AN INVESTIGATION OF EMERGING ISSUES IN THE RETAIL DESIGN INDUSTRY AND THE IMPLICATIONS FOR CURRICULUM DEVELOPMENT IN TERTIARY INTERIOR DESIGN EDUCATION AND PRACTICE

Master of Design by Research

Abbi Clifford

Faculty of Design, Architecture and Building

University of Technology, Sydney

CERTIFICATE OF AUTHORSHIP/ORIGINALITY

I certify that the work in this thesis has not previously been submitted for a degree nor has it been submitted as part of requirements for a degree except as fully acknowledged within the text.

I also certify that the thesis has been written by me. Any help that I have received in my research work and the preparation of the thesis itself has been acknowledged. In addition, I certify that all information sources and literature used are indicated in the thesis.

Signature of Student

Production Note:
Signature removed prior to publication.

Date 2/2/08

Acknowledgments

I would like to acknowledge the many people who have assisted and supported me throughout this project. First, and foremost my supervisor, Professor Geoffrey Caban for his wisdom, time, feedback and sense of humour in the face of the many dramas that befall a mother of small boys, Dr Kate Owens from UTS's School of Marketing for her invaluable advice and feedback and Dr Narelle Smith, from UTS's School of Mathematics who helped me conquer SPSS. I would also like to thank my colleagues at UTS, in particular Mark Stiles whose office is a veritable library of architectural history, Dr Susan Stewart for her support and friendship and the interior design course director Susan Sherringham who gave me time when I needed it. In addition I would like to acknowledge the support of many of the international academics who are writing on this topic and who offered their advice when contacted.

Completion however would not have been possible without my friends and family. Thanks to my friends especially Dr Clive Morgan and Melissa Roughley for their advice, and Georgina and Lucy for listening. A special thank you to my husband John, and my children Griffin and Leonardo who gave up their holiday so that I could finish – Its done!

Table of Contents

Table of Contents – Continued

Figures

Chapter 1. Emerging Issues in the Retail Industry

Chapter 2. Influences on the Development of Current Educational Models in Interior Design

Chapter 3. An Investigation of Design Attitudes and Needs in The Australian Retail Industry

Figures – Continued

Abstract

This thesis explores the implications for interior design practitioners and educators of emerging issues in the retail industry. Because of the changing nature and significance in the retail industry of marketing, brand, communications, and consumer behaviour, retail designers are facing a range of new challenges, and are finding that they require new skills and new areas of knowledge. The emerging issues in the retail industry have implications also for interior design educators and curriculum developers, as retail design is generally considered to be a specialised field within the discipline of interior design.

The methodology adopted in the thesis includes an exploration of emerging issues in the retail industry through a review of available literature, followed by two investigations that explore the attitudes and needs of the retail industry in relation to interior design. The critical analysis of results from the investigation reveals the challenges facing interior design practitioners and educators and, in the concluding chapter, some strategies for meeting these challenges are suggested.

The methodology of 'participant observation' is employed in the thesis because of the author's twenty years of experience as an interior designer working in the retail industry, and additional experience as a lecturer in interior design at the university level.

INTRODUCTION

Changes in the retail industry since the mid 1990s have had a significant impact on the roles of retail designers and the demands placed on them. Because of the changing significance in the retail industry of marketing, brand, communications, and consumer behaviour, retail designers are now working in an industry driven by a wide range of complex variables.

The Australian Centre for Retail Studies in the paper *Australian Retail Snapshot* (ACRS Secondary Research Report, 2006) describes retailing within Australia as a dynamic and constantly evolving industry. The ACRS notes that over the eight years prior to 2006 the retail industry has experienced 'booming sales and profits for retailers'. However, the ACRS confirms that recent interest rate rises and higher petrol prices '... brought about difficult trading conditions in 2005'. Statistics available from the Australian Bureau of Statistics (August 17, 2007) show that at the end of June 2006 there were 156,668 businesses operating in the retail industry, and that these businesses employed over 1.2 million persons and generated a total income of $292.3 billion. The ABS accompanied the release of these statistics with the statement that the industry is dominated by small businesses and that these account for 96.1% of the industry (www.abs.gov.au 2007a, viewed 12 November 2007).

Despite the common perception that the retail industry is dominated by major corporations such as ColesMyer, Woolworths, Foodland, Harvey Norman, Bunnings and David Jones, (Australian Centre for Retail Studies 2006) the ABS notes that these corporations account for only 0.4% of the total retail industry and nearly 45% of total income generated by the sector. Despite the dominant numbers of smaller businesses (defined by the ABS as employing less than 100 persons), these account for only 34% of the revenue generated by the industry (www.abs.gov.au 2007b).

Key trends identified within the ACRS report include the explosive growth of the franchise industry, consumer lifestyle trends, and changes to consumer shopping habits, specifically the demand for convenience which can be seen as a force in the growth of the internet as an alternative shopping channel. Also highlighted in the report is the development of strip shopping as an alternative to the shopping mall, the expansion of existing shopping venues, and emerging retail formats such as category killers and factory outlet centres. The report emphasises several key factors that are considered essential to a successful retail operation including; '... clear market position, economies of scale, access to the latest technology, a loyal customer base, proximity to key markets, superior after sales service, the production of goods favoured by the market, and the ability to control stock on hand' (Australian Centre for Retail Studies 2006 p5).

The issues highlighted in the ACRS report are affecting not only the retail industry but also the designers who operate within it. This study focuses predominantly on those who design environments, and as such it will be argued that the issue most affecting designers is the establishment of a clear market position and loyal customer base, as this is where the influence of designers is strongest.

Retail design is generally considered to be a specialised field within the discipline of interior design, and consequently retail designers tend to be graduates of interior design programs. The emerging issues in the retail industry are having a significant effect on the way that retail designers work and the knowledge and skills they require. Thus these emerging issues have implications not only for design practitioners, but also for educators and the curricula developed for interior design courses.

The objective of this study is to identify emerging issues in the retail industry and their implications for interior design educators and practitioners. The methodology adopted includes an exploration of emerging issues in the retail industry through a review of available literature, followed by a primary investigation that explores the attitudes and needs of the retail industry in relation to interior design. This primary investigation begins with a 'pilot' study of semi-structured telephone interviews with selected senior executives in the retail industry, and the issues emanating from these interviews are used to inform the development of a questionnaire survey sent to fifty representatives of retail brands. The primary investigation employs both qualitative and quantitative methods, and data is analysed using the Statistical Package for the Social Sciences (SPSS). The conclusions drawn from the investigation include a critical discussion of the implications and challenges for educators and practitioners in interior design, and some suggested strategies for addressing them. Also used throughout the study is the method of 'participant observation' which is appropriate because of the author's twenty years of experience as an interior designer working in the retail industry, and also as a lecturer in interior design at the university level (Spradley 1997). As this period of experience has coincided with a period of great change in attitudes, knowledge and approaches in the retail industry, the author's professional and academic experiences underpin the observations and critical analysis in this study.

Efforts are made throughout the study to clarify the meanings of terms that are used, but it is useful to provide a preliminary explanation of the terms 'retail industry', 'retail designer', and 'interior design education', as the frequent use of these terms is integral to the study. It is generally agreed that the 'retail industry' encompasses businesses that market products and services directly to the consumer. The definition and significance of the retail industry is explored in depth in Chapter One. 'Retail Designers' are designers working within the retail industry with responsibilities for tangible and intangible communication and sales environments. The roles and responsibilities of retail designers are explored thoroughly in Chapters One and Three. For the purposes of this study, 'interior design education' refers to courses in interior design that are offered in Australia by tertiary level institutions, normally universities. The term 'academy' used in Chapter Two and occasionally elsewhere in the study, refers to the educational institution.

An examination of the history of design epistemology and pedagogy in Chapter Two informs our understanding of design curricula development and the theoretical constructs that form the basis of 'design knowledge and design skills'. Among the questions posed in this chapter are: How do design schools at the tertiary level research and develop interior design curricula? Are design schools aware of the issues confronting designers working within the retail sector? Do the existing curricula provide the student with the skills and knowledge the retail industry deems imperative? In order to answer these questions research is undertaken within the Australian retail sector to confirm the issues identified and to gain an understanding of Australian retailer's perspectives and opinions. An appreciation of the issues and the rationale behind existing curricula will be enhanced by an understanding of historical developments in interior design education.

Traditionally, retail has been an industry defined by place, represented by the store or shopping centre. Evidence presented here indicates that this has changed and the term retail design extends across both tangible and intangible sales channels. Peterson & Balasubramanian (2002) discussed the need for a new definition of retailing at length in their paper *Retailing in the 21st century: reflections and prologue to research*, noting the multitude of definitions in both industry and academic texts but also '... a lack of any consensual definition' (Peterson & Balasubramanian 2002, p.1).

Significantly, the authors query *whether retail has become simply an application of marketing?* (Peterson & Balasubramanian 2002). It is arguable that the shift from an emphasis on 'place', to one of a multi-channel framework with growing emphasis on non place-based retailing channels, has eroded the 'understood' retail concept. Thus it can be argued that for designers working within this industry, retail has indeed become an application of marketing, and the validity of basing interior design epistemology and pedagogy on that of architecture is arguably inappropriate.

The impact and influence of marketers within the retail sector is explored through both the literature review and primary research within the Australian retail industry. How has this harnessing of the sector by marketing impacted on the approaches and methodologies applied within the retail sector? What are the effects on designers? Answers to these questions provide a basis for analysis of curricula implications. The research process reinforces the conclusion of Peterson & Balasubramanian (2002) that retailing consists of activities that are directed at the ultimate consumer. Evident within this conclusion is the notion that sales generation is no longer at the core of retailing. The research indicates also that the rise and dominance of brand within the industry has changed the very nature of retailing. Brand has become the singular focus of many retailing organisations. Yet retailers and retail designers have also influenced and evolved the brand construct to incorporate notions of place and experience.

Kent (2003) discusses the development and role of retailing brands in his paper, *Management and Design Perspectives on Retail Branding.* He suggests that the two perspectives promoted by the marketing and design disciplines in regard to the retail brand's three dimensional and sensory qualities need to be approached from a multi-disciplinary perspective if insights and innovations are to be researched.

The impact of this has been to move retail design beyond physical parameters and thus confront the limitations of the theories and methodologies imparted within tertiary interior design education. Julie Clark (2003) in the paper *Design in Evolution* cites Bricker, the Vice-President of a leading retail design firm from the United States, to emphasise the impact these changes are having on the retail industry. '...clients are not looking for a traditional retail design firm that does only design, they are looking for people who are strategic in their thinking and who understand business. Ultimately, retail stores are just another touchpoint to the brand. The more that the design firm can offer and understand from a business and strategic position the more effective they can be' (Clark 2003, p.6).

The business and marketing sectors are demanding increasingly, that designers' skills extend across other disciplines, and this has given rise to the growing international trend towards multi-disciplinary design practices focused on specific industry sectors. Clark (2003) describes these as '... the full service design firm'. Knowledge and skills offered by these firms can include marketing, branding, business consulting, environmental design, research, corporate identity design, advertising, distribution and fulfilment. Other factors driving the multi-disciplinary approach include technological developments such as the advent of the Internet and its use by businesses as a direct sales channel unrestricted by national boundaries.

Consumer take-up of the Internet as a viable sales channel has been swift. Despite the initial perceived threat that it would at the very least impact heavily on traditional retail turnover through overturning the store's role in sales generation its affect has been marginal in most categories. As Markham (1998) stated in his book *The Future of Shopping:* 'It has been claimed that Cyberspace strikes at the heart of commercial real estate by radically diminishing the value of location' (Markham 1998, p.24). However, the predicted demise of traditional retail because of the Internet has proved inaccurate.

The identified shifts in the interpretation of retail design, and the establishment of the link with marketing and branding, have clear implications for interior design education and practice. These emerging issues pose challenges for both educators and practitioners, and if they are to be addressed effectively, co-operation between the educational and professional sectors is essential. At present, there are a number of obstacles to this co-operation. The interior design profession has had difficulty in articulating its own knowledge base and intellectual territory, and this situation has not been helped by the overlap and confusion with the associated disciplines of architecture and interior decorating. The influence of historical educational models of design education on current epistemological and pedagogical approaches has provided some advantages but also some significant constraints for contemporary design education. And effective cooperation between design educators and design professionals in developing appropriate curricula for interior design students has not always been evident

For curriculum developers in interior design programs, a number of questions need to be answered, including: Are design schools aware of the issues confronting designers working within the retail sector? Do the existing curricula provide the student with the skills and knowledge the retail industry deems imperative? Are the current epistemological and pedagogical approaches appropriate? This study seeks to provide answers to these questions where feasible and identify those areas where additional research is necessary.

Chapter One: Emerging Issues in the Retail Industry

A review in this chapter of the available literature from marketing, design, and retailing identifies emerging issues that are impacting on the retail design industry. To a large degree these have been driven by changes in retailing over the last decade, and its evolution and definition. This chapter examines these key issues, demonstrating how retail has become increasingly linked with marketing, how the concept of brand has evolved, and explaining the links between marketing, atmospherics and meaning in the retail industry.

1.1 Retail as a Marketing Application

Peterson Balasubramanian (2002) posed the question, 'Is retailing simply an application of marketing, or is it something unique?' (Peterson & Balasubramanian 2002,p.9). This raises a number of critical issues for designers. One could argue that from the designer's perspective retail has indeed evolved into a marketing application through the erosion of its understood relationship with place, represented by the store and shopping centre.

Examination of the accepted definitions of retail and marketing provide some insight into Peterson & Balasubramanian's question. Philip Kotler, a leading marketing academic, defined marketing as follows;

> Marketing is a social and managerial process by which individuals and groups obtain what they need and want through creating, offering and exchanging products of values with others (Kotler 1980,p.9).

It is impossible to reach a consensual definition of retail, but Peterson & Balasubramanian (2002) conclude that there is apparent agreement that ' ... retailing consists of activities that are directed at the ultimate consumer' (Peterson & Balasubramanian 2002,p.11). In line with Kotler's definition of marketing, it is understandable that this question was raised by the marketing fraternity. Marketing's definition clearly encompasses traditional retail in a multi-channel distribution framework. The erosion of the inextricable link between retail and place, demands a new definition that encompasses intangible retail channels and incorporates the new retail vernacular. This redefinition of retail will also impact on retail designers who will need to develop new definitions of their own practices and new service offers.

The erosion of the retail concept as a solely place-based activity, and its incorporation within the domain of marketing, has resulted in increased emphasis on branding as a key differentiation tool. This has resulted in changes to the role played by place. The retail 'place' is often, now, called upon to provide the venue for 'branded' experiences first, and the sale of merchandise or services second. Thus the aims of retail design, which have traditionally been to provide an environment to maximise sales, are changing.

Within the 'brandscape', (Riewoldt 2002) described as an environment that tangibly represents the intangible brand, brand experience and brand values, sales are secondary to consumer experience and communication. These changes demand new approaches, as designers move beyond the design of tangible environments and into the realm of intangible experiential design, more often associated with entertainment. Reliance by designers on fashionable aesthetics and traditional planning and layout formulae, fail to deliver memorable environmental experiences beyond replicable or superficial levels. Retail design has become a multi-faceted product, encompassing architecture, interiors, experience, graphics, multi-media, communications and service.

These demands have extended not only the retail designers' scope of work but also the skills and knowledge required to adequately meet them. Retail designers working within the 'new' retail are faced with the challenge of translating and representing the brand and brand experience across unfamiliar mediums. This requires new knowledge and emphasises the need for a multi or trans-disciplinary approach. These new challenges associated with the retail or consumer market are being recognised within the design industry. Julie Clark's article *Design in Evolution*, described retail design as ' ... more that just a pretty face. It has to attract, seduce sell and endure, like no other design specialty' (Clark 2003,p.2).

Retail's evolution from a stand alone industry to an application of marketing has resulted in an increased emphasis on brand and place as the provider of branded consumer experiences. Examination of retail specific literature within Australia and on an international level reveals how central the brand concept has become. The brand has evolved from a function to name a product or service, to an all encompassing holistic concept that includes notions of personality as well as atmosphere, environment and experience. This evolution can be attributed at least partially to the influence of retail designers seeking to meet these new challenges.

A major force in driving this evolution and change is globalisation. Retail has become an international industry, crossing cultural, social and national boundaries. Corporate entities market products, services and environments internationally, seeking out the most appropriate sales channel for each individual market. Larsson and de Bernardi (1993) explain the dimensions of retail internationalisation as follows:

> The process of retail internationalisation has several dimensions. One is connected with the increasing share of consumer products originally confined to the domestic market which now also appear on foreign markets. Another aspect of internationalisation concerns the spread of new methods and techniques in retail management. (de Bernardi & Larsson 1993,p.27)

Retail internationalisation has been aided by the advent of the Internet. This intangible sales channel has also further broken down domestic market boundaries and assisted in increasing reach across international consumer markets. Politically driven forces particularly western governments' economic policies over the last decades have also had a significant affect. This has resulted in the gradual, partial or full deregulation of the services sector, best reflected in Australia, by banking, energy and communications. Organisations within these sectors found themselves having to compete for market share for the first time, relying heavily on corporate marketing departments to build brand equity and maintain and build market share. With this reliance came a new emphasis on place in terms of customer service centres or retail stores as tangible differentiation tools.

The retailing of services is often accompanied by the need to impart complex information to the consumer. Differentiation of intangible service offers is difficult, and marketers have relied heavily on brand differentiation to effect sales. Leonard Berry in his paper *Cultivating service brand equity*, states that '...in packaged goods, the product is the primary brand. However, with services, the company is the primary brand' (Berry 2000,p.128). Berry's statement highlights the challenges faced by designers within the service retail sector. How do they define and represent a corporate entity and create a branded environmental experience representative of an intangible transaction?

The challenges associated with the absorption of retail within the marketing framework demand that design practices offer industry specific multi-disciplinary services. The design of communications, environments and non-face sales channels demand a multi-disciplinary approach. Retail designers today are often called upon to design an environment where the imperceptibility of the corporate entity must be represented and defined within an environmental experience. It is within this sector that brands as key differentiating and communication tools offer the descriptive narratives needed. Berry (2000), states;

Branding plays a special role in service companies because strong brands increase customer trust of the invisible purchase. Strong brands enable customers to better visualise and understand intangible products (Berry 2000,p.128).

1.2 Branding – Development and Evolution of the Brand Concept

It is not the purpose of this thesis to discuss the practice and management of branding unless issues are directly relevant to the retail design industry. It is, however, essential to examine how the brand concept has developed and evolved to include the notion of 'branded' experience and the environment as a physical and tangible, expression of the brand. For it is within this realm that retail designers have had the most influence and been most affected.

Rozin (2002) points out that although it is often assumed that the use of brands to mark livestock originated within the United States, the origins of branding animals to symbolise ownership can be traced to Ancient Egypt. Inscriptions on tombs indicate the branding of cattle as early as 2000 B.C. The use of a brand to identify livestock was introduced by Mexicans to the United States. The concept had been brought to Mexico (New Spain) by the Spaniards in 1537 AD when the Spanish Crown decreed that every cattle owner within New Spain had a unique mark to identify livestock ownership.

Rozin confirms that in addition to livestock there is a history of human branding exemplified by the branding of slaves in the United States prior to the Civil War. There is also evidence in some cultures of the use of brands to identify criminal acts or felons. The brand not only communicated ownership but notions of responsibility, either for an animal a person or for an act. There is also an inferred notion of ownership reciprocity. This was especially evident amongst livestock owners. Corporations today have channelled notions of reciprocity and responsibility that are represented in the market today as corporate values and promises. These are often communicated through the advertising medium in order to further differentiate themselves from like competitors.

Rozin, explains that the application of brands, as identifying marks on products, arose as a result of the Industrial Revolution. The Industrial Revolution changed the nature of goods production and introduced the concept of manufacturing. Production, prior to this, had been based around subsistence. Miles (1998) in his book *Consumerism – as a way of life* argues that the Industrial Revolution in the early eighteenth century was the beginning of what sociologists now term the 'consumer revolution', where for the first time material possessions became more prized for 'fashionability' than durability. Subsistence production was in many instances replaced with wage earning, which provided the working class with purchasing ability not previously available. The growth of industry led to the concentration of populations around industrial centres which gave rise to urban centralisation.

Miles (1998) proposes that the increasing affluence of the western world has shaped societal structure and given rise to the concept of consumerism as we understand it today. However he précis this with his opinion that it is only since the Second World War that ' ... the accessibility of consumer goods began to transcend social class' (Miles 1998, p.8). Miles traces this to the emergence in the latter half of the twentieth century of Fordism, based around Henry Ford's principles of mass production that emerged out of the automotive industry. The second half of the twentieth century also saw enormous economic and technological development. During this period the wealth of individuals within developed countries increased exponentially. This is confirmed by the Australian Productivity Commission's report on *Productivity in Australia's Wholesale and Retail Trade*, that indicates private consumption per person increased from $6840.00 in 1961 to $14,278.00 in 1996 (Johnston & Porter 2000, p.19).

However, the introduction of brands or marks to identify and differentiate a product or service cannot be attributed to industry alone. Consumers aided this introduction through their desire to imbue the products and services on offer with the known or associated personality characteristics and values they recognised in those involved with the purchase transaction or production. Consumers sought to develop their own criteria for differentiating like items and rationalising purchase decisions. An easy and accessible method was the application of human characteristics and personality to products and services. The use of this enabled consumers to form mental pictures of intangible corporate entities, and this method also led to increased expectations regarding service and behaviour. Manufacturers recognised this and today the use of mythotypes to exemplify a brand's characteristics and values is extensive. Kozinets et al. (2002) cite the example of Michael Jordan the athlete used by Nike, who '... expresses a range of emotions involving heroism, athletic excellence .... and hometown pride. In a retail setting, mythotypes serve to symbolically enrich particular retail locations' (Kozinets et al. 2002,p.20).

The consumers' role in evolving the brand concept has been recognised by sociologists studying consumerism. Miles argues that there has been an increase in study in this area due in part to the recognition of the environmental impact and perhaps devastation that will occur if this continues.

It is not possible to define consumerism without first defining its relationship with consumption. The Oxford Dictionary defines consumption as ' ... the purchase and use of goods' (*The Australian Concise Oxford Dictionary* 1997, p.280).Thus it is an act and one interrelated with cultural identity. McCracken (cited by Miles 1998) argues that within the western world '... culture is profoundly connected to and dependent upon consumption.' Miles defines the difference and relationship between consumption and consumerism as follows; ' ...while consumption is an act, consumerism is a way of life' (Miles 1998,p.4).

Daniel Miller's (1987) in the book *Material Culture and Mass Consumption* investigates the relationship between material culture and society itself. According to Miller, this relationship confirms the role played by consumers in evolving and developing the brand concept albeit within the sociological study of consumption and objectification.

> Emphasis has been placed on the implications of mass goods as the product of industrialisation and modernity, rather than assuming that any problematic aspects may be dismissed as having arisen within the context of capitalism. Equally, any attempt to construct models based on a separation of a population from its material environment as thereby embodying some prior or more authentic body of pre-cultural 'pure' social relations is based on an illusion concerning the nature of society. Mass goods represent culture, not because they are merely there as the environment within which we operate, but because they are an integral part of that process of objectification by which we create ourselves as an industrial society: our identities, our social affiliations, our lived everyday practices. The authenticity of artefacts as cultural derives not from their relationship to some historical style or manufacturing process – in other words, there is not truth or falsity imminent in them – but rather from their active participation in a process of social self-creation in which they are directly constitutive of our understanding of ourselves and others (Miller 1987, p.215).

The utilisation of an increasing variety of visual communication tools for the advertising of products and services in the second half of the twentieth century has contributed to the consumerist culture of the western world, experienced across gender, age and social class. According to Miles (1998):

> Accompanied, indeed encouraged, by the rise of advertising, a whole new world of consumerism was on offer to the working majority, most especially to groups of young people who were able to exploit this new situation as long as the resources were available to them. What was emerging was not merely a consumer society, but a consumer culture. (Miles 1998,p.9)

It was during the latter half of the twentieth century that the branding of products, services and corporations became a sophisticated and focused business process. This was driven by the increasingly competitive consumer market and the devolution of exclusive offers and providers. It cemented the importance of differentiation, expressed through the branded offer. In underdeveloped nations, where consumer choice and involvement continues to be limited, international brands are still having an impact. Within the western world corporations in conjunction with advertising and consumers have developed brands well beyond their original purpose. Brands today convey a plethora of meanings and messages many of which are subliminal. These symbolic meanings have developed to a point, where the development and management of brands has become a key corporate function, and their intangible calculated worth recorded on company balance sheets.

Goldman and Papson (1996), in their book *Sign Wars* focus their discourse on the advertising industry and make the following observation:

> "What's in a name?" asks one headline. The answer is 'billions.' Corporate mergers and takeovers in the 1980's prompted a recognition that it is crucial to measure the value of 'intangibles': the value of the brand image. Marketers have refined their accounting methods to better calculate the value of brand images not just because a strong brand image means market share but also because brand images have become capital assets. (Goldman & Papson 1996,p.23)

Goldman and Papson draw attention to the fact that in 1996 press reports the value of Coca-Cola's intangible assets (their brand) was $2.9 billion dollars US (Goldman & Papson 1996). As argued, consumer involvement in the evolution of the brand concept and its ability to be valued, have worked to corporate advantage. Naomi Klein, an anti-brand activist cited in Riewoldt's book, *Brandscaping: Worlds of Experience in Retail Design,* describes the role brands play as follows:

Brands are the main source of identity. The brand fills a vacuum and forms a kind of armour, taking over the part once played by political, philosophical or religious ideas. Logos are becoming fetishes (Riewoldt 2002,p8).

The research by Miles on youth consumption and identity construction appear to confirm Klein's statement '... a culture has emerged where designer labels can command a significant degree of cultural capital which young people themselves are keen to tap into in order to establish their identities' (Miles 1998,p.42). This is confirmed by Kozinets et al who state; 'Consumers' perceptions of social "reality" are strongly conditioned by the brands in their environment. Brands are arguably the pre-eminent symbols used in contemporary consumer culture, as many consumer anthropologists have maintained for decades' (Kozinets et al. 2002,p.18).

There is widespread recognition within corporations of the 'brand power' described by Miles and Klein. This is evident in the funds they allocate to the design and management of brands within the market. Mono in the book *Branding From Brief to Finished Solution* states; 'In its curious, direct way, branding is extraordinarily potent. It reaches beyond immediate commercial objectives and touches the sole – and don't its practitioners know it!' (Mono 2002,p.8).

It is difficult to define a brand, given its evolution. Kotler (1980) contended that;

A brand is a name, term, sign, symbol or design or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors. ... if a company treats a brand only as a name it misses the point of branding ... it is essentially a sellers promise to consistently deliver a specific set of features, benefits and services to the buyer' (Kotler 1980,p.443).

Kotler's definition has been refined and redefined by many seeking to expand and clarify the concept. Mono poses the following questions: ' Is a brand a product, a service or a company? Is it a logo, a marketing strategy or an attitude? (Mono 2002,p.8). In endeavouring to answer these questions he highlights how the brand concept has moved well beyond tangible representation, and the difficulty in defining an evolving concept.

> The definition of a brand is perhaps elusive because of semantic generality, where a brand can be a product or a characteristic that identifies a particular producer. (Collins English Dictionary) It is accepted that a brand can be both the producer and the product that is produced. We can assume that 'product' is not solely a physical, tangible entity, but can be a service, such as telecommunication, vehicle recovery or an Internet service provider. In Per Mollerup's Marks of Excellence the distinction is made between 'freestanding product brands and more generalised corporate brands,' assuming that the first definition is more relevant to the general perception of a brand. ... But the various interpretations of brand in media and design necessitate a broad definition of what constitutes a brand. The definition must respond to general interpretation as much because brand is an elusive concept as to the fact that it is constantly developing and redefining its boundaries (Mono 2002,p.8).

Despite the difficulty in defining brand, both Kotler and Mono recognise the intangible (and one could argue the most powerful) component of brands is their ability to influence and carry meanings that extend well beyond physical parameters. Yet within the context of retail design, physical parameters play a major role in expressing the intangible brand concept. The continued emphasis on branding and its permeation of the retail industry has evolved the concept even further, to a point where it now encompasses the notion of branded experiences. This evolution has been driven by the shift in brand power that has occurred over the last decades. Riewoldt (2002) argues that architecture and interior design have become primary instruments of customer-orientated brand communication in their own right, transforming a brand into a location and an attraction, imprinting a '...characteristic atmosphere on the customer consciousness' (Riewoldt 2002,p.2).

1.2.1 The Brand Power Shift

During the nineteen eighties a fundamental brand power shift occurred that changed the nature of the retail and retail design industry. Lindstrom (2002) points out that prior to this period, the management and control of brand had lain with manufacturers. Indeed, even retail design was influenced by dominant manufacturers that demanded specific spatial allocations and prominence within stores. This power had provided manufacturers, with control over both the channels that distributed their products and over the pricing of them. During the nineteen eighties there was a growing realisation by retailers that they themselves owned a brand, independent of the branded products and services they offered. The reason why this recognition occurred in the nineteen eighties can be attributed to the social and economic climate at that time. Western economies were booming and increasing incomes and disposable income fuelled the growth of consumerism and the establishment of retail as a form of entertainment and relaxation.

The retail brand was structured around place, represented by the store or shopping centre, and provided the retailer with direct and tangible relationships with consumers that were unavailable to manufacturers. Unlike product brands, retail brands were experiential in nature affording opportunities to control the consumer's shopping experience. This enabled retailers to influence perceptions of individual product brands, whose perceived value could be increased or damaged through the purchase experience provided. Driving this realisation by retailers were factors such as the development of the chain stores who were able to leverage off their consumer reach and market dominance through buying power and range selection, and their ability to replicate retail formats and experiences across locations.

The effect of this shift in power was significant and changed the wholesale and retail landscape significantly. Lindstrom (2002) described the effects as follows; ' In just five years retail brands gained in strength and market dominance, becoming so successful that even the strongest FMCG (Fast Moving Consumer Goods) brands in the world had trouble surviving' (Lindstrom 2002,p.6). William Ramsey (1992) in the paper *The Decline of Manufacturer Branding*, presented in 1992, used the following diagram to illustrate the shift in power from manufacturer to retailer and predicted that manufacturers would evolve into generic suppliers of retail brands;

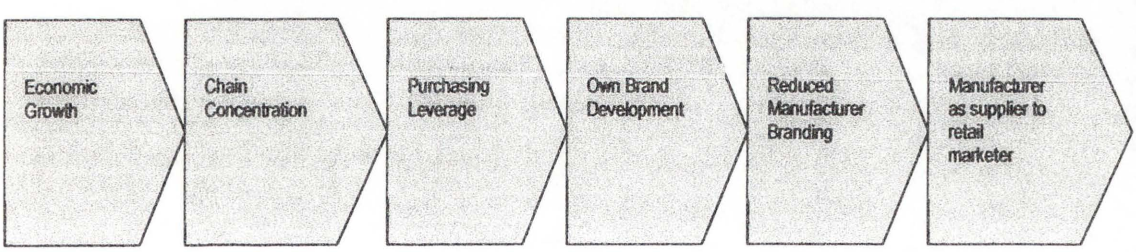


Figure 1.1 Evolution of National Retailing Power (Ramsey 1992,p.235)

The recognition by retailers of the brand experience afforded by the environment as a differentiating factor within the market, shifted focus from functional and budgetary issues to store development and store image. It is interesting to note that despite this recognition of the 'retail brand' by retailers, they failed to recognise that it was the store itself that had provided the catalyst for its formation. It could be argued that this was due in part to marketing's brand definition that ignored place and emphasised historical notions of naming and marking of products. As a result of this, retailers chose instead to focus on the development of home branded products. This saw the commencement of manufacturers as generic suppliers of goods as predicted by Ramsey.

Recognition of the retail brand did result, however, in a new emphasis on store image and design that provided retail designers with new challenges and opportunities through increased budgets and renewed interest in design at a senior management level. The relationship with the brand, represented through advertising and in-store point of sale displays, did however remain unexplored by the designer in an environmental sense, as illustrated in the following quote from Green (1991).

> The art of retail store design ... is most successful when the image of the store coincides with the price, quality, value level of service, and uniqueness of its product and is consistent with its merchandising, packaging advertising, management and sales personnel (Green 1991).

Comparisons can be made between the ideas expressed in comments, discourses and writing on retail design today that are focused on the expression of the brand through the environment, as evident in the following quotes.

> Selling image as much as products, brands need appropriate venues, mini-temples in the service of 'brand deities' (*The Harvard Design School Guide to Shopping* 2001,p.166).

> Architecture and design assume a new significance in the retail sector, because as an expression of the image and message of the brand, they are a vital part of any convincing presentation (Riewoldt 2002p1).

> ... the branding of retailers is a complex multi-dimensional concept, in which the distinction between goods and services disappears as the format becomes the brand (Kent 2003,p.1).

Whether the evolution from store image to the environment as an expression of the brand would have occurred without the advent of the Internet is unknown. There is however no doubt, however, the Internet did have a significant impact on the way retailers and retail designers approached store design. In addition, its introduction interrupted Ramsey's prediction that manufacturers would evolve into suppliers to retail markets. This enabled manufacturers to bypass the retailer and interact directly with consumers. Lindstrom believes that this shifted power from the retailer to the consumer;

> ... the online hype which had attended dotcom e-tailing was, by Christmas 1999 replaced by educated consumerism. In the United States the Internet had penetrated life to such an extent that dotcom addresses were cited as the first point of contact in 80% of brand communications (Lindstrom 2002,p.11).

