

NRF, Retail's Big Show 2023

9 KEY THEMES



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NRF, Retail's Big Show 2023 (New York City, January 15-17) welcomed 35,000 attendees and 1,000 exhibitors. From 'shy' tech, capitalising on kidults and transformational experiential retail to harnessing humanity and the paradoxical perspectives of Gen Zalpha, we present nine key themes, including commentary from creatives, analysts and brands, such as Petco, Walmart, Claire's, Studs, Lego, Mattel and Target.

Summary

1: Transformational Experiential Retail

Bevan Bloemendaal, chief brand and creative officer at architecture and design agency [Nelson Worldwide](#), summarised the consensus by saying: "Experience is really the new battleground – the 'ah' then the 'ha' have become the holy grail." From Web3-integrated flagships and food boutiques to innovative playscapes, a transformational bent was deemed key.

2: Getting Physical (& Phygital)

Numerous American retail giants advocated retaining physical stores for reasons including buoying local communities, embedding new service propositions and galvanising omnichannel/digital activity. The latter is particularly relevant as [online/social media acquisition costs](#) soar.

3: Micro-Occasions & 'Interseasons'	Echoing the rise of the micro-moment, as detailed in Christmas 2022: Brand Engagement Steers – a trend predicated on consumers' desire for an extra feelgood factor – several speakers highlighted the increasing value of interseasonal or mini celebrations.
4: Gen Zalpha: Paradoxical Personalities & Common Goals	Turning their lens on the coveted but slippery youth sector, Kristin Patrick, executive VP and chief marketing officer at Claire's , and Leslie Ghize, executive VP at market trends and merchandising agency Doneger Tobe , profiled the contradictions and commonalities of Gen Z and Zalpha (teens bordering Gen Z and Gen Alpha).
5: 'Shy' Technology vs Authentic Automation	Dovetailing with Gen Zalpha's desire for digital done differently (see section 4), some industry leaders discussed capitalising on subtle tech. Others advocated semi-humanised overt applications – 'honest' approaches to innovation – echoing how the patent artifice of avatars has endeared them to people tired of disingenuous human influencers.
6: Perma-Changed Priorities: Pivoting to Whole Self Wellness	Focusing on wellness's post-pandemic legacy, speakers across food, pet, travel and toy categories detailed significant pivots towards a permanently health-conscious stance. Several championed embracing emotional and physical wellbeing on an everyday level.
7: New Power Partnerships	Supercharging partnerships to extend brand reach, boost omni-capabilities, capitalise on pop culture trends and provide a loyalty-locking 360° ecosystem of products, services and support was another hot topic.
8: Backing Budgeters: Reframing Value	While few speakers dwelled on the cost-of-living crisis/inflationary pressures, preferring to focus on opportunities to retool their businesses, the notion of what constitutes value was spotlit, chiming with Reframing Frugality , part of our Budget (Re)Valued Macro series.
9: Harnessing Humanity	Harnessing a greater sense of humanity was a huge topic, with discussion ranging from philanthropic recruitment, civic commerce and shop-floor upskilling to (on the expo floor) e-commerce and UX tools honouring those with differing physical and cognitive abilities.

