

The Power of Integrated AV Experiences in

Retail







Retail Brands Immerse Customers in Integrated Audiovisual Experiences

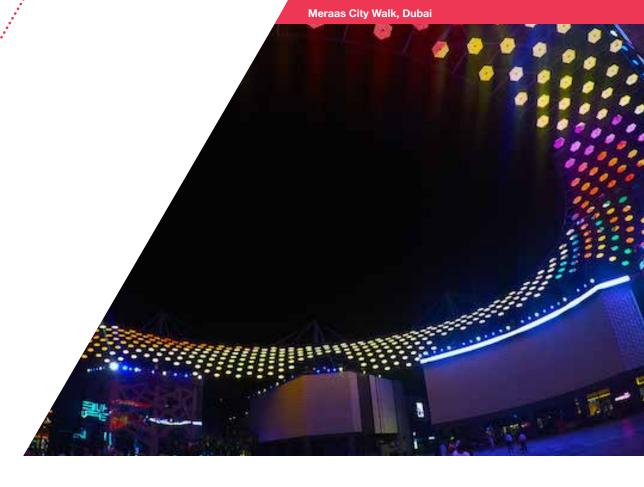
When shoppers enter the store of the future, they see a fashion show on a spectacular videowall. They walk up and touch it. Based on their height, it opens an overlaid digital window that tells them which items they see are currently available in the store.

The shoppers select clothing and accessories they like, in the sizes they need, and somewhere in the store a fitting room is prepared with their selections. (The store texts them when it's ready.) In the fitting room, an interactive mirror comes alive and describes what's there to try on. No need to pop out of the fitting room to request different colors, shoppers just say what they need. If they don't speak English, they can easily change the fitting room's language and software will translate their requests.

Oh, and they can alter the room's lighting for effect.

The mirror asks the shoppers if they want to sign in wirelessly with their phones. It knows what they've bought before and makes recommendations. A bond has been established.

Of course, this isn't a store of the future — it's the shopping experience enjoyed today, by customers of luxury designer Rebecca Minkoff, at her stores in New York, Chicago, Los Angeles and San Francisco. It represents a powerful new realization of retail driven by data and immersive audiovisual experiences. And it works: Rebecca Minkoff reported a 300-percent revenue increase in the 18 months after the new store experience was launched.



Audiovisual Experiences are Driving Engagement in Retail

The shopping experience has changed drastically during the past two decades. Consumers now carry the power of "search, compare, transact" in the palms of their hands wherever they go. Yet many shoppers, especially millennials, are still drawn to the engagement that only real-world shopping can provide — experiences they can't find on their phones.

As Richard Kestenbaum writes in Forbes, "A majority of millennials make most of their purchases offline. Only 16 percent of millennials make the majority of their purchases on a mobile device."

And younger millennials are more likely than the group as a whole to make a purchase in a physical store.

"I find it profoundly ironic that technology has put people into their private little holes, and now it's technology that's pulling them out of their private little holes to experience the real world again," explains Emily Webster of ESI Design, an experiential design firm that has worked on various retail projects.

More brands are figuring out how critical — and enriching — it can be to bring interactivity into the physical space of a retail environment. There, data-based, interactive audiovisual experiences are making today's stores the places to be. The trends are many and varied:

- Retail spaces, stores and malls are becoming destinations. This is key for the future of retail. The best way to get shoppers into the stores is to provide social, entertainment and shopping experiences they can't get at home. In the digital age, this means extensive use of immersive audiovisual design and technology.
- More and more, in-store shopping is a personalized experience. Data is a powerful tool for creating unique shopping experiences, customer by customer.
 Combining data with audiovisual displays is the next step in crafting personalized experiences in public spaces.



