



**RETAILERS AND RESTAURANTS:
Build an Experience Your
Customers Will Love**

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Introduction

“Experiences won’t just sell products. Experiences will be the products.”

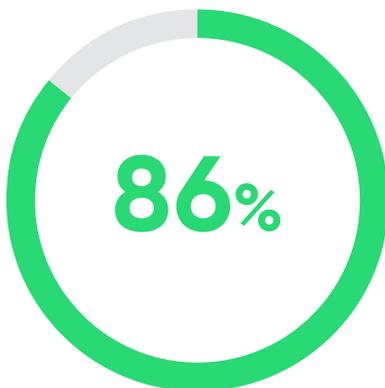
– Doug Stephens, founder and president of Retail Prophet, on the future of brick-and-mortar retailers

To stay competitive, retailers and restaurants have shifted their focus in recent years from more traditional sales techniques to creating engaging in-store experiences. In fact, in an ever-expanding world of online commerce and new restaurant concepts, customer experience has emerged as a main deciding factor between a brick and mortar’s success and failure.

Lagging sales and the rise of the online shopper has forced large retailers like Sears and Walgreens to close thousands of stores in the last few years, creating what has been called the “retail apocalypse.” But while some businesses are struggling, others are flourishing.

Retailers like Nike have had success by evolving their business model to include customer-immersive experiences. For example, their Soho store houses a half basketball court, and their global Nike Live stores cater to local loyalty members through personalized services.

But you don’t have to be an industry giant—or make giant adjustments—to create a memorable customer experience. Retailers, restaurants, and businesses of all sizes have beat out the competition—whether online or in person—by making a few manageable changes. This report outlines several accessible yet effective ways to create an in-store experience your customers will love.



of customers are willing to spend more for a better customer experience



of companies who improved their customer experience increased their revenue



of businesses compete through customer experience

How to Improve Customer Experience in Your Store or Restaurant

A superior in-store customer experience is one that attracts and engages customers, connecting them to your brand through positive association. This is done in a variety of ways, including the following:

START FROM THE STREET

Digital signs

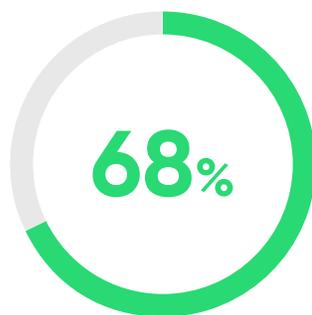
An estimated 76% of customers enter a store because of its signs. And digital signs have also been proven to increase “impulse buys” by 70%. In fact, the popularity of digital signs is reflected in the projection that the digital signage market will reach \$32 billion by 2023. But just how do digital signs correlate with a better customer experience?

The answer is: content. Effective content, including bold graphics and videos, tells a story in a way that makes it easy to understand at a glance. It gives the customer a quick preview of the value they will receive walking through your door. Good digital content is easy to read, easy to understand, and simple in concept—it has to be, since you only have seconds to capture the attention of people on the street.

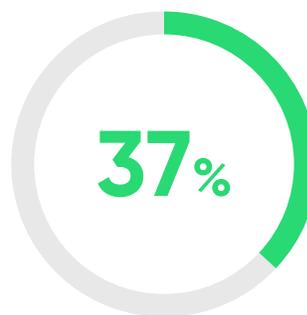
Content experts recommend keeping digital signage content balanced in terms of color and layout. This means choosing two or three colors and keeping text simple and to the point. And a certain amount of white space should be left to allow for your message to pop.



of small business owners saw an uptick in sales after installing digital signs



of customers buy because of a store's digital signs



of restaurants said that their digital signs increased promotional item sales



Window displays

Your storefront or restaurant windows are the first point of contact for customers, so make them count. They tell people who you are, what you have to offer, and why to get excited about walking through your door. Attention-grabbing window displays boost sales and bring in new customers. In fact, studies show that window displays influence **24% of customer purchases**.



