

Critical success factors of temporary retail activations: A multi-actor perspective



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ABSTRACT

Temporary retail activations have been increasingly adopted by brands as an innovative experiential marketing strategy to engage existing and new customers. Through a series of in-depth interviews with multiple-actors (agency executives, brand managers, and consumers), this study identifies divergences and commonalities in defining the concept of temporary retail activation success. Further, we propose a conceptual framework of key factors that can contribute to the success of experiential-driven initiatives in retail. Four critical success factors (relational touchpoint, strategic alignment, surprise and delight, and serendipity) are discussed. We suggest that temporary retail activations should be considered as retail exchange events aimed at generating relationship-driven outcomes.

1. Introduction

The concept of leasing temporary retail space has taken the retailing world by storm over the last fifteen years (Ibrahim and Chua, 2010). Contributing to over 8 billion dollars to the US economy annually and employing over 23,000 people with a growth rate of 8.4% in the UK (Savills, 2015), marketing practitioners are increasingly developing temporary retail spaces designed to surprise and delight and act as a means to gain competitive advantage (Kim et al., 2010; Wyrley-Birch, 2014). Temporary retail activations are a multi-faceted, heterogeneous and non-traditional retail environment where brand strategies and marketing objectives are realised in various forms (Pomodoro, 2013). By offering a novel and highly engaging retail experience, temporary retail activations have proven to be an effective medium for product testing, word-of-mouth generation, increasing brand awareness, and driving sales. In the contemporary retail landscape, temporary retail activations are also developed to meet consumer demand for immediacy and engage with brands 'on-the-go' by offering products at the right time, in the right place and supported by the right service.

Whilst temporary retail activations are recognised as an innovative experiential marketing strategy providing interactive brand experiences (Russo Spena et al., 2012), marketing and retail literature is yet to identify which factors play a critical role in determining their success (Niehm et al., 2007; Picot-Coupey, 2014; Russo Spena et al., 2012). Adopting an interpretive qualitative approach, this study explores the phenomenon of temporary retail activations in order to better understand how brands can successfully implement them to improve the level

of engagement with consumers. Due to the inherent complexity of temporary retail activations, this study aims at offering a holistic understanding of the phenomenon and identify critical success factors by considering brand, agency and consumer perspectives.

2. Background

In an increasingly global retail market, socioeconomic and demographic changes are reshaping consumer behaviour, shopping patterns and retailing models (Grant, 2016). Furthermore, as online and mobile retailers capture more of the market and bricks- and-mortar retailers struggle with declining sales, the store environment has become more important than ever (Durdan, 2016; Sparshott, 2016). One strategy employed by retailers to address changes in consumer behaviour and overcome threats from online retail is temporary retail activations. These activations are typically implemented as experiential marketing initiatives to create opportunities for competitive differentiation and consumer engagement (Niehm et al., 2007; Pine and Gilmore, 1998; Schmitt, 1999; Surchi, 2011), as well as a means of non-price driven points of difference (Grant, 2016).

In the context of retail, temporary activations are recognised as an innovative experiential marketing tool (Kim et al., 2010; Niehm et al., 2007; Pomodoro, 2013; Surchi, 2011) that provides interactive brand experiences (Russo Spena et al., 2012), and results in enhanced consumer engagement, generating value for both retailers and consumers (Gentile et al., 2007; Niehm et al., 2007). Hence, it is important for brands to provide retail experiences as a means of competitive

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differentiation (Pine and Gilmore, 1998; Schmitt, 1999; Schmitt and Zarantonello, 2013). However, whilst academic literature acknowledges temporary retail as an established experiential marketing tool, research is yet to identify factors critical to its success (Niehm et al., 2007; Picot-Coupey, 2014; Russo Spena et al., 2012).

2.1. Defining temporary retail activations

Temporary retail activations are a multi-faceted, heterogeneous and non-traditional retail environment where brand strategies and marketing objectives are realised into a set of tangible, physical, interactive experiences which reinforce the brand (Pomodoro, 2013). These retail environments are a synthesis between communication and selling (Surchi, 2011), synonymous with novelty, exclusivity, surprise and discovery (Pomodoro, 2013; Picot-Coupey, 2014). They are intentionally open for a brief period, ranging from a few hours up to a year (Lassus and Freire, 2014; Niehm et al., 2007) and their ambience is typically perceived by consumers as fun, relaxed, trendy, pleasant and amusing (Lassus and Freire, 2014). Their limited time nature creates a unique and often unrepeatable experience, motivating consumers to participate through anxiety of exclusion, or missing out (Lassus and Freire, 2014; Pomodoro, 2013). It is not uncommon for these environments to combine brand offerings with lifestyle experiences in order to create synergies with consumers' lives (Kim et al., 2010).

