



Metamorphosis  
**SHAPING  
TOMORROW'S  
RETAILERS**

# designing a store that works



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# after you read this guide...

**You'll be able to master the way in which you layout your shop floor in order to design a store that works.**

Whether you're starting a new retail venture or your existing store needs a boost, this e-book will assist you in taking your customer experience to new heights, so you can rest assured that customers will want to spend time with you, spend their money with you and return to you again and again.

## the objective

To increase sales by taking a strategic approach to laying out your shop floor; ensuring that it is working as hard as you and your team, reinforcing brand values, enabling your customers to shop with ease and encouraging them to spend more money.

**Mastering the way you layout your shop floor will enable you to:**

- Maximise your sales through strategic product placement
- Identify the most commercial route for your customers
- Improve your operational efficiency; increasing your productivity and raising your service levels
- Monitor your product and department performance
- Make the most of every sales opportunity
- Ensure that every inch of your shop floor is being well utilized



after you read  
this guide...

## by reading this guide you will:

- Gain insight into today's 'customer'
- Learn how to review your current store layout
- Discover 5 powerful retail truths
- Develop skills and knowledge to enable you to create an optimum layout plan for your store; ensuring that all store space is being fully utilized
- Identify areas within your store that can be used to maximise sales opportunities
- Develop an understanding of what measures can be put in place to monitor your store performance; and gauge the success of any space planning changes implemented
- Learn how to use customer behaviours to your advantage when planning your retail space; optimising service levels, improving operational efficiency; and increasing profitability
- Discover top tips & specialist secrets to assist you in designing a store that works



# designing a store that works

**Designing a store that works is a huge topic which covers all aspects of how a store environment is put together from lighting to colours to fixtures and from overall layout to how you place each and every product in order to create a stimulating and engaging experience for your customers.**

Mastering this topic is a big undertaking and whilst fixtures, colours, look and feel may vary from store to store there is one fundamental element that you need to get right in order to achieve commercial retail success; the store layout.

Within this guide we focus on the fundamentals of creating an optimum store layout in order to help you maximise your sales potential and create an environment that encourages customers to return to shop with you again and again.

## great expectations

**To design a store that works we must consider the 'customer's experience'.**

With more and more competition from supermarkets and online, customers expectations are getting greater and greater. They are looking for fantastic products and fabulous service and an in store experience that is second to none. Understanding your customers and how they shop will help you to design a store that meets their expectations.



# appealing to three styles

**As customers we adopt one of three different shopping styles depending upon the products we are buying and the time we have available.**

In order to maximise your sales potential you need to design a store that works not just for one style, but for all three potential customers:

## planned purchasers

make lists, they know exactly what they are looking for and are so certain of what they want that they will not be swayed into buying anything else. Their top priority is being able to find things easily; therefore it is essential that your shop has great shop-ability (i.e. it's easy to shop in).

## impulse shoppers

are there for the love of the shopping experience which for them is not a chore but a social experience. They want to be made to feel special and inspired by new and specialist products and fabulous displays.

## focused browsers

tend to be a little indecisive; they like to review options and alternatives before making their final decision. They need both great shop-ability and inspiration to help them make up their mind what to buy.



# your design mission

**Your mission should be to create a layout that naturally guides your customers around your store, allowing even a first time visitor to clearly see every product you have to offer and ensuring that the whole shop floor is used.**

Visually, the layout should inspire, stimulate and talk to potential customers. Product selection and location of a place to pay should be easy. A good store layout not only adds to customer satisfaction - but also ensures operational efficiency.

# when not to go organic

**Many shops tend to grow organically. This often means that their layouts become a little confusing.**

A badly laid out store can have a negative impact on sales. You can increase sales by taking a strategic approach to laying out your store.



