

From the 4P's to 4E's of Marketing: Navigating the New Rules of Retail Engagement

Retail (re)evolution



Evolution of Shopper Typologies

BOOMERS

Ages: 60-78

Personal Style: **Authoritarian**
Shopping Style: **Seek Direction**

GEN X

Ages: 44-59

Personal Style: **Navigators**
Shopping Style: **Seek Guidance**

GEN Y (Millennials)

Ages: 28-43

Personal Style: **Nurturers**
Shopping Style: **Seek Partnership**

GEN Z

Ages: 12-27

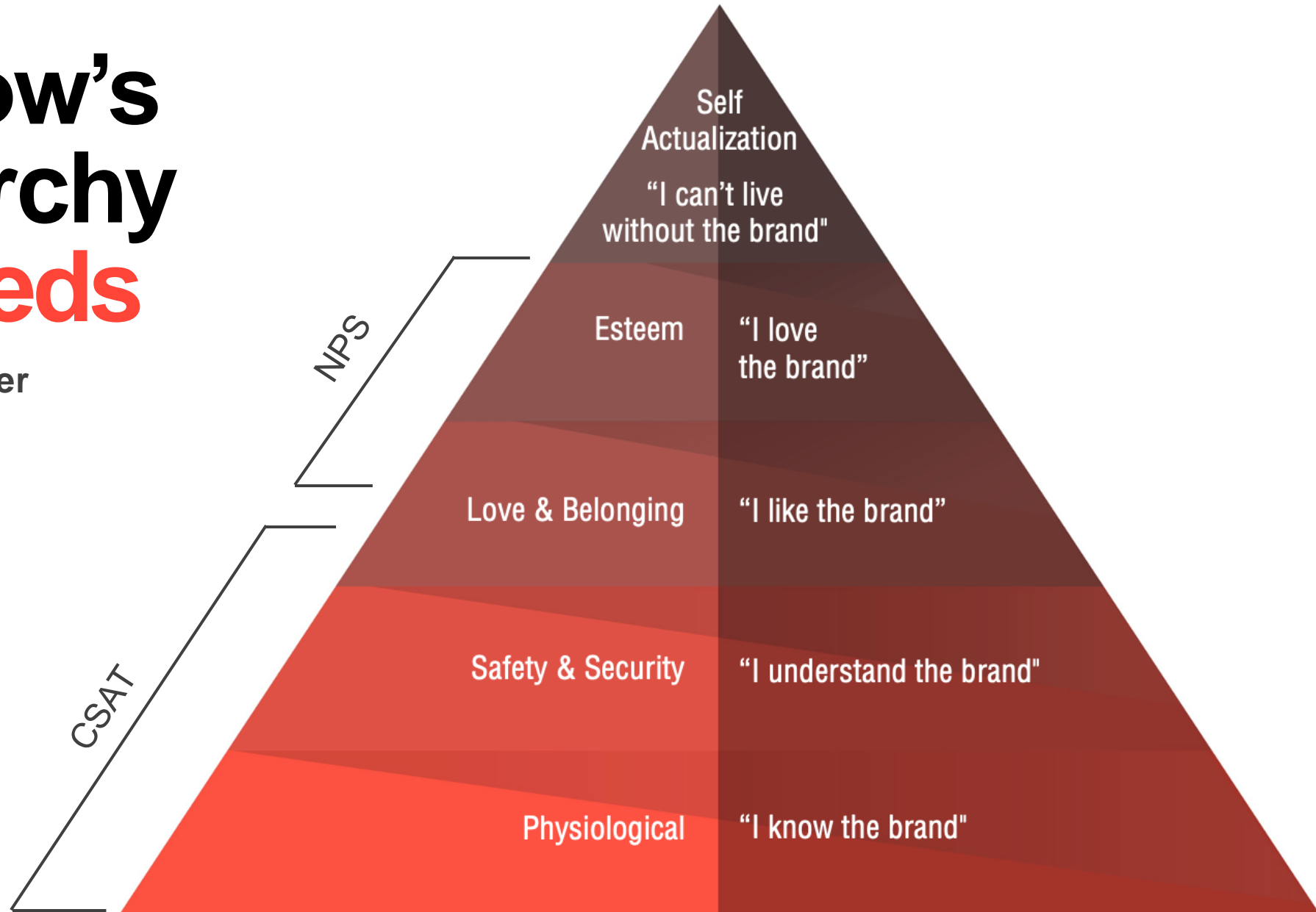
Personal Style: **Collaborators**
Shopping Style: **Seek Co-Creators**

- Entrepreneurial
- Self-actualized
- Digital Natives

The “throwback” generation; self-reliant, persistent, realistic, innovative, and less frugal. They are optimistic & driven by personal ambitions.

Maslow's Hierarchy of Needs

Brand-Customer Relationship



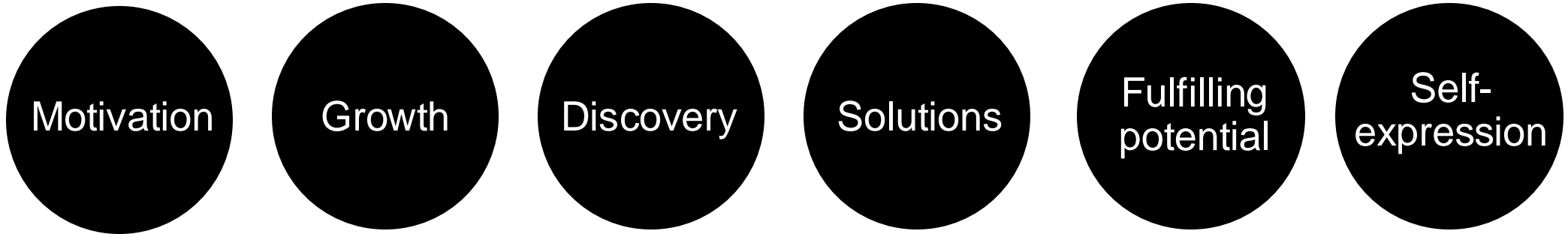
The NPS 'Squeeze'



- Passives**
- Complacent
 - Brand sameness
 - Satisfied but not delighted enough



Self-actualization **drives**



& helps in better
targeting and positioning

Evolution

FROM 4P's:

- Product
- Price
- Promotion
- Place

TO 4E's:

- Experience
- Exchange
- Evangelism
- Every place

ROX is the new ROI

watt



Satisfaction



**Happiness
with the
transaction**

watt

Delight



**Pleasure
with the
experience**

Functional Drivers

(100)

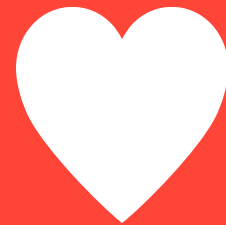


Price
Convenience

watt

Experiential Drivers

(138)



Discovery | Quality
Choice | Cause

Pleasure Index 138



watt

Discovery (30%)

New Discoveries
Treasure Hunt
Knowledge & Learning
Interactive / Immersive Experience
Inspiring Environment

Quality (26%)

Craftsmanship / Authenticity
Touchpoint Interface
Service Interaction
Guarantee / Certification