At A Glance

Innovation Platforms

Convenience Culture

Digital Worlds

Inclusivity Outlook

Sustainable Futures

Wraparound Wellness

Topics

Brand Experience

Brand Spaces

Children & Youth

Cost of Living

Digital

Ecommerce

Ethics

Grocery

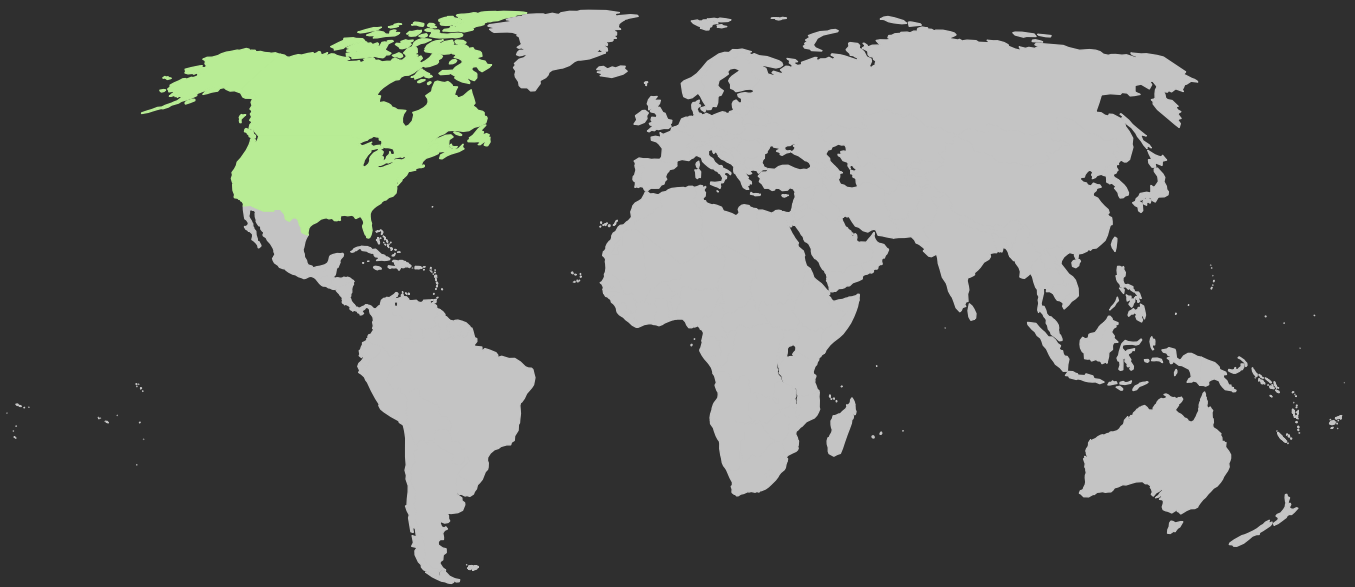
Health & Wellness

Parenting & Families

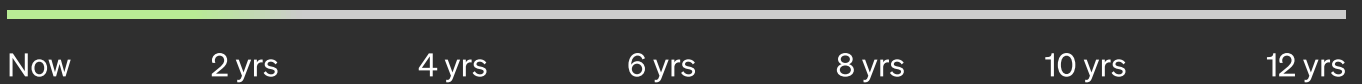
Retail

Visual Merchandising

Regional Focus



Trend Duration

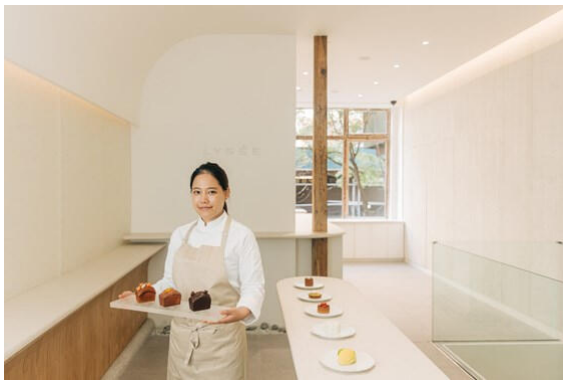


1: Transformational Experiential Retail

Bevan Bloemendaal, chief brand and creative officer at architecture and design agency [Nelson Worldwide](#), summarised the consensus by saying: “Experience is really the new battleground – the field that the brands have become the battlefield.” From Web 2.0, internet flashiness and food

the an then the na have become the holy grail. From Web3-integrated flagships and food boutiques to innovative playscapes, a transformational bent was deemed key.