Lindstrom's view of this shift is based on the premise that the direct relationship offered by the Internet provided consumers with the means to influence manufacturers product, pricing and distribution decisions. According to Lindstrom, manufacturers reacted to the shift by developing their own retail stores, their aim being to control and develop their brand image, affecting both consumer perception and loyalty and reaffirming manufacturer control. One of the most successful exponents of this approach was Nike with their *Niketown* concept stores. Unlike traditional retailers, Nike envisioned their store as an expression or their brand as illustrated in the following quote from Reiwoldt's book *Brandscaping: Worlds of Experience in Retail Design.*

> The primary objective is not to sell the product but to generate a fascination with the brand; to get the customer to identify with the world of the brand, creating a brand awareness and providing it with a deep-set emotional anchor. The act of purchasing becomes the potential climax (Riewoldt 2002,p.1).

The role played by retail environments has evolved due in part to the application and development of branding within the retail sector. The shifting control over brand power has resulted in a renewed focus in place as a means to affect consumer perceptions. Thus the definition of branding itself has evolved to incorporate place as the tangible representation and translation of a retail brand. This has introduced the notion of branded experiences evident in brandscapes such as Niketown. Within these environments sales are secondary and consumer experience paramount.

Kozinets, et al. (2002) claim that 'The primary intentions of most flagship brand store designers are to take the branding concept to an extreme level'(Kozinets et al. 2002,p.17). Their paper *Themed flagship brand stores in the new millennium: theory, practice, prospects,* breaks down the branded retail concept into flagship brand stores, themed entertainment brand stores and themed flagship brand stores. Despite the unique differences between the three, commonality is found between them through the provision of an environment that builds and reinforces the brand image. Tools used by designers to achieve these aims are not limited to physical parameters. They have the ability to blend real and virtual worlds into the branded environment in order to create unique and branded consumer experiences. Kozinets et al (2002) state:

> Increasingly, individual brands are enshrined in environments built especially for them. They have moved beyond conventional retail outlets to take up residence in flagship brand stores. This devotion of exclusive space to brands is an important retail phenomenon.' (Kozinets et al. 2002,p.18)

There appears to be little research completed by members of the design fraternity into the new design challenges posed by the evolving brand concept. However, trade publications within the retail industry have recently began to examine the role played by designers, exploring the new trends and challenges impacting on the industry. Clark (2003) cites the growth of the full service design firm in the United States as a growing trend. These firms seek to offer specific industry sectors with a breadth of holistic services including, branding, advertising, architecture, interior design, business consulting, environmental and graphic design, corporate identity, distribution and fulfilment. Clark cites Bricker Vice-President of Gensler, a leading US design consultancy to emphasise the point.

> ... Clients are not looking for a traditional retail design firm that does only design, they are looking for people who are strategic in their thinking and who understand business. Ultimately, retail stores are just another touchpoint to the brand. The more that the design firm can offer and understand from a business and strategic position the more effective they can be.(Clark 2003,p.6).

A search of web sites of some Australian retail design practices reveals evidence of this trend. Saunders Creative, a Sydney based firm, was established in the nineteen eighties as a specialist retail design practice focused on store and shopping centre design, and it appears that in response to market demands it has evolved its business well beyond traditional retail design services. Consultancy services offered on their web site include; brand communications, marketing, retail logistics, merchandising, packaging, architecture, advertising, and exhibition design. In addition to these, they have developed two packaged products available for purchase in market research and media buying (<www.saunderscreative.com.au> 2006 viewed 12 april 2006).

Geyer, another leading Australian design practice, has also moved to expand its service offer and position itself away from the traditional design practice, as the following extract from their web site illustrates;

> Geyer has led many initiatives in retail design over its 22 years and has contributed to the store design of many leading retail brands.
> Geyer's objective is to provide creative thought and design leadership to the retail industry and its individual business by creating environments that strongly differentiate brands and customer experiences.
> Geyer are experienced in integrating and translating sound market research into insightful briefs and building strong strategic frameworks that inspire creative solutions for the right 'customer experience (<www.Geyer.com.au> 2006 viewed 15 March 2006)

Geyer's website illustrates that its service offer is no longer restricted to pure design activities, but it focuses rather on framing its services within a business and commercial framework and clearly communicating its understanding of integrated strategic business practices.

Turley and Chebat (2002) in their paper *Linking Retail Strategy, Atmospheric Design and Shopping Behaviour* attempt to articulate the interrelationship between design and business strategy, indirectly highlighting the challenges faced by retail designers in extending their knowledge, skills and services to accommodate new requirements. They state:

What is lacking in the present literature, however, is a clearly articulated discussion of the managerial and strategic issues associated with retail atmospheric design. Retail managers have adopted many of the branding philosophies from goods marketing and have realised that the store environment is similar to a package in that it surrounds the product or products which are for sale. For many larger retail organisations, the design of a store atmosphere actually involves a number of people at several stages (Turley & Chebat 2002,p.126).

The purpose of design within place-based retail environments is still to influence consumer perceptions and behaviour through creation of environments that enhance the appeal of the products and services and the brand. Environmental and atmospheric conditions subliminally emit cues about the brand and the offer that are rejected or responded to by consumers. There is growing recognition in industry and academic circles of the retail environment's ability to affect consumer behaviour. This recognition, in combination with an intensification of global competition and a better educated consumer market that are spoiled for choice, has resulted in a renewed focus on atmospheric affect, first explored by Kotler (1973) in his paper *Atmospherics as a Marketing Tool.*

1.3 Marketing, Atmospherics and Meaning

Within marketing, terms used to describe environmental affect and its role within retailing, have evolved from the perspective of customer reaction and response. Marketing is defined by Kotler as '... a social and managerial process by which individuals and groups obtain what they need and want through creating, offering and exchanging products of value with others'(Kotler 1980). This process requires a reciprocal relationship between a supplier and consumer, where profits are achieved through customer satisfaction. The retail environment offers the opportunity to impact on customer satisfaction through affecting perceptions of the purchase experience, purchase transaction and post purchase evaluation.

The notion of atmospherics was first explored by Kotler in his paper *Atmospherics as a Marketing Tool* published in 1973. Atmospheric effect on consumer behaviour has been recognised and researched within the marketing profession since its inception. There has however been limited collaborative work between design and marketing, despite the interrelationship within the retail industry. This discussion on meaning has focused predominantly on Kotler's original exploration of the construct as later works (discussed within this paper at different intervals) have tended to look specifically at methodologies and applications of atmospheric theory, confirming both its importance and relevance within the retail industry. Kotler's original paper recognised and acknowledges the role played by place, in affecting consumer behaviour; ' ... the place, more specifically the atmosphere of the place, is more influential that the product itself in the purchase decision' (Kotler 1973,p.48). The general public often use notions of atmosphere to describe an environment and experience, in preference to describing the physical elements represented in the space. Designers through their manipulation of space, form, lighting and finishes create an environment that is reacted to, yet difficult to analyse from the perspective of the user without the application of emotive descriptors. This dichotomy is discussed by Rapoport (1990) in his book *The Meaning of the Built Environment;* 'Designers tend to react to environments in perceptual terms (which are their meanings), whereas the lay public, the users, react to environments in associational terms' (Rapoport 1990,p.19).

The differences in meaning are further highlighted when one examines the atmospheric concept proposed by Kotler in 1973. He argues that atmospherics is based around four of the five human senses namely the visual dimension, (sight), encompassing colour, brightness, size and shape; the aural dimension (sound), involving volume and pitch; the olfactory dimension (smell) incorporating scent and freshness, and tactility (touch) including softness, smoothness and temperature. Kotler does not consider that the sense of taste has a direct relationship with the atmosphere, though he acknowledges the ability of taste to activate memory. The ability of an environment to stimulate the senses is therefore the direct result of the designer's creative response to a design brief. Kotler points out that the intended atmosphere generated by the designer, and the perceived atmosphere experienced and described by the user, are often in contrast. Rapoport uses the example of the Amsterdam nursing home designed by Herman Hertzberger as an example of how meaning is applied by different groups.

> This was designed ... by the architect, but was evaluated in associational terms by the users, who saw the white frame and black infill elements in terms of crosses and coffins, that is, as having highly negative associations (Rapoport 1990,p.20).

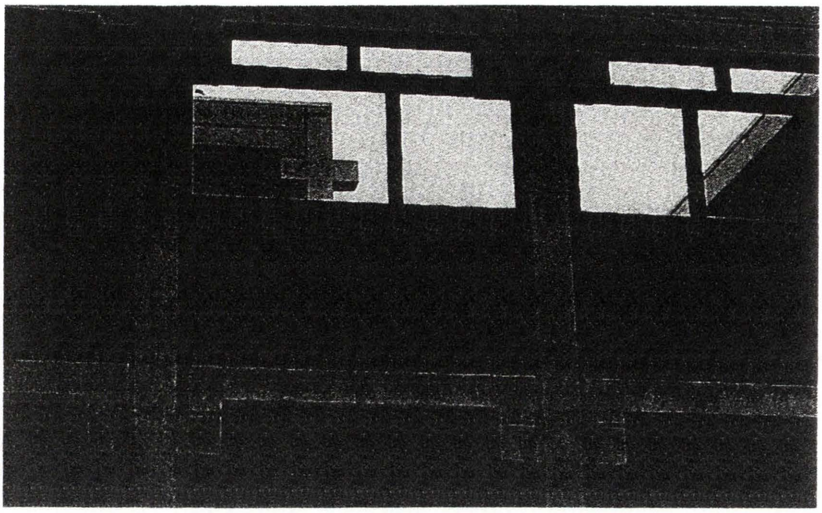


Figure 1.2 De Drie Hoven Nursing Home Amsterdam (NL) (Hertzberger 2002, p 87)

Whereas it can be argued that marketing texts emphasise the user's associational meanings, it can be argued also that design texts reflect the designer's meanings. The following examples from an architectural text and paper from a marketing conference illustrate the gulf between the marketing and design disciplines in their focus and emphasis. Steele (1997) describes the architect Zaha Hadid's winning competition bid for the Cardiff Opera House in 1994.

> This competition to design a new home for the Welsh National Opera, was taken as an opportunity to address what Hadid has identified as the '...mutually exclusive paradigms of urban design' by attempting to be both a monument and a space. To achieve this, she created a continuous linear form that acts as a foil to the oval harbour nearby, and breaks down the orthogonal arrangement of traditional theatres (Steele 1997 p 212).

The above extract can be contrasted with a description by Bunce (1989), an executive with Laura Ashley Holdings, of the company's marketing and store design strategy:

> The marketing and design strategy of the group has been aimed to appeal to a customer's lifestyle. ... On the retail front the Laura Ashley shops are designed to create the same look and atmosphere throughout the world, playing an important part in projecting the image of Laura Ashley (Bunce 1989p 113).

The description of Hadid's work by both the author Steele and Hadid are focused on designers' meaning, whilst Bunce's quote illustrates the marketers' emphasis of the environment's effect on the end user. Kotler's proposition of the contrast between the meanings of the designer and the user is not unexpected in light of the fundamental differences between designers' meanings and end users' meanings. It could be argued, however, that within the retail sector where design's sole purpose is to affect consumer response and exploration, the development of an environment without exploration of the atmospheric concept is irresponsible. Certainly in retail, where end user perceptions and behaviour are the ultimate measure of success, consideration and incorporation of atmospheric principles is warranted.

There has been little emphasis placed by the design discipline on research on the theory of atmospherics. Indeed the experience of the author as a 'participant observer' has shown that there is a general reluctance among members of the design and architecture professions to engage with retail at an intellectual level. As interior design tends to draw so heavily from architectural theory, this has created a situation where research in this area is minimal. Herman cited in *The Harvard Design School Guide to Shopping* states;

> Architecture's professional academic establishment has failed twice with shopping. High architecture bungled first by denying shopping's presence, then by accepting it blindly. The refusal of architecture's elite to engage retail, has as a result, disqualified designers from participating in the twentieth century's contribution to urbanism' (*The Harvard Design School Guide to Shopping* 2001,p.391).

Because of the above statement, it is not unexpected that the theoretical underpinnings of interior design, based as they are within tertiary institutions on architectural pedagogy, have yet to develop frameworks applicable to retail design or embrace those offered by the marketing discipline. Populist architecture has received considerable attention from the design community, and is aligned to the retail design industry through its role as the architecture of consumption. Themed environments such as amusement parks and ultimately the casino mecca Las Vegas best exemplify this architectural style. Discourse on populist architecture at an intellectual level has increased over the last decades, driven no doubt by the increasing intellectual focus on consumerism. As Steele (1997) explains:

> The rise and rise of populist architecture in the 1980's and 1990's owes much to the dual forces of rampant consumerism and in increasing sense of global destabilisation. ... These environments have emerged in the public realm most noticeably where people feel especially threatened and insecure, as an entrepreneurial reaction to an acknowledged social need for

security and as a collective response to the perceived loss of cultural or even personal identity (Steele 1997,p.340).

Entrepreneurial response to public insecurity is evident across retail developments and stores, where themed and experiential offers have become common. The post-modernist emphasis on designing with people in mind has evolved within populist architecture. Populist architecture is ultimately about creating fantasy environments for users with little or no reverence to architectural theories. The link between populist architecture and commerce and thus the retail industry is undeniable, further breaking down the ' ... understanding of architectural culture as being exclusively the high art domain of the cultivated classes' (Steele 1997 p 340).

It can be argued that the brandscapes represented by examples such as Niketown sit within populist architecture, driven by their internal focus, function and experiential qualities. These relatively new anomalies are defined by Riewoldt (2002) as '... forging backdrops for experiences with a high entertainment value, from flagship stores to corporate theme parks, from customised, modular shop systems to innovative mall concepts' (Riewoldt 2002, p. 1) Research concerning these developments is in its infancy, and it can be argued that it requires an inter-disciplinary approach in order to meet the design challenges posed by them. The general reluctance shown by design and architecture to engage with retail and marketing at an intellectual level has polarised the industry and drawn criticism from industry representatives.

1.4 Retail Design Methodology

The intangibility of the design process has drawn criticism from marketers. Schmitt and Simonson (1997) in their book *Marketing Aesthetics* draw attention to the failure of designers to embrace a design project from a broad perspective. They accuse designers of refusing to change or modify a design solution, irrespective of the research and information presented that clearly indicates a re-design is required. They suggest that designers are too reliant on anecdotal evidence based on their own personal experiences as starting points for developing design solutions. Massimo Iosa Ghini, an Italian architect cited in *Brandscaping: Worlds of Experience in Retail Design* (2002), confirms and justifies this type of design process.

> Like any other designer, I start from myself, from my background and culture. I say this because there are two schools of thought on this subject. One relies on market research finding for answers the - what I call the Italian approach – proceeds quite differently: here the designers get together with the clients and talk ... I draw on my own visual culture and transmit this culture to a product of a space. ...You have to be prepared to take risks if you are going to influence contemporary trends. As a designer you cannot take current market fashions as your point of departure. On the contrary, you must develop concepts independently of the market. The market may be our goal, but it is not our point of departure (Riewoldt 2002,pp 108.109).

Massimo Iosa Ghini's response draws attention to the intangibility of the design process and puts forward the argument that market research as a foundation for creativity is limited. His response illustrates how designers seek to create trends rather than respond to them. An argument that could be posed by retail designers is that market research is generally posthumous, offering no creative direction in the formulation of environmental concepts. This premise enables designers to disregard consumer research and to post rationalise creative solutions, but the limitations of this view are that it ignores the value of understanding consumer behaviour. Many designers are now seeking to utilise this material and formulate methods for incorporating the outcomes of market research into concept formulation. John Hoke, the leader of Global Image Design for Nike, explains how the Nike design team utilise market research material.

> The most important thing for us before we process a new project is to understand what the consumer context is. We then try to provide a vision that helps lead the customer through – a vision that is relevant and resonates with the customer (Hoke in Riewoldt 2002,p.103).

Equal criticism can be levelled at marketing and business entities that have shown a general reluctance to enter the creative realm. Baker, Levy and Grewal (1992) in their paper *An Experimental Approach to Making Retail Store Environmental Decisions* argue that despite the large sums of money invested by retailers in the design and refurbishment of retail environments, retailers are unable to identify the environmental factors that may influence consumer behaviour. Baker et al cite a study by Darden et al. into consumers' perceptions of the attractiveness of a store, and argue that these perceptions had a higher influence on patronage intentions than pricing and merchandising qualities (Baker & Levy 1992 p 446). On the basis of the study by Darden et al, design is shown to play a major role in the success of a retail business, yet despite the significant financial investment made, the ability of the retailer to meet specific environmental objectives are limited by their lack of knowledge regarding the design process. They are reliant on designers to interpret their briefs and research data into an environmental solution that's success can only be measured after completion.

The paper by Baker Levy & Grewal (1992) suggests three alternative methods for improving the ability of retailers to evaluate store design decisions prior to final construction. These include construction of a prototype store and undertaking market research to measure consumer response to it. This method is the one most often utilised by chain retailers with the funds available to invest in the process. However there are many instances where this method is not appropriate. Department stores and other large format retailers would in most instances be unable to utilise the prototype method, due to the significant costs involved in design and construction and the lengthy fitout periods. Niche retailers would also find the process beyond their budget. In addition, the market research data provided on consumer preferences, if all negative, would offer few clues as to how the store should be re-designed due to the language and associational meanings expressed by the non-designer. Further useful research might investigate how emotive opinions can be translated into a three dimensional environmental language.

The second method suggested by Baker et al involves the use of computer aided design (CAD) as the basis for creating the store in the virtual world, thus enabling consumers to experience at least partially the shopping experience. Baker et al observe that '...computer assisted design (CAD) drawings make this method relatively inexpensive and quick' (Baker & Levy 1992p.447). This statement is in fact inaccurate, as the three dimensional construction of an environment on a computer is in fact a very time consuming process and still requires the designer to 'design' the space. Although expensive construction costs are avoided, this saving is negated partially by the design fees associated with constructing high quality three-dimensional walk-throughs.

The final method suggested by Baker et al involves the use of verbal descriptions of a store in lab conditions where subjects' responses to these descriptions are measured. They state that '... the external validity of this type of research is limited because the verbal descriptions can be value laden' (Baker & Levy 1992,p.447). Despite the perceived limitations of this method, this type of research is cost effective and occurs prior to the design stage, thus enabling designers to draw from the gathered data, establishing broad consumer preferences and expectations. Approaching this method from a multi-disciplinary perspective would have many benefits. It would enable the framing of questions that enabled further detailed analysis and probing of the responses. The challenge would be to work out if and how the space could reflect the ideas emanating from the emotive answers. Consumers could be asked to give examples of those retail spaces they felt best exemplified the desired and expected characteristics. Designers would need to be involved in the process if the translation from consumer responses to environmental objectives were to be made.

Holistic retail solutions would be more easily obtained through development of more transparent design methodologies and a multi-disciplinary approach to market research that provides a framework for the creative design process. The benefits of this approach would include a heightened understanding of the design process by non designers which would enable them to contribute to the creative solution through the provision of relevant market research data. Alden cited by Kent in his paper *Management and Design Perspectives on Retail Branding* states;

> Promotion of cross-disciplinary approaches is pedagogically desirable too as disciplinary boundaries become fuzzier; career paths often cross disciplinary boundaries, and cross-disciplinary learning increases students problem-solving abilities (Kent 2003,p.131).

This view has implications for tertiary interior design education which requires knowledge of how the business climate is evolving and the importance of working across disciplines to solve problems.
The area of atmospherics provides a useful focus for an exploration of retail design methodologies. Evidence of the marketing disciplines realisation on atmospheric importance is confirmed by the research undertaken within this area (Baker, Grewal & Parasuraman 1994; Bitner 1992; Gilboa & Rafaeli 2003; Hoffman & Turley 2002; Machleit & Eroglu 2000). However, it can be argued that the production of holistic relevant research has been marginal.

Reasons cited by Gilboa & Rafaeli and by Hoffman & Turley for the lack of empirical or theoretical research on atmospherics includes the lack of a suitable theoretical framework and the variable complexity that impacts on research outcomes. These variables include, the type of purchase (either utilitarian defined as needs based purchases and hedonic purchases which are those motivated by desire and wants); individual consumer characteristics, including mood and emotion, age, gender and social status; and brand awareness and loyalty (Gilboa & Rafaeli 2003; Hoffman & Turley 2002).

It is safe to assume that another factor impacting on this research area is the reluctance of marketing to engage with the creative component of the atmospheric concept. In order to overcome these limitations, marketers have drawn on theoretical frameworks from environmental and behavioural psychology and linguistics as a basis for their research. There has been ongoing research within the marketing discipline itself to develop a suitable theoretical framework for studying and utilising the atmospheric concept. To date the model most frequently used as the basis for atmospheric study is the PAD (Pleasure, Arousal and Dominance) model developed by environmental psychologists Mehrabian and Russell in 1974 (Figure 1.3)

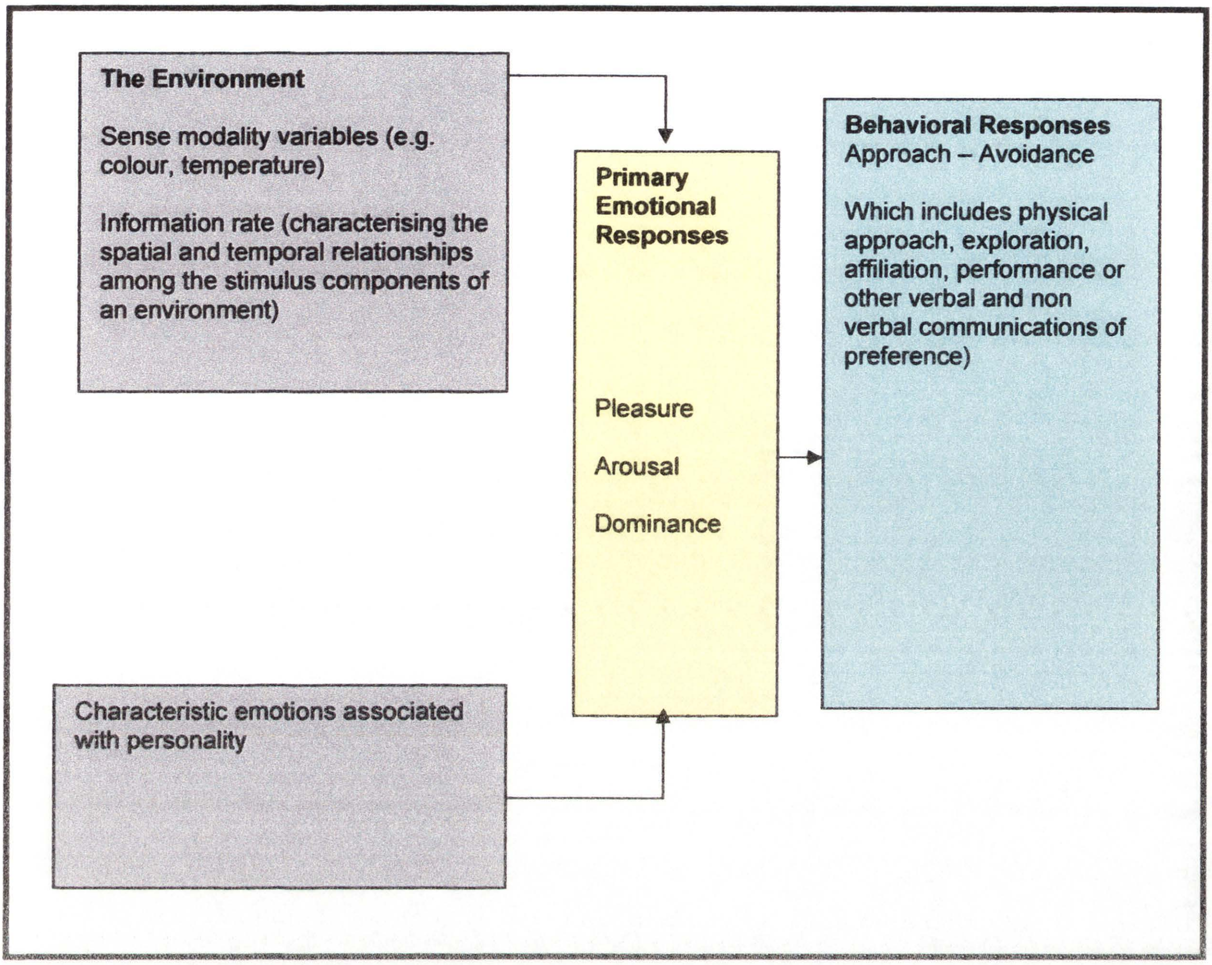


Figure 1.3 **Outline of the Proposed Framework**
(Mehrabian & Russell 1974,p.8)

The Mehrabian & Russell model seeks to establish responses to environments through the measurement of an individual's willingness to approach or avoid environmental situations. According to Mehrabian and Russell, pleasure is defined as an emotional response to an environment that the atmospheric qualities produce within the user. Arousal relates to the level of personal arousal created by environmental stimuli. Dominance is related to the power each individual feels within the environment and their ability to act. This model is derived from the environmental psychology discipline's study on the impact of physical stimuli on emotions and the effect of physical stimuli on behaviours (Mehrabian & Russell 1974,pp1-8).

Mehrabian and Russell indicated that approach behaviours are optimised with a moderate level of arousal which is often dependant on an individual's personal arousal characteristics. They refer to this as trait arousal, and contend that arousal seeking behaviour varies between individuals, depending on personality characteristics. They highlighted the difference between extroversion and introversion, pointing out that extroverts show a preference and higher tolerance for higher arousal levels and are thus are able to cope with more environmental stimuli than introverts who have a preference for less environmental stimuli (Mehrabian & Russell 1974).

In addition to trait arousal, anxiety and neuroticism are cited by Mehrabian and Russell as personality variables that can affect approach and avoidance behaviour. They point out that external variables such as drugs and alcohol can raise or lower an individual's arousal level depending on the type of stimulant or the amount consumed. The sensory components of arousal align with the atmospheric concept (based around the senses), that seek to define environments by consumer response and have provided the basis for much of the research undertaken by marketers studying atmospherics.

Donovan and Rossiter (1994) utilised the PAD model in their research on retail environments and customer response, however evidence presented by them discounts the dominance component of the model within the study of atmospherics. Despite the model's success in measuring approach and avoidance behaviours its purpose is limited from the design perspective as it does not identify specific physical environmental features. Information relevant to designers would ideally show how form, shape, material, colouration and atmosphere combine to enhance approach behaviours. External influences are also variables that need to be incorporated and considered if a holistic analysis is to be provided. Variables also include familiarity with the environment, past experiences, personal situation, personality, cultural associations, expectations (typicality) brand preferences, loyalty and perception.

Most marketing studies on atmospherics have focused on either ambient or social factors that are easier to control and manipulate within research parameters. One could argue that the value of this research is limited as a consumer is never privy to the research variable in isolation. The variable complexity associated with atmospheric studies make holistic studies difficult. Baker et al (1992) break down atmospherics into three distinct categories. The first is that of ambient cues described as those intangible aspects that are often easily changed, manipulated and measured. Examples of these cues are music and lighting. The next category is social cues which are emitted and conveyed to customers by other shoppers and the staff working within the environment. The third category is termed design factors and describes the cues emitted by the physical environment. Bitner (1992) expands on the perceptions created by the physical environment citing Berry and Clark; '... consumers commonly look for cues about the firms capabilities and qualities' (Bitner 1992,p.57).

Gilboa and Rafaeli (2003), sought to refine an appropriate model for measuring the influence of store environments on emotions and consumer behaviour. In their paper *Store Environment, Emotions and Approach Behavior,* they cite Baker who states; who states '... lack of a coherent framework for analysing such environments' (Baker in Gilboa & Rafaeli 2003,pp.195 - 211). The research of Gilboa & Rafaeli was aimed at confirming the importance of the store environment on consumer perceptions of store image. They propose that the store environment, merchandise quality and service levels were antecedents of store image rather than components of it. They refer to the work of Darden Ordem and Darden '... who found that consumers' beliefs about the physical attractiveness of a store had a higher correlation with patronage intentions than did merchandise quality, general price level or selection' (Gilboa & Rafaeli 2003).

The importance of the physical environment within the retail industry is constantly reinforced by the available research. Mazursky and Jacoby (1986), found that ' ... pictures of a store's interior were second only to brand name in being the most heavily accessed of several cues from which consumers could choose to evaluate merchandise quality' (Mazursky & Jacoby 1986,p.155). The environment's ability to affect consumer behaviour and directly affect the success or failure of a retail business is recognised by the retail and marketing professions. However, more focus has been paid historically to brand advertising by senior management. According to Hoffman and Turley 'Managers, continually plan, build, and change an organisation's physical surroundings in an attempt to control its influence on patrons, without really knowing the impact of a specific design or atmospheric change on its users' (Hoffman & Turley 2002,p.33). The design profession's research within this area is also minimal, due in part to the trans-disciplinary skills and knowledge required to realise it.

As outlined above, the PAD model, although valuable in measuring approach and avoidance behaviours does not provide an answer to the issue raised by Hoffman and Turley. Ideally a model would need to be developed from a trans-disciplinary perspective that provided both the design and retail industry with a proven methodology for formulating environmental decisions. Although a definitive model is unlikely, there is the possibility of developing one that can suggest possible behavioural responses from specific design cues. Particularly relevant to the development of an environmental design model is typicality. This has been extensively researched by the marketing discipline as it directly relates to consumer expectations of the retail experience.

Typicality looks specifically at how environmental cues can influence consumers by providing them with the ability to draw inferences about the offer and experience from homogenetic environments. Ward Bitner and Barnes (1992) in their study on restaurants developed the following model to illustrate how consumers categorise stimuli to prototypical representations of categories.

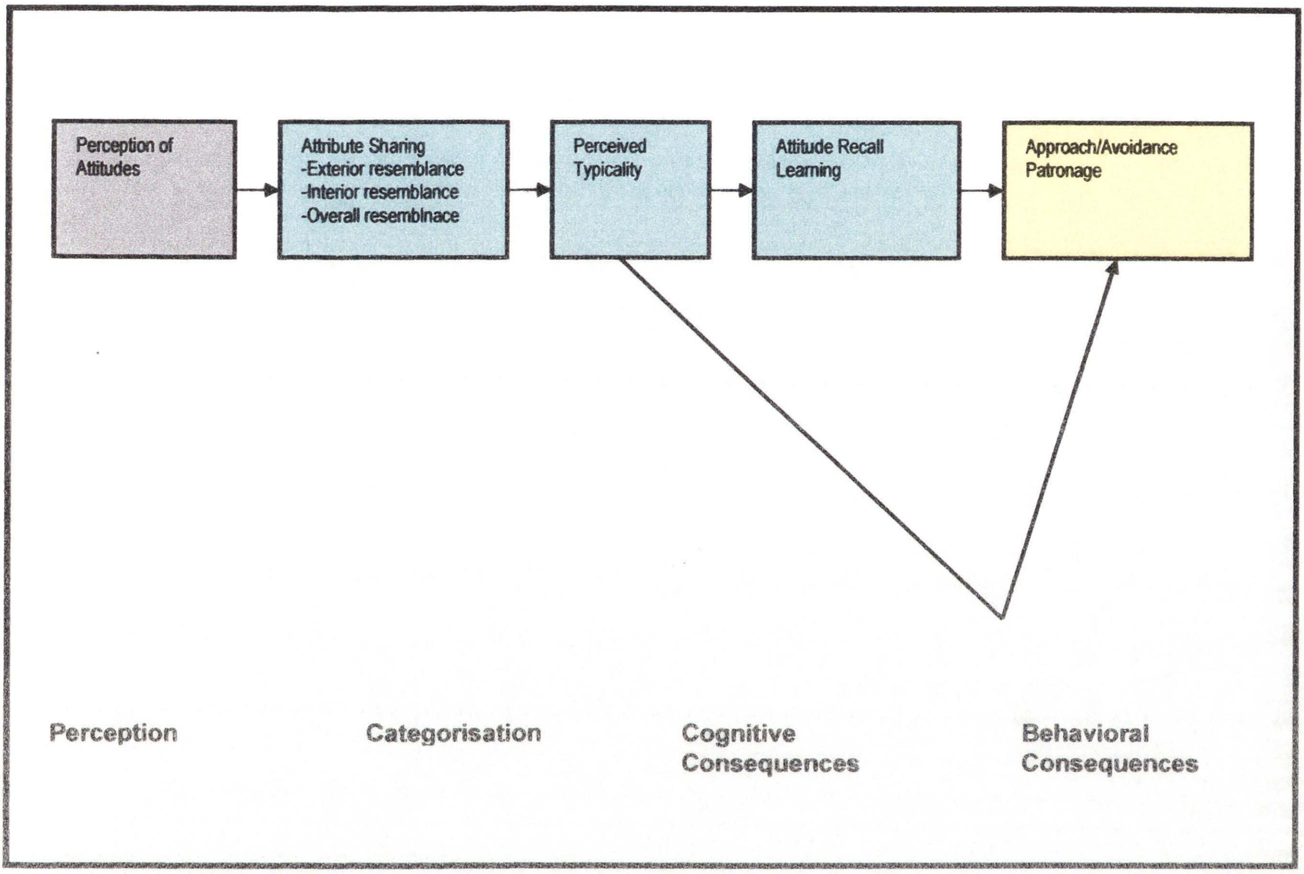


Figure 1.4 Retail Categorisation and its Consequences
(Ward, Bitner & Barnes 1992,p.197)

This model illustrates how consumers use cues emitted from the environment, to make critical judgements, as to whether they will approach or avoid the particular environment. Over time consumers have learnt the meaning of a variety of environmental cues that have been repetitively used across retail categories. An example of a learnt and understood cue would be the use of white linen tablecloths in restaurants that immediately signify a higher price point, fine dining experience and longer time commitment. The study by Ward et al found that there was value in sharing a significant number of characteristics that were prototypical of a category. The study did, however, quantify this by noting that their findings did not '...preclude differentiation within a category as a successful strategy' (Ward, Bitner & Barnes 1992,p.123).

