



Whitepaper:

Re-energising retail:

How the 2024 in-store experience is changing and what to do about it

This paper is prepared by  saturn

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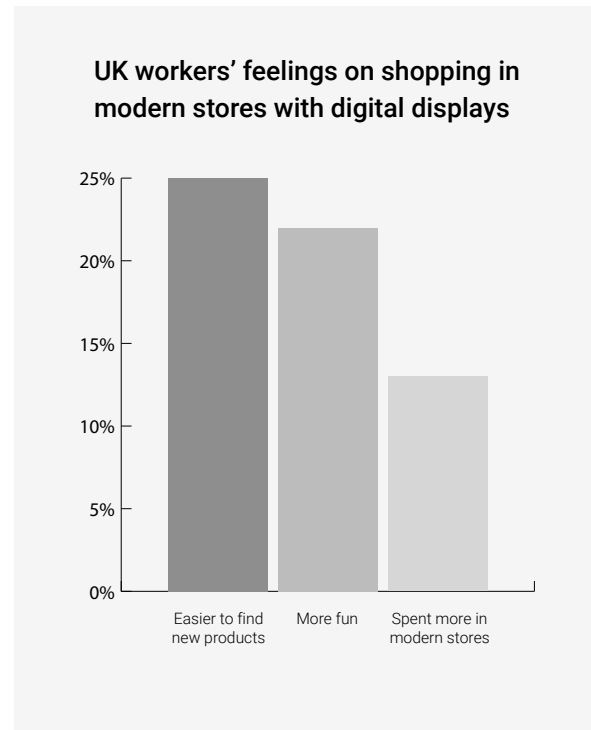
Executive Summary

In the last six months there has been a noticeable uplift in the popularity of physical retail stores.

Brick-and-mortar spaces are once more proving a draw for shoppers, who, after lockdowns and days monopolised by online activity, are keen to engage in real life again. However, their expectations have changed. They want retailers to deliver the best of both worlds - online and offline – in their stores.

New research commissioned by [Saturn](#) shows that modern stores, which incorporate digital signage technology, have strong appeal for consumers.

- A quarter (25%) of survey respondents felt that these types of stores make it easier to find out about new products.
- Almost the same number (22%) viewed modern stores as being more fun. Another 13% said that they often spent more than they'd originally intended to in modern stores.



Digital signage offers an obvious way to achieve the kind of shopping experience that people evidently enjoy but retailers are cautious about investing in new technology. It may still seem like an unnecessary and expensive risk, or a mammoth undertaking – or both. Many are unclear about which solutions would deliver the best return on investment for them, and doubtful that their staff would support the changes.

However, some retailers are already blazing a trail in this area and have seen a substantial increase in profitability after embracing technology and/or a hybrid approach.

Expert analysis indicates that the tech-enabled store of the future has the potential to double retailers' profitability. As well as being able to 'provide a better customer experience and greater employee engagement'

Understanding how to harness digital signage assets to successfully achieve these outcomes, means understanding what solutions are on offer and how each can address a specific consumer need. This paper will act as a guide to help retailers identify where to invest and how to catalyse their own in store retail renaissance.

1. The Situation

A recent report from the [Economist Intelligence Unit](#) predicted that 2024 will see the strongest pace of growth for offline retail, globally, since the initial post-pandemic rebound of 2021.

Additional research from [Forrester](#), released at the end of 2023, revealed that offline retail growth in 2022 had outpaced online retail growth for the first time across France, Germany, Italy, Spain and the UK as more consumers shopped in stores. This momentum continued into 2023. The research predicted that online retail sales growth in this European region would rebound to pre-pandemic levels in 2024 and beyond. **However, offline sales are still on the up and, in the UK alone, are forecasted to reach [£368 billion in 2028](#), up from [£336 billion in 2023](#).**

We're seeing increasing evidence of shoppers returning to stores, and helping to drive this upward trend is a new, hybrid blueprint for brick-and-mortar retail success. This is centred on having the perfect blend of interactive tech and human contact in place – creating a positive, multi-sensory experience, which chimes with and enhances online brand presence.

The ideal scenario is to have a physical presence and a digital offering that enhance and complement each other. Especially when you consider that almost 70% of consumers now expect a personal and consistent customer experience across both physical and digital channels.

