

Use your store layout to attract shoppers and **maximise basket spend**

BY JANET KIRBRIDE

Shoppers use a repertoire of stores to satisfy the variety of shopping trips that they undertake. The determination of which store to use typically revolves around which mission is involved, what products or solutions are wanted, what time is available, and how close or accessible the store is. Other factors such as store look and feel, hygiene, staff attitudes and customer service also contribute to the decision-making, as does overall price perceptions and the attractiveness of current promotions.

Merchandising around shopper missions

I believe that of these, the primary deciding factor is the mission and the associated products sought. The mission will dictate the trade-offs that the shopper is prepared to make, for instance between convenience and service, range and shopability, quality and price.

Floor plans play an important role in these equations by directly impacting the shopping experience on each mission. The location and flow of destination categories affects the speed and ease of locating them, and the adjacencies (other categories around them) influences the incidence and scale of incremental purchases.

Bear practicalities in mind

When examining store layouts, it is apparent that the practical realities of handling stock and re-merchandising shelves, particularly when refrigeration is required, are dominant considerations. For example, the merchandising of fresh juices with dairy products is more likely to have been driven by the identity of the suppliers

than by the cold beverage needs of shoppers! Similarly questionable is the location of ice-cream with frozen fish and vegetables due to it being frozen, despite it being more closely associated with desserts! And let's not mention the location of eggs...

I believe that floor plans should be 'mission-based' driven largely by the needs of shoppers on each mission that the store is hoping to gain an increased share of. The basic information that is required is:

- The dominant shopping needs by mission,
- The destination products and solutions by mission, and
- The incremental sales opportunities associated with each mission.

This information should be compiled into a 'mission map' covering all of the missions targeted by a store as per the example in the table on the opposite page.

The floor plan should then be designed to meet the specific mission needs, specifically addressing the location in store, category adjacencies and flows, and strategic cross-merchandising.

Catering for convenience

So, for example, pop-in categories should be placed all together and close to the store entrance and tills (or with a dedicated till) to make it quick and easy to shop. This is contrary to the current treatment where these categories are typically dispersed throughout the store and are not often at the front.

Instead of tempting shoppers to buy more by forcing them to walk through the store, this serves only to irritate, and ultimately shoppers will look for an alternative store to satisfy these needs. The run-out categories should be located at the store front end of their relevant aisles to make them quickly accessible.



If you are catering for convenience and are aware that your lunchtime trade are customers wanting a quick and easy bite to eat, place prepacked sandwiches, baguettes, fruit juices and smoothies right near your checkout to make it a timeless errand.

TARGET MISSIONS	SHOPPING NEEDS	DESTINATION CATEGORIES	INCREMENTAL SALES OPPORTUNITY
<p>POP-IN</p>	<p><i>It all about speed.</i></p> <p>Easy to find the categories sought, quick to get to them, quick to find the items wanted, and quick to pay and get out of the store.</p>	<ul style="list-style-type: none"> ■ Daily essentials (bread, milk, newspaper, cigarettes) ■ Occasion specific needs (braai, picnic, gifting) ■ Emergency needs (pain killers, heart burn meds, airtime, toilet paper, pet food, baby food, diapers, cereals, margarine, flowers, card/gift wrap) ■ Immediate consumption meal solutions (deli, hot food, sandwiches, salads, pies, pizza, prepared meals, convenience meals, BBQ chicken) ■ Snacking (snacks, treats, and cold beverages) 	<ul style="list-style-type: none"> ■ Snacks and treats, cold beverages, yoghurt, spreads, biscuits ■ Ice, candles, bug spray, flowers, cards/gift wrap, gift chocolates, toys ■ Bakery goods, rolls, wine, cold beverages, desserts, yoghurts ■ Newspapers, magazines, baked goods, biscuits, breath fresheners
<p>MEAL SOLUTION</p>	<p><i>It's all about freshness, meal solutions, and inspiration.</i></p> <p>Fresh produce, fresh meat, poultry, and fish. Recipe ingredients. Menu ideas and meal enhancers.</p>	<ul style="list-style-type: none"> ■ All Fresh Departments ■ Frozen foods ■ Spices and seasonings ■ Sauces, gravies, condiments, pickles, dressings, yoghurts ■ Margarine, butter, and spreads ■ Lunchbox solutions 	<ul style="list-style-type: none"> ■ Soups, desserts, cold beverages, wine, biscuits, fresh cream, baking ■ Demonstrations, sampling and tasting, recipes ■ Link to liquor store
<p>PANTRY LOAD</p>	<p><i>It's all about availability and affordability.</i></p> <p>Range depth and breadth, key products in stock, value packs, great deals and promotions.</p>	<ul style="list-style-type: none"> ■ All grocery departments 	<ul style="list-style-type: none"> ■ General Merchandise, snacks and treats, wine

Meal solution matters

Similarly, holistic meal solution merchandising should be built into the floor plan if a store aims to attract the weekly meal solution trips. Integration, or at least close proximity, of recipe ingredients (spices, seasonings, pickles, sauces, condiments, dressings, etc) wine, and desserts into the fresh departments is key. Similarly, the frozen foods categories should be located adjacent to the fresh food departments as they are a core part of meal planning. Specific solution areas for lunchboxes, braais and picnics can also be created to make shopping for these needs easier and more engaging, as well as to differentiate the store.