Smith and Burns (1996) in their study *Atmospherics in the Retail Environment: The case of the power aisle* examined how the power aisle is an environmental cue used by retail designers and retailers to signify a lower price point through volume merchandise representation. Their study confirms the premise of Ward, et al (1992) represented by their model *Retail Categorisation and its Consequence* (Figure 1.4) that retail designers have utilised typicality perceptions, borrowing signifying elements from one category that are deemed positive or relevant by consumers and transferring them across different categories. Designers have thus changed and influenced the perceptions held by consumers over other retail categories.

The studies by Ward et al (1992) and Smith and Burns (1996) on typicality have drawn on semiotic theory, specifically the relationship between the signifier and the signified. Thus the power aisle is the signifier and the signified is the price point conveyed to customers. The use of semiotic theory as a framework for the examination and study of environmental cues and meaning has been commonly used across relevant disciplines. However, there has been criticism levelled at its use by the design and architecture fraternity. Amos Rapoport (1990) is highly critical, arguing that its use is limited due to its '... high level of abstraction .... difficult and esoteric vocabulary full of neologisms .... totally beyond the grasp of the uninitiated and apparently becoming more so' (Rapoport 1990, p. 37). He infers that the focus within semiotic research has been on the study of syntactics, or the relationship of signs to other signs and the structure of the system, and he describes syntactics as, '... in effect the most abstract of the semiotic components' (Rapoport 1990,p.39).

Rapoport argues that the most important element within semiotics for designers is pragmatics, or the behavioural responses of people to a sign's meaning. As evident in the paper by Smith & Burns (1996), examination of the perceived meaning of design elements and the concept of learned cues is indeed an element of semiotic theory and vital to the understanding of consumer behaviour. Despite this, Rapoport argues that empirical research on environmental cues and symbolism '... does not really need, nor does it relate to semiotic theory' (Rapoport 1990, p.37). He proposes that alternative approaches such as cognitive anthropology, ethnoscience and cognitive psychology are more successful in enabling theoretical classification and offer more information to designers.

As retail designers are highly concerned with meaning, it would appear that semiotic theory offers limited value within the retail design process. This is due in part to the multiple variables associated with consumer perceptions of meaning within the retail context. Semiotic theory has been annexed by advertisers in brand communications. Goldman & Papson (1996) point out that Saussure often referred to as the pioneer of semiotics, sliced everything into paired categories, and they argue that this device has been harnessed by the advertising industry where there are numerous examples of positioning products through contrasting them with a negative signifier (Goldman & Papson 1996). It could be argued that retail designers have also taken steps to mirror this behaviour through the development of differentiated retail environments within a retail category that contrast with typical environments and thus consumer expectations.

Goldman and Papson (1996) quote leading marketing consultant Jack Trout who levels the following criticism at the advertising industry; '... advertisers are less concerned with the idea of what makes the product different and more concerned with what makes the advertising look different' (Goldman & Papson 1996, p30). Can the same criticism be levelled at the retail design industry? Visual evidence suggests not; many retail designers appear to be more concerned with meeting the design requirements of the current fashionable aesthetic rather than seeking to develop a unique and innovative environmental experience for the client. There is often an endless sameness across retailing typologies as designers play catch up with the market innovator. An obvious example of this is the fashion typology in the late 1990's where the fashionable minimalist aesthetic first established by designers such as John Pawson in his work for Jigsaw was replicated by other brands internationally. How much of this replication is driven by retailers is unknown. However, it would appear from visual evidence that it is often the case that current fashionable aesthetics can play a far greater role in retail environmental design than the seeking out of new and innovative design approaches.

Despite the tangible evidence of sameness by many retailers and retail designers, there are many examples of the role played by design in what Daniel Herman, in The Harvard Design School's *Shopping,* calls 'The Next Big Thing'.

> The Next Big Thing is the recurring promise of a new typology that will deliver greater profits and higher consumer satisfaction. Shopping experts believe that the right architecture can make a difference in optimising the retail environment. (Herman in *The Harvard Design School Guide to Shopping* 2001,p.527)

Perhaps solutions to the development of new and innovative retailing typologies can be found through the adoption of methodologies and practices from other industries. Especially those from the field of advertising, where competition for consumer attention is high and the difficulties faced in reaching consumers through an already cluttered market are demanding new approaches. Goldman and Papson (1996), stated that advertising has entered a:

> ' ... stage based on hypersignification, a stage in which '... semiotics gets increasingly annexed by the advertising and marketing industries....Signification practices themselves become the currency with which advertisers negotiate a market cluttered by simulated reproductions, and an audience populated by recalcitrant viewers who no longer compliantly complete the meanings of ads' (Goldman & Papson 1996,p.57).

They point out that advertising has seen the benefits offered by utilising intertextual references, defining these as the breaking down and recognising of signifying components of information and showing how these signifying components are linked to form new communications. The use by retail designers of typical signifying elements and reconfiguration of these understood signifiers to suit other retail categories mirrors advertising's use of intertextual references. However, there are fundamental differences in the responses of consumers to advertising and environments. It has become a game for viewers to determine the origin of the signs presented in advertising, yet consumer awareness of the physical environment's ability to signify remains on a subliminal level. The value of combining understood elements – signifiers within the physical environment is still in its infancy. There are opportunities for utilising this method to enhance the retail experience and affect consumer response and perceptions, but the implications require further research and exploration by both the marketing and design professions. An advantage of applying a knowledge of semiotics within the retail sector is that unlike other theories a degree of research can be undertaken prior to full design and construction – what physical elements are recognised and understood by consumers? How can they be reconfigured and redefined to meet the objectives of a new environment?

Another area worthy of exploration is the application of theatrical metaphors to the retail environment. How can the retail environment be staged or manipulated to affect consumer response? Baron et al (2001) in their paper on retail theatre examine how the theatrical metaphor has been used within the retail sector and propose that there are extensive opportunities to further utilise theatrical metaphors to produce commercial objectives. They suggest that theatrical realism, political realism, surrealism and absurd theatre offer many unexplored retail opportunities.

Baron et al draw parallels between theatrical performances and retailing, citing the utilisation of social, ambient and design factors by both to produce the desired response. The design of retail environments from the perspective of experience, immersive or performance–staged, offer alternative strategies for the development of innovative retail environmental concepts.

To date within the retail industry there has been a growing trend towards the use of consumer segmentation and profiling as the basis for predicting needs, expectations, preferences and behaviours. According to Hosoya and Schaefer (2001), 'Consumption became a matter of psychology when the commodity was stripped of the burden to be useful' (Hosoya & Schaefer in *The Harvard Design School Guide to Shopping* 2001,p.562). It would appear that in a world spoilt for choice, manufacturers and retailers have sought to examine their customers in depth in order to differentiate and define their businesses and meet their commercial objectives. Retail designers are often asked to utilise this material when developing environmental concepts, and they thereby assist their clients in the establishment of a clear market position.

Gunter and Funham (1992) define the segmentation process as follows;

> The act of dividing a market into distinct groups of buyers who might require separate products and/or marketing mixes. The company identifies different ways to segment the market and develops profiles of the resulting market segments (Gunter & Furnham 1992,p.3).

According to Gunter and Furnham, market segmentation has been developed for, and is most commonly used by, the advertising and marketing sectors in order to ensure that products and services appeal to the targeted consumer groups. Market Segmentation also enables corporations to identify the most appropriate distribution channel for a specific market and price position. What is clear from their work is that the growth of segmentation tools has centred around defining consumer preferences, wants and needs as a starting point for the design and supply of products and services. The following diagram by Gunter and Furnham illustrates marketing segmentation basics:

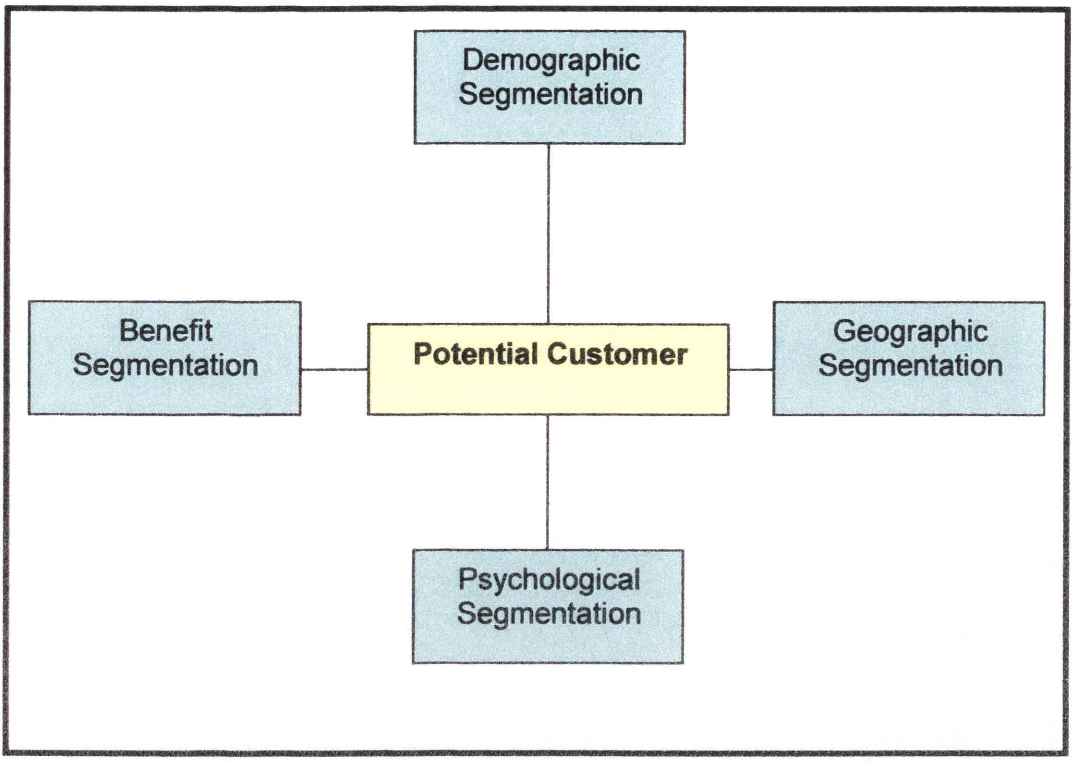


Figure 1.5 **Marketing Segmentation Bases** (Gunter & Furnham 1992,p.4)

The above model illustrates the bases behind segmentation. It explains that geographic segmentation seeks to segment based on locality, demographic on age, sex and income, two homogenous groups. These types of approaches are suitable for dividing total markets but fail to provide individual and small market preferences and behaviour. According to Gunter & Furnham, the lack of usable data supplied by these segmentation techniques resulted in business dissatisfaction and led to the development of behavioural attribute segmentation. Psychographics has its roots in research undertaken on personality and motivation by psychology researchers. The development of psychographics in the 1960s was driven to a large extent by advertising and marketing as they sought to understand and thus predict consumer behaviour and provide for their preferences, wants and needs (Gunter & Furnham 1992).

Gunter & Furnham explain that psychographics combines elements of demographics, motivation, personality, values and lifestyles. It seeks to classify consumers through '...the application of personality profiles both conceptually and methodologically' (Gunter & Furnham 1992,p25). However, like other models and theories discussed, market segmentation material is also limited in what it can bring to the creative design process that is specific to environment design. Though it offers insight into the type of customer a retailer is seeking, it can often prove extremely problematic to retail designers if the brief from the client contains more than one psychographic category. In this instance it would be very difficult for the designer to translate the disparate preferences and personality characteristics into a comprehensive and differentiated environmental design and experience.

There has been some discourse on applying market research to retail, albeit not directly related to environmental design. Johnson and Welch (1989) refer to developments in retailing in their paper *The Application of Market Research to Retail Merchandising;*

> From the early days of 'pile it high, sell it cheap' merchandising, much has changed. The old Distribution Industries Training Board's seven 'rights of retailing, which were –'the right goods, of the right quality, at the right price, at the right time, in the right place, in the right quantity, in the right way...' now seem sterile and very basic. Fast disappearing are the days when merchandising objectives were simply to direct customers through the store so that they were exposed to the maximum proportion of merchandise and strategically to locate and assign space to 'demand items,' impulse items and the most profitable items. ... As the trade faces up to the realities and consequences of retail saturation together with this increasingly complex and demanding consumer, so it is being forced to understand and react to the consumer, such that in putting together the retail proposition, consideration is being given to consumer lifecycle, lifestyle, needs and aspirations (Johnson & Welch 1989).

Despite the acknowledgement by Johnson and Welch of the importance of the retail environment in the above quote and their statement; 'Store ambience and image assume major importance in the retail outlet ...' (Johnson & Welch 1989), it is evident that their focus is on merchandising rather than the environment that enables it. Gunter and Furnham (1992), emphasise the importance of understanding consumers;

It is important for retailers to have a thorough understanding of their consumers. The ability to classify consumers into relevant market segments can guide the way stores are designed and located, and inform communication and promotional campaigns aimed at building consumer awareness of the business and shaping the right sort of store image. Understanding not only what customers need, but also how they think and feel about shopping is essential in today's increasingly competitive retail environment if businesses are to maintain their market share(Gunter & Furnham 1992,p.103).

The above quote suggests that market segmentation does offer a guide to designing the retail environment but does not indicate how this is achieved. Psychographic information, whilst providing data on specific lifestyle preferences, still demands that the designer makes intuitive assumptions and creative leaps if a design concept is to be developed. It is also an entirely subjective approach which makes it difficult for a designer to separate his or her own preferences from the final solution.

1.5 Chapter Summary

The demands placed on retail designers in today's global market are significant. Retail designers work in an industry driven by a wide range of complex and changing variables. The evolution of retail from a stand alone industry to an application of marketing has had a significant affect on the way designers work and the knowledge and skills they require. Retail designers today may never design and build a store or retail centre; they may instead design and build on-line retail environments that will only ever exist within a digital realm. The incorporation of retailing within marketing's multi-channel distribution framework has moved design beyond bricks and mortar. Designers today seek to represent and embody a retail brand, in both, two, three and four dimensions. This has resulted in the ongoing blurring of disciplines, and this demands knowledge across marketing, communications, business and consumer behaviour.

Traditional design methodologies that seek to define the creative process as something different and separate from the business employing them ignore valuable data and are limited. They are at odds with today's global retailers who seek a more structured, strategic and holistic approach across their businesses. The failure of the design discipline to engage with retail on an intellectual level, or engage with other relevant disciplines such as marketing, has heeded development of an interdisciplinary approach to retail design, and resulted in a limited body of holistic retail design research.

Tony Kent (2003) in his paper *Management and Design Perspectives on Retail Branding* highlights the problem faced today in the retail industry.

> It has become increasingly evident that the branding of retailers is a complex multi-dimensional concept ... as the format becomes the brand. ... There is evidence in at least some marketing departments of an enthusiasm for breaking out of their specialised 'silo' to build a broader, synthesised understanding of the subject (Kent 2003,p131).

Based on the information presented it appears that tertiary design educators face a number of significant challenges in preparing graduates for work within the retail industry. These include: providing graduates with the skills and knowledge to work with and across other design disciplines, educating them in relevant theoretical frameworks that are used by the retail industry including marketing, semiotics specifically pragmatics, environmental psychology, consumer behaviour, branding, business and communications. Design educators also need to give students a broad educated understanding of the retail industry and the factors that are or may impact on it in the future.

The implications for educators, practitioners and professionals of the emerging issues identified in this literature review will be further explored in the next chapter, and will be used to inform the primary investigation in Chapter 3 of the attitudes and needs or retail professionals in relation to retail design services.

Chapter 2. The Challenges for Educators and Practitioners of Emerging Issues in Retail Design

The emerging issues related to the retail industry that were discussed in the last chapter present opportunities for interior design practitioners and educators to engage with a broader range of disciplines and find more holistic and strategic design approaches. Also, as indicated in the chapter summary, they present a number of challenges.

It is argued in this chapter that there are a number of factors that are constraining educators and professionals in their efforts to embrace the new opportunities in the retail industry. The interior design profession continues to struggle in its efforts to define its own intellectual territory, and to differentiate itself from architecture and interior decorating. The influences of historical models of design education on contemporary educational approaches have provided both advantages and problems for today's design educators. And inadequate cooperation between design educators and design professionals has impaired the development of a curriculum for interior design that addresses the needs of both sectors.

These constraints are due, at least partly, to lingering influences of historical models of interior design practice and education. The outlines of historical developments in both the interior design profession and interior design education that are provided in this chapter show how contemporary attitudes and approaches in interior design practice and education have evolved. This knowledge provides an understanding of some of the challenges facing educators and practitioners, and can usefully inform the development of strategies for addressing these challenges.

2.1 The Identity Challenge: What is Interior Design?

Interior design is a relatively new profession, whose roots can be traced to the seventeenth century and the work of architects and craftsmen within the Baroque period. Patrons, during this period, played a major role in the profession's development through the commissioning of architects and craftsmen to transform the interiors of major buildings such as the Palace of Versaiille. Charles Le Brun, one of the architects working within Versaiille is arguably the first interior decorator, and he offered, building, design and architectural services (Blunt 1978). The development of the interior design profession continued during the eighteenth century with the fashionable Rococo style that began in Paris and swept Europe. In contrast to the Baroque, Rococo was highly decorative and elaborate demanding input from artisans, craftsmen and architects. Blunt (1978) offers the following description;

> ... in its origin it was essentially a style of decoration, more precisely the style which was invented in France for the decoration of private houses and reached its maturity roughly in the period 1725 to 1740. It marked a complete break with the style of the high period of Louis XIV's reign, and even more with that of the Baroque. It is marked by lightness and delicacy: its decorative forms are composed of small, broken curves, executed either in wood or in stucco, floating on the surface of the wall or ceiling, leaving much of it unbroken. ... Rococo designers eliminate as far as possible the architectural members – columns pilasters, entablatures – and fuse their decoration into gauze-like patterns over walls and ceilings, which often merge into each other (Blunt 1978, p 17).

According to Norberg-Schulz (1974),

> Rococo spaces also have an intimacy which contrasts strongly with the infinite extension of Baroque architecture, and reflect the desire to retun to a more natural state of affairs. The form that gave Rococo its name the rocaille, may in fact be characterised as a caprice of nature.(Norberg -Schulz 1974,p13)

Reacting against the Rococo and emerging from the visual arts was neoclassicism. Neoclassicism continued to heavily influence interior design, architecture and the arts and this influence was strengthened through the Ecole des Beaux Arts (Middleton 1984). It would neglectful not to highlight the emergence of the Arts and Crafts in England in the nineteenth century. This movement emphasised the value of craftsmanship, design and quality materials. Gibbs (2005) confirms that the ideals behind the Arts and Crafts movement spread beyond the United Kingdom and Europe to the United States. Montana (2000) states that this British led art movement also made an impact in Australia which remained '...an important export market for art and art decoration' (Montana 2000,pxv). Gibbs (2005) argues that during the twentieth century the blurring of disciplines evident in the nineteenth century began to change as roles and disciplines polarised due in part to a wide range of social, economic and technological changes that were occurring within the developed world.

The major causes of polarisation cited by Gibbs (2005), were the rapid changes in technology, that gave rise to mass production, the burgeoning middle classes and the refinement of educational disciplines at a tertiary level. Technological advances such as the development of air conditioning systems had an undeniable influence on the manner in which people lived and worked, leading to the development of new environments, those with controlled climates that enabled previously decentralised activities to be centralised. These new environments often 'purpose built', demanded a more considered and educated approach to interior layout and function (*The Harvard Design School Guide to Shopping* 2001).

Piotrowski (1992) in *Interior Design Management,* argues that Elsie DeWolfe, who practised in the United States and Europe during the first three decades of the twentieth century, is considered one of the first real interior decorators, stating that much of the '... beginnings of the interior design profession are associated with her work' (Piotrowski 1992,p.5). Prior to this much of the work carried out by interior designers was undertaken by architects, artists, craftsmen and untrained amateurs. Although there exists a long history of residential decoration or design, it can be argued that it is only since the latter half of the twentieth century that societal changes have impacted significantly on the interior design profession, changing its scope and practice. The growth in demand for building interiors from both commercial and retail businesses, and from government facilities such as hospitals, schools and tertiary education centres, has focused attention on the ability of interior design to have an impact upon operations, user satisfaction, performance and commercial objectives. A significant development that impacted on the retailing sector was the introduction of air conditioning in commercial spaces in 1919, Leong and Weiss (2000) state;

> By making interior spaces larger, more comfortable, more controlled, and more difficult to escape, and by combining in a single whole, activities that used to be dispersed, air conditioning radically altered the way that time was spent in public. (Leong & Weiss in *The Harvard Design School Guide to Shopping* 2001,p.93)

The ability to control internal climates afforded commercial enterprises previously unrealised opportunities. This resulted in a new emphasis on interior function rather than external presence providing the platform for the development and growth of interior design, cementing the profession's relationship to the commercial world. The complexity of large scale interior fitouts for business sectors, health and retailing has demanded specific sector knowledge and experience which has resulted in a splintering of the professional design sector as design firms and designers focus on developing specialist knowledge within industry sectors.

Within the retail sector, emphasis is placed on delivering the ' next big thing' – a new typology, yet as Herman (2000) states: ' In the world of commercial development the urgency with which a type is embraced is directly proportional to the inevitability of its obsolescence'. Herman argues that this '...directly discredits architectures's conviction that type and permanence go hand in hand' (*The Harvard Design School Guide to Shopping* 2001,p.527). The impermanence of the interior designer's work lends itself more readily to change and modification by the user or owner. The commercial world of interior design is indeed transient, with interiors being modelled and remodelled to meet changing commercial and technological developments.

Despite the perceived interrelationship between architecture and interior design and the adoption of architectural educational models in tertiary education, there remains a tacit difference between the two professions. This can be described as interior design's inextricable link with the changing fashions of the day, its strong link with commercial objectives, the limited lifespan of an interior, and most importantly, consistent recognition of it as a profession in its own right. The semi permanent nature of interior design work leaves it with little in the way of a structured legacy to build on, and much of its existence remains at the whim of commercial directives at the time. The permanence of architectural works reflecting historical periods remains elusive within design, which is typified by change, variance and discardment. Schein cited by Schon (1991) states that there are three components to professional knowledge, describing them as follows;

1. An *underlying discipline or basic science* component upon which the practice rests or from which it is developed.
2. An *applied science or "engineering"* component from which many of the day-to-day diagnostic procedures and problem solutions are derived.
3. A *skills and attitudinal* component that concerns the actual performance of services to the client, using the underlying basic and applied knowledge (Schon 1991,p.24).

Schein's description illustrates the issues facing interior design. It is an emergent profession that appears to many as a hybrid of skills and knowledge that lend themselves to a variety of work that may or may not be anchored to building, and meeting the criteria laid down by Schein for professional knowledge is difficult. The assumption of many is that the knowledge base underpinning interior design is that of architecture, and this has been the view taken generally by architecture and design schools (the Academy). However, as explained in Chapter One, the interior designer who is working within the retail sector requires a broader base. Despite this fundamental difference between architecture and interior design, the type of work undertaken by both requires some of the same knowledge, skills and competencies in areas including building technology, spatial planning and materiality. The relationship of both interior design and architecture with art cannot be denied, butthe impermanence of interior design denies it the opportunity of escaping the fashion and fads of the day and its role in representing and reflecting popular culture.

Within the public realm there is, however, a general misperception of the role of an interior designer. This, in conjunction with the issues above, has hampered development of an agreed definition of interior design practice by both professional and academic bodies, and thus has impaired also the recognition of the interior designer as an educated professional, with definable skills, abilities and knowledge. The hybrid nature of interior design which is linked to two understood disciplines, namely architecture and interior decoration, has added to public and professional confusion. Whereas architecture's long history and obvious technical demands have elevated its profile in both professional and educational sectors, interior decoration has no such profile in an educational context.

The continuing lack of cohesion in tertiary interior design education is illustrated by the following definitions and descriptions offered by two design schools in New South Wales and two Technical & Further Education (TAFE) institutions.

University of Technology Sydney – Interior Design

... Interior designers work with building construction, building materials and building product supply industries to create designs for interior built environments.'(Handbook Design Architecture & Building UTS 2005 p 23)

University of New South Wales – Interior Architecture

Interior Architecture is the specialist area of architecture concerned predominantly with interior environments. The professional practice of the discipline demands simultaneously a broad theoretical as well as a focussed practical education in both the art and the science of Architecture and Design. The interior designer must have a professional understanding and concern for client and community in a seamless integration of the work with all elements of the built environment. (www.Handbook.unsw.edu.au/undergraduatUNSW 2005 viewed 5 May 2005)

TAFE

What is Interior Design?

Interior Designers are professionals and a key element of the design and construction of the built environment. These environments may be residential, commercial, corporate, retail, exhibition, hospitality, institutional design, or restoration and adaptive re-use. Interior design is the creation of a mood or environment in an interior space. This involves analysing how space is to be used, who is to use it, and the 'feel' the users wish to convey. (www.sit.nsw.edu.au/enmore/TAFE 2005 viewed 23 August 2005)

TAFE

What is Interior Decoration?

Interior Decoration requires the application of knowledge and skill to the decoration of interior spaces, usually with a residential focus. A comprehensive appreciation of historical and contemporary styles and the accurate use of these, in creating moods, settings and ambiences- is fundamental to the work of Interior Decorators.(www.sit.nsw.edu.au/enmore/TAFE 2005 viewed 23 August 2005)

The descriptions of interior design and interior decoration courses above indicate that there are similarities and areas of overlap, and that the theoretical underpinning of each remains elusive. The University of New South Wales's use of the name interior architect, in preference to interior designer, can be viewed as a response to tackling public misperceptions, through aligning the profession closer to architecture and the associated educational and technical expertise. Despite awarding a Bachelor of Interior Architecture to graduates, UNSW notes on their web site that ' ... unlike elsewhere in the world, use of the title "Interior Architect" in Australia is not permitted under current Australian legislation (www.Handbook.unsw.edu.au/undergraduate/programs/2005/UNSW 2005 viewed 23 August 2005).

Educators in Australian interior design courses have experienced similar difficulties to interior design professionals in defining their own intellectual territory. Until the 1970s, there had been no real attempt in Australia to identify an appropriate home for design courses at the tertiary level. The Gleeson Inquiry (1972) into Art and Design Education in New South Wales led to the incorporation of a School of Design and a School of Art within Sydney College of the Arts, a new College of Advanced Education, and there were similar developments in Victoria, South Australia, and Western Australia. By the late 1980s an appropriate home for design disciplines in New South Wales had still not been identified. As Davis & Broadbent pointed out in 1987:

> The needs of design education are provided for largely by colleges of advanced education and TAFE. These offer a scatter of certificate, associate diploma, diploma, bachelors degree, graduate diploma and masters degree courses located within a variety of schools, faculties and divisions of institutions within those sectors. (Davis & Broadbent 1987,p.4)

By 1990, tertiary courses in design that included programs in Interior Design, Visual Communication, Industrial Design, and Fashion & Textile Design, had been located within the new Universities of Technology (the former Colleges of Advanced Education that were called Institutes of Technology) in New South Wales, South Australia, Western Australia, Queensland, and Victoria and in the Technical and Further Education (TAFE) colleges. However, the identity issue for Interior Design and other design disciplines has continued because of differences in nomenclature (e.g. Interior Design and Interior Architecture, Industrial Design and Product Design, Visual Communication and Graphic Design) and because of continuing variations in curricula and qualifications. Caban (1992) argued that the fragmentation of design education had resulted in ' ... a variety of differing interpretations of the nature of design' and in constraining the '... development of a cohesive discipline of design.' (Caban 1992a,p.5)

The relocation of some degree courses in design to the university sector in Australia in the nineteen eighties was driven partly by the growing recognition that design could play a fundamental role in developing and winning market share for Australia internationally (Caban 1992a). In 1987 Davis and Broadbent were commissioned to produce a review titled *The Responsiveness of Tertiary Education to the Design Needs of Australian Industry*. The recommendations in their report emphasised the need for;

> ' ... professional design education in a multi-disciplinary context, with particular links to management, marketing and technology ... we recommend that the Commonwealth Tertiary Education Commission provide funding for the development of education/industry centres of design. Such centres should offer: ... a capability for design research. Specialisations in design education particularly at the postgraduate level and in response to regional industrial needs.' (Davis & Broadbent 1987,p.94 &95)

Davis and Broadbent noted that '... the design activities in question have largely developed late in the industrial revolution. They are, truly, the emergent design professions of the 20th century, whose importance has increased with the technological sophistication of society'(Davis & Broadbent 1987p.66). The newly emergent design professions referred to by Davis and Broadbent are industrial design, interior design fashion design, and the field of visual communications. Davis and Broadbent's discourse on the cultural context of that period highlighted key issues associated with raising the design professions profile in Australian society. Challenges identified included the notion that design activities had not yet been recognised by Australian society and there was an ongoing association with art rather than viewing each design discipline as a unique profession. They argued that 'the newly emergent design activities should be recognised as a field of study in their own right and not be subsumed into or linked with such fields as Art, Architecture, Engineering (Davis & Broadbent 1987,p.67)

Davis & Broadbent cite Cross (1986);

> Design became a self conscious process with the advent of the industrial revolution. With the development of factory production, the processes of designing and making became separated. This separation was reinforced by other complementary developments – the division of labour, mechanization, economies of scale and scientific management of the production process (Cross 1986). The design activity altered in three major ways in response to these developments in the innovation process.

Firstly, design, through its use of drawings, abstracted the consideration of form. According to Jones (Jones 1981) this development gave the designer a much greater 'conceptual span' than the craftsmen had had before' The designer can see and manipulated the design as a whole and is not prevented, either by partial knowledge or by the high cost of altering the product itself, from making fairly drastic changes in design. .... Secondly as the innovation process became more complex so design became more diverse and activity. ... Thirdly the dramatic shortening of the time-scale of innovation which accompanied development of industrial techniques brought similar changes to the design process ...(Davis & Broadbent 1987,p.18).

The report by Davis & Broadbent also highlights the fragmented and low status of design education in Australia at that time. They argued that the location at that time of design courses within Colleges of Advanced Education and the TAFE system deprived design scholars of research funding offered by the Australian Research Council. Though Davis & Broadbent conceded that design scholars could seek research funding through the Australia Council, they argued that the criteria for Australia Council grants reflected the needs and priorities of visual and performing artists, and that this delayed the development of a design-specific body of theory and research.

Despite the obvious attractions of locating design schools in a university context, including the opportunities for design students to have access to a wide range of disciplines and large multi-disciplinary libraries, it can be argued that it has done little to improve public awareness of the interior design profession, or to reinforce agreement among interior designers on the knowledge base and intellectual domain of their discipline. Though this thesis, demonstrates the obvious advantages of interdisciplinary activities between the disciplines of design and marketing there are very few examples of interdisciplinary activities involving design scholars. There is no evidence that the situation described below by Caban (1992) has altered.

'Within and among academic institutions there has been little interaction between these design disciplines and others ... and hence academic institutions have provided inadequate preparation for the increasing number of professional situations which call for an integrative approach to design' (Caban 1992b,p.5)

As illustrated in Chapter One, the growing trend towards multi-disciplinary design practices, focused on specific industry sectors is barely acknowledged within the academies and there appears to be a growing trend towards fragmenting disciplines still further within universities as is illustrated by the plethora of new degrees and courses on offer within the arts and design areas. It can be argued also that fragmentation has been exacerbated by the dominance of academics with architectural backgrounds in interior design programs. Though an architectural background is appropriate for educators in some areas of interior design, it has been demonstrated in Chapter 1 that the designers working in the retail industry require new knowledge, skills and competencies.

The challenge for interior design professionals and educators is to agree upon, and to articulate, an unambiguous identity for interior design. The identity of any discipline becomes apparent, not merely through definitions of roles and objectives, but through the existence and articulation of a clear knowledge base for the discipline. The development of identity has been hampered by the huge variables between the professional work of interior design professionals, driven to a large extent by the industry sector they work within. But interior design educators, because of their involvement in scholarly activities including research and curriculum development, are in a good position to take a leading role in clarifying the intellectual territory of the discipline. The next section provides some understanding of why this challenge has been difficult to resolve.