Retailers recognise this and, today, [62% of them](#) believe the store is a 'very important' or 'important' part of their omnichannel strategy. But just under 30% feel that lack of focus on the in-store experience is a barrier to implementing a unified commerce strategy.

There's a clear imbalance here and retailers that stick with the status quo risk being left behind.



2.1 What Consumers Want

The online shopping experience has altered consumer expectations permanently. Now used to high levels of convenience, information rich processes and responsiveness online, people want to experience the same offline. Failing to meet these standards will create a gulf between brands and their customers.

Digital signage can help retailers to stay one step ahead but any investment in this technology needs to be properly informed by today's elevated consumer demands. Here, three key themes have emerged, and each relies on blending physical and digital assets to boost engagement.

2.1.1 Experience

Having emerged from the pandemic lockdowns and with so much time spent online – around [4.2 hours](#) for each internet user daily in the UK – consumers are more likely to be drawn to and engage with retail spaces that promote social interaction, positivity and memorable moments.

According to researchers, [over a third of consumers](#) will shop with a brand again if they have had a good experience, even if there are other cheaper or more convenient options available.

People want to spend time in stores which they perceive as being go-to 'destinations', because they offer unique experiences that can't be found elsewhere.

Being able to provide shoppers with the sense they are somewhere special is important and digital assets can help to imbue this.

- Saturn's survey findings indicate that almost a quarter (22%) of consumers view modern stores with touchscreen digital displays as feeling more luxurious. A total of 19% felt that stores with digital displays tended to be nicer than others.
- According to the same survey's respondents, more than half said they would be likely to feel bored in a place that has nothing interesting to look at/watch. On average, they said they'd be likely to start feeling bored after just one minute if in a place that's not actively stimulating them.
- More than half (56%) also said that they said that they would consider a 'fun experience' to be one that is visually interesting.



2.1.2 Personalisation

Building consumer loyalty means forging lasting connections with shoppers. Personalisation is playing an increasingly important role in building those bonds. And the personalisation already experienced by online shoppers – recommended items, dedicated offers and discounts etc – is now expected to feature on an omnichannel level too.

The manner in which personalisation is evolving is fascinating – drilling down to new levels of emotional resonance. And people are responding positively - in one study, [29% of consumers](#) said they would be comfortable with brands tracking their emotions and personalising experiences to their moods.

Shoppers are also seeking to spend more with brands and retailers that align with their personal



values. Sustainability is one example, where – looking at the Millennials market alone – [46% have been reported](#) as willing to pay more for products that are sustainably produced and 47% willing to pay more for products with environmentally friendly packaging.

[35% of global consumers](#) would go out of their way to visit a store if it had interactive virtual services.

2.1.3 Interactivity

Being able to interact physically with the spaces we inhabit has become a modern way of life and one of the key advantages in-store retail can offer to consumers is an opportunity to be tactile.

But, while consumers appreciate having access to tangible products which they can touch and peruse, they are now seeking out places where this is elevated by the addition of interactive digital tech. They want interplay between physical objects and technology, and they also respond positively to the use of interactive screens and signage designed to make their retail outings more convenient, informative and reflective of their online brand experiences. This is evidenced in findings that:

2.2 What Retail Staff Want

As the physical retail scene adapts and the digital transformation of brick-and-mortar outlets continues apace, retail staff will be required to support consumers' hybrid journey.

Without the engagement of in-store staff, digital media can only deliver upon part of its promise. When it is embraced by employees, however, this can add to a positive and efficient experience for customers and staff alike.

A [2023 study by Retail Week](#) researched the opinions of workers in bricks and mortar stores across the retail sector and discovered that over 80% think stores of the future will be more experience-focussed.

When it comes to retail staff members, *"There is clear appetite for technology to aid them in their roles, provided solutions are deployed in a clear and collaborative way; 71% are happy to embrace digital change and 86% say tech is helping them do their job more effectively."*



3. Delivering Success – Creating Digital Tech Enabled Retail Spaces

Across the board, solutions that can move businesses and brands towards a compelling customer experience efficiently and effectively are in demand. It's here that digital signage demonstrates its value.

Happily, as consumer needs have evolved, so has technology. Digital signage now offers retailers the ability to forge a new type of experience that benefits them, their customers, and staff.

As well as combining the benefits of both online and offline shopping, it can double up as an internal comms and support tool for staff – all contributing to a virtuous circle of job satisfaction and customer service.

