

FROM PLAGUE TO PARADIGM:

DESIGNING SUSTAINABLE
RETAIL ENVIRONMENTS



by **Steve Bishop and Dana Cho**

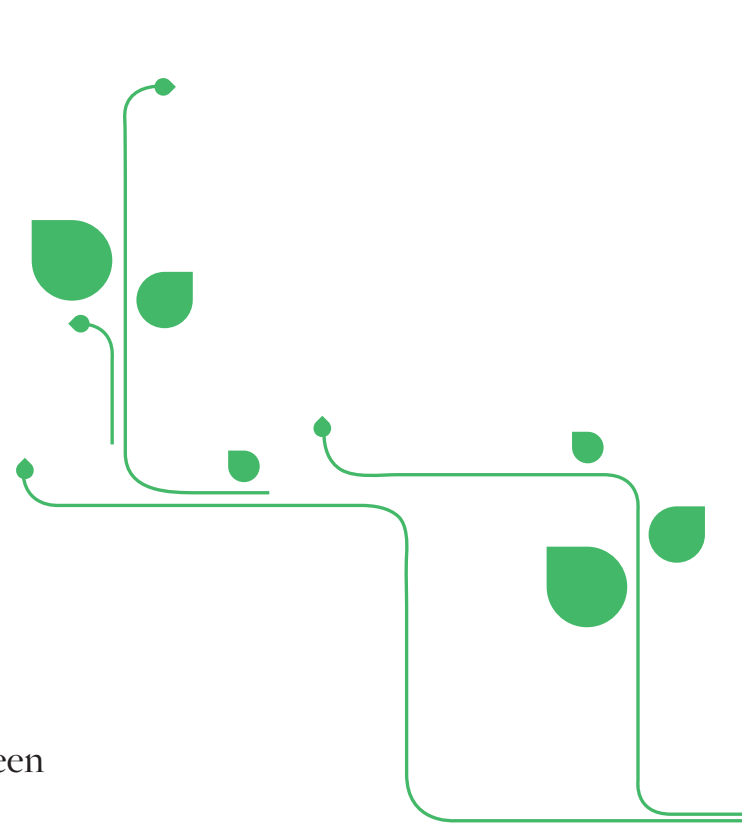
Considering a shopper's context is the key to understanding their motivations and making green products and services relevant to them.

NOT THAT LONG AGO, the word 'consumption' was used to describe an infectious disease. Today, it's a powerful economic force that drives our economy. 'Green' used to be a colour, but it too has taken on new meaning, representing an increasing demand for a lifestyle that does not compromise our environment. While these two forces have traditionally been at odds, more and more consumers and retailers are showing that they can be aligned for the benefit of all.

We recently set out to explore the opportunities for environmental sustainability that exist at the very heart of any consumer society: the retail space. What we found was an unexpected disconnect between the retailers and consumers that are pursuing sustainability. Frustrated retailers claim, "I want to sell green products, but my customers aren't asking for them." Others have tried, failed, and concluded that it doesn't work. On the flip side, anxious shoppers are saying, "I want to buy green, but there are too few options available."

Evidence supports both claims: 87 per cent of people say they are seriously concerned about the environment, yet studies indicate that sustainability does not often factor in their purchasing decisions. With such strong intentions coming from both sides, why does this disconnect exist?

What is missing from the equation is a focus on context. As a consumer, I may understand the effects of chemical cleaners on our water supply and resolve never to buy them again; but when I'm at the store with both kids, 30 minutes before dinnertime, and I need clean clothes before my in-laws arrive tomorrow, my impact on the



water supply is the last thing on my mind. Surveys like the one referenced above provide valuable information on people's opinions, but when those same people are placed in the context of their actual purchasing decisions, new motivations surface.

If a brand is the relationship between a business and its customers, the retail space is its most visceral conversation. By better understanding what shoppers desire from green offerings and what matters in the context of their shopping experience – i.e. time and convenience – products and services can connect with people in a more relevant way.