2.2 The Legacy of Historical Models of Design Education

The challenges facing interior design educators can be better appreciated through an understanding of the historical educational models that have informed the development of current approaches to learning and teaching. Particular emphasis is placed in this section upon the pedagogical approaches of Les Ecole des Beaux Arts in Paris, and the Bauhaus in Germany, both of which had a significant influence on the development of the design studio and interdisciplinarity between art, design and architecture. A historical overview of the major pedagogical influences on the arts and architecture informs our understanding of how the design curriculum within Australia has been shaped. It helps us to decide whether certain traditional, surviving elements in interior design education are still able to equip graduates with the skills and knowledge required for contemporary practice in industries such as retail. Inteiro design educators have depended largely upon the advice of design professionals and historical practice, for their understanding of industry needs, but the evidence from Chapter One indicates that more objective perspectives on the needs of industry are desirable.

Early twentieth century interior design education was focused on decorative and applied elements within existing structures. However, the demands of the industry saw many architects and architectural practices begin to place more emphasis on interior work, through commercial necessity and client demands. This led to the gradual introduction of structured interior design courses within colleges of advanced education and universities in the nineteen-seventies. Unlike interior decoration courses that remained focused on applied elements, these new degree programs incorporated a large component of architectural theory and technology. There are a number of possible reasons for this, including the dominance of architecturally trained academics and practitioners employed to develop and teach the programs, and the desire of the academy to incorporate a strong theoretical foundation. A result of this was the dissipation of the artistic and creative amateur's dominance over interior decoration and design (Gibbs 2005).

According to Gibbs:

> The role of design education is to provide students with the fundamental knowledge and skills required in the industry. Technological skills will form an increasingly crucial part of this education without diminishing the importance of creative skills such as drawing and three-dimensional visualisation(Gibbs 2005,p.154).

Caban (1992b) pointed out that design education in Australia has followed the models established in the United Kingdom. According to Caban, design education in the United Kingdom can be traced to the mid-nineteenth century, and was based on the 'beaux arts' model that developed from Les Ecole des Beaux-Arts established in 1807 in Paris. The beaux arts educational model is described by the Association of collegiate schools of Architecture as follows:

> The cornerstone of the Beaux Arts system was the 'design problem' assigned to the student early in the term and carefully developed under close tutelage. ... The Beaux Arts teaching systems relied heavily on brilliant teachers and learning-by–doing. (Architecture 2005,p.1)

According to Gerlemter:

> Students from around the world travelled to study there, and took back home not only the architectural ideas they had acquired but also the Beaux-Arts conception of education. The Ecole des Beaux –Arts consequently became the model for design education at exactly the same time that the number of formal architecture schools mushroomed around the world (Gelemter 1995,p193).

Corona-Martinez (2003) in *The Architectural Project* emphasised that the curriculum at the Ecole des Beaux-Arts offered was centered on '...the instrumental mastery of architectural design'(Corona-Martinez 2003p.12). This highlights the emphasis placed by the school on symmetry and drawing quality, and the lack of focus on technical elements such as building science and materials. The long term impact of the Ecole des Beaux-Arts was not limited to architectural education, Russell Sturgis (1900) emphasised the role it played in shaping education in the fine arts through the development of the atelier or studio. 'It cannot be too strongly insisted upon, that in the atelier system lies the essence of the School of Fine Arts' (Sturgis 1900,p.438). The studios have, according to Broadfoot et al (2006), provided ' ... the basis of a pedagogical method that is still the core of design and architectural education'. They describe how at the school '... the design problem and learning by doing superseded the lecture as the primary method of teaching architecture' (Broadfoot & Bennett 2006,p.1).

Les Ecole des Beaux Arts stressed the relationship between tutor and student. The tutors adopted a 'do as I do' approach to teaching, and were almost always practicing professionals. This type of teaching method was reliant on a high number of contact hours between student and patron (Broadfoot & Bennett 2006; Caban 1992b). Gelernter states that '... by the beginning of the twentieth century the Beaux-Arts had become the standard model for architecture teaching everywhere ...'(Gelernter 1995,p.194). Corona-Martinez (2003) justify the eminence of Les Ecole des Beaux Arts as an ongoing educational influence by highlighting the fact that;

> '... the revolution in architecture leading to modernism – which took place at the end of the nineteenth century or the beginning of twentieth, ... does not correspond to a change in design methods. Design methods had been silently revolutionised between the eighteenth and the early nineteen centuries. The design methods produced by that revolution were applied in the schools of architecture established at that time. These methods persisted in the twentieth century and they have proven adequate as the basis of modern architecture.'(Corona-Martinez 2003.p.xiiv)

Reference is often made to the design methodology applied within Les Ecole des Beaux Arts, which focused on elegance and symmetry represented by the plan drawing. Within the school, the quality of the plan both in its appearance and symmetry was valued more highly than meeting the practical requirements of the design brief. The rationalist decade (1920 – 1930) gave rise to functionalism, the dominance of function over form (de Fusco 1967). The plan remained a priority within functionalism, however unlike the emphasis at Les Ecole des Beaux Arts, practical aspects were more highly valued than symmetry. In functionalism the architecture that emerges from the plan drawing is at first irrelevant to the functional aspects of the plan, evolving and developing after the brief requirements have been achieved. The plethora of plan drawings and sketches produced to meet the brief resulting in recognition of a dominant geometry or form – a general composition, an order within the plan. The three dimensional form emerging from the plan is called the 'tyranny of composition' by Corona-Martinez (2003) who argue that ;

> The architecture of a mature architect can really be spatial. Through experience our architect escapes, up to a point, from analogic tyranny, from the power of the means or representation over our imagination. The architect is building real spaces and, given a few moments of reflection will correct and refine them in successive works. (Corona-Martinez 2003,xv)

Corona-Martinez argued that the student must learn to represent and create at the same time, and believed that this approach has been lost, citing Crowe & Hutt:

> In the pedagogical system of today, partially transformed by the impact of Modern Architecture, the habit of making visual (graphic) notes and keep them, as a necessary part of the education in design has practically disappeared .... For an architect with experience, the relation between architectural form and its graphic representation is intuitively understood. Most of us, however, can remember the enormous difficulties we experienced ... when we tried to translate our experience of a building, a space or a detail into a drawing; or, conversely, when we tried to understand the reality represented in the abstraction of drawings. (Corona-Martinez 2003,p.xv)

Despite the criticism, functionalism remains a core of methodological teaching within design and architecture schools. It can be argued that the highly specific nature of many commercial interiors demand emphasis on it, though the appropriateness of functionalism as a dominant methodological approach in retail design is questionable. Unlike other interior design sectors such as health and commercial office design, retail design aims to create imaginative spaces that enhance brands and thus product and service appeal. Measurement of success is based not on user satisfaction but in effecting high sales per square metre or representation of the retail brand.

Many could argue that the Beaux Arts' focus on representation through two dimensional drawing with an emphasis on symmetrical elegance is evident in design education today, though there are other influences that still remain. These include the notion that one learns to be an architect or a designer through undertaking a series of design projects that increase in complexity over the years of formal education and the important role played by the design studio and the tutor.

The ongoing influence of Les Ecole des Beaux Arts on architectural, design and fine art education is established. The most influential component of design education however, is the studio, which was developed and strengthened by the Bauhaus. Established in Germany in 1919 by Walter Gropius, the Bauhaus school ' ... aimed at destroying the traditional apartheid between artist, architect, craftsman and industry' (Naylor 1968,p.50). Unlike the Beaux Arts tradition, Bauhaus pedagogy incorporated science and technology within the frameworks of its curricula. Beckman describes the Bauhaus as ' ... a totally new kind of school, where students would learn to make the arts and crafts, science and technology, work together to improve the quality of life' (Beckman in Wick & Grawe 2000,p.341).

The establishment of the Bauhaus school can be traced to reactions against the classical order espoused by the Beaux Arts. Reactionaries included German architect Peter Behrens. Behrens was an influential architect whose employment of the young Gropius in 1907 was to have a profound impact on Gropius's personal design philosophy. Behrens is also recognised as instrumental in shaping a number of the most influential architects of future generations including Mies van der Rohe and Le Corbusier (Naylor 1968). Gropius cited by Naylor in her book *The Bauhaus* stated;

> It was Behrens who first introduced me to logical and systematical co-ordination in the handling of architectural problems.' ... I became obsessed by the conviction that modern constructional technique could not be denied expression in architecture and that that expression demanded the use of unprecedented forms.' (Naylor 1968,p.29)

On leaving Behrens to set up his own architectural practice, Gropius through his commissions was able to demonstrate ' ... his ability to grasp the potentials of the new materials and techniques that were becoming available to architects'(Naylor 1968,p.30). In 1914 the position as head of the School of Fine Art in Weimar became available, Gropius applied and was subsequently appointed. He set out his ideas for the school in a memorandum. The following is an extract:

It was no longer sufficient, he maintained, to be concerned with handiwork and with the output of small firms, since these had never completely lost touch with 'art' The artist must learn to become directly involved in mass production, and the industrialist must be taught to accept the artist and his values.' (Naylor 1968,p.44)

The advent of World War 1 , however, delayed Gropius from taking up his appointment and it was not until 1919 that he was finally appointed to the renamed school 'das Staatliches Bauhaus'(Naylor 1968,p.48). Gropius believed that the workshop played a fundamental role in educating and developing student abilities. Within the Bauhaus, students started as apprentices, undertaking a foundation course which incorporated curricula aimed at reorientating and developing workshop and observation skills. Completion of this led to award of a journeyman's diploma. This diploma enabled the qualified to commence the architectural course (Naylor 1968).

Broadfoot et al (2006) cite the tandem system of workshop teaching as differentiating the Bauhaus from the Beaux Arts and strengthening the design studio concept. In addition the Bauhaus, through Johannes Itten, introduced the notion of the foundation course which remains a cornerstone of design education today (Broadfoot & Bennett 2006). Itten's concept of a foundation course has penetrated both secondary schools and tertiary institutions as is emphasised by Wick and Cantze in the following observations:

> It penetrated into art instruction at the secondary schools, art academies, and even the technical colleges. It should be added, moreover, that its effects continued to be felt in particular at the former applied art schools (the Werkkunstschulen, today's institutes for design), as well as in the manual arts training programs at general education schools and in the design training at vocational schools ... (Wick & Grawe 2000,p.92).

Wick and Grawe (2000) in the book *Teaching at the Bauhaus*, point out that despite the ongoing impact of the Baushaus on design education, and the significance of the Bauhaus as one of the most consequential cultural initiatives of the twentieth century, there has been little if any work undertaken on the Bauhaus pedagogy (Wick & Grawe 2000,p.11). They add that study in this area tends to emphasise individual teachers, most commonly Itten who had begun his career as a primary school educator, and was an exponent of the new ideal '*learning through doing*'. Many believe that Itten adopted many pedagogical notions and theories from Pestalozzi, a member of the pedagogical reform movement. The tradition of reform pedagogy lay in the notion that action has priority over cognitive learning. Pestalozzi's proposed the idea of '... uniform training of the head, heart, and hand' (Wick & Grawe 2000,p.114). In contrast to the Bauhaus philosophy, Itten believed that visual art and design were incompatible. Evidence of this view is illustrated in the following statement by Itten cited by Wick & Grawe (2000):

> Wall painting – architecture. Only in one tiny aspect do the two come in harmonious contact: namely, where architecture becomes an end in itself, as pure art. Only then is the fundamental attitude a pure one. Everything else is a compromise. Architecture is made "useful". Functional architecture is an absolutely inartistic goal .There is only one art (Wick & Grawe 2000,p.121).

Wick & Grawe suggest that Itten's aims for the preliminary or foundation course were based around release of creativity in each student, so that the students were inspired to produce original work. Itten encouraged students to experiment with materials and focus on those that most inspired them and he expressed this succinctly as ' ... subjective experience and objective rationale' (Wick & Grawe 2000,124). Despite its closure in 1932, the Bauhaus through its academics and students has had a far reaching impact on design education through the development of a foundation course, the strengthening of the workshop as a teaching and learning tool, their recognition and the acceptance of new technological developments and thus an awareness and relationship with the commercial world. In addition, the Bauhaus developed the studio system first introduced by the Beaux Arts and introduced the notion of inter-disciplinary study, which through the development of an articulated and objective purpose has been adopted by tertiary institutions across Europe, Australia and the United States (Wick & Grawe 2000).

There has been significant research undertaken on the studio method of teaching over recent years. Professor Donald Schon of MIT in the United States is recognised as a leader in this field, writing extensively on *reflection in action.* Schon believes, that reflection in action is the basis of any design process. He believes that the concepts of design can only be understood through designing – *learning by doing.* He divides knowledge into two areas, static knowledge defined as theories, facts, rules and procedures and dynamic knowledge which is tacit and spontaneous and cannot be learned without doing. Reflection in action is defined by Broadfoot et al as the '... questioning and challenging associated with problematic situations in practice – a reflective dialogue with the designer's own knowing in action. Schon believed that this kind of tacit knowledge inherent in designing could only be learnt in the unique environment of the studio (Broadfoot & Bennett 2006,p.3). Thus an essential component of Schon's studio is that it encourages students to reflect on and analyse the process of design. This is a departure from the studio concept espoused by Les Ecoles Des Beaux Arts which placed its emphasis on the end product.

The emphasis being placed on functionalism as a dominant methodology within architecture and interior design schools today warrants further discussion in light of the issues highlighted within Chapter One concerning the changing demands of the retail sector and the very nature of design work. One can argue that unlike other project types, the retail designer is confronted with a shell whose primary functional objective is to sell merchandise, brands or intangible services that cannot be displayed in traditional forms. This type of functional objective provides little in the way of guidance in a design sense, and the designer utilising a functionalist approach would find the process unsatisfactory due in part to the number of variables that need to be considered. These include, but are not limited to, the location of the store, the type of store, the type or types of merchandise, the type of purchase, (for example one off or multiple, hedonic or utilitarian), the brand and brand entity, the price point, the retail segment, the customer segment or target market, the price pointing, and customer expectations and needs. In addition the ability of the environmental design to create a branded consumer experience that is not easily replicable by competitors.

The rise and dominance of brands within the retail sector, and the creation and ongoing development of the 'brandscape', has created a situation where projects demand that the designer develop the concept, the purpose, the experience of a space, prior to functional determination. Thus function, as represented traditionally, does not exist beyond very marginal and superficial requirements and is in fact a result of the creative work undertaken by the designer. How can designers respond to this type of project through appropriation of functional methodology? One can argue that this new retail landscape built around brand and experience implicitly demands new approaches and thus new types of teaching and curricula.

Among the issues with implications for design education, and consequently for curriculum development, is the marked increase in the number of students enrolled in tertiary education in Australia since the 1980s. Toohey (1999) argues that this is being driven by the increasing automation of developed countries and the resulting disappearance of low skilled and blue-collar jobs, resulting in governments placing emphasis on the development of a more highly skilled workforce. Academics are generally well aware that this trend has influenced the quality of the student intake and also the nature of curriculum development in courses including interior design. Although it is not within the scope of this study to explore this and related issues in depth, these issues need to be addressed in any further study that focuses on the development of a specialised curriculum for retail designers.

The speed of technological change is also a major consideration for the academy that is faced with providing industries with graduates who are able to understand and work with the latest technological innovations. Within the design field, the speed with which technology has replaced previously highly valued skills has led to problems for industry practitioners and educators who are unable to provide the training required with the resources available. This issue also requires a separate and detailed exploration, and should be part of the further study foreshadowed earlier.

The popularity of design as a profession within Australia has generally increased, though it can be argued that some design fields that are dependent upon the strength of manufacturing industries (e.g. industrial design) are being challenged. The figures illustrated *by* Davis et Broadbent (1987) regarding design graduate numbers in interior design in NSW in 1986 (Figure 2.1) contrasted with graduate numbers in 2004 (Figure 2.2) demonstrate the increasing popularity of this profession.

Institution	**Course Title Major**	**Award**	**Graduates in 1986**
National Institute of Dramatic Art (NIDA)	Design (Theatre Design)	Diploma	6
Sydney College of the Arts	Interior Design	Bachelor	10
Randwick TAFE	Interior Design	Certificate	35

(Davis & Broadbent 1987,p.50)

Figure 2.1: Interior Design Graduates 1987 *(The National Institute of Dramatic Art has been included as it offers a course in theatre and set design this is now an elective within the UTS course)*

The following table details the courses in Interior Design available in NSW in 2004, and the numbers of graduates.

Institution	Course Title Major	Award	Graduates in 2004
University of Technology Sydney	Interior Design	Bachelor	64
KVB Institute (Bond University)	Interior Design	Diploma Advanced Diploma Bachelor	22 Unavailable Unavailable
The Whitehouse Institute	Interior Design	Advanced Diploma	14
Enmore TAFE	Interior Design Interior Decoration	Advanced Diploma	40
University of NSW	Interior Architecture	Bachelor	40
School of Colour and Design	Interior Decorating	Diploma	Unavailable

Figure 2.2: Interior Design Graduates 2004

2.3 The Significance of the Relationship Between the Design School (Academy) and the Interior Design Profession

It is argued in this section of the study that if the emerging needs of industries involving interior design are to be addressed, then cooperation is required between design educators and industryprofessionals in the formulation of appropriate educational curricula. It is argued also that inadequate cooperation between design educators and design professionals has impaired the development of curricula for interior design students that addresses the needs of both sectors. The section explores the background to the existing relationship between the academy and the profession, and leads to Chapter 3 where an investigation is conducted into the emerging needs of the retail industry so that strategies can be proposed for the development of a more appropriate curriculum.

Although the emphasis upon research is increasing in design schools located in Australian universities, it can be argued that the majority of design educators (and undergraduate students) still feel that the core business of design schools is to educate students for design practice. It seems logical therefore that a form of cooperative education in which the academy, the design professions, and appropriate industries are involved, would be ideal. While it is not the responsibility of industry to influence the epistemological and pedagogical approaches of design educators, it is important that the needs of industry and the professions are considered when design curricula are developed.

At present there is only limited involvement of professional and industry representatives in curriculum development in Australian design schools. While professional and industry representatives are commonly invited as visiting lecturers and some sit on School advisory committees, it is rare for them to have a direct involvement ion curriculum development. Surveys by academics of the needs of industry and the professions have been conducted occasionally, as is demonstrated later in this section, and the findings may have had some short-term impact on curriculum development in the relevant design school, but there is no evidence of ongoing and effective models of cooperative education.

The unsatisfactory level of cooperation between the sectors in interior design is due in part to the fragmented nature of the interior design profession with regard to work type, and particularly the absence of a professional body that represents Interior Design specifically. There are several design-related professional bodies in Australia, including the Design Institute of Australia, The Society of Interior Designers and the Institute of Store Planners, but their ability to have a positive impact on curriculum development is marginal. The most influential professional organisation representing the design disciplines is the Design Institute of Australia which lists the following as disciplines it represents;

> Industrial Design; Interior Design; Interior Architecture; Graphic Design/Visual Communication; Multimedia; Exhibition and Display Design; Textile Design; Fashion Design; TV, Film and Theatre Set Design; Design Management; Design Education; Jewellery Design; Furniture Design; Interior Decoration; (<www.dia.org.com.au>. 2007 viewed January 7 2007)

The Design Institute of Australia (DAI) describes its purpose as follows;

> The DIA is the organisation working for the future of the design professions in Australia. It is the only multidisciplinary organisation of designers in Australia. It speaks for all designers. ... Working through its State Branches and National Council the DIA promotes the value of design and designers to industry, business, government and the community (www.dia.org.au <www.dia.org.com.au>. 2007 viewed January 7 2007).

The professional body that has most relevance for designers working in the retail sector is the Institute of Store Planners (ISP) which originated in the United State of America. The ISP explains their purpose and organisation as follows;

> Since 1961, ISP has been the only international professional society totally dedicated to the challenges and rewards of retail store planning and design. Our founding fathers recognised that design, planning, and constructing retail selling environments was a complex undertaking requiring creative efforts from a variety of disciplines. Since 1961, ISP has been dedicated to developing creative, competent retail design professionals to meet the needs of the ever-changing landscape of retailing.
>
> ISP works with colleges and universities to develop retail design programs. We continue to work toward a degree specialty in retail design through both architecture and design schools. ISP promotes continuing education to improve the skill sets of working professionals. Each Chapter is required to hold at least four Continuing Education meetings each year. Most Chapters are AIA & IIDA CEU providers. Plus, ISP is working on our own CEU program (www.ispo.org.com The Institute of StorePlanners 2006 viewed 8 May 2006).

The ISP in America has a degree of influence on tertiary education and state on their website that they are actively working toward the creation of a 'speciality degree' in retail design. The influence and involvement of the ISP with the major design schools and universities can be justified by the size of its membership and the scale of the retail industry in the United States. The ISP is actively promoted within universities through the sponsorship of a major design competition every year involving two-hundred and fifty US colleges. The membership of the ISP in Australia, as with the size of the Australian retail market, is significantly smaller. Despite the reduced market and membership, the Australian Chapter of the ISP organises a number of design related events annually and has been active in seeking out an alliance with the Interior Design Program at the Royal Melbourne Institute of Technology (RMIT). (www.sydney.ispo.org.com.au Institute of StorePlanners 2006 viewed 8 May 2006).

It can be argued that, unlike the Royal Australian Institute of Architects (RAIA), the DIA has no ability to influence educational initiatives or government policy on design education. The RAIA website confirms a membership of 9000 in Australia and overseas. Full membership is restricted to members of the architecture profession and there is only an affiliate membership (Level 2) available to Interior Designers. This affiliate membership requires degree qualifications in a field related to architecture (interior design is included) and requires a minimum of three nominations from existing members. Affiliate members are not able to vote or be elected to office (Royal Australian Institute ofArchitects 2006). The stringent membership controls by the RAIA have assisted in reinforcing the distinctiveness of the architectural profession and its professional ideals.

The most significant influence of the RAIA on architectural education comes from its power to accredit architectural programs in Australian universities. Every few years a major review of architectural programs is conducted by the RAIA, and curricula, teaching approaches, and student performances are rigorously scrutinised. Academics in schools of architecture around the country prepare methodically and nervously for the approach of the review panel, and await anxiously the panel's verdict. Though it happens rarely, one outcome could be the suspension of the right of graduates to professional accreditation of the school's graduates.

The RAIA's power of accreditation, and its associated influence on the educational process, is not appreciated by all architecture academics, many of who feel that the educators should be able to make educational decisions without input from the professional body. One view is that education and research should drive industry approaches, rather than vice versa. Interior Design education in Australia is not subjected to the same pressures from any professional body and though this freedom is appreciated by many interior design academics, others feel that a professional body representing interior designers could facilitate a cooperative education model involving educators, practitioners, and appropriate industry representatives.

Most design schools in Australia have made some efforts of their own to ascertain and provide for the needs of industry in areas including curriculum development. Many have conducted reviews in response to economic, technological, and social issues, and to government directives, and these have led to changes in curricula. Most have responded to revised thinking on teaching and learning approaches.

Prior to a review of curriculum in 1991, the School of Design at the University of Technology, Sydney conducted a survey of its graduate design practitioners to ascertain the skills and competencies they considered important for design practice. It was intended that the survey would help to inform a major review of design courses. Among the motivations for a course review at that time was the dissatisfaction with the dominant use of the studio system. There was a growing enthusiasm among staff to replace the 'teacher-directed' emphasis of the studio with an emphasis on problem-based learning that would encourage staff to be 'facilitators of learning rather than transmitters of knowledge' (Boud & Feletti 1991). Another motivation for the review was the perceived lack of opportunity for students to engage in cross disciplinary study despite the new location of the School of Design in a large, multi-disciplinary university. Kolb's advocation of a holistic integrated approach to design education that combined experience, perception, behaviour and cognition was also appealing to many (Caban 1992b).

Though the UTS survey is somewhat dated, its findings are not necessarily so, and the findings of the survey are reproduced here as one example of how the needs of industry and the professional can be considered during curriculum planning. For the survey, design graduates from the four areas of Visual Communication, Industrial Design, Interior Design, and Fashion & Textiles Design were asked to record a Yes ('Y') if they considered a skill/attribute to be among the eight most important for design practice. The table reproduced below (Figure 2.3) shows that the Interior Design graduates considered the skills/attributes most important for professional practice were: ability to communicate; technical skills; and the ability to be creative as the most desirable graduate attributes.

Table 1.

Skill/Attribute	**Viscom.**	**Ind.D**	**Int.D**	**F&T**
Ability to communicate	Y	Y	Y	Y
Technical Skills	Y	Y	Y	Y
Ability to be creative	Y	Y	Y	Y
Approach to problem solving	Y	Y	Y	
Grasp of Marketing		Y	Y	Y
Management Skills	N	Y	Y	Y
Positive Attitude to Design	Y	Y	N	Y
Financial Accountability	Y	Y		N
Presentation of Design Concepts			Y	
Visual Thinking	Y			
Ability to share/compromise			Y	
Evaluation of alternatives			Y	
Understanding humanity			Y	
Global Awareness			Y	
Answering the brief			Y	
Ethics of the profession		Y		
Education of clients			Y	
Business skills	Y			
Leadership skills				N
Critical planning methods		Not rated among 8 most important		
Ability to write				
"client speak"				
Research skills				
Systems and procedures				
Trade				
Results orientation				
Understanding own limitations				
Debt collecting				
Recognising hot buttons				
Being ambitious				
Library use skills				
Knowing the question				
Integration of communication sills				

Figure 2.3: Skills & Attributes (Caban 1992b,p.13)

The outcomes of the survey suggested directions for curriculum development rather than content, ideology and direction. The skills and attributes selected were generic and did not provide for specific skills that might be required by an interior designer working in the retail industry. An extension of the scope of the survey to encompass the skills and attributes required for specialist industry sectors such as retail design, and to explore the needs of sectors that utilise design services, may have provided deeper insights into desirable skills and knowledge bases for interior design and the other design programs. The growing trend towards multi-disciplinary practices focusing on an industry sector would appear to demand a more rigorous approach that commences by identifying those skills identified as relevant to each professional sector, through conversation and dialogue with not only the design industry but the sector employing and utilising design services.

A more recent review of desirable skills and competencies for designers was undertaken at UTS in 2006, prior to the introduction of a new curriculum in 2007. The process for the 2006 review followed that used for the 1991 review, with a random sample of design industry professionals providing their opinions on the qualities, skills and attributes they deemed necessary for interior design practice. In addition, student feedback questionnaires were used to provide some assessment of the quality and delivery of teaching, and to offer some insight into student expectations of both the course and their careers. According to the Associate Dean (Teaching and Learning) who has responsibility for UTS design courses industry representatives, specifically those who commission and utilise design services were not involved in the review process (Interview with Tim Laurence, July 2006). The process undertaken appears to assume that the existing content in interior design based predominantly on that found in architecture is at its foundation correct, without ever seeking to challenge this notion.

The UTS experience related to graduate surveys and curriculum review has been used in this section, not because it is necessarily representative of experiences in other Australian design schools, but because it reinforces some of the challenges involved in developing cooperation between educators, practitioners, and relevant industries. The UTS experience has shown that the design school has tended to overlook the needs of industry sectors in curriculum development.

2.4 Chapter Summation

Interior design is both an emergent and fragmented profession, and this has implications for its stakeholders as they attempt to address emerging issues in industries such as retail. Qualifications in interior design are available at a multitude of government and non-government institutions, and curricula and awards differ markedly from one institution to the other. Design education has been heavily influenced by architectural pedagogies developed from Beaux Arts and Bauhaus models, and interior design schools continue to be dominated by academics with architectural backgrounds. There is no governing body that regulates the interior design sector in areas such as accreditation and codes of professional practice. The descriptor 'interior designer' can be used by degree-qualified students, diploma-qualified students, interior decorators and those without any qualification or appropriate experience. The fragmentation of the profession is symbolised also by the tendency of interior design professionals to focus on a specific type of work and on developing knowledge and skills relevant to a particular sector. An accepted and perceived identity for interior design continues to be elusive, and the boundaries between interior design, architecture, and interior decorating remain unclear.

Despite the recognition by Davis & Broadbent (1987) of the need to provide more links with marketing and business, only limited cross-disciplinary opportunities have been created. If we agree that the theoretical underpinnings of design remain consistent across the design disciplines, how can tertiary design educators incorporate within individual disciplines recognition of the professional structure of the industry and equip students with the knowledge and skills to enter a specific industry sector? Chapter 1 highlighted the emerging trends within retailing, many of which demand more attention at a tertiary level. Chapter 2 highlighted the lack of industry involvement in curricula review and education. In order to evaluate the implications for tertiary interior design education it is necessary to clarify with the retail industry their perspectives and opinions as to the future of retailing and their requirements of designers, and also to analyse the impact this will have on tertiary interior design education.

Chapter 3. An Investigation of Design Attitudes and Needs in the Australian Retail Industry

3.1 Introduction

As illustrated in Chapter Two, design pedagogy and epistemology has evolved from that of the architectural discipline. The roots of architectural pedagogy today can be traced to the beaux arts and the methods incorporated within the Bauhaus, both of which were antecedents to the design professions which emerged in the latter half of the twentieth century. Available research regarding curricula development within these disciplines indicates that the academy is reliant on design professionals for assessment and incorporation of industry requirements within course curriculum. Whilst this input is indeed invaluable, it maintains the view of interior design as a holistic discipline and fails to acknowledge the fragmented commercial environment which designers operate within.

The investigation conducted in this chapter aims to explore the attitudes and needs of the retail industry in relation to interior design, so that the findings can be utilised to asses the implications for curricula development in interior design education. *Questions pertaining to sales figures and the like were omitted as they were not central to this investigation. Significant to this study was establishing the relevance of the emerging issues in the retail industry that were discussed in Chapter One.* These issues include the dominance of brand as a key differentiating factor, the evolution of the brand concept, the dissolution of retailing as a stand alone industry, the increase in multi-disciplinary design practices that focus on a particular industry sector, and the increasing dominance of marketing theory and marketing professionals within the retail industry.

Among the questions posed in the investigation are: What are some of the perceptions in the retail industry of the retail design sector? Is interior design regarded by the retail industry as a specialist field? According to members of the retail industry, what special knowledge and skills do designers require for work within this field? What do retail industry representatives feel are the emerging issues that require consideration by design educators and practitioners? How will these emerging issues affect the services they require from designers? And how can design schools ensure that their curriculum incorporates and accommodates for the current and future needs of the retail sector?

3.2 Research Methodology

A 'pilot' investigation consisting of semi-structured phone interviews was first conducted with selected senior executives, and the information obtained from these interviews was used to inform the construction of a questionnaire survey that was mailed to fifty representatives of retail brands.

The semi-structured form of interview was selected because of its qualitative nature and relevance for a pilot research study on a small scale (Drever 2001). The approach allowed for flexibility, as the interviewer decided on the general areas to be covered and the questions to be asked as discussion starters, and both interviewer and interviewees were then able to explore the issues freely.

The questionnaire survey was considered appropriate for the second stage of the investigation as it employed both qualitative and quantitative approaches and was suitable for the intended number of representatives (50) on the mailing list. Quantitative methods would be used to analyse the statistical data using the Statistical Package for the Social Sciences (SPSS Version 14) software package producing descriptive statistics, and there was also the opportunity for respondents to provide subjective feedback that was analysed according to qualitative methods.

3.3 The Semi-Structured Telephone Interviews

The semi-structured phone interviews represented the first stage of the primary investigation, and were used to inform the questions in the later questionnaire survey. The interviews were conducted with five senior personnel from leading Australian retailers, all of whom had direct control over the selection and appointment of retail designers, and focused on issues related to the organisation, the retail brand, the retail sector, and retail design services (Appendices B – G). The limitations of an investigation with such a small sample are appreciated but, as indicated above, the objective of this 'pilot' study was to obtain background information on issues and terminology that could inform the development of the survey by questionnaire. The interviews were used to seek background information on:

The Organisation:

- position in organisation and professional background of interviewee;
- number of retail brands owned and managed by the organisation;
- type of retail sector and the number of stores;
- corporate ownership – Australian or international;
- existence of in-house design team;
- role of marketing in the organisation with regard to retail brand management and the design of the retail outlets;
- existence of a property division and its role in the design of retail outlets;
- role of the buying department in regard to the design of retail outlets.

The Retail Brand:

- perceptions from interviewees of the importance and role of their brand;
- brand communications – perceptions of how the brand is represented;
- types of distribution channels used currently, and projected future channels.

The Retail Sector

- the key social, economic and technological trends that are currently affecting retail.

Retail Design Services

- The type of company used to design retail outlets and the reasons for selecting them;
- Awareness of the tertiary background of their design consultants;
- skills and knowledge expected from design consultants, and order of importance;
- criteria for selecting a design firm;
- the adequacy of designers' knowledge of retail, marketing, branding and the specifics of retail design;
- specific skills and knowledge lacked by retail designers ;
- emerging issues and trends in the retail industry and how these affect requirements for design services.

The information obtained from the semi-structured interviews proved useful for the framing of the survey by questionnaire. For example, as it became apparent that many corporate organisations own and manage numerous retail brands, it was decided to focus the survey on retail brand rather than retail organisation. Also, it emerged that due to the many different retail typologies that corporate organisations represent, there are often specific requirements for each brand that may or may not be consistent across categories. This pointed to the need to seek information from the survey by questionnaire that was representative of the differing requirements pertaining to differing retail typologies.

Information from the interviews on the number of existing outlets and their locations (NSW, Australia, Australia & Overseas) provided an indication of the overall size of the organisation and their existing retail presence, and helped to determine the scale and scope of the questionnaire.Some outcomes of the interviews led to certain issues being omitted from the questionnaire. For example, it was attempted during the interviews to obtain information on corporate ownership, including the percentage of fully owned Australian retailing corporations and the sectors of the Australian retail market that they dominated. It was intended to use this information to explore, in the questionnaire, whether national and international organisations differed in their perceptions and opinions, or faced differing issues.