But, too often, its potential is overlooked. It's often viewed and used far more than just a series of screens and in the same way as static branding displays, for highlighting products/services. However, digital signage can add a new layer of alluring, multi-sensory touchpoints to a retail space, all of which amplify product messaging and connect people more closely to brands. The savvy use of in-store media can help to deliver omnichannel consistency and enable personalised experiences to draw consumers back.

There are numerous ways that digital signage – or in-store media – has the capability to deliver on the needs of today's brick-and-mortar shoppers and staff.

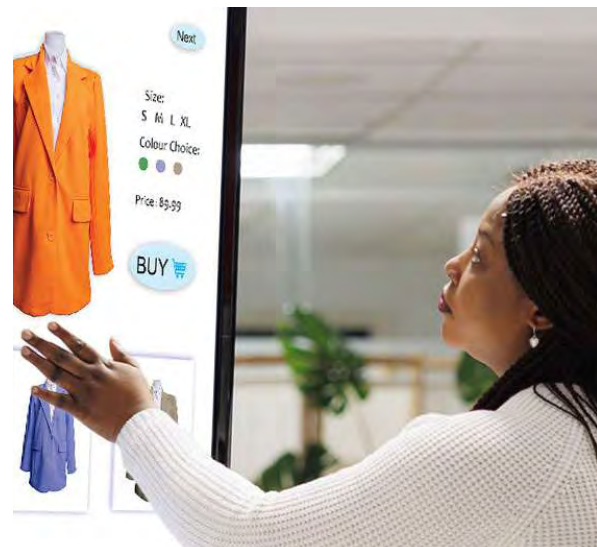
Here's a snapshot of just some of the tech that's available, each delivering personalisation, interactivity and an enhanced customer experience.

3.1 Touch Screens

An incredibly flexible form of digital signage tech, touchscreens can be used to give customers a personalised experience and instant access to the information they want, when they want it. Guided by the customer's interaction with it, this tech can make helpful suggestions, cross-sell products and services and provide in-demand detail regarding supply chains – how and where items are manufactured, for example. Touchscreens can also be incorporated as part of self-service payment, allowing customers to choose what they want to buy, then purchase it more on the spot, quickly and easily.

There are many options for displaying touchscreens – they can be mounted on walls, used within kiosks, or mounted onto a stand to create a lectern or pedestal-style display.

They could be used to enable customers to check the availability of stock – so they can access different sizes and order online, if their preferred product/size/colour isn't available in-store – or to ask for accessorising suggestions/useful secondary purchases. If the customer has a store account, they could be offered personalised on-the-day discounts via impactful, touchscreen visuals to increase the volume of additional, unplanned purchases.



Beyond their many practical applications, touchscreen displays can add a playful element too. They inject fun into spaces and broaden customer experiences – through gamification and interactivity. Potential uses include 'jukeboxes' that enable shoppers to pick the music played in a store, or virtual makeover areas. They can also display user generated content (UGC) – e.g. social media images supplied by customers of them wearing/using the store's products - making retail spaces more unpredictable, fun, and less contrived, and whilst also creating the feeling of community within them.

The opportunity to strengthen customer connections in this way is considerable. Equally, touchscreen tech can be employed by staff, again to access stock data quickly, or to source detailed product information. It can also be utilised as a feedback tool, supporting the delivery of questionnaires and surveys and building up customer profiles as part of the in-store experience more interesting.

By harnessing digital signage assets to support staff via internal communications messaging, information sharing and recognition, greater efficiency and improved job satisfaction can be achieved.

3.2 Sensors

There are two key types of sensor which, when combined with digital displays, can be used to add interactivity and a fun element to shopping without using touchscreen displays.

3.2.1 RFID Tags

RFID tags are effectively smart labels that can be used to trigger specific information to appear on a display. Commonly called 'lift and learn' technology, as the name suggests, they involve customers placing an object onto a clearly marked sensor which triggers specific messaging to appear on a screen.

This technology could be used to provide customers in bricks and mortar stores with a product profile which shows a general overview and a product review score.

Alternatively, it can also be used to show ethical information to customers wanting to discover which products have the strongest/weakest sustainability or ethical manufacturing credentials.

3.2.2 Motion Sensors

Motion sensors can be used to create movement or gesture-controlled digital signage. Communication and interaction can be delivered without touching surfaces, for example by using waving gestures to trigger an action or navigate on-screen.