- **Solana & Ferragamo's Web3-Corralling Flagships:** Spotlighting the paradigm shift towards Web3 (see [The Metaverse 360°](#)), Ron Singler, principal design director of US-based [IA Interior Architects](#), cited new NYC flagships from US blockchain platform [Solana](#) and Italian fashion label [Ferragamo](#), both of which offer opportunities to access, explore, understand and create with core Web3 tools, such as non-fungible tokens (NFTs) and cryptocurrency. For more on both, see [Global Store Openings: Autumn 2022](#).
- **Lysée & Starbucks' Connoisseurly Captivations:** Singler also cited two NYC flagships melding retail, restaurant and museum formats to raise experiential kudos: Korean pastry boutique [Lysée](#) – which features a store, café and “edible art” dessert gallery – and the three-storey Empire State Building [Starbucks Reserve](#), where visitors can sample rare blends, construct their own coffee flights and drink coffee-based cocktails.
- **Camp & Neighborhood Goods' Triumphant Events-Tailing:** Amanda Raposo, chief experience officer at “family experience” store [Camp](#), said: “Put simply, our store experiences give people a reason to get out of the house.” Meanwhile, Matt Alexander, co-founder of US next-gen department store [Neighborhood Goods](#), revealed: “Emails about our physical events [such as gigs, workshops and talks] have disproportionately high open rates.”
- **Lego's Experiential Spectrum: From Edu Mornings to Lego Lates:** Martin Urrutia, Lego's global head of retail innovation, highlighted two experiential investments: learning and play date mornings for parents/families and [Lego Lates](#) – after-hours adult-only sessions with “cultural influencers and creative visionaries”.
- **Studs Styles Out an Everyday Service:** Anna Harman, co-founder and CEO of US ear piercing brand [Studs](#), said: “This service is available elsewhere, but what's driving success is the highly stylised experience.”
- **American Girl's Experiential 'Discipline':** Mattel's president and COO Richard Dickson highlighted the importance of detail in the service-led stagecraft of its doll brand [American Girl](#). Stores have greeters, a concierge, ear piercing, dolls' hair styling salons, party experiences and a toy hospital. “Kids who bring in dolls often add a small mark to ensure the right one comes back, which our ‘doctors’ ensure remains during the fix. The discipline in the detailing is crucial,” Dickson said.





2: Getting Physical (& Phygital)

Numerous American retail giants advocated retaining physical stores for reasons including buoying local communities, embedding new service propositions and galvanising omnichannel/digital activity. The latter is particularly relevant as [online/social media acquisition costs](#) soar.

- **Petco Rethinks Store Role (+ Taps Rural Consumers):** Ron Coughlin, CEO of American pet

retailer [Petco](#), described the radical reimagining of its stores post-pandemic as spaces to

pamper, provide veterinary care and sell and distribute products, both in urban and rural communities. “The rural pet care business is a \$7bn opportunity, so we’re now also a bovine and equine business,” Coughlin added.

“People told me to lose all the stores, but what’s a store anyway? Does a store have a vet’s lab in it? A pet care centre? A pet food kitchen? Is it a distribution centre for e-commerce? It’s an asset – that’s what it is.”

Ron Coughlin
CEO, Petco

- **Macy’s Small Off-Mall Moves:** “It’s an irrefutable truth that [physical] stores seed digital activity,” said Jeff Gennette, Macy’s CEO, revealing plans to open more but smaller stores, including expanding its localised, flexible [Market by Macy’s](#) concept in boutique and strip malls.
- **Madison Reed’s Broadcast-Ready Colour Bars:** US hair colour brand [Madison Reed](#) stated its intention to use its in-store screens to livestream brand events (see also Fortnum & Mason’s plans for a culinary broadcast studio in [FT Future of Retail 2022](#), and Broadcast-Ready Base Camps in [Brand Spaces, 21/22](#)).
- **Lowe’s Kerbside Collection & Sub-Hour Delivery:** “Having a digitally connected space is a competitive advantage, not least because our 22,000 stores can be quick-turnaround fulfilment centres – essential for supporting household emergencies,” said Marvin Ellison, CEO of home improvement brand [Lowe’s](#).
- **Target’s Coffee-to-Your-Car Drive-Up:** Target’s executive VP and chief food and beverage officer Rick Gomez highlighted that customers use the retailer’s app-based kerbside collection Drive Up service to simultaneously have a Starbucks coffee delivered to their cars. Currently available in 250 stores, the service is “so successful we haven’t even promoted it beyond social media”, Gomez said. Also, see [Innovating the Last Mile 2022](#).
- **Whole Foods Majors on Localised Theatre:** Jason Buechel, CEO of [Whole Foods Market](#), disclosed that the grocer’s 50 stores will increase to 100 globally (by opening about three new stores a year), referencing its One Wall Street location, which features more certified food professionals and superior localised retail theatre.