However, some interviewees indicated that the specifics of ownership were questions that should be directed elsewhere within the organisation, and it was decided therefore not to pursue this issue in detail within the questionnaire.

The professional experience of the author/interviewer has provided an awareness of the many in-house design divisions within major retailing groups in Australia abroad. An objective of the interviews was to gain a better understanding of the role of these in-house design groups in retailing organisations and to ascertain whether their existence affected the engagement of external design consultants. Two of the interviewees indicated that their organisations had in-house design divisions which were responsible for the majority of retail design work undertaken by the organisation. Both indicated, however, that they would appoint external consultants in situations where it was deemed appropriate to seek out new perspectives and design approaches. Both indicated that this generally occurred when there had been corporate directives for a radical concept change. Both interviewees stated that these external design consultants were sourced both nationally and internationally, and were usually asked to undertake a design pitch presentation to win the organisation's work.

In light of a question explored in Chapter One, '*Hasas retail become an application of marketing?*' (Peterson & Balsaubramanian 2002), it was deemed necessary to ask the interviewees about the role played by marketing within the organisation. Of the five subjects interviewed, three indicated that their professional background was in marketing, and all but one stressed that marketing did indeed play the major role in the selection, appointment and control of the output at the appointed retail design firms. This is illustrated by the following quotes:

> Marketing and key stakeholders form the strategic business direction including store design (Interview Subject D, Appendix F).

> Marketing influences the look of the branch, including the operational layout by the construction division (Interview Subject E, Appendix G).

> Marketing influences and controls store design
> (Interview Subject C, Appendix E).

> Marketing and Visual Merchandising are a combined division (in our organisation). Visual merchandising has a say in the finish of the stores in regard to merchandise requirements, but marketing not so much (Interview Subject A, Appendix C).

One interviewee indicated that the influence of marketing within their organisation was minimal. 'No, marketing doesn't have an involvement (in design decisions). Design is usually signed off by the management committee, though marketing is in there. Mainly marketing is involved with advertising. Buying has the most input to and control of store design' (Interview Subject B, Appendix D). This response was predictable within this retail typology (Discount Department Stores and Department Stores) which due to its multi product format is driven by buying divisions.

The roles and influence of property divisions were also explored in the interviews. Only one interviewee considered that the property division had a role in the store environment, and it was more involved with facilities management and location procurement than store design. Because of the apparent limited relevance, questions pertaining to the property division were omitted from the questionnaire. The influence of buying divisions, which have traditionally had a strong role in department store design (generally those with in-house design divisions), was also explored in the interviews, but with one exception this typology was not represented, and related questions about their role were omitted from the questionnaire.

For background information on 'the retail brand', the interviewees were asked to identify the value placed by the organisation on their retail brands, and their perceptions about how these brands were represented to consumers. Without exception, the subjects indicated that they perceived their individual brands to be the most valuable components of their organisations. Comments included;

> Its all about our brand (interview Subject B, Appendix D).

> ...our brand is critical in establishing us as a key destination and first choice outlet. Customers must make a decision to come here, the brand and it's geographic location play a major role in the purchase process (Interview Subject D Appendix F).

> Its pretty important ... its an Australian icon' (Interview Subject A Appendix C)

> Its critical, its so well known consumers have confidence in it (Interview Subject E Appendix G).

The interviewees were asked how they perceived their brand was communicated to customers, through the store, or through other mediums such as advertising. All subjects stated that their stores played a major role in brand representation, and that this was aided by more traditional brand communication tools such as advertising. Comments included:

> The store plays a big part in communication .... the stores deliver the brand proposition directly (Interview Subject C Appendix E).

> Stores are our frontline exposure (Interview Subject E Appendix G).

> Marketing, advertising, catalogues and stores are very important – ambience and product branding (Interview Subject B Appendix D).

When asked whether they felt it appropriate that retail designers become involved with brand and brand strategy, several interviewees agreed. Subject D stated that brand strategy is critical, and that the type of consultancy worth paying more for was the one 'with the best brand strategy and design team'. (Appendix F) This sentiment was echoed by Subject E who considered that the provision of graphic design (as well as retail design) should also be an integral element. Subject A was less definitive stating ' I don't know if any (services) are worth paying more for, but some services cost more, especially graphic design services and advertising' (Appendix C)

The issue of current and future distribution channels was raised with the interviewees. In order to simplify the process, a list was read out and interviewees were invited to respond. The list included stores, catalogues, website and wholesale opportunities. An opportunity was provided for the interviewees to indicate other channels they used. It was found that the organisations of all interviewees utilised at least two of these channels, and two utilised all the nominated channel options. All used or were intending to use the Internet. All were happy to respond to questions regarding projected channel usage, and the discussions on this topic indicated that the use and type of distribution channels was an important consideration to all, and affected their individual expectations and needs regarding retail designer's skills, knowledge and service offer. As a result of the feedback from the interviews it it was determined that the final questionnaire would provide a simple check for establishing current and future projected channel use.

Another objective of the 'pilot' interviews was to identify emerging issues and trends in the retail industry that had not emerged from the available literature and had not been discussed in Chapter One. Subjects were asked what social, economic and technological trends they felt were impacting upon the retail industry. Some responses were as follows;

> The electronic age is affecting our sort of business. Business is changing not only involved in retail we are involved with logistics. The impact of the web on our business (Interview Subject E Appendix G).

> Today you really need to drive the business to achieve budget goals. I believe Australia is over retailed. Customers today tend to buy with incentives. Business should move away from discounting and a focus on brand. Price is in the purchase equation but further down a customer's priority list. Our research shows price doesn't rate as highly with consumers as does quality and end use, features and benefits along with brand integrity. These are the key triggers in the purchase decision (Interview Subject D Appendix F).

> Continued retail polarisation – large retailers are getting bigger – mass proposition, continued growth of niche retailers. Economic modelling, an estimated four million customers account for 70% of discretionary spend. We are moving towards enhancing the services offered and the customer pays for enhanced services, we are currently underselling on services (Interview Subject C Appendix E).

Interviewees were also asked how they perceived these issues to impact on retail designers, and this prompted the following variety of responses:

> The retailer has to accommodate technology, which must be user friendly (Interview Subject E, Appendix G).

> Today's customer is more aware of the environments they are shopping in, expectations are higher. Customers are time poor, they want to get in and get out. We need to make retail more a destination. Rents are very expensive stores are getting smaller, trying to make the stores more profitable and increase the sales per square metre (Interview Subject A, Appendix C).

The changes are about balancing store design between individual product brands with the overall brand (Interview Subject B Appendix D).

Retail designers need to understand the latest technology, they need to be on top of information technology. For example our new stores will allow customers to design their own ... on computer, this is key to selling the features and benefits and to up sell our product offer. Store layout is also critical to up selling, the process of how the customer is lead through the assortment offer to a better and more useful product purchase. Time poor customers will pay for enhanced services (particularly the upper and middle market segments),(Interview Subject D Appendix F)

For background information on retail design services, interviewees were given a variety of questions and prompts on the process they used to select a retail designer or retail design firm, and asked what emphasis they placed on skills, knowledge and focus. They were also asked how many design firms they had used, and if and why they had changed design consultants. Subjects with in-house design divisions were asked specifically about external consultant usage rather than the internal team. Responses varied and some are reprinted below.

Question **Who do you use to design your retail stores?**

We use a retail design practice they have alliances with other disciplines (Interview Subject C Appendix E)

We tend to use experienced retail designers (Subject B Appendix D)

We use a multi-disciplinary practice (Interview Subject D Appendix F)

For new concepts we use a specialised retail practice, once we've got the concepts we move out to architectural firms, once the concept is set there is not a lot of flexibility, architects are cheaper (Interview Subject E Appendix G)

'We use a local practice and an International practice (UK) both specialise in retail. We use the UK practice for brand and concept work – local practice for rollout work' (Interview Subject A Appendix C).

As indicated in the above responses, the interviewees identified retail as a discipline in itself. The term interior design was not used by any of the subjects. The response of Subject E implied that specialised retail practices were costly and as such they were used for upfront work only.

Question **Why did you select these firms?**

> We selected an international firm for strategic brand and concept work because they hadn't grown up with the brand and were able to look at it with fresh eyes (Interview Subject A Appendix C).

> We are looking for a strategic approach, international ideas, bringing in new thinking new ideas, another point of view (Interview Subject B Appendix D).

> We had confidence in their ability to revolutionise not evolve our store design (Interview Subject C Appendix E).

> Their history, reputation and their vision. They had a strategic approach and they understood we didn't want a store design that just focused on price but one that educated. .... They had a strategic approach and were outcome based.(Interview Subject D Appendix F).

> We had confidence in their strategic thinking, the quality of their design work, and their ability to meet our time lines (Interview Subject D Appendix F).

Question **What are you looking for from design consultants? For example professionalism, experience, strategic approach, an understanding of your business etc.?**

> Its an advantage to have a firm with an understanding of retail (Interview Subject E Appendix G).

> At the moment we are rolling the new concept out, as such we are looking for a firm who is flexible ... understand the critical deadlines and deliver professional service levels. They need to understand retail (Interview Subject A Appendix C).

Thinking, their ability to navigate through and understand our business, add value (Interview Subject C Appendix E).

We are looking for somebody to understand what we are trying to get at, they need to have people with ideas who do not lose focus on what you are trying to do, know our retail business (Interview Subject E Appendix G).

We are looking for professionalism, strategic thinking, contemporary design, progressive thinking, the ability to think outside the box, customer focused and being brand aware (Interview Subject D Appendix F).

All interviewees expressed the view that a demonstrated capacity for strategic thinking was a critical factor in their selection of a retail design consultant. The importance of structure and measure in approaching a design project were stressed. The other important criteria for the interviewees was the ability of a firm to understand the retail industry and the specific nature of each individual business. Further questions elicited more information regarding firm selection.

Question **How important is price when selecting design firms?**

Its always important however the firm we selected was 5 – 10% higher in price than the other contenders (Interview Subject C Appendix E).

It plays a role but there are other issues that are critical to the final choice (Interview Subject D Appendix F)

Its not important, doesn't come into it ever (Interview Subject B Appendix D).

We have to go through tender, makes things harder, develop a brief that people can price - can compare apples with apples hard with concept (Interview Subject E Appendix G).

Value for money is more important (Interview Subject A Appendix C).

Only one of the interviewees felt that price was of no importance; the others indicated that although none of them viewed it as a critical factor, corporate directives demanded that some consideration was given to it. Questions pertaining to the number of design firms the organisation had used elicited very little relevant information. Most subjects were reluctant or unable to answer questions about this issue. The majority indicated that they were not in their current position when other firms had been used and were not therefore aware of why the relationship had been terminated. One indicated that a change in design firm was warranted when the organisation felt that a radical shift from the past was required, saying 'Yes, we have used other design firms, but we needed a change'(Interview Subject C Appendix E).

Interviewees were asked to provide further information about the qualities that retailers sought from designers by indicating how they ranked a number of factors/qualities when selecting a design firm. The factors/qualities were price, credentials, past experience in industry, design edge, personnel, professionalism, and speed, and interviewees were asked to rank them as not important; somewhat important; important; or very important in regard to their decision to select a particular design firm.

Only one interviewee felt that price was not important, showing consistency with the responses to a previous question. Three subjects felt that the most important quality was strategic thinking, and that it should be added to the list. Personnel were deemed only somewhat important and one subject indicated that it was not a consideration. Experience in the industry and a firm's credentials were seen as important, as was the perception of the firm having a 'design edge' which was defined differently by each subject. Definitions ranged from 'different – not the same as everyone else' to 'the manner in which they approach their work'. Interestingly, the quality deemed as most important in all cases was speed, described as the ability to undertake projects quickly and efficiently. As a 'participant observer' with professional experience in the industry, the author/interviewer found the emphasis on speed to be predictable, as the retail sector is renowned for tight deadlines. This is reinforced by the following comment made by one of the research subjects.

> Our store design services currently are good but in the past we have frustrations with timing, constantly waiting for stuff then we receive it and its all wrong, shows that they haven't understood us or retail at all (Interview Subject A Appendix C).

Interviewees were also asked about the processes undertaken by their organisation in the selection and appointment of design firms. Responses varied from ' ...we ask them to pitch or we approach them directly to undertake work for us' (Interview Subject B Appendix D), to '...we invite companies to pitch (Interview Subject C Appendix E), to '... we invite firms to pitch usually between three and five .... as part of the pitch we outline a strategy and ask them to do a presentation' (Interview Subject D Appendix F). All subjects indicated that they preferred not to go public with pitches as the following quote illustrates;

This subject discussed at length the amount of unsolicited approaches they received from retail designers summarised by this comment ' Firms constantly approach us, it's a pain, generally it's a cold call, after that you tend to get bombarded with emails its just not ideal'. (Interview Subject A Appendix C).

The importance placed by the retail industry on strategic thinking was highlighted by discussions on the appeal of various pitch presentations by design consultants. All interviewees volunteered that the selection of the successful design firm was based on its demonstrated ability to think strategically about a project, and to demonstrate an understanding of the industry and a willingness to learn about the retailer's business. There were a range of views on the essential skills and competencies for designers working within the retail industry, as is demonstrated in the following quotes:

> They need to understand the retail process, the speed needed and compressed turn around times (Interview Subject A Appendix C).
>
> They do need an understanding of all aspects of retail. Business, product, understand the outcome required how the brand is presented – the end product (Interview Subject B Appendix D).
>
> The ability to live in retail – understand it Ability to navigate our thought processes – management skills. A broad understanding of business practices – aims, objectives and practices (Interview Subject C Appendix E).
>
> Not to be too precious and confused between client request and design vision. They need to be aware that the end customer and service transaction is paramount. The customers view of product and offer is the main focus in retail design (Interview Subject D Appendix F).

When the interviewees were asked to identify any perceived limitations of retail designers, the following comments were provided:

> Timeline management needs improvement: designers tend to be wrapped up in the essence of the design at the expense of budgeted timelines. They also spend too much money on designer products when there is something similarly available at a significantly lower price, especially when the customer would not be able to tell the difference. I don't mind spending money on fitout at the customers eye level, it's a matter of perception, when is it and when isn't it necessary to spend for brand enhancement and customer satisfaction (Interview Subject D Appendix F)

> We have had frustrations with timing, constantly waiting for stuff .... we want drawings suitable for retail, reams and reams of wall details are not appropriate, we want retail packages (Interview Subject A Appendix C).

> General management skills are often a problem – professionalism (Interview Subject B Appendix D).

When asked whether they felt designers had enough knowledge in business, marketing and branding, the interviewees' answers illustrated the strong link between contemporary retail and marketing practice.

> They (designers) need more understanding of brand power and marketing strategy as aligned with budgets and time lines. They need to be more proactive on the link between marketing, store design, the sale process in store, the link to the customer and the customer's purchase cycle (Interview Subject D Appendix F).

> It depends on the business they are in if they are doing strategic brand work then they must have more knowledge than they do now in business and marketing. If they are just involved with rollout work its not so important. (Rollout is the term used for implementing an existing concept into a number of nominated locations), (Interview Subject A Appendix C).

They need to understand the practicalities of marketing not necessarily marketing theory. They need to understand how marketing works in the real world (Interview Subject C Appendix E).

Not sure it varies with a firms focus, obviously interest and industry drives this (Interview Subject E Appendix G).

All subjects were then queried about the rise of multi-disciplinary practices, and their opinions on them. The following questions were asked;

Question **What do you think of the move toward more multi-disciplinary practices targeted at an industry sector, incorporating services such as advertising etc?**

I think if advertising agencies don't pull their socks up there's a real opportunity for someone to come in and take the market. There's definitely a gap between advertising and a more holistic approach (Interview Subject C Appendix E).

I think a multi-disciplinary firm targeted at a sector can be appropriate for certain projects. There are obvious cost efficiencies in using a multi-disciplinary firm and some risk factors. I would rely heavily on their history portfolio coupled with their strategic thinking and brand awareness before committing to a program (Interview Subject D Appendix F).

In our business we need retail design with experience specific to our type of retail (Interview Subject B Appendix D).

Question **Do you think the development of multi-disciplinary firms targeted at an industry sector has a market here?**

Yes I probably do, the company we use from overseas is most definitely multi-disciplinary (Interview, Subject A Appendix C).

The 'pilot' interviews confirmed the dominance of branding within the retailing industry and the influence and impact of marketing theory and personnel. They indicated also that retail design is a specialist field failing to relate it directly to architecture or interior design. The reactions to the rise of multi-disciplinary practices identified in Chapter One were mixed. One interviewee indicated believed there would be 'cost efficiencies' in utilising a multi-disciplinary practice, but felt there were risks to utilising this type of service. All of the subjects felt that a strategic design process was critical, and it was generally perceived that strategic brand development was a component of a retail designer's work. Knowledge of marketing and business theory was viewed as necessary although the depth of knowledge was seen as being dependent on the particular project.

The semi-structured telephone interviews had a number of limitations, as has been recognised earlier in this chapter. It was difficult for the interviewer to accurately notate all discussions and comments, and the notes and comments included in this section are those considered most appropriate for the preparation of the ensuing questionnaire survey. In addition, the interviews often had to be interrupted due to the subject's work commitments, and in some cases interviews were terminated before all the issues had been discussed. However, the interviews provided some valuable background information that was used to inform the content and structure of the survey by questionnaire which is described in the next section.

3.4 The Questionnaire Survey

The second stage of the primary investigation, the questionnaire survey, provided the opportunity for a methodical and rigorous investigation of the attitudes and needs of the retail industry in relation to interior design. It was intended that the findings of the survey would be used to assess the implications for interior design curricula. This would enable strategies for more appropriate curricula to be developed and enhance cooperation between educators, design practitioners, and industry representatives working in the retail sector.

As explained in 3.2, an important realisation from the earlier telephone interviews was that the questionnaire survey should be focused on retail brand rather than retail organization. The aim was to send questionnaires to representatives of fifty retail brands, selected on the criteria discussed in Chapter One. All representatives involved had within their portfolio at least one retail 'brand', utilised more than one distribution channel, and had more than five environmental locations. In addition, all had direct responsibility for the selection, appointment and management of designers or design consultancies. The aim of the questionnaire survey was to obtain, synthesise and analyse data on retail as a marketing application; the role of brand; the future of retail design services, the specialised skills required of retail designers, and also further emerging issues in the industry that may not have been identified from the review of available literature in Chapter One.

Potential subjects for the questionnaire survey were approached initially by telephone, and those deemed appropriate for the study and willing to participate were forwarded a letter of introduction by email (Appendix A) as well as the questionnaire (Appendix H). Return of the document was either by email, fax or post, depending on the preference of the individual. The criteria for selection was that the subject was either responsible for the selection, appointment and management of design consultants or an integral member of the responsible team. Fifty questionnaires were emailed out, and thirty of these were completed and returned. This was deemed to be an adequate response rate for the investigation, which took eight weeks to complete.

Each questionnaire was numbered, and no details of personnel and corporations were recorded. Initial introductory telephone conversations indicated that in the case of larger retail organisations with more than one retail brand, some answers could differ due to individual retail typologies. Where this was the case, subjects were asked to complete more than one questionnaire or indicate the number of brands to which the answers applied. Each brand was treated as a separate case. On receipt of the questionnaires, the data was analysed using the software package known as *Statistical Package for the Social Sciences* (SPSS Version 14). All questions were tabulated, with a 'yes' response having a value of one and 'no' having a value of zero. A copy of the data file can be located in Appendix i.

An imperative for the maximisation of response rates was to ensure that the questionnaires were quick and simple to complete whilst still providing sufficient information for the accurate recording and assessment of data. Because SPSS was used for processing, the framing of questions and format needed to complement the statistical software. As a result of these two key criteria, it was determined that a simple format that required the research subjects to indicate their responses through checking an appropriate answer would be used for most questions. Where 'yes' or 'no' answers could not be provided or where answers were entirely subjective, space was provided for the research subjects to write a personalised response. It was recognised that the qualitative nature of these questions could extend the response times, and therefore questions of this type were limited. Due to the confidential nature of responses no names identifying personnel, brands or corporations were recorded. A sample of the questionnaire can be found in Appendix H.

3.4.1 Retail as a Marketing Application

So that the influence of marketing and marketing theory on the Australian retailing industry could be explored, subjects were asked first to identify the retail typology for their retail brand or brands (Figure 3.1) illustrates the available categories that subjects could select from, and the typologies represented within the study. Typologies were determined through personal experience within the industry and those represented within readings.

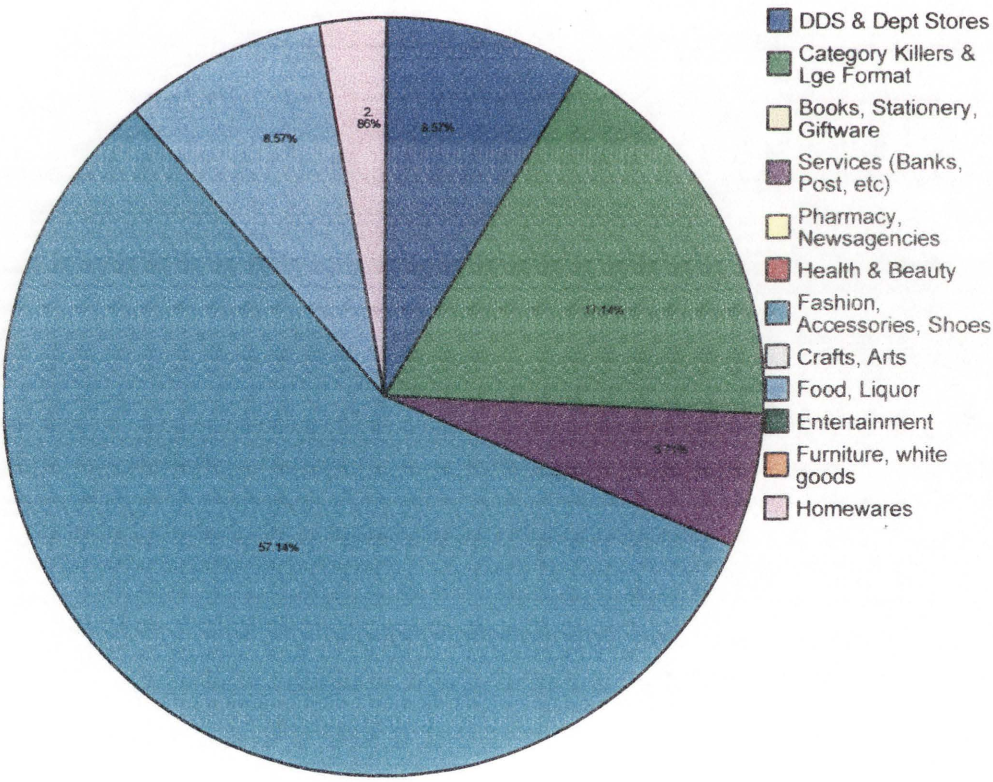


Figure 3.1: Retail Typology Representation – Percentages (Appendix I)

As Figure 3.2 illustrates, despite the fact that there were a total of 30 respondents to the questionnaire some subjects elected to nominate their retail brands as bridging or falling into two or more categories, nomination of more than one category was permitted. Twelve categories of retail typology were identified, however as indicated in Figure 3.2, *Books Stationery Giftware, Pharmacy & Newsagencies, Crafts and Arts, Entertainment, Furniture and White Goods and Entertainment* are not represented within this study. Not unexpectedly, *Fashion, Accessories and Shoes* which has one of the highest representations in retailing centres within Australia, accounts for just over half of the respondents at 57.14%. The next largest group at 17.14% were *Category Killers and Large Format Stores*. With the exception of *Homewares* which had the lowest representation at 2.86% the remaining three categories were relatively similar with *Food & Liquor* at 8.57%, *Services* at 5.71% and *DDS (Discount Department Stores) and Department Stores* at 8.57%. Retail typology was determined as an important variable for measurement of responses and attitudes to the issues raised within the questionnaire.

		Responses		Percent of Cases
		N		
retail typologies(a)	DDS & Dept Stores	3	8.6%	10.0%
	Category Killers & Lge Format	6	17.1%	20.0%
	Services (Banks, Post, etc)	2	5.7%	6.7%
	Fashion, Accessories, Shoes	20	57.1%	66.7%
	Food, Liquor	3	8.6%	10.0%
	Homewares	1	2.9%	3.3%
Total		35	100.0%	116.7%

a Dichotomy group tabulated at value 1.

Figure 3.2: Table: Retail Typologies – Frequencies (Appendix I)

In conjunction with retail typology, professional background was viewed as an important variable affecting a subject's perceptions and responses to the questions posed. Initial interviews provided a guide as to the most frequently found professional backgrounds within Australian retailing organisations. Professional background would also provide an insight into the question '*Has retail become an application of marketing?*' posed by Peterson and Balasubramanian (2002). It would be useful to know what percentage of personnel with control over retail design held marketing qualifications at the time of this study. Ongoing monitoring of the increase or decrease of this percentage will enable the affects of marketing on retailing in Australia to be assessed in more depth.

A provision was made to accommodate for unspecified backgrounds through the inclusion of an *'other'* option that requested a description, though no respondents selected this option in the study. The dominant professional background as indicated in Figure 3.3 is retail, closely followed by marketing and then design and architecture. There was low representation in the business and property and construction options. It should be noted that three subjects elected more than one category; this is illustrated in the Percent of Cases column.

		Responses		Percent of Cases
		N	Percent	
Professional Background(a)	Business	2	6.1%	6.7%
	Marketing	10	30.3%	33.3%
	Property & construction	2	6.1%	6.7%
	Design & Architecture	5	15.2%	16.7%
	Retail	14	42.4%	46.7%
Total		33	100.0%	110.0%

a Dichotomy group tabulated at value 1.

Figure 3.3 Table: Professional Background - Frequencies (Appendix I)

Figure 3.4 illustrates the connection between professional background and retail typology. *Discount Department Stores and Department Stores* with a total of three respondents were evenly represented across marketing, property and construction and retail, but the lack of response numbers in this category prevents drawing any conclusions as to tendencies and background preferences. *Category Killers and Large Format Stores* with a total of six respondents were equally shared across marketing and retail professional backgrounds, indicating that a professional background in marketing was influential within this typology. *Services*, defined as those retail brands that sold intangible goods and services to consumers, had low representation within the study; two subjects only, one subject nominated a professional background in two areas, namely property and construction and design and architecture, the other respondent nominated marketing as their professional background.

The largest represented group, *Fashion Accessories and Shoes,* with a total of 20 respondents indicates that a professional background in retailing is still dominant within the Australian industry at this time, with eleven respondents nominating this category. Marketing was the next highest represented group at six, and design and architecture at four. The figure for design and architecture may indicate the presence or past presence of an in-house design division. *Food and Liquor* with a total representation of three were represented in the business and retail categories only. The *Homewares* category only had one respondent with a professional background in design and architecture. Overall the most under represented groups were business and property and construction. Low representation in all categories apart from *Fashion Accessories and Shoes* prevents the drawing of any conclusions pertaining to preference background by retail typology across the retail industry in general. There is however an indicated preference for personnel with marketing and retail backgrounds overall.

			Professional Background					Total
			BUS.	MKTNG	Property & construction	Design & Architecture	Retail	
tail pologies	DDS & Dept Stores	Count	0	1	1	0	1	3
	Category Killers & Lge Format	Count	0	3	0	0	3	6
	Services (Banks, Post, etc)	Count	0	1	1	1	0	2
	Fashion, Accessories, Shoes	Count	1	6	0	4	11	20
	Food, Liquor	Count	1	0	0	0	2	3
	Homewares	Count	0	0	0	1	0	1
al		Count	2	10	2	5	14	30

centages and totals are based on respondents.
chotomy group tabulated at value 1.

re 3.4 Table: Professional Background and Retail Typology – Crosstabulation (Appendix i)

Subjects were also asked if they believed marketing personnel were becoming more influential within retail organisations. Figure 3.5 shows that sixty-six percent that the question posed by Peterson and Balasubramanian (2002), should be answered in the affirmative.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	no	10	33.3	33.3	33.3
	yes	20	66.7	66.7	100.0
	Total	30	100.0	100.0	

Figure 3.5 Table: Is Marketing becoming more influential within Retail Organisations? – Frequencies (Appendix i)

Responses to the questionnaire indicated that 23.3% of retail brands were Australia wide and 76.7% had a presence in Australia and overseas, confirming the global nature of the retailing industry, (Figure 3.6). There appeared to be no correlation with an overseas presence and foreign ownership of the business as indicated in Figure 3.7. It should be noted that two subjects elected not to divulge ownership information.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Australia wide	7	23.3	23.3	23.3
	Australia and overseas	23	76.7	76.7	100.0
	Total	30	100.0	100.0	

Figure 3.6 Table: Retail Brand - Store Representation (Appendix i)

		Business ownership		Total
		Not only Australian owned	Australian owned	
Location of stores	Australia wide	1	5	6
	Australia and overseas	6	16	22
Total		7	21	28

Figure 3.7 Table: Business ownership and Retail Store Location (Appendix i)

Figures 3.8 – 3.12 indicate that there is a preference for professionals with marketing qualifications within those businesses with overseas ownership (Figure 3.9). Of the four respondents indicating a background in design and architecture all were employed by businesses with that were Australian owned (Figure 3.10). Preferences for professionals with a retail background were indicated by Australian owned businesses (Figure 3.12). Other categories of background were less definitive. Further research would need to be undertaken to determine the reasons for the indicated preferences.

		Business ownership		Total
		Not only Australian owned	Australian owned	
Business	yes	1	1	2
	no	6	20	26
Total		7	21	28

Figure 3.8 Table: Business Ownership and Professional Background – Business (Appendix i)

		Business ownership		Total
		Not only Australian owned	Australian owned	
Marketing	yes	7	3	10
	no	0	18	18
Total		7	21	28

Figure 3.9 Table: Business Ownership and Professional Background – Marketing (Appendix i)

		Business ownership		Total
		Not only Australian owned	Australian owned	
Design & Architecture	yes	0	4	4
	no	7	17	24
Total		7	21	28

Figure 3.10 Table: Business Ownership and Professional Background – Design and Architecture (Appendix I)

		Business ownership		Total
		Not only Australian owned	Australian owned	
Property & construction	yes	0	1	1
	no	7	20	27
Total		7	21	28

Figure 3.11 Table: Business Ownership and Professional Background – Property and Construction (Appendix I)

		Business ownership		Total
		Not only Australian owned	Australian owned	
Retail	yes	1	13	14
	no	6	8	14
Total		7	21	28

Figure 3.12 Table: Business Ownership and Professional Background – Retail (Appendix I)

So that a further assessment of the impact of marketing on the retail industry could be made, the following statement and question were put to the subjects:

> Traditionally retail has been a distinctive industry, a key feature of which is place, represented by the store. With the advent of alternative non place based sales channels that are encompassed within the marketing framework, do you believe that retail has become an application of marketing? (Appendix H).

Seventy-six percent of subjects responded with affirmative replies to this question, and the breakdown of responses to this can be viewed in Figure 3.13. Predictably, those with marketing backgrounds dominated the affirmative responses, but it is interesting to note that there appears to be a strong awareness of this issue by those with backgrounds in design and architecture. Of the twenty-four percent of respondents who answered in the negative, 83.33% were those with professional backgrounds in retailing.

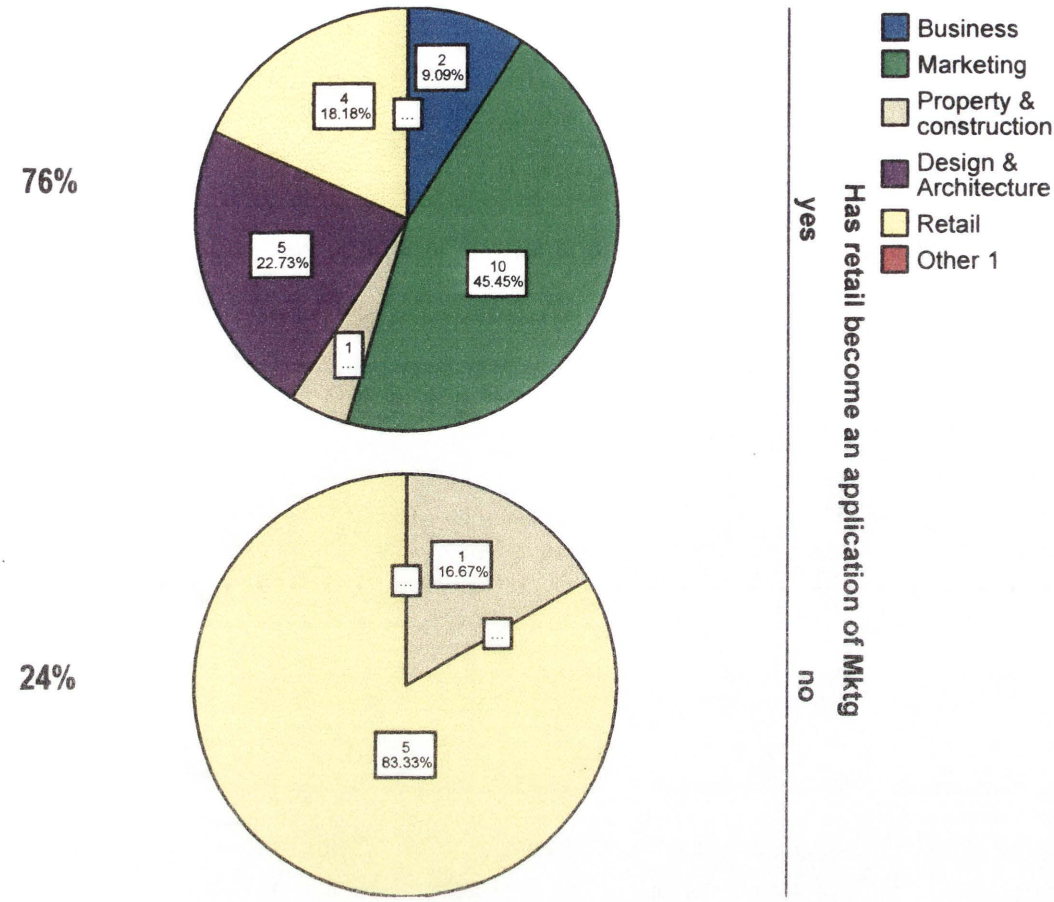


Figure 3.13 **Has retail become an application of marketing? (Appendix I)**

Based on the research undertaken there is evidence to suggest that marketing and marketing personnel have a distinctive presence within the retailing industry in Australia. Further research will need to be undertaken on an ongoing basis to assess the cumulative affect of this presence on retail designers and the industry in general. So that an understanding of the perception on retails absorption into marketing's multi-channel distribution framework could be gained, subjects were asked to nominate the distribution channels they currently utilised and those they believed would be utilised in the future. The semi-structured interview (see 3.2) formed the basis of the list of possible distribution provided for selection which included stores, catalogues, website/internet, telephone and an optional *other category* which was accompanied by a request for a description. The breakdown of this information is represented in the following charts.