A combination of specialist software and hardware enables people to trigger an action, access information or communicate feedback without ever having to touch a keyboard, screen or relay the information verbally. Triggers can either be the user's proximity to the motion sensor decreasing or the user waving at one or multiple highlighted motions sensors to initiate a specific action.

The playful action of waving at sensors is both unusual and engaging, making it ideal for creating unique brand experiences, and supporting gamification. Tech of this type helps to pull passers-by in, it sparks curiosity. Having attracted potential customers, it then holds them in place for longer – imagine using it for quizzes, and games and generating discount codes as prizes, which can be distributed via QR codes. This will be a draw for social groups of shoppers, who are seeking out fun, communal experiences and like to share retail expeditions with friends.

3.3 Large format

Large format displays bring an undeniable 'wow-factor' that changes the aesthetic of retail space.

Because of their size, they create a focal point and are a very effective means of connecting to customers visually and drawing attention to specific products or promotions.

Large LED walls in particular offer a continuous display that can be seen with equal clarity from close-up and at a distance. They can also be engaged in fun and interactive ways to provide customers with 'instagram-able' moments. Consider, for instance, using them to display a range of interchangeable photo backdrops, within a store's relevant department – e.g. a gym background in an activewear section, a red carpet scene in formalwear, or to support seasonal promotions – e.g. a music festival for summer, a sled scene for winter. This is a tool to be harnessed by the retailer's imagination and used to boost engagement and enhance the 'fun' of an in-store experience.



3.4. Small format

Impact can also be created with less expensive, small format screens. When placed correctly and equipped with engaging content they can elevate the look and feel of retail environments.

Small format is a flexible solution, which can be used in a number of ways to boost customer experience. The smaller screens lend themselves well to promoting multiple marketing campaigns simultaneously, providing product information or showcasing CSR credentials to attract ethically conscious shoppers and support value alignment.

Elements of personalisation and interactivity can also be added via small format. It's an effective means of enabling shoppers to view user-generated content - such as customers being photographed with their new purchase be it a new bike, cosmetics, a pair of shoes, or a food product – and encouraging them to interact with the brand's social media accounts.

In terms of staff communication, the smaller size and affordability of these assets makes them easy to locate off the shop floor in back-office areas, where they can be used to aid messaging, training and best practice reinforcement.

3.5. Shelf-Edge Display

Large-scale displays can be invaluable, but perhaps the most crucial thing is to catch customers' attention at the point when they have a clear intent to buy and are browsing the shelves.

Shelf-edge displays are relatively new to the UK but are catching on fast for their ability to highlight specific products and promotions.

These slim-line displays are essentially an upgraded version of a standard printed price label holder. They can show animation and video and are controlled digitally so they remove the need to adjust prices manually.

Vibrant and commonly used on freestanding displays, aisles and gondola ends, shelf-edge displays can also be synchronised, so promotional videos and offers follow customers as they journey around a store, offering attention grabbing information.

An additional benefit for retailers utilising this technology is the opportunity to bring in income from brands that are willing to pay for their promotional material to appear as shelf-edge media.

The technology offers another layer of engagement with brands and can be employed to provide customers with campaign related QR codes..

The technology can be integrated with EPOS systems to instantly update the display on any given shelf.

3.6 Analytics

A raft of useful data can be generated via digital displays, including:



Customer interactions
(date/time, volume, type)



Touchscreen content effectiveness
(menu items viewed but not selected/
purchased)



Customer feedback



Footfall tracking



Content effectiveness
(facial expression tracking)



RFID tag engagement tracking



Audience demographic tracking
(age/gender tracking)

Analytics data derived via digital signage can power customer experience improvement. This data helps retailers shape the most effective interactions and displays, meaning consumers are given more of the content and experiences they are most likely to engage with.

By using different types of technology (e.g. software, sensors, RFID tags, cameras, AI) with digital displays, retailers can personalise content and/or track how customers respond to it in real time, giving feedback on best and worst performance.

3.6.1 Facial recognition

It is now possible for digital signage to be fitted with cameras and software with AI facial recognition capabilities. The technology is not designed to recognise a specific person, but to ascertain non-identifying information about them – i.e. their age bracket, gender, and facial expression/likely sentiment (e.g. happy, confused). This information can then be used to trigger content most likely to be relevant to that person. It can also enable the monitoring of footfall and the demographics of people within a store at certain times.