- Flagship stores can be retail labs for new experiences. Flagship stores are like mini theme parks for branding, delivering entertaining experiences through integrated audiovisual technology. And when it works, retailers export these experiences to their other brand outlets across the country.
- Mobile integration brings customers into stores, but stores have to "wow" them away from their phones. Everyone's talking about mobile integration — and, yes, every retailer needs a mobile strategy. But what good are customers who come into a store hunched over their devices, never looking up, never looking around? Retailers can attract eyes, engage emotions and communicate their brands, using stunning audiovisual experiences.
- Designers and content creators are looking beyond the rectangular screen to make an impact. Visual merchandizing is the breadand-butter of brick-and-mortar, but now you can put pixels on surfaces of all shapes, sizes and locations — even the ceiling.

Cadillac House, in downtown Manhattan, is a platform for an iconic automobile brand. It's open, dynamic and contemporary, and uses highly integrated audiovisual technology to help visitors experience all things Cadillac. Rather than a retail showroom, it is an experiential brand center for connecting with Cadillac's new audience of creative influencers.

"It's story-telling in the physical environment using digital tools," says David Biancardi of New York-based audiovisual designer AV&C, which developed the content engine for the Cadillac House's high-end experience. "'Museum quality' still means something when you're working with technology."



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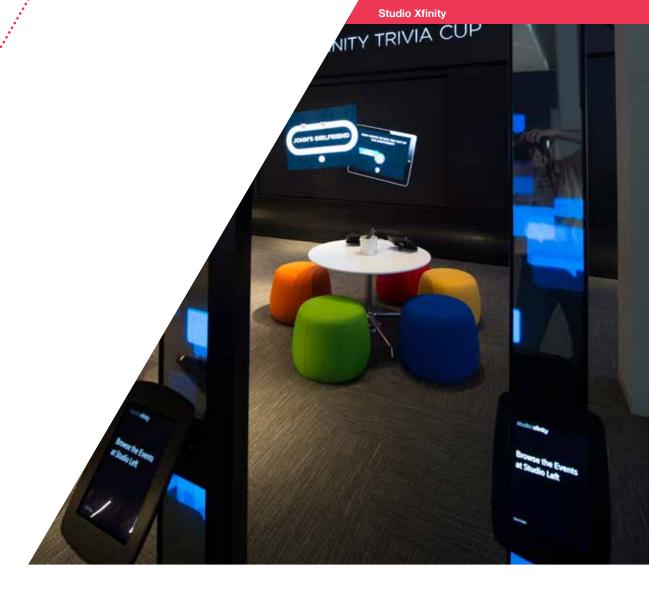
Studio Xfinity: Entertaining Customers, Building the Brand

The flagship-store-as-immersive-brand-experience has become a retail trend. In this category, Studio Xfinity is unique: It takes the uncool concept of the "cable store," and turns it into an immersive audiovisual experience, starring the full range of Comcast products and services.

As soon as shoppers enter, more than 800 square feet of LED screens, large-scale media installations, tablets and touchscreens invite them to explore what's available. In three studios, dominated by 15-by-9-foot screens and theater-style seating, visitors play single-or multi-player games and participate in live demos by sales associates.

Giant media towers demonstrate how to use Xfinity products; casual seating and a coffee bar make it a place to hang out.

"In retail, you always want people to hang out as long as possible," says ESI Design's Emily Webster. The New York firm designed a new store concept for Studio Xfinity, including the experience design for the flagship store, the physical and interior design, AV technology integration, gaming and more. "In this instance, we had to solve a real problem in which the customer was coming in, whether they liked it or not, to get something fixed. They're sitting there waiting with nothing to do. We saw it as an opportunity to engage customers further with the product family."



At Studio Xfinity, fun and games are rewarding for customer and retailer alike. "In one of the studios we have a game theater set up, and over the course of the day, when a crowd gathers, a store associate can trigger a trivia game," Webster says. "There are questions about movies that have just come out, or content connected with Comcast. Through group gaming, we are offering the customer a unique and entertaining experience and introducing them to more of Comcast's offerings. We thought, 'People are waiting here anyway. How do we give them something interesting to do?'"