			Current Channel Utilisation					Total
			Stores	Catalogues	Website	Telephone	Other 2	
etail pology	DDS & Dept Stores	Count	3	2	3	0	0	3
	Category Killers & Lge Format	Count	6	4	5	3	1	6
	Services (Banks, Post, etc)	Count	2	2	2	2	1	2
	Fashion, Accessories, Shoes	Count	20	10	15	0	3	20
	Food, Liquor	Count	3	2	2	2	0	3
	Homewares	Count	1	1	0	0	0	1
tal		Count	30	17	23	5	5	30

Percentages and totals are based on respondents.
a Dichotomy group tabulated at value 1.

ure 3.14 Table: Current Channel Utilisation by Retail Typology – Crosstabulation (Appendix I)

			Future Projected Channel Usage					Total
			Stores	Catalogues	Website	Telephone	Other 3	
etail pology	DDS & Dept Stores	Count	3	2	3	0	0	3
	Category Killers & Lge Format	Count	6	4	6	2	0	6
	Services (Banks, Post, etc)	Count	2	2	2	2	1	2
	Fashion, Accessories, Shoes	Count	20	11	16	0	0	20
	Food, Liquor	Count	3	2	2	2	0	3
	Homewares	Count	1	1	1	0	0	1
tal		Count	30	18	25	4	1	30

Percentages and totals are based on respondents.
a Dichotomy group tabulated at value 1.

ure 3.15 Table: Future Projected Channel Usage – Crosstabulation (Appendix I)

As indicated in Figure 3.14 & 3.15 traditional retail represented by the store remains a constant in both current and future channel usage and no typology indicates dissolution of this channel. The use of *catalogues* indicates a marginal increase of one point in future projected usage. *Websites/Internet* interestingly showed an increase of only two in projected usage, suggesting that take up of this channel (twenty-three of the thirty subjects) has already occurred. This use of the telephone as a distribution channel shows a decrease of one in projected use. The optional other category which was elected by five of the subjects included *VIP customer nights* (which was nominated as an additional channel by the *Fashion, Accessories and Shoes* typology), fax, which was nominated by one subject in the *Category Killer Large Format* typology and *dealer to dealer distribution* in the *Services* typology.

With the exception of the dealer to dealer channel, results indicate plans for the phasing out of other channels. All typologies indicate a minimum of three distribution channels with stores, catalogues and website/internet seen as the most appropriate channels for retail businesses within this survey.

Percentages of current channel usage are indicated in Chart 3.15 and projected future channel usage in Figure 3.16.

		Responses		Percent of Cases
		N	Percent	
Currently Utilised Channels(a)	Stores	30	37.5%	100.0%
	Catalogues	17	21.3%	56.7%
	Website	23	28.8%	76.7%
	Telephone	5	6.3%	16.7%
	Other 2	5	6.3%	16.7%
Total		80	100.0%	266.7%

a Dichotomy group tabulated at value 1.

Figure 3.16 Currently Utilised Channels- Frequencies (Appendix I)

		Responses		Percent of Cases
		N	Percent	
Proposed Future Channels(a)	Stores	30	38.5%	100.0%
	Catalogues	18	23.1%	60.0%
	Website	25	32.1%	83.3%
	Telephone	4	5.1%	13.3%
	Other 3	1	1.3%	3.3%
Total		78	100.0%	260.0%

a Dichotomy group tabulated at value 1.

Figure 3.17 Projected Future Channel Usage – Frequencies (Appendix I)

The perceived value of the Internet/Web as an alternative distribution channel within the retail sector were queried further through question 2.2 which asked;

> Do you believe alternative intangible channels such as the internet will become more important than stores in the future? (Appendix H)

Subjects were asked to answer by checking 'yes', or 'no', or ' '*Depends on the retail offer'.According to the responses,* 13.3% with a frequency of four stated that they did not believe that the internet would become more important than stores, 10% with a frequency of three indicated that they believed it would, whilst 76.7% with a frequency of twenty-three indicated that they believed it was dependant on the retail offer. Results are tabulated in Figure 3.16. In the second part of this question, subjects who had responded in the affirmative or negative were asked to expand upon the reason for their answer, and most of the total sample took the opportunity to do so. Interestingly the information provided through this qualitative approach was not totally consistent with the data acquired through the quantitative method and findings have therefore been omitted.

Seventy percent of respondents believed that the internet had afforded them previously unrealised opportunities of entering international markets (Figure 3.17).

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	no	9	30.0	30.0	30.0
	yes	21	70.0	70.0	100.0
	Total	30	100.0	100.0	

Figure 3.18 Table: Has the internet broken down domestic boundaries? (Appendix I)

3.4.2 The Role of Brand

A series of questions was then asked to determine the role and perceived value of brand within the retailing industry. Results here overwhelmingly confirmed the findings of Chapter One, that brand plays a key role in the retailing industry. However, opinions varied on how the brand concept was expressed and represented.

Subjects were asked if they believed there is more emphasis today in creating retail brands. A hundred percent of respondents answered in the affirmative. The role of brand as a key differentiating factor was also confirmed through the question 'Do you believe your brand is the most important differentiating factor in your business?, with all but one subject indicating it was. This respondent, whose professional background was in retailing and whose company was 100% Australian owned, described the company's retail typology as bridging two categories, *DDS and Department Stores* and *Category Killer, Large Format.*

Subjects were asked if they believed that consumers today have higher expectations of retail environments. This question was included to gauge the perception of the industry on consumer expectations of the retail environment. Interestingly four respondents (13.3%) answered that they did not believe this was the case, despite indicating their beliefs that their retail brand was the key differentiating factor within their business. Does this indicate that they believe the environment is not a critical component of the brand construct, or does it indicate that within their business, past experience has demonstrated that sales are not proportional to the spend on retail fitout? Responses in the next question indicate that the latter is the most likely reason as 100% of respondents indicated that the store environment is a critical component of their retail brand.

So that a deeper understanding of the perception of brand expression by retail industries could be gained, subjects were asked to indicate what components of the store environment were critical. The list of alternatives was drawn from discussions in the initial interviews. Figure 3.19 indicates the results of this cross tabulated with retail typology.

			Brand Expression within the retail environment						Total
			Design of Store	Incorporation of graphics and signage	Service	Products and services offered	Sales Staff	Its not brand expressed through advertising	
ail ology	DDS & Dept Stores	Count	3	2	1	3	1	1	3
	Category Killers & Lge Format	Count	6	5	5	5	5	1	6
	Services (Banks, Post, etc)	Count	2	2	1	2	2	0	2
	Fashion, Accessories, Shoes	Count	16	19	13	13	19	0	20
	Food, Liquor	Count	3	3	3	3	3	0	3
	Homewares	Count	1	1	1	1	1	0	1
al		Count	26	28	20	22	27	1	30

Percentages and totals are based on respondents.
a Dichotomy group tabulated at value 1.

Figure 3.19 Table: Brand Expression within the Retail Environment and Retail Typology-Crosstabulation (Appendix I)

Analysis of the figures reveals that although numerical increases and decreases are slight due to the small sample size, they do indicate that environmental design lags behind two dimensional media, represented by graphics and signage in perceived brand expression. Twenty-eight of the thirty respondents or 93.3% as illustrated in Figure 3.19 believe that graphics and signage play a dominant role in expressing the brand within an environment. One can argue that this is possibly due to the historical development of branding as a graphic mark to identify a product, and that there still exists a perception within sections of the retail industry that this is a major component of the brand construct.

Surprisingly a majority of the subjects (twenty-seven or 90%) indicated that sales staff plays a major role in brand expression. Baker & Levy (1992), broke down Kotler's(1973), atmospheric concept into three distinct areas, social, ambient and design factors. Baker & Levy posit that sales staff and other customers elicit cues about the retail environment. Although they do not refer specifically to branding within their paper, they imply that the retail industry sees the role of sales staff as an important means of brand expression within the retail environment. Twenty-six (86.7%) of respondents cited the store design as being an important component of brand expression. Despite the fact that 100% of the *Fashion, Accessories and Shoes* typology believe that they will continue to utilise store channels in the future, the four subjects who viewed store design as not expressing the brand came from this category. Interestingly, respondents indicating that these type of product and service offers were not a component of brand expression heralded from the *Fashion, Accessories and Shoes* typology perhaps indicating that these type of purchases are dominated by consumer brand preference. Service was seen as less important again with all but *Homewares* and *Food, Liquor* showing slight decreases in numbers. Only one subject from the *DDS and Department Store* typology elected to prioritise advertising as being the main form of brand expression.

		Responses		Percent of Cases
		N	Percent	
Brand Expression within retail environ(a)	Design of Store	26	21.0%	86.7%
	Incorporation of graphics and signage	28	22.6%	93.3%
	Service	20	16.1%	66.7%
	Products and services offered	22	17.7%	73.3%
	Sales Staff	27	21.8%	90.0%
	Its not brand expressed through advertising	1	.8%	3.3%
Total		124	100.0%	413.3%

a Dichotomy group tabulated at value 1.

Figure 3.20 Table: Brand Expression within the Retail Environment – Frequencies (Appendix I)

The opinions and perceptions regarding brand expression were explored further through a more generic question that aimed at discerning which typical components were seen as critical components of brand representation. Included within this question were intangible sales channels and advertising. Results shown in Figure 3.21 indicate that despite the development of the brand concept to encompass place and experience, industry perception is that advertising is still perceived as the dominant method of brand expression. The physical environments represented by the stores were seen as critical to brand representation by all but one subject from the Services typology.

Products and services were also viewed as critical with a total of 28 or 93.3% of respondents indicating their importance; this was in contradiction to their responses when asked specifically about brand expression within the retail environment. This dichotomy can be explained through examination of the terminology used. Subjects were asked about brand expression within a retail environment and brand representation in the subsequent question. Their answers reflect the view that the customers' perception of product and service before they visit a tangible sales channel represent an important component of brand perception in the larger market.

Of particular interest is the low figure assigned to intangible sales channels. Although previous figures indicate a high take up across the Internet and web, only 26.7% of respondents view these channels as representative of the brand. The cross referencing of this information with professional backgrounds in Chart 3.22 provides some insight. Of the fourteen subjects indicating a professional background in retailing none nominated this channel as representative of the brand, perhaps reflecting the traditional interpretation of the retail industry and its relationship with place. Those with professional backgrounds within retailing viewed advertising, products and services and stores as the three most important components of brand representation. These three categories were also favoured by those with a background in business. Marketing professionals were most likely to view intangible sales channels as brand representative with a total of six subjects or 26.7% electing this channel. This can be seen to align with marketing's theoretical foundation and multi-channel distribution framework, suggesting that marketing professionals perceive the role of place and location within retailing less important than those with traditional retail backgrounds.

Personnel with a background in design and architecture viewed products and services, advertising and sales staff as most important with one subject electing not to nominate stores. This result was surprising as previous indicators showed a distinct awareness of brand as a key factor in retailing. Further research would need to be undertaken to ascertain the reason for this omission, is it a personal opinion or would a larger sample size show a consistent trend within this area?

		Responses		Percent of Cases
		N	Percent	
Critical in Brand Representation(a)	Products and Services	28	19.9%	93.3%
	Advertising	30	21.3%	100.0%
	Intangible Sales Channels	8	5.7%	26.7%
	Stores	29	20.6%	96.7%
	Catalogues	19	13.5%	63.3%
	Sales Staff	27	19.1%	90.0%
Total		141	100.0%	470.0%

a Dichotomy group tabulated at value 1.

Figure 3.21 Table: Critical in Brand Representation – Frequencies (Appendix I)

			Critical in Brand Representation						Total
			Products and Services	Advertising	Intangible Sales Channels	Stores	Catalogues	Sales Staff	
rofessional ackground	Business	Count	2	2	0	2	1	1	2
	Marketing	Count	9	10	6	10	10	8	10
	Property & construction	Count	1	2	1	1	1	1	2
	Design & Architecture	Count	5	5	2	4	1	5	5
	Retail	Count	14	14	0	14	8	13	14
otal		Count	28	30	8	29	19	27	30

Percentages and totals are based on respondents.
a Dichotomy group tabulated at value 1.

Figure 3.22 Table: Professional Background and Factors Critical in Brand Representation – Crosstabulation (Appendix I)

Analysis of results by retail typology indicates a consistency across typologies regarding advertising's importance as illustrated in Figure 3.23. There are however significant variances across typologies for the other nominated brand representative factors. The *DDS and Department Store* group show a preference for advertising, catalogues and stores with no subject nominating intangible sales channels. The *Category killers, Large Format* show a relatively even spread across all but intangible channels group, which received only one nomination. The *Services* group are also evenly spread, but with a representative number of two it is difficult to draw any pertinent conclusions. The largest group *Fashion, Accessories and Shoes* rated products and services, advertising, and stores as the most critical but also rates sales staff highly with catalogues and intangible channels rated at eleven and six respectively.

Because of low response rates in all but one typology, the drawing of conclusions difficult. However, there appears to be a general awareness of the holistic nature of the brand construct today and one could expect that numbers for intangible sales channels will improve in correlation to consumer take up and response.

			Critical in Brand Representation						Total
			Products and Services	Advertising	Intangible Sales Channels	Stores	Catalogues	Sales Staff	
Retail Typology	DDS & Dept Stores	Count	1	3	0	3	3	1	3
	Category Killers & Lge Format	Count	5	6	1	6	6	5	6
	Services (Banks, Post, etc)	Count	2	2	1	1	1	2	2
	Fashion, Accessories, Shoes	Count	20	20	6	20	11	19	20
	Food, Liquor	Count	3	3	0	3	2	3	3
	Homewares	Count	1	1	1	1	1	1	1
Total		Count	28	30	8	29	19	27	30

Percentages and totals are based on respondents.
a Dichotomy group tabulated at value 1.

Figure 3.23 Table: Retail Typology and Critical Brand Representatives – Crosstabulation (Appendix I)

3.4.3 The Future of Retail Design Services

It was apparent from the semi-structured interviews undertaken before the questionnaire survey (see 3.2) that the interviewees perceived retail design as a distinct discipline separate from that differed from interior design and architecture. This perception contrasts with the view that is prevalent among design educators, most of whom do not acknowledge retail design as a distinct profession with specialised skills. In order to explore perceptions about the distinctiveness of the retail design discipline, subjects were asked about the type of firm they used to design their retail design stores. A list was provided that included both 'an interior design firm' and a 'retail design firm' in addition to a variety of other options (Figure 3.25). Figure 3.24 illustrates that 53.33% selected the *'retail design option'*, compared to 46.67% who nominated a variety of other firm types. Figure 3.25 illustrates that only one respondent nominated the use of an *'interior design firm'*. A number of subjects elected to nominate in more than one category.

The use of in-house design divisions and a combination of in-house and external consultants were the next most prevalent categories with nine and seven nominations respectively. Firms offering design and construct services were also viewed more favourably than architectural firms, interior design firms and multi-disciplinary practices that were on par with interior design with only one nomination. The low nomination of multi-disciplinary firms appears to confirm the opinions of some of the interview subjects that the Australian industry perceives some risk associated with utilising full service options.

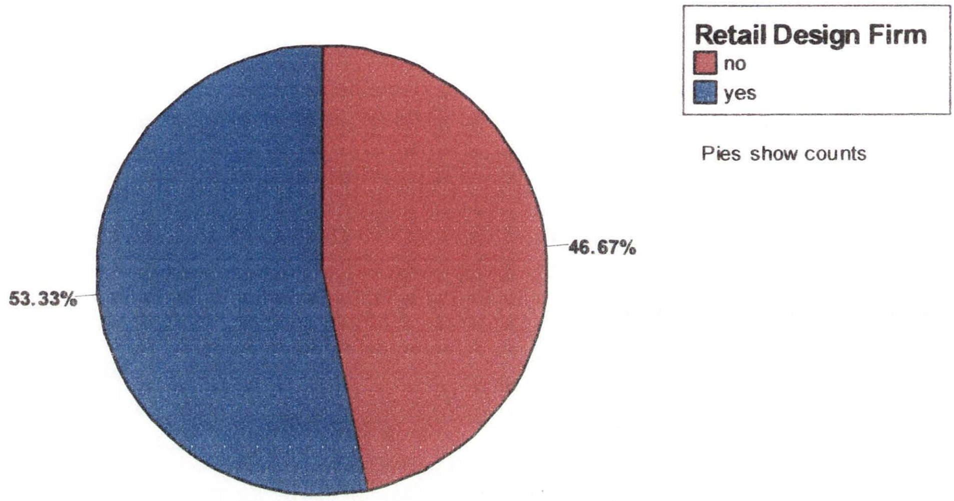


Figure 3.24 Type of Firm utilised by Retailers to Design Stores (Appendix I)

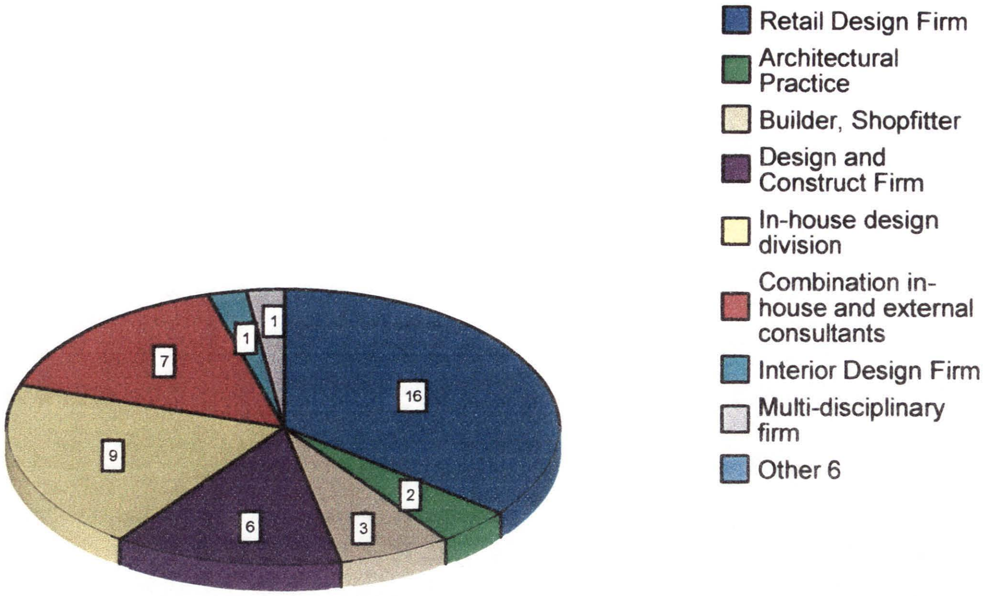


Figure 3.25 Firm Typologies – The Design of Retail Environments – Numerical Nomination (Appendix I)

The breakdown of category nomination by number in Figure 3.25 reflects the general lack of awareness that interior design is a relevant profession in the retail industry. Only one subject nominated their work as being undertaken by an interior design firm. The crosstabulation of the results with retail typology (Figure 3.26) is revealing. Both multi-disciplinary firms and interior design firms were nominated by the same typology, namely *Services*. Representatives of this typology indicated that they had utilised all the firm types listed at some point in time. The largest group, *Fashion, Accessories and Shoes* showed a preference for specialised retail design firms and in-house design divisions, with lower numbers recorded for design and construct firms and combination in-house and external consultants. *Category Killers, Large Format* were evenly spread between utilising retail design firms and a combination of in-house and external consultants.

			Type of Firm Utilised								Total
			Retail Design Firm	Architectural Practice	Builder, Shopfitter	Design and Construct Firm	In-house design division	Combination in-house and external consultants	Interior Design Firm	Multi-disciplinary firm	
ogy	DDS & Dept Stores	Count	2	1	0	0	0	1	0	0	3
	Category Killers & Lge Format	Count	3	0	0	0	0	3	0	0	6
	Services (Banks, Post, etc)	Count	2	1	2	1	1	1	1	1	2
	Fashion, Accessories, Shoes	Count	10	0	1	5	7	3	0	0	20
	Food, Liquor	Count	0	0	0	0	1	2	0	0	3
	Homewares	Count	1	0	0	0	0	0	0	0	1
		Count	16	2	3	6	9	7	1	1	30

Percentages and totals are based on respondents.
a Dichotomy group tabulated at value 1.

Figure 3.26 Table: Firm Utilisation by Retail Typology – Crosstabulation (Appendix I)

The low use of multi-disciplinary firms confirmed the opinions of some of the interview subjects that there are perceived risks associated with these type of firms. The result may signify a general lack of understanding of the term 'multi-disciplinary'. In order to clarify this, subjects were asked to indicate from a list which services their current firm provided. Results of this are indicated in Figure 3.27 and reveal that many firms are indeed multi-disciplinary and structuring their service offer around the retail sector.

Despite the lack of acknowledgement of interior design services when consultants are appointed, this type of service is still considered part of the overall service, as indicated in Figure 3.27. Interestingly graphic design services are offered by nearly half the firms used by the research subjects.

Comparisons between the subject's perceptions of the existing service offer and their opinion as to the services that should be offered in the future highlight a number of significant issues (Figures 3.27 & 3.28). From the results it would appear that the industry views graphic design, strategic brand development, project management and interior design as essential components of the retail industry service offer. Despite the emphasis on strategic brand development which is encompassed within marketing, marketing services were not deemed as imperative with only one subject indicating that they believed it an important service offer in the future. This would tend to mirror Interview Subject C's comment that ' ...designers require an understanding of the practicalities of marketing not necessarily marketing theory .... need to understand how marketing works in the real world'(Interview Subject C Appendix E). It may also reflect a protectionist attitude by professionals with a marketing background.

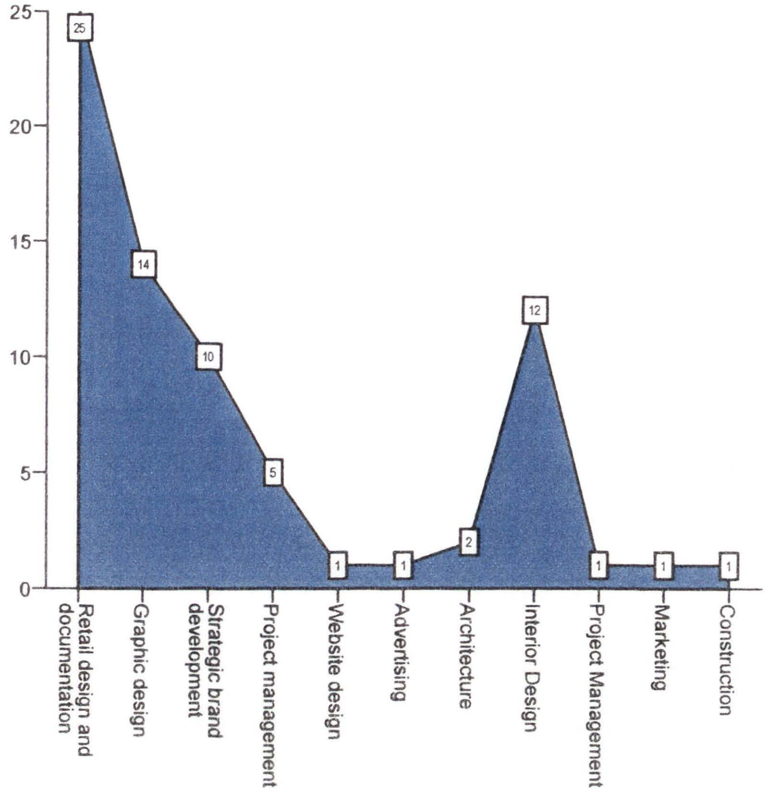


Figure 3.27 Existing Firm – Service Offer – Numerical (Appendix I)

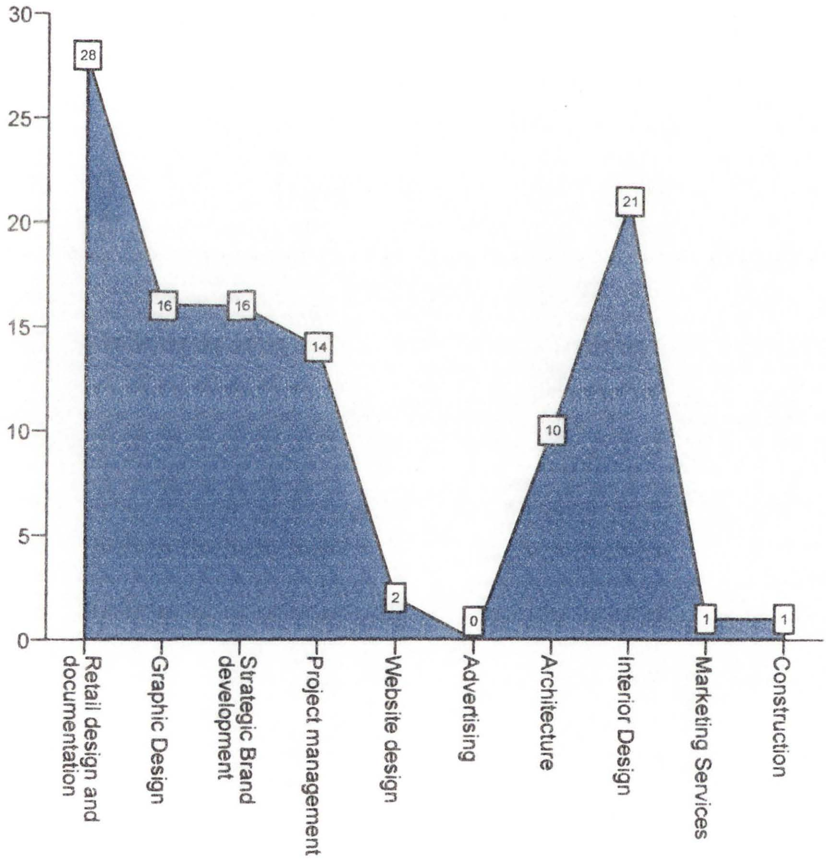


Figure 3.28 Future service Requirements – Numerical (Appendix I)

The results of the questionnaire showed that advertising was perceived to be a distinctive professional entity, and there was no indication that the retail industry would look towards design based industries to incorporate this service in the future. This was also apparent in the website design category which, despite the high take up by the Australian retailing industry appears not to be considered either representative of a retail brand or expressive of it. Low scores in the construction service offer may indicate a trend away from the design and construct firms that are currently represented in the sample of firms currently being used by the retail industry.

Numerical increases were greatest in the project management and interior design categories and also significant in architecture and strategic Brand Development. The perception that architectural services will be required more in the future is interesting and one could deduce that there is the perception within the industry that in the future retailers will be more likely to purpose build outlets, or that existing technical skills within the retail design sector are low. The high increase in the interior design category was unexpected and without further information difficult to explain.

The questionnaire subjects perceived that processes for selection and appointment of consultancies reflected the importance placed upon skills and knowledge. Subjects were provided with a list of qualities, drawn from conversations in the semi- structured interviews and asked to rank them from one to ten, with one being most important and ten least important. The list comprised: price, reputation, experience, strategic approach, personnel, management/process, speed, retail knowledge, brand development and communications and the ability to undertake a number of multi-disciplinary tasks (Appendix J).

The data produced from this analysis confirmed the perspective of the interview subjects that multi-disciplinary practices are currently not favoured by the Australian retail industry at this time. Fifty-eight percent of respondents gave it the lowest ranking in preferred selection criteria. Interestingly, despite the emphasis on brand, only 25% of subjects indicated that brand development and communications were an important criteria (ranked at three or above). The most desirable characteristic was defined as a strategic approach and 32% percent of subjects nominated it as the most important characteristic. This was consistent with the responses of the interview subjects.

3.4.4. Further Emerging Issues in the Australian Retail Industry

The following descriptive question was included within the questionnaire; *Are there any emerging issues and trends you feel are having a major impact on the retail industry that will impact on retail designers?* Response rates to this question were low, which was expected because of individual time constraints. The responses confirmed some of the findings from Chapter One but also brought to light other issues that Australian retail brands are facing. Of particular concern to the Australian industry were retail rents and the influence of centre owners on retail concepts. These are illustrated in the following extracts:

> Stores are getting smaller to compensate for the high rents, smaller spaces must be more profitable. (Respondent No. 15).

> There is an increased amount of influence from centre design managers to curb design concepts to suit their desires (Respondent No.19).

> (There is a need to) differentiate your brand from many others in the cluttered shopping centre environment. The is also a need to influence shopping centre landlords in Australia to allow retailers to design stores that are different to competitors (Respondent No. 22).

> Increase in rental is polarising offers between small niche specialities and large multi-location brands and chains (Respondent No. 5).

> Importance of store and location catchment to the stores offer of product, and differentiated positioning for that specific centre whilst remaining true to the values of the brand itself (Respondent No. 5).

The review of available literature undertaken in Chapter One was global in approach and as such failed to identify more localised issues.. Australia is widely considered to have the most expensive retail rents in the world, and Respondent No. 22's comment in regard to brand definition within Australian shopping centres illustrates the perception that centre owners are driving environmental design rather than the retail brand itself. Further research would need to be undertaken to gain a wider industry perspective on this however there is no doubt that centre control over rents and design concepts impacts significantly on retail designers.

Specific to the retail environment were the following comments;

> Customer expectations in terms of an in store experience are increasing and they expect to see an advertised brand experience replicated through any touchpoint of the company whether it is on the web or in a retail outlet. If a company positions itself as multi-channel it needs to deliver that experience consistently across all channels (Respondent No.13).

> There is a trend towards more upmarket environments. (Respondent No. 1).

> The rise of speciality retailers and the advent of concept stores (Respondent No. 2).

> While customers have accepted low service models they have a higher expectation of displays and layouts it makes shopping easier for them (Respondent No.13).

The above comments illustrate the awareness of the industry in regard to the environment's importance within retail. Issues of brand experience and consistency are raised as are recognition of the changing consumer expectations pertaining to environments, experiences and multi-channel retailing formats. The comment about the acceptance of low service models by customers can be perceived as placing more pressure on retail designers to consider information communication in conjunction with environmental considerations.

The significance of technology was also acknowledged through the following comment: 'Everyone has a mobile phone and the plug in applications will make the mobile the wallet of the future. Need to integrate with mobile technology' (Respondent No 3). The specific details of how this will impact on retail designers were not provided, though one ask further questions about its possible effecto on retail environments of the future. Will it replace advertising as a brand communication channel or cannibalise the environmental channels?

The influence and importance of marketing within the sector today and in the future was highlighted by Respondent No. 28 with the emphatic slogan *'Marketing - efficiency and effectiveness'* . In light of the question asked, it appears that this respondent believes that marketing will continue to grow within the sector, both as an entity and in the delivery of desired corporate objectives.

3.4.5 Specialised Skills Required by Retail Designers

Another question included was; 'Are there any special skills required by retail designers? Responses to this question were low and in most cases abbreviated. Some comments have been modified for clarity, though every effort made to remain faithful to the respondents' meaning. A number of subjects emphasised the importance of understanding the retail business. An inference could be drawn from these comments that there is frustration within the industry concerning retail knowledge within the design fraternity. This relates to the discussion in Chapter One concerning Schmitt and Simonsen's (1991) criticism of designers in regard to commercial imperatives. Among the responses to the question posed about the special skills required by retail designers were the following:

> The ability to understand retail language (Respondent No. 1).
>
> (The ability to) understand the operations of the retail business they are involved in (Respondent No. 4).
>
> A strategic approach. The ability to understand and interpret the brand positioning of the retail client. Must understand the single motivator for their work is to SELL products. (Respondent No. 5).

A deep understanding of the retail process, the speed required and turnaround time (Respondent No. 15).

The ability to think commercially - not always creatively. The ability to communicate between client and centre design managers (Respondent No.19).

Solutions have to be practical as well as look good and be within budget (Respondent No. 16).

