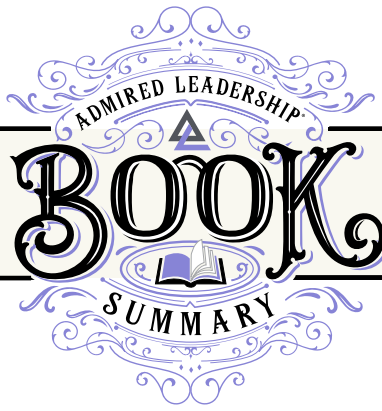




Eight Minutes, Not Eight Hours



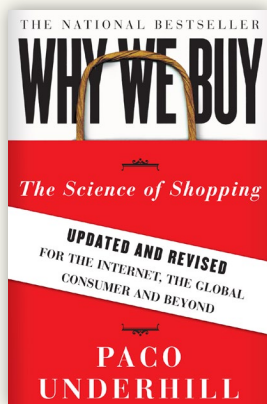
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Why We Buy

The Science of Shopping

Published 2009

BOOK AUTHOR: PACO UNDERHILL



Social scientist Paco Underhill has been at the forefront of the study of consumer behavior for decades. He and his research firm Envirosell, Inc have effectively applied theories of anthropology and industrial design to the retail industry with clients including McDonald's, Microsoft, Adidas, and Estee Lauder. In his book **Why We Buy**, Underhill describes why retailers miss opportunities to increase sales by not considering how physical environment creates emotional reactions in shoppers. The physical experience of shopping can either facilitate or hinder decision-making in buyers, and, if done well, takes advantage of anatomical realities and demographic and cultural norms to provide better service and make better profits.

Key Quote:

"Shoppers make the ultimate determination of how they use the retail environment and the products that are sold in it. Product designers, manufacturers, packagers, architects, merchandisers, and retailers make all the big decisions about what people will buy and where and how they will buy it. But then the shoppers themselves enter the equation and turn nice, neat theories and game plans into confetti" (p. 91).

Key Points:

Instead of Samoa, Stores: The Science of Shopping. It wasn't until relatively recently that social scientists seriously turned their gaze on retail shopping behavior (and banks and restaurants and museums, etc.). Detailed and nuanced studies of shopping behavior can drive an increase in sales, be an indicator of cultural or demographic change, and even cut back on shoplifting.


Walk Like an Egyptian: The Mechanics of Shopping. “There are certain physical and anatomical abilities, tendencies, limitations and needs common to all people, and the retail environment must be tailored to these characteristics” (p. 39). There are ways we move and operate that we all share in common.

Men Are From Home Depot, Women Are From Bloomingdales: The Demographics of Shopping. Men and women and old and young shop differently. As relationships and finances shift and change culturally, the ways men and women shop has changed, too. And as the population grows older in some nations, how stores market goods is also changing.


See Me, Feel Me, Touch Me, Buy Me: The Dynamics of Shopping. Good retailers romance the shopper using their senses to propel them into the shopping (and spending) experience. “Merchandising is more powerful than marketing” and “touching, hearing, smelling, or tasting something on the premises” can drive the shopping experience in a positive or negative direction (p. 168).

Screen Savers, Jet Lag, and Whirling Dervishes: The Culture of Shopping. The internet has helped us in terms of shopping in several ways but also made us lose connection with the local in favor of the global. When you work with global clients, seek to understand their culture through their eyes, and keep in mind the fact that a significant amount of retail innovation is happening overseas in burgeoning markets.

Final Thoughts. The fact that retailers carefully analyze and construct the shopping experience is not a new concept. Farmers, craftsmen, and tradesmen have been selling and shipping goods from their carts, stores, houses, and barns since ancient times in ways that maximize sales. In modern times competition is steeper and categories that seem narrow are broad but, still, the “consumer is king” (p. 283).



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Key Concepts:

HOW THE PHYSICAL ENVIRONMENT INCLUDES – OR EXCLUDES – SHOPPERS

The physical placement of products and signage, in terms of what is easily readable and accessible to the customers searching for a certain product, can make a marked difference in sales. Things like the availability of seating in the right places or of baskets placed throughout the store make a significant difference. High and low-traffic zones are suited for different types of products. Surprisingly, some products will do better in low-traffic areas.

“Successful retail experiences are run by placemakers, not landlords.” Placemakers “have to find a way to make their locations exciting” (p. 278). Underhill includes many examples of how the placement of goods can make a difference in sales.


In the late '70s, traditional singles (45 rpm records) were major sellers in the music industry. One music store commonly displayed the Billboard chart next to the record racks to advertise the top sellers. However, the store failed to realize that most buyers of singles were adolescents, and teens were too short to easily read the Billboard chart that the store had placed high on the wall. Simply by placing the chart lower on the wall, sales increased by 20% (p. 19).