Shoppers on pantry load trips are likely to shop the whole store and so these categories (typically, household staples, canned foods and General Merchandise) can be located furthest from the front of the store. In all sections, it is essential that maximum opportunity for cross-merchandising of relevant other categories be taken to stimulate incremental, impulse sales.

Maximise shopability

In summary therefore, while practical considerations cannot be ignored, floor plans should be designed to maximise shopability and opportunities to proactively stimulate basket spend – this requires understanding of mission specific needs

and what goes into the basket (whether it's a pantry shop or pop-in trip), and creative leverage of this knowledge in planning category locations in-store, adjacencies and flows, and strategic cross-merchandising.

CASE STUDY ►



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BY STEPHEN MAISTER



Early concept sketch of floor layout, as well as shopper routes through the store.

For years, Waitrose had held back from the convenience store business. Its strong heritage in the supermarket business with some 240 outlets was part of this reluctance. Meanwhile, their competitors, like giants Tesco, Sainsbury's and Marks & Spencer were already in it and growing it fast. Convenience had changed and was now a R330 bn/year business.

The move to convenience

One of the compelling attractions of convenience stores in the UK for supermarket chains is the difficulty in obtaining planning permission for new major stores. Waitrose wanted to grow their business and convenience would enable them to grow fast and access new customers.

They felt they had an opportunity to make their mark in convenience with price, quality, service and choice.

Their first step was to research shoppers and asked them what they wanted in a 280 m² store. The answers they got were:

- **Simplicity.** Shoppers are tired, in a rush and they don't want the hassle. They want it quick and simple.
- **Healthy.** There was an unmet demand for healthy food.

- **Fresh.** This was a big win as fresh is already 70% of Waitrose's business.
- **Meals.** Few stores in the market inspired shoppers to find what they wanted. They wanted meal solutions.

Core values of convenience

From this Waitrose identified the core values they wanted their convenience stores to reflect: Simple, Fresh and Healthy.

The development team now had to wrestle with the problem how to fit everything into the typical 280m² trading floor convenience format. You can't, they note, just downscale a supermarket.

From their research they narrowed the possible range down to cater for just three shopping missions:

- Simple, fresh and healthy food to eat during the day.
- Simple, fresh and healthy meal components to take home for dinner.
- Quality everyday essentials and a small, high quality range of gifts.

Designing the store

The next step was to design the store and its merchandising so that it was easy to shop, easy to choose and easy to check out. To achieve this they set out to integrate floor layout, graphics and colour.

Some of the issues they had to deal with included compressing back of house space

Waitrose

How the UK's Waitrose targeted three key shopping missions to launch a totally different-looking convenience store format

to a minimum; streamlining their branch structures; and keeping these small stores in-stock.

In contrast to conventional store layout designs they did not want to force shoppers to shop the whole store where service departments are typically on the perimeter and everything else is arranged into aisles. Instead, they wanted an easy route for each shopping mission that lead shoppers to the cash desk.

They split the store floor into three zones for each of their shopping missions.

Zone 1: Quick in and out, in the front of the store for on-the-go food to eat during the day

Zone 2: For meals to take home in the evening in the middle of the store

Zone 3: Quality, every day essentials at the back of the store or last stop before the checkouts.

This was complemented by bold signs which, together with the use of colour, light fittings and fixtures, would enable shoppers to navigate the store on instinct and find the zones they wanted to shop.

Having developed their design concept and set store standards they proceeded to interpret them in three pilot stores. Each had different shapes and ceiling heights. The first pilot store was in Cambridge, followed by Manchester and the last in Old Brompton Road, London.

Also, Waitrose is a division of the John Lewis Partnership in which all employees are partners. This gives them an edge in the UK market in terms of service and the pride their staff takes in their stores and work. They saw it as very important to the success of their convenience venture to maintain the partner difference through the way they designed their convenience store format.

Theirs are very different-looking stores. Instead of straight aisles they use a mixture of longer and short fixtures, some set at right angles to one another with spaces in between to create a bit of a meander within the zone. This makes it easy and

quick for customers to find the required zone for their shopping mission.