3: Micro-Occasions & ‘Interseasons’

Echoing the rise of the micro-moment, as detailed in [Christmas 2022: Brand Engagement Steers](#) – a trend predicated on consumers’ desire for an extra feelgood factor – several speakers highlighted the increasing value of interseasonal or mini celebrations.

- **Alibaba’s Annual Marketing Calendar:** Mei Chen, Chinese e-commerce giant Alibaba’s senior director of international business, outlined key holidays for Chinese consumers, which international partners – such as US luxury fashion brand [Coach](#) – are embracing via its [Tmall Luxury Pavilion](#). Primed for self-gifting, these dates include Women’s Day (March 8), I Love You Day (May 5), Chinese Valentine’s Day (August 22) and Singles’ Day (November 11).

Renee Klein, Coach’s VP of global brand marketing, said: “We’re mindful these holidays are valued differently in China, where it’s more about exclusivity and emotion than discounting and promotions.”

- **Salty Snacks, Kroger & Target Home In on At-Home Affordable Joy:** Kristen Riggs, president at Salty Snacks, part of [The Hershey Company](#), said: “Halloween’s still our Super Bowl, but we’re seeing an increase in micro-occasions, as people focus more on making at-home events special.” Gomez concurred: “We see micro-moments as about delivering affordable joy.”

Rodney McMullen, CEO of US grocer [Kroger](#), said: “Cooking as – or for – a family at home holds a new significance post-Covid, which is why we train associates to help people select wine or plan a dinner party.”



4: Gen Zalpha: Paradoxical Personalities & Common Goals

Turning their lens on the coveted but slippery youth sector, Kristin Patrick, executive VP and chief marketing officer at [Claire's](#), and Leslie Ghize, executive VP at market trends and merchandising agency [Doneger Tobe](#), profiled the contradictions and commonalities of Gen Z and Zalpha (twens bordering Gen Z and Gen Alpha).

- **Trend-Addicted Anti-Capitalists:** Teens with activist intentions but who readily buy brands like Chinese ultra-fast-fashion monolith [Shein](#).
- **Highly Influenced Individuals:** Those who “embrace the individuality inherently associated with thrifting but simultaneously love the buzz of jumping on trends like [cottagecore](#) or [Barbiecore](#).”
- **Cosplay Naturalists:** Think: using artificial freckles to create an ultra-natural beauty look.
- **Experimental Old Souls:** Consider Gen Z as “sober curious traditionalists experimenting with psychedelics”.
- **Analogue-Loving Digital Natives:** The exotification of analogue products by a generation with zero experience of life pre-digitisation – a yearning detailed in [Analogue Allure](#).
- **Emo Sweethearts:** They’re “sarcastic yet sensitive, cynical but soft-centred – see [succubus chic](#) [a 90s-inspired gothic vibe] and ‘anti-dude’ content, like the [Good Guys podcast](#)”, advised Patrick.
- **Common Goals & Appetites:** A longing for empathy (see section 9); the desire for interlinked physical, digital and virtual environments – see Claire’s recent [Shimmerville metaverse project](#); and a ravenous appetite for trend tutorials – see Claire’s partnership with Japanese-Italian creative director [Nicola Formichetti](#) and make-up artists from hit US TV show [Euphoria](#).



5: 'Shy' Technology vs Authentic Automation

Dovetailing with Gen Z's desire for digital done differently (see section 4), some industry leaders discussed capitalising on subtle tech. Others advocated semi-humanised overt applications – 'honest' approaches to innovation – echoing how the patent artifice of avatars has endeared them to people tired of disingenuous human influencers.

- **Gates Foundation & Gore Capabilities Centres' Fantastic 'Feels':** "It's now less about what you say and more about how you make people feel – and humans need humans to feel human," Bloemendaal said.

Brad Baer, his colleague and founder of US experience design consultancy [Crafted Action](#), agreed: "Shy or [calm tech](#) [technology that informs without demanding attention] suggests tech is most useful when least distracting." Championing understated gestural, voice and ambient tech, the duo cited the [Gates Foundation](#) research facility, where physical wooden pucks activate interactive tabletop screens, and the [Capabilities Centres](#) from WL Gore & Associates – a global materials science company dedicated to "transforming industries and improving lives, from outer space [...] to the human body".