Drugstores sometimes stock less glamorous cosmetics on the lower counters, which means that older customers have to stoop to look for their anti-aging cream or concealer (p. 127). Moving these products higher will encourage sales.


Shoppers often decide not to take carts or baskets when entering a store for only a few items. "Not taking a cart or a basket became a way for the customer to define his or her mission." The retail solution is to place carts or baskets throughout the store, not just in the entrance, so shoppers are not limiting themselves. Furthermore, larger carts lead to larger sales (p. 55).

In retail, seating is a crucial but commonly overlooked element of retail design because it applies to those who aren't shopping. However, a "chair says: we care. Given the chance, people will buy from people who care." "Air, food, water, shelter, seating – in that order. Before money. Before love. Seating" (p. 91).

For example, as Underhill's team studied traffic patterns in a large lingerie store, they noticed an interesting dynamic about seating. The men who were out shopping with their partners had no seating while they waited. They ended up uncomfortably perching on a nearby windowsill, and there they sat, muttering comments to one another. In doing so, they created an effective barrier to sales, simultaneously rushing their wives out of the store, discouraging women from wanting to enter the store, and embarrassing away the women who were shopping the nearby Wonderbra display (p. 92). "Whenever you encounter shopper improvisation in the retail environment, you have found the greatest evidence of one person's failure to understand what another person requires" (pp. 91-92).



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AS POPULATIONS AGE, RETAIL SPACES NEED TO CHANGE, AS WELL.


Underhill outlines the importance of changing retail design in anticipation of aging Baby Boomers, such as increasing the size of the typeface on products or designing spaces that cater to older people. "In Japan, land is precious so the malls tend to go up rather than sprawl. In some malls, the escalators move very slowly, not to annoy the sprinting teenagers in the crowd, but in deference to Japan's aging customer base. Japan's largest mobile service provider, DoCoMo, has a senior-friendly phone with big buttons and oversized numerals. It bears asking again: Are we remotely prepared in the U.S., or in Italy or Russia (two other countries with rapidly aging populations), for the same graying consumers" (p. 144)?

Waiting areas make larger properties accessible to seniors, who cannot walk longer distances without resting, and also create captive audiences that are more receptive to advertising and other communications (p. 145).


Retailers are wise to consider children in their placement planning, as well.

The author recounts watching a child hilariously grabbing the buttocks of a statue of Honoré de Balzac at the Rodin Museum in Philadelphia. The hindquarters of Balzac and (based on visible touch marks) every other statue in the museum at the same height had been handled by the child.

“That moment illustrated several facts about children. First, they are exuberant participants in the world of objects. If it is within their reach, and it offers even the slightest inducement, they will touch it.” Underhill explains that, “if you want children to touch something, you must only put it low enough, and they will find it. In fact, objects placed below a certain point will be touched by children **only**” (p 154).



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Product placement and packaging matter with respect to sex, as well. What the author calls the “butt-brush factor” is a concern for everyone but is particularly so for women. Women tend to be uncomfortable reading anything below a certain level (waist level), as they want to avoid being bumped from the rear. Women are also more likely than men to read packaging information before making a buying decision. Therefore, typeface, particularly on cosmetics, should be larger for display in more narrow quarters (p. 126).

SIGNAGE AND OTHER COMMUNICATIONS

Designing and placing signage effectively is a more complicated proposition than one might think.

A client once asked Underhill what he thought of a particular sign. He replied that he didn't know. “I start by saying that unless every customer is going to come upon the sign, or more recently a flat-screen television display, under the exact same conditions that I first saw it, it's impossible for me to know if it's the greatest piece of communication ever designed or a tragic waste of time, space and money. I attempt to remind everybody that people in stores and restaurants or banks are almost never still; they're moving from one place to another. And they're not intent on looking at signs or flat screens – in fact, they're usually doing something else entirely, like trying to find socks, or seeing which line is shortest, or deciding whether to have the burger or the chicken. And there's that brand-new piece of communication, somewhere in the distance, off at a sharp angle, partially hidden by a tall man's head, and the lighting isn't so hot and there's a little glare coming into the store.” Underhill explains, “In other words, I end by saying, showing me a sign in a conference room, while ideal from a graphic designer's point of view, is the absolute worst way to see if it's any good” (p. 62).

Once a sign is placed in a store, it's no longer a store but a “three-dimensional walk-in TV commercial”(p. 63).

