



# Preface

In 2002, when Peter J. McGoldrick published the second edition of his book *Retail Marketing* (McGraw-Hill Education), he noted in his preface that ‘many parts of the world have now seen a dramatic metamorphosis within the retailing industry, as retailers have ceased to play the subordinate role in the marketing of consumer goods’. He argued that this change has forced retailers to develop ‘a more rigorous and systematic approach to retail marketing’.

When developing the material for this book 13 years on from McGoldrick’s seminal text, I was struck by the prescience of the above quote. In this intervening period it can be argued that the retail sector has undergone a transformation across all aspects of the business and marketing process.

The transformation of the Internet and the consequent opportunities for retailers to develop robust online retail channels has led to a rethink about retail strategy. This has had ‘knock-on’ effects on many fundamental elements of the retail marketing mix. Retailers are querying the rationale for opening up more physical store outlets, for instance. As increasing numbers of shoppers worldwide make greater use of online channels, retailers have had to respond by developing an omni-channel approach in order to connect with shoppers across the different touchpoints in the buying process. In the coming years it is reasonable to assume that retailers will further rationalize their physical operations and formats to address the shifting attitudes and buying patterns of their respective target markets.

Since the turn of the century, when McGoldrick wrote the second edition of his book, we have seen major developments in the areas of social media platforms and usage. The plethora of social media sites such as Facebook, Twitter and Instagram has fundamentally changed the way in which consumers communicate with each other. They are no longer the ‘passive’ individuals that existing marketing texts seem to portray. They share views, experiences, perceptions and behaviours online and also engage proactively with retailers through such modes of communications. Retailers in response have had to become more transparent both in their dealings with shoppers and in terms of assessing the implications of the various comments posted by shoppers about their retail operations.

Advances in mobile technology and marketing have also created opportunities and threats for retailers. Location-based apps allow retailers to track shoppers and proactively connect with them with messages and recommendations about new products and merchandise, based on the shopper’s previous buying transactions and preferences.

The issues of social responsibility, corporate citizenship and sustainability have always been in existence. It can be argued, however, that in the last decade greater attention and scrutiny has taken place on the performance of retailers in these areas. For instance, unethical sourcing policies by retailers have appeared prominently in the media. In response, retailers have to develop a robust and meaningful strategy in this area.

This book in many ways updates material covered by McGoldrick’s text and addresses the transformative changes that have taken place since its publication in 2002.

## My approach to this book

The book is designed with undergraduate and postgraduate students in mind. It also has relevance for people working in the different areas of retail marketing and management. I have tried to capture a healthy balance between theory and practice. I have taught this subject for over 25 years and have always found with both groups of students that relevant case examples of good and poor practice

succeed in enlivening the subject matter and more importantly make the subsequent discussion and analysis relevant to them.

However, such a practical and 'real-life' approach has to be counterbalanced by consideration of the relevant research that has taken place in the various dimensions of retail marketing. Over the last ten years or so, the amount of scholarly research has grown exponentially: dedicated academic retailing journals such as the *Journal of Retailing* and the *International Journal of Retail & Distribution Management* are a testament to the depth of research being generated across the different business schools. I hope that I have achieved this correct balance.

When teaching the subject of retail marketing, I have found that many textbooks fall down because they tend to take an unduly narrow focus. For instance, a particular book may only focus on the North American retail environment and ignore developments in other areas of the world. I have tried to address this by including a range of discussion cases drawn from a wider geographic environment. I would like to encourage readers and lecturers to put forward further examples and cases for our online support area that accompanies this text. I particularly welcome contributions from regions such as Africa where retailing is evolving at a quick pace.

## Significant aspects of this book

I have tried to write a book that largely updates and replaces the extremely valuable book that was written by McGoldrick in 2002. This is reflected in the structuring and sequencing of the chapters where I have addressed the elements of the retail marketing mix that he covered. However, I feel that this book contributes something more than a simple update. I would highlight the following areas:

