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SPECIAL REPORT

HARNESSING THE POWER OF FITTING ROOMS:

ELEVATING VISUAL STORYTELLING AND UNIFIED COMMERCE EXPERIENCES

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INTRODUCTION

We've all been there before. ***Stuck inside a fitting room, that is.***

You're in the middle of trying on a garment and quickly discover you need another size. Or maybe you have the right size but you're wondering if there's a more flattering cut or color available. And in those cases where you do have the right color and fit, maybe you're looking for another item or two to complete the look.

But it's just you in the fitting room area…not another human (more specifically, an associate) to be found. So what do you end up doing? Well, you get dressed and leave.

Even though it's a universal frustration we experience as consumers, according to Steve Rowen, Managing Partner at **Retail Systems Research**, the retail industry has yet to fully address its big "fitting room issue."

"We've been talking about the fitting room forever because everyone [in the industry] understands these frustrations and everyone understands the lost opportunity and the lost incremental sales," Rowen said in an interview with *Retail TouchPoints*. "We all know [the fitting room] is a huge mess — it's basically been a hole in the middle of the store forever."

But brands and retailers are increasingly filling this hole and placing a new spotlight on the fitting room experience. From fashion brands like **Victoria's Secret**, **Good American** and **River Island** to highly technical fitness companies like **Under Armour**, retailers are blending **powerful visual storytelling, thoughtful design** and **robust technology** to transform the fitting room into a point of differentiation.

"The fitting room is an opportunity — a moment where a customer is captive and in a moment of intention. If you bring something into the fitting room, you are invested," noted Melissa Gonzalez, Principal at **MG2**. "Retailers need to ask, '**how do we make consumers feel more excited *leaving* the dressing room than when they entered it?' That's the big opportunity.**"

DESIGN'S NEW STORYTELLING OPPORTUNITY

Design and aesthetics are the foundation of any powerful in-store experience. They help bring the brand story to life through color, lighting, flooring, fixtures and more. Design teams have an opportunity to extend these elements into the fitting room, which has a reputation of feeling a little sterile at best — and completely unbearable at worst.

"When consumers go into the fitting room, it's an intimate and personal moment, so how are you supporting that?" Gonzalez said. "I think a lot of the times, **fitting rooms tend to be functional moments, but they should be more brand moments**."

Turning the fitting room into a "brand moment" means covering the basics, such as having a spacious, well-lit space that has convenient hangers and the right number of mirrors. While these are "little things" in the context of the broader experience, Gonzalez noted that they "set the tone for how you feel."

Branding also entails design elements that serve as a thoughtful nod to the store location and audience. "You can bring that into the fitting room with wallpaper or a mural," said Gonzalez. "There could even be a localization element that you bring in — whatever helps further the messaging of the brand or lets people feel like they're standing in a brand moment."

Additionally, consumers increasingly are expecting store experiences — and specifically, fitting room experiences — to support their **mental, physical and emotional wellbeing**. In a robust qualitative and quantitative study of **Gen Z consumers**, **MG2 Advisory** found that **44%** of these shoppers want "sensitive fitting room experiences" that include more spacious rooms outfitted with mirrors so they can have a more private try-on experience.

"There are sensorial elements, from the lighting to even sound and scent, that you can use," Gonzalez explained. "You can really be as immersive as you want to be."

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CASE STUDY

GOOD AMERICAN'S INCLUSIVITY MISSION SHINES IN ITS FITTING ROOMS

*Gonzalez pointed to **Good American** as a brand that has successfully embraced visual aesthetics as well as cutting-edge technology to create a fitting room experience that accurately meets consumers' needs — and effectively conveys its brand value proposition.*

In its first permanent store at the Westfield Century City Mall in Los Angeles, Good American deployed **Crave Retail** fitting room tech to create an environment where customers can "embrace their unique shopping styles and feel their most confident while doing it," explained CEO Emma Grede **in an interview with *Retail TouchPoints***. These fitting rooms are well-lit and have a larger footprint, so consumers can easily bring in a trusted friend or confidante to provide support in their try-on experience. The RFID-powered technology then gives consumers the ability to access product details and recommendations, and even request new colors and sizes from associates if they so desire.

"We were excited to integrate Crave Retail's innovative retail technology into our fitting rooms, helping to further our commitment to providing a truly inclusive shopping experience," Grede said.