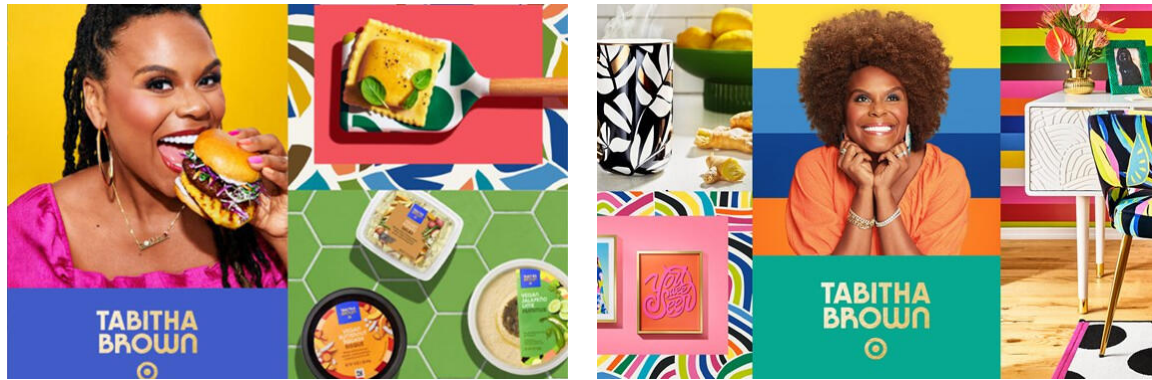
- **Wayfair's Zero-Training Tech Mantra:** Kevin O'Riordan, chief technology officer of physical retail at US homeware brand [Wayfair](#), discussed the brand's intuitive "no training mantra" for sales associates. "If you need to be taught how to use it, it's not good enough," he said.

- **Clockwork's Automatic Appeal:** Highlighting research revealing an increase in consumers' comfortability with robots (see Key Stats), Euromonitor's global lead of retail and digital consumer insights Michelle Evans cited the US-based [Clockwork Minicure](#) in selected Target stores as exemplifying unconcealed appeal: the relatively rudimentary robot (plus human supervisor) delivers nail colours in 10 minutes.

6: Perma-Changed Priorities: Pivoting to Whole Self Wellness

Focusing on wellness's post-pandemic legacy, speakers across food, pet, travel and toy categories detailed significant pivots towards a permanently health-conscious stance. Several championed embracing emotional and physical wellbeing on an everyday level.

- **Target's Plant-Based Push:** Target is courting veganism, recently commandeering American actress and social media influencer [Tabitha Brown](#) for its affordable limited-edition TikTok-promoted range. The associated TikTok tag [#targettabcollab](#) has garnered more than three million views, with many lobbying for permanent status post-Veganuary.
- **Hershey's Heeds Emotional Wellness:** Riggs explained Hershey's rationale to begin researching alternative sugar solutions. "We've learnt a lot about how people now, post-pandemic, view wellbeing as an emotional and a physical state," she said.
- **Petco's One-Stop Wellbeing-Prioritising Sort-of Shop:** According to Coughlin, "80% of American pet parents want the best for their pets, but only 50% know how" – a statistic spurring the retailer to "retool" itself as a health and wellness company. The pivot involved bold changes, including ditching its best-selling cat food (because of artificial ingredients) and introducing 240 in-store vets since 2019 (from previously none).
- **Treat's Health Passport:** Highlighting the changing landscape of travel (see [Revisiting & Revitalising Airport Retail](#)), Singler referenced US travel wellness brand [Treat's](#) NYC JFK airport location, which includes spaces, bookable via the app (aka "health passport"), for yoga, fitness and meditation.
- **Lego Lates' Play-Powered Wind-Downs:** Lego's aforementioned Lates sessions were conceived to "offer busy adults a way to switch off, connect and find their flow through the power of play".