Facial expression detection can be used to track footfall on different days and at different times. It can also A/B test how the content appearing on displays is received. For example, tracking whether the majority of customers look confused or excited or smile when certain content is shown, and whether there are differences in reaction between genders and age brackets.

3.6.2 Feedback

Interactive digital signage (touchscreen or using sensors) can be a powerful feedback tool. It can enable the tracking of which promotions, messaging and interactive displays are the most engaging and effective, and at what times/in which stores.

Because digital signage is dynamic, marketing campaign materials can be rolled out in one store and only the best performing content rolled out across the retail estate (and potentially online).

Interactive displays can also be used to request customer feedback on what improvements can be made to the in-store experience or solicit product/service reviews. This can also be done via non-interactive screens by using QR codes.

Sharing this data with store staff can also help to heighten customer awareness and ensure a more informed workforce.

Summary

Digital signage is carving out a place at centre of the physical retail evolution. Working together, retailers and digital media providers are upgrading retail experiences for millions of consumers and increasing their dwell time, return visits and/or value of their purchases.

This technology can have a big impact but that doesn't mean it has to be prohibitively expensive. With such a range of assets available, there are budget-friendly combinations available for retailers of differing types and sizes.

Awareness of the full potential of digital signage tech is increasing as this innovation expands in popularity but there remains an opportunity for providers to educate retailers as to its many benefits.

Getting the right hardware in place, with the right content will help to attract, inspire and influence customers – so they can rediscover the joy of brick-and-mortar shopping. There is a science behind achieving success here, which can only be applied by digital signage experts. Well-versed in cutting-edge retail experience curation, digital signage specialists can help to identify the most suitable hardware/software combination. They are equipped to help generate ideas for digital touchpoints and/or how to use technology to address specific challenges and increase operational efficiency.

Brick-and-mortar retailers wanting to shift from transactional service delivery to experience curation can accelerate their transformations by harnessing all that the digital signage industry has to offer.

If you have a retail project you'd like to discuss, or if you'd like to learn more about using digital signage to enhance customer and staff experience, call our team now on:

0161 222 0706

or email us at: info@saturnvisual.com

Company Overview

Saturn Visual Solutions is a digital signage consultancy which offers a range of complementary design, build, content and support services.

Saturn is responsible for managing more than 20,000 screens across the UK for organisations like Odeon Cinemas, Volkswagen, the NHS, and Network Rail. The company is based in Manchester.