There is a lack of retail designers. Often architects or interior designers lack the commercial reality of how a design needs to fit in with a retailer's budget and also how the fixtures actually work in a store environment (Respondent No.22).

According to one respondent, retail designers need to be proficient in 'leading edge technology, wow factor presentations, communication of ideas and understanding your clients (Respondent No. 3). Another highlighted 'an understanding of brand strategy and brand development' (Respondent No. 28). Knowledge of 'consumer segmentation and behaviour' was nominated by Respondent 10, who regards the ability to understand the customer as a fundamental skill.

Respondent 13 stated that retail designers need the ability to:

interpret customer insight data into design solutions, understand operational requirements and constraints, apply cost/benefit trade-offs in applying total or partial store refits, design simple applicable signage solutions that can be managed within a business on an ongoing basis (without eroding the original integrity), project manage refits around requirement to keep large stores trading (Respondent No.13).

This comment has implications for design educators, who need to consider whether interior design students are given adequate exposure to the fields of behavioural psychology and market segmentation. This comment is also linked to an issue discussed in Chapter One regarding the reliance on traditional design methodologies by designers, and the lack of new methodological also raises an issue from Chapter One; the reliance on traditional design methodologies by designers, and the lack of new methodological approaches that enable customer insight data to be adequately utilised during the creative process.

Some of the answers to the posed questions indicate that retailers are looking towards the design industry for information concerning the latest retailing trends. This was highlighted by the nominated skills 'Good knowledge of international trends' (Respondent No. 10) and '(Ability to) Bring in international ideas, new thinking and new approaches *(Respondent No.18)*. Does the response by Respondent 18 indicate that the retail industry relies on retail designers for new business thinking and strategy or is the response limited to environmental initiatives? This question provides the basis for further research in this area.

The aim of a final descriptive question was to ascertain any previously unidentified areas of weakness perceived by the Australian industry. The question asked if there were any specific areas in which designers lacked knowledge or were unable to meet the client's requirements. Very few of the subjects provided a comment on this, though that some designers lack the ability to understand and interpret the brand positioning of a retail client, and to meet timelines and understand budget constraints. It was also stated that the areas of understanding in which retail designers appeared to be weakest were those that required a grasp of financial acumen and general retail knowledge.

3.5 Chapter Summation

The investigation undertaken through the semi-structured interviews and the questionnaire survey reveals a number of consistencies with the theoretical framework established in Chapter One and confirms that emerging issues in the retail industry do indeed have implications for curriculum development in design schools.

The investigation has demonstrated that there is widespread recognition of the impact and influence of marketing on the retail sector in Australia. The analysis of professional background and influence revealed that marketing is well represented within the sector, and indications are that it is becoming more influential. Seventy-six percent of the subjects from the questionnaire survey indicated that retail has indeed become an application of marketing, and sixty-six percent felt that marketing personnel are becoming more influential within retail organisations. The investigation has shown that retail is becoming and application of marketing through its role in a multi-channel distribution framework and the growing influence marketers have on this industry sector. The question Is retail something unique or is it an application of marketing? Posed by Peterson & Balasubramanian (2002) has been answered.

The new multi-channel framework for the retail industry comprises both tangible and intangible distribution channels, of which place remains the dominant tangible channel. The role of place has, however, changed, through the new emphasis clearly acknowledged by the industry on brand experience, communication and representation. The development of the brandscape, (Riewoldt 2002), where brand experience and communication are more important than sales, is an example of this new role. The respondents to the questionnaire rated the *physical environment* as a more critical factor in brand expression than *sales staff, products & services, intangible channels*. Only *advertising* scored more highly than *physical environment* and by only a small margin.

The lowest scoring channel for brand representation was *intangible channels*. This suggests a situation analogous to the one in the past, where retailers failed to see their brand relating to the physical environment, thus ignoring for some time the opportunities it afforded. Only those subjects with a marketing or design & architecture background acknowledged the ability of this type of channel to represent brand. One question to be resolved by future research is: *How does the new multi-channel brand affect the advertising industry that has held the position of brand creator and custodian for so long?*

The investigation showed that the Australian retail industry is a long way from accepting the new types of full service or multi-disciplinary design practices, through which the design sector has sought to cope with the emerging demands of industry Clark (2003). The questionnaire subjects perceived benefits but also risks in utilising one company to undertake all facets of their design work. Paradoxically, an analysis of their perceptions of future service requirements revealed that the skills and knowledge they view as critical in the future are indeed multi-disciplinary. They expect design firms focusing on retail to offer: retail design and documentation, graphic design, strategic brand development, project management, architecture and interior design services.

One perception that is clearly held by representatives of the retail industry is that retail design is a specialised field, separate from architecture and interior design. As such should this new discipline be acknowledged by design schools? Does it warrant the creation of a newly defined design discipline? Within the United States, organisations such as the Institute of Store Planners (www.isp.com), certainly believe so. It seems more feasible to incorporate more of the knowledge and skills required by retail designers into existing interior design programs, and this idea is explored further in the concluding chapter.

Chapter 4. Conclusion: Strategies for Resolving the Challenges

The research undertaken through both the semi-structured interviews and the questionnaire survey reveals a number of consistencies with the findings of Chapter One, and confirms that emerging issues in the retail industry have implications, and present challenges, for both retail designers and interior design educators. In this concluding chapter, some key challenges facing both sectors are summarised, and some strategies for addressing the challenges are suggested. A number of issues and questions remain, and these are areas of future research.

The investigation confirmed that the emerging issues identified in Chapter One are;

- the new role of retail as an application of marketing in a multi-channel distribution framework;
- the evolution of the brand concept, which challenges the traditional methodologies of both marketing and design;
- the changing notion of 'place' through a new emphasis on brand experience, communication and representation;
- the requirement for designers to acquire new knowledge and skills as a result of the emerging issues;

Conflicting with the findings in Chapter One were:

- the inability of some retail clients to appreciate issues of design significance, particularly regarding the relationship between brand and the physical environment;
- the lack of acceptance by the retail industry of multi-disciplinary design practices, despite the requirements of the new retail industry for a cross or trans-disciplinary approach;.

The study has shown that there is widespread recognition of the impact and influence of marketing on the retail sector in Australia. The analysis of professional background and influence revealed that marketing is well represented within the sector, and indications are that it is becoming more influential. Seventy-six percent of the research subjects indicated that retail has indeed become an application of marketing, and sixty-six percent felt that marketing personnel are becoming more influential within retail organisations.

The new multi-channel framework comprises both tangible and intangible distribution channels, of which place remains the dominant tangible channel. The role of place has, however changed through the new emphasis clearly acknowledged by the industry on brand experience, communication and representation. The development of the brandscape where brand experience and communication are more important than sales (Riewoldt 2002), is an example of this new role. The research subjects rated the physical environment as more critical in brand representation than categories such as the sales staff, the products and services sold, intangible channels, and catalogues. Only advertising scored higher than physical environment, and by a small margin.

The lowest scoring category for brand representation in the questionnaire survey was that of intangible channels, and this indicates the existence of a situation that is analogous to the one in the past, where retailers failed to see their brand relating to the physical environment and thus ignored for some time the opportunities it afforded. Only those subjects with a marketing or design & architecture background acknowledged the ability of this type of channel to represent brand, and more needs to be learned about the effects of the new multi-channel brand on the advertising industry that has held the position of brand creator and custodian for so long.

Clark (2003) highlighted the rise of the full service or multi-disciplinary design firm targeted at an particular industry sector, and it can be argued that this reflects one of the ways in which the design industry has sought to cope with these new demands. The investigation has shown that the Australian retail industry is a long way from accepting these new types of multi-disciplinary design practices. The subjects perceived benefits, but also risks attached, with utilising one company to undertake all facets of their work. However, the analysis of their perceptions of future service offer requirements revealed that the skills and knowledge areas they view as critical in the future are indeed multi-disciplinary. They expect design firms focusing on retail to provide retail design and documentation, graphic design, strategic brand development, project management, architecture and interior design services.

The new retail, no longer defined by location and place but instead by brand, demands a cross or trans-disciplinary approach. The importance of the evolution of the brand concept to encompass environment and experience challenges the existing methodologies of both marketing and design. This is illustrated by Kent (2003) who states:

> Marketing has been concerned with analysis of both product and corporate branding on store image, and the impact of products and environments on store patronage and buyer behaviour. Design has evolved from a graphical 2D approach in the creation of an identity, to the combined concept of external architecture and internal spaces (Kent 2003).

Many of the survey subjects expressed frustration with the lack of retail-specific knowledge displayed by designers. It would appear that the specialised knowledge required by designers within this sector is learnt through a form of apprenticeship, either working in-house for retailing organisations or within focused retail practices. The investigation has shown that despite the view of some industry representatives that retail designers do not require a detailed knowledge of marketing theory, there is an undeniable link between marketing and design within the retail sector. The research has demonstrated also that the dominance and growing influence of brand demand a more rigorous understanding of its theoretical foundations and principles. The theatrical metaphors explored by Baron et al (2001) are especially significant within the new retail, whose boundaries remain as fluid as the retail industry. The new significance of design within retail is confirmed in the following statement;

> Architecture and design assume a new significance in the retail sector, because as an expression of the image and message of the brand, they are a vital part of any convincing presentation (Riewoldt 2002).

The realisation that retail designers require new skills and knowledge presents a major challenge for design educators and curriculum planners, who have not traditionally placed a pragmatic emphasis on retail knowledge and an understanding of the consumer. Though each retail organisation is assuredly unique, the investigation has reinforced the expectations from retailers that designers understand 'their' business.

The study has demonstrated that the major challenges for interior design educators are created by:

- the demand for more specialised knowledge by retail designers in areas including marketing, brand, consumer studies, and retail methodologies;

- the increasing need for cross disciplinary approaches to learning, teaching, and curriculum development;

- the desirability of adopting more creative methodologies by embracing, for example, the areas of film and theatre; and

- the need to break away from a reliance on architectural methodologies and to devise approaches that are more appropriate for the emerging needs of the retail industry.

The strategies to address the challenges summarised above embrace the areas of education, the retail industry, and professional design practice, and are underpinned by the need for greater cooperation among these sectors in addressing the challenges.

How can interior design courses accommodate the demand for greater depth of specialised knowledge? This question is not easily answered. The commercial world recognises retail design as a specialised field and appears to understand the skills and knowledge required for retail design practice, yet these do not appear to be recognised and provided for by design schools. The study has shown that design schools tend to utilise a generalised design epistemology, and to define individual programs such as interior design by function and skill bases that are not always appropriate for the commercial world.

The increasing need for a cross-disciplinary approach to interior design education is evident from the investigation. As explained in Chapter 2, this need was identified was identified by Davis & Broadbent (1987) in *The Responsiveness of Tertiary Education to the Design Needs of Australian Industry.* Despite the increasing awareness by the marketing and design sectors of the need for cross disciplinary research and application, there are few signs of progress in either academia or industry. It would appear that both sectors have been reluctant to engage with each other in exploring notions of experience across both tangible and intangible channels, and in developing new types of creative methodologies, for example from the areas of film or theatre.

The historical overview of design epistemology and pedagogy undertaken in Chapter One identified a reliance on architectural pedagogy and theory as a foundation within tertiary interior design education, and the validity and appropriateness of this reliance in regard to the retail sector has been questioned in the study. The comments of the Schmitt & Simonson (1997) were used to reflect the concerns of marketers that designers often do not embrace a design project from a broad perspective, and are frequently unwilling to change or modify a design solution, irrespective of the research and information presented that calls for a re-design. The dominance of architectural methodologies, in both retail design practice and interior design education, can no longer be viewed as appropriate for the new challenges in the retail industry.

While it is not intended within the parameters of this study to resolve all the challenges faced by retail designers and interior design educators some general strategies are proposed, and these need to be explored through further research and enquiry.

The key strategy for addressing the challenges facing both practitioners and educators involves the creation of a more cooperative basis for identifying the specific needs of the retail industry, the skills and knowledge essential for retail designers, and ways of providing for these through development of appropriate curricula for design students. An obvious and achievable approach is for the educators to take the initiative in involving all these stakeholders in curriculum development. While it is common for representatives of industry and the design professions to be represented on faculty and course advisory committees, the author's experiences as 'participant observer' indicates that these representatives frequently have a reactive rather then proactive role on these committees. Though they frequently make valuable observations and comments, they are generally asked to 'rubber stamp' educational policies already developed by the educational institution rather than play an integral role in their development. The author, again as 'participant observer', feels that this is explained by the attitude of many academics that industry should not be 'driving' the educational process. While this attitude may be understandable in relation to epistemological and pedagogical approaches, this study indicates clearly that to exclude representatives of the retail industry and the interior design profession from the curriculum development process, or to involve them only sparingly, is counter-productive.

It would not be difficult for interior design educators to involve industry and professional stakeholders in the curriculum development process from the earliest stage. The cooperative approach needs to be informed by current information on industry and professional needs. While surveys of student needs and levels of satisfaction are conducted regularly by educational institutions, surveys of industry and professional needs are conducted only spasmodically. More regular surveys of the kind conducted in this study are necessary for all stakeholders to keep abreast of emerging issues and changing needs.

The need for specialist skills and a more appropriate knowledge base could be addressed by the inclusion of new subjects in existing undergraduate programs in interior design, or by the introduction of new specialist courses at either undergraduate or postgraduate levels. It is clear from the investigation in Chapter Three that the retail industry views retail design is a specialised field separate from architecture and interior design. Does this warrant the creation of a newly defined design program? Some international organisations including the Institute of Store Planners in the United States certainly believe so (www.isp.com). A feasible solution would be the introduction into a generic postgraduate degree such as the Master of Design of a specialist and elective stream in retail design. This would be preferable to the introduction of a totally new postgraduate course, given the likely concerns from university management over continuing demand for such a course and the justification of resources.

There are a number of models from various disciplines that reflect successful cooperation between academic, industry and professional sectors, and it would be useful for retail design stakeholders to look closely at some of these. One is a form of cooperative education known as 'work-based learning' which involves the collaborative development of courses, usually at the postgraduate level, for specific industry organisations and professional sectors (Boud & Solomon 2001). These work-based programs are designed to respond to an organisation's need for specific skills and knowledge. The award, which could be a Graduate Certificate, Graduate Diploma or Masters degree, is 'badged' by the educational institution. Representatives of the industry organisation collaborate with academic staff of the institution on the identification of the specific needs of the organisation, and the curriculum and form of delivery are developed accordingly.

Another model that may have particular relevance for the retail industry has been developed by the Construction Industry Institute (CII), based at the University of Texas and with an Australian chapter. The numerous construction firms that are members of the CII collaborate in identifying appropriate continuing education courses and significant research projects that address emerging trends and needs in the industry. Academic researchers are engaged to undertake the continuing education courses and research projects, and most research projects have 'sunset' clauses of two years to ensure achievable projects and useful outcomes. In view of the need for on-going research in a range of areas that has been identified in this study, the CII model seems to have particular relevance for the retail industry (<www.construction-institute.org> 2007 viewed 12 January).

A useful further stage for this study would be the development of a specialised course in retail design that could form part of an Interior Design or Interior Architecture program. The development of such a model requires further research iinto the challenges faced by both the industry and the academy. Options for providing specific qualifications in retail design are numerous and could include the development of postgraduate degrees as well as the redefinition of the existing interior design and interior architecture qualifications. One could argue that, currently, the profession of interior design exists only within the boundaries of the academy and is largely irrelevant in terms of the specialist knowledge required in each interior design sector. These sectors include retailing, commercial, hospitality, health, residential and government, and further research is required to determine how the needs of these sectors can be reflected in the educational curriculum.

Appendices

Appendix A

Letter of Introduction

Consent & Confidentiality Form

Date

Address

Dear,

Re: Invitation to participate – Research Project: Tertiary Design Education, UTS.

My name is Abbi Clifford I am undertaking postgraduate research at UTS, on the needs of the retail industry in regard to retail design services. This research is aimed at informing the university of potential additions and changes to tertiary design education that will enable design graduates to better service the retail sector.

The purpose of this letter is to invite you to participate in the research process. The research will involve interviewing you for the purpose of establishing the following:

- Gain an understanding of your thoughts and opinions regarding the provision of design services currently.
- Your opinion as to the key issues facing the retail sector and the resulting impact on design services in the future
- Your needs and expectations of retail design services currently and your perception of what they will be in the future.
- The role a design firm's service offer has on your decision to appoint them to a project
- Gain an understanding of your perceptions regarding retail designers' knowledge and skills

The project will informally interview five leading retailers. The information gleaned from this process will be analysed in conjunction with the previous literary research and form the basis of a questionnaire that will be sent out to approximately fifty retailers for completion. All information will be anonymously recorded to ensure confidentiality of all participants. Where possible I will endeavour to interview two to three retailers together to promote discussion. The proposed use of any direct quotes as a result of group interviews that may enable subject to be identified will be cleared with a subject prior to use. I envisage the interview to take between 15 and 30 minutes. The questionnaire will be emailed to participants and the estimated time of completion is 15 – 20 minutes. If you have any further questions please do not hesitate to contact either myself or my supervisor Professor Geoffrey Caban on Geoffrey.Caban@uts.edu.au

If you are interested in participating in either the interview process or questionnaires would you please email me at abbi.clifford@uts.edu.au at your earliest convenience. On acceptance a consent and confidentiality form will be forwarded. I will contact you shortly. Many thanks for your time.

Yours faithfully

Abbi Clifford

University of Technology Sydney

Consent & Confidentiality Form

I__________________ agree to participate in the research project being undertaken by Abbi Clifford, that is investigating potential additions and changes to tertiary design education with a view to better servicing the retail sector.

I understand that participation in this study will include: (tick where appropriate)

1. **Informal Interview** ☐

   I understand that I will be interviewed by the researcher and the interview will be recorded (either by notes or tape recording). The estimated time of the interview is 20 - 30 minutes. All information will be anonymously recorded.

   I am interested in participating in a group interview ☐
   I understand that the names of other proposed participants will be advised prior and I can elect not to participate in the nominated group if I wish.

2. **Questionnaire Completion** ☐

   I understand that the questionnaire will take approximately 15 – 20 minutes to complete and that all information will be anonymously recorded.

I am aware that I can contact Abbi Clifford if I have any concerns or questions about the research. I also understand that I am free to withdraw my participation at any time I wish, without consequences and without giving a reason.

I understand that all information will be anonymously recorded and that my participation will be confidential. I agree that the research data gathered from this project may be published in a form that does not identify me in any way.

________________________________ __/__/__
Signature (participant)

________________________________ __/__/__
Signature (researcher)

Appendix B

Issues Explored in the Semi-Structured Interviews

The Organisation:

- position in organisation and professional background of interviewee;
- number of retail brands owned and managed by the organisation;
- type of retail sector and the number of stores;
- corporate ownership – Australian or international;
- existence of in-house design team;
- role of marketing in the organisation with regard to retail brand management and the design of the retail outlets;
- existence of a property division and its role in the design of retail outlets;
- role of the buying department in regard to the design of retail outlets.

The Retail Brand:

- perceptions from interviewees of the importance and role of their brand;
- brand communications – perceptions of how the brand is represented;
- types of distribution channels used currently, and projected future channels.

The Retail Sector

- the key social, economic and technological trends that are currently affecting retail.

Retail Design Services

- The type of company used to design retail outlets and the reasons for selecting them;
- Awareness of the tertiary background of their design consultants;
- skills and knowledge expected from design consultants, and order of importance;
- criteria for selecting a design firm;
- the adequacy of designers' knowledge of retail, marketing, branding and the specifics of retail design;
- specific skills and knowledge lacked by retail designers ;
- emerging issues and trends in the retail industry and how these affect requirements for design services.

Appendix C

Semi – Structured Interviews

Subject A: Interview

Section 1. The Organisation

1. Position in organisation and their professional background

Store Design and Planning Manager – Background in Architectural Drafting (20 years retail design experience)

2. Number of retail brands owned and managed by the organisation

Only one retail brand – home branded products

3. Type of Retail Sector (Typology) and number of stores currently

Fashion and Homewares
Locations : Australia and New Zealand and franchise in Asia, mostly shopping centres and moving to concessions within department stores.

4. Corporate Ownership

Publicly listed

5. Presence of in-house design team

We have an in-house team and of course merchandise design team and my group store planning and design although major projects are outsourced.

6. The role of marketing in the organisation in regard to retail brand management and the design of the retail outlets

Marketing and Visual Merchandising are a combined division, visual merchandising have a say in the finish of the stores in regard to merchandise requirements, marketing not so much.

7. The role and/or presence of a property division and their role in the design of retail outlets

8. The role of the buying department in regard to the design of retail outlets

Section 2. The Retail Brand

1. Their perception of the importance and role of their brand

How important is your brand?

Pretty important its an Australian icon – everyone knows it, it plays a big role

2. Brand communications – their perceptions as to how the brand is represented?

Subject A: Interview

Basically we don't do media advertising we communicate through catalogues and we get a lot of editorial fashion in magazines - PR

3. **Type of distribution channels used now and projected future channels**

Web – No
Store – yes
Wholesale – No More
Catalogue – Yes

Section 3. The Retail Sector

1. **What key social, economic and technological trends are affecting retail now?**

How do you think retail has changed over the last ten years?

Low price merchandise from China is having a huge impact on pricing. The customers are more savvy, there is a lot more low end retail around

How do you perceive these changes affecting retail designers in the future?

Today's customer is more aware of the environments they are shopping in, expectations are higher. Customers are time poor, want to get in and get out. Need to make retail more a destination. Rents are very expensive stores are getting smaller, trying to make the stores more profitable – increase the sales per square metre. Fixtures are closer a tighter layout

Section 4. Retail Design Services

1. **Type of company used to design your retail outlets and the reasons for selecting them?**

We use a local practice and an International practice. Both of these specialise in retail. Use the overseas practice for brand and concept work and the local practice for rollout work.

2. **Tertiary Background**
All have tertiary qualifications in design – but what type of design I wouldn't know.

3. **What skills and knowledge are you looking for from your design consultant/s – what do you expect them to be able to provide? How are these ranked in importance?**

We selected an international firm for strategic brand/concept work because they hadn't grown up with the brand and were able to look at it with fresh eyes.

Price	– Important
Reputation	– Important
Past Experience	– Important
Design edge/difference	– Somewhat Important
Personnel	– Important

Subject A: Interview

Professionalism –
Speed – Most Important
Strategic Thinking is important

How important is price when selecting design firms?

Value for money is more important

What type of consultancy offer (retail design, graphics, advertising, brand strategy, architecture etc) is worth paying more for?

I don't know if any are worth paying more for but some services cost more expecially graphic design services and advertising.

Have you used many different design firms – why?

Yes over the years, we used to do the work in-house but now we outsource.

4. **How they select a design firm**

We invite companies to pitch, usually due to reputation within the industry

Why did you select these firms?

At the moment we are rolling out the new concept as such we are looking for a firm who is flexible – retail deadlines are fast they need to be able to prioritise out work, understand the critical deadlines and deliver professional service levels. They need to understand retail. The type of pitch that appeals is strategic and outcome based.

How do you come to appoint firms?

We invite firms we have selected to pitch for the work.

How do you hear of design firms?

We learn a lot from shopping centre openings – we are aware of who is designing specific stores and can easily judge the result.
Firms approach us constantly it's a pain, generally it's a cold call after that you tend to get bombarded with emails it is just not ideal.

Do you perceive any differences between a designer and an architect?

Yes I perceive architects as more about the outside the exterior, they are too precious and don't understand retail. There are so many different facets of design you don't realise how specialised retail is until you hire someone who has never done it.

Do you prefer a multi-disciplinary firm that can offer a range of services eg. Interior design, marketing, strategic brand development, advertising etc?

We prefer a firm with retail experience.

Subject A: Interview

5. **Do you believe designers working within the retail industry have enough knowledge of retail, marketing, branding and the specifics of retail design?**

It depends on the business they are in if they are undertaking strategic brand work then they need it if they are undertaking rollout documentation grunt work then no.

With the Australian firm we currently utilise we are under utilising their services, this is because we are only using them for design development and documentation, we use a project manager for implementation and we return to our overseas consultant for strategic and concept work.

6. **Any specific skills and knowledge that you believe retail designers lack?**

Our store design services currently are good, but in the past we have frustrations with timing, constantly waiting for stuff then when we receive it – its wrong, shows they haven't understood us or retail at all. We want drawings suitable for retail, reams and reams of wall details are not appropriate we want retail packages.

What special skills and knowledge do retail designers need?

They need to understand the retail process, the speed needed and compressed turn around times.

Do you believe retail designers should involve themselves with branding?

They need to understand the brand they are working with, again it depends on the type of work they are undertaking.

What skills and knowledge do you think they will need in the future?

They will need to understand retail - if retail changes then they need to change.

7. **Their belief as to the emerging issues in the retail industry and how they perceive these affecting their requirements for design services**

Do you think the development of multi-disciplinary firms targeted at an industry sector has a market here?

Yes I probably do, the company we use from overseas is most definitely multi-disciplinary.

Appendix D

Subject B: Interview

Section 1. The Organisation

4. **Position in organisation and their professional background**

   General Manager Projects, background in Real Estate

2. **Number of retail brands owned and managed by the organisation**

   Only one retail brand – we are a department store, carry lots of labels and brands including own brand

3. **Type of Retail Sector (Typology) and number of stores currently**

   Large format
   Locations : Really we are a CBD based business except Northern Territory and Tasmania with some key stores in up market centres

4. **Corporate Ownership**

   Publicly listed

5. **Presence of in-house design team**

   We have an in-house team and occasionally use overseas firms and Australian firms

6. **The role of marketing in the organisation in regard to retail brand management and the design of the retail outlets**

   No marketing don't have any involvement, mainly design is signed off by the management committee, marketing is in there. Marketing is mainly involved with advertising

7. **The role and/or presence of a property division and their role in the design of retail outlets**

8. **The role of the buying department in regard to the design of retail outlets**

   Buying has the most input and control of store design

Section 2. The Retail Brand

1. **Their perception of the importance and role of their brand**

   How important is your brand?

   Its all about our brand!!

5. **Brand communications – their perceptions as to how the brand is represented?**

Subject B: Interview

Marketing, advertising, catalogues – stores are very important ambience and product branding

3. **Type of distribution channels used now and projected future channels**

Web – not really its more of a marketing tool
Store – yes
Wholesale – No
Catalogue – Yes

Section 3. The Retail Sector

1. **What key social, economic and technological trends are affecting retail now?**

We need to keep abreast of trends we send people overseas to interact with overseas designers and we review overseas retail trends – we are in a very specific market

How do you think retail has changed over the last ten years?

Yes it certainly has, more emphasis on brands individual brands within our stores

How do you perceive these changes affecting retail designers in the future?

The changes are about balancing store design between individual product brands and the overall brand

Section 4. Retail Design Services

1. **Type of company used to design your retail outlets and the reasons for selecting them?**

It depends we may use someone with a speciality in an area for example food.

2. **Tertiary Background**

Our in-house team is made up of planners, designers, draftsmen, colour and finishes specialists. We have architects on staff but predominantly designers, a number who have done architectural drafting

6. **What skills and knowledge are you looking for from your design consultant/s – what do you expect them to be able to provide? How are these ranked in importance?**

A strategic approach, international ideas – bringing in new thinking new ideas, another point of view.

Price	– Not important
Reputation	– Very Important
Past Experience	– Important
Design edge/difference	– Important

Subject B: Interview

Personnel	– somewhat important
Professionalism	– very important
Speed	– very important

How important is price when selecting design firms?

Its not important – doesn't come into it ever

What type of consultancy offer (retail design, graphics, advertising, brand strategy, architecture etc) is worth paying more for?

Cant offer an answer here

Have you used many different design firms – why?

Not many, we use overseas design firms for their experience in our sector and Australian firms as well for special areas particularly food where they may have more experience, they also bring new ideas to the table.

4. **How they select a design firm**

Why did you select these firms?

Tend to choose experienced retail designers

How do you come to appoint firms?

It varies we ask them to pitch or we approach them

How do you hear of design firms?

Our in-house design team is aware of the industry

Do you perceive any differences between a designer and an architect?

I do, but you can have both, some similarities between the two.

Do you prefer a multi-disciplinary firm that can offer a range of services eg. Interior design, marketing, strategic brand development, advertising etc?

Specialist retail design firm with experience in the sector.

5. **Do you believe designers working within the retail industry have enough knowledge of retail, marketing, branding and the specifics of retail design?**

They need an understanding of business particularly retail, retail design specific knowledge

6. **Any specific skills and knowledge that you believe retail designers lack?**

Subject B: Interview

Timelines, budgets these issues vary between firms. General management skills need improvement it is often a problem

What special skills and knowledge do retail designers need?

Business, product, understand the outcome required – how the brand is presented – the end product

Do you believe retail designers should involve themselves with branding?

Stick to environments – understand them

What skills and knowledge do you think they will need in the future?

Technology – especially CAD

7. **Their belief as to the emerging issues in the retail industry and how they perceive these affecting their requirements for design services**

Do you think the development of multi-disciplinary firms targeted at an industry sector has a market here?

In our business we need retail designers with experience specific to our type of retail

Appendix E

Subject C: Interview

Section 1. The Organisation

7. Position in organisation and their professional background

General Manager Acquisitions Marketing – Professional background in Marketing

2. Number of retail brands owned and managed by the organisation

Company Brand and retail product brands

3. Type of Retail Sector (Typology) and number of stores currently

Services
Locations – about 70% in shopping centres this is increasing we have some strip stores but these prove to be less successful.

4. Corporate Ownership

Publicly listed

5. Presence of in-house design team

We have an in-house team and occasionally use overseas firms and Australian firms

6. The role of marketing in the organisation in regard to retail brand management and the design of the retail outlets

Yes

7. The role and/or presence of a property division and their role in the design of retail outlets

We have a team that manage the franchise network, it's a collaborative process between them and marketing when a new concept is being generated. They act as project managers on the project.

8. The role of the buying department in regard to the design of retail outlets

N/A

Section 2. The Retail Brand

1. Their perception of the importance and role of their brand

How important is your brand?

Very Important

8. Brand communications – their perceptions as to how the brand is represented?

Subject C: Interview

The store plays a big part it is referred to as XXX communication (omitted for confidentiality) we have covered why choose brand XXX why have the offer (products) the stores deliver the brand proposition directly – our service offer is important.

3. Type of distribution channels used now and projected future channels

Web – Yes
Store – yes
Wholesale – Yes
Catalogue – Yes

Section 3. The Retail Sector

1. What key social, economic and technological trends are affecting retail now?

Continued retail polarisation, large retailers getting bigger, mass proposition, continued growth of niche retailers.
Economic modelling – estimated four million customers account for 70% of discretionary spend – Neo segmentation
Move to enhance services offered and customer pays for enhanced services currently we are underselling on services

How do you think retail has changed over the last ten years?

How do you perceive these changes affecting retail designers in the future?

Section 4. Retail Design Services

1. Type of company used to design your retail outlets and the reasons for selecting them?

We use a retail design practice they have alliances with other disciplines We use different firms for different things, an agency form advertising the overall brand, separate agency our retail advertising arm, this firm also does environmental design but we did not consider using them for this project. We feel the firm we are using better understands how marketing works in retail thus a more cohesive solution.

2. Tertiary Background

Would not know what tertiary backgrounds they have

9. What skills and knowledge are you looking for from your design consultant/s – what do you expect them to be able to provide? How are these ranked in importance?

Thinking their ability to navigate through and understand our business, add value

Subject C: Interview

Price	– Somewhat important
Reputation	– Very Important
Past Experience	– Very Important
Design edge/difference	– Important
Personnel	– important
Professionalism	– no comment
Speed	– important

Strategic thinking is most important!

How important is price when selecting design firms?

Its always important however the firm we selected was 5 – 10% higher in price that the others.

What type of consultancy offer (retail design, graphics, advertising, brand strategy, architecture etc) is worth paying more for?

N/A

Have you used many different design firms – why?

Yes we have used other design firms, but we needed a change, didn't feel that the firm we currently had could give us what we needed.

10. How they select a design firm

A tender process based on a pitch presentation. We asked them to look at and analyse our existing business – a path forward

Why did you select these firms?

We had confidence in their ability to revolutionise not evolve our store design. We had confidence in their thinking – strategic thinking, the quality of their design work and their ability to meet our time lines.

How do you come to appoint firms?

We invite firms to pitch usually due to reputation within the industry. A pitch presentation based on strategic thinking and a strategic approach is preferred.

How do you hear of design firms?

Generally hear via their reputation within the industry.

Do you perceive any differences between a designer and an architect?

I do, but you can have both, some similarities between the two.

Subject C: Interview

Do you prefer a multi-disciplinary firm that can offer a range of services eg. Interior design, marketing, strategic brand development, advertising etc?

5. **Do you believe designers working within the retail industry have enough knowledge of retail, marketing, branding and the specifics of retail design?**

They need to understand the practicalities of marketing not necessarily marketing theory eg. The four Ps. They need to understand how marketing works in the real world.

6. **Any specific skills and knowledge that you believe retail designers lack?**

None highlighted

What special skills and knowledge do retail designers need?

Ability to live in retail, the ability to navigate our thought processes (management skills and manage the client and process)
A broad understanding of business – aims objectives and practices

Do you believe retail designers should involve themselves with branding?

What skills and knowledge do you think they will need in the future?

