Blend Space: Shopping in an Uncertain Future

Brick and mortar isn't gone, but its purpose has changed. Part showroom, part neighbor, part shipping center: Stores are no longer a final destination in themselves; they're simply the most tangible node in a network of connected brand moments. And, just maybe, they sell things, too.

Blend Space is EPAM Continuum's approach to creating resilient, holistic, and human-centered retail experiences.

Blend Space in Action

Retail was rocked by the 2020 global pandemic, but the pressures of eCommerce, direct-to-consumer business models, and flagging foot traffic have been an existential challenge for years.

Blend Space is an approach to create more resilient retail operations and experiences. We've applied this method in multiple sectors, from cosmetics to kayaks. In the following brief, we've created a speculative concept for a creative supply store.

What follows is an experiential flow of how physical-digital touchpoints—both in-store and online—can accommodate a range of needs and shopping modes. Based on our ongoing research with shoppers, audits of stores worldwide, and our broad expertise in service design, we offer Blend Space as a vision for the future of retail.

Retail is Fractured & Shoppers are Left to Pull Together the Pieces by Themselves

DISPARATE CHANNELS

There have never been more ways to buy the same thing. Each shift in technology and culture creates a new form of retail, and a new way to sell goods and services. It's a lot to manage for both customers and brands. As a result, retail has become a federated operation, loosely held together by visual identity and inventory systems.

However, each channel serves its purpose. In-person retail, with its multi-sensory experiences and non-linear environments, is great for finding something new. Online shopping, with easy payments and an endless stock room, is ideal for repeat purchases. Even before a global pandemic made almost all shopping online shopping, many retailers struggled in operating each of these channels separately. To consumers, however, it's all the same brand.

DIGITAL OR PHYSICAL JOURNEYS

For all their differences—from vending machines to flagship stores—every retail interaction follows the same basic journey: discovery, conversion, transaction, fulfillment.

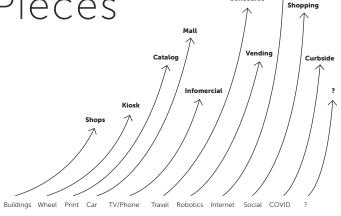
Parts of the journey are best enabled by humans, others by machines, but the skills of each aren't always well applied.

When a computer picks your lipstick color but a person drives it to your house, you know retail has work to do.

To create truly great shopping experiences, brands can use digital and physical tools to drive engagement and efficiency, but only if applied at the right part of the journey.

SHIFTING MODES

People shop to fulfill needs in their lives, both material and emotional. Purpose and context define specific shopping modes, and customers need to be supported and considered differently depending on their mode. While the goods or services may remain the same, the mode in which a shopper engages with them will change. Our favorite stores successfully accommodate shifts between multiple modes.



Each new channel creates greater complexity, resulting in many smaller relationships with a brand. How are you preparing for the next disruption?





- ✓ Try things on
- ✓ Non-linear storytelling and flow
- ✓ Multi-sensory experiences
- ✓ Instant gratification
- Difficult to access (especially during COVID)
- **★** Limited stock or options
- Forced interaction with other people



Online shopping is better for repeat purchases:

eComm

Social

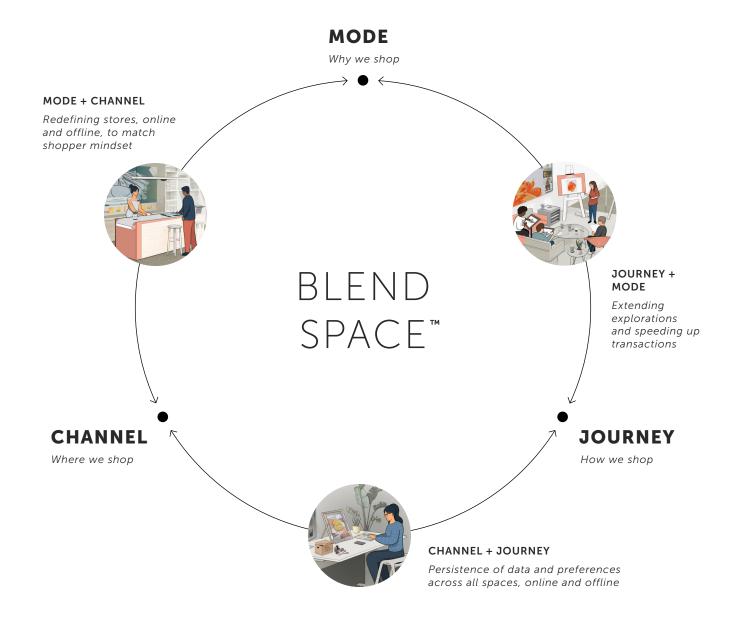
- ✓ Unlimited information
- ✓ Simple payment integration
- ✓ Accessible anywhere
- ✓ No bags to carry home
- Consistent, up-to-date information
- ★ Tactility (smell, touch, taste) is limited
- X Online shopping can be lonely
- ★ Fulfillment is slow (days to weeks)

Shopping is changing rapidly but, for the moment, online and offline each have their place.