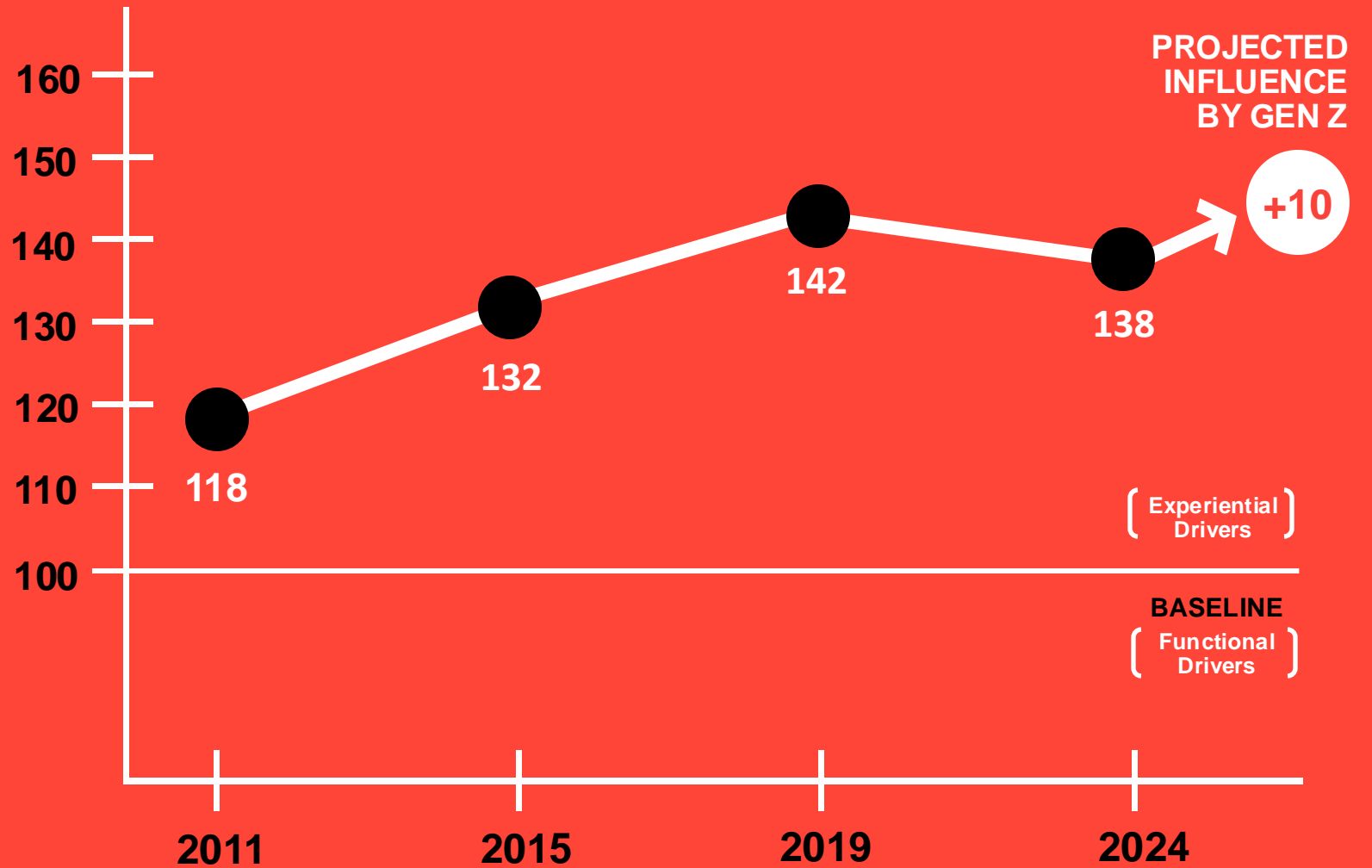
Choice (24%)

Unique Destination Products
Range in Assortment (Curated)
Range in Solutions

Cause (20%)

Locally Sourced
Community Engagement
Environmentally Sensitive
“Glocal” Initiatives

Pleasure
Index
138



OVERALL
**Pleasure
Index**
138

FASHION
**Pleasure
Index**
133



GROCERY
**Pleasure
Index**
140



HOME
FURNISHING
**Pleasure
Index**
120



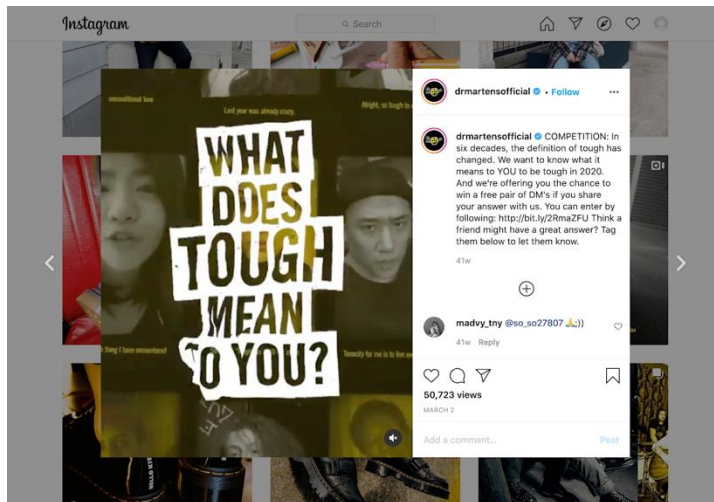
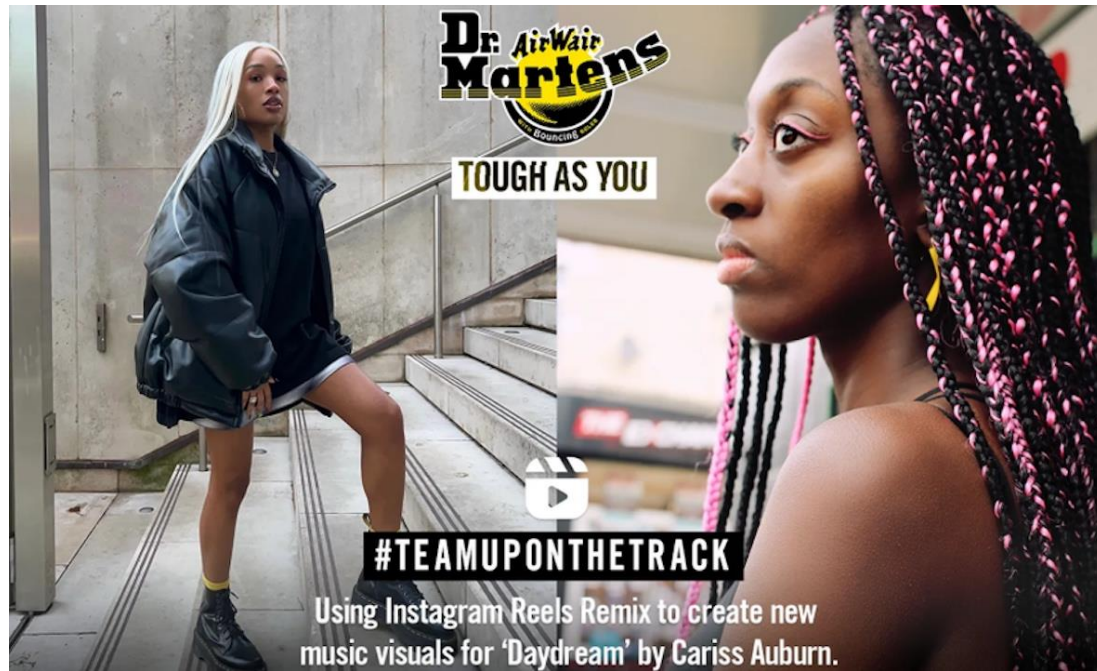
Best Practices

Principles in Action



Located in a 19th century building in Camden Market, guests are invited to an immersive experience in an industrial environment that fits with the Dr. Martens ethos.