When compared to traditional retail environments, elements of the temporary retail shopping experience are characteristically distinct (Picot-Coupey, 2014; Verhoef et al., 2009). The merchandise mix is often exclusive, selective and focused on a single product line (Niehm et al., 2007). Pricing strategies are either premium offerings due to exclusivity or discount prices when stock clearance is required (Surchi, 2011). The store is designed on a smaller scale and significant emphasis is placed on the creation of a favourable in-store atmosphere (Russo Spena et al., 2012). Similar to flagship stores, temporary retail activations are generally located within economically significant capital cities to increase brand appeal (Doyle et al., 2008). For retailers aiming to build brand awareness, strategically locating temporary retail activations increases the likelihood of reaching potential consumers (Surchi, 2011).

2.2. Temporary retail activations as experiential marketing

As retail has moved from a product and services oriented economy to a more experience-based economy (Pine and Gilmore, 1999), the value of the service concept increasingly lies in the experience provided to the customer (Babin and Attaway, 2000; Baker et al., 2002; Kozinets et al., 2002; Pine and Gilmore, 1999). According to Meyer and Schwager (2007), the customer experience refers to the internal and subjective response customers have regarding any contact with an organisation. As such, it has been proposed that retailers (and service providers more broadly) hold a unique and ideal position to create experiences for customers (Ailwadi and Keller, 2004) and should consider themselves as hosts, and the store (or service environment) as a theatre stage (Baron et al., 2001; Pine and Gilmore, 1999; Schmitt, 1999). This perspective has gained prominence over the past decade, with many retailers shifting investment towards engaging customers through unique experiences (Hollenbeck et al., 2008).

Within the context of the experience economy, temporary retail activations are one form of brand experience utilised as an innovative experiential marketing strategy. Such initiatives are based on surprise and exclusivity, and intended to engage consumers and reinforce brand loyalty (Niehm et al., 2007; Russo Spena et al., 2012). These activations provide an interactive, multi-sensory platform for brands and consumers to build a relationship (Russo Spena et al., 2012). Such activations have the potential to influence long-term relationships with consumers and aim to produce demand, rather than generate revenues (Marciniak and Budnarowska, 2009; Ryu, 2011; Surchi, 2011). For

emerging brands, such activations offer a cost-effective means of testing the market and gaining consumer insights, forming the basis for further marketing decisions (Ryu, 2011; Pomodoro, 2013).

Previous research has identified how temporary retail activations could potentially contribute to the achievement of a range of broader business objectives (Taube and Warnaby, 2017; Warnaby et al., 2015). Warnaby et al. (2015) identify four categories of business objectives particularly important for brands, including: communicational (e.g. brand awareness), experiential (e.g. brand engagement and brand communities), transactional (e.g. sales and market share), and testing (e.g. trailing new markets). However, for consumers the objectives achieved through temporary retail activations seem to differ, and rather focus on novelty, exclusivity, surprise and discovery (Pomodoro, 2013; Picot-Coupey, 2014). What is evident is that there are multiple actors, each with different perspectives and objectives when it comes to experiencing temporary retail activations.

2.3. Multiple-actors and multiple perspectives: toward a unifying framework

With the growth of experiential marketing, a proliferation of specialist agencies has resulted and given rise to an industry of organisations engaged in assisting brands to create experiences via temporary retail activations (Wood, 2009). Multiple actors are involved in the execution of experiential marketing efforts, with brand managers and agency executives often working together to execute temporary retail activations for consumers (Schmitt, 1999). Neither the consumer nor organisation perspective of temporary retail activations is sufficient in isolation to provide a holistic view of the phenomenon, while both supply and demand views are required (Kim et al., 2010; Niehm et al., 2007).

Literature acknowledges that limited attention has been paid to temporary retail activations and even fewer studies have addressed success factors of temporary retail activations as an experiential marketing tool (Marciniak and Budnarowska, 2010; Niehm et al., 2007; Picot-Coupey, 2014; Pomodoro, 2013; Ryu, 2011; Surchi, 2011). Although temporary retail activations constitute a complex phenomenon involving multiple actors, studies on this phenomenon lack a comprehensive analysis of the brand, agency, and consumer perspectives.

3. Methodology

Given the novel, contemporary and contextually-specific nature of temporary retail activations, we applied a grounded theory approach (Daymon and Holloway, 2011) to explore the subjective experiences of multiple actors, including retail brand managers, experiential agencies and consumers. The ontological assumptions of this research combine the interpretivist ideology with social constructivism, whereby a belief in multiple and relative perspectives of reality exist and subjective meanings of experiences are developed through interaction with others (Creswell, 2013; Lincoln and Guba, 1985). Originally emerged in sociology, grounded theory has been increasingly applied as a methodology to study emerging themes with significant behavioural implications in the marketing discipline, such as ethical marketing, social marketing and experiential consumption (Goulding, 2005).

