In-store Innovations – Emerging Countries

We received great response to our previous post on Future of Retail – In-store Innovations (http://yourstory.in/2013/03/instore-innovations/). We thank all our readers for the encouraging feedback and comments.

We heard from many of you that the in-store innovations we presented were good but they didn't seem relevant for India, or, as a matter of fact, for emerging countries. Therefore, in this post, we present to you 10 in-store innovations from emerging countries and a couple of examples from India as well.

1. P & G Launched "5D experience" Concept Store in Sao Paulo Featuring GestureTek's Interactive Solutions[1]

Procter & Gamble launched a new concept store where people are invited to interact with and experiment with P & G's products using sensory experimentation. The P & G 5D Experience is an interactive operational space and entertainment destination. The concept store, designed by Point Creative and opened in the Market Place in Sao Paulo, engages people and offers them the opportunity to experience P & G brands from an entirely new perspective.

Trinanda Media (Gesturetek's Strategic Dealer in Brazil) was involved in the design of the interactive window on the store's facade, installing GestureTek's Screen FX projection-based interactive visual display technology. The window installation was intended to promote the store as well as the P & G brand. GestureTek's GroundFX interactive floor display technology was also used to showcase the Pampers brand. Named "Magic Carpet," the interactive floor system provided the visiting public with a unique and highly engaging brand interaction experience!

[1] http://www.gesturetek.com/gesturefx/businesscases/pandg.php

Figure 1 P&G's "5D Experience" Concept Store in Brazil (Image Source: http://www.gesturetek.com/gesturefx/businesscases/pandg.php)

2. "Virtual Shopping Wall" at Delhi International Airport, India

In India, e-commerce firm HomeShop18 and Delhi International Airport introduced a "Virtual Shopping Wall' at the Delhi Domestic Terminal T3. The virtual mall is named "Scan N Shop". The wall offers premium merchandise to consumers. The passengers will be able to browse through the entire range of products and order by scanning the QR code displayed against each item with their smartphones. Consumers can also order by calling at the call centre of HomeShop18.

Figure 2 HomeShop18 "Virtual Shopping Wall" (Image Source: www.theretaildaily.com)

3. "eKoCool" cooler by Coca-Cola in Uttar Pradesh, India

A while ago, Atul Singh, President and CEO, Coca-Cola India and South West Asia, visited one of his markets in the hinterland in UP, India. He encountered the challenges that retailers faced in offering chilled beverages in summers due to long power cuts. Atul Singh came back along with his technical team with the innovation called "eKoCool" cooler.

These coolers are distributed to women retailers, helping them earn a livelihood. Besides cooling drinks, it can also charge lanterns and cell phones--this helps them earn that little extra. The cooler remains chilled for at least two-and-a-half hours after sunset.[2]

Figure 3 "eKoCool" Solar Coolers (Image Source - http://www.thehindubusinessline.com/marketing/cocacola-focuses-on-growing-with-communities/article4415385.ece)

4. Augmented Reality Stores by Yihaodian, China

Yihaodian, one of China's biggest e-commerce sites, developed augmented reality stores that can only be accessed in certain public locations. The basic aim was to provide a more interactive shopping experience. When customers point their smartphone in the right direction at locations such as public squares, a virtual store is displayed where items sit on shelves or hang from the walls. This app provides a simulation of a physical retail store so shoppers can feel more immersed in their online shopping trip.

The concept involves the establishment of AR supermarkets in vacant lots in cities around China, where people will be able to wander around the space, using their smartphones for guidance, shop and have

[2] http://www.thehindubusinessline.com/marketing/cocacola-focuses-on-growing-with-communities/article4415385.ece

their products delivered at home. The idea of using dead urban spaces as retail areas, while avoiding any building and personnel costs sounds like a promising one.[3]

Figure 4 Augmented Reality Supermarkets: Yihaodian, China (Source: http://popupcity.net/2013/02/can-augmented-reality-supermarkets-revitalize-vacant-urban-lots/)

5. C&A Brazil Introduces FB Likes in Real World

C&A provided a good example of how the real world and the online can converge to create a modern shopping experience. By displaying Facebook "likes" on small screens embedded in articles' hangers, the retailers showed the increasing tally of "likes" that different items of clothing were receiving from Web users. The hope was that approval from the online community would encourage shoppers to purchase a particular item of clothing.

