

TOGETHER, WE ARE

UNLIMITED

APPLYING HUMAN
UNDERSTANDING TO RETAIL





HELLO,

The world of retail isn't easy - in an age of omni-channel retail, rising costs and inflationary pressures, it can be hard to balance the commercial demands against consumer expectations. For retailers the pressure to get it right is high, whilst the threshold for brands getting it wrong continues to fall. Despite shifting trends, models and priorities, one thing remains the same: CX leaders are faced with customers who expect superior shopping experiences.

So where to start?

With a range of shopper types to consider, creating optimum CX can be a tricky balancing act between ensuring the needs of customers are met

across seamless journeys, and maintaining a competitive edge as a brand in a fast-moving industry.

Through our Human Understanding Lab, we combine the power of neuro-, behavioural, and data science to help unlock unexpected insights that inform best in class retail experiences and design. Over the following pages, we've outlined some techniques to consider when creating human-centric experiences that influence behaviour.

You can tailor these examples to meet your own objectives, unlock new opportunities, and build business advantage. Interested in finding out how? Get in touch to speak with one of our Human Understanding experts.

RETAIL IS IN OUR DNA

Drawing on research from the Human Understanding Lab, we can seamlessly connect channels to deliver a superior customer experience and drive real effectiveness and efficiency.

It's what we already do for some of the biggest retail brands.



M&S

WHITE STUFF

Sainsbury's

TESCO

LIZ EARLE

FORTNUM & MASON
ESTD 1707

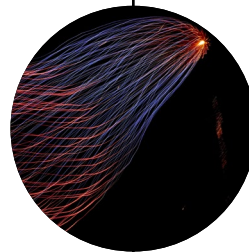
Our breadth of experience is not just limited to retail. We work with clients across FMCG, automotive, sport, tech, charity, health, travel and finance to name just a few.



INTRODUCING THE HUMAN UNDERSTANDING LAB



• **DEEPER HUMAN UNDERSTANDING:**
applied neuro- and behavioural science



• **UNLOCKING THE POWER OF DATA:**
predicting outcomes and improved targeting



• **SMARTER ACTIVATION:**
utilising martech and designing optimised experiences

A RETAIL REVOLUTION?

NO, A SENSORY EVOLUTION

Our aim doesn't necessarily lie in revolutionising retail, but in evolving experiences to meet the needs and expectations of modern-day shoppers. By harnessing the power of neuro- and behavioural science we can better understand how the human brain works and reacts to different stimuli, and crucially how to create experiences that excite as well as deliver commercially.

We believe neuro- and behavioural science can and should play a key role in retail design. Tapping into the power of the senses and subconscious shortcuts can optimise the chances of success.


OUR STARTING POINT...

THE HUMAN BRAIN

Your brain is designed to feel, not to think

Your brain's most important job isn't thinking; it's running the systems of your body to keep you alive and well. Much of your brain's activity happens outside your awareness. In every moment, your brain must figure out your body's needs for the next moment and execute a plan to fill those needs in advance.

So thinking about what to buy, where to buy it, what price to pay, can create quite a workload for your brain - this is why your brain will use feelings and mental shortcuts to try and ease the buying process.



**Yet shopping makes
the brain think...**

Think about a typical trip to the supermarket

40,000 products

30 minute shop

40 items bought on average

**this equates to 20 products
rejected per second!**

The more a brand experience makes the brain need to think, the harder it will be for the brain to process and come to a decision. Instead, the brain looks for shortcuts to process the information, and make choices that are the least effort versus perceived emotional reward.

SMART RETAIL DESIGN IS BUILT AROUND 5 KEY PRINCIPLES

When it comes to brands and retail experiences, our brains look out for sensory cues and shortcuts which help us process information and make decisions along the way. We've consolidated these into 5 key principles for retailers to take note of.

- 
1. Dial up the senses
 2. Land the moments that matter
 3. Make it easy...
 4. ...but not too easy, disrupt where relevant
 5. Be yourself!

1. DIALLING UP THE SENSES

If something triggers our senses, it is more likely to be noticed and the information is more likely to be absorbed.