Webster believes Studio Xfinity can be a model for using audiovisual experiences to tell an evolving brand story. "If you include these interesting digital canvases and displays throughout a store, and find ways to make those displays tell whatever your story is that month — or even that day — then the way you use the store can constantly evolve."

Webster thinks online shopping and real-world stores should have a symbiotic relationship. "Online shopping is convenient," she says. "To try and compete with it is the wrong approach. How do you create something in the store that people can't get online, and that they find compelling or engaging? Clearly, the idea of what a store is needs to shift, so that an online store and a brick-and-mortar store can complement each other."





Bespoke, Westfield Mall, San Francisco: The Mall of the Future Starts Here

On the fourth floor of San Francisco's Westfield Mall is a 37,000-square-foot space called Bespoke, which may actually represent the mall of the future. There's an 18,000-square-foot event space with a spectacular digital façade and projection-capable walls; a co-working space featuring the latest audiovisual technology; and a demo lab where brands explore different ways to excite customers and create new store models by infusing space with audiovisual infotainment.

"Westfield is creating reasons for people to get off their couches and return to the mall," says John Flores, Co-Founder & CEO of San Francisco-based Britelite Immersive, which designed Bespoke. "We know that people are shopping in digital environments; that's not going to change. To enhance the digital experience, malls need big, engaging digital exhibits and the ability to do things that can't be done on a couch. We don't want people walking into a mall looking at their phones. We want them looking at the things that are in the mall."

At Bespoke, visitors are welcomed into the event space by a cohesive digital layer of high-impact interactive content on the next generation of interactive signage, a spectacular array of 12-by-7-foot motion-capture gestural screens and 4K-resolution touchscreens. In the demo space, they encounter audiovisual experiences provided by individual brands, featuring advanced experiential technology, including 3-D wayfinding and virtual reality.





When retail concepts show promise, pop-up stores can appear quickly. So far, more than 75 brands have explored the future at Bespoke Demo.

Westfield believes malls can answer an ancient human need. "They think of it as a city center," Flores says. "When we did our kickoff with Westfield they said, 'Malls are the same as ancient market squares — places where people congregate and do their shopping.' Bespoke is the re-visualization of the city center and to create it, they integrated audiovisual experiences within it."

The business results have justified the vision. Before Bespoke, the fourth floor at Westfield was a dead zone — the least-visited place there. Now Bespoke is one of the most visited areas of the mall, with hundreds of thousands of additional shoppers, and digital breadcrumbs that lead shoppers to retailers on the lower floors. Similar mall-of-the-future concepts are planned for other parts of the country.





Rebecca Minkoff: A Reflection of Things to Come

Shoppers who use dressing rooms are seven times more likely to make a purchase than those who just browse the sales floor. However, the try-on experience is an unsatisfactory moment in the shopper's journey.

Enter Healey Cypher, CEO and Founder of Oak Labs. The company's Oak Mirror technology is being used by Rebecca Minkoff and other iconic fashion brands to contribute to a spectacular, personalized shopping experience. It's part of Cypher's vision of what luxury retail can and should be.

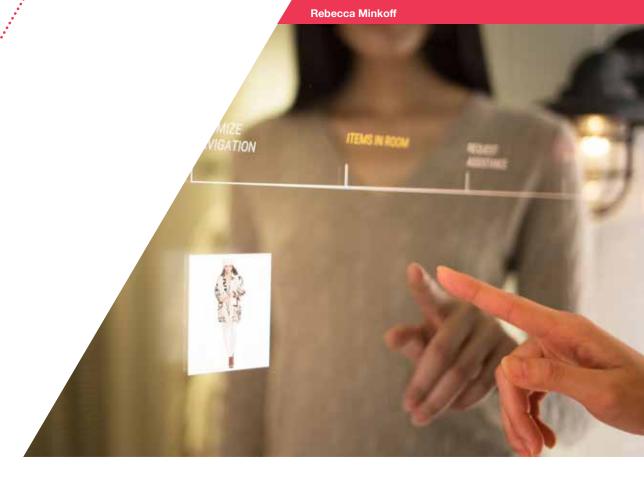
"Stores are beautiful places where you let customers fall in love with your products through immersive experiences and then they don't care what the price is," Cypher says. "And so, in that way, the more senses you can speak to — audio, visual, lighting, the thing that pulls them in and captures them — that's how you're going to get them to really fall in love with the brand you're selling. Think about all the ways we experience things; being tactile, for instance. That's why we're human. It's not just about watching videos of other people experiencing brands."