# your store needs to work as hard as you do (if not harder)

Your store needs to work as hard as you, your team  
and your volunteers!

it has four important jobs to do:

**one**

Reflect and reinforce the values of your  
community shop

**two**

Enable your customers to shop with ease

**three**

Enable your volunteers and staff to work  
more effectively and efficiently

**four**

Encourage your customers to spend more  
money





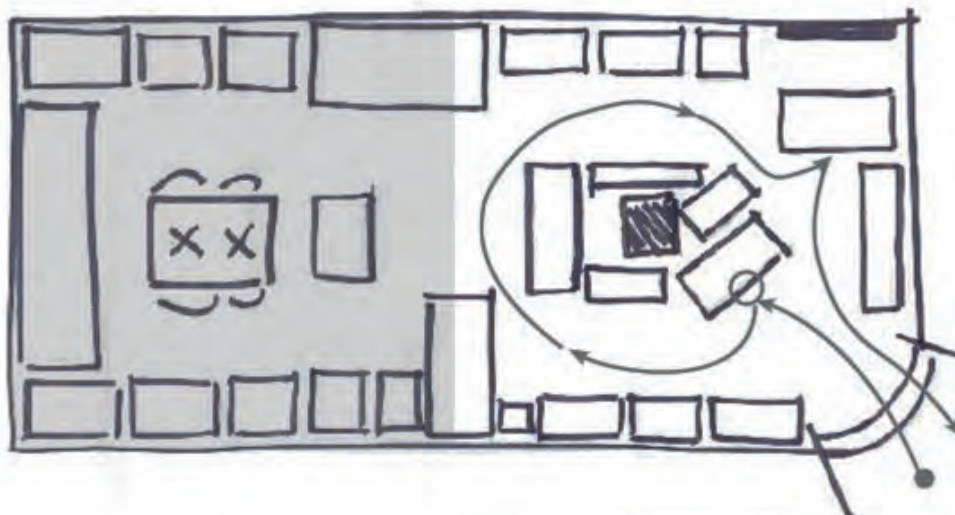
# going with the flow

**In the UK an average of 76% of all products are sold from eye level: what if I only saw 1/2 of your store... that would seriously reduce your sales potential! If customers are not shopping your entire store you will end up paying for products that aren't being seen and space that isn't being used.**

In order to maximise your sales potential you need to create a good customer flow. This means taking control and deciding where you want your customers to go and what you want them to see.

## retail truth

**The longer customers spend with you the more they will buy. Keep them in the shop for longer and they will spend more!**



## specialist secret

### how to assess your existing customer flow

**Make a floor plan of your store, marking on all structural elements (doors, windows, pillars etc.), fixtures and fittings and till point areas.**

- Photocopy this plan and use the photocopies to map your customer flow
- Start from the customer's entry into the store and draw their route using arrows to show the direction of flow.
- Mark where they stop to browse with a cross and where they stop to buy from with a circle. \*this will help you identify your "hotspots".

\*the plans do not need to be to scale.

### top tips

**It is essential that this exercise is carried out at both peak and off peak trade times mapping the route of as many customers as possible to build up a pattern. compare all the plans and think:**

- Can you identify any cold spots?
- How can you make your cold spots more appealing to customers?



# it's all about the journey

The route or journey that your customers take should be predefined and guided by you so as to create good customer flow and to ensure that your customers see all you have to offer. You need to consider the following key elements of the customer's journey when planning your layout:

## the entrance (or transition zone)

The transition zone is the area in which customers acclimatise to their surroundings and decide where they want to go. It typically ends about 3-4 paces into the store. Keep the Transition Zone clear to welcome customers into your store and prevent bottlenecks.

## sightlines

Sightlines are long views from the entrance across the shop floor. Maximise your sightlines by keeping your mid floor fixtures below shoulder height to enable customers to see all you have to offer and entice them around your store.

## focal points

Focal points are areas of the store (usually at the end of key sightlines) that act as visual magnets; your customers can't help but be drawn to them. Create strong focal points to encourage customers to walk towards key areas of your store.

## till point

The ideal location for a till point is at the end of the customer's journey. This ensures that they have been given the opportunity to see all of your range and provides the logical end to their shopping experience.



## spacing

**As human beings we are attracted by space.**

Use space to encourage customers to walk to certain key areas of shop floor, to denote different department zones and to create clear walkways for your customers.

- Walkways should be 1000mm wide
- Gangways 1200mm wide should also be included where possible for disability access

**All of these elements can be used to help you create good customer flow.**

## specialist secret

**The best store layouts mimic our natural behaviour**

### for example

In the UK we drive on the left hand side of the road which means that when we walk into a store our natural instinct is to head left unless blocked by a physical barrier.