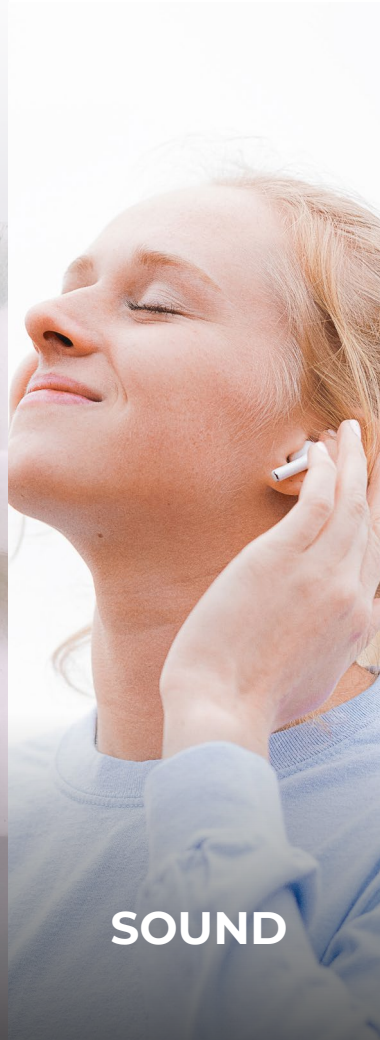
Knowing how to tap into these visual and sensory cues can create a big difference to the appeal, engagement and immediacy around any call to action.



SIGHT



TOUCH



SOUND



SMELL



TASTE

SIGHT

Vision is arguably our most dominant sense. Knowing how the visual system dovetails with attention can help us plan and cut through in the store environment. Our brain absorbs information to make judgements in fractions of a second, making it important to design customer experiences based on the key principles that capture the human eye.

Key principles

There are 'golden rules' based around neuroscience principles that can be applied

SIMPLICITY

Our brains try to save energy as much as possible and this is why we look for information that is easy to process without undue distractions. The info that allows us to 'complete the task' is prioritized.

MOVEMENT

Brains are programmed to notice things that move. Fast or unexpected movement grabs our attention more than static images, but even implied movement strongly attracts attention as brains process the 'consequences'.

CONTRAST

Contrasting colours and images draw in the audience helping to land messages. Contrast and lighting help to navigate through the layout, segregate the visual cues or even bring meaning.

HUMAN FACES

Faces supply the information about emotions, potential threats or benefits. This is why they are one of the strongest visual cues and processed as one of the highest priorities.

