



FMAGAZINE

Spring 2019 | Issue 01

The **Impulse Buy**

The Psychology Behind Retail



How **Interactive Kiosks** Will Change the **Cannabis Dispensary Industry**

Usability and Accessibility: Guidelines Brands Must Consider When Developing a Kiosk Program

A New Approach to Self-Service Kiosks



Self-service kiosks allow customers to **browse menus**, **customize orders** and **access loyalty programs**.



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Frank Mayer and Associates, Inc. is a leader in the development of in-store merchandising displays, interactive kiosks, and store fixtures for brands and retailers nationwide. The company helps retailers and brands utilize the latest display solutions and technologies to create engaging customer experiences.

Visit www.frankmayer.com for more information.



The Buzz on Cannabis Kiosks

How Cannabis Dispensaries Can Utilize Interactive Kiosks to Enhance the Customer Experience

By: Katie Kochelek, Marketing Specialist | Frank Mayer and Associates, Inc.

If you're in the business of cannabis, what I'm about to say won't come as a surprise. The often-controversial industry is growing like a, well, weed.

Despite still being illegal under federal law, 10 states and the District of Columbia have legalized cannabis while more than half the states allow the sale of medical marijuana.

With research showing the market continuing to expand exponentially, there's been no shortage of authorized dispensaries opening to meet the high public demand in many metropolitan areas. In fact, the oft-quoted fact that Denver has more pot shops than Starbucks and McDonald's locations combined should serve as the perfect example of how robust the industry is.

With a saturated market, both new as well as established shops must consider how to stand apart from the competition and pose themselves for growth.

Enter interactive kiosks.

Most stores recognize the importance of a topnotch experience to encourage repeat customers – whether it's due to helpful budtenders, excellent product selection, a great loyalty program, or similar – but imagine also tackling common pain points like long lines, busy employees, and strict marketing regulations using self-service technology.

Ryan Stewart, Marketing Manager at Marijuana Venture Magazine envisions just that for the future. "I believe we will start to see a snowball effect as cannabis retail operators embrace proven interactive technologies over the next couple years as competition heats up in new legal marketplaces."

He continues, "Simply having a unique store design or the 'best deals' won't guarantee long-term success and expansion in this young industry."

Here we detail common challenges in the cannabis store industry and how kiosks can provide the service solutions needed to enhance the customer experience.

Long Lines and Wait Times

Whether it's because of the lunch rush or the gaggle of out-of-state tourists who have come for their first visit, wait times to meet with a budtender can sometimes leave regular customers impatient in the waiting room or as they slowly snake around the roped line.

Now picture the efficiency a self-service kiosk affords as repeat customers can quickly place their favorite order, print a ticket, and pay at the counter without waiting for an associate to finish with a new buyer.

The kiosk also delivers an educational menu for both new and return guests who want to explore inventory and read about products while waiting or browsing. Thus, patrons who still wish to meet with a budtender will be more informed and can skip some of the initial, exploratory conversation in favor of more detailed discussion.

"Self-order kiosks are a proven way to deal with long lines and wait times that can lead to guest dissatisfaction," says Juan Perez, President and CEO of ADUSA, the company behind Qi.DP™, a digital engagement software specifically designed for dispensaries. "But in addition to helping address the problem of frustratingly long wait times, the kiosks also make the guest feel more empowered and in control of their shopping experience."

The 2017 Customer Service Barometer study by American Express shows 40 percent of customers want companies to focus on their needs quickly, proving self-service options that reduce aggravating wait times could be just the ticket to improve consumer satisfaction at dispensaries.

Inventory Management and Pricing Updates

Software that communicates with a dispensary's point-of-sale (POS) system can enable real-time updates to inventory and pricing, ensuring that customers will have the most up-to-date information about an item while using the self-service kiosk. When a particular strain sells out or a price special has ended, the kiosk menu can automatically reflect this change.

Currently, many stores offer paper menus for guests to peruse while waiting or feature digital signage with a menu of options. However, changes to paper menus are uneconomical, and digital signage doesn't offer guests the extended product information afforded by a kiosk.

In addition, kiosk screens also provide bonus real estate for shops to use as a marketing tool. Screensavers can promote daily deals or specialty items to help drive interest from a receptive audience.

Free Budtenders to Provide Service to New Customers

The quick service restaurant (QSR) industry was one of the first verticals to adopt self-service technology en masse. After implementing the technology, restaurants found the redistribution of labor to be a significant advantage. Cannabis dispensaries can reap the benefits of doing the same.