Other design features

- A service bakery / patisserie in Zone 1, upfront for food-on-the-go and the cash desk are used to present the Waitrose 'served with pride' service edge.
- They moved away from stainless steel and used more natural finishes. Stainless steel, they say, makes the checkout look more like a morgue table. The checkout, they feel, should not be viewed as a cash desk but rather as a greeting desk – again, part of their service ethic.

- For every day essential dry groceries, they used high shelving to help take shoppers on this mission to the back of the store. However, Waitrose has strict standards that limits the height of merchandise display to 1.5m, so they repeated the display above that height with plastic replicas of stock.
- They've placed a seat inside the front window and a bike is parked outside as part of the standard décor to make the store more welcoming, comfortable and friendlier.
- Fruit has been separated from vegetables. They see fruit more as a snack for any time of the day on-the-go eating, whereas vegetables – more part of the meal – are located about halfway through in Zone 2.



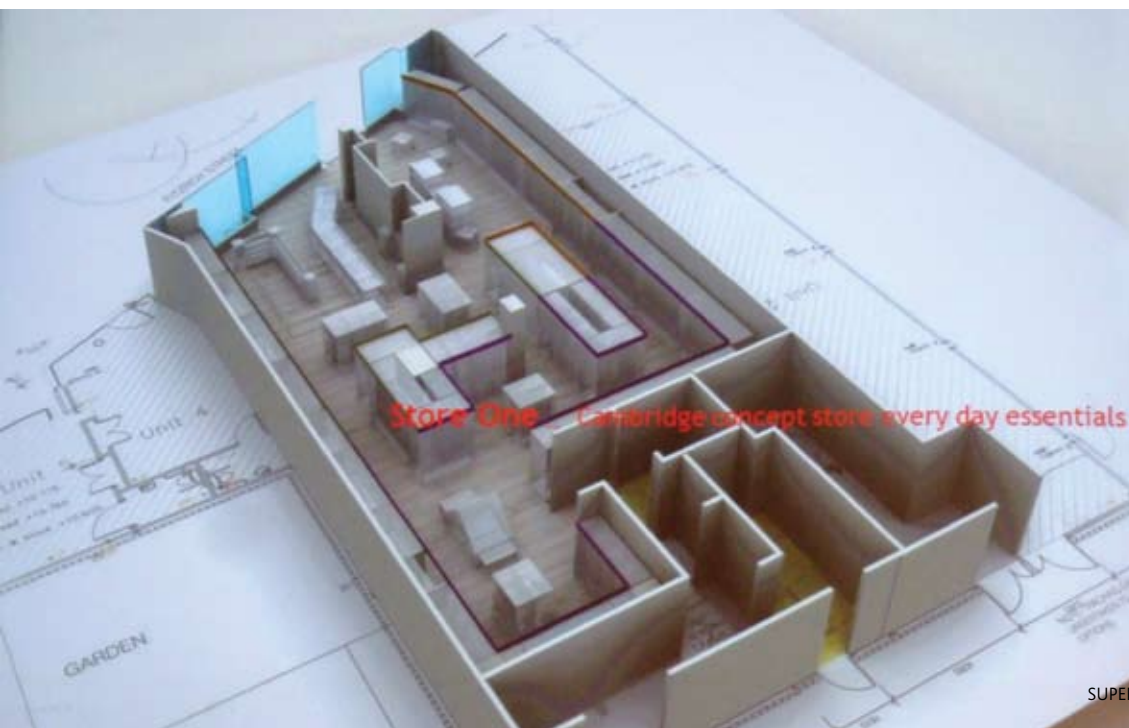
A pilot store floor plan shows the three zones colour coded, as well as the proposed shopper route through the store.

The results

All customers have been given the opportunity to send in feedback on their shopping experience through e-mail or sms texting. The feedback has been overwhelmingly positive.

Still, they found they had more work to do on streamlining branch structures and improving supply to the convenience format.

But, despite being late into the convenience market they also found that there definitely is a place in the market for convenience stores that are 'that little bit different'. 



Model shows how fixtures create a meander through the store instead of up and down straight aisles. Also note how the cash desk is backed by the bakery / patisserie in the front of the store (the two service areas). The shopper path through the store starts in past the bakery in Zone 1 down the left side of the store.

Based on a presentation at The Retail Design Conference held on 26 February this year at the Euroshop Trade Fair in Dusseldorf and hosted by the EHI (European Handels / Retail Institute). The joint presentation was made by Anthony Wosome of Waitrose and Martin Campbell Davies of Schweitzer Interstore Design, Waitrose's store design partner of six years standing.