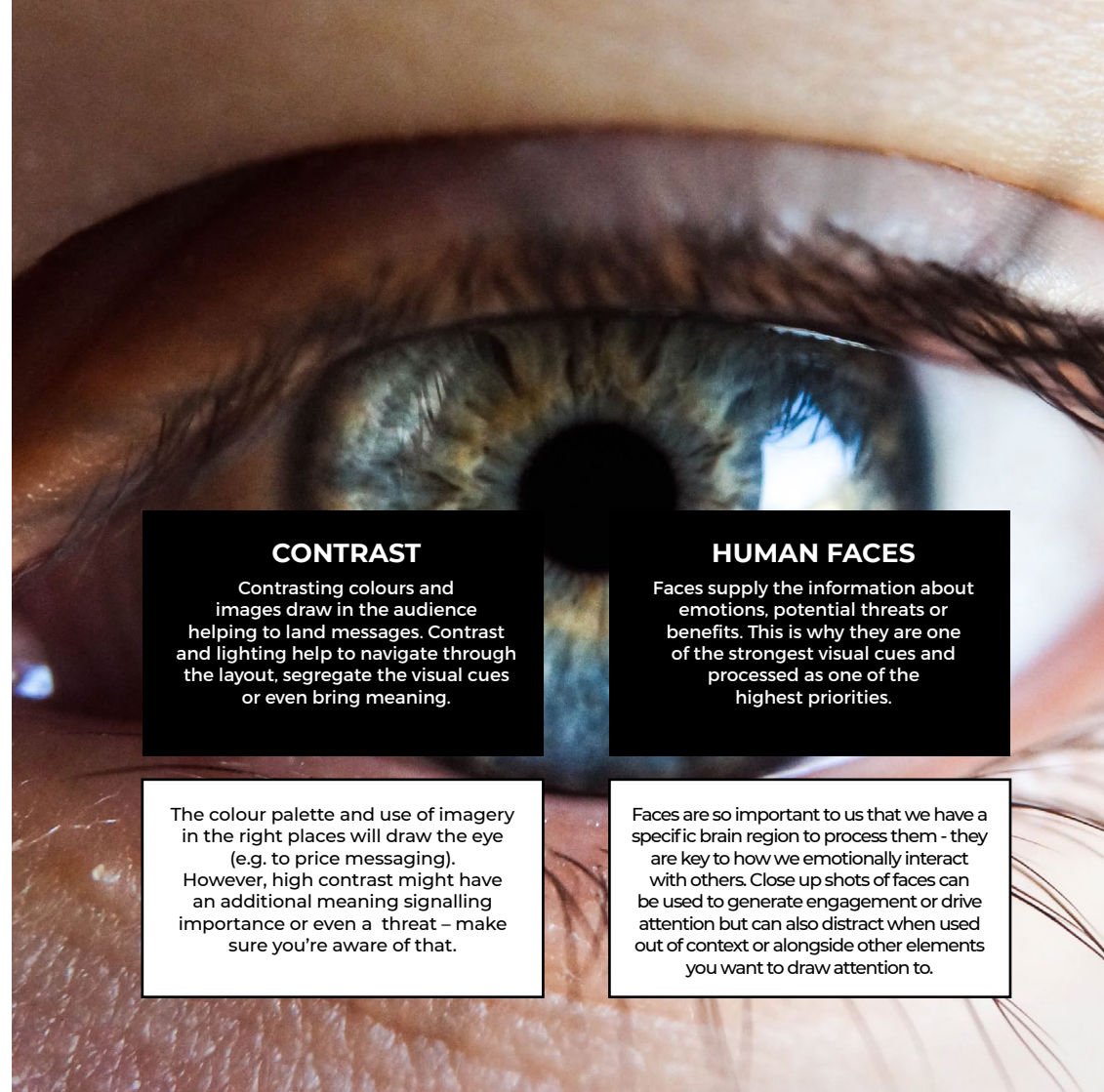
How this can be built into the retail environment

Clean, easy to navigate designs that provide a sense of understanding. Simple, one-meaning-only messages, lack of blurry, unclear or vague shots and elements. Less is more. The brain likes comfort, so avoid unnecessary clutter.

Clean, easy to navigate designs that provide a sense of understanding. Simple, one-meaning-only messages, lack of blurry, unclear or vague shots and elements. Less is more. The brain likes comfort, so avoid unnecessary clutter.

The colour palette and use of imagery in the right places will draw the eye (e.g. to price messaging). However, high contrast might have an additional meaning signalling importance or even a threat – make sure you're aware of that.

Faces are so important to us that we have a specific brain region to process them - they are key to how we emotionally interact with others. Close up shots of faces can be used to generate engagement or drive attention but can also distract when used out of context or alongside other elements you want to draw attention to.



TOUCH

Touch is a powerful sense as the material, surface, temperature, weight, form and steadiness of an object can all contribute positively and create tactile and emotional connections with a brand.

FEEL GOOD FACTOR

The simple act of touch creates a physiological reaction and can emotionally elevate mood - in fact we've seen spikes of 50% from customers touching a product in store (though often we aren't consciously aware of this!)

OWNERSHIP BIAS

Picking up products can help to create an instant sense of ownership in the brain - making customers more likely to buy something they pick up. In one store trial we found customers were x4 times more likely to buy something they picked up.

