



# Anthropologie

## Immersive Retail Evolution: Elevating Customer Experience

## **About This Report**

The "Immersive Retail Evolution: Elevating Customer Experience" report delves into the dynamic landscape of retail, focusing on the strategic imperative of attracting and retaining customers through continual innovation in store design and aesthetics. This comprehensive document explores key insights and actionable strategies to guide businesses in creating unique, immersive, and emotionally resonant shopping experiences that drive customer engagement and loyalty.

## **State of the Market**

The retail sector is witnessing a paradigm shift defined by a convergence of traditional heritage and modern aesthetics, the integration of technology to enhance customer experiences, and a heightened focus on sustainability and local culture. These trends underscore a fundamental change in how brands interact with consumers, emphasizing the importance of offering immersive and personalized experiences that foster lasting emotional connections and drive long-term brand loyalty.

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*The future of the apparel sector hinges on creating immersive, personalized experiences that blend cultural heritage with modern aesthetics and integrate technology into the retail arena. Emphasizing sustainability, health and wellness, local culture, and minimalist design aesthetics holds immense potential. Anthropologie, to meet its objective of evolving store design for a unique, immersive shopping experience, can harness these trends. By offering immersive store experiences that foster deep customer connections and embracing technology for seamless shopping, Anthropologie can differentiate itself effectively in the market. Balancing sustainability, innovation, and cultural representation will further solidify its leading position in the industry.*

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## Market Landscape

### Opportunity Spaces in Home & Garden

1. Evolution of the Apparel Industry
2. Personalized Retail Experiences
3. Blend of Heritage and Modern Design
4. Experiential Retail
5. Technological Advancements
6. Focus on Health and Wellness
7. Local Culture and Identity
8. Sustainable Practices
9. Minimalist Design
10. Innovative and Engaging Experiences for the Future

### Drivers of Change

- Biophilic design
- Indoor plants
- Sustainable gardening
- Outdoor living spaces
- Cottagecore style
- Unique Store Experiences
- Experiential Retail
- Sustainability and Innovation
- Minimalist Design Aesthetic
- Integration of Technology
- Focus on Indoor Air Quality
- Integration of Local Culture and Identity
- Fusion of Heritage and Modernity

## Anthropologie Opportunities

### Opportunity Areas for Anthropologie

- Heritage and Modern Fusion
- Unique and Immersive Store Experiences
- Technology Integration for Enhanced Shopping Experiences
- Sustainability and Innovation Commitment
- Reflection and Celebration of Local Culture and Identity

### Retail Ideas

- Curiosity Workshops
- VR Enhanced Store Design

### Customer Experience Ideas

- Personalized Shopping Experience
- Seamless Integration of Technology and Data
- Highly Personalized Shopping Journey

# COMPANY ANALYSIS

Anthropologie





# Anthropologie

Anthropologie, one of the influential brands in the home & garden, and apparel sectors, has created a niche for itself by offering a curated selection of unique, handcrafted, and sustainably sourced products. The company's strategic focus on individual expression and sustainable living has helped it create a definitive brand identity that attracts socially conscious consumers.

The contemporary retail landscape poses certain challenges, including a decrease in in-store traffic and a highly competitive market. Yet, Anthropologie stays committed to delivering superior products and unmatched customer service. In a bid to sustain its market lead, the company is revitalizing its marketing strategies, partnering with designers, and reinforcing its omni-channel networks, thereby blending in digital trends and societal factors within its operational model.

Anthropologie's future growth strategy is principally geared towards adapting to the rapidly transforming retail environment and enhancing customer interactions. The company plans to improve its store layouts, broaden its product range, and leverage digital solutions and innovative techniques to boost sales and deliver distinct customer experiences.

An exemplar of their innovative approach is their recent collaboration with Pinterest, resulting in a holiday-themed pop-up store in Brooklyn. This partnership represents a unique integration of physical and digital retail facets to provide a vibrant and immersive shopping environment. This creative alliance sets a new industry standard in retail marketing and customer engagement, underlining Anthropologie's unfazed commitment to uniqueness and creativity in the retail sector.

Industry: Home & Garden

Anthropologie and Pinterest have created a unique brand collaboration by creating a holiday-themed pop-up in Brooklyn, featuring shoppable boards, social content from Pinterest creators, and more.



