000 funding plus mentorship – attracted 165 applications. This year 183 applied. After pitching, five are chosen to enter the incubator before one is selected to work with John Lewis.
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THEDRUM.COM/DOITDAY
Westfield is facing a rather different problem to the likes of John Lewis and Argos. The retail behemoth operates 40 malls around the world housing over 7,000 retailers, which are visited by over 430 million customers each year. But its need to innovate remains the same.

“The management team realised early on that the consumer was changing and it was a real opportunity for Westfield to think about mobile differently,” says Kevin McKenzie, global chief digital officer.

In a bid to better connect its retailer and shoppers through technology, McKenzie set up Westfield Labs, which comprises a team of about 60 people based in its San Francisco mall. It has worked with startups on a number of projects, but the most significant investment to date into fostering collaboration is the creation of Bespoke.

“In San Francisco there are a lot of startups innovating around retail technology and so we decided to create a co-working facility where they could be in a shopping environment, build products, and test them in front of real shoppers,” explains McKenzie.

The Bespoke space sits in the fourth floor of a mall that gets 20 million visitors a year. Conference rooms convert into shop fronts while huge screens in the common area of the mall allow startups to demonstrate ideas in the real world within hours of creation.

“We made a decision that we weren’t going to wait for retailers so we’re in an interesting position to innovate and to share that knowledge,” McKenzie explains. “We can’t build the technology ourselves so we work with startups, invest in them and plug their technology into our platform.”

It’s clear, then, that no matter how retailers choose to work with the startup community, if they open themselves up they have everything to gain from greater agility and new ideas to help with navigating their relentlessly evolving business models.
From no-age-statement whiskies to chocolate libraries, blown-glass to NFC geese, our notions of luxury are changing, as Gina Lovett finds out.
Every generation needs a new revolution. As social, economic, political and cultural circumstances evolve, so too do our aspirations, our notions of luxury. What’s luxury for one generation is not necessarily luxury for the next.

White glove service and must-have designer logos may have been markers of status and affluence for baby boomers, but exactly what constitutes luxury for today’s millennials is still largely unknown. With rising incomes and global sector growth, a greater number of people can access luxury goods and reports predict that the number of luxury consumers will rise to between 380 million and 500 million by 2020. The word ‘luxury’, however, is so overused that it is applied to the marketing of everything from bread sauce to toilet roll. Indeed, when luxury is commonplace and as accessible as never before, can it still be luxury? How do luxury brands maintain aspiration?

The shuttering of diffusion lines including Michael by Michael Kors and Burberry Sport signals a return to core product across the luxury fashion sector, says Kate Waddell, global insight and innovation director at Dragon Rouge. “The big thing watered down is no longer good enough. Consumption, though, is less conspicuous, and more mindful in the sense that millennials need to be able to justify their luxury purchasing in terms of investment in health, wellbeing or security. This is about getting permission. They need to be able to say what the benefits of the product are, that there is value beyond the product itself.”

In addition, anytime, anywhere access to information, review and opinion means consumers are much better equipped to make informed decisions and have greater self-direction. Brands have to do as they claim – the conventional notion of provenance as a record of brand lineage is not enough to engage millennials.

The idea of luxury across society has transitioned from the material to immaterial, says Jana Scholze, curator of contemporary furniture at the Victoria & Albert Museum, and the curator behind its summer blockbuster, What is Luxury?

Luxury still embodies preciousness, but this is found in experiences, rather than products. “If you don’t have time, for instance, product becomes irrelevant,” she says. “Interestingly, our research with the Leverhulme International Network on luxury found that the younger generation is increasingly skeptical of big global brands – especially in Asia. There is renewed interest in artisans and local producers because people can have a connection.”

Against this backdrop, brands are tuning into ways of connecting with consumers through experience, by disrupting classic ideals and by creating a sense of ephemerality. Manhattan retail concept Story
embodies this approach. Set in a 2000 sq ft space, Story merges media and gallery to reinvent design and merchandise every four to eight weeks, curated by a particular theme, trend or issue. Other luxury experiences such as the Selfridges Chocolate Library incorporate learning and experimentation. The specially curated environment justifies the 100g bars with £10 price tags. Across the drinks sector, brands like Macallan or Suntory whisky are disrupting classic ideals. Macallan’s 1824 range navigates by liquid colour rather than vintage, while Suntory has launched no-age-statement whiskies from its Yamazaki and Hakushu distilleries.

Mulberry and Hermès have offered consumers the chance to experience the skills associated with the brand through workshops or craft days. Festival Des Métiers at the Saatchi Gallery in 2013 was an insight into the craftsmanship of Hermès. Visitors queued for hours to see a silk scarf painstakingly screen-printed. The exhibition toured from Beijing to London, putting the brand in a gallery context, boosting its cultural credentials. Similarly, the Mulberry Loves Craft tent at Wilderness festival last year was a hugely popular workshop, where festivalgoers could customise a Mulberry leather armband.

Chanel’s recent partnership with the Ritz Paris to open a Chanel-branded spa – homage to one of its most famous residents – illustrates how even more experiential possibilities emerge when working with synergetic brands. This approach is core to private jet firm Fly Victor’s offering. It recently partnered with motorsports event The Run To Monaco, flying participants to and from an exclusive five-day trip, encompassing bull jumping, Michelin-starred dining, outdoor DJs, single-seater motor racing, partying aboard a yacht and, of course, the Grand Prix. “It’s these sort of extraordinary experiences and special moments that consumers are seeking. We want to be at the heart of putting these bespoke experiences together,” says Dan Northover, chief marketing officer at Fly Victor.

Fly Victor is also interesting as it provides a service that gives freedom to the customer, letting them be in control of their schedule, says Paul Vallowis, managing partner at Partners Andrews Aldridge, whose dedicated luxury division Cocoon boasts clients including Alfred Dunhill and Rolls Royce. “Luxury consumers very often don’t want the material commitment,” he adds.

Investing in service and experience also has wider benefits in that it generates more authentic and
enriching content that can be used to bolster digital presence. While e-commerce is important, for luxury brands the digital experience is less about hard sales and increasingly about building community. The personalisation, personal interaction and exclusivity that some luxury brands are built on can be difficult to replicate online.

“Digital channels are a means of creating buzz, a means of becoming part of something,” says Dragon Rouge’s Waddell. She refers to Grey Goose’s campaign with French skiing resort Courchevel 1850 earlier this year as a particularly elegant use. The exclusive après-ski cocktail experience was mastered through a discrete, personal digital silver goose pendant invitation, unlocking selected venues and VIP experiences. Drinks and preferences were loaded onto the NFC enabled pendant as part of the brand’s venture into the internet of things.

Luxury is something that economists, historians and cultural theorists, as well as marketers, have dedicated much time to understanding. But what the future holds is perhaps a much deeper discussion on priorities and values, the V&A’s Scholze predicts. Though luxury is now less material, people are still consuming goods. Access to products and resources is taken as a given, rather than a luxury.

“But there’s a back story to all of these products, for instance with electronics and rare earth minerals,” says Scholze. “One of the pieces we wanted to put in the show but didn’t have room for was a project about water. Water is so vital to life, yet so cheap. That’s what’s strange about economics: we tend not to value the things we really need. This raises some difficult political, social and ethical questions. Perhaps this will be the next generation’s new revolution."
As Apple Pay launches in the UK, with the potential to change the landscape for retailers, Catherine Turner explores how forward-thinking payment innovation is changing shopping as we know it, and how brands can capitalise on contactless.
Nine months after Apple Pay launched in the US, the tech giant is rolling out its digital wallet internationally, beginning this month in the UK.