"The most rewarding part of this process has been seeing customers walk out of our fitting rooms happy, having found the perfect pair of jeans or ready-to-wear pieces that fit how they need, rather than having to walk out empty-handed because of the discomfort often associated with the traditional retail experience."

-Emma Grede, CEO of Good American

SUPPORTING THE UNIFIED COMMERCE VALUE PROP

The emphasis on customers' wellbeing means meeting their needs inside the fitting room is becoming far more complex than simply having an employee on hand to fetch a new size or color. In fact, experts argue that the fitting room is a critical "missing link" in the customer experience because it lacks operational capabilities that support the unified commerce promise.

"Sensorial elements set the tone and the mood from an environmental design standpoint…and then the technology facilitates the efficiency for the customer, and the learnings and data for the brand," Gonzalez explained. "Anything you can do to minimize the amount of time it takes for a customer to get an answer while they're interested in a product increases the chances of a good experience."

Some store concepts have featured **"smart fitting rooms"** with magic mirror capabilities that make the fitting room experience a tad more enjoyable. However, to drive tangible value, the tech requires deep integration into a brand's infrastructure, providing insight into inventory availability, product recommendations and even personalized touches that relate to the individual shopper's behaviors and preferences.

The right technology can "solve a fairly ubiquitous problem, particularly in fashion," Rowen noted. "And it does so in a really non-intrusive and elegant way. There's no creep factor. But every fitting solution that we've seen for the last decade-plus has smart mirrors and cameras looking at you. Nobody really wants this assault [on privacy] to address a ubiquitous problem."

This is where RFID comes into play. After years of operating behind the scenes, RFID has an established value prop because it not only provides the necessary inventory visibility; it also can activate touchscreen technology that enables these increasingly critical customer-facing capabilities.

In fact, MG2 Advisory found that when it comes to **"smart fitting room" experiences** specifically, consumers want to:
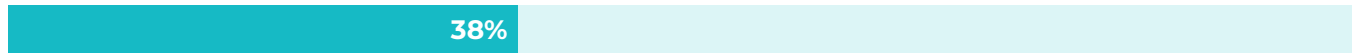
See comparable apparel items currently in-stock

48%
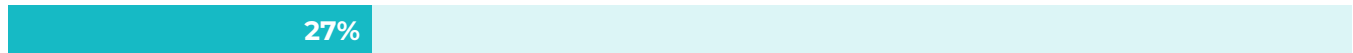
Check availability of apparel items at other locations

40%

View different product combinations
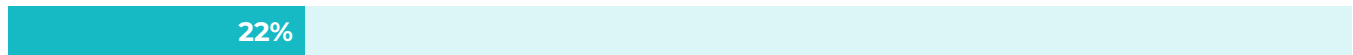
38%

Pick from various purchase methods or delivery options

28%

See product recommendations

27%

Consume additional media related to products, such as videos and social media content

22%

"If you're a retailer that offers a 'black box fitting room,' with no inclusive way for shoppers to get help, you're falling behind," said Matthew Cyr, Founder and CEO of Crave Retail in an interview with *Retail TouchPoints*.

Photo credit: Victoria's Secret
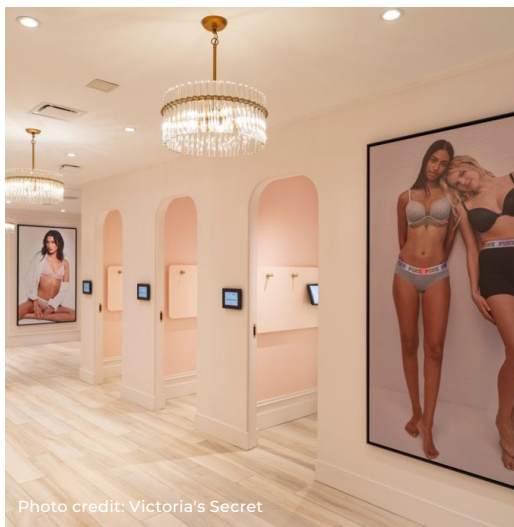
Victoria's Secret implemented Crave retail in more than **180** stores as part of its broader "Store of the Future" initiative, which combines the technology with a store design that is "less intimidating, easier to shop, lighter, brighter," shared CEO Martin Waters in the company's Q3 2022 results conference call.

Because these stores have smaller footprints, with merchandise being the hero, the fitting rooms have become a core component of the customer experience. In fact, Waters noted that the fitting room technology has "been extremely well received" and is "the highlight of the Store of the Future."