Aligned with the precepts of the grounded theory methodology, our research was not guided by hypotheses; rather insights were driven by the data following a rigorous approach that forces researchers to look beyond the superficial and apply every possible interpretation before developing a final theory demonstrated by explication and data-supported evidence (Goulding, 2005). We relied on the Straussian approach to grounded theory, which prescribes that theory is to be derived from data, systematically collected and analysed and interpreted in an on-going way throughout the research (Strauss and Corbin, 1998; Gummesson, 2003). A reflexive process informed our study with researchers intimately involved with data collection, analysis and interpretation.

Table 1
Participant profile: agency & brand actors.

ID	Company	Position	Experience
Agency 01	Advertising Agency	Executive Strategy Director	10–20 years
Agency 02	Activation Agency	Account Manager	5–10 years
Agency 03	Retail Property Owner	Retailer Relations	> 20 years
Agency 04	Activation Agency	Strategy Director	10–20 years
Agency 05	Activation Agency	Senior Design Strategist	5–10 years
Agency 06	Advertising Agency	Managing Partner	10–20 years
Brand 01	Fashion Retailer	Senior Marketing Manager	5–10 years
Brand 02	Food Retailer	Marketing Manager	5–10 years
Brand 03	Footwear Retailer	Retail Manager	10–20 years
Brand 04	Fashion Retailer	Marketing Manager	5–10 years
Brand 05	Specialty Goods	Retail Manager	> 20 years
Brand 06	Entertainment	Brand Manager	10–20 years

As limited academic literature exists, previous studies on temporary retail activations cite lack of extant knowledge (Klein et al., 2016; Lassus and Freire, 2014; Niehm et al., 2007; Picot-Coupey, 2014; Pomodoro, 2013; Russo Spina et al., 2012; Surchi, 2011). Recent works within marketing literature on critical success factors also adopt a qualitative approach in the exploration of phenomena from participant interpretations (Colla and Lapoule, 2012; Luarn, Chen and Lo, 2006).

3.1. Data collection

A total of 24 participants were recruited for this study, representing three distinct perspectives: agency executives (n = 6), brand managers (n = 6), and consumers (n = 12), as outlined in Table 1. Agency executives and brand managers were recruited through purposeful sampling (Strauss and Corbin, 1998; Goulding, 2005), in order to ensure inclusion of respondents with experience in the execution of temporary retail activations. In these interviews, a wide variety of temporary retail activations were discussed, including retail spaces that provided product demonstrations, engagement opportunities, entertainment, educational activities, exclusive experiences, as well as unique opportunities for interactions with technology and/or new products.

Consumer interviews took place across two days in a large shopping centre of a major metropolitan city, where a number of temporary retail spaces were active. Purposive convenience sampling was employed to recruit 12 consumers who had just experienced one of the temporary retail activations in the shopping centre. The consumer sample comprises of 9 females and 3 males, representing a variety of age groups as outlined in Table 2. These retail spaces activated in the shopping centre covered experiences similar to those discussed with agency and brand actors, covering the food and beverage, beauty and clothing retail categories.

Unlike previous research efforts where participants had no awareness of, or involvement with, temporary retail activations (Kim et al., 2010; Ryu, 2011), an inclusion criterion based on having had a direct

Table 2
Participant profile: consumers.

Consumer ID	Gender	Age
C01	Female	45–54 years
C02	Female	35–44 years
C03	Female	25–34 years
C04	Male	35–44 years
C05	Male	45–54 years
C06	Female	25–34 years
C07	Female	35–44 years
C08	Female	25–34 years
C09	Male	18–24 years
C10	Female	25–34 years
C11	Female	45–54 years
C12	Female	18–24 years

experience with temporary retail activations was applied. This increased the likelihood of obtaining relevant information and developing meaningful discussions (Daymon and Holloway, 2011).

Data collection was conducted through semi-structured in-depth interviews (see Appendix A for agency and brand discussion guide and Appendix B for consumer discussion guide) to capture individual perspectives of real-world experiences and provide a deeper level of understanding (Silverman, 2006). Face-to-face interviews with brand and agency actors were scheduled in advance via email and conducted over the course of an 8-week period. Interviews with brand and agency actors lasted for up to 90 min. Interviews with consumers were conducted face-to-face, lasting up to 20 min. All interviews were audio-recorded and transcribed verbatim, resulting in 196 pages of transcripts that served as the basis for the analysis.

3.2. Data analysis

Content analysis was conducted, including coding and categorising, consistent with the chosen methodology. We adopted a systematic coding procedure articulated in three stages (1) open-coding; (2) axial-coding; and (3) selective-coding (Strauss and Corbin, 1998). This allowed for the identification of key concepts, as well as second-order categories to achieve the desired outcome of a rich description of the phenomenon being explored. The constant comparison method was applied by analysing interview transcripts line by line, noting emerging themes and subsequently comparing them with other transcripts to ensure consistency; identifying commonalities and negative cases (Goulding, 2005). Links among concepts were then identified in order to offer an explanation of the phenomenon and specify relationships between constructs and categories. In this way, tentative insights were generated and confirmed, disconfirmed or modified by additional data with the above process repeated until reaching theoretical saturation. As a result, core categories were formed to answer the research questions and extend existing theories on the phenomenon.