“First, you have to get your audience's attention. Once you've done that, you have to present your message in a clear, logical fashion – the beginning, then the middle, then the ending. You have to

deliver the information the way people absorb it, a bit at a time, a layer at a time, and in the proper sequence. If you don't get their attention first, nothing that follows will register. If you tell them too much too soon, you'll overload them and they'll give up. If you confuse them, they'll ignore the message altogether" (pp. 63-64).

But signage can, in fact, be a unique value-add. "If I bought a gas station tomorrow, the first thing I'd do is put up a huge sign saying **CLEAN BATHROOMS**. Gas stations persist in displaying most prominently the price per gallon, down to the tenth of a cent, as though we even think that small. Gas is gas, and prices are fairly uniform, too. But clean bathrooms would draw female drivers, who make most use of the facilities and so have more bitter complaints about horrible, filthy conditions" (p. 135).

HOW TRAFFIC FLOW DIRECTS ATTENTION AND INFLUENCES BUYING BEHAVIOR

There are two kinds of shoppers: browsers, and those who arrive hoping to make a beeline for the exact product there are looking for. Merchandisers need to balance the need to help direct the shopper who is on a mission, while also offering multiple routes and interaction points for browsers who will spend more money the longer they stay in a store.

Shoppers have an aversion to being jostled by other customers or traffic. Because the entrance of a store is the conduit for all traffic, shoppers tend to file into a store quickly, leaving a "decompression zone" near the entrance that they commonly ignore. Some retailers will reclaim some of the decompression zone by using a "power display" – a horizontal display or table that slows down traffic at the entrance and minimizes the decompression zone.

"Another solution to the decompression zone problem, which I saw at Filene's Basement, is to totally break the rule. Not just break it, but smash it. There, just inside the entrance, they've placed a large bin of merchandise that's been deeply discounted, a deal so good it stops shoppers in their tracks. That teaches us something about rules – you have to either follow them or break them with gusto. Just ignoring a rule, or bending it a little, is usually the worst thing you can do" (p. 47).

But be careful about casually breaking the rules. In one large bookstore, putting the bargain shelf in the front of the store increased bargain sales, but decreased overall sales because customers no longer had a draw that would entice them to the back of the store. The bargain table placement at the front meant that loop that customers walked from the entrance to the exit was shortened (p. 22).

Some behavior cannot be controlled. One makeup retailer sold their lipsticks in sealed tubes that would not allow women to twist them up before buying. "We watched shoppers remove the cap, look inside, and unsuccessfully twist it open – at which point they lowered their pinky fingernails into the tube and gouged out a dab to have a look." You will not stop women from insisting on seeing a color before they buy, but you can find a solution with a profit motive, such as a \$1 tester that will eliminate waste and still drive sales (p. 94).

MANAGING MULTIPLE AUDIENCES

People shop differently for different things, and effective merchandisers need to put products where the audience who needs them will find them. In one drugstore, aspirin sales were poor despite the aspirin being displayed in a high-traffic location. Because aspirin is likely to be an intentional purchase – not one made on impulse – the high-traffic placement was not doing anything for sales.

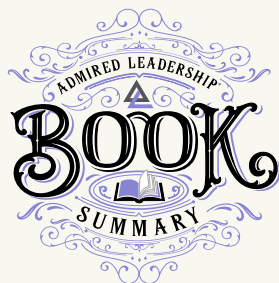
In fact, shoppers who had come in looking for aspirin were so distracted by the constant activity of teens headed to the nearby cold drink case that they either missed the aspirin in the high-traffic area entirely or grew frustrated trying to compare multiple brands on the display with all of the distractions around them. They gave up and left to shop elsewhere. When the shelves were moved **off** the busy path, sales increased 20% (pp. 21-22)!

Demographic changes demand that marketing strategies adjust. For example, people are marrying at later ages and staying single longer. To adjust, hardware stores should cater more to women, and traditional housewares should be marketed better to men.

It is important to note that what is important to one demographic may not appeal to another. "As women stay single longer and sometimes become single more than once, the old-fashioned, boys-only hardware store is being killed off." Ace Hardware and TrueValue hardware stores are focusing on making their stores into non-gender-specific DIY destinations.

Similarly, appliance sellers are learning what matters to men. "When we interviewed men shopping for vacuum cleaners and asked which feature was most important, their (predictable) answer was: 'Suck.' Read: power. As a result, vacuum makers now boast more amperage." In fact, "home appliances have gotten more macho as men have gotten less so. They seem determined to meet in the middle" (p. 113).

Underhill, P. (2009). *Why We Buy: The Science of Shopping*. New York: Simon & Schuster.



*It's important to know what
you're good at, what you
can improve, and what you
simply cannot do.*

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