Some retailers have begun to address these issues. **Wal-Mart**, for instance, has made great strides by building a green dimension into its supply chain, and as a result, more green products are making it onto its shelves. Other retailers like **REI** have taken a lead-by-example approach, either by making their retail space itself green, or by educating shoppers as to what's available.

Such examples indicate valuable *supply-side* accomplishments. The bulk of the untapped opportunities, however, lie in making sustainability desirable, on the *demand-side* – i.e. in the realm of consumers. Following are four latent opportunities for retailers and some provocative ideas they can inspire.

1. Consider 'Shopping Modes'

Not all shopping is equal. When people shop, they do so in one of five different 'modes' (see Figure 1). Needs and desires change with each mode, and the mode a shopper assumes depends entirely on

Shopping Modes

Figure 1


Mission Mode: These shoppers are looking for something specific, and basically want to 'get in, and get out.' Anything that distracts from their mission is ignored. Time is valued above all else. Offering new information is met with impatience and shut down.

Restock Mode: For these shoppers, the level of emotional involvement is incredibly low. Shopping is about replenishing the basics: it's a commodity experience. Shoppers are on autopilot and resort to habits rather than new ways of engaging.

Background Mode: These shoppers use shopping to accomplish something more important. Shopping with friends is 'background' to conversation – the more valuable outcome. Purchases are incidental, yet these shoppers are open to new ideas. On-site coffee and food offerings enable this mode to flourish.

Celebration Mode: Shopping is an event for these shoppers, who are out to treat themselves and feel they deserve it. For them, shopping is an opportunity for enrichment and exploration. This mode brings an openness to new ideas, and even new stores. Temporary store events and limited quantity items attract this mode.

Beyond-the-Store Mode: Shopping is the physical activity, but the mind is elsewhere. The imagination is already making the leap to the occasion of use. Shopping for a specific event like a vacation or a formal party are examples. An immersive experience like the fitting room makes space for this mode.



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context. By considering shopping modes, retailers can begin to explore latent and overlooked possibilities for sustainability. For example, the 'Mission Mode' – whereby shoppers want to get in and get out quickly – may not seem like a promising mode to start with; but once we recognize that time is valued above all else by this shopper, we can look at how sustainability might address that. For instance, could we eliminate the need to spend time and fuel driving to the store? Could green alternatives be placed in more convenient locations?

For 'Background Shoppers', retailers may push the benefits of sustainability rather than removing the barriers to it. What if shelves included cut-out sections featuring a green experience? Imagine a 'morning shower' cutout that features organic soaps, a water-saving showerhead, and non-chlorine bleached cotton towels. Background shoppers open to new ideas might try one or all of them. Supporting shopping modes puts people back in the centre of the equation. It gets beyond survey results and into solutions that help people take action.

Questions for further exploration:

1. What modes do my customers exhibit and how might sustainability support them?
2. How might we enable new modes that would inspire new positive behaviours?

3. Which mode is the most receptive to a green conversation? How do we speak to that mode, and what do we say?

2. Design Moments

When asked to describe memorable experiences, people rarely describe a specific thing, or even a space: instead, they talk about complex, full-bodied moments that take into account things, time, people, and actions. During research for one of our retail projects, a woman described a moment during lunch with her daughter at a hotel: she talked about the time of day, the way the light was shining, the conversation, the music, and the service they received – all contributing equally to a perfect, nuanced moment.

Ritz-Carlton gets moments. At their hotel in Half Moon Bay, California, a bagpiper plays when the fog rolls in, turning cold weather into a memorable moment. Such moments inspire, and inspiration is important. Many retailers feel they need to educate shoppers about their green efforts in order to connect with them. True, there are new dimensions to green that need to be communicated, but without inspiration, those educational messages can get lost.