- » **Keep up with the trends.** Professional window designers suggest using Pantone’s color of the year for 2020, which is classic blue, in your displays. Other popular themes for the year are industrial and futuristic designs and the “Reconstructed Legacy” trend, which mixes vintage and modern décor elements.
- » **Select one large focal point.** To catch and hold the attention of passersby, your window display needs one large focal point, with a clear call to action (typically a sign that tells customers what to do next). And don’t forget to leave some “white space” to give onlookers a visual rest and ensure that they focus on your messaging.
- » **Light it up.** Don’t light your displays from the top, creating unattractive shadowing. Instead, light them from the front and the sides to give your display a 3D quality.
- » **Use digital displays.** You only have a matter of seconds to create a first impression, and dynamic displays work better than static displays for grabbing attention. Vivid, crisp HD displays with colorful graphics that, unlike paper signs, don’t fade in the sun or become invisible at night provide 24/7 advertising.



Well-designed window displays have the potential to **increase sales by 540%**



Digital window displays are **viewed 400% more** than static displays



of customers entered a store because of its outdoor digital displays

MAKE THEM FEEL WELCOME

Design and flow

People are visual creatures, and their surroundings influence their behavior. Planning a store or restaurant's design and layout is critical when it comes to creating a space customers will love and want to re-visit.



Here are some general rules of thumb:

- » **Color.** Shoppers form a perception of your products in just 90 seconds, and **90% of these perceptions are based on the colors** you use in your design. In general, cool-toned greens and blues have a calming effect, while bright reds and yellows grab customers' attention (which makes them perfect for retail displays) and are also great for restaurants as they stimulate appetite. Burgundy, brown, gold, and silver have a luxurious feel. And green is, naturally, tied to being environmentally friendly.
- » **Lighting.** Lighting choice depends on the ambience you wish to create. For example, restaurants often use ambient low lighting to create an intimate atmosphere that then encourages them to order that second glass of wine or dessert. On the other end of the spectrum, bright lighting is often used by quick-service restaurants to encourage foot traffic to move, making way for the next wave of customers. These busy diners appreciate the fast turnaround while on their lunch break.
- » **Layout.** Designing for "flow" means customers can make a comfortable progression through your space during their buying journey. The right layout is essential for making the customer experience a pleasant one. Keep the first 10-15 feet of space open at your store entrance so that customers have time to decompress. Place displays, tables, and shelves in such a way that people can walk by with ease without feeling crowded. Create an intuitive layout by following customer patterns: studies show that **90% of people go to their right when entering a store**, so place high-sell items there for customer convenience.



Studies show that dim lighting makes customers shop at a slower pace



Stores with blue design themes are seen as less crowded and more trustworthy than competitors



After food, atmosphere is the most important factor that influences diners to recommend a restaurant

Background music

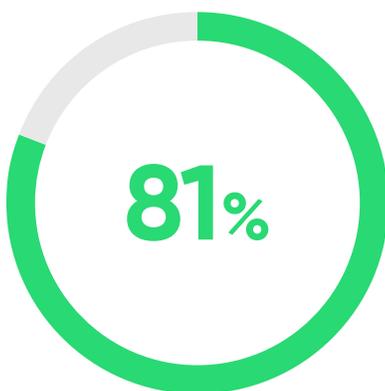
The influence of in-store music on consumers has been well documented. Studies find that, unsurprisingly, when stores play music that customers enjoy, they are more likely to shop slower and report shorter wait times. In fact, playing music with a slower tempo at a soft volume has been known to increase foot traffic by 38%. But it depends on the store's demographic: shoppers age 25 to 49 shopped longer when listening to dynamic tunes whereas those 50 and older preferred more mellow music.

In the restaurant world, diners have been known to spend an average 23% more on food (and 51% more on drinks) when listening to slow music as they ate. Overall, good in-store music causes a 9% increase in sales. But enough sales figures—what about the customer experience? Research reveals that 81% of consumers report a lift in their mood when they hear music in a store or restaurant.