- I have written a chapter (3) on the role of retailing in the context of the supply chain. I have done so because it is my experience that many students fail to see the importance of the relationships between retailers and other members of the supply chain. Quite simply, no retailer can succeed in delivering a coherent and relevant value proposition unless it operates within a co-operative and co-ordinated supply chain. Put simply, retailers do not operate in isolation. Chapter 4 further explores the relationships between retailers and suppliers.
- In Chapter 11 I examine the issue of sustainability and its implications for retailers. This is a topic that has not previously received the same level of attention in retailing books and hopefully this chapter redresses this imbalance.
- In Chapter 10 (retail marketing communications) I include substantive sections on the roles that social media platforms and mobile marketing communications play in shaping overall retail communications strategy. This recognizes the shift in approach by retailers in the context of connecting, conversing and listening to their respective target markets.
- In the chapter on managing the selling environment, we look at how technological advances such as augmented reality and digital platforms enable retailers to provide a broader range of services to shoppers.
- Across a number of chapters (1, 2 and 8) we assess the concept of omni channels and the implications for retailers as they develop new ways of engaging with shoppers across the various touch-points in the buying process. This incorporates discussion on online retail channels.
- In the final chapter (13) we assess the overall impacts of the transformative developments for retailers and consider future trends as we project ahead over the next few years. This chapter acts as a useful synthesis of preceding analysis and discussion in the earlier chapters.

## Structure of the book

The book is structured around three parts. Case studies, vignettes and discussion questions are presented throughout the chapters to enhance the reading experience, provide practical examples and encourage further exploration of the topics. The detailed content of each chapter is identified in Chapter 1. I identify a couple of significant highlights from each chapter here.

## **Part 1: The customer**

### **Chapter 1: Retail marketing: an introduction**

- Introducing the key elements of retail marketing and its value to customers and retailers

### **Chapter 2: Understanding the retail consumer**

- The changing shopper
- Online shopping motives
- Blending positioning attributes with shopper benefits

## **Part 2: Supply chain issues**

### **Chapter 3: Retailing and its role in the supply chain**

- Trends and developments in supply chain management
- Retail supply chains
- Obstacles to designing and implementing demand chain management

### **Chapter 4: Managing retailer–supplier relationships within the supply chain**

- Trends and developments in stakeholder relationships
- How valid is the view that a shift in power has taken place?
- Areas of collaboration and co-ordination

## **Part 3: Retail marketing strategy**

### **Chapter 5: Managing the selling environment**

- The retail selling environment
- Retail as theatre
- Experiential marketing
- In-store marketing communications at point of purchase

### **Chapter 6: Retail brand strategy**

- Building the brand
- Corporate branding in the retail sector
- Benefits and challenges arising from store brand development
- Retail store loyalty

### **Chapter 7: Managing customer service**

- Customer experience management
- Setting appropriate service levels
- Managing customer service online
- Constraints to effective customer service design and implementation

### **Chapter 8: Retail location strategy**

- Location from a micro and macro perspective
- Planning policy in the retail sector
- Regeneration of city centres
- Trends and developments in managing shopping malls and centres

### **Chapter 9: Designing and implementing retail pricing strategy**

- Common misconceptions about pricing

- The challenge of pricing in the retail context
- How can retail price strategy design and formulation be improved?
- Trends and developments

#### **Chapter 10: Designing and implementing effective marketing communications strategies**

- Components of retail integrated marketing communications
- The relevance and contribution of the social media platforms
- The effectiveness of traditional communications media
- Online retail channels as a marketing communications tool

#### **Chapter 11: Retailing and sustainability**

- Sustainability and retailing: the key issues for marketing
- Retailers and sustainability within the supply chain
- Retailer sustainability strategies: the evidence
- The voice of the shopper

### **Part 4: Retail internationalization**

#### **Chapter 12: Retailing and internationalization strategy: development and implementation**

- Selection criteria for evaluating international markets
- Retail internationalization entry options
- Challenges involved in transferring a retail format
- International retail divestment

#### **Chapter 13: Retailing: the impacts of social and technological change**

- Technology and information
- The store of the future
- How receptive are consumers to these developments?
- Implications for retailing and the supply chain

In summary, the retail sector has and continues to generate change, transformation and velocity in terms of introducing new business models and marketing initiatives. Many retailers have to 'run in order to keep still'. There is no evidence to suggest that this is likely to change any time soon.

In this book I have attempted to document and analyse these major developments and placed them in context with regard to empirical research across different topic areas. I have enjoyed writing this book and I hope that you gain something from reading it and reflecting on the concepts, theories and case studies in the book.

Good luck with your studies and to your future career: hopefully in the retail area!

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