### for example

We are more likely to buy from eye-line shelves... Why? Because they are easy to see.

### for example

Observation of customer flow within self service sandwich shops reveal that we shop in the order we eat.

**Consider how your customers naturally use your products to create a store layout that they have a natural affinity with.**



# encouraging customer flow

Once you have identified the route you want your customers to take you can then use the following elements to encourage them to “go with the flow”:

## colour & light

- As humans and as customers we are naturally attracted to colour & light.
- By placing colourful products in focal point areas we can encourage customers to walk towards them.
- Lighting can then be used to add emphasis and highlight key areas of the store.

## top tip

### Lighting is one of the most under-utilised tools in retail.

Yet when we think about other creative industries i.e photography, theatre, film, lighting plays a key role. A Hollywood actress would never agree to have a portrait photograph taken without adequate lighting to ensure she was presented at her best. So why would you do that to your products?

Good lighting is essential and can add mood and drama to your store. Lighting has the power to increase a products perceived value and saleability.



## theatre, action, life

Think what you can do to entertain your customers and make your shop floor exciting. Creating theatre is a great way to get your customers to explore different areas of your shop floor. It may be;

- A cooking demonstration
- A DVD playing
- A fantastic display
- Tasters

## clever product positioning

You can use clever merchandising tricks, such as placing inspiring products at the back of the shop floor, creating a strong focal point. This acts as a 'visual magnet' encouraging potential customers into the depths of the shop.



**Remember: the longer the customer stays with you, the more they will spend.**

## top tip

**When choosing the products, choose wisely.**

You need to know what they are from afar; colourful products or products with colourful packaging.



## specialist secret pull & push products

Products can be divided into 2 key product types, 'pull products' & 'push products'

### pull products

will sell no matter where you place them and can be used to attract customers to cold spots within the store. Like milk in a supermarket your customer will find them wherever they are placed.

### push products

are the ones that you actively want to promote e.g. seasonal products. They should be positioned in 'hotspots' and areas of high footfall. They are often visually colourful or interesting and can look fantastic in a window or mid-floor display.

Look at each and every product and service you offer to identify if it is a 'pull' or 'push' product so that you can position them cleverly in relation to your customer flow.



# the science of great shopability

**Socially we subconsciously group things to make them easier to understand.**

To create great shopability you need to funnel the visual information that your customers take in.

Clever retailers think about when and how their shoppers will use their products; grouping them accordingly to create product zones that reflect their customers lifestyle choices. This enables customers to intuitively find what they are looking for and also encourages link buys!!

## retail truth

**Shopping should be easy**

**The best way of increasing sales and building customer loyalty is making it easy for customers to buy. It sounds simple, but sometimes the simple things are the most powerful.**





# knowledge is power

**The beauty of having clearly defined product zones is that they are easy to monitor and measure. You can ensure you are giving the right amount of space to each zone by measuring the percentage of sales versus the percentage of space for each zone.**

**You don't want to be giving 20% of your floor space to products that only account for 5% of your profit.**

- Measure your total floor space (in square meters), measure the footprint of each department or zone (in square meters) and review your fixtures (i.e. your vertical space) to estimate percentage of space used by each department
- Break down your sales by zone (this can be easily done by programming the buttons on your till or tallying the products sold).
- Work out the amount sales for each department as a percentage of your total sales
- You can then compare your % sales for each department to the percentage of space allocated to see if you have allocated the space correctly.

N.B. If you stock products with different margins it is also a good idea to calculate your average profit margin for each zone in order to work out your 'weighted gross margin'.

This takes into account not only the percentage participation but also which zones hold more profitable products as this may also affect the way you allocate your space.



# making room for inspiration

**Approximately 50% of all Supermarket purchases in the UK are bought on impulse.**

When creating your optimum layout don't simply rely on customers to find what they need. Tempt them with desire!

Whilst you may not be able to sway the most hardened planned purchasers you can still influence your focused browsers and impulse shoppers by creating inspirational displays to actively "push" seasonal and specialist products.