To Become a Customer's Favorite Shop, Meet Them Where They Are

A HOLISTIC APPROACH

To create a shopping experience that truly works for people, we need to make a system that is as malleable as they are: less a narrow road to a known destination, and more a highway with on-ramps and off-ramps leading to adventures unknown. To work holistically, consider mode, channel, and journey as a single connected system. By interrogating their intersections, we can create a dynamic future operating model.



Reducing Friction through Technology & Service Design

There are four <u>Shopping Modes</u>: Collect, Seek, Comfort, and Connect. The mode in which a person shops matters because this is how they will interact with the store based on what they are trying to achieve. Modes can be enabled or inhibited depending on how the retail experience has been embodied.

Blend Space anticipates the multiple shopping modes that a customer might express at any moment, and then encourages them to flow freely between them as necessary. Depending on the challenge at hand, shoppers may be looking for an accelerated experience, getting them to their goal as quickly as possible. In other situations, shoppers are looking to deepen the understanding of relationship to a brand, so we can help them by extending that experience. Technology, properly integrated and with persistence across channels, should be an intuitive reflection of the store's brand and personality.

COLLECTis an executional mode.
This mode is about maximum efficiency.

SEEK

is an exploratory mode. This mode is about making the best choice.

transactional (low time investment)

(high time investment)

experiential

COMFORT

is an impulse mode. This mode is about a celebration of self.

CONNECT

is a social mode. This mode is about creating a shared story.

emotional

functiona

ACCELERATED EXPERIENCES

EXTENDED EXPERIENCES



Autonomy

Making customers more independent

EPAM Continuum accelerators and offerings

- CX/EX transformation
- Digital wayfinding design and prototyping
- Computer vision for inventory management and behavior tracing
- Mobile POS development, hardware and software solutions
- Omnichannel business design
- Commerce platforms to enable B2B2C digital retail
- MACH (API-first, cloud native, headless modern architecture)



Convenience

Speeding up the shopping experience

- Service design to enable new collection/fulfillment methods
- Seamless checkout and integration with payment platforms
- Machine learning and RPA for personalized recommendations
- Vending machine industrial design and engineering
- Supply chain management consulting
- ISO 20022 consulting for payments standards



Education

Facilitating access to contextual information

- Visual merchandising design and integration with interactive displays
- NFC/QR/computer vision integration for contextual information
- AR/VR visualization for instore and at-home interaction
- Development of brand systems for customer touchpoints
- Employee training tools



Engagement

Creating immersive, memorable experiences

- Holistic brand experience design, integrating spaces, fixtures, and digital touchpoints
- Dynamic brand loyalty programs
- Customer Data Platform (CDP) and Customer Relationship Management (CRM) engineering and portal design
- · Service and experience design
- Enterprise technology and operations transformation

THE BLEND SPACE MINDSET

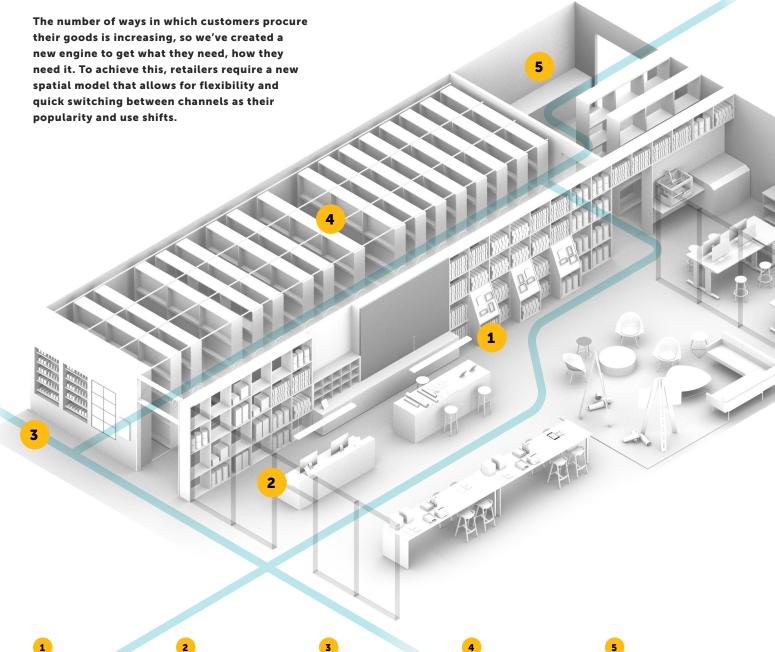
Why We're Redesigning a Creative Supply Store

Art supplies encompass the broad range of challenges many retailers face with their specific products. Like cosmetics, art supplies require some level of instruction to ensure you're using them in just the right way. Like consumer electronics, art supplies can be highly technical, requiring detailed comparisons. And, like clothing, tangibility is important for testing ergonomics, color, and texture.