HAPTIC MEMORY

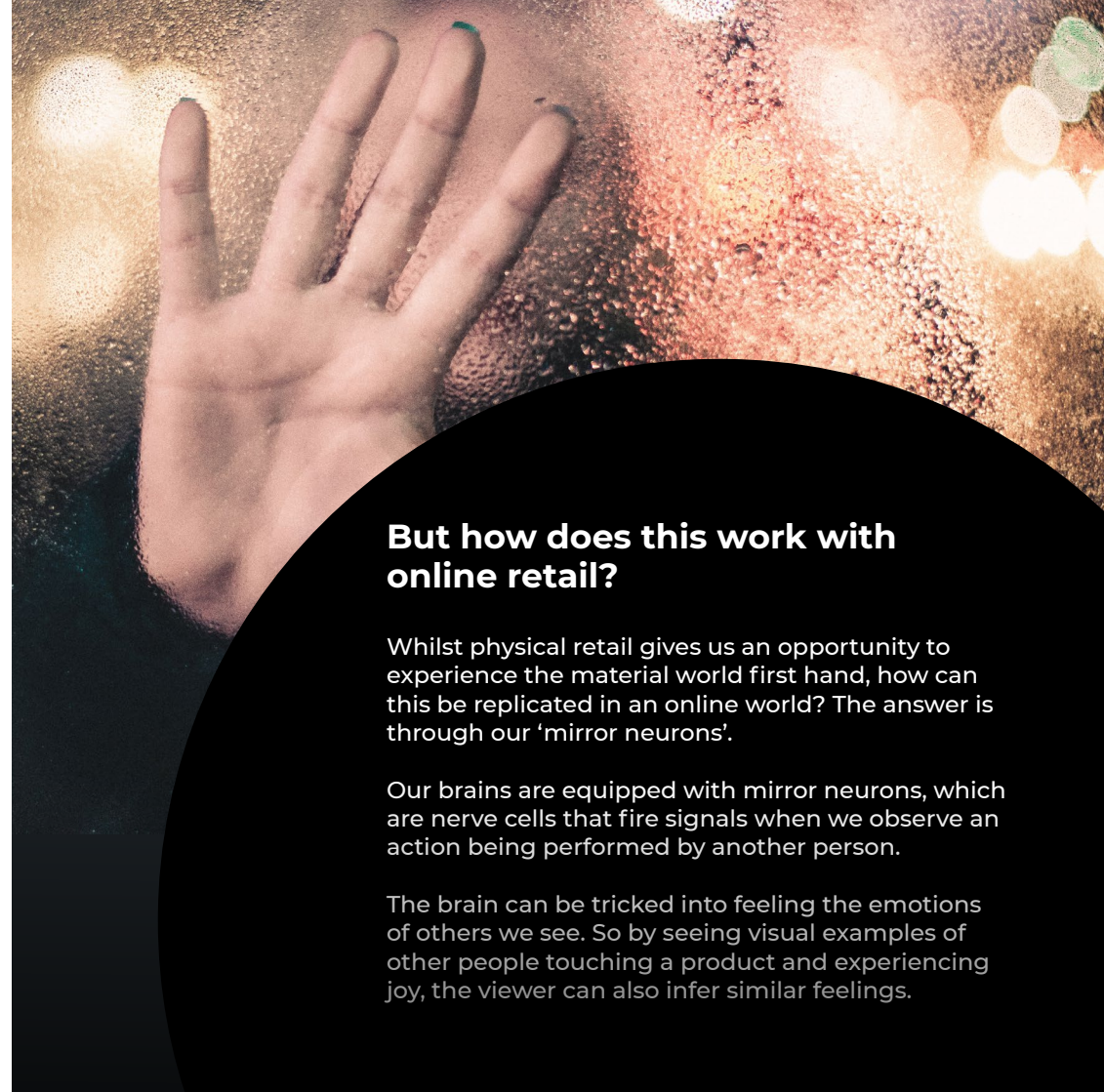
Our brains create detailed memories of what objects are like to touch based on different textures, shapes and weights. This long term memory can be activated by allowing customers to touch products or showcasing the texture and weight in other visual cues.

But how does this work with online retail?

Whilst physical retail gives us an opportunity to experience the material world first hand, how can this be replicated in an online world? The answer is through our 'mirror neurons'.

Our brains are equipped with mirror neurons, which are nerve cells that fire signals when we observe an action being performed by another person.