## retail truth

**Variety is the spice of life**

**As customers we love retail theatre and visually stimulating retail environments that inspire us.**

You need to strive to create an offer that continually surprises and delights, so consider your customers and have some fun!!

## in need of inspiration?



**Here are some ideas...**

- Product tasting
- Competitions e.g. best poster competition - get kids involved in designing posters for seasonal promotions
- In store community events e.g. local pie eating contest to raise money for charity
- Talks / demos by local producers
- Recipe cards / books



**There are 4 key promotional areas that you need to consider when making room for inspiration:**

## windows

Your windows are your biggest marketing tool. As a retailer you need to be using them effectively to pull footfall into the store. Giving up precious floor space may seem like a difficult decision, but it is crucial that you allocate enough space to your window displays... after all it is no good having the perfect store if no-one comes in to shop it.



### **No windows?**

Don't worry, you can use an 'internal window' to inspire your customers!

## internal windows

Internal windows can be created by using a mid-floor fixture at the entrance to the shop floor to pull together a selection of products creating a seasonal or lifestyle display.

## hotspots

Hotspots are areas of the store with high passing footfall. They are HOT... i.e. anything will sell from a hotspot (within reason!).

They are typically used for product promotions to draw attention to specific products.



**N.B. Hotspots are a great way of clearing stock that is sitting around and gathering dust!**



## sitting duck areas

As well as your windows, internal windows and hotspot areas, have a think about other areas where you can take the opportunity to promote your products and services to your customers. Areas where customers have the opportunity to read and take in information... (i.e. cafe space and till points).

## non commercial, commercial areas

Non commercial, commercial areas are areas in which you choose as a retailer to forgo product displays in order to sell more. Sounds counter intuitive doesn't it? But they really work! These are spaces designed to keep your customers in your store and encourage them to shop for longer. For example:

- Kids play areas
- Seating/waiting areas

They are designed not just for your customers, but for the people that may influence your customer i.e. children, companions, partners etc.

## retail truth

### The power of influence matters

Influence is powerful! Who is influencing your customers? For example, if a majority of your customers have kids you need to keep the kids happy. If you keep these 'influencers' happy you will not only keep your customers in the store for longer, but also keep them coming back for more!



# a change is as good as a rest!

## Remember... a change is as good as a rest

Your shop floor should be designed to be as commercial as possible and the best commercial use of your space will change seasonally throughout the year.

It is important that you are able to rotate products in key areas to create seasonal change and to push certain products at key times. This may mean pulling together a specific seasonal or promotional display in the form of an internal window or product hotspot. Different product zones may need to be "front and centre" at different times of year.

It keeps the store fresh, enables you to sell more and keeps your customers coming back.

## top tip

**Don't let your customer's hand/arm capacity determine how much they spend. Strategically place shopping baskets not just by the door but throughout the customer's journey i.e. next to key hotspot and internal displays, so they can pick up more products when they want.**



# finding the right fixtures

## When choosing fixtures you need to consider:

- Product type (chilled, frozen, ambient, seasonal)
- Product size and shape
- Product price
- Product quantity

## Fixtures generally fall into one of three categories:

**Capacity fixtures** such as gondolas and wall bays hold large volumes of stock. Because they are the largest fixtures in the store they need to be positioned towards the back of the shop or against a wall so as not to block any sightlines.

**Feature fixtures** are smaller fixtures such as tables, plinths and smaller shelf units designed to hold fewer luxury items or promotional displays. The shop floor should be punctuated with feature fixtures to provide areas of interest for impulse shoppers and focused browsers.

**Signature fixtures** are one of a kind fixtures used for inspirational displays to attract a customer's attention and to reflect the look and feel of the brand (in terms of style and fabrication). They should be given pride of place on the shop floor and used to hold seasonal stock, or 'wow' or iconic products associated with your brand or specialism.

## top tip

### A little creativity goes a long way

Fixtures don't have to cost the earth... a little creative thinking can go along way! Think about what you can find, adapt, borrow, salvage or make.