[3] http://popupcity.net/2013/02/can-augmented-reality-supermarkets-revitalize-vacant-urban-lots/#ixzz2UTWmm5RR

Figure 5 C&A Brazil : "Like" Your clothes in Real World! (Source: http://www.refinery29.com/brazilian-facebook-hangers)

6. iPads in Restaurants

In India, several restaurants have tried the iPads to woo their clientele for a different dining experience. Restaurants display their food menus on the iPads and give interesting facts and information around their offerings. The concept has been tried in the following locations in Mumbai - Koh by Ian Kittichai (InterContinental Marine Drivei), Royal China (Bandra and VT) and Escobar (Bandra).

Figure 6 iPad Menus for Diners (Image Source: http://niceandnew.wordpress.com/2012/04/29/ipad-menus-in-indian-restaurants/)

7. Magazine Luiza's Virtual Model for Brick-and-Mortar Stores

Brazilian retailer Magazine Luiza's management came up with an innovative virtual model, which accounts for 52 stores of the 350-store chain. The model has defied the notion that "if the store is small, the assortment must be very limited." Magazine Luiza provides access to a megastore's assortment of basic home needs to populations in small cities.

The virtual model relies on an electronic format and four important aspects make up this model:

- No on-site products
- Offering of additional services
- Strong technological support
- Integration with the community

After observing a series of failed virtual stores, Magazine Luiza did not apply a self-service model. Rather, it counted on customer service not only to sell, but also to educate customers on the new concept and format. At first, the virtual store model started with sales on video; it later moved to an online approach.

As another means of differentiation, Magazine Luiza launched one-hour Internet access for customers, with an additional hour for bringing in a new customer. The company also sets aside space within the virtual stores for consumer education, partnering with local charities to provide their customers with information sessions on topics including literacy, healthy living, disease prevention, and childcare.[4]

Figure 7 Magazine Luiza's Virtual Model (Image Source: magazineluiza.infoinvest.com.br)

[4] http://www.booz.com/media/file/SuccessfulRetailInnovationinEmergingMarkets.pdf

8. The Fragrance Bar in China

The Fragrance Bar is an innovative in-store digital experience developed by Labbrand and has been featured in Sephora's newest megastore in Shanghai, China.

The Fragrance Bar is a new retail concept that provides a unique shopping experience to maximize consumer engagement. It is composed of six stations—each equipped with an iPad and 10 perfume diffusers. Labbrand created two different iPad applications for in-store use. One is based on the idea of Memorable Scents that allows customers to interact with emotion-charged scents. The other one is based on the idea of Key Life Occasions that allows customers to find their perfect fragrance for dating, work, going out and gifting. Customers could then obtain product information directly through the application and share their result by email or through Sina Weibo. Both applications are linked to perfume diffusers that allow customers to directly experience different scents and fragrances, thus increasing the chances of sales conversion.[5]

[5] http://www.labbrand.com/news/labbrand-creates-innovative-digital-retail-experience-sephora%E2%80%99s-largest-flagship-store-china

Figure 8 The Fragrance Bar in Shanghai, China (Image Source: www.labbrand.com)

9. Coca-Cola's Hug Machines in Istanbul, Turkey and Future Projects in India and Pakistan

Coca-Cola has tried many interesting formats in vending machines. In Singapore, Coca-Cola set up a Hug Machine --a vending machine with red and white message announcing the consumer to "hug" it, after which the consumer would be given a free Coke. The Hug Machine generated 112 million impressions within one day. In Istanbul, Coca-Cola installed vending machines inside crowded shopping malls. These vending machines were specially designed for couples to prove their love to each other and win a few extra cans of Coke. Recently, Coca Cola announced plans to set up vending machines in India and Pakistan that seek to bring the people from the two countries together.