Apple Pay launched as this issue was going to print, with some 250,000 locations including Marks & Spencer, Waitrose and Boots stores accepting it. Analysts predict faster adoption rate among merchants here, for it and its rivals (including Barclaycard bPay and the mooted Android Pay) because of the UK’s more mature in-store contactless ecosystem.

In fact, the UK is regarded as the contactless capital of the world, especially since Transport for London (TfL) introduced contactless payment across its network in September last year.

“As a country, both from consumer and retail perspectives, we have adopted both chip and pin and contactless quickly,” says Spencer Izard, head of Europe at IDC Retail Insights. In a recent IDC consumer survey, a third of UK shoppers used contactless to pay in the last year alone.

According to the UK Cards Association, contactless payments rose 331 per cent year-on-year in 2014, with the public making 319m contactless transactions with a total value of £2.32bn using the technology.

Apple’s technology is not new; there are several smartphone apps and services including Zapp and Moneto that allow mobile payments on compatible point-of-sale readers. However, industry watchers believe the hype surrounding Apple Pay, along with others’ high-profile marketing campaigns, ease of use and a willingness to trust such services, will drive further adoption amongst consumers and retailers.

Thomas Husson, Forrester Research’s vice-president and principal analyst, says: “Innovation in the mobile payments space is not about payments but the ability to add services before, during and after transaction. Payments fade in the background and the app becomes an engagement platform.”

He predicts adoption in the UK to be faster, not only because of more mature near-field communications (NFC) and contactless ecosystems. There is also no consortium of retailers such as MCX withCurrentC, led by Walmart, launching a competing offering, while the inclusion of TfL as a partner is a way to “raise awareness and accelerate daily usage”.

Ron Kalifa, Worldpay’s deputy chairman, says: “As with any new technology, it can take the actions of a major player to force the tipping point. TfL’s decision to enable contactless payments across its network played a significant role in bringing the technology into the mainstream. Supermarkets have also proven effective standard bearers for ‘tap and go’, accounting for 44 per cent of all contactless transactions.”

Further, Apple will benefit from a larger installed base of compatible devices and from the awareness created by the media buzz from the US launch.

Though the most high profile of the new breed of digital wallets, Apple is far from alone in wanting to own this space. Barclays, the only major UK bank not throwing its hat in with Apple Pay, this month launched the next phase of its own contactless system – bPay – backed by a multimillion pound marketing campaign including a takeover of TfL’s website.

Consisting of a digital wallet linked to one of three devices – a wristband, fob or sticker – bPay can be used for transactions up to £20, rising to £30 when the contactless payment limit is increased in September.

As well as shoppers and commuters, the devices are targeted particularly at fitness fans to allow them to leave their cards and cash at home, and parents wanting to give their kids holiday spending money. For the first time, consumers will also be able to buy a Barclaycard product on the high street, with select Snow+Rock outlets selling devices from August.

At launch, Mike Saunders, Barclaycard’s managing director of digital consumer payments, said: “We’re in the midst of a sweeping change in the way we pay, with cash-dominated transactions being replaced by ‘touch and go’ contactless technology that has made it easier, safer and faster to make low-value payments.”

It may well have one early advantage over Apple Pay – that of trust. According to data from Forrester, 27 per cent of UK online consumers owning an iPhone would trust Apple to provide a mobile digital wallet, but they are still more likely to trust PayPal (43 per cent), a bank (41 per cent), credit card network (40 per cent) and Amazon (32 per cent).

The new payment players must also get retailers on board. “Apple Pay needs merchants more than merchants need Apple Pay,” adds Husson. “So Apple still has to demonstrate the added value it will bring to merchants, such as better experience, faster checkout and incremental revenues.”

The UK’s mature contactless infrastructure holds it in good stead. Izard says many retailers already have payment devices with the necessary hardware to interact with this new technology. “For the vast majority of retailers it will be a simple case of a software update, if at all,” he says. “Whether a retailer is a small local or large international, the payment device is the gateway.
to ongoing technology innovations in this space.”

Apple Pay has been designed so that it can be embedded into websites, allowing Apple to provide the easiest touch point between customer and purchase, and Google is expected to take the same approach with Android Pay. This may, says Izard, marginalise other payment technologies that don’t have direct access to consumers in the way mobile device companies do. He urges retailers to purchase payment devices with NFC capability, and a software platform that can be easily updated is core to taking advantage of ongoing innovations led by mobile devices, whether Apple or Android-powered.

“I foresee, in the next three years, that a consumer’s mobile device will become the primary payment device due to technologies like Apple Pay, which will reduce the need for retailers to have traditional point-of-sale devices, because every consumer mobile will become a personal POS device.”

It’s something Paul Armstrong of emerging technology consultancy Here/Forth concurs with, pointing to Stripe and Jack Dorsey-backed Square Register, which allow even small retailers to run a modern POS system easily and affordably.

At its recent Worldwide Developers Conference, Apple announced a partnership with Square to provide US merchants with a cheap (or free for the first 250,000) card reader designed to allow small businesses to take Apple Pay payments as well as credit card chip payments, but not card swipes.

Meanwhile, Samsung recently acquired LoopPay, which turns card magnet strip readers into contactless payment receivers, allowing retailers to accept mobile payments without changing existing terminals – a strong signal it too is readying a digital wallet launch.

Kalifa warns that such a groundswell of activity means that retailers who fail to embrace the technology will be left behind.

He says that fears over security are mostly misplaced. Retailers who haven’t upgraded their POS technology should do so now, and the cost of entry will continue to fall and the ease of entry rise as new NFC mobile device payment players enter the market.

For him, contactless is a “no-brainer” for businesses processing significant numbers of low-value transactions. Smaller businesses in key sectors such as hospitality, food, entertainment and retail are grasping the commercial benefits. Portable battery devices with mobile contactless and wearable tech will become the norm, with higher value contactless transactions adding further impetus and growth.

“We are definitely moving towards a cashless future. It is about frictionless payments and removing barriers. The train has left the station and the adoption numbers are impressive.

“2016 is the year this puppy gets fat fast.”

“WE ARE DEFINITELY MOVING TOWARDS A CASHLESS FUTURE. IT IS ABOUT FRICTIONLESS PAYMENTS AND REMOVING BARRIERS.”

DENMARK: THE WORLD’S FIRST CASHLESS SOCIETY?

In May this year Denmark announced its intention to allow petrol stations, clothing stores and restaurants the option to stop taking cash payments. Its central bank has already stopped printing notes and minting coins.

The measure, which could be implemented as early as January 2016, aims to make it easier to do business in the country and boost economic growth – cash payments, says finance minister Bjarne Corydon, “involve considerable administrative and financial burdens”. Transaction costs, as well as crime, go down when physical currency is eliminated, he says. Grocery stores, dentists, doctors, post offices, hospitals and nursing homes, however, will be excluded from the proposed new rules.

Almost a third of the country’s population already use an official Danske Bank MobilePay app, linking smartphones to other users’ devices or sensors at the till, allowing users to confirm payments with a swipe of the screen.
DISCOUNT DAYS

PRIMED FOR PURCHASE
Following the launch of Amazon’s Prime Day this July, The Drum takes a look at the increase in popularity of major retail events such as Black Friday, and asks what brands can do to capitalise on these discounting days without striking rage into the hearts of shoppers.