How and when art supplies are needed also reflects a broader set of opportunities: sometimes unpredictable and urgent, other times foreseeable and recurring. Because that art has gotten many of us (at EPAM Continuum and around the world) through the better part of a global lockdown, they deserve their fair share of celebration.



Flexible Fulfillment



Self-Serve

Coming into stores and choosing something off the shelf is a known and familiar behavior. Back-feed shelves for easy refilling.

Quick Collect

Buy online and pick up in-store (or curbside) has been critical during the pandemic. Locate pick-up near the front door and checkout counter.

Vending & Lockers

For needs outside store hours or when customers just don't want to come inside, be accessible 24/7. Can be integrated or standalone.



Pick-Your-Own

Give customers directions to where they can find a specific item and they'll happily grab it from the storeroom themselves if it's more convenient.



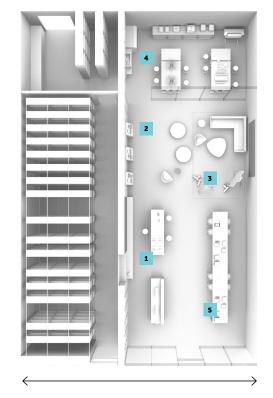
Micro-Shipping

As sales shift online, every store is a fulfillment center. Make sure yours is close to the stock and easily accessible to delivery vehicles.

BLEND SPACE

Personalized Discovery & Transaction

Repeat purchases are best done online, but discovering new items or services is best done in person, where customers can directly interact with staff and products. Blend Space integrates digital touchpoints in a thoughtful way that complements the physical experience and allows employees to provide personalized, expert advice. The space is a stage for customers to connect with a broader community around a shared interest, learn a new skill, and find the perfect supplies for their next project.



Fulfillment Zone

Engagement Zone





Immersive Consultations

Create ways to bridge between a customer's specific goals and the goods needed to achieve them.

Here, Gene books a session to try out everything he needs to emulate the work of his favorite artist based on an Instagram post. In the store, Gene uses a table with computer vision to teach him new skills, and purchases only the items that he leaves with.



Contextual Direction

Understand desired outcomes, and build backwards to suggest services and products to support them.

In this scene, Anna is using an in-store kiosk to get a broader view of stationery for birthday invitations. Once she selects the one she wants, she can choose to find it in the storeroom, or have it sent directly to her house.







Community Connections

Affiliation can be bought, but belonging must be built. Physical distance makes creating these connections more difficult than ever.

In this experience, Carlos joins a skill-building class where he can learn about animation and test out new products with professional guidance. Telepresence tech allows other members from around the world to join as well.

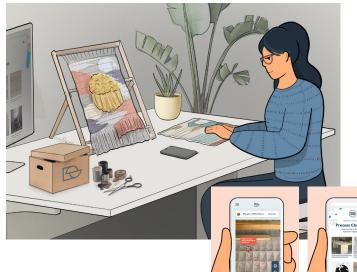


Services Station

For many customers, the purchase is a means to an end, not the end itself. Understand why people are buying your products and stand up services to support their ultimate goals.

In this view, Zee is taking advantage of a maker space and business accelerator for their artwork. They can access new tools and equipment and learn as much about the business of art as the craft. When ready, their products can be posted for sale on the Blend Space digital channels.







Motivation Kits

Maintaining engagement isn't just a challenge for stores—customers can lose interest as well if they don't feel they're making progress. Give them the tools and inspiration to continue challenging themselves.

Not all physical shopping needs to happen in the store. Here, Morgan is completing a project with items from her monthly challenge kit. This personalized supply box is built to complement the tools already marked in her digital inventory, and is tailored to support the skills she's working to build.

Get Started from Where You are Today

Blend Space isn't an end-state, it's a process for creating a more intuitive relationship between customer and brand. True omnichannel experiences are a massive undertaking in strategy, change management, and physical infrastructure. Having a future-state vision can get you there faster, but every near-term initiative and decision can move you closer to a human-centered retail. Curious to hear more? Get in touch below!

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EPAM Continuum integrates business, experience, and technology consulting focused on accelerating breakthrough ideas into meaningful impact.

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Interested in talking about delivering great retail experiences? Get in touch with us if you'd like to discuss how to apply this to your business or learn more about our innovation design work.

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