

Behind the facade

Store revamps can boost footfall but should be backed by wider changes to the brand. By Amy Golding

Retailers are diverting portions of their marketing budgets to in-store refurbishments, rather than traditional advertising campaigns, as they strive to increase footfall.

Wimpy, the fast-food chain, plans to overhaul all its UK restaurants to resemble US-style diners, rather than fast-food restaurants. Starbucks, meanwhile, is also undergoing a major store redesign. At the launch of its first 'heritage' outlet on Conduit Street in London, the coffee shop chain stated that it intends to use revamped designs for all stores it opens in the UK in the future.

Mark Hewitt, director of design agency Imagination, says: 'Traditionally, marketers turn to advertising campaigns to tell consumers about their brands and products. However, in the current climate brands need to be smarter than this. In-store refurbishments are a better way of demonstrating brands to sceptical customers.'

McDonald's certainly seems to value this approach, having spent £200m on in-store refurbishments over the past three years as part of a 're-imagining' project; it is on track to have overhauled all its branches by 2011.

A spokeswoman for the company says the aim is to bring its restaurants 'into the 21st century' and create a 'more welcoming environment' for customers. The programme has contributed to significant growth for the company, with sales rising by about 6% since its inception.

Refit projects are slow, and therefore do not necessarily offer an immediate return on investment. However, the eventual benefits can be significant.

'Big brands will never be able to roll out a refit in all stores at once,' points out Jeff Kindleysides, founder of Checkland Kindleysides, which worked on the design of Timberland's store in the Westfield shopping centre in London. 'However, the brand message being conveyed by the refit can be inputted into other stores, through staff training and imagery,



McDonald's

£200m

Invested in 're-imagining' project to date

6%

sales increase as a result of the project

1200

UK outlets

67,000

staff in the UK

Source: McDonald's

In-store revamps

McDonald's, Wimpy and Starbucks are among brands refurbishing their properties

to make it seem as though the brand is evolving as a whole.'

Michelle Du-Prat, insights director for retail branding agency Household, adds that refurbishments can be used to demonstrate that a brand genuinely wants to change.

However, she adds that brands must be wary of believing that a programme of refurbishment will solve all their problems. 'A new look won't necessarily make a brand relevant for the next few years,' she says.

McDonald's says its new-look restaurants are part of a culmination of the changes it has made as a brand over the past few years. 'It is just one part of the changes in our restaurants,' says the spokeswoman. 'There is also a focus on improving customer service, installing new technology and equipment.'

Ensuring that a series of store overhauls extends beyond merely the physical changes to its overall look is vital, according to Elliot Wilson, managing director of branding agency Elmwood. 'It must also involve staff training and experimentation. Concept stores should push the boundaries of what a brand can achieve,' he says.

Hewitt argues that there should be a surprise element to such activity, too—the creation of something unexpected and special. 'You need to give people a reason to keep visiting a store,' he adds.

New looks might be impressive when they are first rolled out, but interiors can soon become tired in appearance. Refurbishments offer a good starting point for drawing people in, but to maintain the momentum, companies must maximise the broader potential of the in-store experience. ■