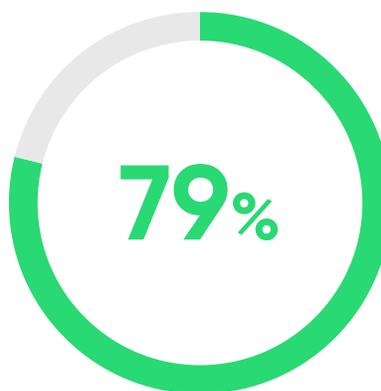


Some background music tips to follow:

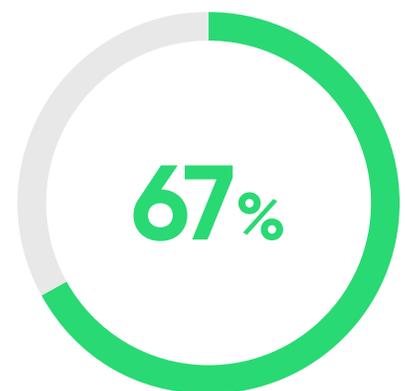
- » Playing classical or jazz music helps people lose track of time and enjoy eating or shopping.
- » Make sure your background music aligns with your brand: for example, a trattoria might play classic Italian hits while a microbrewery might lean toward folk and indie music.
- » Play music to fit the mood, such as playing classic rock at a bar or blues at a café.
- » Find the right volume—customers should be able to talk to each other and your staff without raising their voice.



of consumers report an uplifted mood from background music



of consumers say that background music encourages them to stay longer in stores



of diners said the right background music would make them revisit a restaurant

Rest areas and kid-friendly zones

Most shoppers don't shop alone: they come with kids, spouses, and other (sometimes uninterested) companions. Creating a positive customer experience means considering all who enter your doors, which is why rest areas and kid-friendly zones are so important. These areas allow shoppers to enjoy their shopping experience without screaming kids or unwilling shopping companions distracting them.

Your store's "rest area" could just be a small corner with comfortable seating, a TV, and reading materials. For your kid zone, you can set up a space where parents can see their child playing with crafts and toys or reading as they shop. It really doesn't take much to create an area like this, and it will go a long way with shoppers, who are more likely to frequent your store if they know they can shop in peace.



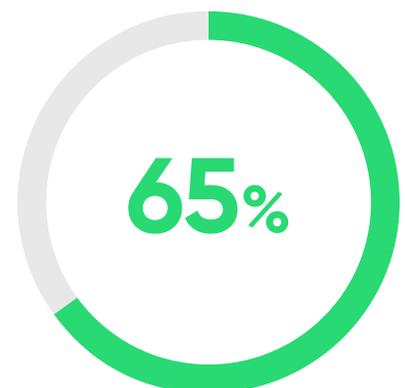
Women spend an average of

30
MINUTES/DAY

shopping with children younger than
six years old



One study found that 80% of
men don't like shopping with
their partner



of millennial parents prefer
shopping with their kids in a store
rather than shopping online

SUPPORT THE CUSTOMER JOURNEY

Knowledgeable, friendly staff

It's no longer enough for your staff to look up product pricing and take food orders—they need to be your brand advocates. They should represent your brand values and be able to speak intelligently—and from personal experience—about your products and services so that they can act as your customers' guide.

Doug Stephens, retail industry futurist and business advisor for some of today's top brands including Google and Disney, put it this way in an interview with [Retail Customer Experience](#): "When I go shopping, I want to talk to someone who not only knows the product but has used it. Somebody who is a real product enthusiast, who really symbolizes what the brand is about, and ultimately is an incredibly engaging person that I can feel some kind of connection to."

Research supports this concept, as [43% of shoppers](#) who interacted with a store associate were more likely to buy. In fact, [one of the top reasons people shop at brick-and-mortar stores](#) has been cited as the opportunity to speak directly to a sales representative and get information and advice on a brand's products or services. And in a study of the restaurant industry, [47 percent of diners](#) said they would take their business to a competitor—and within the same day—if they received poor customer service.