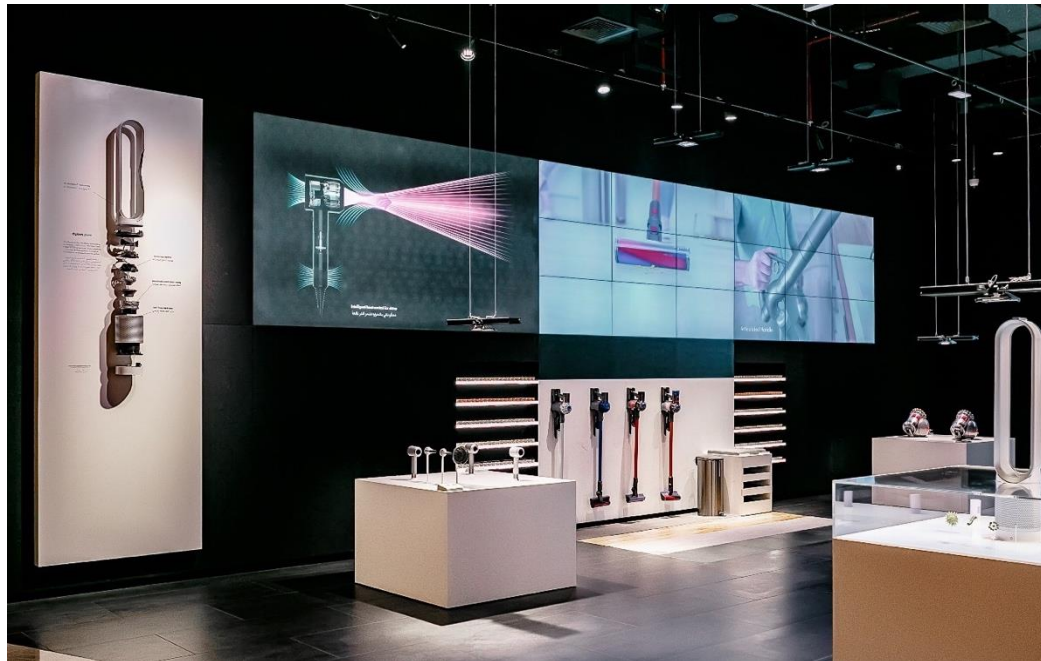




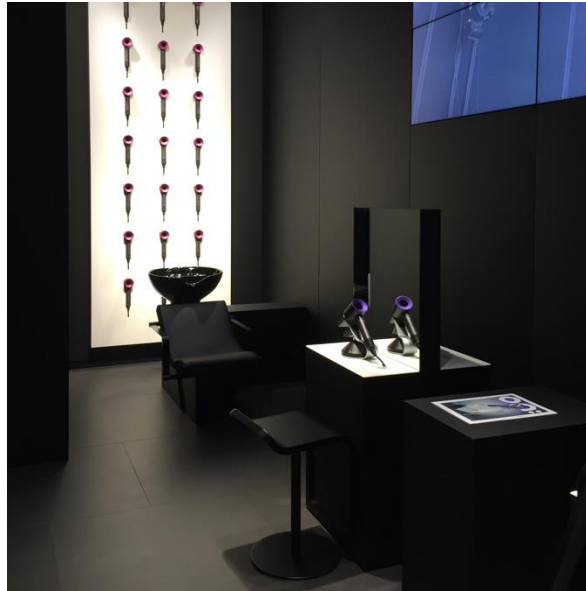
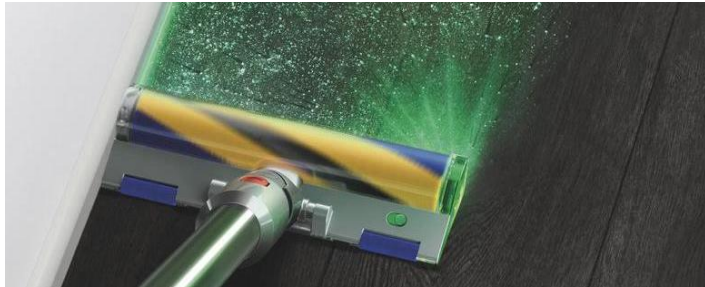


dyson

- The Dyson Demo Flagship store (NYC), designed by Sir James Dyson himself, educates shoppers on the technology behind the products and encourages shoppers to interact with Dyson machines.
- Interactive demonstrations are dispersed throughout the store to bring to life the science at the core of the machines.



- Customers can have their hair professionally styled using a Dyson tool of their choice.
- With purchase, the service fee will be credited toward the product.
- Appointments can be booked over the phone, online, or in-store





Dyson Shop-in-Shop: Best Buy, NYC



Dyson Shop-in-Shop: Harrods, London



v15s detect submarine

Only at Dyson: HEPA filtration, integrated accessory and exclusive gold colour.

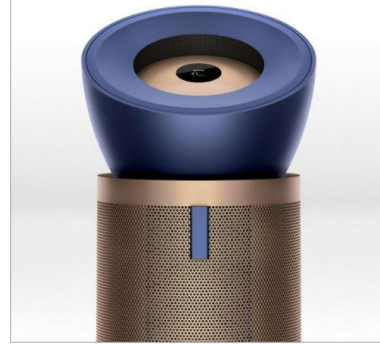
Shop Now



supersonic nurl

Only at Dyson: Exclusive colour.

Shop Now



purifier big+quiet formaldehyde

Only at Dyson: potassium-enriched carbon filter and CO₂ sensor.

Shop Now

canada.ca/fr/soins-des-cheveux/seche-cheveux/.../bleu-pervenche-topaze



suck it up
twice the suction. twice the power.

Suction power is measured in air watts. We have 160 air watts (AW), compared to our competitors' 80 AW or less. Our technology can't be copied. It's protected by patents so you won't find it in any other vacuum.



dyson Follow

689 posts 529k followers 118 following

Dyson We're in the business of making things work better. And we're passionate about science, engineering and technology. Follow to see what makes us tick. clicklinkin.bio/dyson

Followed by nadsw and sofiaoxo



Dyson V11



Pure Cool ...

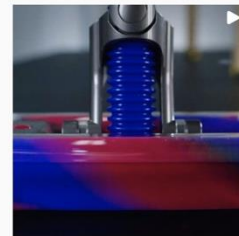
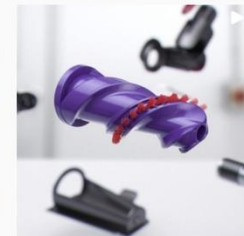


Lightcycle



Airblade

POSTS GUIDES IGTV TAGGED



THE DYSON V11 CORDLESS VACUUM





IKEA (Wembley, UK) created a high tech immersive and interactive experience that informed and delighted customers drawing them into the retail space and increased the amount of time they spent learning about and enjoying the products. They combined digital elements with physical products in a way that is cool and exciting.