4. Findings

A duality between sales and marketing objectives is found to inform diverse definitions of success, whilst brand and agency actors hold divergent views on fundamental and aspirational elements of retail brand experiences. Additionally, four critical success factors (CSF) of temporary retail activations are identified as common across actors: relational touchpoint, strategic alignment, surprise and delight, and serendipity.

4.1. Competing definitions of success

From the organisation perspective, investing in temporary retail space is a decision based on proactive and reactive needs stemming from the business functions of sales or marketing. The organisational outcomes realised through marketing-motivated activations versus sales-motivated activations represent a duality addressed by both brand and agency actors. Temporary retail activations driven by the sales function are centered on achieving financially oriented metric-based objectives. This includes testing the viability of new markets with the intention of opening a permanent location, closely monitoring sales targets, mitigating financial loss through stock clearance sales and driving traffic to online sales channels through consumer education. The importance of retail employees' brand and product knowledge was found to be more prevalent than that of marketing-led activations; where promotional staff are briefed just hours before an activation. Sales-led activations tend to locations within well-established retail shopping centres, opportunistically timed to coincide with peak retail seasons.

[...] the pop-up stores performance is based on financial sales data...

even though the overheads are lower, they are allocated the same resources and have budgets and KPIs based on units per transaction... our staff are the main contribution to success of the pop-up store, they are expected to know a lot about the brand to educate customers, we are very people focused because let's face it, there's a lot of competition in a shopping centre" (Retail Manager, Footwear Retailer).

Conversely, when designed to meet marketing objectives temporary retail activations focus on brand awareness, distribution of samples or collateral, content generation, providing a memorable experience, creating social media buzz and word of mouth. There are instances where cost-neutral activations signal success as financial goals become a secondary focus to brand related marketing objectives. It is commonplace for marketing led activations to be aligned with pre-existing events, festivals or cultural happenings, thus providing a tangible brand experience.

"[...] the brand was in decline and quite dated with the look and feel, [...] the company invested a lot of money into the brand from a marketing perspective... There was a lot of work put into taking the brand to the next level in terms of stronger product and we had a new ambassador... we worked with an activation agency to launch the new brand campaign... they came up with the idea of distributing a content-based magazine at a fashion festival... we wanted to get it out to as many people as possible, it was really engaging and aspirational content from key bloggers and editors... the magazine had a discount offer driving people in-store... we got great PR cut through and interest... it was a good branding exercise, it was all about surprise and delight" (Senior Marketing Manager, Fashion Retailer).

The duality of objectives achievable through temporary retail activations results in a fluidity of definitions of success from brand, agency and consumer perspectives. For retail brands success is defined by the achievement of organisational objectives, through metrics such as sales targets, attendance numbers, online consumer engagement. Findings suggest that sales-led organisations are under considerable pressure to justify resources invested in temporary retail activations when financial goals are not achieved. In contrast, marketing-led organisations rely on guidance from marketing managers to determine whether the temporary retail activation was successful. It is worthy to note that whilst brand managers provide appointed agencies with key performance indicators, it is still possible for brand objectives to be met when KPIs are not achieved.

"[...] the objective was to bring our tongue in cheek campaign to life, we weren't selling anything so we can't really base our KPI on 'x' amount of product... it's more the attendance and the share point afterwards" (Brand Manager, Entertainment).

For an agency, commercial success is primarily based on profitability and competitive advantage. Additionally, agencies recognise success in the practical skills and knowledge acquired from implementing temporary retail activations strengthens their expertise and positioning in the market. As a service provider, success is also determined by client satisfaction with key performance indicators, leading to the ideal outcome of a sustainable professional relationship.

"[...] if it's a really successful campaign with a pop-up element then clients generally do it again the following year... making sure there are margins in there to make money off it... it needs to be profitable" (Executive Strategy Director, Advertising Agency).

A positive and engaging shopping experience is the primary indicator of temporary retail activation success for consumers. The most common metric of success among consumers was whether the products were perceived as interesting or relevant and their purchase intentions at that particular point in time.

"[...] whether it attracts my attention, if it's something I want or need, during Christmas time any pop-up could have a potential gift or

something a bit different... the brand doesn't really matter if I like the product..." (C03, Female, 25–34 years).

Consistent with stores merchandise as the main priority, consumers were found to be brand agnostic when assessing the quality of their shopping experience at temporary retail activations. It was found that consumers still viewed their shopping experience as positive, despite whether they made a purchase. Many consumers were content with simply browsing, exploring products they found to be personally relevant and enjoying the shopping experience.