Tips for training staff in customer experience:

- » **Offer paid in-store trainings** (in the form of workshops, webinars, lunch-and-learns, and product demos) for your staff to get them familiar with your menu/products and services.
- » **Leverage the high performers** on your team by putting them in charge of, or having them assist you with, training the rest of the staff. Encourage them to share tips on showing resourcefulness and personalization when communicating with customers and guests.
- » **Teach wait staff to remember names and drink orders.** Studies show that [65%percent of diners](#) wanted restaurants to remember their names, and 50% of those appreciated when servers knew their favorite drink.
- » **Invest in customer experience training.** There are several in-store and online [customer experience training programs](#) for training your staff, including key objectives like active listening, finding common ground with customers, and handling difficult interactions effectively.



\$41
MILLION

is lost annually by U.S. companies due to poor customer service



of customers worldwide state that customer service influences their loyalty to a brand



of customers said their positive customer experience was due to their service rep



of customers said they would make more purchases from a company with quality customer service

Informational & promotional displays

Use your in-store displays as additional staff members by creating effective, eye-catching displays throughout your store or restaurant. Some of the world's top brands use digital signs to educate customers on key product features, promote new and seasonal wares, and act as wayfinding tools and virtual information desks. High-quality LED screens and curated content in the form of HD and 4K images and videos are used to inform and delight customers. Digital in-store signs have proven so effective that studies show they **increase sales up to 33%** and decrease a customer's perception of the **time they spend waiting in line by 35%**.

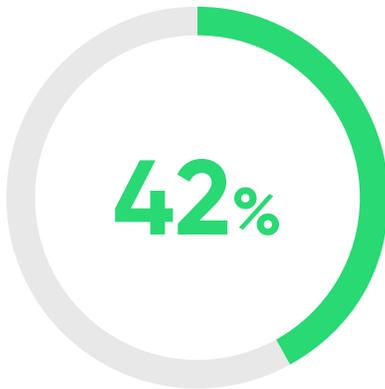
Restaurants that use digital menu boards have shown an average revenue **increase of 3%-5%**. One of the world's top restaurants, McDonald's, saw a **4.8% increase in U.S. sales** the same quarter they implemented digital menu boards. Restaurants have increased their revenue, and received positive customer feedback, after switching from static menu boards to easy-to-read digital menu boards with bold, moving graphics and vivid, crisp imagery.



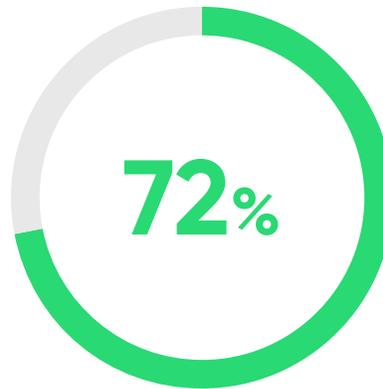
How top retail and restaurant brands are using digital displays:

- » **To promote new and seasonal products and events.** Whether it's a happy hour, a half-yearly sale, a new craft beer flavor, or your loyalty program, digital signs will get your customers excited about it.
- » **To show products in use.** Videos and images of people demoing your products or dining with friends at your restaurant—whether the content is generated by you or leveraged from your customers' social feeds—inspires customers to want to do the same.
- » **To share their brand story.** Knowing a brand's story and aligning with a brand's values is important for today's customers, especially millennials. Digital signs give you the opportunity to tell your brand story directly to your in-store customers via vibrant imagery and videos. This helps them connect with your brand, and a connected customer is a loyal customer.
- » **To virtually visit with customers and guests.** Want to say hi to your customers in multiple locations, host virtual parties and mingle with your customers/guests, and provide in-store training from wherever you are? Digital signage with video conferencing can make it happen—and your customers will remember you for it.