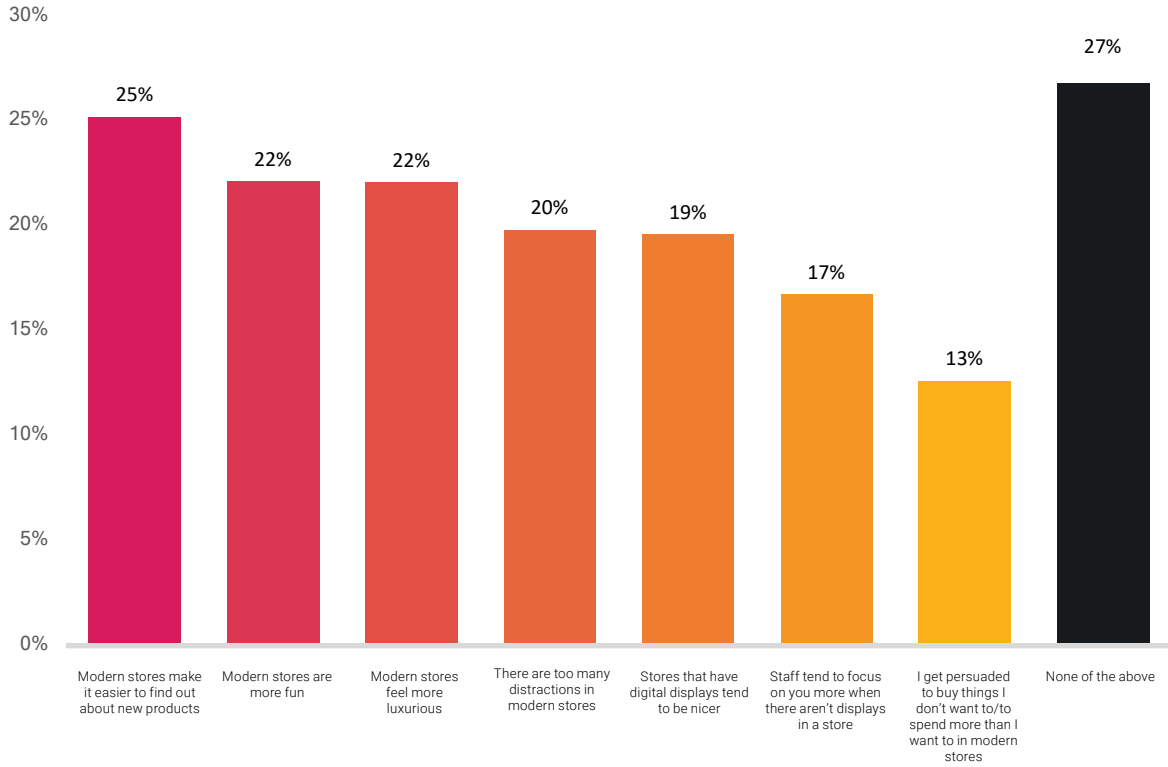
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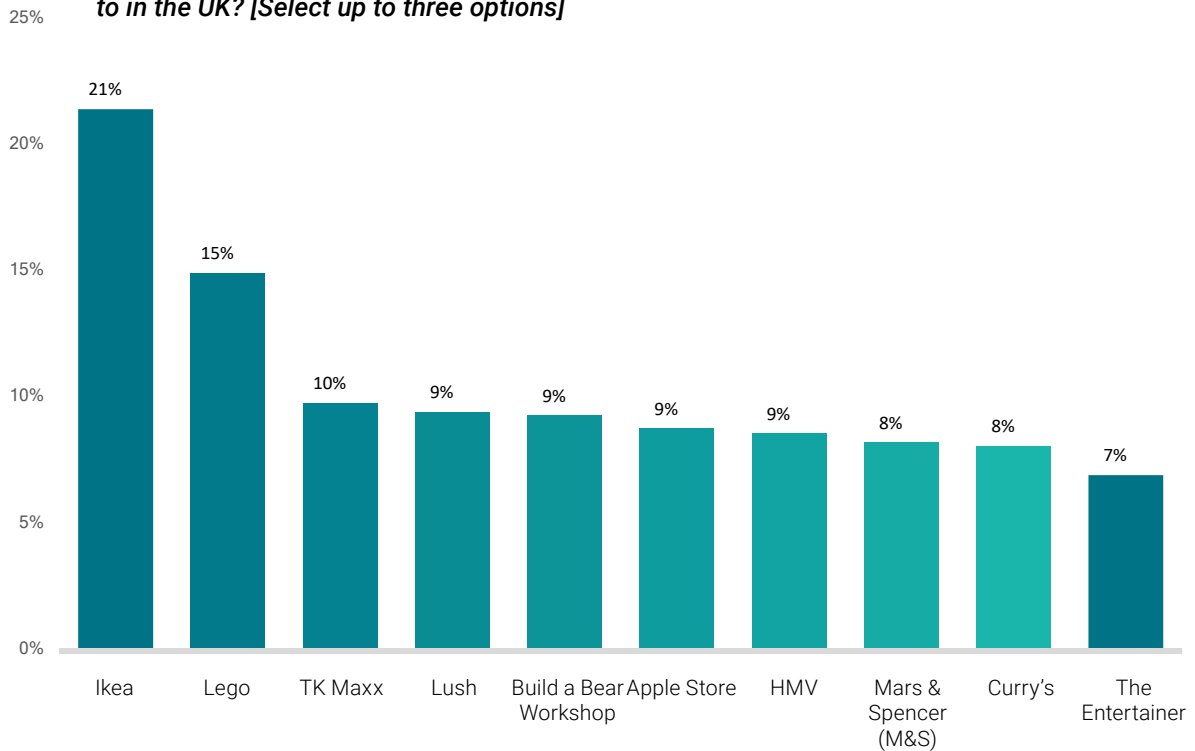
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Data generated by OnePoll on behalf of Saturn Visual Solutions

How do you feel about modern stores (i.e. with interactive displays and screens showing product information/videos)? [Select all that apply]



Which, if any, of the following would you describe as the most fun stores you've been to in the UK? [Select up to three options]



NB: the research was undertaken by market research firm OnePoll among 2000 UK full-time and part-time workers in May 2024.