2014’s Black Friday, the American day-long pre-Christmas shopping period which emerged in the 1980s, was a game changer. That was the year the craze was fully embraced both sides of the Atlantic for the first time, with news footage of Black Friday carnage offering some genuinely shocking moments. Despite the scenes, sales at the likes of Tesco, Curry’s, John Lewis and Argos reached around £850m as shoppers ravenously scooped up, and in some cases wrestled for, goods and clothing.

Amazon, however, saw even more potential in the trend and took advantage of the success Chinese rival Alibaba enjoys with its Singles’ Day (which tops sales of over $80bn), was far from content to merely share the $2.4bn raked in during Black Friday.

In response, Amazon this month announced ‘Prime Day’ in a bid to outdo Black Friday and Singles’ Day, with the promise of thousands of items on sale. The deals on 15 July were only available to its Prime members in an attempt to recruit new sign-ups with the promise of thousands of items on sale. The ‘Prime Day’ in a bid to outdo Black Friday and Singles’ Day, with the promise of thousands of items on sale.

“15 July is usually not a particularly remarkable day so it is unlikely to have the volume of a Cyber Monday. And we don’t even really have any evidence that this day will be ‘anniversaried’ and carried into the future; it’s possible but I don’t know that we can count on it.”

ERODING CONSUMER TRUST

While Black Friday’s November event is far enough away for most retailers to opt not to share their plans, the recent tactics of Amazon and Alibaba indicate that it is likely they’ll up their game in an attempt to stand out in a crowded market. One method, speculates eBay’s head of business development Enda Breslin, could be to take a staggered approach to discounting, spreading them over days, hours, or even weeks.

“We could have smarter collaboration between channels, creating different offers for online or in-store purchases,” he predicts. “This can lead to more streamlined stock management while creating a buzz around customers that could spread to social media.”

However, in the UK, lessons need to be learned from 2014 after many retailers, including Debenhams and Marks & Spencer, were criticised for failing to adequately prepare for the demand from shoppers and the pressure on logistics which had far-reaching consequences over and above delivery issues.

“This is not just a question of missing deliveries and taking a hit to the bottom line; retailers may find that their fulfilment failings caused substantial damage to their reputation in consumer trust as their ability to meet demand during peak periods was eroded,” adds Breslin, who says that transparency and collaboration should run across the business when planning for Black Friday.

“Setting up a cross-departmental ‘peak planning board’ should be every retailer’s first move this summer, beginning in mid-July at the latest,” he advises. “All planning should allow for the knock-on effect to other departments; the impact of changing marketing offers on warehouse operations, for instance. To ensure that these promotions are resourced with adequate warehouse staffing levels and layouts requires plenty of cross-departmental communication, which should be facilitated by a team that reports directly to the board.”

THE DARK SIDE OF RETAIL

There’s another pitfall at play too, which could see retailers, including Amazon, risk becoming reliant on major events and discounts to retain custom, leading shoppers to become focussed on price over product.

“I think the bigger ‘dark side’ for Amazon is that they in fact are going to the dark side of retail altogether,” says Mulpuru-Kodali.

“Amazon has generally been able to avoid being overly dependent on sales and high-low promotions. It usually has ‘everyday low prices’ and free shipping. If this day is particularly successful, it will likely have more sale days, and risk sliding down the same slippery slope that virtually every other retailer in America has slid down – that of constant sales which it can’t stop because it is dependent on them to make its numbers”.

Brands should also consider whether a strategy that relies heavily on discounting is sustainable for their business. As Ian Horsham, divisional director of promotions and incentives, The Grass Roots Group, explains, discounts should only be used as part of a short-term approach.

“Cutting prices to induce consumers is not the most beneficial tactic for businesses that pride themselves on the value of their products and could impact on the long-term brand value, as well as reeling in fickle customers who may disregard their ‘loyalty’ if they spot a better bargain elsewhere.”

“RETAILERS MAY FIND THAT THEIR FULFILMENT FAILINGS CAUSED SUBSTANTIAL DAMAGE TO THEIR REPUTATION IN CONSUMER TRUST.”
Millennial Media is the leading independent mobile marketplace, making mobile simple for the world’s top brands, app developers, and mobile web publishers. Our unique data and technology assets enable our clients to connect with their target audiences at scale.
Even supermodels aren’t spared the judgements women are subjected to every day, as highlighted by Under Armour in its empowering Cannes Lions-winning ‘I Will What I Want’ campaign. Minda Smiley finds out more about what inspired the ad and why a sports apparel brand and retailer chose a model to represent it.
Imagine being criticized by strangers while trying to get through a workout. That’s exactly what happens to supermodel Gisele Bündchen in Under Armour’s ‘I Will What I Want’ video that launched last autumn. As Bündchen kicks and punches a large bag, real life social media comments, posted in response to her signing with Under Armour just days earlier, are projected on the walls around her, saying things like ‘stick to modeling sweetie’ and ‘she’s old’.

Compared to Under Armour’s other athletic stars including ballerina Misty Copeland and soccer star Kelley O’Hara, Bündchen may seem an odd choice. But as the company aims to increase its appeal to women, Bündchen helps bring a fresh perspective to the brand as it branches out further into the health and fitness space in addition to sports.

Creative director of Under Armour’s women’s business Leanne Fremar says that although Bündchen was an outsider pick, the company was looking for an amazing group of women to represent the brand for the ‘I Will What I Want’ campaign. Each had to be distinctive in their own right. “I really believe Gisele adds an incredible dimension to our women’s brand and is also someone that was absolutely right to tell this story,” she says.

And to help tell her story, Droga5 went beyond just the usual spot. In addition to the video, the agency created a web experience called ‘Will Beats Noise’ that shows a film of Bündchen working out as real-time social commentary streams in.

“Internally, there was a lot of discussion around creating something that really was going to live in the digital and social sphere and not be a traditional television spot or follow the playbook for a traditional sports campaign,” says Fremar.

When it came to executing the ad, the film ended up a direct illustration of the campaign strategy, which is all about encouraging women to go after what they want without waiting for permission, advice, or affirmation from others, according to Droga5’s Felix Richter.

“It was really all based on the fact that in culture, there’s this huge debate on how to be today as a woman and there are all these contradicting pressures and opinions,” the creative director says. “It’s very hard for women to just be without having to constantly feel like they are not doing right by someone else’s standards.”

To illustrate that point, the creative team decided to juxtapose throwaway online comments against an actual human being exerting herself while she ignores the commentary around her. They used her status as a celebrity to amplify the contradictory opinions that are cast upon women everywhere – whether it’s being called too skinny, too old or too built.

“Where these opinions exist for every woman, for Gisele they are very visible because every day there are thousands of people that say something about her and tell her how to live her life,” Richter says.

“Most people know her as the supermodel character but she does a lot of other things. She is super athletic and the workouts she does are super tough. In addition to that she is a mom and a top business woman, so as a person she stands for the idea of somebody who doesn’t ask for permission and lives life on their own terms.”

Production company Active Theory worked closely with Droga5 and VFX company The Mill to create the appearance of comments on the walls surrounding Bündchen. For the film, The Mill went on set to map out the space and recreate it in a 3D environment. Once the comments were added in, they were angled to interact with the 3D walls.

Based upon that, Active Theory created an algorithm that could take comments from different websites, pull them in, vet them, and project them in real-time onto the site.