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Healey Cypher CEO and Founder of Oak Labs

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Cypher's vision sounds subjective, but it's based on solid metrics. Yes, Minkoff reported a 300-percent increase in revenues in the first 18 months, but other outcomes were equally eye-opening.

The interactive Oak Mirror concept engaged 84 percent of customers who entered the fitting room. Those customers spent 40 percent less time in the fitting room, but spent 59 percent more money than those who did not use the interactive mirrors.

Overall, shoppers are more likely to purchase an item after seeing its image on the mirror. Men spend 88 percent less time in the fitting rooms, but are 35 percent more likely to buy something. And 30 percent of customers who enter the experiential fitting rooms order additional items.

Cypher also has a fresh take on mobile integration for brick-and-mortar retail. He thinks it can be a huge distraction. Instead, he has developed what he calls the "progressive mobile experience" that doesn't require a customer to download an app. Cypher says, "It gets people to the mobile phone at the moment you need them to be connected to you. The moment when they've bought in on the experience and they're ready to attach the umbilical cord."

Before that, Cypher wants shoppers to keep their phones in their pockets and their heads up in the environment. He wants them to experience the store's virtual runway and touch-enabled mirrors. Mobile engagement starts only when the system texts the shopper to confirm a connection.

"The future we imagine," Cypher continues, "is the one where you walk into stores and you actually don't see technology glaring in your face. It's a beautiful store. But as you walk throughout that store, the store comes alive around you. It knows you, and it becomes your version of the store."







Oakley Flagship Store, New York: Engaging Shoppers From the Top Down

When iconic sunglasses maker Oakley rebranded itself as "Disruptive by Design," the company wanted to open a flagship store that reflected its innovative approach to sports technology. They turned to Montreal-based multimedia studio Moment Factory to design a stunning installation. What they got was a destination, activated by audiovisual experiences.

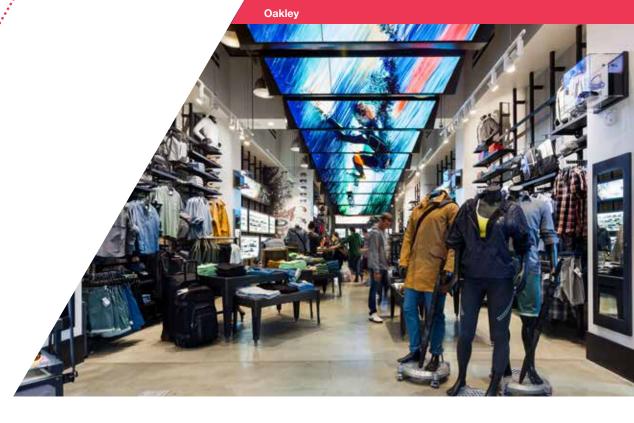
"We think in 3-D," says Moment Factory's Amahl Hazelton. "When challenged by Oakley's narrow, glass storefront and deep footprint, the client and our creatives considered how people would perceive the space, not just from its interior, but also from the street. When everyone realized the ceiling was the most prominent feature from the outside, we conceived a screen suspended from the ceiling that stretches the entire length of the store. The resulting solution grabs the attention of passersby and draws them into the store for an immersive, on-brand experience."