# allocating fixtures

**When allocating your fixtures on your layout plan you need to consider your customer's journey and think about what you want them to see along their route.**

- If the fixture is to be positioned in the centre of the shop floor you need to ensure that it sits below shoulder height so as not to obstruct any sightlines across the shop floor.
- Tall fixtures can be used on back walls to provide strong sightlines and visual signage
- Fixtures used for focal point areas must be given special consideration as the product displays in these areas need to make a strong visual impact

## top tip

**Always face the customer**

**It's no good having a great display if customers can't see it!**

**Displays should be angled in relation to customer flow.**



# designing your optimum layout

Now you have gained some insights into how to design a store that works. It is time to put it into practice with our step by step guide.

## you will need:

- Blank paper
- Product list
- Blank floor plan to scale  
this needs to show all windows, doors and structural elements
- Fixture list and fixture dimensions
- Tracing paper
- Scale ruler
- Sharp pencil



**N.B.** if you do not have the right fixtures to display your products where you want them then you will need to think about how you can source new ones now or create a long term plan and a short term alternative using the current fixtures you have as effectively as you can.





## step 1

Using your product list and a blank piece of paper consider your customers. How do they use and shop for food? Group your products into logical product zones, identifying any zones that naturally link together or lead on from one another.

## step 2

Using your blank floor plan covered with a piece of tracing paper identify and mark on the following key elements of your customer's journey:

- The transition zone
- Sightlines
- Focal points
- Till point

## step 3

Define and draw the ideal route you want your customers to take.

## step 4

Without allocating any fixtures start locating your product zones on the plan taking into consideration:

- Pull and push products
- Which zones naturally sit next to one another
- Inspirational areas: windows, seasonal/promotional areas (internal windows and hotspots) and sitting duck areas

## step 5

Once you have visualised the ideal layout you can then start to allocate fixtures.



# final thoughts

## Remember to measure success

When making any changes to the store, it is important to have a measure of those changes in order to ensure that you are getting the right results. When it comes to space planning there are two ways to measure impact:

## customer flow exercises

By completing customer flow exercises before and after any moves you can measure and monitor your customers' shopping behaviour. This will identify and changes in how they are shopping at your store.



**Remember... we want customers to shop for longer and use more of your floor. So this will be a really good indicator of the success of any moves made.**

## sales v space

By monitoring and measuring your percentage sales versus percentage space you can not only ensure that you have allocated your space effectively, but you can also ensure that you continue to do so throughout the year and evolve your store accordingly.



# our top do's and don'ts...

## do

**Actively plan your space;** a well planned shop floor will encourage your customers to shop for longer and spend more money.

**Use customer flow exercises** to assess how effective your shop floor layout currently is before making any changes

**Consider your types of customer** and their natural behaviours and what is important to them e.g. accessibility is particularly important to elderly customers and mums.

**Keep a clear transition zone** to welcome your customers onto your shop floor.

**Create strong focal point displays** at the end of your key sightlines to draw your customers around the store and actively push seasonal products.

**Position your till point** as near to the end of your customers journey as possible; allowing them to see all you have to offer before they buy

**Zone your products** to make it easier for customers to find them and therefore buy them.

**Think about your 'product adjacencies'** to help you plan which zones should sit together to create a good customer flow and encourage link sales e.g. 'bread' may logically sit next to 'marmalades & jams'.

**Measure your KPIs** as well as best and worst sellers so you can make informed decisions about your store layout and product placement.

**Measure your percentage sales versus percentage space** to ensure you are making best use of your floor space. This will enable you to expand those zones that are working well and reduce poor performing zones.



## don't

**Don't forget be afraid to change your shop floor layout.** if it is not working, improving your layout will make a big difference to your sales.



Shops we have worked with have typically seen sales increases of between 10%-100%.

**Don't forget ignore 'Cold Spots'.** Remember people, physical barriers & negative perception (i.e. too hot, cold, dark, smelly) can all act as barriers to shopping.

**Don't forget that in England we drive on the left** hand side of the road which means that when we walk into a store our natural instinct is to head left unless blocked by a physical barrier.

**Don't skimp on walkway space.** Ensure that you give customers enough room to walk past each other comfortably. Walkways should be 1000mm wide, gangways 1200mm wide for disability access.

**Don't block your sightlines...** keep any mid floor fixtures below shoulder height to give your customers a clear view across your shop floor.