The creatives at Droga5 wanted the film to have an honest, raw feel to it. The inspiration behind the film initially came from ‘Through the Night Softly’, a piece of performance art from the 1970s created by Chris Burden, where the artist bought commercial time on a local TV channel and aired a short clip showing him with his hands bound behind his back as he crawls over glass. There is no music or additional effects.

“We thought that this sort of very neutral and very objective approach could fit conceptually and also be emotionally very powerful,” Richter explains. Since the film was all about juxtaposing the negative comments on the walls with Bündchen’s positive energy, he says the creative team didn’t want it to be skewed in anyone’s favour, which led them to choose a neutral
with Droga5 and VFX company The Mill to create the idea of somebody who doesn’t ask for permission and lives life on their own terms.”

Gisele is tough. In addition to that she is a mom and a top super athletic and the workouts she does are super character but she does a lot of other things. She is called too skinny, too old or too built. There are thousands of people that say something about her Gisele they are very visible because every day there is this huge debate on how to be today as a woman and there are all these contradicting pressures she has to face. It’s very hard for women to just be without having to constantly affirmation from others, according to Droga5’s Felix Richter.

“Where these opinions exist for every woman, for Gisele they want without waiting for permission, advice, or execution with no lighting, music, cuts, or make-up. Creative director Alexander Nowak was surprised that both Bündchen and the brand were pleased with the unorthodox idea.

“We thought that it would be amazing but we were actually really positively surprised that both the client and Gisele were excited about it because it is very different. It’s very unpolished,” he says.

According to Nowak, Bündchen understood exactly what they were trying to achieve from the start and was easy to work with compared to other high-profile celebrities.

“Gisele was really, really amazing throughout the whole thing. She was completely up for having these harsh things about her projected in the room. She really pushed herself as well.”

While the ad has been successful in marketing and advertising circles (it recently won the Cyber Grand Prix award at Cannes Lions) what’s most important to Under Armour is that consumers have responded positively to the campaign and it has helped drive sales. According to Fremar, unaided awareness for the brand is actually higher now among women than men for the first time in the brand’s history.

A second part of the campaign is set to launch at the end of this month.
I DEVOUR

USELESS

MEETINGS.


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*Brains have a mind of their own* by JWT Melbourne for Beyondblue
Beyondblue has become the first not-for-profit organisation in Australia to advertise on Snapchat with the ‘Brains have a mind of their own’ campaign. Created by JWT Melbourne the animations depict a world where teenagers are constantly disrupted, harassed, annoyed, distracted and provoked by their own brains.

Illustration and animation: Ben Ommundson
Media: MediaCom
JWT Melbourne: Beyondblue ‘Brains have a mind of their own’

Beyondblue has become the first not-for-profit organisation in Australia to advertise on Snapchat with the ‘Brains have a mind of their own’ campaign. Created by JWT Melbourne the animations depict a world where teenagers are constantly disrupted, harassed, annoyed, distracted and provoked by their own brains.

Illustration and animation: Ben Ommundson

Media: MediaCom

Kathy Lees: Marks & Spencer ‘El Sabor Libre’

Kathy Lees has created the design for Marks & Spencer’s El Sabor Libre, a line of organic, Mexican-inspired burritos, gazpacho and lime-infused water. The design features bright, illustrated faces of Mexican wrestlers and ingredients central to Mexican cooking like lime and peppers.

Designer: Kathy Lees

Adam&EveDDB: Lloyds Banking Group ‘Horse Story’


Jada Balster, marketing director EMEA, Workfront

Adam&EveDDB has really outdone itself this time with a moving advert to celebrate the 250 year anniversary of Lloyds Bank. ‘Horse story’ takes a series of heart-warming scenes showing our equine friends supporting the needy and vulnerable throughout the past two and a half centuries. The ad aims to show how the bank has been by customers’ sides “through good times and bad” – and whilst it may take a lot more time for banks to gain back the trust they lost during the “bad” times of the recent banking collapse and bailouts, this beautiful advert is a good way to start and will touch even the most cynical.
Arnold: New Balance ‘The Storm’

Arnold has created New Balance’s motivating spot ‘The Storm’ which sees a young woman running up a hill. As she’s about to reach her limit a flurry of athletes envelop her and spur her on to push out of her comfort zone. Filmed across three continents, the advert features 17 of the brand’s sponsored athletes including Jenny Simpson and Miguel Cabrera.

Executive creative directors/managing partners: Pete Johnson, Wade Devers  
SVP creative director/copywriter: Greg Almeida  
SVP creative director/art director: Travis Robertson  
Executive producer: William Near  
Assistant producer: Patrick Carney
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Executive producer: William Near
assistant producer: Patrick Carney

Publicis Dublin: Irish Rail ‘Urban Travel Dictionary’

Publicis Dublin has coined some new words for a suite of fun print ads for Iarnrod Éireann [Irish Rail]. The concept was designed to get people to reflect on their social behaviour on public transport and #GiveUpYourSeat to those in need.

Account manager: Karen Austin

RKCR/Y&R: Camden Lock Books ‘Rekindle Your Love of a Real Book’

RKCR/Y&R’s print campaign encourages customers to rekindle their love of ‘real’ books by visiting Camden Lock Books, located in Old Street Station, one of the capital’s most well-known independent book shops. The creative focuses on the advantages of real books over e-books such as ‘You don’t have to turn off a book before take-off’.

Executive creative director: Mark Roalfe  Creative director: Tim Brookes  Art directors: Tim Brookes, Lee Aldridge  Copywriters: Tim Brookes, Phil Forster  Photographer: Andy Green  Illustrator: Punkture  Typographer: Lee Aldridge
Kameleon: Volvic
‘Marcus Butler takes on Tough Mudder and The Unstoppables’

Volvic challenged YouTube superuser Marcus Butler to ‘Unbottle his Unstoppable’ and take on Tough Mudder 2015. His gruelling journey was captured by Kameleon for the Volvic Unstoppable Volcanicity YouTube channel documenting every move through the 12-mile obstacle course. The content is part of a larger integrated campaign around Volvic’s Tough Mudder partnership, with the Unstoppable message being promoted across multiple channels.

Creative director: Alex Kemp
Director: Marcus Jones
Director of photography: Mark Hammond
Executive producer: Steve Butterworth
Head of production: Melly Cook
Ordinarily, this is not the kind of idea I would go for. The story of a family conning their gullible yet penny-pinching neighbour at a yard sale would seem like a one-off joke that would get stale with the retelling.

But in fact, the opposite is true. These spots get funnier because it is the same joke told over and over and they are even better when viewed as a series. Just how many times can the world’s most duplicitous suburban family get away with the same trick? How many times will Herb’s avarice override his common sense? And just what else is in that fanny-pack?

Truly offbeat casting, oddly whispered product benefits and an endearingly strange end-treatment all add up to a campaign that stayed with me longer than I expected. Nice, unexpected work from a category that isn’t exactly known for comedy commercials. I look forward to the next instalment.
Ahead of The Drum’s Retail Breakfast, in association with Intermarketing Agency and Rakuten Attribution, we take a look at some of the key issues set to be discussed around the future of retail.

Even as the UK government looks to allow local councils to repeal Sunday trading laws so larger shops can open for longer, there is a very real sense that the country is already a nation of 24/7 shoppers.