The unconventional solution comprises 27 LCD screens on an angled cascade, running the length of the ceiling. From outside, the surfaces appear as a single large image. Inside, customers see 27 distinct zones that draw them towards the back of the store. From every viewpoint, customers are immersed in the Oakley world, while precious wall and floor space remains unobstructed for sales and merchandising.

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Amahl Hazelton Moment Factory





Moment Factory Producer Christian L'Heureux observes, "We would not install a solution like this on the floor where it would compete for space and attention with Oakley merchandise. The ceiling is an uncontested space; using it as a canvas is a fantastic alternative because there is a lot of clearance to work with and many creative ways to configure a multimedia audiovisual setup.

"The solution we designed can be appreciated from a range of vantage points both inside and out," L'Heureux continues. "It's versatile in that it can act as one seamless image, and at other times it can split into content relevant to different sections of the store. Overall, the

look and feel is completely in sync with the Oakley brand."

The Oakley flagship store answers some of the questions most retailers are asking themselves today. How can a brick-and-mortar store attract and engage shoppers, immersing them in product and brand stories? How can it speak a digital language that goes beyond just advertisements? How can it be easily refreshed in order to remain relevant as styles and trends change?

Sometimes the answer isn't right in front of your eyes, but right above your head.



The Forum Shops at Caesars Palace, Las Vegas: Stopping Shoppers in Their Tracks on the Vegas Strip



The Forum Shops at Caesars has a lot of visual competition on the Vegas Strip. Yet, Simon came up with a way to attract shoppers to the 636,000-square-foot mall and extend the brand to the street: a stunning three-dimensional pylon at the entrance, completely wrapped in LEDs and displaying a changing tableau of imaginative Roman imagery.

"Simply stated, it's about creating excitement," says Chip Harding, Senior Vice President at Simon. "When you look up and down the Vegas strip, there's a lot going on and we wanted to greet customers in a way that was really spectacular."

The pylon's constantly changing digital imagery reflects the Roman-themed architecture of The Forum Shops, offering the ambience of a Roman streetscape.







"People quite literally stop in their tracks," says Harding. "They are awestruck by this sign. They watch it and take selfies with it. I don't think that happens with any other sign on the strip."

Christian L'Heureux of Moment Factory describes the strategy behind the creativity: "We always try to tell a story that's based on the brand of the place. We make sure to drive an idea that is coherent with what's inside, too. Thinking about The Forum Shops, which is all about Roman mythology, we decided to create a new Rome."

Audiovisual experiences are part of Simon's strategy to enliven public spaces in other malls across the country. They employ ceilingmounted 13-by-18-foot double-sided displays that rotate 360-degrees. They provide informational directories that turn into intuitive wayfinding stations when engaged by shoppers. They are rolling out interactive play areas for children and their parents, with touchscreen painting experiences and giant piano keyboards that invite kids to jump on them and make music.

From the spectacular entrance at The Forum Shops, to giant signage, wayfinding and interactive play areas in other properties, integrated audiovisual experiences are part of an engagement strategy that has helped make Simon one of the most successful shopping mall owners in America.

"We always try to tell a story that's based on the brand of the place. We make sure to drive an idea that is coherent with what's inside, too. Thinking about The Forum Shops, which is all about Roman mythology, we decided to create a new Rome."

Christian L'Heureux **Moment Factory**





Meraas City Walk, Dubai: Lighting the Way Forward

Meraas Holding's City Walk in Dubai, United Arab Emirates, isn't just a mall — it's a 680,000-square-foot outdoor destination — that's the equivalent of 12 football fields. It's energized by 100 million pixels of riveting digital media and entertainment that regularly draws crowds by the thousands to watch an hourly multimedia show, including a digital canopy, projection mapping and four huge moving water curtains. When people shop in City Walk's luxury stores, featuring iconic brands like Missoni, Swarovski and Georg Jensen, so much the better.