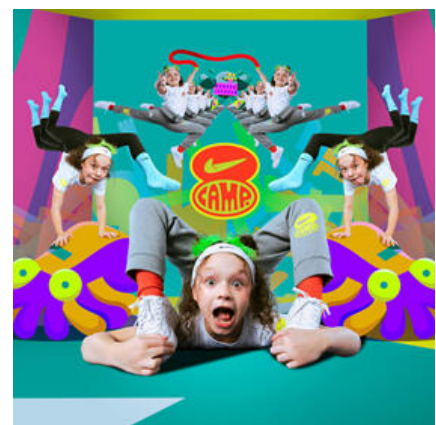
7: New Power Partnerships

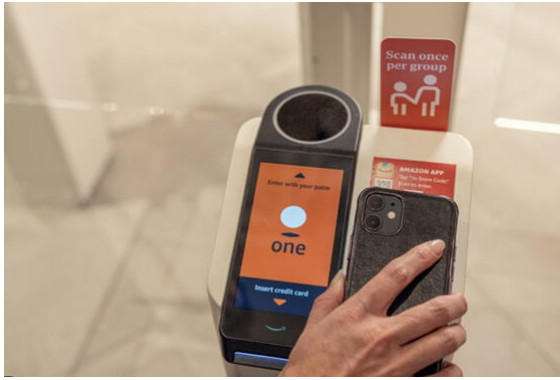
Supercharging partnerships to extend brand reach, boost omni-capabilities, capitalise on pop culture trends and provide a loyalty-locking 360° ecosystem of products, services and support was another hot topic.

- **Petco's Hotel and Insurance Plans:** Coughlin revealed Petco is cementing its stance as the premier all-round pet brand with partnerships, accessed via its loyalty programme, with hotelier [Marriott Bonvoy](#) (allowing members to travel with pets) and [Nationwide Insurance](#).
- **Camps Pop-Cultural Connections:** Raposo described how Camp's brand partners are allowing it to penetrate media/entertainment – it's currently running an experience with Disney, based on hit movie Encanto; sports – via Nike, where kids can customise Air Force 1 sneakers and experience a special finale trophy room; and even finance – via banking business [Ally](#), with which – to celebrate financial literacy month (April) – children were invited to run the store for a day to learn about spending, saving and earning (the camp coins they earned could be exchanged for products).
- **Mattel's Kidults – Nostalgia in New Formats:** Dickson discussed [Mattel Creations](#) – a collaboration-centric commerce content platform “modelled as a secret project to

collaboration-centric e-commerce content platform “modelled as a scarcity project, to reignite interest in older fans, our collector-consumers”. Thanks to projects including Legends from the Glory Days – a retro pack of World Wrestling Entertainment figures – and an upcoming Barbie-meets-surrealism series of dolls with American pop artist [Mark Ryden](#), it’s one of the fastest-growing Mattel brands.

- **Starbucks x Amazon’s Turbo Tech Flex:** Starbucks’ partnership with Amazon Go on its Midtown Manhattan store (NY) was cited by many as a turbo collab for our times. It includes Amazon’s [Just Walk Out tech](#) and [Amazon One](#) palm-print-reading device (which requires pre-registration to link a palm to a payment card) on entering, while in-app tracking provides real-time order status.





8: Backing Budgeters: Reframing Value

While few speakers dwelled on the cost-of-living crisis/inflationary pressures, preferring to focus on opportunities to retool their businesses, the notion of what constitutes value was spotlit, chiming with [Reframing Frugality](#), part of our [Budget \(Re\)Valued](#) Macro series.

- **Euromonitor Charts Methodical Consumption:** Evans stated: “Consumers will be more methodical with their money,” revealing that 21% of global consumers will up spending on private-label brands, and 31% will visit discount stores more. She referenced flexible rental programmes (see [Resales & Rentals Revisited](#)) that support changing circumstances as key.
- **Target’s Own-Label Growth:** Gomez revealed Target’s own-brand food labels, including pre-prepared dinner bags under \$15, are “growing at twice the rate of the rest of the business”. But she added: “We must consider value more holistically – not only in terms of low cost.”
- **Saks Off 5th Pre-Loved Authenticity Imperative:** Paige Thomas, CEO of US discount designer department store [Saks Off 5th](#) – which already has an online space for pre-owned goods – revealed that it’s seeking partners to take resales beyond its existing [Rent the Runway](#) trial, to boost its value proposition alongside sustainability. According to Thomas, the retailer’s current barrier is authenticating products. See Validation Studios & Asset Stores in [Brand Spaces 2023/24](#) for ideas.
- **Wasteless – Eco-Smart Price Optimisation:** Coalescing sustainability and frugality, Israeli start-up [Wasteless](#) showcased an AI-based price optimisation tool that marries tracking products’ sell-by dates and store footfall to adjust prices (readable by consumers via bar code scanning) dynamically. According to Evans, reducing food waste is American consumers’ number one sustainability concern.