Advances in e-commerce from retailers’ websites and online market places, supply chains, distribution centres, payments security and data collation and analysis, coupled with the proliferation of broadband usage and smartphone penetration, has led to a new breed of shopper. And the effects aren’t just being seen online.

Today’s consumers want what they want, when they want it, be that in-store or online, and retailers are having to rethink the way they interact with, and market to, them.

No longer does the customer always start in-store and buy in-store, or on the PC from viewing to basket; they switch seamlessly between multiple devices to research, review and order products, electing for delivery, click-and-collect or reserving in-store. The possibilities and permutations are many and growing.

Technology underpins this changing reality from the high street to e-street, and the savvy retailer, say experts, is one that understands an ‘omnichannel-plus’ world where the consumer is at the heart of the exchange.

As James Collins, managing director of Rakuten Attribution, explains: “The future of retail really depends on the consumer these days. It is much more of a consumer-led experience and retailers must acknowledge that.”

He says Rakuten, which works with brands including House of Fraser, sees two to three different devices being used in every sale, with mobile a part of over half of online transactions.

It is a “matrix-like” relationship, where retailers must ensure that the complex interplay between its systems works seamlessly on- and offline.

Jamie Allan, managing partner of full service agency Intermarketing, concurs. However, he warns that “a lot of people talk about omnichannel but can’t deliver”.

Mobile is becoming ever more important and brands and retailers must nail their mobile and tablet sites, many of which are lagging behind customer habits.

Advances in mobile payments, such as Apple Pay, will only drive consumer adoption upwards. The mobile, that most personal of devices, is fast building a bigger bridge between the physical and digital shopping experience.

If the journey to point of sale is changing then so too, dramatically, is point of ‘possession’. Collins says that Argos pioneered the click-and-collect model, central to a customer-centric approach, with retailers including John Lewis (in partnership with Waitrose), Amazon and Tesco following suit.

The days of lugging bags of shopping around town could equally be changing. Already centres such as Westfield in London allow customers to have their purchases from around the mall stored for collection, whilst Allan points to a recent test between Audi, DHL and Amazon, which saw purchases delivered to an owner’s car boot, ready to be driven home.
Amazon’s Prime Now allows those in central London to purchase and receive goods within an hour, whilst other retailers are investing in lockers at prime commuting sites such as Tube stations. Retailers including Oasis and Argos meanwhile offer almost instant delivery in London through eBay-owned Shutl. Its fastest delivery stands at 13.57 minutes. Drone deliveries are no longer viewed as science fiction but retail future.

Exciting times, but as Allan cautions: “The reality of click-and-collect or delivery does not always live up to the promise.” He points to problems around mega events such as Black Friday where fulfilment still often falters. “If the customer experience isn’t there, if you haven’t delivered on the promise, then trust and brand equity is at risk.”

Collins adds: “It’s not just buying the product – it’s delivering on time, packaging to ensure the product isn’t damaged, where they leave it if you’re not in. These are all pitfalls for retailers who don’t get it right.”

Data will continue to play an important part of tomorrow’s retailer. Rakuten helps retailers optimise their marketing to make it more effective by collecting data from in-store, online and retailers’ CRMs to help understand the customer experience and pinpoint the sort of customers they are and the value of those customers. Collins says the future in his world is about getting quicker and smarter.

For instance, if the data that a potential customer has hovered on a particular product several times but hasn’t purchased then real-time offers could make the difference to cementing that sale. Likewise, a customer walking past or through a store could be sent a message offering 10 per cent off.

Intermarketing has started trialling such initiatives through Bleacon technology with some of its clients. Offering real time information and offers is undoubtedly a customer boon but retailers must beware – if such messaging becomes intrusive and detracts from the experience then users will switch it off.

Retail activation in all its forms is growing more sophisticated with technology. A recent Intermarketing project with Adidas saw smartphone users able to interact with a shop window display celebrating Stan Smith – the athlete and the trainers named after him. The agency is now looking at how it can utilise 3D technology such as Oculus Rift for retail brands and recently launched what is believes is the world’s first digital video label for Adidas. The battery-powered label shows a 30-second film on a tiny embedded screen.

“Surprise and delight,” Collins says, however big or small the brief. Surely the ambition for forward-looking retailers everywhere, and one where the innovative use of technology, data and good old-fashioned customer fulfillment are key.

The Drum’s Retail Breakfast takes place on 29 July at our Shoreditch offices. Join online and high street retailers, brands and agencies as they offer fantastic insight into the retail space. Contact daniel.morris@thedrum.com for more information.
Having spent the bulk of his career as a marketer within the online gaming industry, Robert May, in his role as UK managing director of PhotoBox, is now tackling the diverse challenges of online retail. The Drum Network’s Michael Feeley finds out more…
Robert May hasn’t always worked in the online retail sector. After graduating from Edinburgh University in 1996, he joined Camelot, the UK’s National Lottery operator, where he spent the next 14 years in a variety of marketing roles.

He recalls: “The beauty of working for a smaller company like Camelot was that, if you put your hand up and were keen, you were given the chance to work in different areas.”

As a result, May took on a succession of posts that saw him launch the National Lottery online and on mobile, establish Camelot’s scratchcard and Euromillions offerings, and play a key role in the bid team that secured the UK lottery franchise for Camelot until 2019. In his final role for the company, May even acted as a consultant to the then governor of California, Arnold Schwarzenegger, who was looking to revitalise his state lottery.

Sports betting brand Betfair was the next move for May, which, in turn, led to an interim marketing director post at Betfair, who acquired Blue Square in 2013.

“Betfair, as one of the big five in that market, is very innovative and dynamic: mobile-focused, ferociously competitive and prepared to make a big push on TV,” says May. “The betting industry has been a real innovator with things like in-play betting and then promoting live in-play odds in their TV ads, which was ground-breaking stuff at the time. I learned a lot in my time there.”

Keen to venture beyond the gaming sector, May relished the opportunity to join PhotoBox, Europe’s leading personalised product printing company, as the company’s UK managing director at the end of 2013. The move from marketer to managing director, though, was not without its challenges.

“The biggest change, of course, was managing the entire P&L; having a close eye on costs as well as on revenue and marketing spend. In practice that means having much closer relationships with production and customer service across the business to make sure that everything we’re doing and planning is actually going to generate a profit.”

May adds: “Another key difference for me, personally, moving from the gaming industry, is that the products I’m working with now genuinely bring our customers joy. The same couldn’t always be said about betting.”

PhotoBox offers a comprehensive digital picture printing solution and over 600 personalised products to choose from. The PhotoBox Group also consists of Moonpig, the online greetings card retailer, Sticky9, which leverages Instagram and other social networks to produce photo-based products, PaperShaker, which targets the invitations and announcements market and the recently-acquired Hoffmann, the Spanish market leader in photo books.

One particular aspect of the PhotoBox business model represented a totally fresh challenge for May: manufacturing. Unlike its key competitors, PhotoBox doesn’t simply sell physical goods online, it manufactures the vast majority of the products it sells.

“We have a factory in Park Royal creating a wide variety of products such as calendars, posters and smartphone cases, and another in France that produces all our photo books. Having complete control over the full supply chain gives us the power to innovate faster, scale our operations and to keep close control over our pricing and quality. As we’ve gotten bigger, we’re now seeing great benefits from that arrangement that simply wouldn’t be available if we outsourced,” says May.

Charged with increasing PhotoBox’s rate of growth in the UK, May has used his experience to better integrate campaigns across PR, social, search, TV, production and customer service to “make sure everything joins up and that there’s a golden thread of an idea running through everything”. Mobile, for good reason, is a key focus as a growth channel.