# Innovation From Anthropologie



Anthropologie, a frontrunner in contemporary fashion, has recently embarked on a cutting-edge brand partnership with social media giant, Pinterest. This collaboration manifests as a holiday-themed, exclusive pop-up store in the heart of Brooklyn, New York.

The pop-up store is uniquely designed to offer customers a Pinterest-like experience -- incorporating the captivating concept of shoppable boards. This inventive form of in-store marketing grants customers the opportunity to bring their digital fantasies to life, highlighting the exceptional versatility and visual appeal of both brands.

Furthermore, the partnership harnesses the power and popularity of social media by exhibiting an assortment of content from Pinterest creators. This impeccable integration of physical retail and digital elements clearly outlines the overlapping mediums wherein Pinterest and Anthropologie can resonate with their intersectional audiences.

In addition, the pop-up store also features several supplementary elements, elevating it from a mere shop to an immersive, multidimensional customer experience. The Anthropologie-Pinterest coalition aims to offer a diverse, vibrant and dynamic shopping experience, underscoring their commitment to customer engagement and innovation.

For Anthropologie and Pinterest, this creative collaboration heralds a new horizon in retail marketing and customer engagement. The duo's innovative approach combines both physical and digital elements in an engaging and coherent narrative, setting a new industry benchmark for future endeavors.

Explore the power of brand collaborations through Wildfang and Taco Bell's limited-edition coverall featuring fashion and food branding.



# FUTURE SCENARIOS

Recommendations for  
Anthropologie



# Apparel

Looking into the future, the apparel industry is expected to take a transformative leap aligned with emerging themes from consumer trends. The industry's focus will revolve around creating distinctive, immersive, and personalised experiences, converging cultural heritage with modern aesthetics, and embedding technology into the retail setting.

Heritage with a splash of modernity will become a cornerstone in the design of retail spaces. It's all about striking a balance between honourable traditions and contemporary elegance. This blend will not only create a visually appealing ambiance but also spark a connection with customers who appreciate the marriage of old and new.

Retailers are expected to move beyond mere selling into the realm of experiences. This not only sets them apart from competitors but also caters to evolving buyer preferences. Shoppers are increasingly looking for engagement that goes beyond the typical browse-and-buy model. It's all about captivating the senses and fostering emotional connections to inspire a sense of loyalty and brand affinity.

Another shift will be seen in the integration of technology into shopping experiences. Retailers will leverage innovation to provide an interactive and seamless customer journey, using tools such as immersive displays and educational platforms. This novel approach is expected to yield higher customer satisfaction and loyalty levels.

The health-conscious shopper will also impact the apparel sector. An emphasis on indoor air quality, driven by customer's growing health and wellness concerns, will see brands focusing on a safe and comfortable in-store environment through the use of technology such as IoT solutions.

Inclusivity of local culture and identity will remain relevant in store design. Retailers will aim to establish a connection between the brand and customers, using elements that echo the local context. This push for authenticity will enhance the shopper's overall experience and bind them closer to the brand.

A significant shift towards experiential retail is also anticipated. Through curated product showcases, collaborations with influencers, and unique activations, customers will find themselves immersed in the brand's world. These engaging elements are expected to make a lasting impression, strengthening customer relationships and encouraging repeat visits.

Aligned with global trends, the apparel industry will continue to prioritize sustainability. This will be observed throughout the supply chain, from sourcing materials to production processes. A focus on reducing the environmental impact will likely woo eco-conscious shoppers and drive innovative, green solutions within the sector.

# Anthropologie

By 2029, Anthropologie envisions itself as an ultimate destination for individual expression and sustainable living, firmly establishing its place in the home & garden, and apparel sectors. We recognize our role as more than mere purveyors of unique, handcrafted products. Instead, we see ourselves creating a sanctuary for our customers, a beacon of creativity, and a platform for positive impact.

Our stores, constantly evolving in design and aesthetic, would indelibly immerse shoppers into the Anthropologie world – a captivating blend of traditional heritage, contemporary design, and unparalleled inspiration. Each physical space would reflect the vibrancy and authenticity of the local culture, creating an experiential and emotionally resonant shopping journey.

