EVENT MARKETER

Pop-ups in 8 Weeks Concept to Keys

What does it take to design and install a Pop-up?

EVENT MARKETER

Trade Show Branded Environments

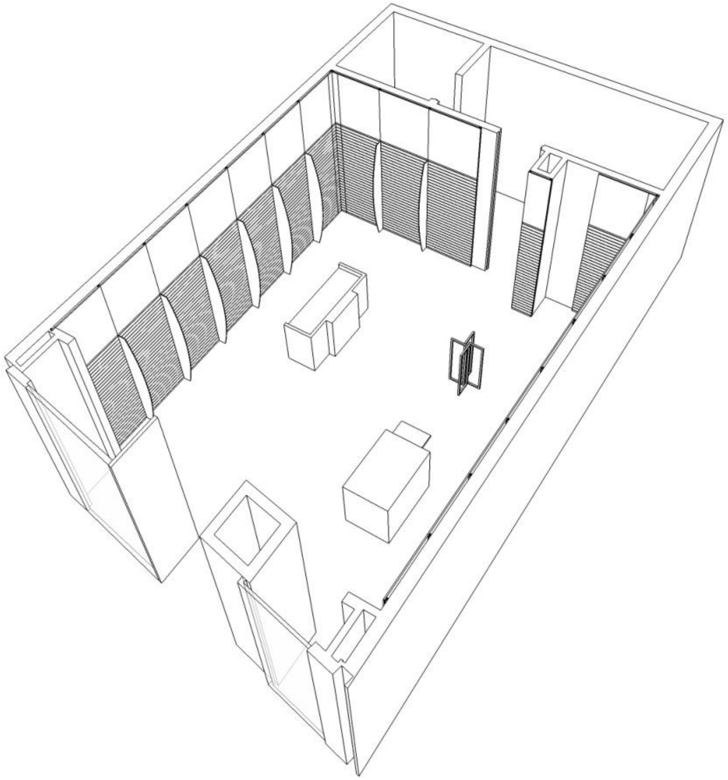
Retail Branded Interiors

What are we talking about?

- Popup = event or transactional space in place for hours to 120 days – you think?
- More popups generated more revenue in 2010 than all prior years combined*
- More popups are being planned in 2011 than in all prior years combined**
- Brands are broadly convinced of their value
- Landlords (management firms) are beginning to understand the opportunities of seasonal leases

*ICSC **Gartner

But I Digress: The Next Opportunity



Short-term Retail

"Designed as a brand immersion footprint with inventory, merchandising and layout at an aesthetic to create a fully transactional space."

Matt Walsh, AIA, ID+A Inc

Why

- Economic convergence
  - Space available, dollars variable
  - Brands rethinking business models
- Immersive brand experiences
- Values-based consumerism vs. Aspirational consumerism
- Product and brand differentiation
- Create a sense of wonder and/or exclusivity***

THE WALL STREET JOURNAL.
WSJ.com

FASHION | MAY 12, 2011

Post-Recession, the Rich Are Different

Bentleys and Hermès bags are selling again. Yet the wealthiest Americans are emerging from the financial downturn as different consumers than they were.

Getty Images

A spring 2011 look from Rodarte

Lyndie Benson says she now mentally calculates the "price per wear" of designer clothing. As the wife of saxophonist Kenny G, Ms. Benson, a photographer, can afford what she wants. She used to make a lot of impulse purchases, she says. But when shopping in Malibu, Calif., recently, she stopped herself before buying a gray Morgane Le Fay suit she'd tried on. "I walked outside and thought, 'Hmmm, I don't really love it that much,' " she says with contentment.

A number of surveys released in the past six weeks suggest Ms. Benson's new selectiveness is widespread among the wealthiest Americans. Though many of these people might seem unscathed by the financial crisis—they didn't lose their homes, jobs or retirement savings—they were deeply affected by what took place around them. "If you're conscious at all, it just seeps in," Ms. Benson says.

What's showing up in the latest research is a broad-based caution—a sudden aversion to salespeople, a tepid response to ads focused on brand images, and a new interest in price-shopping. In Harrison Group's first-quarter survey of consumers with a median income of $275,000, 38% said they wait for items to go on sale, versus 31% in 2010.

Indeed, obtaining discounts on luxury goods has become a competitive sport among many well-to-do consumers, including Jim Taylor, vice chairman of the Waterbury, Conn.-based Harrison Group. Though he is wealthier this year than last, he recently spent a week comparison-shopping for a suit. He ultimately bought his Michael Kors suit on Overstock.com for $185.

Laurence Geller, CEO of the luxury-resort-owning Strategic Hotels & Resorts, told me recently that his favorite place to shop is the Nordstrom Rack discount outlet in Chicago. Harrison Group researchers found Costco and Target were the favorite stores of the wealthiest Americans.

In fact, one time-honored tenet of the luxury industry—that discounted prices lower products' prestige—appears to no longer be true, according to several studies. A survey released in April by the American Affluence Research Center, a luxury consultant based in Alpharetta, Ga., found that 60% of respondents said discounts didn't affect their opinion of brands.

Items the rich do value at full price are one-of-a-kind clothes and accessories and experiences that create fond memories. Weekend getaways and vacations were the top two things the wealthy intended to spend more money on, Harrison Group says.

*** WSJ 5.12.11 “Rich are Different…”

Where

- Pure mobile: Parker Pens (Gramercy), Lindt (Tennis Open)
- Store-in-a-store: GAP in Macy's
- Airport: Swatch (U.S.), Grant's Whiskey (U.K., Paris)
- Streetside: 7th Generation
- Mall filler: Toys-R-Us (600)
- In-line: Aldo

Why You and Brands?

