How visual merchandising can improve retail fortunes

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Karl McKeever, brand director of brand delivery consultancy Visual Thinking looks at the marketing disciplines of visual merchandising and instore brand delivery – how VM materialises instore, affects retail teams and affects customers.



How does VM materialise physically instore?

Another way of thinking about VM is that it provides ‘silent service’ for consumers, helping them to find products more easily, providing inspiration and solutions, advising on product information etc., and all without the help of a sales person.

Therefore, successful VM involves developing all areas of store presentation to promote the brand and product range more effectively.

It means getting range segmentation, store layouts and use of space, merchandising principles and techniques, window and instore displays right.

And, it includes developing effective POS & POP solutions, seasonal events and promotions to stimulate shopping behaviour.

Finally, important operational standards and activities i.e. replenishment and range fragmentation issues should be considered for delivery sustainability.

These all help to make stores run more efficiently, effectively and productively, and importantly in a targeted way for the brand and its consumers - allowing expensive staff resources to be deployed on other complimenting strategies, such as providing better consumer engagement through customer services.

But having good VM policies is not enough without effective store communications and retail training in VM to implement the strategies instore. These are the enablers (glue) that make the policies stick and become embedded throughout the organisation.

As a result, retailers benefit from running a more focussed retail operation and succeed through the increased capability, productivity, and consistency of delivery, sales generation and an overall improved commercial performance.

How does it affect consumers - does it make them buy more?

Successful VM and brand delivery is all about understanding and satisfying customer needs. So the more that a company understands its consumers, brand and competitors, the better it can define and refine its own VM practice to deliver better solutions instore to improve the customer experience.

As they say, whilst the idea may not be ‘rocket science’, it does require real expertise in store design, space planning and presentation expertise and a real commitment to adopting a consumer led approach.

It’s a fact that good VM will get consumers to buy more.

Essentially, VM is a set of practical selling tools (levers) to influence what, when and how consumers buy – and no serious 21st century retailer can afford to ignore the powerful effects and huge commercial potential of implementing better VM!

Whether this is achieved by increasing the size of spend, type and number of items that people buy, the frequency of purchases, the brands and lines that shoppers select and even down to the stores they choose to shop in.

Practical examples of VM techniques could include prioritising the location of certain items that are on promotion to increase the volume and rate of sale.

Grouping different, yet related product items together to create higher value is also a commonly used technique, as are all-inclusive solutions such as outfit combinations in fashion stores, meal suggestions in supermarkets and project areas in DIY stores to inform, influence and inspire customer purchases.

Good VM even goes down to the micro-detail of understanding which shelf positions perform better to influence what brands people buy and the rate of sale.

And, as the world gets a little smaller everyday and consumers travel to more global destinations, having a consistent and recognisable global brand image can help retailers win out by providing shoppers with the reassurance, familiarity and trust they expect from the brand – making the whole selling process much easier.

How does it affect retail teams?

VM offers retail teams more time to concentrate on the right tasks, i.e. implementing corporate policy - rather than having to create their own.

It allows the whole company to move forward with the same selling strategies, components and practice to maximise opportunities – delivering a consistent application of company policy instore, which improves the customer experience and maximises sales opportunities.

Retail Teams benefit from greater clarity of direction, and from better information and training to help them perform role related tasks with an effective integrated approach.

This multiplies success throughout the business and is good for motivation and personal development aspects too.