4.2. Divergent views: fundamental versus aspirational

A divergence emerged as brand and agency perceptions of an ideal temporary retail activation experience differed from that described by consumers, with all actors in unanimous agreement on the importance of positive consumer experience. First and foremost, responses from brand and agency actors depict a need for brands to differentiate consumer offerings through the use of highly experiential, creative, innovative and aspirational temporary retail spaces. Intense competition within retail and an increasing need to 'cut through the noise' is cited as the common catalyst behind this line of thought.

"[...] they wanted to give a captive audience a brand experience, a taste of the brand at its best in a really experiential way... it's not like a normal store, they have giveaways, food and drinks, celebrities come down to the store... they get to experience the product range but its aspirational... half of the store is dedicated to theatrical space" (Executive Strategy Director, Advertising Agency).

In contrast, when asked to envisage and describe an ideal temporary retail shopping experience, consumers responded in favour of the fundamentals of retail experience as their primary concern (Verhoef et al., 2009). The key elements attributed to positive shopping experience were friendly customer service, employee product knowledge, attractive store design, easy navigation and quality products at a good price.

"[...] it's just the experience. What people are like in the store... what they're selling, whether it appeals to me... the layout of the shop and how it's organised... how easy it is to get around. But the main thing is customer service..." (C07, Female, 35–44 years).

Whilst these findings do not indicate consumers' rejection of the aspirational experiences retail brands seek to create, highlighting the essentials of retail signifies the need for fundamental aspects to be primarily considered a benchmark. Suggestive of a prerequisite or turning point, it appears aspirational temporary retail activations are more likely to be perceived by consumers as intended by brands, provided the basic fundamentals of retail are fulfilled first. Implicit is the notion that attempts of aspiration by brands and agencies may go unnoticed if the fundamentals of retail do not meet consumer expectations. The potential for temporary retail activations to facilitate a positive or negative shift in the relationship between a brand and consumer is consistent with TRE theory; which posits an encounter between exchange partners that positively or negatively disconfirms expectations can result in a dramatic, discontinuous change in the relationships trajectory (Harmeling et al., 2015). For consumers attending temporary retail activations with high relational expectations, a negative TRE has the potential to worsen the relational disconfirmation (Harmeling et al., 2015). This is particularly pertinent for brands that strategically heighten consumer anticipation through social media campaigns; lining up for hours without the opportunity to make a purchase due to limited stock may constitute a negative consumer experience, highlighting a potential pitfall of temporary retail.

4.3. Critical success factors of temporary retail activations

Findings identified four factors as unanimously crucial to successful

temporary retail activations; relational touchpoint, strategic alignment, surprise and delight, and serendipity.

4.3.1. Relational touchpoint

Brand, agency and consumer actor views are undivided on relationship building activities as a criterion to evaluate a temporary retail activation success. The temporary retail activation is considered as a relational touchpoint where brands can have the opportunity to reach new customers and raise the level of brand awareness in the market, as well as increasing the level of engagement of the current customer base. Temporary retail activations are also seen by all actors as a chance to give and receive feedback and implement improvements accordingly. Specifically, brands drive consumer awareness of upcoming activations through social media campaigns, website content, print advertisements and television. As a means of informing existing consumers about a temporary retail activation, electronic direct mail is utilised as a tailored message to extend their ongoing dialogue with the brand. However, there are circumstances where pre-promotion is prohibited, ensuring the effects of another key component of the temporary retail activation experience, i.e. surprise and delight, are not diminished.

Moreover, temporary retail facilitates business-to-business relationship building with agency actors utilising temporary retail activations to strengthen brand relationships with department store retailers. As such, temporary retail space is a sales-driven tactic located close to the point of sale, reassuring the department store retailer that brand promotion efforts are sufficient.

“[...] we sent a ‘thanks for coming’ EDM to those who attended afterwards, the call to action was to visit the website and sign up for a new product offering...it’s important to keep the conversation going and track it through until they convert...” (Account Manager, Activation Agency).

Collecting customer data was also a key activity for event-based temporary retail activations, utilising the incentive of a first-purchase discount offer to capture consumer details. In doing so, allowing the brand to track consumers experience from their initial engagement at the temporary store, through to additional online purchases. Moreover, temporary retail was found to facilitate business-to-business relationship building with agency actors leveraging temporary retail activations to strengthen brand relationships with department store retailers.

“Your network is important, your database, getting it out there, letting them know and people talk, so if there’s something amazing and exciting like, for example we had naked guys in underwear...we shared it on our website and then people who attended shared photos or videos...pop-ups need that sociability and talking point nowadays as well, to make it worthwhile, to get that interest and get people talking about their experience or the brand.” (Brand Manager, Entertainment).

Consumers view the relationship developed and the after-sales service as particularly important to the concept of temporary retail, given the perceived level of risk that the store is only accessible for a limited period of time. This was particularly relevant for products that may turn out to be faulty or gifts that may later need to be exchanged.

“There’s a wide variety of pop-up stores. They have either discounts or introduce you to new stock or styles. It does work; I’ve gone back to a few pop-up stores and been a repeat customer.” (C04, Male, 35–44 years).