7. **Their belief as to the emerging issues in the retail industry and how they perceive these affecting their requirements for design services**

Do you think the development of multi-disciplinary firms targeted at an industry sector has a market here?

I think if advertising agencies don't pull up their socks there's a real opportunity for someone to come in and take the market. There's definitely a gap between advertising and a more holistic approach.

Appendix F

Subject D: Interview

Section 1. The Organisation

11. Position in organisation and their professional background

General Manager Product and Marketing, Retail, Sales and Marketing background

2. Number of retail brands owned and managed by the organisation

Company Retail Brands and approximately 12 product brands

3. Type of Retail Sector (Typology) and number of stores currently

Homewares and Outdoor Entertaining
Locations: Stand alsone, not purpose built. We buy the existing shell and refit according to the agreed strategy for store design on new or refurbished stores. We have stores in the United States

4. Corporate Ownership

Not disclosed

5. Presence of in-house design team

We have an in-house design team for the core business product offer

6. The role of marketing in the organisation in regard to retail brand management and the design of the retail outlets

Marketing and key stake holders form the strategic business direction including store design Marketing manages the design firm following CEO approval of the design concept and strategy.

7. The role and/or presence of a property division and their role in the design of retail outlets

N/A

8. The role of the buying department in regard to the design of retail outlets

N/A

Section 2. The Retail Brand

1. Their perception of the importance and role of their brand

How important is your brand?

Subject D: Interview

Most of our stores are stand alone outlets, our brand is critical in establishing us as a key destination and first choice outlet. Customers must make a decision to come here the brand and its geographic location play a major role in the purchase process.

12. Brand communications – their perceptions as to how the brand is represented?

We predominantly use radio and catalogues, we are currently not using TV though we have done in the past, radio produces the best result for us. Product is sold via price offer, gift with purchase, interest free, features and benefits, end use and up selling

3. Type of distribution channels used now and projected future channels

Web – Product and brand information site
Store – yes
Wholesale – Yes
Catalogue – Yes

Section 3. The Retail Sector

1. What key social, economic and technological trends are affecting retail now?

Today you really need to drive the business to achieve budget goals – I believe Australia is over retailed. Customers today tend to buy with incentives. Business should move away from discounting and a focus on price. Price is in the purchase equation buy further down the customer's priority list. Our research shows price doesn't rate as highly with consumers as does quality and end use, features and benefits along with brand integrity. These are key triggers in the purchase decision.

How do you think retail has changed over the last ten years?

It has changed especially with the advent of 'interest free' this is no longer new – the consumer expect it. Sale events have moved from annyal or twice yearly events to monthly and seasonal campaigns.

How do you perceive these changes affecting retail designers in the future?

Retail designers need to understand the latest technology, they need to be on top of information technology. For example our new stores will allow customers to design their own XXX (omitted for confidentiality) on computer, this is the key to selling the features and benefits and to up selling our product offer. Store layout is also critical to up selling, the process of how the customer is lead through the assortment offer to a better and more useful product purchase. Time poor customers will pay for enhanced services (particularly the upper and middle market segments) eg. assembly and delivery, installation and training.

Section 4. Retail Design Services

1. Type of company used to design your retail outlets and the reasons for selecting them?

Subject D: Interview

We use a multi-disciplinary practice. We have an in-house design team but for product design only, we outsource our retail design services.

2. **Tertiary Background**

Assume they have tertiary education in design, some in architecture. I have the feeling that many have half completed courses, changing in the middle of their course to a course involving their current career. I don't believe many have marketing qualifications, mainly design and architecture.

3. **What skills and knowledge are you looking for from your design consultant/s – what do you expect them to be able to provide? How are these ranked in importance?**

Professionalism, strategic thinking, contemporary design, progressive thing, the ability to think outside the box, customer focused and being brand aware.

Price	– Important
Reputation	– Very Important
Past Experience	– Very Important
Design edge/difference	– Important
Personnel	– not mentioned
Professionalism	– Important
Speed	– Critical our timelines are linked to budgets

How important is price when selecting design firms?

It plays a role but there are other issues that are critical to the final choice.

What type of consultancy offer (retail design, graphics, advertising, brand strategy, architecture etc) is worth paying more for?

One with the best brand strategy and design team.

Have you used many different design firms – why?

No

4. **How they select a design firm**

Why did you select these firms?

Their history, reputation and their vision. They had a strategic approach and they understood we didn't want a store design that just focused on price but one that educated, prompted and up sold to a better product.

They had a strategic approach and were outcome based.

How do you come to appoint firms?

Subject D: Interview

We invite firms to pitch, between 3 and 5. As part of the pitch we outline a strategy and ask them to do a presentation.

How do you hear of design firms?

We approach the firms we would like to pitch, if we went public we would be inundated. We are a market savvy business we know who is out there.

Do you perceive any differences between a designer and an architect?

Yes designers are more lightweight, I imagine architects would look down their noses at designers, designers are more lightweight in terms of construction and building issues.

Do you prefer a multi-disciplinary firm that can offer a range of services eg. Interior design, marketing, strategic brand development, advertising etc?

Yes we prefer a multi-disciplinary firm. Our firm offers graphic design services, retail design, brand strategy, ongoing design maintenance, design management and liaison with builders.

Do your prefer a firm that focuses on retail?

Not exclusively but they must have a retail history – diverse experience is good

5. **Do you believe designers working within the retail industry have enough knowledge of retail, marketing, branding and the specifics of retail design?**

They need more understanding of brand power and marketing strategy as aligned with budgets and timelines. They need to be more proactive on the link between marketing , store design, the sale process in store, the link to the customer and customers purchase cycle.

6. **Any specific skills and knowledge that you believe retail designers lack?**

Timeline management needs improvement, designers tend to be wrapped up in the essence of the design at the expense of budgeted timelines. They also spend too much money on designer products when there is something similarly available at a significantly lower price, especially when the customer would not be able to tell the difference. I don't mind spending money on fit out at the customer's eye level, it's a matter of perception (the customers) when is it and when isn't it necessary to spend for brand enhancement and customer satisfaction.

We are very happy though with our current firm they respond in 24 hours to our requests.

What special skills and knowledge do retail designers need?

Not to be too precious and confused between client request and design vision. Architects are also very precious in this. They need to be aware that the end customer and service transaction is paramount. The customer's view of product is the main focus in retail design.

Subject D: Interview

Do you believe retail designers should involve themselves with branding?

Yes brand strategy is critical!

What skills and knowledge do you think they will need in the future?

Certainly keep abreast of information technology including light, sound and computer advancement. They do need web design services, we don't use our design firm for this as there was a historic decision to use someone else and we are very happy with our website. We plan to retail off it soon – that's next

7. **Their belief as to the emerging issues in the retail industry and how they perceive these affecting their requirements for design services**

Do you think the development of multi-disciplinary firms targeted at an industry sector has a market here?

I think a multi-disciplinary firm targeted at a sector can be appropriate for certain projects. There are obvious cost efficiencies in using a multi-disciplinary firm and some risk factors. I would rely heavily on their history portfolio coupled with their strategic thinking and brand awareness before committing to a program.

Appendix G

Subject E: Interview

Section 1. The Organisation

13. Position in organisation and their professional background

Construction Manager

2. Number of retail brands owned and managed by the organisation

Own brand only

3. Type of Retail Sector (Typology) and number of stores currently

Services

4. Corporate Ownership

Government

5. Presence of in-house design team

6. The role of marketing in the organisation in regard to retail brand management and the design of the retail outlets

Influence the look of the branch, operational layout by construction division who work in the parameters given

7. The role and/or presence of a property division and their role in the design of retail outlets

See above

8. The role of the buying department in regard to the design of retail outlets

Not Applicable

Section 2. The Retail Brand

1. Their perception of the importance and role of their brand

How important is your brand?

Critical its so well known customers have confidence in it

14. Brand communications – their perceptions as to how the brand is represented?

Not much radio or tv, print labelling, livery and sponsorship the stores are the frontline exposure.

Subject E: Interview

3. Type of distribution channels used now and projected future channels

Web – Yes
Store – yes
Wholesale – No
Catalogue – Yes

Section 3. The Retail Sector

1. What key social, economic and technological trends are affecting retail now?

Electronic age is affecting our sort of business. Business is changing not only involved in retail, involved in logistics. The web has had an impact on our business. Our retail outlets are almost like a bank.

How do you think retail has changed over the last ten years?

How do you perceive these changes affecting retail designers in the future?

Retail has to accommodate technology it must be user friendly

Section 4. Retail Design Services

1. Type of company used to design your retail outlets and the reasons for selecting them?

For first concepts a specialised retail practice once we've got the concepts we move out to architectural firms, once the concept is set there is not a lot of flexibility and architects are cheaper.

2. Tertiary Background

15. What skills and knowledge are you looking for from your design consultant/s – what do you expect them to be able to provide? How are these ranked in importance?

We are looking for professionalism, experience, strategic approach, an understanding of our business etc, we want somebody who understands what we are trying to get at, they need to have people with ideas and not lose focus on what we are trying to do – know our business

Price	– Very important
Reputation	– Somewhat Important
Past Experience	– Important
Design edge/difference	–Not Important
Personnel	– somewhat important
Professionalism	– very important
Speed	– important

Subject E: Interview

How important is price when selecting design firms?

We have to go through tender, makes things harder, develop a brief that people can price, can compare apples with apples its hard with concept work.

What type of consultancy offer (retail design, graphics, advertising, brand strategy, architecture etc) is worth paying more for?

Brand strategy and graphic design services. Our current firms offer building, construction and graphic design services as well as design

Have you used many different design firms – why?

Not a lot

4. **How they select a design firm**

Why did you select these firms?

It is an advantage to have a firm with an understanding of the retail business

How do you come to appoint firms?

Tender, new concepts more selective will involve high level of management to make strategic decisions

How do you hear of design firms?

Architects and construction firms approach us

Do you perceive any differences between a designer and an architect?

Architects are more practical designers tend to be more airy fairy its hard to build it and they are difficult to manage.

Do you prefer a multi-disciplinary firm that can offer a range of services eg. Interior design, marketing, strategic brand development, advertising etc?

Average work not necessary but if you were starting down a new path we might consider

5. **Do you believe designers working within the retail industry have enough knowledge of retail, marketing, branding and the specifics of retail design?**

Not sure it varies with experience and a particular interest or focus will drive

6. **Any specific skills and knowledge that you believe retail designers lack?**

Subject E: Interview

People we hire have got to know and understand the way we do things that leads to quickness in turnaround times. Pricing and budgeting with new firms you have to spend more time with them.

What special skills and knowledge do retail designers need?

Do you believe retail designers should involve themselves with branding?

Well the branding is set by the corporate they must learn to work with it , it is set at very high strategic levels in the organisation

What skills and knowledge do you think they will need in the future?

Become more technologically aware

7. **Their belief as to the emerging issues in the retail industry and how they perceive these affecting their requirements for design services**

Do you think the development of multi-disciplinary firms targeted at an industry sector has a market here?

Appendix H

Questionnaire Survey

Questionnaire: **Determining the educational implications of the emerging issues and trends within the retail sector.**

Overview: The following questionnaire is designed to provide data on the needs of the retail industry in Australia in regard to retail design services now and in the future. This information will be used to inform the academy of any required additions and modifications to existing design curricula with a view to better preparing graduates to undertake projects in this sector. Your participation in this questionnaire is appreciated and as stated all information is anonymously recorded to ensure confidentiality. Estimated time of completion is 5 minutes.

Instructions Please mark the appropriate boxes and either save and return by email as soon as possible with signed consent form or fax to Abbi Clifford UTS on (02) 9514 8052. Thankyou for your participation.

Section 1

This section is used to establish if different sectors and types of businesses have different requirements and/or perceptions.

1.1 **What retail sector are you in?**
(Please nominate the sector that is closest to your own, more than one sector may be nominated)

- Discount Dept Stores or Department Stores ☐
- Category Killer (large format – over 2000sqm) ☐
- Books, Stationery, Giftware ☐
- Services (eg. Banks, post, energy) ☐
- Pharmacy/Newsagencies ☐
- Health & Beauty ☐
- Fashion, Accessories and Shoes ☐
- Craft/Arts ☐
- Food & Liquor ☐
- Entertainment – music, video, DVD etc ☐
- Furniture and white goods ☐
- Homewares ☐

1.2 **How many retail outlets do you have?**

- Between 1 – 5 ☐
- Between 5 – 10 ☐
- Between 10 – 20 ☐
- Over 20 ☐

1.3 Where are your stores?

NSW only ☐
Across Australia ☐
Have outlets overseas as well as Australia ☐

1.4 Is your business wholly owned in Australia?

Yes ☐
No ☐

1.5 Is your business?

All company owned stores ☐
Franchise stores only ☐
Part company owned, part franchise ☐
Buying consortium ☐

1.6 What type of background do you have?
(This can be either tertiary or in the industry you have spent most time working within)

Business ☐
Marketing ☐
Property/Construction ☐
Design/Architecture ☐
Retail ☐
Other ☐

1.7 What retail channels do you currently utilise to sell merchandise/services?

Stores ☐
Catalogues ☐
Website ☐
Telephone ☐
Other________________________ ☐

1.8 What retail channels do you think you will utilise in the future?

Stores ☐
Catalogues ☐
Website ☐
Telephone ☐
Other Describe______________________________ ☐

Section 2. Emerging Issues & Trends

2.1 **Traditionally retail has been a distinctive industry, a key feature of which is place, represented by the store. With the advent of alternative non place based sales channels that are encompassed within the marketing framework, do you believe that retail has become an application of marketing?**

Yes ☐
No ☐

2.2 Do you believe alternative intangible channels such as the internet will become more important than stores in the future?

Yes ☐
No ☐
Depends on retail offer ☐

2.2.1 If yes - why? (Mark those that apply)

Convenience ☐
Cost savings –retailer ☐
Cost savings - customer ☐
Customer preference ☐
Other_________________________________

If not – why?

Customer preference ☐
Convenience ☐
Other_________________________________

2.3 **Do you believe that technological innovations such as the internet have assisted in breaking down domestic boundaries affording retailers opportunities to enter international markets?**

Yes □
No □

2.4 **Do you believe there is more emphasis today on creating 'retail' brands ?**

Yes □
No □

2.5 **Do you believe your brand is the most important differentiating factor in your business?**

Yes □
No □

2.6 **Do you believe consumers today have higher expectations of the retail environment?**

Yes □
No □

2.7 **Do you believe the store environment is critical component of the retail brand?**

Yes □
No □

2.8 **How do you believe the brand is expressed within a retail environment? (mark as many as apply)**

Design of the store □
Incorporation of graphics and signage □
Service □
Products or services offered □
Sales staff – appearance/ Attitude □
Its not – brand is communicated through advertising □

2.9 **Which of these (tick as many as apply) are critical in representing a brand?**

- Products & Services ☐
- Advertising ☐
- Intangible sales channels ☐
- Stores ☐
- Catalogues ☐
- Sales staff ☐

2.10 **Do you believe marketing departments and marketing personnel are becoming more influential and prominent in retail organisations?**

- Yes ☐
- No ☐

2.11 **Are there any emerging issues and trends you feel are having a major impact on the retail industry that will impact on retail designers?**

Describe____

____

____

____

3.0 Consultancy Services

3.1 **What type of firm do you use to design your retail stores?**

- Retail design firm ☐
- Architectural practice ☐
- Builder/Shopfitter ☐
- Design/Construct firm ☐
- In-house design division ☐
- Combination of in-house & external specialists' ☐
- Interior design firm ☐
- Multi-disciplinary consultancy ☐
- Other______________________________

3.2 **The firm we use offers the following services**

- Retail design & documentation ☐
- Graphic design ☐
- Strategic brand development ☐
- Project Management ☐
- Website design ☐
- Advertising ☐
- Architecture ☐
- Interior design ☐
- Project Management ☐
- Marketing ☐
- Construction ☐

3.3 **I believe firms in the future should offer the following.**

- Retail design & documentation ☐
- Graphic design ☐
- Strategic brand development ☐
- Project Management ☐
- Website design ☐
- Advertising ☐
- Architecture ☐
- Interior design ☐
- Marketing services ☐
- Construction ☐

3.4 **Please number the following in order of importance when selecting a consultancy to undertake your retail design work.**

- Price ☐
- Reputation ☐
- Experience ☐
- Strategic Approach ☐
- Personnel ☐
- Management/Process ☐
- Speed ☐
- Retail knowledge ☐
- Brand development & communications ☐
- Ability to undertake a number Of tasks (multi-disciplinary) ☐

3.5 **Are there any special skills required by retail designers? Please list**

3.6 **Are there any areas where you feel designers lack knowledge and are unable to meet your requirements?**

Appendix I

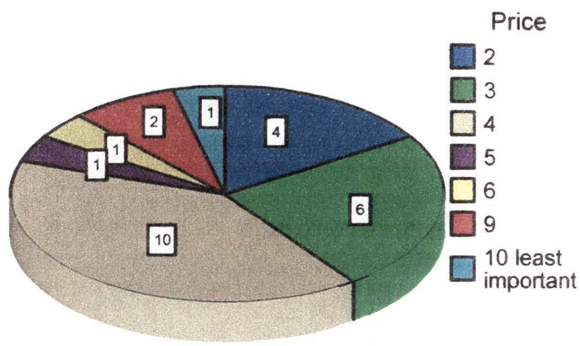
Data Analysis from Questionnaire Survey

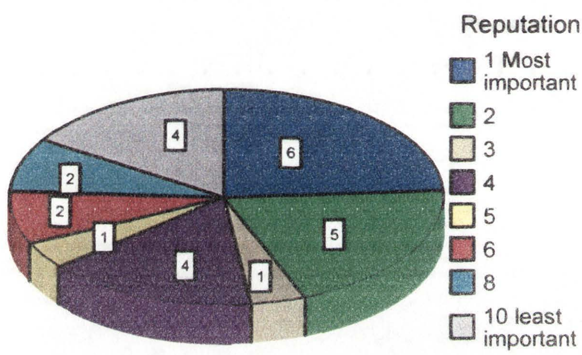
Output of raw data from SPSS is a large file and has therefore been converted to disc. Data file is based on 30 cases tabulated with 'yes' having a value of one and 'no' having a value of zero. Disc omitted for publication.

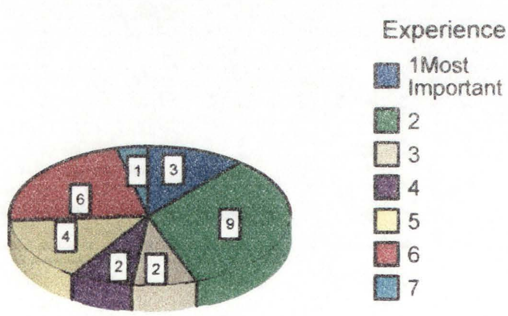
Appendix J

Selection Criteria Data – Numerical Nomination

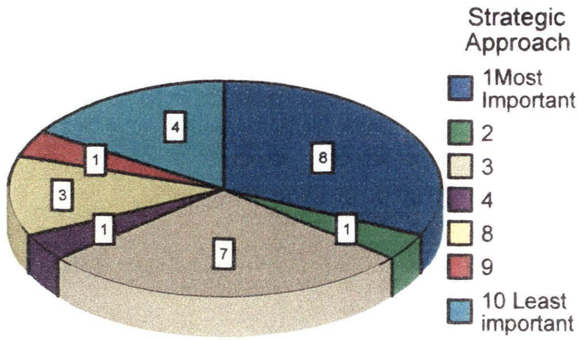
Selection Criteria Data – Numerical Nomination Page 1.

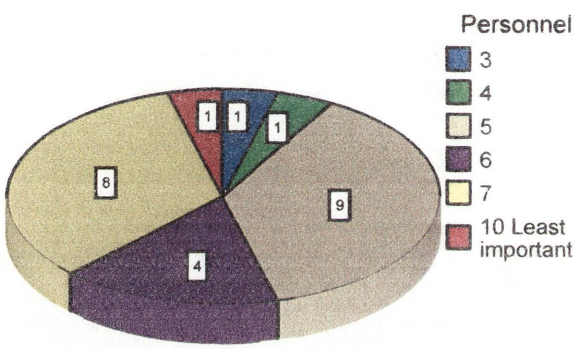


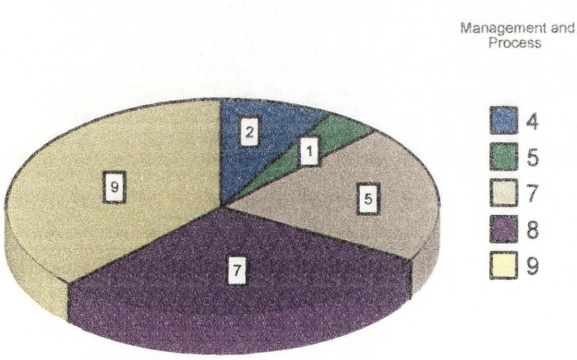




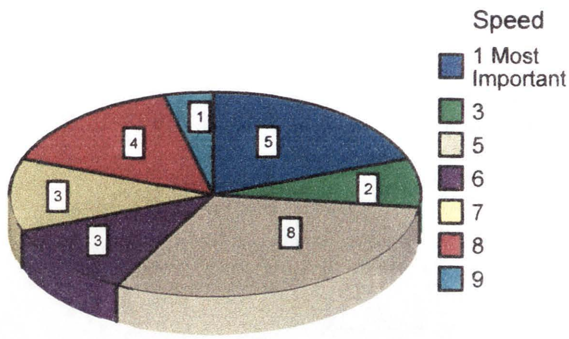
Selection Criteria Data – Numerical Nomination Page 2

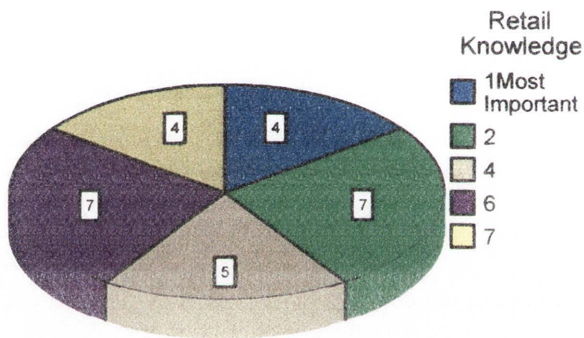


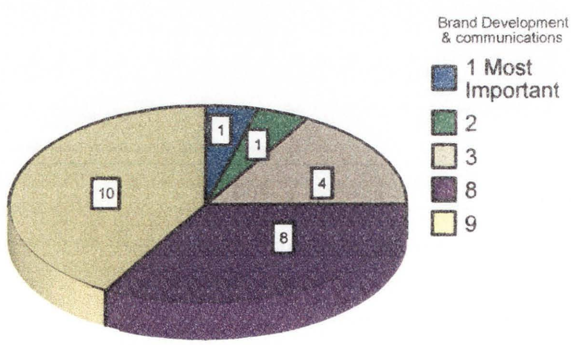




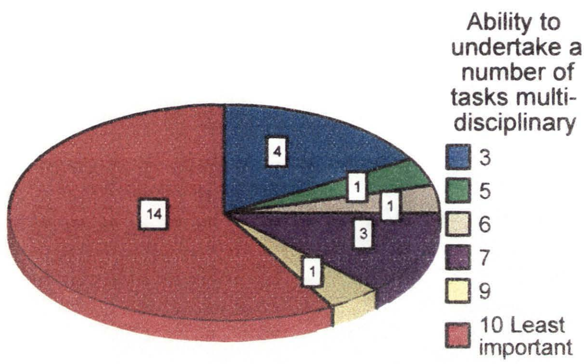
Selection Criteria Data – Numerical Nomination Page 3







Selection Criteria Data – Numerical Nomination Page 4



Reference List

<www.construction-institute.org> 2007, *Construction Institute*, viewed 12 January 2007.

. 2007, *Design Disciplines*, viewed January 7 2007 2007.

<www.Geyer.com.au> 2006, *Geyer. about corporate environments*, viewed 15 March 2006 <

<www.saunderscreative.com.au> 2006, *www.saunderscreative.com.au*, viewed 12 April 2006 2006.

Architects, R.A.I.o. 2006, *Affiliate RAIA Member*, viewed 17 April 2006 2006 <<

Architecture, A.o.C.S.o. 2005, *Architectural Education - A Brief History*, viewed 27/7/05 2005 <http://acsa-arch.org/studentinfo/archeducation_history.html>.

The Australian Concise Oxford Dictionary (ed.)^(eds) 1997, Oxford University Press.

Baker, J., Grewal, D. & Parasuraman, A. 1994, 'The Influence of Store Environment on Quality Inferences and Store Image', *Journal of the Academy of Marketing Science*, vol. 22, no. 4, pp. 328 - 339.

Baker, J. & Levy, M. 1992, 'An Experimental Approach to Making Retail Store Environmental Decisions', *Journal of Retailing*, vol. 68, no. 445-464, pp. 445-460.

Berry, L.L. 2000, 'Cultivating Service Brand Equity', *Academy of Marketing Science Journal*, vol. 28, no. 1, pp. 128 -138.

Bitner, M.J. 1992, 'Servicescapes: The Impact of Physical Surroundings on Customers and Employees', *Journal of Marketing Management*, vol. 56, no. 2, pp. 57-72.

Blunt, A. (ed.) 1978, *Baroque & Rococo Architecture and Decoration*, Paul Elek Limited, London.

Boud, D. & Feletti, G. 1991, *The Challenge of Problem Based Leaning*, Kogan Page, London.

Boud, D. & Solomon, N. 2001, *Work-Based Learning: A New Higher Education,*, Society for Research into Higher Education, Open University Press.

Broadfoot, O. & Bennett, R. 2006, 'Design Studios: Online? Comparing traditional face-to face Design Studio education with modern internet-based design studios', pp. 1 - 13.

Bunce, M.L. 1989, 'The International Approach of Laura Ashley', *Adding Value to Retail Offerings*, ESOMAR, Edinburgh, United Kingdom, pp. 101 - 116.

Caban, G. (ed.) 1992a, *Designing Change An Integrated Approach to Learning and Teaching for the UTS School of Design*, University of Technology Sydney, Sydney.

Caban, G. 1992b, *Initiating a New Design Curriculum*, University of Technology - Sydney, Designing Change.

Clark, J. 2003, 'Design in Evolution', *Display & Design Ideas*, vol. 15, no. 2.

Corona-Martinez, A. 2003, *The Architectural Project*, Texas A&M University Press.

Cross, N. 1986, 'The changing design process', *Product design and technological innovation*, ed. D. Wield, Milton Keynes: Open University Press.

Davis, B. & Broadbent, J. 1987, *The Responsiveness of Tertiary Education to the Design Needs of Australian Industry*, Commonwealth Tertiary Education Commission.

de Bernardi, M.J. & Larsson, F. 1993, *Store 2000 Trends and Innovations in Global Retail Systems*, Studentlitteratur, Land, Stockholm.

de Fusco, R. 1967, *Architettura come Mass-Medium*, Dedalo, Bari.

Gelernter, M. 1995, *Sources of Architectural Form A Critical history of Western design theory*, Manchester University Press.
Gibbs, J. 2005, *Interior Design*, Laurence King Publishing, London.
Gilboa, S. & Rafaeli, A. 2003, 'Store environment, emotions and approach behavior:applying environmental aesthetics to retailing', *The International Review of Retail, Distribution and Consumer Research*, vol. 13, no. 2, pp. 195-211.
Goldman, R. & Papson, S. 1996, *Sign Wars: The Cluttered Landscape of Advertising*, The Guilford Press, New York.
Green, W.R. 1991, *The Retail Store*, Second Edition edn, Van Nostrand Reinhold, New York.
Gunter, B. & Furnham, A. 1992, *Consumer profiles An Introduction to Psychographics*, Routledge, London.
The Harvard Design School Guide to Shopping 2001, vol. 2, Taschen, Cambridge MA.
Hertzberger, H. 2002, *Herman Hertzberger Articulations*, Prestal Verlag, Munich.
Hoffman, K.D. & Turley, L.W. 2002, 'Atmospherics, Service Encounters and Consumer Decision Making: An Integrative Perspective', *Journal of Marketing Theory & Practice*, no. Summer 2002, pp. 33-46.
Johnson, M. & Welch, G. 1989, 'The Application of Market Research to Retail Merchandising', *Adding Value to Retail Offerings*, Esomar, Edinburgh, pp. 241-261.
Johnston, A.D. & Porter 2000, *Productivity in Australia's Wholesale and Retail Trade,*, Productivity Commission.
Jones, Y.C. 1981, *Design Methods:seeds of human futures.*, 2nd edn, Wiley.
Kent, T. 2003, 'Management and design perspectives on retail branding', *International Journal of Retail & Distribution Management*, vol. 31, no. 3, pp. 131-142.
Kotler, P. 1973, 'Atmospherics as a Marketing Tool', *Journal of Retailing*, vol. 21, no. Winter, pp. 48 - 64.
Kotler, P. 1980, *Marketing Management*, Prentice-Hall, INC., Upper Saddle River, New Jersey.
Kozinets, R.V., Sherry, J.F., DeBerry-Spence, B., Duhachek, A., Nuttavuthisit, K. & Storm, D. 2002, 'Themed flagship brand stores in the new millennium: theory, practice, prospects', *Journal of Retailing*, vol. 78, pp. 17 - 29.
Lindstrom, M. 2002, *Clicks, Bricks & Brands*, Kogan Page Limited.
Machleit, K.A. & Eroglu, S.A. 2000, 'Describing and Measuring Emotional Response to Shopping Experience', *Journal of Business Research*, vol. 49, pp. 101 - 111.
Markham, J.E. 1998, *The Future of Shopping*, Macmillan Press LTD, London.
Mazursky, D. & Jacoby, J. 1986, 'Exploring the Development of Store Images', *Journal of Retailing*, vol. 62, no. 2, pp. 145-165.
Mehrabian, A. & Russell, J.A. 1974, *An Approach to Environmental Psychology*, The Massachusetts Institute of Technology.
Middleton, R. (ed.) 1984, *The Beaux-Arts*, William Clowes Limite, Beccles and London.
Miles, S. 1998, *Consumerism - as a way of life*, Sage Publications Ltd., London.
Miller, D. 1987, *Material Culture and Mass Consumption*, London.
Mono 2002, *Branding From Brief to Finished Solution*, Rotovision SA.
Montana, A. 2000, *The Art Movement in Australia*, Melbourne University Press, Melbourne.
Naylor, G. 1968, *The Bauhaus*, Studio Vista Limited, London.

Norberg -Schulz, C. 1974, *Late Baroque and Rococo Architectue*, Harry N Abrams, Inc., Publishers New York, New York.
Peterson, R.A. & Balasubramanian, S. 2002, 'Retailing in the 21st Century: Reflections and Prologue to Research', *Journal of Retailing*, vol. 78, pp. 9-16.
Piotrowski, C. 1992, *Interior Design Management, A Handbook for Owners and Managers*, Von Nostrand Reinhold, New York.
Planners, I.o.S. 2006, *Who we are*, viewed 8 May 2006 2006 <ww3.ispo.org/>.
Ramsey, W. 1992, 'The Decline and Fall of Manufacturer Branding', *Branding Today and in the Future*, Esomar, Brussels, Belgium.
Rapoport, A. 1990, *The Meaning of the Built Environment*, The University of Arizona Press.
Riewoldt, O. 2002, *Brandscaping: Worlds of Experience in Retail Design*, Publishers for Architecture.
Schon, D.A. 1991, *The Reflective Practitioner*
How Professionals Think in Action, Ashgate Publishing Limited, London.
Spradley, J. 1997, *Participant Observation*, Holt, Rinehart & Winston, Orlando.
Steele, J. 1997, *Architecture Today*, Phaidon Press Limited, London.
Studies, T.A.C.f.R. 2006, *Australian Retail Snapshot*, p. 120< Sturgis, R. 1900, *Dictionary of Architecture*, Macmillan, New York.
TAFE, D.C.-E. 2005, *Interior Design*, viewed 23/8/05 2005 <www.sit.nsw.edu.au/enmore/>.
Turley, L.W. & Chebat, H.-C. 2002, 'Linking Retail Strategy, Atmospheric Design and Shopping Behaviour', *Journal of Marketing Management*, pp. 125 -144.
UNSW, U.o.N. 2005, *UNSW Handbook Program - Interior Architecture - 3255*, viewed 23 August 2005 2005 <www.handbook.unsw.edu.au/undergraduat/programs/2005/>.
UTS, U.o.T.S. (ed.) 2005, *UTS: Design, Architecture and Building Handbook 2004*, University of Technology, Sydney.
Ward, J.C., Bitner, M.J. & Barnes, J.W. 1992, 'Measuring the Prototypicality and Meaning of Retail Environments', *Journal of Retailing*, vol. 68, no. 2, pp. 194 - 219.
Wick, K.R. & Grawe, G.D. 2000, *Teaching at the Bauhaus*, trans. S. Mason & S. Lebe, Offizin Chr. Scheufele, Stuttgart, Stuttgart.
www.abs.gov.au 2007a, *8622.0- Retail and Wholesale Industries Australia, 2005-06*, viewed 12 November 2007 <www.abs.gov.au/asusstats/abs@.nsf/39433889d406ee9ca25>.
www.abs.gov.au 2007b, *8622.0 - Retail and Wholesale Industries, Australia, 2005-6*, viewed 12 November 2007 <www.abs.gov.au/ausstats/abs@nsf/Latestproducts/8622.0Me>.