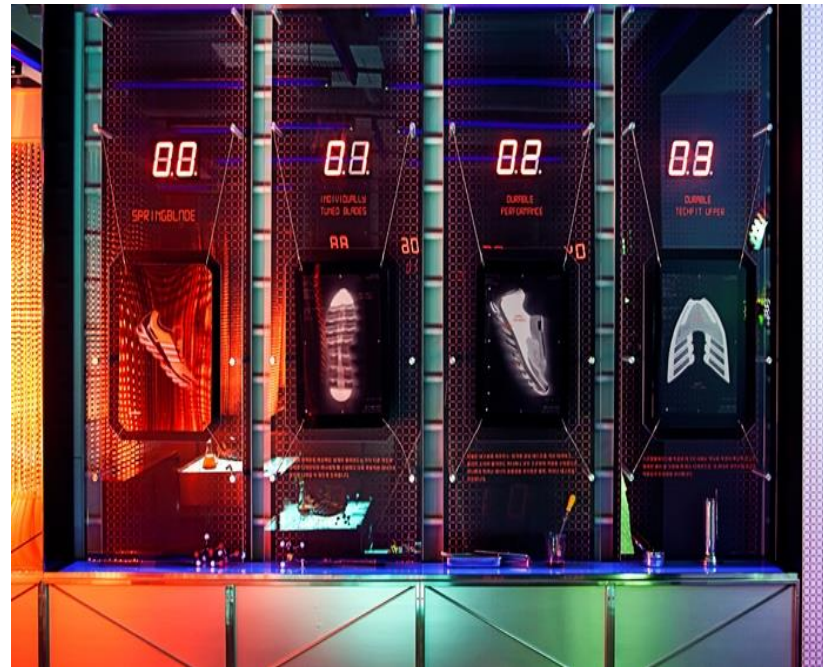
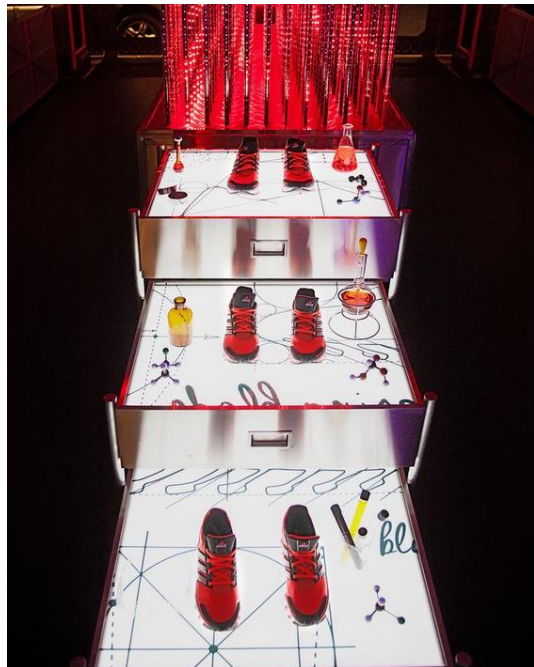


IKEA WEMBLEY WORKSPACES PROJECTION MAPPING





- Adidas launched the Springblade at their 'Innovation Lab' in Seoul, Korea.
- The Innovation Lab comprises 3 distinct zones, each creating a course that leads the visitor through the space to naturally explore and experience the brand and highlighting the distinctive features of the high-tech shoe.



QUICK TECH SPECS



Protective Heel Counter
Keeps the foot "locked-in" and increases stability

Breathable Mesh
Keeps feet cool and comfortable

Techfit Upper
Reduces weight and wraps seamlessly around the foot to form an ultra flexible second skin

Ultimate Performance
Durable, high-tech polymer blades proven through rigorous ballistics testing resist temperature fluctuation for consistent performance in any climate


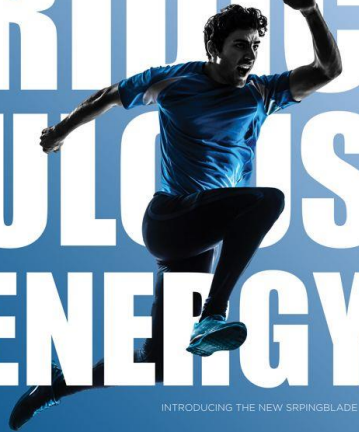
Individually Tuned Blades
16 individually tuned blades harness and release more energy to help propel you forward with every stride




RIDICULOUS ENERGY

INTRODUCING THE NEW SPRINGBLADE

#RidiculousEnergy


ADIDAS RUNNING SPRINGBLADE COMMERCIAL





- Location: New York, USA; Shanghai, China; Paris, France
- These flagship stores are designed to be cutting-edge retail spaces that merge physical and digital experiences.
- They offer personalized services, exclusive products, and interactive experiences, showcasing Nike's commitment to innovation.



Nike City Shop – showcasing unique curated styles of the city



watt

Nike Sneakerlab – showcasing the best & largest assortment including latest arrivals and iconic legacy footwear



Nike Arena – showcasing the latest brand innovations, content & advice from specialists



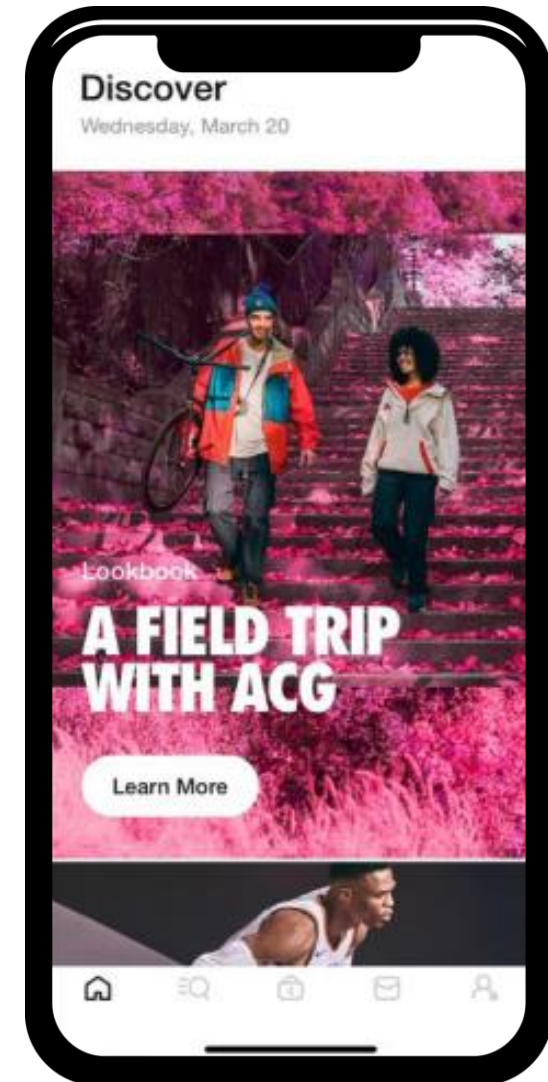
Nike By You – customization playground allowing customers to personalize products as they imagine them