“Offering self-service technology can put customers in charge of their own experience and cut down on simple tasks that currently require budtenders,” says Dave Loyda, Marketing Manager at Frank Mayer and Associates, Inc., a point-of-purchase display firm that produces the Approach interactive kiosk for cannabis dispensaries. “Subsequently, employees are then free to concentrate on offering impeccable service to those with questions or quickly help someone ready to check out.”

With so much competition in the cannabis market, customer service is imperative to retain customers and achieve excellent word-of-mouth advertising. Self-service technology can assist shops with maintaining a high level of service to their guests.

Increase Revenue

Self-order kiosks have also been proven to increase revenue for businesses. Studies have shown that ticket orders from quick service and fast casual restaurants increase 15 to 30 percent when using self-service technology. This is often credited to smart software features that recommend complementary options when customers add a menu item to their order.

Dispensary kiosks offer the same capabilities, acting as an extra sales tool and recommending products based on previous buys or merchandise in a customer’s shopping cart.

“Good kiosk software is essential and has to provide the key components that have been proven to increase sales through the kiosk,” Perez states. “At the top of the list of essential functionalities in the software is an effective suggested selling (both up-selling and cross-selling) mechanism.”

Like QSRs, cannabis dispensaries can also employ these software features to encourage a patron to add extra accessory items to his or her cart.

Frictionless Loyalty Programs and Personalized Experiences

With tight marketing restrictions imposed on the cannabis industry, many dispensaries rely on loyalty programs to preserve customer information and house important account data for shoppers. Currently, however, many shops rely on budtenders to spend time recording a shopper’s information for a loyalty plan. In addition, customers have few avenues to view their own program details outside of visiting a shop’s website.

With kiosks, responsibility is transferred to the customer for sign-up, easing the burden on the budtenders while also giving return customers access to their accounts to view order history, product favorites, and more.

“Because loyalty programs are an essential tool in many dispensary’s marketing plans, offering a frictionless means for patrons to sign up is crucial for business,” Loyda asserts. “Return customers also benefit by being able to retrieve their history, and shops have access to data that allows for a personalized experience based on popular orders.”

“It is increasingly difficult to predict what market forces are going to shape this emerging retail industry moving forward,” Stewart states. “One thing should be known, however, that no matter how much we are distracted by the ‘weed’ thing, the same rules should apply when it comes to attracting loyal customers and increasing revenues in a retail environment.”

While the marijuana industry continues to expand at a rapid rate, and more stores fine-tune their customer service strategies, employing interactive technology like self-service kiosks to engage the customer and ease the burden on employees will help set shops apart from the competitors. «

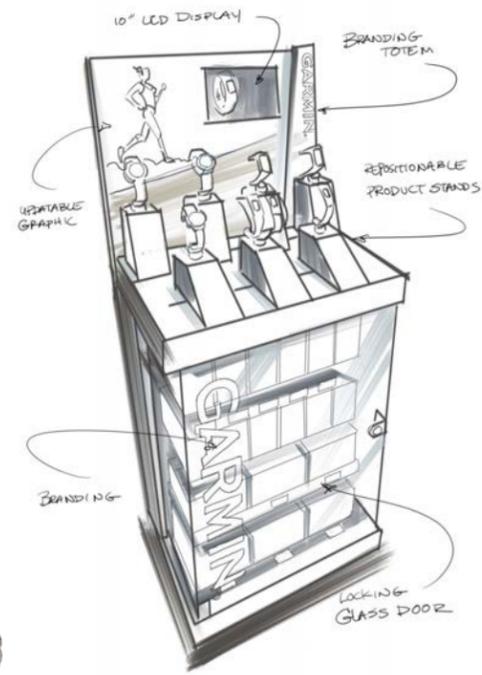
FEATURED DISPLAY



A Concept Brought to Life

Garmin International Inc., a unit of Garmin Ltd., teamed up with Frank Mayer and Associates, Inc. to strategize, engineer and manufacture displays to showcase the company’s many series of GPS navigation and wearable technology products.

Concept



3D Design



Final Display



Available as **customizable freestanding or countertop units**, displays employ eye-catching visuals and video, effective lighting, and smart product staging to feature Garmin products and generate customer interest.

Retailers can tailor **graphic panels, video loops, product storage, and amount of exhibited merchandise** to meet their specific market and inventory.