» **To display social content.** It's been proven that customers are **2.4 times more trusting of user-generated content** than a brand's content. So why not leverage your customers' gorgeous Instagram shots of dining on your patio at sunset or wearing the new kicks they bought from you? Many brands are doing just that in their stores and restaurants—and these high-res shots look even better on big screens. Just don't forget to get the content owner's permission before sharing.



of customers say they'd prefer to shop at stores with video displays



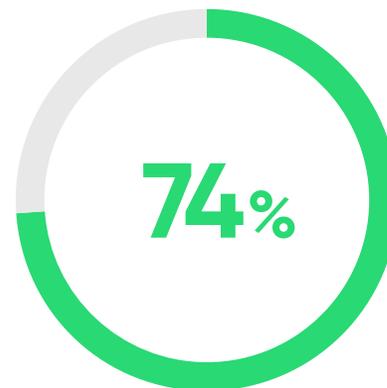
of customers prefer learning about a product or service by watching a video



The average person retains 95% of a message if presented in a video



Retail digital signage has been found to increase customer satisfaction by 46%



of restaurant diners say an easy-to-read menu is their top priority

BOPIS and other conveniences

Convenience goes a long way in providing an elevated customer experience. Customers want to shop and dine the way they like, and this means providing them options. BOPIS (Buy Online, Pick up In Store) is one way to combine the convenience of online shopping with the instant gratification and personal customer service you can only get in store. This retail trend is gaining popularity, with almost **70% of U.S. customers using BOPIS** in 2019. Other customer perks of BOPIS is avoiding shipping costs, easy returns, and curbside pickup. On the retailer side, it attracts more customers, **69% of whom will buy more** while in store picking up their purchases.

But besides BOPIS, there are other ways to provide customers with variety and convenience at the same time. As an example, **one study** found that 73% of shoppers want the option of shopping at order-only stores, and having products sent directly to their homes. That same study found that 69% of customers wanted the ability to use self-checkout from their mobile phone. Interactive shoppable screens were also a popular option with 58% of the customers surveyed.



More customer conveniences:

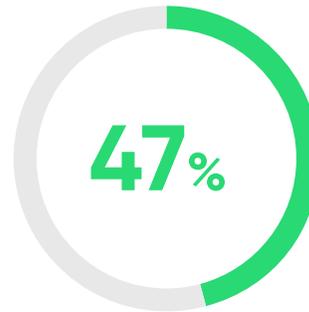
- » **Tablet and mobile checkout.** **57% percent of customers** think a retailer using a mobile device for checkout is more innovative than the competition. They also love the faster checkout and the option of having their receipt emailed to them.
- » **Text notifications.** People love to be the first to know something, and your customers are no different. Restaurants can use text notifications to tell customers when their table is ready, as well as details about dining specials and limited-time menu items. Retailers can use them to share special deals with their loyalty members and remind customers of upcoming sales and in-store events.
- » **Free Wi-Fi.** One study found that **62% of businesses** said their customers spent more time at their business after offering them free Wi-Fi. It's a convenience that customers and diners have come to expect, but still one that will set you apart from competitors who don't have it.



of retailers plan to offer BOPIS by 2021



of customers said a quick and easy checkout was what they most valued while shopping



of customers prefer to use self-service checkouts when available



of customers prefer to shop at a store with free Wi-Fi

INVEST IN CREATING UNIQUE EXPERIENCES

Special in-store events

Hosting special events in your store or restaurant is a surefire way to bring more people in. According to the [National Retail Federation](#) and their study of 3,000 shoppers, 30% of them requested more in-store special events. They also found that 82% of shoppers who attended a retail event in the last year said they'd be interested in attending more events in the future.

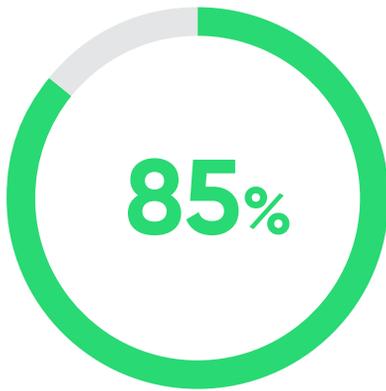
Not only do in-store events boost sales, but they're also a great way to get to know your customers—and have them get to know your brand and your team, which builds brand trust and loyalty. Your customers will feel more connected to you and more known by you—and you have an opportunity to get to know them and create more personalized shopping experiences for them in the future.