Through digital integration, we envisage transforming the way our customers interact with us. Seamless technological interfaces and interactive offerings would augment the physical shopping experience, ensuring that our customers enjoy the best of both worlds.

Staying true to our ethos of sustainability, we see ourselves leading the industry in adopting eco-friendly practices, from sourcing raw materials to the customer checkout process. Our product range would feature more sustainably sourced and ethically produced items, amplifying our commitment towards protecting the planet and fostering a culture of conscious consumption.

In a fiercely competitive retail landscape, we would rise above the noise by continually enhancing our offerings and service, ensuring a holistic customer experience that remains unparalleled in the industry. Through strategic collaborations with designers and influencers, and by fortifying our omni-channel networks, we envision setting a new industry benchmark, while maintaining the touch and charm of the Anthropologie brand.

Embrace a future where Anthropologie becomes synonymous with innovation, cultural authenticity, sustainability, and exclusive immersive experiences in the retail sector. We see ourselves shaping trends, nurturing creativity, and redefining the normative boundaries of retail, paving the way toward accomplished, sustainable living.



# Anthropologie

## Retail ideas

1. Curiosity Workshops: Anthropologie can establish curated workshops within their stores where customers can learn different crafts, techniques, and artforms. These hands-on experiences would reinforce the brand's commitment to individual expression while fostering a sense of creativity and providing customers with a unique activity they can enjoy.

2. VR Enhanced Store Design: Anthropologie can implement virtual reality technology in their stores, allowing customers to visualize or customize store layouts, decor, and product arrangements. This immersive digital experience would empower customers to shape their own Anthropologie shopping journey, bringing personalization and interactivity to each visit. Plus, it would enable Anthropologie to constantly evolve their designs based on customer engagement and preferences.

## Customer Experience ideas

1. Personalized Shopping Experience: With the seamless integration of technology and data, Anthropologie can offer a highly personalized shopping experience for its customers. Using customer data such as past purchases, style preferences, and location, the store can curate a unique shopping journey for each individual. Customers can also use the store's app or website to create a virtual profile and wishlist, making the shopping experience smoother and more enjoyable.

2. Sustainable Living Workshops: As Anthropologie aims to promote sustainable living, the store can host regular workshops or events focused on educating customers about eco-friendly practices. These workshops can include DIY projects using recycled materials, cooking classes using sustainable ingredients, and talks from experts in sustainable living.

3. Local Artisan Markets: In line with the brand's vision of promoting cultural authenticity, Anthropologie can host local artisan markets within its stores. These markets can feature products made by local artisans and suppliers, showcasing the unique and traditional craft of the region. This will not only give customers a chance to discover and purchase one-of-a-kind items but also support and promote the local community. Additionally, the store can also offer workshops or demonstrations by these artisans, providing an immersive and educational experience for customers.



# Anthropologie

1. Curate an ever-evolving product range that aligns with Anthropologie's ethos of uniqueness, handcrafted quality, and sustainability.
2. Continuously innovate store design and aesthetic to create immersive, emotionally resonant experiences for customers that reflect the brand's blend of traditional heritage and contemporary design.
3. Implement technological interfaces and interactive offerings that seamlessly integrate with the physical shopping experience, elevating customer engagement and providing a best-of-both-worlds experience.
4. Foster collaborations with innovative designers and influencers to bring fresh perspectives and exclusive offerings to Anthropologie's product lineup, setting new trends and captivating customers.
5. Source and promote products that meet high standards of sustainability, ensuring a commitment to ethical sourcing, eco-friendly production, and conscious consumption.
6. Solidify Anthropologie's position as an industry leader in adopting and promoting eco-friendly practices, from raw material sourcing to reducing waste and emissions along the supply chain.
7. Inculcate an authentic reflection of local culture and identity in each store's design, allowing customers to engage emotionally and establish a sense of connection with the Anthropologie brand.
8. Forge strategic partnerships with sustainable organizations to amplify impact, positively affecting local communities, and giving customers a sense of contributing to something meaningful by shopping at Anthropologie.
9. Continuously assess and improve customer service, delivering tailored experiences and setting a benchmark for quality in the industry.
10. Optimize the omni-channel retail strategy, seamlessly connecting all touchpoints, whether online or offline, with digital interfaces to enhance customer convenience and customization while preserving the Anthropologie brand charm.