Alexandre Simionescu, of Montreal- and New York-based multidisciplinary studio Float4, describes the thinking behind the project: "The client wanted to recreate a pedestrian experience where people hang out in cafes, because it's the only mall out there that is mostly outdoors. Most of the alleys and main boulevards are exterior, not interior. They also wanted a 'wow factor.'"



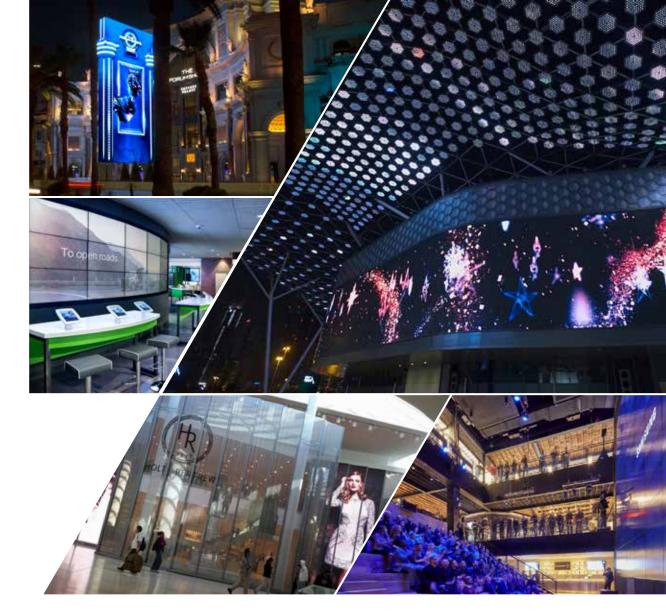


City Walk is divided into three zones, all covered by a physical canopy, alive with digital imagery. The Gateway is the main entrance, flanked by massive curved LED screens that are 250 to 300 feet in length. The Show Street is a 300-foot section with floor and canopy projections, connecting the Gateway to the Place des Lumières, the apex of the experience. Every hour there is a digital show accompanied by a unique sound experience, lasting from five to seven minutes, with projected stories on dancing water curtains and on all the buildings that surround and define the plaza. As many as 5,000 people at a time take it all in.

Simionescu worked with the client to curate the imagery and keep a balance between commercial messages and compelling thematic visuals: "We were trying to guide the client. They could very well sell nothing but advertising on those screens, but then people wouldn't want to hang out there." The size of the crowds demonstrates that creativity won out.

This shopping-district-as-destination is another way forward for retail, and City Walk Dubai is a demonstration of what audiovisual experiences can accomplish on a giant scale.





Immersive Audiovisual Experiences are the Future of Retail

Stores are here to stay. Retailers who recognize that people are going shopping in search of experiences are getting results. Customers expect the same kind of interaction they get online, but they want to see dynamic content everywhere they look. Successful retailers design in-store spaces to engage the senses, using integrated audio and video.

For Healey Cypher, "AV is so important because the future of retail has to be immersive. You have to seamlessly integrate audiovisual experiences to surprise consumers and make moments of inspiration instantly shopable." Alexandre Simionescu also believes in the extraordinary experience: "People won't say, 'Hey, you should go somewhere because I saw a big screen.' You want people to say of your shopping experience, 'Hey, go there because I saw something that blew my mind.' We shouldn't think a mall is only made for shopping. It's much more."

One thing is for sure – to get people off the couches and into the stores will take a new level of creativity. Immersive, spectacular and integrated experiences will turn brick-and-mortar retail spaces into compelling destinations. As digital technology becomes more and more accessible, brilliantly designed and well-thought-out audiovisual experiences will be the price of admission.

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Audiovisual and Integrated
Experience Association™
11242 Waples Mill Road, Suite 200
Fairfax, Virginia 22030
+1.703.273.7200
www.avixa.org