So, what kind of in-store events should you host? Well, it depends on your brand and what you offer (a face-painting kids' party might work for a toy store, but maybe not for a day spa). Here are some ideas to try on:



In-store event ideas:

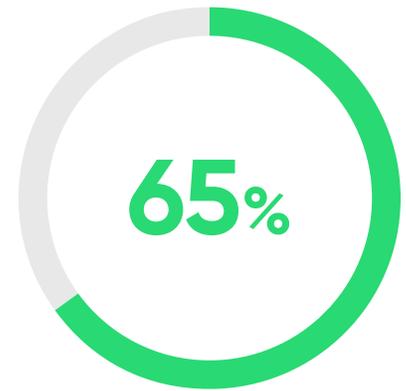
- » Spa days
- » Cooking classes
- » Wine and beer tastings
- » Product demos
- » Fashion shows
- » Pub quiz nights
- » Arts and crafts fairs
- » Product launches
- » Loyalty member parties
- » Holiday parties
- » Workout sessions



85% of customers are more likely to make an in-store purchase after an event



90% of customers report feeling positively about a brand after an in-store event



65% of brands say in-store events have a direct correlation with their sales

Retailtainment

The latest buzzword in retail is “retailtainment,” or creating immersive and entertaining in-store experiences where customers can learn more about a brand and its products. George Ritzer, an American sociologist and author who coined the phrase, defines it as “the use of sound, ambiance, emotion and activity to get customers interested in the merchandise and in the mood to buy.” Incorporating retailtainment into your store or restaurant has many benefits, including attracting more customers with memorable experiences, setting you apart from your competition, and providing a fun experience for your customers.

Savvy retailers have already jumped on this lucrative trend, which answers the customer’s call for [collecting experiences over things](#). Tiffany and Co. opened a [Breakfast at Tiffany’s-themed café](#) at their New York flagship store, where customers can pretend their Audrey Hepburn’s famous character as they dine. [American Girl](#) has a store in New York City where girls can get their dolls’ hair styled. And, the [House of Vans](#) (as in the shoe brand) in London has an indoor concrete skate ramp, a cinema, and an art gallery.

But smaller retailers aren’t left in the lurch when it comes to implementing retailtainment ideas. They may not have the budget for virtual reality headsets (like [TOMs](#)) or the space to hold regular in-store yoga classes like [Lululemon](#), but they can still find ways to engage and entertain their clientele.

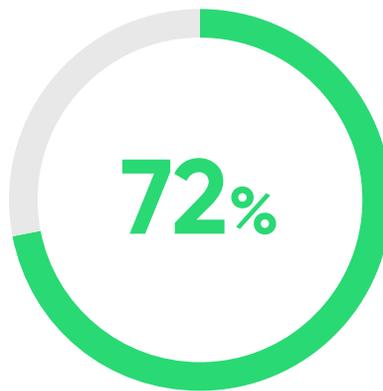


Retailtainment tips for smaller retailers:

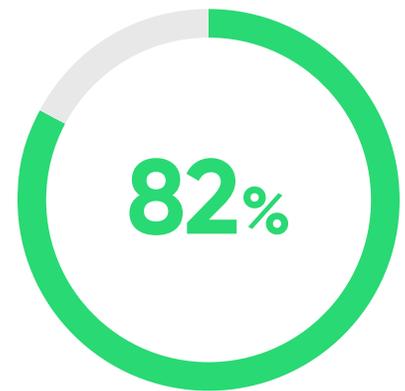
- » **Use mixed media.** Mood-based music playlists and digital TV displays showing eye-catching images add to an overall in-store ambience.
- » **Host a movie night.** Choose a flick that reflects your brand, like a classic black-and-white film for vintage and retro sellers, or a kid's movie for children's clothiers. Invite family and friends to your store or local park and ask for their email address or other contact info as the price of admission.
- » **Invite their pets.** People love to go places with their pets. Use your restaurant patio for "yappy hours" on certain nights, where patrons can bring their dogs and enjoy dinner and drinks.
- » **Bring in the experts.** Are you a sporting goods store? Invite an expert fly fisherman to give hands-on tips to catching more fish. Do you sell jewelry? Have someone knowledgeable on your staff host a jewelry cleaning event where you show patrons how to clean their jewelry without damaging it.