Similarly, after-sales marketing communications were perceived by brand and agency actors as an important window of opportunity to continue the dialogue they started through the temporary retail activation process.

4.3.2. Strategic alignment

Consistent views from brand and agency actors determine strategic alignment as essential for temporary retail activations, especially those

positioned alongside events. Three key aspect of strategic alignment are recurrent when evaluating the success of a temporary retail activation: brand alignment, location alignment, and context alignment. For brands planning temporary retail activations within a traditional shopping environment, the first step toward strategic alignment is choosing a centre whose reputation is credible and desirable; positioning the store amongst complimentary brands is of equal importance. For brand actors, securing retail space near stores whose target demographic is similar to their own had a significant impact on success.

“[...] we are very conscious of our brand and image... positioning within the shopping centre is critical in terms of performance, sales fluctuate based on where you are located...there’s been times where we haven’t gone into a shopping centre because we didn’t get the site we wanted, we knew it wasn’t going to be successful...we have a pretty good understanding of what shop mix we need in there before we can move in and make a profit” (Retail Manager, Specialty Goods).

This effect flows onto consumers increasing the chance of serendipitously stumbling across a relevant temporary retail activation, leading to a more positive shopping experience. For agency actors, appropriate strategic alignment pertains to whether their client’s brand philosophy or retail category is considered compatible with the agencies existing portfolio.

“Can you pop up in front of the right audience that is in the right mode? Like a fashion brand at a surf contest – it’s the right audience, but in a mode of heightened awareness of surf culture.” (Executive Strategy Director, Advertising Agency).

4.3.3. Surprise and delight

The degree of surprise and delight generated among customers is a recurrent theme when assessing the success of a temporary retail activation, confirming the link between positive emotions and consumer engagement driven by the temporary retail store experience. According to the literature, satisfaction paired with surprise creates a foundation of consumer delight, resulting in memorable brand associations (Caru and Cova, 2006). By surprising consumers, brands can also delight them (Finn, 2005; Vanhamme and Snelers, 2003). Specifically, this study confirms that multi-sensory temporary retail spaces are an effective means of engaging consumers through delightful brand experiences (Morrin and Ratneshwar, 2003; Russo Spena et al., 2012; Schmitt, 1999).

“[...] we had a pop-up space at a food event where we were able to sample and sell our products which was incredible for us... consumers were able to touch, smell, taste our products and see them incorporated into different dishes.” (Marketing Manager, Food Retailer).

The ‘sense’ approach to experiential marketing (Schmitt, 1999), which appeals to consumers’ sight, sound, touch, taste and smell is widely adopted by brand and agency actors for temporary retail activations. Surprising consumers with exclusive promotional offers, complimentary food, beverages, product samples, gift bags and giveaways were found to result in heightened consumer engagement and resulted in desirable purchasing behaviours. Through mnemonic traces of the delightful sensory experience, re-enacted delight (Rust and Oliver, 2000) is thought to influence future satisfaction and constitute a lasting competitive advantage (Schmitt and Zarantonello, 2013).

4.3.4. Serendipity

Extant marketing literature defines serendipity as chance, happenstance or happy accident (Brown, 2005). According to brand, agency and consumer actors, serendipity is one of the factors that largely contributes to the success of temporary retail activations. This implies that it is imperative for brands to understand how their temporary retail activation fits in with consumers’ lives to successfully achieve consumer

engagement. Despite resources invested in planning temporary retail activations, brand and agency actors acknowledge consumer experience is also created by elements outside of the retailers' control (Verhoef et al., 2009).

"[...] the stars really need to align...objectives change in real time based on how the market responds...they take a lot of time to organise from a commercial perspective" (Strategy Director, Activation Agency).

Consumer actors perceive temporary retail activations as fortuitous and happy coincidences, seemingly unaware of the commercial strategy responsible for their chance encounter.

"[...] it was handy for me, I was going to The Shaver Shop and I'm an Ecco fan and suddenly saw an Ecco pop-up shop...if it was a normal store I probably wouldn't have even noticed it" (C08, Female, 25–34 years).

Influencing the likelihood of happenstance, location and timing emerge as sub-dimensions of serendipity. Brand and agency actors claim a high-traffic location is the most important factor for success; marketing led activations appear to align with events or festivals whilst sales led activations tend toward established shopping centres. Consumers however conceive that temporary retail activations located within a traditional shopping centre indicate greater brand credibility and premium quality product.

"[...] management would have to review who they are more closely before they come in to an established shopping centre. I would say they have a bit more substance, credibility. It's not cheap to set up in a big shopping centre; it would take more time and cost." (C02, Female, 35–44 years).

Seasonality is another component contributing to serendipity as the relevance of temporary retail activations increases considerably during seasonal calendar events. Specifically, brand actors recognise the importance of choosing an event that aligns with the brand values and the role of excitement required to elucidate consumer engagement and perceived serendipity.