*RoadMap is a list of jobs-to-be-done for the Anthropologie team to achieve the Vision based on this objective: The strategic business need is to attract and retain customers through constant evolution of store design and aesthetic, providing a unique and immersive shopping experience.*

# Home & Garden

## Industry Overview

Companies within the Home & Garden sphere are demonstrating an uncompromising resilience, coupled with strategic investments, and heightened emphasis on the customer experience. Even against the backdrop of dips in demand for major home improvement projects or the whispers of calcifying sales, these companies stay rooted in an undying resolve to elevate customer engagement and refine internal operations.

Cementing a roadmap for future growth, these stalwarts streamline efforts across inventory management, fixed costs, and employee engagement. Tailored acquisitions coupled with whip-smart innovation are leveraged to expand the product portfolio simultaneously reaching out to disparate customer segments.

Agile enough to dance to the changing consumer tunes, companies within this sector steer their strategies to echo the recent drift towards pocket-friendly and manageable deliverables.

Fastening the lens on the approaching horizon, a strategy balancing interconnected customer experiences dovetailing services and products tailored for professional consumers comes into clear focus. This master plan ensures undeterred investments continue to stream into refining mechanism like order processing systems, thereby enriching end-user interactions.

The impending hurdles hailing from challenging high-cost discretionary sectors or softening of raw material prices get an undeterred response of steadfast priority on operational efficiency. Unwavering commitment towards profound customer experience and a cogent, smooth transition for consumers don't miss a beat.

Existing in a symphony, palpable vibrancy of innovation colludes with hyper-focus on customer-centric approaches, a trusty spine of operational optimization grooving in the middle. The eager scramble among contenders to stay ahead in this dynamic field onto making wonders from mere four walls, makes sparks fly.

*"By building multiple futures scenarios, we can explore emerging needs and ensure that IKEA can continue to be a relevant partner for life, making everyday that little bit better for the many people, today and tomorrow." – Maria Jeansson, Global Foresight Lead for Life at Home Report, IKEA Retail (Ingka Group)*

# Apparel

## Sector Overview

The Apparel sector refers to the industry that involves the design, manufacturing, distribution, and sale of clothing and accessories for men, women, and children. This sector includes various subcategories such as sportswear, footwear, outerwear, formalwear, casual wear, and accessories like handbags, jewelry, and hats. The Apparel sector caters to a wide range of consumer preferences and trends, offering products that vary in style, size, price range, and quality. The sector is highly competitive and influenced by factors such as fashion trends, consumer purchasing power, and marketing strategies. Additionally, the Apparel sector has a significant impact on the global economy, providing employment opportunities and contributing to trade and revenue generation in many countries.

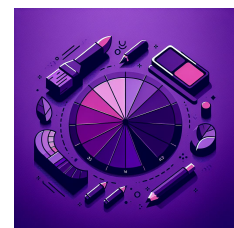
## Segments

Clothing, Footwear, Accessories, Undergarments, Sportswear, Children's wear, Formalwear, Outerwear

## Sector Financials

- The Apparel market is expanding rapidly
- Sales in the Apparel sector have been steadily increasing
- Consumer spending on apparel is at an all-time high
- Major players in the Apparel market are reporting strong profits in recent years

Ikea's AI-driven Kreativ 3D room planner lets shoppers virtually visualize and replace furniture, offering a more engaging and immersive shopping experience.



# MARKET TRENDS

Home & Garden /  
Store Experience Design /  
Design

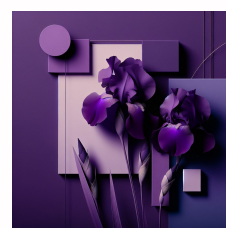
# Home & Garden Trends

People today are showing a heightened interest in wellness and holistic care which is evident from the fact that the global lavender oil market, a natural product well-regarded for its health benefits, is on a growth trajectory. This shift towards well-being is also mirrored in their spending habits as they are willing to invest more in high-quality and premium sleep products for better comfort and rest. Furthermore, a decline in sales in the furniture and electronics sectors indicates a shift in consumer priorities towards essential goods and services, indicating a more conservative approach to spending. This could be a result of consumers' penchant for saving more or reallocating their discretionary income. Impressively, even with these shifts, as income levels and household formation are anticipated to increase, a corresponding boost in sales of sleep products is expected, further reinforcing the underlying consumer trend of prioritizing wellness.