More than 50% of companies are investing in innovative in-store customer experiences



72% of millennial shoppers choose experiences over material things



82% of shoppers in a 2018 study said they attended an in-store retailtainment event during the year

The Future of Brick and Mortar

RETAILPOCALYPSE OR A REVAMP OF SHOPPING?

Retailers are seeing a renaissance of the brick-and-mortar shopping experience, there is no doubt. But while news headlines warn of thousands of store closures over the past few years, retail futurists remain hopeful. So, which is it—are we in the throes of a retail apocalypse or is brick-and-mortar retail as strong as ever? Industry experts have the answer: it depends.

The [National Retail Federation](#) reveals that, despite the acceleration of online shopping, 90% of U.S. retail sales are from brick-and-mortar merchants. “For every retail company closing stores, five are opening stores,” the NRF says [on their blog](#), quoting findings from the [IHL Group’s Retail’s Renaissance Report](#). “The reality is that the wave of store closures seen in recent times is being driven by a handful of companies. Just 16 retailers are responsible for 73 percent of retail store closings so far this year [...].”

But while industry insiders and retail futurists see a bright future for brick and mortars, they are clear on one thing: to share in this future, retailers must make customer experience a priority. [Target’s](#)

[chief operating officer John Mulligan](#) warns, “In a world where consumers have more choices than ever, inferior brick-and-mortar experiences will go away.” Retail writer for the Associated Press, [Anne D’Innocenzio](#), agrees: “Store experience matters: The physical store isn’t dead, it just needs to change.”

A [recent consumer survey](#) by Retail Dive supports these findings, with shoppers stating that the ability to see, touch, and feel products and take them home immediately are the top reasons they shop in physical stores rather than online. In a world of voice search and Amazon one-click ordering, shoppers still crave the connection of an in-person shopping experience. And they are increasingly looking to brick and mortars as their “[third place](#),” where they can find engagement away from the stresses of home and work life.

The question, then, is not whether brick and mortar stores have a future, the question is will you be part of it? And the quality of customer experience you offer will be the deciding factor.

THE RESTAURANT OF TOMORROW

While restaurants may not face the same threat of obsolescence as brick-and-mortar retailers, they have another, equally daunting, challenge: standing out from the competition. New restaurants, ready-to-eat supermarket meals, at-home meal prep subscriptions, and third-party delivery services are all competing for that same piece of pie, so savvy restaurateurs need to shift their focus if they want to remain relevant. And since online reviews can make or break you (with one added Yelp star leading to a **5%-9% percent sales growth**, while a one-star decrease means a **5% revenue loss**), customer experience is everything in the restaurant industry.

The good news is that customers still love going out to eat—they want the experience, and are **willing to pay for it**. In fact, the average American household spends over **\$3,000 a year** on eating out. But with **10,000 new restaurants** being added yearly—and that number taking into account those opening and closing in one annual cycle: 60,000 and 50,000, respectively—you need more than just good food and a killer concept to survive, and to thrive. You need to provide a superior customer experience. Restaurants who make even **small improvements in their guest experience** are more likely to bring diners back again and again.

ABOUT RAYDIANT

Raydiant offers more than digital signage—we are experience creators. From easily designing and displaying gorgeous, HD and 4K videos and digital posters to making “mood playlists” with music that fits your brand and vibe, our system offers retailers and restaurants multiple ways to elevate the in-store customer experience. Our plug-and-play hardware and cloud-based, intuitive user interface can be accessed from anywhere, and our secure software ensures protection from cybersecurity risks and viruses.

To learn more about Raydiant, visit us at www.raydiant.com or [book a demo today](#).