Access to a team of athletes and experts, trained in all things Nike.

watt



Unlock more with The Nike App – your companion to an easy and seamless experience, find out about the latest innovations, and much more.

patagonia®

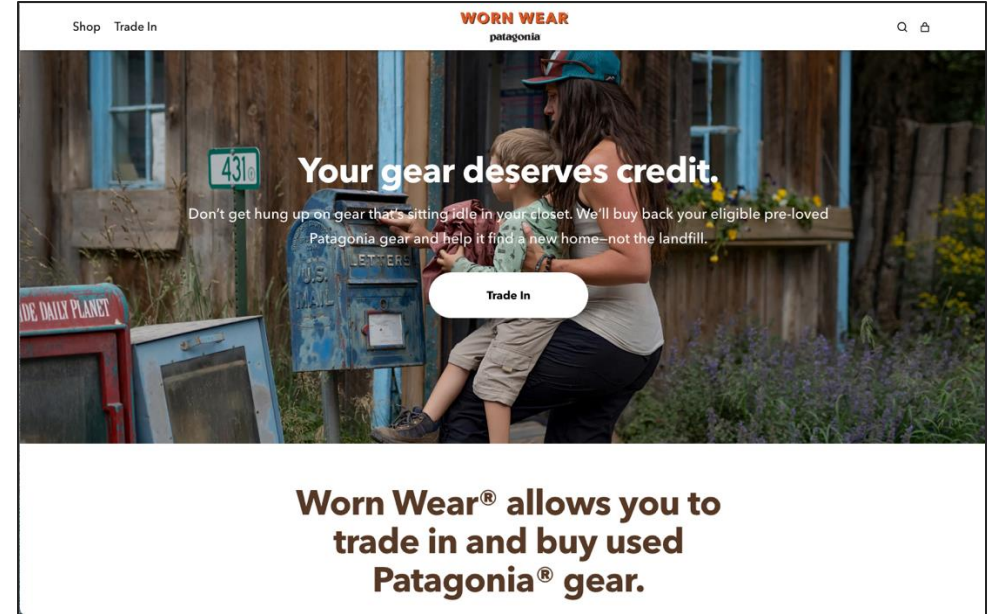
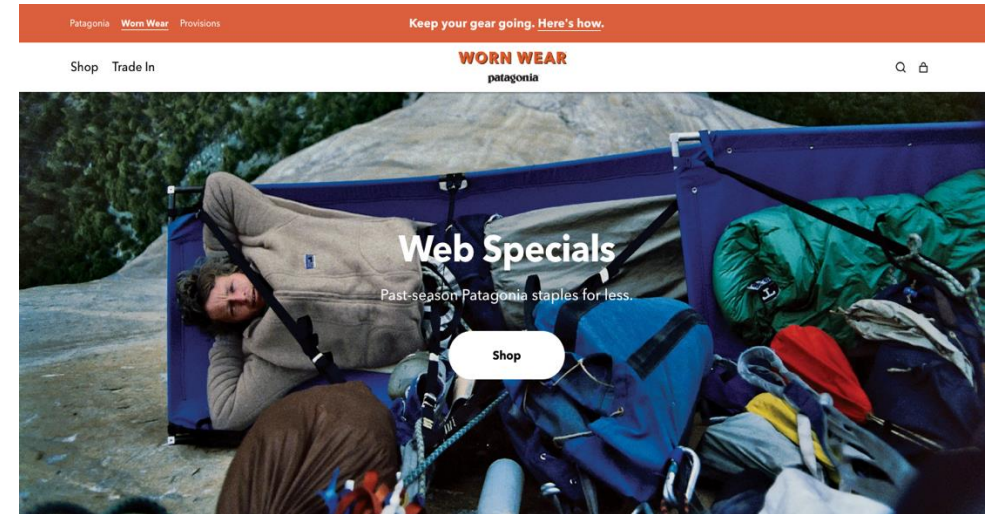
Patagonia's Worn Wear program celebrates the stories we wear, keeps your gear in action longer and provides an easy way to recycle Patagonia garments when they're beyond repair.

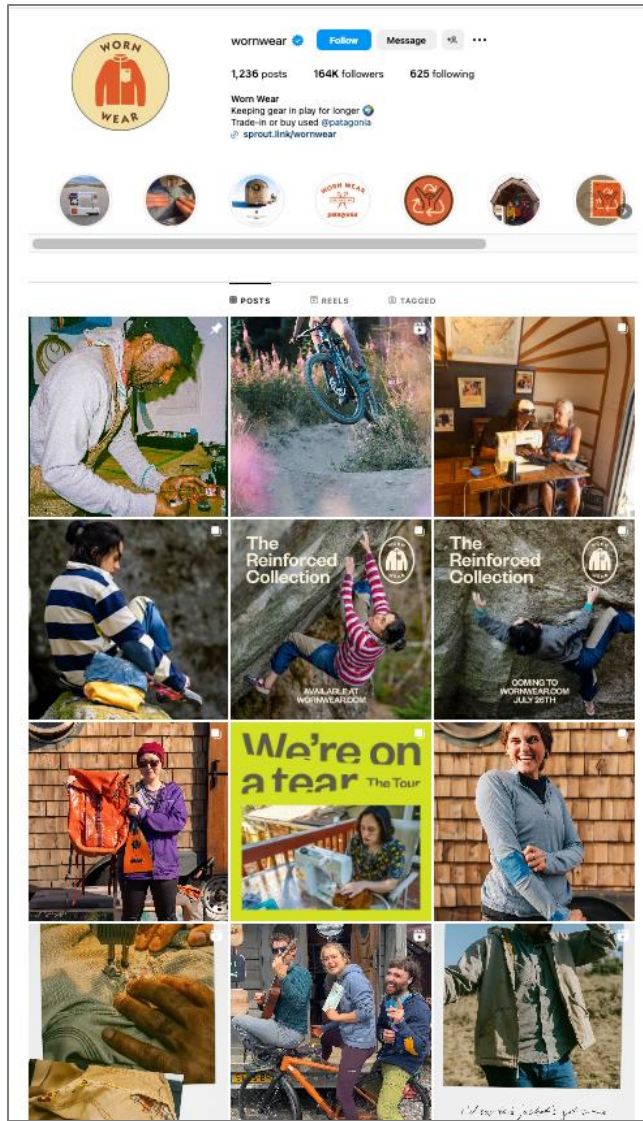


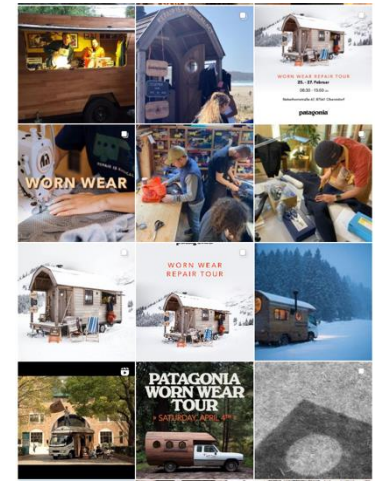
watt



Patagonia – Chicago (Fulton Market)







patagonia® Worn Wear Tours





Located in Columbia, Carulla FreshMarket is known for its wide selection of high-quality fresh produce. 90% of the fruit and vegetables sold at the store are grown nearby, demonstrating the supermarket's exceptional capacity for local sourcing.



