

DEPARTMENT STORES, RETAIL DESIGN AND THE DANGERS OF ‘LAUNCH AND LEAVE’

RDE Interview with Karl McKeever of Visual Thinking

“They think the concept is done – it’s existed on a Mac for two years and they get excited in the six-week opening period and they hand it over to store and everyone walks away and thinks the job is done,” he argues. “Actually, the job is only starting there because colleague engagement is key. The ROI is day in day out.”



RDE INTERVIEW WITH KARL MCKEEVER OF VISUAL THINKING

Department stores – and the wider retail industry – can be guilty of “launch and leave”, and businesses should make sure that new design and service concepts are not just public relations exercises that are not followed through after being unveiled.

That’s the view of Karl McKeever, retail consultant and managing director of industry agency Visual Thinking, who describes the practice of launching new, compelling in-store ideas which are then quickly discarded as the potential “death-knell for retail”.

“For me, that’s a real warning sign because behind every great design concept you need people – you can’t just do launch and leave. I was surprised by John Lewis; they need to think carefully about it otherwise it will hold them back.”

McKeever says his team was surprised by a recent trip to John Lewis in Oxford, where there were several service desks and concierge services left unmanned. The department store chain made somewhat of a fanfare around how it was providing staff with acting lessons to improve customer service skills ahead of its new London Westfield flagship store opening this year, and McKeever feels this needs to be put into practice across its estate.

Generally speaking, however, McKeever believes John Lewis is a good example of modern UK retail and says it is making “great strides” in terms of delivering authentic store design and impactful storytelling in its aisles and departments. It is in other areas of the UK department store sector where significant problems can be found.

Debenhams has already issued three profit warnings in 2018 and is investigating ways of reducing and reinventing its store estate, while House of Fraser secured a company voluntary arrangement (CVA) which will see 39 of its 59 stores close down, shedding around 6,000 jobs in the process.

MOROSE MID-MARKET

McKeever says the problems experienced by Debenhams and House of Fraser are not emblematic of the global department store sector per se, as the



“Customers have embraced the internet with gusto – some of the department stores have rested on their laurels and been slow to react to the world around them. They have not been proactive in driving the right strategy, quickly enough.”

Original Factory Shop (TOFS).

Although at the discount end of department store retailing, TOFS has not been immune from the challenges facing the mid-market and the wider high street, and at the end of June it filed for a CVA of its own – with the aim of closing just over 10% of its 224 stores.

Visual Thinking has been helping the business change the look of its stores, while helping the retailer develop its key “thrill of a bargain” message and shout about pricing with authority. It has involved organising in-store journey priorities through clearer navigation, highlighting brands and providing clear zones and destinations where it can show product “in bulk, boldly and with immediacy”, according to McKeever.

“One of the big changes and something progressive brands are really starting to think about is how they can more actively put in hero spaces in the layout – storytelling places,” he adds.

“They are recognising that the customer doesn’t need wall to wall of products – storytelling has to be much more firmly planted into the design brief so it hits you in the face as you walk into a store. Ikea has this down to a tee. Debenhams? Wake me up – I mean its model is stuck in the 1980s.”

successes of Harrods, Selfridges, Nordstrom, and multiple others, in Japan and Italy for example, would indicate; they are more to do with market-specific challenges.

“What we’re seeing is symptomatic of the troubles at mid-market – if you’re mid-market be it grocery store, department store or multiple store, that is where the issues are,” he remarks.

“The problem is too many stores, they’re quite ubiquitous, the brand mixes they sell are easily available online and in other places. In the good days they were prepared to acquire lots of space and to open space that was competent not excellent, but I’m afraid that chicken has come home to roost.”

It’s easier to differentiate at the premium end of the department store world, and more discerning customers are arguably happy to pay more, he adds, while the necessary broader appeal required for successful mid-market operators can often result in retailers being “bland in delivery”.

He suggests today’s department stores can be “anodyne, synthetic and fake”, adding that the consumer “has so many alternatives these days where they can see what good looks like and can see genuine authentic design”.

LOOKING TO PROGRESS

McKeever was on stage at this year’s [Retail Design Expo](#) in London, where he co-presented a session with Emma Fox, CEO of Visual Thinking client, The