“Right now, we do very well among women aged 25 to 44, particularly first time mums who see themselves as the guardian of their family’s memories. Travellers are another strong market for us. However, the vast majority of the photos uploaded and used for creation are taken on smart phones, which represents an interesting challenge for PhotoBox. Under-30s take more pictures than anyone else but, because they tend to live with parents or share a home with others, they have less inclination to ever actually print and display those photos. So we need to find a way to tap into that generation.”

With that in mind, PhotoBox is currently developing a simplified photo book creation studio for mobile users that will allow the complex task to be achieved in minutes. However, according to May, successful product development doesn’t always need to involve anything quite so radical.

He says: “This year we launched bone china photo mugs, as some of our more discerning customers don’t like drinking from heavy ceramic mugs. They sold fantastically well for Mother’s Day so, sometimes, smart little tweaks are all that’s needed.”

In the end, though, May believes that his years as a marketing professional (combined with the masters business degree he gained in 2002) have equipped him well for his role as managing director at PhotoBox.

He says: “In the end, I think being a marketer is about putting the customer at the heart of everything you do. It’s slightly clichéd but it’s true and it can sometimes be forgotten when you’re busy discussing the cost of wood for canvas frames. My marketing background ensures that I stay focused on ensuring that everything that we do is in place to delight our customers.”

PhotoBox is a client of The Specialist Works, a member of The Drum Network. If you would like to find out more about The Drum Network and how it can help support you and your growing agency visit themedrum.com/network.
CANNES COMEDOWN

In association with Workfront, The Drum brings together a panel of leading creatives for a debrief on Cannes Lions 2015. Here are their highlights, hot topics and have-to-knows.

The Cannes Lions International Festival of Creativity has long since been advertising’s biggest, brashest and most important awards show, with thousands of advertisers, agencies and production houses flocking to the French Riviera to celebrate and drinks gallons of rosé.

Yet for everyone who attends, hundreds more can only watch from afar. Which is where The Drum comes in. In association with Workfront, we brought together some of the industry’s leading creative lights at Cannes Comedown, The Drum’s inaugural review of Cannes, held the week after the festival at Shoreditch’s Hoxton Pony.

David ‘Shingy’ Shing, AOL’s digital prophet, shared his Cannes highlights – how disruption matters more now than ever – and what the work shows about the state and direction of the industry today. Later a panel dissected the things you really need to know about Cannes 2015. Technology, creativity, judging and the glass ceiling were all under the spotlight.

Was this the year technology took over the festival?

Disruption equals innovation

Shing, attempting to cram “six hours of content” in to 20 minutes, starts by telling attendees in the packed east London bar to remember that disruption is not just about technology, but the business itself.

“Businesses that are prepared to be disruptive are where we will find innovation,” he says, citing Airbnb, Uber, Kickstarter and R/GA – an agency that reinvents itself every nine months.

He says the work that mattered this year was from clients and agencies which understood how the world was changing; that the so-called ‘me generation’ was, in fact, a ‘we generation’.

“Peer to peer is becoming more important – they love social for good, not evil,” says Shing, adding that they felt an added surge of insecurity.

Little wonder then, he says, that the winning work included Procter & Gamble’s ‘Like a Girl’ viral smash, Under Armour’s ‘I Will What I Want’ starring Gisele and Snickers Australia’s ‘Hungry Builders’.

Such work demonstrates that young people today are more in step with their grandparents’ values than their parents, though the expression may differ.

Another piece of stand-out work is that of Google, whose ‘Cardboard’ brought home the Mobile Grand Prix. He points out that for the second time in a row the ultimate mobile winner was that of an experience that wrapped around the medium, rather than an app.

“Creativity starts with inquiry. It used to be big ads, little content. Now it’s little ads and big content.”

He says winning work demonstrated that people do still “give a shit about brands” but they want to be advertised to differently. “It’s not just craft, it’s platforms and performances.”

That human connection was also evident in the Innovation Grand Prix winner What3Words – a universal postcode that maps every inch of the world with its own three words, giving anyone, anywhere an address. “It talks about human connection more than anything I have ever seen.”

Other stand-out “moments to movements” work highlighted by Shing include: Bald Cartoons, giving hope to children with cancer; Apple’s ‘Shot on iPhone 6’ and everyday hacks such as ‘DHL is Faster’.

One of his favourite winners from the event, however, was Geico’s ‘Unskippable’, which picked up the Film Grand Prix. The pre-roll ad demonstrated the power of video and showed how technology, content and distribution were the “three primary colours” of marketing.

Shing’s Cannes masterclass is followed by a lively panel debate featuring Ogilvy & Mather chief creative officer Gerry Human, HeyHuman head of innovation Dan Macken, Mediamonks managing director Astrid van Essen, Mother executive creative director Ana Balarin, and Unruly Group managing director Sarah Wood, all chaired by The Drum’s Justin Pearse.


Creativity starts with inquiry. It used to be big ads, little content. Now it’s little ads and big content.

Diversity drives the agenda

Diversity, in all its forms, is the number-one hot topic, not least because of the introduction of the Glass Lion at this year’s Cannes Lions. Wood explains: “This is an important year to be talking about diversity. It’s important we focus not just on gender but same sex, ethnicity—it’s a great moment to have this conversation.”

Balarin adds that the themes of diversity and equality had led to some of the festival’s best work and was more prevalent than ever before. “It almost feels that brands see this as a must, that everybody should do this.”

For Machen, Cannes 2015 was the year that showed what advertisers do has grown beyond mere marketing, to something that has real cultural impact. An example, he says, was Sport England’s “This Girl Can” campaign, which “knocked it out of the ballpark”.

It showed in the judging, too, says Human, who sat on the Outdoor panel, though there was no predetermination to make it so. “The ideas that break through are original... The brands being recognised are those who are making a difference in the world.”

Is technology taking over Cannes?

Van Essen concurs with Wood that technology was a big talking point of this year’s Cannes that could, unchecked, threaten the celebration of creativity. She hopes that, for all the “dominance” of technology at the festival this year, in 2016 we will see “how these two can merge and do really interesting stuff”.

For all the talk of technology, Machen believes that successful work has “human” at its heart. “The algorithm of magic is where Cannes will go. Technology will disappear in the background.”

Another shared concern among the panel was Cannes’ ever-increasing list of categories, with some, such as branded content, by their very nature ill-defined—no surprises that in several categories few golds and no Grands Prix were handed out.

For most, though, the real celebration of Cannes lies outside the Palais itself: the opportunity to connect and reconnect with practitioners and partners and chew the industry fat. Some welcome the influx of celebrity influence over the past few years; others bemoan the Kardashianisation of the festival.

No matter. Cannes will remain advertising’s number-one melting pot for some time yet, as Balarin says: “I can’t imagine life without Cannes.”
Have you been good this year?

The Drum Network Awards are wanting to find out just how naughty or nice you have played in 2015...

Entry Deadline: 10th September
www.thedrumnetworkawards.co.uk
The importance of controlling supplier brands in-store

Stocking leading supplier brands is an important factor for retailers creating credible destination categories in-store. Having a wide choice of brands can drive footfall and increase customer confidence in the retailer.

Balancing how a supplier brand wants its products displayed and ensuring the retailer brand doesn’t get lost in the shopping experience is an art, and when retailers get this balance right it can deliver huge benefits in terms of sales and customer stickiness.