EMPOWERING TIME-STARVED ASSOCIATES

Because most people today are hybrid (digital and physical) shoppers, "they want to be independent, but they also want to be assisted. Technology adds more flexibility," Gonzalez said. "While it creates more opportunity for the salesperson supporting them, it also empowers the consumer to have information at their fingertips, find what they need and problem-solve."

Fitting room technology also has the potential to empower employees, particularly as they struggle to better juggle tasks and prioritize high-value customers. According to *Retail TouchPoints'* most recent **Store Ops Survey**, **62%** of respondents said their in-store tech budgets increased over the past year, with most of them prioritizing investments in QR-code activated digital signage, kiosks, RFID, mobile-assisted clienteling apps and fitting room tech — all of which are designed to elevate the customer experience but also to empower associates to do their jobs better.

"Consumers hate when they walk into stores and they know more about the products than the associate does," Rowen said. Fitting room technology can "enable an associate to really show they care about the brand and be a great brand ambassador by learning more about which sizes and styles and cuts and colors work best for different types of customers. In the real world of retail, you have high turnover, so employees can now service the customer in that time of need."

However, Gonzalez warned that associates can't reach true enlightenment and empowerment without detailed training on the technology, including how it operates, what the customer experience looks like and the depth of data, insight and capabilities that employees have access to: "With any technology, the implementation is only successful if there are ambassadors that understand how it works, where it fits in the customer journey, how it supports the customer journey, what they're learning from that information and how that tool can help them do their job better. That's what helps them be more invested."

Cyr added: "You have to make sure [the technology] is working with your associates in a very harmonious way. You also have to make sure that your store teams understand the value for them, the store and corporate. It all has to be very cohesive and based around a fundamental change in a brand's store strategy."

![CRAVE RETAIL logo]

CASE STUDY

RIVER ISLAND USES FITTING ROOM INSIGHTS TO DRIVE PERFORMANCE

> UK fashion brand **River Island** has used Crave Retail technology in its fitting rooms for **more than two years** years to elevate the in-store experience, but also to gather more robust data about consumer behaviors: what items are being tried on the most, which are ultimately purchased and what is left behind.

At a fundamental level, this data supports operations such as inventory management and gauging shopper demand. "We know what product is on the shop floor and what product is available in the stockroom, so we can then check size gaps and are able to fulfill those size gaps," said Jon Wright, River Island's Head of Operational Risk and RFID in an interview with **RFID Journal**.

However, Cyr added that as the brand gathers more data about fitting room behaviors, it can support more robust needs and goals across the organization, including **visual merchandising and in-store design**.

"They're learning about all the combinations of outfits being tried on and they're comparing it to sales data. So from a store training perspective, they're learning how to put items together and re-merchandise the store, using the data both from the fitting rooms and from sales to drive visual merchandising."

-Matthew Cyr, Founder and CEO of Crave Retail

EXTENDING VALUE ACROSS THE ORGANIZATION

Crave Retail's Cyr argues that the fitting room is a "data-driven powerhouse of information" that is being "completely underutilized."

"Think of the value that has been created for ecommerce businesses as a result of the analytics they get from the online cart," he explained. "If we took that data and those insights away, ecommerce retailers would really struggle because it plays a big role in what they learn about customers."

Connected technology can provide a deeper level of insight into how the fitting room experience is performing, as well as the product styles, sizes and colors that are seeing the most traction. These metrics paint a more detailed picture of the revenue stemming from fitting rooms; they also have the power to unlock value for other teams, such as merchandising and even store design.

"You can start to really transform a lot of different parts of the retail business," Cyr said. "You can transform training with new KPIs, you can transform how you design fitting rooms, you can better market to shoppers coming from stores because you learn about their distinct customer preferences. You even get to think about merchandising changes to the store and inventory management capabilities. **But you can't do any of that if you're blind to a space where your shoppers are making all these decisions.**"

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Crave Retail, headquartered in Austin, TX, is revolutionizing retail with AI-powered Smart Fitting Rooms and Assisted Selling technologies. Our innovative solutions are designed to enhance customer engagement, increase sales, and elevate associate productivity, while providing retailers with critical merchandise and customer insights. Esteemed brands like Victoria's Secret, River Island, and Under Armour utilize Crave Retail's technologies to transform their customer experience and gain operational insights. Dedicated to leading the future of interactive, data-driven retail, Crave Retail is at the forefront of shaping shopping experiences.

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