[See more images here.](#)

Creating Usable Kiosks for All: Usability & Accessibility

By: Laura Boniello Miller, Director of Business Development | KioWare Kiosk Software

Most usability testing and UI discussions revolve around how websites appear on a desktop computer or mobile device. Rarely is UI discussed in context of the kiosk and self-service user experience. As such, research is limited, and the user experience is considered in context of website usability, not kiosk usability.

There are significant differences between website usability and kiosk usability. The most significant difference is that in the case of kiosks, hardware is a “known” factor. For instance, the size of the screen and the availability of touchscreen navigation are things that can be established and tested

Another difference for consideration is that kiosks are subject to the American Disabilities Act and WCAG (Web Content Accessibility Guidelines) guidelines while websites only consider WCAG/Section 508 for accessibility best practices.

Just as website designers must consider the customer experience early and often throughout the development and design process, kiosk application designers must consider the customer experience early and often throughout the development, design, and deployment of a kiosk project.

When a customer interacts with a kiosk, what do they experience? Does their experience align with their expectations? Is the customer happy with their kiosk interaction?

Handicap Accessibility: Kiosk Software Apps and Hardware Specs

Handicap accessibility should be a factor in all website and kiosk application design. There are distinct legal and financial consequences that should be considered for kiosk design, with more immediate consequences than website accessibility in general. Kiosk deployers are sometimes targeted by those looking for ADA violations and non-compliance.

Physical accessibility requirements are outlined in regulations for transportation and airline kiosks as well. While WCAG and W3C address website and application accessibility, both physical and digital guidelines should be considered for kiosk apps.

European standards for accessibility should also be considered. One example of accessible kiosk app design is an option to move navigation to a position lower on the screen in order to accommodate wheelchair users.

“Bottom navigation” is one method to accessible kiosk app design. Designers who do not like the look or feel of a bottom navigation layout will sometimes opt to place a button at the bottom of the screen, allowing users to switch the navigation from the top of the screen to the bottom.

Screen and type contrast is also important for accessibility. While this is a consideration for all web apps, this too could be a kiosk-specific function that turns on and off based on user preference.

While kiosk hardware accessibility is addressed often through ADA specifications and hardware devices such as Storm Interface touchpads, kiosk height requirements, and clearance minimums, kiosk software accessibility specs are less defined and easily overlooked. Utilizing JAWS or AudioEye text-to-voice programs and WCAG guidelines can be a great place to start when working to create a kiosk that is accessible to all. «



The Psychology Behind Retail Marketing

By: Katie Kochelek, Marketing Specialist | Frank Mayer and Associates, Inc.

If you're anything like me, you've visited that magical, wholesale warehouse Costco with good intentions to pick up the necessities – paper towels, cheese, yogurt, the like.

Fast forward an hour and you're now walking out with an economy size bag of Tootsie Roll pops, a jug of raw honey, and a party-size serving of chicken salad for your young family of four.

Whoa. What just happened?

We've all seen the silly memes about Costco, Target, and the other big box stores, gently teasing the point that there's no way to shop these retailers without deviating from your list.

But it turns out there's a lot of psychology behind encouraging you to go rogue during your shopping trip, and here we detail a few of the insider tricks retailers use to inspire the impulse buy.

The Science of Discovery

Much has been written about Costco's "treasure hunt" approach to in-store merchandising, a strategy that involves constantly shuffling staple items to different locations in the store. The science behind this is simple. Rearranging items forces shoppers to walk by tempting triggers in the search for their usual goods.

Ever notice the lack of signage above the aisles at Costco, too? Chalk that up as another element of the treasure hunt, designed to encourage exploration.

But wait a second. Every article written about retail in the past few years has the word "frictionless" in it. Why is Costco so popular, consistently scoring high on the American Customer Satisfaction Index, if it's constantly making shoppers jump through hoops to find their favorite products?

It boils down to science.

When humans discover unexpected items or experience something new, our brain releases the same chemicals associated with joy and love. So, in essence, stumbling upon the row of smart lighting solutions on my way to buy diapers makes me feel happy because my brain is programmed that way. And the fact that Costco changes up their endcap displays in addition to rotating store merchandise means I'm always entering the store subconsciously anticipating the thrill of discovery.

FOMO and the Impulse Buy

The fear of missing out, or more commonly referred to as FOMO, is another hardwired human trait that brands and retailers use to their advantage.