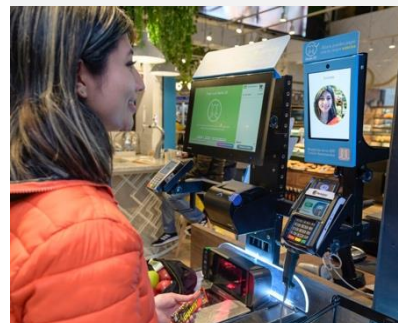
CARULLA FRESHMARKET



Fruver Scan (Google Cloud-developed AI system) automatically recognizes products placed on self-checkout scanner.



Lú (the social robot) welcomes visitors, interacts with them and answer questions.

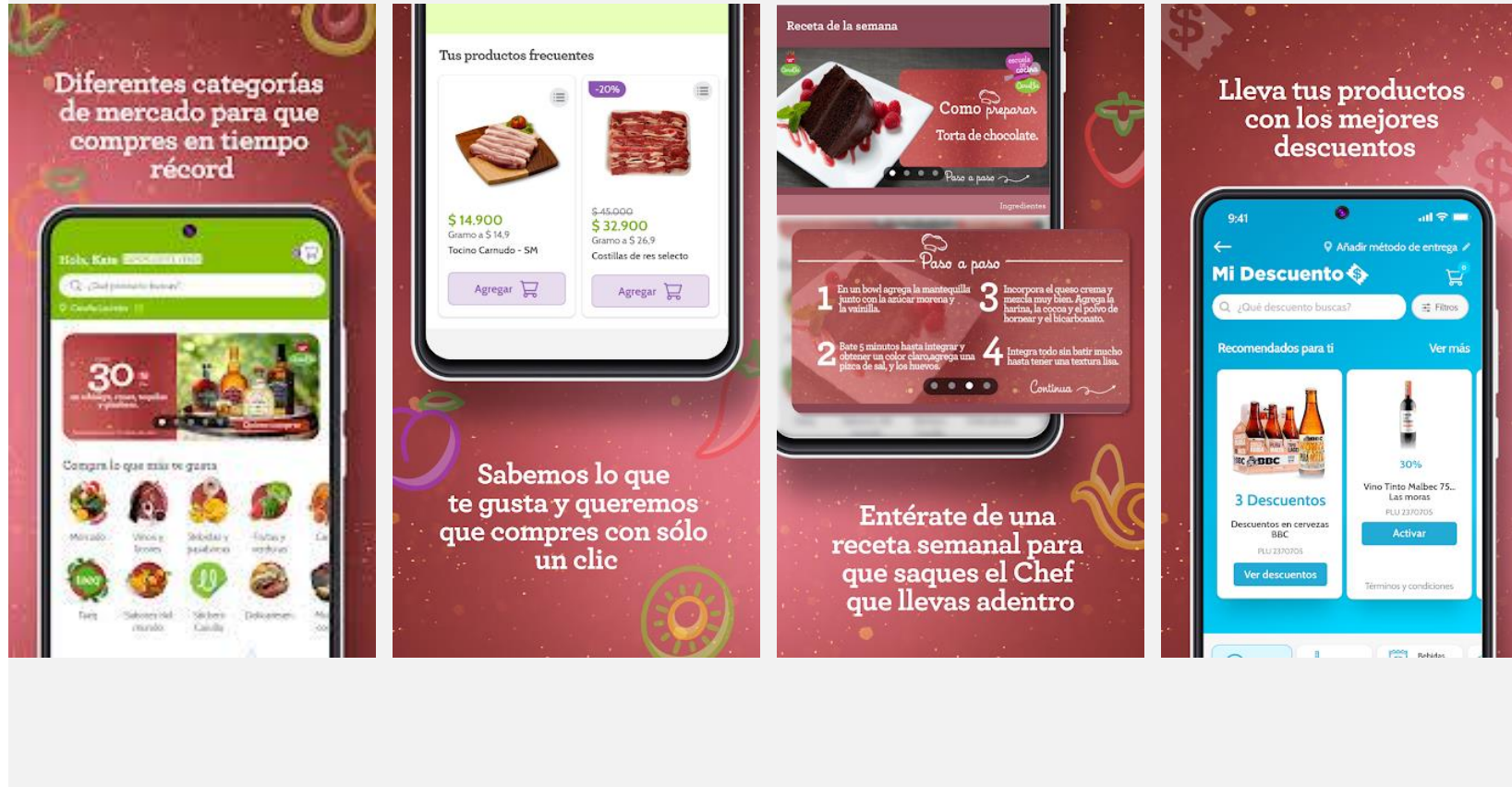


Payment
Smile ID
Facial

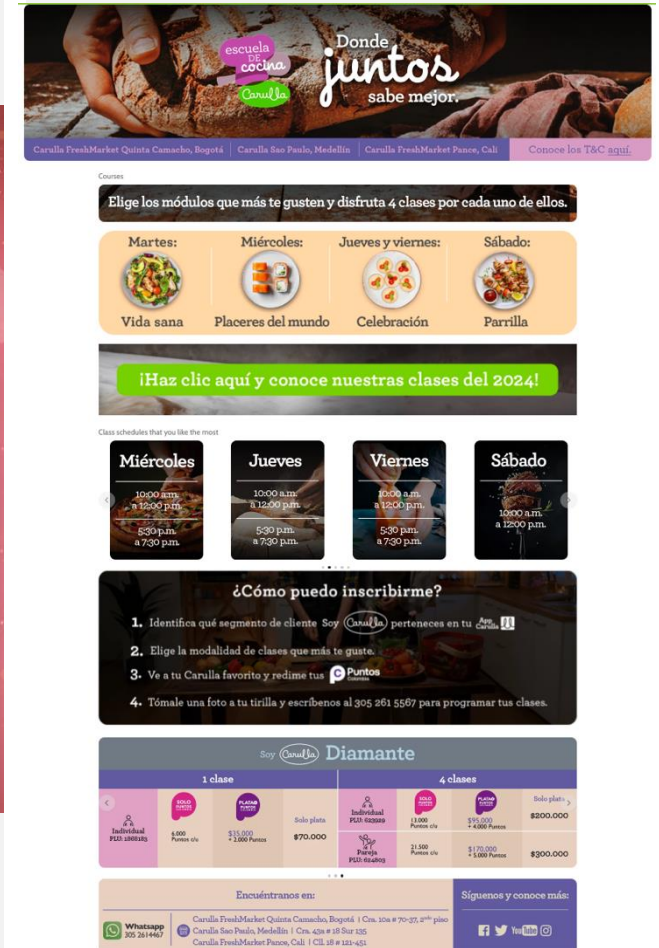
Digital Information Kiosk



Carulla App: Brings together everything you need in a single application - make your lists, check process, activate discounts, complements and facilitates your in-store and checkout experience.



Carulla offers cooking classes.