"[...] you need to find an event that is aligned with what you do, because you're there for only a short period of time and want to capture as many people as possible...a lot of what I do is trying to align our brand pillars with existing events..." (Brand Manager, Entertainment).

For consumer actors, temporary retail activations without a serendipitous perception are encountered as an annoyance and interruption to their shopping experience. Consumers specifically expressed the desire to not be interrupted by temporary retail activation promotional efforts.

5. Discussion and conclusions

In this study, we explore the phenomenon of temporary retail activations and provide evidence concerning the factors that can contribute to the success of these experiential-driven initiatives. Through a multi-actor perspective analysis, our findings identify divergences and commonalities in defining the concept of temporary retail activation success and its contributors. Merging the perspective of agency executives, brand managers and consumers, we propose a conceptual framework (Fig. 1). This framework provides a holistic view of the temporary retail activation phenomenon, by summarising divergent and common views which emerged through in-depth discussions with multiple actors. The framework contributes to the current theory in the area of temporary retail activations through the definition and articulation of key factors influencing the success of these initiatives.

A key finding relates to the nature of temporary retail activations and the different goals pursued by the different actors. According to their objectives, temporary retail activations can be defined as sales-driven or as marketing-driven. As the relationship between sales and

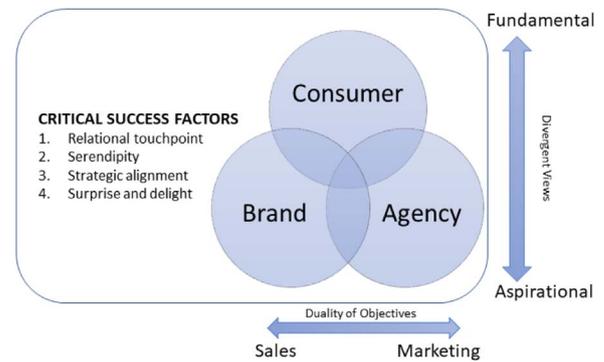


Fig. 1. A conceptual framework of critical success factors for temporary retail activations.

marketing is neither collaborative nor harmonious and highly conflict laden (Dewsnap and Jobber, 2000; Homburg and Jensen, 2007), friction between the business functions of sales and marketing are well-established within literature and, in practice, they are mostly considered separate departments. This conflict is attributed to differing goals, as marketing is considered to be long-term and product oriented whilst sales are short-term and customer relationship oriented. This conflict affects the view of temporary retail activation success, with sales-led organisations focusing mainly on profitability and adopting hard metrics to measure success and giving less importance to the experiential element.

Dualities were also highlighted between the consumer and organisation (brand or agency) perspectives in relation to the key aspects of the temporary retail activation implementation. Whilst brands and agencies give paramount importance to the experiential dimension when implementing temporary retail activations, consumers tend to describe their ideal temporary retail experience with reference to the basic principles of retail including customer service, quality of products, price and store design. The balance between catering fundamental (or utilitarian) and aspirational (or hedonic) customer needs is one of the key aspects of a successful temporary retail activation experience. Although temporary retail activations are often developed with a specific focus on creating innovative and engaging retail experiences for customers, it is of paramount importance that fundamentals of retail, i.e. product, price, service, and store design, are correctly implemented to provide a successful customer experience and build long lasting relationships.

This study identifies four factors that are considered critical in successfully creating temporary retail activations. These factors, *relational touchpoint*, *strategic alignment*, *surprise and delight*, and *serendipity*, were commonly identified across multiple actors (brand, agency, and consumer). Together these factors cover experiential, relational and managerial dimensions related to the activation of temporary retail spaces. This contributes to the current debate in the field, which suggest temporary retail activations as drivers of positive word-of-mouth across existing and new customers (Klein et al., 2016). Further, for many brands the objective of temporary retail activations is to instigate a long-term relationship or strengthen existing relationships with consumers (Kim et al., 2010) and indeed, their effectiveness cannot always be measure by traditional metrics, such as store sales (Klein et al., 2016).

Building on past research, our study suggests that temporary retail activations should be considered as retail exchange events aimed at generating relationship-driven outcomes. Exchange events are fundamental moments in which brands can develop relationships with consumers through the interaction with staff, products and services (Harmeling et al., 2015). A successful exchange encounter positively influences a consumer's view of not only that exchange, but of the entire brand, thereby increasing consumer engagement and loyalty (Patterson et al., 2006; Sierra and McQuitty, 2005). Brands are increasingly

investing marketing resources in experiential strategies (Kim et al., 2010; McCole, 2004; Schmitt, 1999), which we suggest it should be employed to engage target audiences and build relationships that create loyalty and ultimately, competitive advantage. Retailers should consider temporary retail activations to implement experiential tactics based on unique narratives which elicit memories comprising vivid enactments of multisensory information (Blagov and Singer, 2004; Harmeling et al., 2015). Moreover, when consumers perceive retailers to have invested in building relationships in this manner, they are also likely to experience a range of positive emotions such as delight, indebtedness and gratitude (Hasan et al., 2014); thereby improving consumer perception of value and leading to long-term marketing success (Hasan et al., 2014).

