



MUSIC.

Do You Hear It?

Hint: It's the Sound of Your Customers Staying Longer and Buying More.

by Amy Knebel

Sometimes in our insanely busy day-to-day lives we crave a moment of silence, but if you're an indie retailer, you need to switch on the music and turn up the volume if you want to maximize your store's success.

CONSIDER TWO SCENARIOS:

Scenario one is an upscale home and gift store located in a trendy shopping district in an urban area. Upon entering the quiet store, you are greeted by a clean, brightly lit space with gorgeous wares elegantly displayed. As you walk through the store, the only sound you hear is the hollow tap of your heels on the hardwood floors.

Scenario two is a funky accessories and shoe store located on the recently revived Main Street of a small town. What greets you when you walk in the door is a riot of colors and textures as everything seems to be merchandised rather haphazardly. While sorting things out visually, you begin to move your head in tempo with the music coming from a docked iPod behind the cash register.

While neither scenario represents retailing perfection, which retailer is more likely to have customers who stay longer and spend more? If you answered Number 2, you're right. If you think retailer number one would have better sales and customer retention, you're probably not retailing to all five senses. Read on to find out how music is a bigger influence on consumer behavior than you might realize and how can you use this research for your own store's benefit.

THE HISTORY OF MUSIC & CONSUMER BEHAVIOR

Research into music's behavioral influences has a rich history,

but it wasn't until the mid-1900s when scientists began to take a closer look at how music affected consumer behavior. From Smith and Curnow's 1966 "arousal hypothesis" (a certain degree of noise increases activity) to Kotler's (1973-1974) emphasis on the importance of how "atmospherics" (color, sound, smell, temperature) influence consumer buying behavior, earlier research laid the groundwork for more recent studies examining specific customer behaviors. Two of the most significant research questions address how music influences the amount time consumers spent in a store and the amount of money consumers spent.

THE SCIENCE OF MUSIC IN A RETAIL SETTING

Time really is money, and when it comes to the amount of time consumers spend in stores, music has a direct influence. According to Kellaris and Kent (1992), music can increase the amount of time a customer remains in the store and can also slow down a customer's travel through a store. More interestingly, Yalch and Spangenberg (2000) discovered that when customers hear music that is pleasant to them, but unfamiliar, they shop even longer than when they hear familiar music. The theory behind this is we pay more attention to what is familiar, perhaps humming along with a familiar tune and therefore are better able to perceive how much time we are spending. When we hear unfamiliar, yet likable music, we are more apt to lose track of time, thereby spending more time shopping than we think we are spending.

Since you can use music to keep customers shopping longer, which could then lead them to buy more, all you need to do is just turn on the radio to the local easy listening station, and forget about it, right?

Nope. Enter your branding and what researchers call 'fit.' First, think of your store as a micro-climate that you want to tailor to your customers. Now, think about your branding since it has a great deal to do with fit. What words describe your store's brand? Sophisticated? Fun? Funky? Tailored? Whimsical? Classic? Macinnis and Park (1991) maintain that music has to fit the situation to produce a wanted outcome, so in order for music to have the best fit for your store and increase sales, it needs to communicate your brand. For example, a home and kitchen goods shop that caters to aspiring gourmet chefs would choose music that fits their branding, such as up-tempo classical music versus country. Hip-hop music might be the best fit for a clothing store that specializes in clothing for the urban set while jazz might be more suitable for a vintage men's retailer.

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Fit is way more than what happens in a dressing room. One research study by Areni and Kim (1993) revealed that consumers purchased more expensive items in a wine store with classical music in the background versus Top-Forty. Why? Classical music contributed to the store's branding and fit with the consumer's perception of what they wanted their shopping experience to be. Other research studies support this finding; music that fits your brand and your customers' aspirations helps influence them to spend more money.

So when it comes down to keeping your customers shopping longer and buying more, your selection of store music is an important part of retailing to all five of your customers' senses.

HOW DO YOU GET THE RIGHT MUSIC INTO YOUR STORE WITHOUT ANY HASSLE?

Enter Retail Radio, an in-store music provider. Retail Minded spoke with Retail Radio VP Bill Louie about how they work with indies and why you should leave the music-making up to the pros.

WHAT MAKES RETAIL RADIO UNIQUE?

We LOVE music. We're one of the fastest growing companies in the US and Canada led by a management team with over 80 years of experience in big-market radio. Our proprietary software makes managing music fast and easy. For example, one can customize music by time of day or by region or store.

WHY WORK WITH A COMPANY LIKE YOURS?

In addition to the ease and convenience, we provide licensed music only, so you don't have to worry about fines for copyright infringement. Many retailers don't realize that they can be fined for playing copyrighted music without the proper licenses. We obtain all the licenses, so store owners have one less legal issue to worry about.

In addition, our music is programmed with the store's particular customers in mind and can be chosen by the store's owner or manager. Our music has commercials only for the store that's playing the music, whereas a radio station would have commercials for other businesses.

HOW DO YOU WORK WITH SMALLER, INDEPENDENT STORES?

Our music can help the store enhance its brand (it has its own customized "radio station") because we ask about the store's overall goals, we learn as much as we can about the store's customers, and then we program the music to fit the customers.

WHAT SERVICES DO YOU OFFER?

In-Store music, on-hold music, digital signage, queue management and scent, all of which can be designed specifically with the store's customers in mind.

EXPLAIN HOW YOU BELIEVE MUSIC IMPACTS BOTH CUSTOMERS AND EMPLOYEES?

Music has a big psychological impact on people; the right music keeps the customer in a good mood, creates an environment that customers enjoy and remain in longer, and they're more likely to return.

The right music can also energize employees who might be in the store for eight hours straight, making the time pass more quickly in a more positive work environment.

IF YOU COULD ADVISE A STORE OWNER TO DO ONE FIRST STEP IN IMPLEMENTING THE RIGHT MUSIC INTO THEIR STORES, WHAT FIRST STEP WOULD THIS BE?

Take some time to really consider who your customers are and ask yourself: How do you want them to feel about your store? What kind of music would they want to hear? What would they NOT want to hear? It really, really is all about knowing your customer.

We're big believers in knowing your customers and could not agree more that this is important for indies. Thanks Retail Radio for your great insight!

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