A 'local' sticker on an avocado may inform that it is local, but is that enough to make someone want to buy it? How might stores enable moments that inspire shoppers on the importance of buying local?

The Sustainable Shopping Experience: Store Interior



1. Shopper Recommendations: What if shoppers could recommend green products to each other right at the shelf? Handwritten messages at the moment of selection could provide both confidence in shopper's decisions and feedback for retailers.

2. Third-Party Picks: What if retailers worked with third-party green certification labels to create a 'top picks' shelf? Highlighting Fair Trade one month and USDA Organic the next would raise awareness of both the products and ways to evaluate choices.

3. Aisle Arrangements: What if aisles were organized by:

- Environmental Impact: Making green products easy to reach would make it easier for time-crunched shoppers to make more sustainable choices and more likely for supportive social interactions with like-minded shoppers.
- Location of the Source: Tying the actual distance a product has traveled to its placement in the store would give shoppers a more tangible idea of the benefits of local products.
- Day-to-day Tasks: Mapping green products to a journey in the day-to-day lives of people would increase understanding of the context of their use.

4. Editing Space: What if there was a dedicated area for 'editing' your cart? In the same way online retailers make recommendations based on purchases, checkout could be a place to recommend green products and allow shoppers to swap their items for green alternatives. Shoppers might also put back what they don't truly need.

5. Impact Receipt: What if consumers could receive feedback on the environmental impact of purchase in printed on the back of their receipt? Figures might be compared with their last trip, the store average, or people in their zip code. Feedback inspires goals and competition. Can we create a goal of impact that customers can strive for?

6. Showoff: What if you could broadcast your impact score? Bowling alleys often display high scores for their lanes. Imagine putting high positive impact scores above checkout aisles to celebrate green champions.

7. Green Lane: What if green champions were given access to an instant checkout lane? Rather than offer incentives to people with '16 items or less, offer them to shoppers with a proven record of buying green, bringing their own bags, or riding a bike to the store.

Other ideas:

- **Back Story Access:** What if you could dig deeper and find the sustainability backstory for every product on the shelf? Instead of cluttering the aisle with volumes of data, shoppers could access the green story as desired.
- **Green Zone:** What if prime shelf space were reserved for products with low carbon footprint? Suppliers would make their bids for prime placement by creating greener products.
- **Fitting Room:** What if you could 'try on' all sustainable products in-store? Testing helps shoppers answer the first question they often have about green products: 'Is it as good?'
- **Lose the Aisle:** What if retailers presented only one of each product, which shoppers would scan and pick up at the door? The need for shopping carts, maintenance, and replacement would be negated and packaging could be minimized.
- **Experience Moments:** What if 'green' was presented as an experience rather than hard-to-understand instructions or specs? A 'how to wake up to a green world' experience might feature coffee, exercise and other activities supported through sustainable products.

The Sustainable Shopping Experience: Store Exterior



8. Microclimates: What if store environments were controlled by a dynamic biosphere rather than a conventional HVAC system? Temperatures controlled by plants, airflow and sunlight connect the shoppers to natural systems that support them.

9. Parking Privileges: What if priority parking were offered to carpoolers or shoppers who were green in other ways? There's nothing better than rewarding green action with time-saving perks.

10. Village Model: What if the produce section were a community garden or greenhouse?

Providing fresh produce and composting waste celebrates local and provides shoppers with a sense of pride and ownership.

11. Staple Delivery: What if weekly staples were mailed to your door? Fitting regular items like eggs, laundry detergent, and toothpaste into a regular delivery stream might reduce trips to the store and make visits more engaging.

Other ideas:

- **Status Flag:** What if the storefront projected its green status? Displaying figures on energy generated, CO₂ saved, and local produce sold would communicate values people could connect with before they even enter the store.
- **Learning Events:** What if the store hosted workshops and events just outside of its doors? A composting workshop, for example, might inspire shoppers to buy more produce and adopt a healthier diet.
- **Store v. Depot:** What if the store was also a materials depot? Stores could double as central collection centers for recycled items.