The brain can be tricked into feeling the emotions of others we see. So by seeing visual examples of other people touching a product and experiencing joy, the viewer can also infer similar feelings.



SOUND

The sound of music is a core ingredient to a store experience. In fact, if you've ever been in a store without music, you might have found it jarring. Sound and music can be used effectively to enhance experiences and affect the speed and type of outcomes, but can be a minefield when taking into account people's personal music tastes and preferences...

MOOD ENHANCER

Background music can make a big difference to the mood and uplift certain environments - customers will expect music in shops. In our work we have found 59% of shoppers say that music lifts their mood when shopping. But be careful in the choice of music - while 'sad' music can still be pleasurable to listen to, happy music is a safer bet for more emotional arousal and delight.

OWNERSHIP BIAS

The tempo of the music used can set the speed of shopper missions. Fast music creates a sense of urgency, can be used to manage traffic and get people excited. With slower music, studies show that shoppers spend longer in store and purchase more.

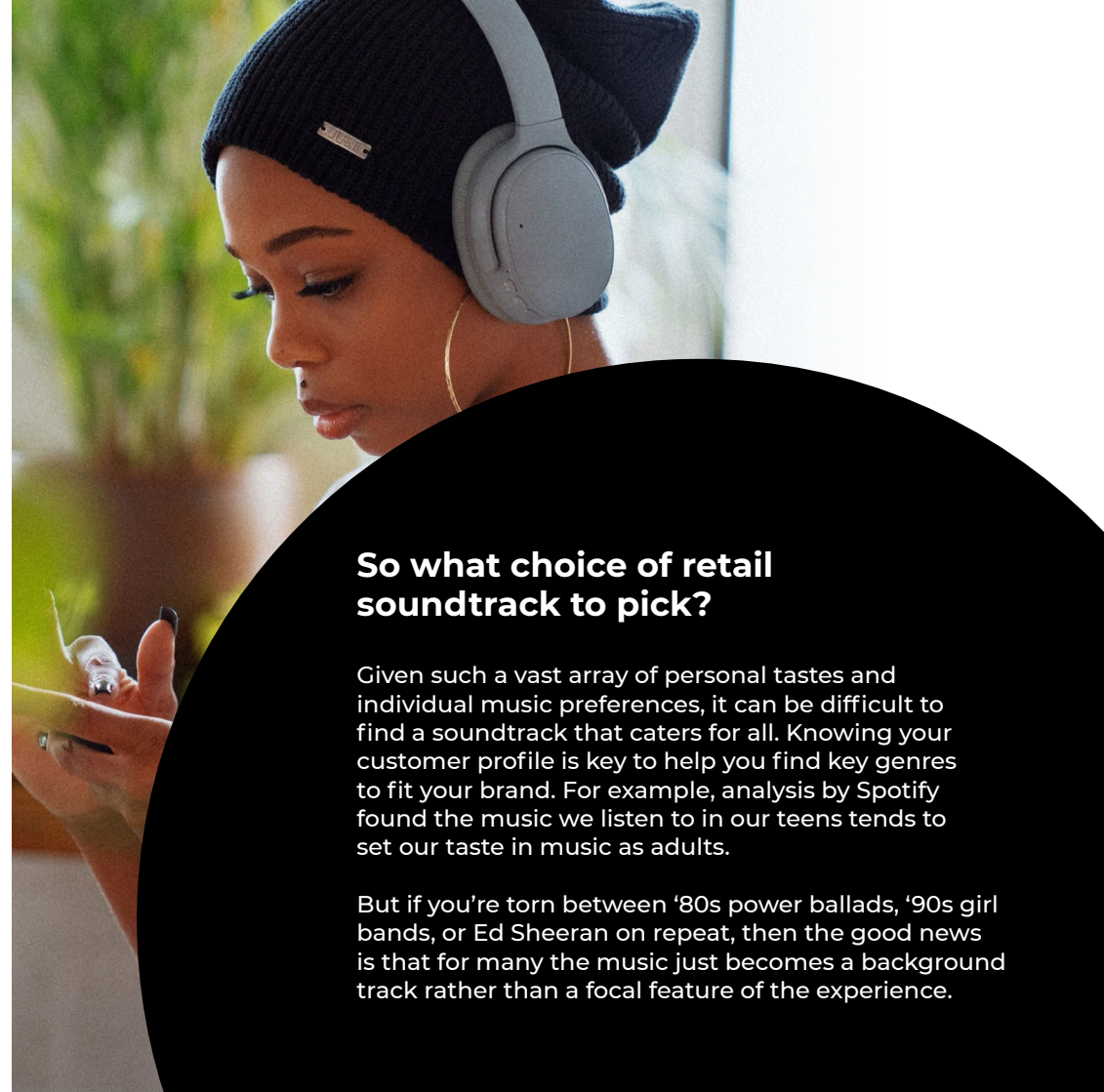
HAPTIC MEMORY

Loud music and sounds can be good to capture attention and create emotional intensity, but this can come at the expense of concentration and the ability for the brain to make quick decisions.

So what choice of retail soundtrack to pick?

Given such a vast array of personal tastes and individual music preferences, it can be difficult to find a soundtrack that caters for all. Knowing your customer profile is key to help you find key genres to fit your brand. For example, analysis by Spotify found the music we listen to in our teens tends to set our taste in music as adults.

But if you're torn between '80s power ballads, '90s girl bands, or Ed Sheeran on repeat, then the good news is that for many the music just becomes a background track rather than a focal feature of the experience.



SMELL

Your brain can discriminate between hundreds of thousands of smells. Our sense of smell has a big impact on much of our experience, even if we aren't aware of it. Scent is a secret gateway to memory and emotion.