In the book "The New Rules of Retail: Competing in the World's Toughest Marketplace" by Robin Lewis and Michael Dart, the authors write, "Neuroscientists have proven that the anticipation of rewards – or the potential of not getting what you want – will produce dopamine, which actively drives behavior."

They go on to use fast fashion retailer Zara as an example of a business model that draws shoppers to its stores more often than the average retailer. Why? Because Zara releases new clothing lines constantly.

As Lewis and Dart state, "Customers visit Zara seventeen times per year, compared to only three or four times for traditional retailers, because they are afraid of missing something new and exciting. The connection is so strong that customers are compelled to buy in fear of the item's being bought by someone else."

It's why marketing messages like "Act now!" and "Hurry! While supplies last!" trigger our knee-jerk decisions. We appease the FOMO anxiety and release that good-feeling dopamine when we keep from missing out.

Tell Me About Yourself

Marketers have become hip to how millennials, now the largest consumer demographic, want to interact with a brand. Not only is this generation hit with traditional marketing in their everyday lives, but these digital inhabitants are also bombarded by a whole different wave of brand messaging online. And because access to product review information, pricing, and more resides at the tap of a finger, they're known for seeking out authentic experiences to cut through the information overload.

While companies regularly use online platforms like social media and websites to share organic content and brand stories, it's just as alluring to shoppers when done well in-store.



Merchandising displays and interactive kiosks can play a big role in helping to paint a brand picture to customers. A sleek free-standing display with a monitor featuring a video loop of a runner wearing her fitness tracker draws in the person who identifies with that woman. A shoe display with signage detailing how proceeds go to charity gives potential buyers the warm and fuzzies. Predictably, these little details help people feel more invested in your brand.

Interactive displays that allow shoppers to test a product are equally effective. Just ask the crowd of children waiting their turn at the video game demo at Best Buy. These displays are magnets, drawing in the customers and promoting the products while people eagerly test drive them in the store.

The Grocery Game Plan

It's not just big box stores that employ consumer psychology to encourage shoppers to buy. Grocery stores follow their own set of guidelines to persuade additional purchases.

Your journey to impulse buying starts before you even step foot in the door. In an interview for a Today.com article, "Supermarkets wage war for your dollars," marketing consultant Martin Lindstrom details an experiment of doubling the size of a shopping cart. The results? People ended up



purchasing 40 percent more. So grabbing a cart the size of a Cadillac has already primed the customer to fill it.

On entry, grocers like to promote the seasonal treats that are hard to pass up. And if you manage to do so, you'll see them populated through the store as tempting reminders.

Produce often comes next and for good reason. When you feel good about buying healthy items, you're more likely to cave down the line when faced with junk food temptations. With all that healthy food in your cart, surely you deserve a treat.

And what about those staples like milk and eggs that brought you to the store in the first place? You'll find those in the back of the building, forcing you to walk down an aisle or two of enticing food shelved at eye level.

Finally, just as you roll to the checkout line, congratulating yourself on avoiding the lure of snack food, you're left waiting while staring at the array of chocolate bars and candy thoughtfully organized on the row racks.

Okay, fine. Just one candy bar won't hurt.

The New Hip Spot to Hang

It's no secret that, in the current market of online competition, retailers have had to get creative to get feet through the door.

It's why there's been so much buzz around experiential retail – the practice of offering an experience during what would normally be a traditional shopping trip.

We've seen it at places like Target stores that often have Starbucks coffee shops and retailers such as Tommy Bahamas that offer restaurants within some of their brick-and-mortar locations.

Even generous sampling can attract a crowd, as Costco knows all too well. (In fact, Costco's sampling has its own fascinating psychology.)

Brand retailers are taking experiential retail even further. There's been big buzz around Nike's Live concept that not only offers services like style consultations and the ability to try out products, but also curates collections based on where stores are located. Nordstrom, REI, and countless other brands have jumped on the bandwagon as well, realizing that engaging with customers and "activating" their shopping experience leads to increased sales.

Us humans are a simple bunch when it comes down to it. We're often driven by emotions, which means when retailers can capitalize on this fact, they'd be silly not to. So the next time you find yourself in an aisle seriously contemplating taking home a fancy juicer you didn't know you needed, consider the neuromarketing behind what's driving your behavior. <<



ON THE ROAD WITH FMA

We're still unpacking from this season's trade shows. For more pictures of the fun, follow us on Instagram!



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