Figure 9 Hug Machine in Singapore (Image Source: www.nydailynews.com)

Figure 10 Vending Machines in Istanbul (Source: http://iamchiq.fooyoh.com/iamchiq_living_lifestyle/7225940)

Figure 11 A Coca-Cola Vending Machine Being Planned for India and Pakistan (Source: http://articles.economictimes.indiatimes.com/2013-03-21/news/37903495_1_coca-cola-coke-beverage-maker-plans)

10. Montblanc - Interactive Experience in Sanlitun-Beijing, China

The Montblanc store gives its visitors the chance to explore the inside working of a genuine Swiss watch via the Virtual Timepiece. With a focus on design and contemporary art, the interactive journey is quiet unique! The virtual reality feature invites the visitors to interact with the inner movement of a watch, in this case, the uniquely original Montblanc Metamorphosis dual-faced timepiece. A projected wheel allows the person to direct the movement of the watch which is projected on surrounding screens, by turning the wheel, complete with subtle light effects.

By entering Sanlitun's Walk of Fame, the visitors will find themselves surrounded by several memories of glamorous Montblanc events. The cameras flash, and for a moment, one is transformed to another time and place. Customers can also get the opportunity to hold the moment forever with a souvenir photo.

Figure 12 The Virtual Timepiece – A Moving Experience (Source: http://stories.montblanc.com/2012/06/world-premiere-in-beijing-montblanc-opens-an-innovative-concept-store-in-sanlitun/#.UaMMQcqimyE)

Some of these observations of in-store innovations may go on to become a trend and some of them will fade away with time. However, the point that we are driving home is that the trend of in-store innovations is here to stay--people want to experience something unique when they enter the brick-and-mortar stores and at other times it becomes important to innovate inside a store to make the whole retail process much more efficient. One way or the other consumers are to benefit.

Based on these in-store trends, technology innovations and people preferences that we have been observing, we bring two future scenarios that will stimulate you to think on what the future will be like. If you have one of your own exciting scenarios, then write to us at ice@humanfactors.com

Future Scenario 1:

Aaradhna is the mother of Aakash, an 8 year old creative boy who loves to venture outside and play around with friends. Aaradhna loves to take Aakash outside for play after her office hours. She has been looking to buy something that will help Aakash develop his creative skills. When she reaches the playground she gets a notification- she switches on the application to realize that a new augmented reality store has opened at the end of the ground. The store is meant for the children. She explores the store with Aakash and finds out a drawing tool that lets children make graffiti in empty and unused spaces. She purchases this tool. Aakash is very excited to try it out. He makes a big graffiti in a corner of the park that is usually unused and shady. His friends collaborate with him to complete this graffiti. Aakash uploads this graffiti and his augmented reality store puts the design up for sale on its collaborated marketplace. The design is liked by many and an industrialist buys the design for his home décor. Aaradhna gets the money on behalf of her child and she puts it in his account for his future "creative" skills education.

Future Scenario 2:

Emily, from Hong Kong, works with a law firm. She loves food and loves to try out new restaurants. For quite some time now, she has been thinking of going to a new restaurant with her friends. Finally on a Friday night she goes there and is amazed by the use of latest innovations in the restaurant to provide an outstanding experience. The restaurant uses an immersive experiential technology that allows her to feel as if she is walking through the kitchen and watching her order being cooked. She can even inform what ingredients she prefers. One of her friends is very finicky about hygiene and always worries about the chefs being unclean. Here, her friend is at ease since the entire cooking took place in front of her. She along with her friends chose to listen to Bob Dylan. As the ambient music died down, they could see a hologram of Bob Dylan come up and he started his performance. They spent a lovely evening together. Emily was very happy and when she left, she got a message from the restaurant informing her about their other offers as well. She could dine under the stars or near the Pyramids or in the tranquility of the Andes– these were some of the ambiences she could choose from for her next dining experience. She made the booking right away!

This report has also been posted on YourStory.

Download our extensive report on Future of Retail

If you would like to know more about trends and innovations in Retail and also read on more future scenarios then download our full report on Future of Retail from - http://ice.humanfactors.com/retail.html

Author: Ankush Samant - The Observant Explorer at ICE

Twitter - @ankushsamant

Ankush finds emerging trends in cultures, technology, society and businesses that drive User Experiences, and builds ideas around it. He feels the future of UX is convergence of ideas, creating faster disruptions with bigger impacts.