While the exact effect of scent varies by experience, we have found that the levels of arousal and involvement in an experience go up by 38% when the sense of smell is activated.

SCENT AS AN AMPLIFIER

While the exact effect of scent varies by experience, we have found that the levels of arousal and involvement in an experience go up by 38% when the sense of smell is activated. The effect though is impacted by the context of the environment - within a calmer setting, scent can significantly amplify physiological responses, whereas the more other senses are dialled up, the shorter the impact that scent can have.

DRIVE ATTENTION AND SIGNAL DIFFERENT AREAS

A change in scent can be a useful mechanism to signify different areas of a store or start of something new - think of scent as a palate cleanser between courses.

THE SMELL OF SUCCESS

Science has proven that the first pairing between an object and a scent leaves a unique signature on the brain. This works in children as well as adults creating an 'etching' in the brain, which associates things with good and bad smells. Be wary though as unpleasant odours leave a lasting impact and memory is even stronger in the brain!



TASTE

Whilst this isn't relevant to all retail categories, it is possible to stimulate the taste buds across an experience. The use of imagery, naming, and other sensory cues can make an impact on the perception of taste.

TASTING WHAT WE SEE

The way we visualise food and drink can make a big difference to appeal and the ability to activate the salivatory glands.

Neuroscience tells us that showing authentic looking food and using slow motion shots of things like dripping cheese or chocolate is attention-grabbing but also creates physiological responses for our brains to 'taste' what we see.

SOUND, SHAPE AND COLOUR INFLUENCE TASTE

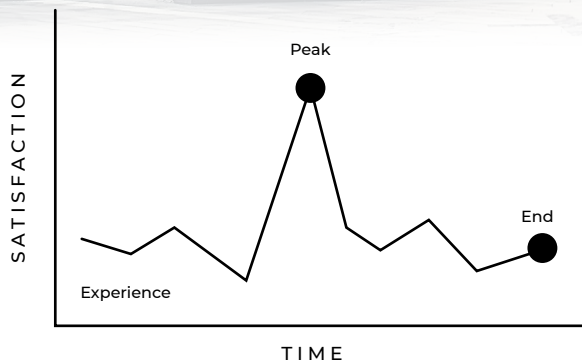
The Bouba/Kiki effect (also expectancy effect) is a fascinating example of how the brain associates speech sounds and visual shapes with senses such as taste. A rounded, softer sounding name can illicit smoother taste perceptions. Whereas, a sharper name with sharper sounds can make something more bitter-tasting.