In our experience, the more a retailer can control its shopping environment and convey that they, the retailer, are the conduits for a great choice of leading brands, the better.

But what does a retailer do when the supplier brand has the control and will only stock products in its own template/format? Examples of category power brands capable of driving this include Apple, Dyson and Kärcher.

Who could imagine a floor care section without Dyson or a technology department without Apple?

Creating destination status for key categories is about giving core supplier brands a presence, yet controlling it. If the focus is too much about the brands, the customer can be left thinking “who’s selling to me here?” A myriad of brands and messaging left unmanaged by the retailer can be confusing and result in the shopper pondering product choice for too long.

The best retailers are those who achieve a logical choice of brands presented in a consistent way. And consistency doesn’t stop at the category, it’s storewide.

Encouraging trading up and creating bigger basket values

A controlled approach to brand communications in-store will make categories ‘easier to shop’.

Customers need to feel they are being guided with visual cues and informational signals that aid them to find what they are looking for. This is difficult to achieve without brands working in harmony with the retailer.

Consumers benefit from seeing a logical choice of products. Making it clear why certain goods have a higher price point than others speeds up the purchase decision process, leaving the consumer with time to browse, increasing basket values and reducing rates of return.

If consumers are allowed time and space to make informed choices it is more likely they will trade up and buy more.

“We've seen this in practice with one of our clients, whose refresh of in-store environment and communications delivered a 20 per cent YOY uplift in sales.

A solid own-brand strategy in-store is also a vital part of the picture. Where own-brand sits in the correct place within the category hierarchy, with tightly controlled packaging and POS within the overall strategy.

John Lewis is a great example of how this can be achieved. The John Lewis environment remains constant no matter which department a customer visits; there is never any doubt that you are a “John Lewis customer” yet the market-leading brands are always present.

Similarly, PC World/Currys uses a fixtures template that brands have to work within, ensuring a consistent tone of voice and the presence of visual cues relevant to the category.

Creating in-store theatre

When overlaying the shopping experience with inspirational hot spots, having a joined up approach is still paramount. There is little point creating theatre if you can’t find what you want, or understand how products sit in the category hierarchy.

Consistency across digital and in-store experience

A coherent approach is needed so that stores offer the same customer experience in physical and virtual worlds. This is ever more important as beacon technology and digital touch points become part of the experience. It’s an area that surely must be controlled by the retailer in order to prevent a barrage of communications that would provide a confusing experience for any shopper.

Ultimately, it’s the retailer’s job to create an environment to inspire customers. While brands are integral to creating credible destination categories in store, the success stories come when a retailer controls effective messaging on POS and uses a consistent language that fits with the retailer’s brand positioning and communicates effectively with the consumer.
In retail, combining an increase in conversion rate with an increase in average order value (AOV) can make a huge difference to the ROI of every digital channel. That is why conversion rate optimisation (CRO) needs to be a key component to every retailer’s strategy.

The most cost effective way to improve your site conversion is through testing two or more pages at the same time, known as A/B testing (new page versus original) or multivariate testing (when testing several changes on a page). Here’s a tried and tested 10-step guide.

1. Tool up
Use a plug and play tool that has an easy to use editor such as VWO or Optimizely. Both only require a small amount of code on your website and can then help you create new page variations using a ‘drag and drop’ like interface, removing the need for regular developer resource.

2. Decide what to test
This is the fun part where you get to list all the things you don’t like about your site and think of ways to make it better. Make sure you use the data at your disposal for example:
   - Google Analytics – look at popular landing pages that have a particularly high bounce rate and examine the common paths to conversion, reviewing any pages with a high exit rate.
   - The basic premise is to show your users what they want to see when they want to see it. Be sure to check that your tests won’t cause issues for other departments and/or your agency.

3. Plan your tests
Ensure that you’re making changes to pages that can have a significant effect on your conversion rate and AOV; there’s no point wasting time testing a page that gets no traffic, or a change so minor it won’t make a difference. Use the PIE Analysis framework to rank your tests by:
   - Potential – What is the size and value of current traffic to the page? What impact do you think the change will have on conversion rate and AOV?
   - Importance – How important is the page or feature? Remember to speak to other departments for their plans and priority areas.
   - Ease – How difficult is it going to be to setup the test and permanently change your site if it is a success?

4. Build your tests
Build your variation pages within your chosen tool, for the top two or three tests in your roadmap to increase agility and reduce downtime between tests. Make sure you configure the tracking for your tests and add any filters to exclude any unwanted traffic.

5. Check your tests
Always conduct live testing, don’t rely on a preview. Make sure you look at both design and functionality; things like image responsiveness, filters and information hover overs can often require some technical changes in order to work correctly.

6. Launch your tests
Do this in the morning so that you can keep a closer eye on them throughout the first day. You need to review the data as it is collected and ensure Analytics and Goals are populating correctly for each variation.

7. Be patient
Wait at least a week before you try to analyse any results, to avoid jumping to costly conclusions. The key to getting a good ROI from CRO in retail is ensuring you are always testing the right thing; as such you should update your PIE scores on a weekly basis. If the test you are running is still close to 50/50 then it is unlikely to result in a big conversion rate, so reduce the weighting you’ve given to the Potential for this test.

8. Make permanent changes
When you have a clear winner, end the test and make the permanent change to reap the benefits. Apply the learning across the site wherever it is valid.

9. Rinse and repeat

10. Build a knowledge bank
Keep a log of all the tests you run and document any analysis or learnings to serve as a knowledge bank of proven best practice for your audience and your brand.

One day, you may be called into a meeting to discuss plans for your new site: come armed with your knowledge bank and you’ll be worth your weight in gold.
Leading brands have embraced digital, conquered creative and learned the importance of social sharing and connecting to their customers with inspiring content across multiple devices. In fact, many retail marketers have been so busy tweeting, publishing and working on their latest app to keep up, that they are still relying on basic last click measurement. Marketing analytics has always been an aside – the boring bit – but gaining a fuller view of the user journey with attribution is no longer a ‘nice to have’.

The future of retail is being shaped by the behavioural and technological demands of the modern shopper. The only way that marketers can understand this behaviour and stay ahead in an omnichannel world is to use attribution to measure channel performance and apply their marketing budget to the ones that are actually working.

The evolution of attribution
Let’s start by looking back at how attribution has developed. Before attribution, performance analysis was restricted to individual channels, but it soon became clear that the consumer behaviour we were seeing was not happening in isolation. This realisation led to the first multichannel rules-based models, which evolved into the statistically derived models we see today – the birth of the algorithm. In the years that followed ‘early adopters’ of attribution started to see huge benefits but there was a pause in uptake from onlookers who awaited validation of success.

We are now seeing a dramatic increase of interest in attribution and it’s no coincidence that this upswing coincides with the increasing complexity of the user journey. Attribution today offers a far more transparent view that enables businesses to understand the true behaviour of their customers, but it continues to be a hot and controversial topic. The drivers behind it are well known, but the term ‘attribution’ has almost become unhelpful when trying to communicate the breadth of value and opportunity that is unlocked by path to conversion and attribution analysis.

It is what you do with the data that counts
Many get caught up in the algorithms and technology: are you following a rules-based model? A statistical model? Is there machine learning? It’s an interesting technological debate and it is important to get the sharing right, but the focus should be on the outputs and what you do with the data.