**Don't forget that your till point** can be used to push till point buys and promote any additional services you offer.

**Don't be scared to use space** to denote where one product zone ends and the next begins.

**Don't forget to 'push' and 'pull'.** Products that act as a natural pull can be positioned further back and in colder spots in the store to draw footfall. Products that need to be actively pushed (i.e. seasonal products, promotional products or products with a shorter shelf life) need to be placed in key locations to catch your customer's eye.

**Don't be scared of de-ranging poor selling items...** Think how many products you could be selling in their place.

**Don't be afraid to make changes,** customers like to see something new and fresh, it is good to rotate products regularly, particularly in your focal point areas to keep the store experience fresh!



# about metamorphosis

**Metamorphosis are retail specialists** that work with independent retailers to maximise their retail sales potential; delivering creative, yet practical high quality retail consultancy; training and development solutions, ideas and retail concepts.

At the forefront of our solutions lies the most important retail factor of all - a positive customer experience!

Our vision is to provide independent retailers with sustainable skills that underpin successful retailing; giving them the confidence and motivation to continue the positive momentum long after we have walked away.

## for more information

Take a look at our website  
**[metamorphosisgroup.co.uk](http://metamorphosisgroup.co.uk)**

Follow us on twitter  
**@metamorphosisgr**

Join us on facebook  
**[www.facebook.com/metamorphosisgr](http://www.facebook.com/metamorphosisgr)**

Or give us a call  
**0845 437 9648**

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# about the plunkett foundation

**Founded in 1919, the Plunkett Foundation helps rural communities through community-ownership to take control of the issues affecting them.**

Today, Plunkett is the only national organisation supporting the development of community-owned shops in the UK and has been instrumental in the establishment of, and ongoing support to over 270 community shops. Plunkett provide a range of business and retail support via a network of community advisers, mentors and specialist consultants, together with a telephone, email and online helpline co-ordinated by a team of staff at the Plunkett Foundation.

This guide was produced as part of **Making Local Food Work**, a five year, £10 million project funded by the Big Lottery Fund's Changing Spaces programme. It works to reconnect people with where their food comes from by supporting community food enterprises across England.

## for more information

Take a look at our websites

**[www.makinglocalfoodwork.co.uk](http://www.makinglocalfoodwork.co.uk)**

**[www.plunkett.co.uk](http://www.plunkett.co.uk)** and **[www.communityshops.coop](http://www.communityshops.coop)**

Follow us on twitter

**@PlunkettFoundat**

Or give us a call

**01993 810 730**



# glossary of terms

## brand

Your business personality; how you act, look and feel.

## brand values

A set of principles that govern how you deliver your product or service to your customers.

## butt brush

An 'American' term for the experience of brushing past another customer within a confined space.

## cold spots

Underutilised areas of the store.

## customer flow

The route your customer takes.

## customer's journey

The way in which your customers travel through your store.

## customer touch points

The 4 elements that make up the overall customer experience a customer has within any retail store:

- **Environment:** Your retail space
- **Products & Services:** The range of products and services you offer
- **People & Behaviours:** Your team and service style
- **Communication:** Your marketing collateral

## product participation

Sales per product category or zone as a percentage of the total sales.

**FORMULA:** Sales per Zone / Total Sales x 100 = % Product Participation

## product zones (or departments)

A Product Zone (or Department) is created when like or complementary

products are grouped together in one area of the store. Grouping products that logically sit together within one area makes the store easier for customers to shop.

## profit margin

The difference between the total cost of selling something and the price it is sold for. Profit Margin is usually expressed as a percentage.

For example if the total cost of a product is £25.00 and it is sold for £100.00 the profit made will be £75.00. This is a Profit Margin of 75%.

## shop-ability

The ease with which your customers are able to find what they are looking for.

## visual merchandising

The art of making sales through effective product placement.

## weighted gross margin

The Weighted Gross Margin for a category or zone is the average profit margin for that category or zone weighted dependent upon % Participation of that category or zone as a percentage of the total sales.

To work out the Weighted Gross Margin per zone calculate the Average Profit Margin per zone as a percentage and times it by the % Product Participation for that zone.

**FORMULA:** % Average Profit Margin per Zone x % Product Participation per Zone = % Weighted Gross Margin.