Experiments have even shown how changing the shape of a chocolate bar can make the brain feel it is sweeter even if the recipe is the same. The same is true of colours - pale colours can imply blandness.



2. LANDING THE MOMENTS THAT MATTER

The windows of opportunity to shape decision making can vary, but the window of opportunity for your brand to make an impact is incredibly short.



FIRST IMPRESSIONS COUNT

Studies have shown that the opportunity to influence can be a matter of seconds - our brains make judgements on people and websites in under 100ms. Suffice it to say, first impressions really do count.

PEAK-END RULE

'Peak end' theory dictates our memory of an experience is defined by the emotional peak, and the ending.

For retail, it is important to consider the moments of delight and ensure the ending is pleasant and memorable. Consider the process of saying goodbye to a customer leaving a store or ending on a high note as they exit a website.

ANTICIPATION

Anticipation is often more effective than rewarding customers. It causes a surge of dopamine - if you can create a real anticipation towards visiting a store, this intense feeling can happen well before the visit. But past experiences may mean people anticipate negative emotions - so it's important to identify, manage and neutralise negative mood states.

3. MAKE IT EASY

Our brains are wired to look for the path of least resistance to making quick decisions, as every day we have thousands of decisions that we need to make in split seconds. When it comes to retail environments, more often than not sales are lost from key parts of the experience not being optimised.

So, you can get better outcomes by making things as easy as possible to reduce psychological and physical efforts.



SIMPLIFICATION AND CHUNKING

Simplify and chunk key aspects of the journey to set expectations and avoid overloading. For example, set expectations of queue times, payment methods and processes involved.

SEQUENCING

Create small steps in a process to lead to big changes in behaviour. For example, utilise technology to seamlessly join touchpoints and reduce effort for customers.

CHALLENGE THE STATUS QUO BIAS

This is about knowing when to disrupt established behaviours and habits. Humans are inclined to stick with established behaviours, but when challenged with the benefits of changing we can break these habits.

AVOID CHOICE OVERLOAD

We are more likely to make a choice when there are fewer options to choose from. Reducing the range of options will make it easier for customers to think and judge the benefits of options - simplifying the decision making process and focusing the mind.

4. EMBRACE THE POWER OF DISRUPTION

Humans are creatures of habit, which means that we often shop on autopilot.

There are times that disrupting a journey or people's focus can help draw attention to new and different products that are relevant and would otherwise be overlooked or ignored. Using sensory cues can be a good way to draw visual attention. This needs to be a careful balancing act between creating a worthwhile disruption and avoiding causing upset or a negative response.

Knowing when to disrupt... the role of 'selective focus'

As a result of 'selective focus', our brains will regularly ignore other stimuli around us to focus on key tasks. So when we have fixed shopper missions or habitual purchase habits our brains will often simply filter out the external noise and other stimuli around us to focus on completing the task at hand. Whilst this can be useful for retailers, it can be a marketer's nightmare to stand out in environments where there is a lot of visual stimuli to navigate.



5. BE YOURSELF

Brand history, personality, stance on ethical or even political issues are all important factors to consider when reflecting on who your audiences are and how to best engage them. This is true for retail experiences as much as wider branding campaigns.

Getting the balance right though can be challenging.

NOSTALGIA AND HERITAGE

Nostalgia and heritage can be powerful emotional connectors to a brand. Drawing on long term memories and emotional connections (often from childhood or other key life moments) can elevate the brand.

AUTHENTICITY

Authenticity and honesty remain vitally linked to a brand's behaviours and wider reputation. Customers shouldn't be underestimated when constructing new brand narratives. They will see through things that aren't genuine or sense things like greenwashing if your activity and messaging aren't aligned to subconscious brand perceptions. Authenticity and honesty remain vital.

DISTINCTIVE TONE OF VOICE AND PERSONALITY

Retail experiences should be an immersive experience into the brand, bringing to life your distinctive brand personality, tone and even humour. Be brave to avoid falling into the sea of sameness across all other retailers or online stores. This isn't about being loud to stand out but embracing the story behind the brand - after all the human brain is tuned to engage with stories!