The "Fresh System" Guide

the fresh-system

7 CITIES WITH THE SYSTEM

22 SUPERMARKETS SIGNED IN

11% SAVINGS ON FRUIT AND VEGETABLE WASTE

A SIMPLE FORMULA THAT USES STYLING AGAINST FOOD WASTE

LESS CONSERVATION

MORE CONSERVATION

HOW TO CLASSIFICATION

the fresh-system

A SIMPLE FORMULA THAT USES STYLING AGAINST FOOD WASTE

MORE STYLING

LESS STYLING

Sistema fresco

Carulla

Watch on YouTube

REFRIGERATE

FREEZE

ATMOSPHERE

**So how much
does this
really matter...**

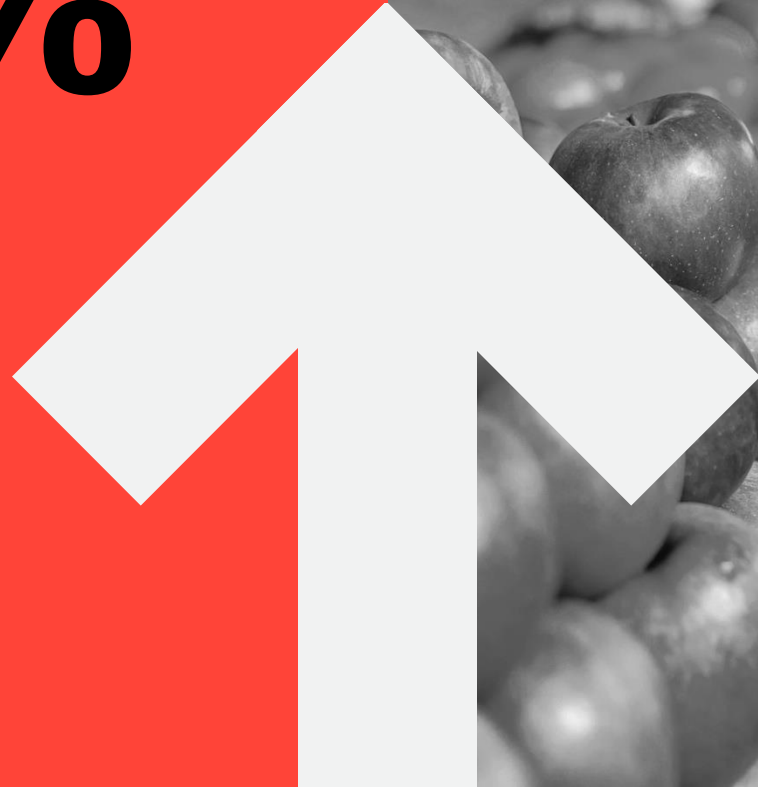


**Loyalty of
customer
increases
229%**



watt

**Basket
size
increases
163%**



watt

**Recommend
to a friend
increases
124%**



watt

**Are emotionally
connected
consumers
valuable?**

2X
lifetime value

If you don't
get it right....

4-5x

Relative impact of a negative
experience verses a positive one.

It takes 12 positive experiences to
make up for 1 negative experience.

In closing...

watt



Key Takeaways

- ❑ Traditional retail paradigms continue to be challenged, led by the “Gen Z effect’ and the blurring of the online and offline worlds; this is giving rise to the need to focus on the **4E’s** of Marketing – Experience, Exchange, Evangelism, and Every Place.
- ❑ Gen Z are fiercely independent, responsible and self-reliant; As true collaborators, your future success will depend on how well you work with them rather than dictate to them. **Earn their respect.**
- ❑ ROX is the new ROI - Though e-commerce is not replacing physical retail, it did create a fundamental shift in how consumers perceive value. Customers are increasingly going to stores less for purely utilitarian needs, and more for hedonic or experiential needs such as social connection or entertainment. **Activations right-sized to meet specific customer needs at each touch-point along the shopper journey becomes more critical than ever.**
- ❑ A positive customer experience shows a **stronger correlation to loyalty** than customer satisfaction, which is typically based on a single transaction or point in time.

Key Takeaways

- ❑ Current KPI's such as CSAT scores and NPS provide valuable measures of performance in meeting customer needs at different stages of the brand-customer relationship but fall short in effectively measuring **self-actualization** and what really **drives customer delight**.
- ❑ **Pleasure in the new measure!** Retailers must think of their brand as an ecosystem of connected experiences and design for the entire customer journey – and that does not necessarily begin or end at the store.
- ❑ Keep top-of-mind the key components driving pleasure – **Discovery, Quality, Choice, Cause** – and develop propositions, programming, activations, and experiences that directly respond to the sub-drivers within each that correspond to meeting customers' expectations.
- ❑ Above anything else, **authenticity, innovation, information and education, storytelling** with passion and purpose, curated **experiences**, and nurturing **community** most strongly influence self-actualization and drive motivation.

Key Takeaways

- ❑ Brands that align with consumers' desire for self-actualization can significantly enhance value perception allowing your brand to move away from fighting the battle on price alone and moving towards more effective value creation – **the same attributes that support self actualization also support the building of positive value perception.**
- ❑ Relevance is a key factor; the design of everything must speak to the customer – if it succeeds then your brand creates the opportunity to tell its story and deliver a clear and coherent message. **Relevancy builds stronger emotional bonds** which are the most effective at driving sustained store traffic and true loyalty!

Think Differently

Thank You

Vince Guzzi

vguzzi@wattisretail.com

watt

Appendix

watt

A faint background graphic consisting of a light gray grid. A horizontal axis at the bottom has the word "watt" written in red. A vertical axis on the right side has several horizontal grid lines. Two large, light gray arrows point towards each other, one from the bottom-left and one from the top-right, meeting near the center of the grid.

References

Dr. Marten's:

Oystercatchers. (n.d.). *Welcome to the DMs Originals venue*. The Oystercatchers. Retrieved September 6, 2024, from <https://theoystercatchers.com/welcome-to-the-dms-originals-venue/>

TDM. (n.d.). *Doc Martens Carnaby Street*. TDM Space. Retrieved September 6, 2024, from <https://tdm.space/doc-martens-carnaby-street/>

Ads of the World. (n.d.). *Made strong*. Ads of the World. Retrieved September 6, 2024, from <https://www.adsoftheworld.com/campaigns/made-strong>

Dr. Martens. (2023, October 5). *#MadeStrong* [Video]. TikTok. <https://www.tiktok.com/@dmartens/video/7285654426910477601>

Dyson:

Invidis. (2023, January 17). *Dyson demo stores: Master of storytelling*. Invidis. <https://invidis.de/en/story/dyson-demo-stores-master-of-storytelling/>

Fifth Avenue NYC. (n.d.). *Dyson demo store*. Fifth Avenue NYC. Retrieved September 6, 2024, from <https://fifthavenue.nyc/dyson-demo-store>

Spooner, L. (2023, March 23). *Dyson Omni-glide vs Dyson V15 Detect: Which new cordless vacuum is best for you?* TechRadar. <https://www.techradar.com/news/dyson-omni-glide-vs-dyson-v15-detect-which-new-cordless-vacuum-is-best-for-you>

Yelp. (n.d.). *Dyson demo store*. Yelp. Retrieved September 6, 2024, from <https://www.yelp.com/biz/dyson-demo-store-new-york>

TechGuide. (2022, October 12). *Take a look inside the Dyson demo store, which has just opened in Sydney*. TechGuide.