Assisting retailers to understand brand, agency and consumer experiences of temporary retail activations will contribute to the development of enhanced experiential marketing tactics in the retail industry. Several managerial implications apply to marketing practitioners, activation agencies and retail precinct owners. Marketing practitioners who are considering the use temporary retail activations as a component of an integrated marketing mix should understand the objectives they want to achieve by adopting this innovative and experiential marketing tool. If the objectives are marketing led, practitioners should consider co-locating the temporary retail store with a pre-existing event to maximise brand awareness and leverage the brand credibility of the events parent brand. In choosing an event, practitioners should consider whether the brand, location and context alignment is strategically suited and relevant to a similar target audience demographic. In contrast, if the objectives for adoption of temporary retail activations are sales-led, finding an available short-term lease within an established shopping centre during peak retail trading seasons is recommended. Understanding the consumer demographic in the geographic region of the centre is crucial for relevance to shoppers. Ensuring the fundamentals of retail experience are satisfied; customer service, good quality products, reasonable price and an easy to navigate store, will provide the foundation for consumer delight to occur through any additional aspirational or sensory elements of the temporary retail experience. Furthermore, considering the agency actor definition of success as profit above all else, practitioners should carefully assess and understand the implementation costs. Utilising the temporary retail store as an opportunity to engage consumers in relationship building behaviour before, during and after the temporary activation is of integral importance to continue the brand-centric conversation with new and existing consumers. Understanding the brands strengths against those of competitors should act as the basis on which to design the temporary retail activation experience for consumers to achieve competitive differentiation and advantage.

For activation agencies, these findings provide insight into how brands and consumers perceive temporary retail activation success. Agencies working with clients to implement temporary retail activations should first understand whether the brand objectives are marketing or sales driven. In doing so will determine the appropriate approach and indicate the key performance indicator outcomes that are expected from the client. Knowledge of the conflict between brands and consumers as to the priority elements of shopping experience; aspirational versus fundamental can assist agencies to guide their clients so as to maintain the consumer's perspective throughout the planning phase. Moreover, all four of the critical success factors; serendipity, brand alliance, relationship building and surprise and delight, should be incorporated into the development process of temporary retail activations as essential components. In relation to strategic brand alliance, agencies should leverage their client networks to seek alignment opportunities thereby efficiently increasing the chance of success for multiple clients.

For retail property landlords, this research provides valuable insight into how temporary retail activations are perceived by brands, agencies and consumers thereby proving an unbiased and holistic view. Understanding these multi-actor perspectives provides the opportunity

to leverage the research findings to create a positive experience for the retail client ensuring untenanted temporary retail spaces do not remain vacant. In addition, implementing the critical success factors into temporary retail leasing guidelines will ensure consumers have a positive shopping experience. This will have a flow on effect as providing consumers with a positive experience increases the likelihood of their return and thus creates higher foot traffic in the centre; a key factor for consideration by both brands and agencies. Understanding whether retail clients are marketing or sales driven can also assist the approach taken by leasing executives in adopting an appropriate approach resulting in greater client satisfaction.

This research, like all, is subject to certain limitations. We provide an initial qualitative and exploratory study into the critical success factors of temporary retail activations; however, the factors identified should be further investigated to validate their boundary conditions, potential with regard to retail categories or retail operating modes. Finally, while our study did include the perspective of consumers engaged in temporary retail activations, for future studies it would be interesting to interview consumers that passed by, but did not engage, to gain additional perspectives. This would assist in understanding the barriers and deterrents that might exist.

Appendix A. Agency and brand discussion guide

1. Please describe some of the previous temporary retail activations you were involved in.
2. Please describe the decision-making process in deciding to engage in a temporary retail activation.
3. Please explain the context of the activations in relation to the overall strategy.
4. What were the marketing objectives?
5. What specific marketing activities were implemented?
6. How were the activities assessed against their objectives?
7. Were the temporary retail activations a success? How was this determined?
8. What factors contributed to the success of these temporary retail activations?
9. From your perspective what are the 3 most important factors to ensure success in temporary retail activations?

Appendix B. Consumer discussion guide

1. Can you please tell me about your experience with temporary retail activations?
2. Which experiences stand out in your mind? And for what reason?
3. Have you ever pre-planned to visit a temporary retail activation in advance, or have you only ever stumbled across them? [If yes, did it meet your expectations – why or why not? If no, how do you decide whether to stop and look at a pop-up store?]
4. What aspects of the temporary retail activation were critical in determining the quality of your experience?
5. Did you make a purchase? If so, what aspects of the activation drove your behaviour?
6. Following a visit to a temporary retail activation have you ever shared about your experience using social media?
7. Thinking about temporary retail activation, what do you feel makes good experience versus an extraordinary experience?

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