PUTTING HUMAN INSIGHT AT THE CORE OF COMMERCIAL DECISION MAKING

Whilst we have outlined some best practice golden rules for retail, these are just a starting point. With 1000s of biases at play and ways to activate the senses, there is no one-size-fits-all approach. That's why we consider retail from the human perspective – shining a light on what really makes humans tick, how they react to different sensory experiences, and how emotions influence decision making and actions.

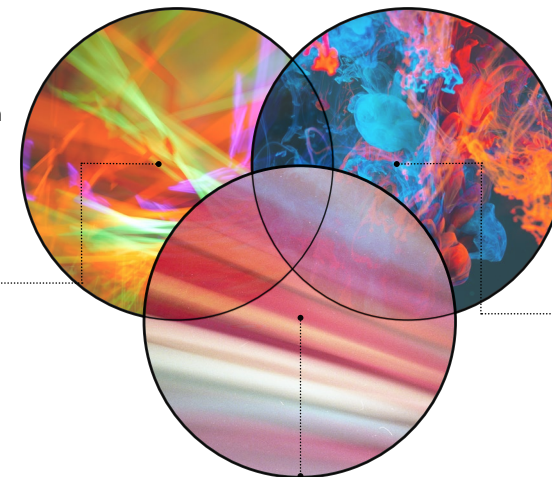
WE COMBINE KEY ELEMENTS TO GET A DEEPER UNDERSTANDING OF CUSTOMER NEEDS, PAIN POINTS AND JOURNEYS

Customer Journeys & Pain Points

Knowing the pain points for different audience types allows us to optimise experiences and map the key touch points for activation, increasing reach and engaging new audiences.


CX Design Optimisation

Drawing on our neuro- and behavioural science knowledge enables us to identify key design improvements across each stage of the customer journey to enhance information flow, navigation, task completion and calls to action.



Customer Needs & Profiles

Only by understanding what really drives decision making for your customer or segment profiles, can we help you to optimise the CX to deliver messages and products that will engage and drive repeat actions.



**STILL UNSURE
OF THE POWER OF
THE 5 PRINCIPLES?**

**IN STORES WHERE WE
APPLIED SENSORY
MARKETING WE SAW**

72%

agree more enjoyable
atmosphere can
encourage staying
longer in-store

Customers spent over

5 MINUTES

longer in store when
sensory marketing
applied

10%
**SALES
INCREASE**

OUR HUMAN UNDERSTANDING LAB IS AT THE HEART OF OUR FOUR AWARD-WINNING DIVISIONS, SPANNING MARKETING, COMMUNICATIONS, INSIGHT & ANALYTICS AND DIGITAL

1. MARKETING

Brand Activation
B2B & B2C Marketing
Digital Advertising
Social & Influencer
Production & Design
CRM
Motion

TMW

TMW
Business

2. COMMUNICATIONS

PR
B2B Comms
Corporate
Internal
B2C Comms
Health

NB NELSON
BOSTOCK

NU HEALTH
UNLIMITED

FEVER



3. INSIGHT & ANALYTICS

Custom Research
Data Science
Advanced Analytics
Neuroscience
Behavioural Science

REALISE **WALNUT**

4. DIGITAL

Digital Transformation
Digital Strategy
Service Design
Product Development
User Experience
App & Web
Development

splendid!

CURIOUS TO FIND OUT MORE?

For more examples of our thinking, case studies and award winning work, scan here.



To learn how you can super-power your customer experiences, get in touch:

CHRIS BLAND
MD Research & Insights, Walnut UNLIMITED
Chris.Bland@walnutunlimited.com

BENEDICT IRELAND
Chief Experience Officer, UNLIMITED
Benedict.Ireland@unlimitedgroup.com

FAYE HAWKINS
Chief Revenue Officer, UNLIMITED
FAYE.HAWKINS@UNLIMITEDGROUP.COM

TOGETHER, WE ARE

UNLIMITED

BUSINESS ADVANTAGE THROUGH HUMAN UNDERSTANDING