<https://www.techguide.com.au/news/appliances/take-a-look-inside-the-dyson-demo-store-which-has-just-opened-in-sydney/>

Allure. (2023, May 7). *Dyson in-store services in New York City*. Allure. <https://www.allure.com/story/dyson-in-store-services-new-york-city>

Frameweb. (n.d.). *Dyson demo Oxford Street*. Frameweb. Retrieved September 6, 2024, from <https://frameweb.com/project/dyson-demo-oxford-street>

RetailDive. (2017, June 21). *Best Buy unveils Dyson demo spaces in 90 stores*. Retail Dive.

<https://www.retaildive.com/news/best-buy-unveils-dyson-demo-spaces-in-90-stores/448158/>

Retail Focus. (2023, May 9). *Dyson launches new pioneering technology space in Harrods, London*. Retail Focus.

<https://retail-focus.co.uk/dyson-launches-new-pioneering-technology-space-in-harrods-london/>

Dyson [@dyson]. (2023, May 11). *Dyson Harrods space* [Photograph]. Instagram. https://www.instagram.com/p/C4pEc_2LsU3/?img_index=1

Behance. (n.d.). *Suck it up: Dyson ad campaign (for class)*. Behance. Retrieved September 6, 2024, from

[https://www.behance.net/gallery/11122567/Suck-it-Up-Dyson-Ad-Campaign-\(for-class\)](https://www.behance.net/gallery/11122567/Suck-it-Up-Dyson-Ad-Campaign-(for-class))

Dyson. (2017, June 20). *Dyson demo store: New York* [Video]. YouTube. <https://www.youtube.com/watch?v=vqwiFUNBD1Y>

References

IKEA:

Feed the Lion. (2023, February 15). *IKEA halal Wembley London*. Feed the Lion. <https://www.feedthelion.co.uk/ikea-halal-wembley-london/>

IKEA. (2022, August 15). *IKEA Wembley - the halal project* [Video]. YouTube. <https://youtu.be/fR-oiooy9nc>

Adidas:

Sreda Obuchenia. (n.d.). *Adidas sport pop-up store interior*. Sreda Obuchenia. Retrieved September 6, 2024, from <https://interior.sredaobuchenia.ru/sportpopup>

Behance. (n.d.). *Adidas Springblade*. Behance. Retrieved September 6, 2024, from <https://www.behance.net/gallery/14536319/Adidas-Springblade>

Adidas. (2017, March 15). *Adidas Springblade: Product launch event* [Video]. YouTube. <https://youtu.be/W1kKeW4Y41c>

Nike:

Nike. (n.d.). *House of innovation*. Nike. Retrieved September 6, 2024, from <https://www.nike.com/ca/house-of-innovation>

Patagonia:

Patagonia. (n.d.). *Worn Wear*. Patagonia. Retrieved September 6, 2024, from <https://wornwear.patagonia.com/>

McMillan Doolittle. (2023, May 19). *Concepts driving global resale forward: Bikeflip, circular closet, Patagonia Worn Wear, and Zara pre-owned*. McMillan Doolittle.

<https://www.mcmillandoolittle.com/concepts-driving-global-resale-forward-bikeflip-circular-closet-patagonia-worn-wear-and-zara-pre-owned/>

Worn Wear [@wornwear]. (n.d.). *Patagonia Worn Wear* [Instagram profile]. Instagram. Retrieved September 6, 2024, from <https://www.instagram.com/wornwear/>

Behind the Leopard Glasses. (2017, March 12). *Worn Wear fit with Patagonia*. Behind the Leopard Glasses.

<http://www.behindtheleopardglasses.com/2017/03/worn-wear-fit-with-patagonia.html>

Sportguide. (2023, June 10). *Worn Wear tour bei Transa: Lebensdauer der eigenen Kleidung erhöhen*. Sportguide.

<https://www.sportguide.ch/worn-wear-tour-bei-transa-lebensdauer-der-eigenen-kleidung-erhoehen/>

Flyfishing Blog. (2019, March 20). *The Patagonia Worn Wear tour for the first time at the EWF*. Flyfishing Blog.

<https://flyfishing-blog.com/flyfishing-blog.com/2019/03/20/the-patagonia-worn-wear-tour-for-the-first-time-at-the-ewf/>

References

Patagonia continued:

Notcot. (2015, April 10). *Patagonia Worn Wear tour: Delia*. Notcot. <http://www.notcot.com/archives/2015/04/patagonia-worn-wear-tour-delia.php>

Outside. (2023, August 17). *Au cœur de la roulotte du Worn Wear Tour où l'on répare les vêtements outdoor*.

Outside. <https://www.outside.fr/au-coeur-de-la-roulotte-du-worn-wear-tour-ou-lon-repare-les-vetements-outdoor/>

Snow Forecast. (2022, November 7). *Get your skiwear fixed for free in resort*. Snow Forecast.

<https://www.snow-forecast.com/whiteroom/get-your-skiwear-fixed-for-free-in-resort/>

Carulla FreshMarket:

Tap Creative. (2023, January 18). *Discovering one of the top stores to visit in 2023: Carulla FreshMarket*. Tap Creative.

<https://tapcreative.ie/news/discovering-one-of-the-top-stores-to-visit-in-2023-carulla-freshmarket/>

Mall y Retail. (2023, February 15). *Boletín 297: Fruver Scan – La solución de Carulla FreshMarket 140 y Google Cloud para facilitar la compra*. Mall y Retail.

<https://www.mallyretail.com/actualidad/mall-y-retail-boletin-297-noticia-3>

The Grocer. (2022, October 12). *Omnichannel experiences: Six stores around the world every foodie should visit*. The Grocer.

<https://www.thegrocer.co.uk/store-design/omnichannel-experiences-six-stores-around-the-world-every-foodie-should-visit/664605.article>

LSA-Conso. (2022, November 9). *Carulla digitalise son concept Fresh Market*. LSA-Conso. <https://www.lsa-conso.fr/carulla-digitalise-son-concept-fresh-market,341706>

Carulla. (2022, October 20). *Carulla FreshMarket tour* [Video]. YouTube. <https://www.youtube.com/watch?v=yiGuU3WLCaw&t=101s>

ACIS. (2023, April 5). *Fruver Scan: La solución de Carulla FreshMarket y Google Cloud*. ACIS.

<https://acis.org.co/portal/content/noticiasdelsector/fruver-scan-la-soluci%C3%B3n-de-carulla-freshmarket-140-y-google-cloud-para-facilitar-la-compra>

Carulla. (n.d.). *Carulla: Escuela de cocina*. Carulla. Retrieved September 6, 2024, from <https://www.carulla.com/escuela-de-cocina>

Carulla. (n.d.). *Carulla: Vida sana, sistema fresco*. Carulla. Retrieved September 6, 2024, from <https://www.carulla.com/vida-sana/sistema-fresco>

Google Play. (2022, December 1). *Carulla app* [Mobile app]. Google Play. https://play.google.com/store/apps/details?id=com.carulla.appcompania&hl=en_US

Data:

McKinsey & Company. (2023). *Customer experience survey: USA*. McKinsey.