9: Harnessing Humanity

Harnessing a greater sense of humanity was a huge topic, with discussion ranging from philanthropic recruitment, civic commerce and shop-floor upskilling to (on the expo floor) e-commerce and UX tools honouring those with differing physical and cognitive abilities.

- **Chobani & Tent, Making a (Recruitment) Play for Refugees:** US-based Turkish billionaire, Hamdi Ulukaya, founder of America's best-selling yoghurt brand [Chobani](#) and of [Tent](#) – an organisation connecting businesses to refugees (“as employees, entrepreneurs and consumers”) – discussed the power of integrating displaced people.

“It's not only about the effect they [the refugees] have as workers themselves, but the positive impact they have on others as a reminder of what it means to be safe, the value of life and the power of humanity. Not only this – consumer interest in hiring brands is now a top-five desire.”

Hamdi Ulukaya
Founder of Chobani and
Tent

- **Gen Zalpha's Desire for Deeper Connection:** Patrick talked of Claire's fanbase “seeking a more substantial sense of humanity in their interactions with brands as well as the wider world”.
- **Lowe's Community Grants:** Ellison described how Lowe's has given \$100m to local neighbourhoods since 2017, in the form of community grants for projects including resurrecting a defunct downtown cinema into a performing arts centre for children.

Petco Equity: Fertility Benefits & Vet Tech Schooling: Focusing on staff, Coughlin highlighted Petco's equitable staff engagement programmes, including the just-launched fertility benefits and providing 100 store employees with vet tech training.

- **Whole Foods' Cultural Outreach & 'Quiet Hiring':** Similarly spotlighting Whole Foods' internal upskilling, Buechel discussed its apprenticeships for butchers, fishmongers and (coming soon) cake decorators – programmes conceived to provide lifelong professional skills while increasing in-store expertise – effectively ‘[quiet hiring](#)’, where an organisation acquires new skills without actually hiring new full-time employees.
- **Facil'iti's E-Accessibility:** One of the most impressive NRF start-ups was French [Facil'iti](#), which provides brands with smart UX-enabling full web accessibility. The tech invites website visitors to select filters according to their condition, reconfiguring the pages almost immediately. The large menu includes options for those with dyslexia, cataracts,



Future Insights

Master Micro-Occasions

Echoing the Christmas 2022 trend for an elongated season punctuated by more celebratory moments, several speakers flagged the increasing value of smaller but more frequent celebrations for boosting the feelgood factor. Support the micro-occasion, whether by serving more specific suggestions for at-home dinner parties or taking a leaf out of Alibaba's events marketing playbook.

Segue Into 'Shy' Tech

Digital fatigue and information overload is spurring a renaissance of interest in 'shy' or 'calm' technology, which informs without demanding attention. Look to ambient, gestural and voice-related innovation – technology providing subtle interactions and reactions – for creating retail spaces where the experience is always foregrounded.

Embrace Disciplined Experiences

While appreciation of the power of experiential retail was fairly unanimous, the most interesting discussions focused on the value of adding detail with real discipline to the theatre and stagecraft. See Mattel CEO Richard Dickson's description of the American Girl brand's doll hospital and the behaviour of its 'doctors' as a prime example

doctors as a prime example.

Harness Humanity

One of the strongest themes centred on harnessing more overt messages of humanity – both internally and when connecting with consumers. Whether it's partnering with the likes of Tent, which connects brands with refugees, upskilling your staff (see Whole Foods), or integrating UX tools to empower audiences of all abilities (see Facili'ti), 2023 necessitates a greater civic conscience.