Attribution enables marketers to understand their customers – how they interact, what they buy and their lifetime value. However, understanding user journeys that don’t end with a purchase is also an important step towards discovering what is actually working.

Many brands now recognise that attribution should underpin their marketing strategy, but understanding the user journey is only one piece of the attribution puzzle. If marketers use the insights to improve consumer experience, it is possible to drive even greater results.

Personalised advertising and emerging technologies
There has been a definite shift in focus to cross-device usability, which is an ongoing challenge for advertisers as new technologies emerge. When the iPhone 6 was launched it was clear that larger mobile screens made it easier to deliver a better experience to consumers. One of our clients, Red Letter Days, saw 94 per cent more revenue through mobile and tablet channels last year compared to 2013 over one of its biggest selling occasions, Father’s Day.

Sessions on mobile devices were also up 175 per cent, suggesting that many shoppers are browsing and considering products on a mobile device, even if they are purchasing on another channel.

The advertising potential for wearables is also huge. Imagine a future where consumers are accustomed to the convenience of discount alerts when they pass retailers on the high street. A discount code from their favourite shop for those shoes they were looking at last week or a 50 per cent off voucher code from a nearby store they haven’t yet ventured into.

Over the years marketers have followed their instincts and become more ambitious with creative campaigns that resonate with millennials. Measuring the success of creative campaigns with attribution will empower marketers to make more confident decisions and validate spend on creative resource. They will be able to answer pressing questions such as; what is the incremental value of display? And, which affiliate drives the most sales? It is a complicated task and unique to each business, but the technology and expertise is there to make it happen.

Driving the omni experience with attribution
The future of retail will be defined by modern shoppers who have come to expect consistent experiences across multiple devices. As consumers, we want to browse and buy on the go or at home and we expect our favourite brands to keep up with evolving technologies. Adding to those expectations, retailers quickly embrace attribution like House of Fraser and John Lewis are already proving that it is possible.

Attribution is becoming an essential tool for understanding consumers and how brands are influencing their behaviour. As we continue along this path to creating the ultimate omnichannel shopping experience, priorities will begin to shift from the quest for the perfect algorithm to a focus on taking action and using attribution to drive real business value.

Join the conversation on Twitter #EvolutionOfAttribution @RakutenMKTG_UK or find out more at www.rakutenmarketing.co.uk/ attribution
How are you and what’s keeping you busy?
I’m just coming down from two of the toughest but most uplifting projects we’ve ever done – both of them very unusual design projects. We got the first stage of Dreamland Margate open a few weeks ago. We’d been working on the project for four years and it was a tough one, working with very small budgets to open something that is an international visitor attraction. But it was such an important community project because it was all about people power. In the last 72 hours, most of our team only had an hour and a half of sleep. We’ve also just designed and curated an event called Transatlantic 175 in Liverpool, which 250,000 people turned up to – it broke a world record. It was one of the most emotional events in terms of public participation and diversity and bringing a city together. Liverpool as a city had its biggest reach around the world – the tweets reached 1.9 billion people.

What are your gripes at the moment?
Designers are a result of gripes. That’s what we do. Our philosophy is that design is about improving things that matter in life, and that’s the only thing we do. The biggest gripes are about aspects relating to housing, so we do everything we can as designers and campaigners to make that better. I suppose that’s the biggest gripe at the moment – the inequality gap – which is no bigger than in where you live and how you live.

What are you loving at the moment?
When I can, I’m enjoying the weather. I haven’t been home or seen my dog for two weeks, so when I get home tonight I am going to get her lead and get down to the beach and we’re going to run and run and run.

If you had unlimited resources, what one thing would you sort out?
Fresh in our mind at the moment would be to continue with Dreamland in Margate. I would like to give it the love and attention it needs, if we had the many millions needed to have a development company that could work on lower margins and show other developers about leaving a legacy and place making, and about doing something that isn’t just about profit.

Where do you find inspiration?
It’s always the same for us; it’s always about something that pisses us off. I think that’s true for most designers, or for a lot of the designers I know anyway. We’re not the kind that would wander round an art gallery and be inspired by a painting.

Who inspires you?
From an education and urban design point of view, Sir Peter Hall. From an ability to organise and pull herself up by her bootstraps, my mum, who passed away this year. She was a single parent who held down three jobs at one time to help me, so that’s an inspiration. And then Mrs H – we’ve been together since we were 18. She’s an unbelievable worker and hates to think we haven’t tried our utmost to do something – she’s a perfectionist. Designer-wise it would be Robin and Lucienne Day, for their aesthetic and the fact they stuck together, a bit like me and Gerardine, I suppose.

Which project do you wish you had worked on?
I don’t really do that envy thing, but I’d like to have been involved in what happened in 1951 with the Festival of Britain and the legacy of the South Bank. It must have been an amazing thing, to do something of that scale and with that much modern thinking so soon after the war.

What’s your last word on the industry?
We’re kind of aside from the industry – we don’t subscribe to any magazines or go to any events. It was the same when we owned Red or Dead. It’s not that we’re antisocial, we’ve just always put family before doing stuff. The only thing I would say is that the power the industry’s got at the moment is amazing because the government finally realised what percentage of GDP we account for and it’s very significant. The biggest growth in employment has been in the creative industries for two years in a row now. So people shouldn’t forget about how important we are as an industry.

After selling their first fashion brand, Red or Dead, in the 1990s, Wayne and Gerardine Hemingway have focused on projects that benefit society, including large-scale regeneration projects and public festivals, sustainable uniforms for McDonalds and bottles for Coca-Cola.
show other developers about leaving a legacy and the many millions needed to have a development Fresh in our mind at the moment would be to If you had unlimited resources, what one and run and run. When I get home tonight I am going to get her lead been home or seen my dog for two weeks, so When I can, I'm enjoying the weather. I haven't reached 1.9 billion people. Its biggest reach around the world – the tweets bringing a city together. Liverpool as a city had 250,000 people turned up to – it broke a world event called Transatlantic 175 in Liverpool, which most of our team only had an hour and a half of was all about people power. In the last 72 hours, such an important community project because it with very small budgets to open something that for four years and it was a tough one, working few weeks ago. We'd been working on the project I'm just coming down from two of the toughest inequality gap is his biggest gripe. I suppose that's the biggest gripe at Designer-wise it would be Robin and Lucienne Day, worker and hates to think we haven't tried our down three jobs at one time to help me, so that's away this year. She was a single parent who held Sir Peter Hall. From an ability to organise and pull important we are as an industry. It was the same when we owned Red or Dead. It's not that we're antisocial, we've just always put family before doing stuff. The only thing I would say I don't really do that envy thing, but I'd like to have That project do you wish you had worked on? That better. I suppose that's the biggest gripe at Where do you find inspiration? Regain control and visibility with the complete agency system. Quick scheduling and easy client portal. Over 10,000 users in marketing, design & digital agencies. Deltak TrafficLIVE is a cutting-edge Resource & Scheduling Tool that enables agencies and other project-based firms to effectively manage their businesses and deliver on-time, profitable projects for their customers. Your customers always come first, wherever they are. Motivational connections and conversations make your brand relevant. Knowing how to deliver cut-through ideas is our specialty. Digital copywriters and trainers since the web were a lad. Crazy strong in financial services. We work with AXA, RBS, Tesco, Vodafone – and agencies. Digital marketers help companies integrate digital across their organisation and work with brands to maximise commercial opportunities, build internal capability, improve efficiencies and drive marketing results.