What if aisles reflected the number of miles the items traveled? Local avocados might be placed closer to cash registers, while those imported from Mexico are placed across the store. What if an outdoor environment celebrated local and seasonal foods? Great effort goes into fabricating unnatural and uniform experiences in the store; an entirely different section inspired by natural systems may in turn inspire shoppers and reconnect with the seasons and better understand the value of local.

Creating possibilities for 'moments' allows shoppers to learn for themselves. Sustainability is a concept that is still new to the retail space: engaging people on this topic will take moments of understanding for shoppers and retailers alike.

Questions for further exploration:

1. How might we make small aisle sections dramatically stand out from the rest of the store, creating the possibility for 'moments'?

2. How might that section inspire more sustainable lifestyle decisions?

3. What kind of sensory experiences might reconnect shoppers with the natural world?

3. Enable Community

Shopping is a social activity, even when we shop alone. In a connected world, opinions and last-minute requests are just a call or text message away. Having been marketed to constantly, today's savvy shoppers seek trusted advice: opinions from friends, or even strangers, are often what matters most in decision-making.

To build trust, many retailers pursue transparency. By telling their stories and making data about sustainability available in the store, the hope is that shoppers will be better able to make informed decisions that match their values. The intent is good, but these efforts can often overwhelm, even cripple decision-making.

By making space to explore possibilities and seek relevance, retailers can help shoppers aspire to new positive behaviours.

Say I'm buying a pair of jeans and deciding between one brand made from organic cotton and another made in the U.S. Literature on each product documents two compelling, yet complex stories. How do I know what is most relevant and decide which is the more sustainable choice? It's no wonder that a passer-by with an opinion can be more persuasive than all the information in the store.

Elephant Pharmacy builds trust and community by going beyond data and offering workshops where shoppers can learn from experts and, more importantly, each other. Community provides safety in numbers, disrupts old habits and inspires bold new behaviors. Why not enlist the community to enable transparency and greener decision-making?

Questions for further exploration:

1. How might we enable people to find out more and share with others?
2. What benefit does community offer local suppliers over chains?
3. How might we connect expert shoppers to novices?

4. Help 'Make it Mine'

Shoppers are not always 'at' the store: with a specific occasion in mind, they may physically be there, but mentally they are at the occasion itself. Assuming a 'Beyond-the-Store' mode, shoppers frequently add a healthy dose of imagination and envision how their lives might be different with the potential purchase.

Fitting rooms are one of the best expressions of this opportunity area. Yes, they help shoppers better evaluate fit, but more importantly, they provide an opportunity to imagine stepping into the office or having brunch on the weekend in new clothes. Fitting rooms help personalize the product and better understand how it fits into our lives. **IKEA** brings the fitting room to the showroom floor, illustrating how different products fit in mom and dad's office or in junior's room. Providing 'fitting-room abilities' for sustainability would go a long way in bridging the disconnect with shoppers. It is often difficult to imagine what a more sustainable

lifestyle would be like. By making space for shoppers to explore possibilities and seek relevance, retailers can help can shoppers aspire to new positive behaviours.

Questions for further exploration:

1. What if we merchandised sustainability the way **IKEA** merchandises furniture?
2. What does a sustainable lifestyle look like, and how do we express it?
3. How might we help shoppers imagine living more sustainably?

In closing

We have presented a new perspective on the retail space – one that puts people first and engages them in new ways. Building a relationship with shoppers based on values such as sustainability has impact beyond the storefront. Values go home with them: they are there when they read about climate change, and they're there when they decide where to go shopping.

Down the road, when a brand becomes known for the values it has defined for itself, the relationship evolves to fill an important role as a trusted advisor. When dealing with complex issues like sustainability, we need as many trusted advisors as we can find. **R**



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Drawing credits: Emi Fujita and Dana Cho

