

Store Atmospherics Provide Competitive Edge

Survey reveals what matters most to shoppers

Atmosphere. Retailers and industry consultants say it can mean the difference between success and failure in today's crowded retail marketplace. From customized music to in-store television networks, the elements that retailers put into their stores to make shopping more appealing grows longer—and more costly—every day.

But despite all the attention paid to it, store atmospherics remain shrouded in mystery. What matters most to shoppers? Do the basics, things like cleanliness and temperature, count?

The answers to these and other atmosphere-related questions can be found in *Store Atmospherics*, an exclusive consumer study undertaken by *Chain Store Age* and Leo J. Shapiro & Associates, a Chicago-based market research firm. The findings shed considerable light on atmospherics, revealing pitfalls and opportunities for retailers, outside experts and suppliers in store planning, design, construction and facilities.

Among the key findings of the survey is that consumers divide the elements of store atmospherics into three different tiers:

- The basic condition of the store (how clean and well-kept it is)
- Passive atmospherics (the essential but relatively static aspects of the store such as lighting, temperature and aisle width)
- Active atmospherics (the more interactive or stimulating elements such as music and in-store TV)

The survey examined 13 different atmospheric elements across the three tiers. Of the 13, for all respondents, cleanliness (90%) ranked as the most important element in deciding where to shop. Lighting, temperature aisle width, fixtures, flooring, quietness, music, product demonstrations, wall designs, in-store announcements and special events follow cleanliness.

In-store TV was rated as least important (9%) in deciding where to shop. (The results above are for all respondents. The survey also breaks down consumers' responses by gender, age,

household income and other factors.)

The three tiers of atmospherics build on one another and also work at cross-purposes. Active atmospherics, for instance, might divert certain shoppers from making purchases. The key for retailers is to orchestrate all three tiers in a deliberate, strategic way. By so doing, they will gain a significant competitive advantage, the survey found.

"A retailer can orchestrate both passive and active elements without leaning hard in one direction or the other," said Ken Rice, Leo J. Shapiro & Associates. "For example, the store can use active elements selectively to limit their pervasiveness."

Consumers who respond most favorably to active elements of store atmosphere tend to be younger, to have children and work full-time (men are more attracted to active elements than women). Their household income tends to be lower than older consumers, who expressed less interest in active and interactive atmospherics. In general, passive atmospherics are appealing to the affluent, more mature customer. Active elements are most appealing to the child-rearing, younger shopper.

The survey showed that the importance shoppers place on atmospherics differs according to store category. Atmospherics as a whole (cleanliness, passive and active elements) was ranked most important in supermarkets, and least important in shoe stores, home improvement stores and electronics stores.

The survey found that store atmospherics influence customer behavior. A majority (61%) of all respondents said that within the last month, a store's atmosphere or environment had encouraged them to buy more or spend more time there. ■

A full copy of the 132-page Chain Store Age/Leo J. Shapiro & Associates study of store atmospherics may be purchased by logging onto www.chainstoreage.com/specialreports. The report will be delivered in PDF format.

Methodology

The *Store Atmospherics* study is based on interviews with 956 U.S. consumers age 16 or older. The interviews were conducted in September 2005. Men and women were equally represented in the survey. Households with children represented 35% of the sample.

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