In essence, consumers are acting like wellness advocates, keenly investing in wellbeing and comfort, by prioritizing essential goods and services and showing an increased interest in natural products. They are also adopting more conservative financial habits, reallocating expenditure towards products that offer tangible health and wellness benefits.

*"From a marketing standpoint, when music is really leveraged appropriately and strategically, it can be a massive catalyst for brands. It can really help you build that affinity, that connection to your core audiences, to the groups and communities you're trying to connect with." - Mauricio Barreda, Strategy Lead at Mother in LA*

High-profile fashion collaborations are making waves in the women's watch market, as top brands partner with fashion designers to create unique and desirable timepieces. END



# Store Experience Trends

Prominent store experience design trends can be summarized into higher-level themes that reflect the ever-evolving retail landscape. These themes include the integration of technology, the creation of unique store experiences, the fusion of heritage and modernity, the focus on indoor air quality, the incorporation of local culture and identity, and the emphasis on experiential retail. These themes collectively signify a shift towards creating captivating and engaging store environments that connect with customers on multiple levels. By embracing these overarching themes, businesses can differentiate themselves, build customer loyalty, and drive sustained success in the competitive retail industry.

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*"When you look at brands like Lululemon, they've done an amazing job of having that consistent brand experience while distinguishing themselves in physical spaces by adding features such as the Fuel Up Bar, meditation rooms, and workout areas, creating an engaging environment." – Hil Davis, CEO, Digital Brands Group*

# Design Trends

Prominent design trends in the fashion and apparel industry can be grouped into higher-level themes. The first theme is the fusion of heritage and modernity, where retail spaces combine traditional and heritage design elements with contemporary aesthetics. Unique store experiences is another key theme, with brands creating immersive and differentiated environments to stand out. The integration of technology is a prevalent trend, enhancing the retail experience through innovative displays and interactive tools. Sustainability and innovation are emphasized, with a focus on eco-friendly practices and materials, as well as innovative solutions to reduce environmental impact. The integration of local culture and identity is another significant theme, as retailers incorporate design elements that reflect the local context and foster a sense of authenticity. Experiential retail is a key trend, offering interactive and engaging elements that go beyond traditional shopping. Finally, a minimalist design aesthetic is prominent, with clean lines and understated aesthetics conveying timeless elegance. These higher-level themes encompass elements of heritage, uniqueness, technology, sustainability, culture, experiential design, and minimalist aesthetics. By understanding these themes, businesses in the fashion and apparel industry can create compelling and impactful retail experiences that resonate with their customers.

##

Shoppers today are demonstrating a clear preference for personalized shopping experiences, gravitating significantly towards physical retail experiences over online platforms. They are returning to shopping malls and showing an increasing interest in fashion accessories such as tie pins, lapel pins, and brooches. Moreover, consumers are also attracted to brands that have a presence in the digital universe, including those that exist in the metaverse.

Significant shifts are also noticeable in retail sectors. For instance, the grocery sector is making a transition towards aspects of convenience, health and wellness, coupled with digital solutions. Direct-to-consumer sales are also contributing a growing part to e-commerce revenue, signifying the importance of brand-building initiatives and promotional activities which are shown to be particularly impactful for strong brands. Brands that enjoy positive customer views and frequent patronage, such as Carhartt in the outerwear apparel market, are registering greater success and brand preference, in some cases, even surpassing long-established competitors like The North Face.

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*"By building multiple futures scenarios, we can explore emerging needs and ensure that IKEA can continue to be a relevant partner for life, making everyday that little bit better for the many people, today and tomorrow." – Maria Jeansson, Global Foresight Lead for Life at Home Report, IKEA Retail (Ingka Group)*



# Anthropologie

## Immersive Retail Evolution: Elevating Customer Experience

# APPENDIX

# **PSFK REPORTS**

These reports provide members of our **PSFK IQ** service a level of insights for every major industry and at each stage of the customer journey. They are produced by our researchers using a mix of AI-research tools and bespoke proprietary databases.

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