- Event Agencies Get It!
  - Valued partner of Brands
  - Turn-key, programmatic Marketing resource
  - Implementation experience
- Retail Design Firms just don't get it
  - Not their thought process
  - Not enough revenue
  - GENERALLY, no implementation practice

Why NOT You?

- Brands don't understand or believe!
  - Event agency can market, but can they "build"?
  - Don't talk the language of permit, inspection, SKU's…
  - Different sides of the brand
    - Event is Marketing
    - Retail is Facility
- Retail Design Firms are thinking about it
  - Understand modular fabrication
  - Robust management processes and "professional" staff
  - "Trusted" partner in store-build
  - HUNGRY!

What to Do?

- Talk to your Brands
  - Kellogg’s/Gigunda success
- Cross-sell to other departments
  - Retail never talks to Marketing
- Partner
  - Turn-key fabricators
  - Design-build firms
  - Retail Design Firms
- Research
  - ICSC, RDI, ARE

Back to the Problems at hand

3 Major programs for Major brands through Major agencies cancelled in 18 months…just for our company

Budget

- Location 40% under-budgeted
- Build labor + install 30% under-budgeted

Timeline – footprint turnover

- Can't build fast enough
- Can't vacate fast enough
- Can't remediate cheaply

Property

- Legal
- Competing Brand
- Cost PSF

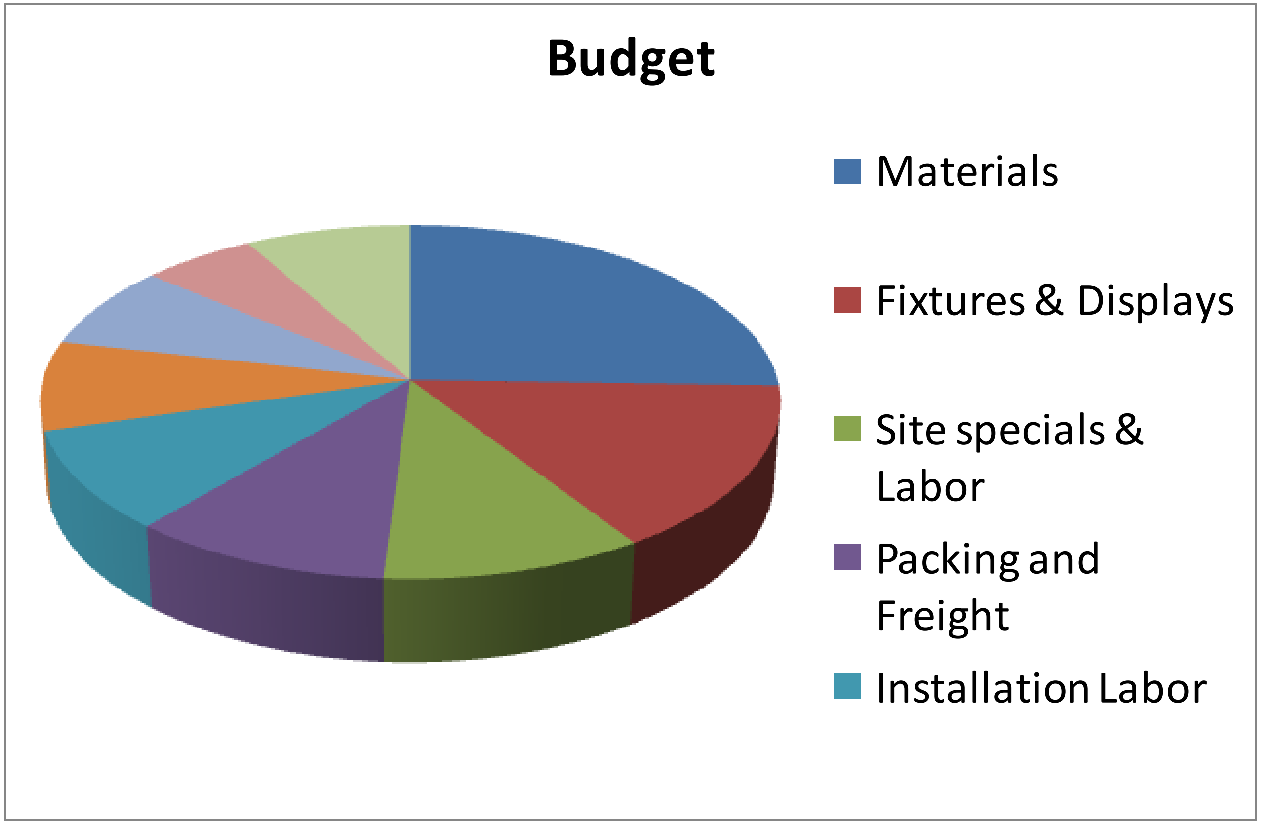
How to Streamline

- Budget
  - Accept location or increase budget (PopTart)
  - Change method – modular
  - Plan for problems
- Timeline
  - Manage program scope
  - Change method – modular
  - Build WHILE negotiating
- Property
  - Known landlords
  - Relationship building with developers
  - Popupinsider.coms

Cost Allocation

20 x 40 hard-wall transactional brand environment

$100,000 budget build + implement



ITEM	COST
Materials	30,000
Fixtures & Displays	15,000
Site specials & Labor	10,000
Packing and Freight	10,000
Installation Labor	9,000
Graphics & Décor	8,000
Exterior Sign	7,500
Project Management	5,500
Profit	7,000

Top Budget Busters

Problem

- Bad Planning
- Weak communication
- Change Orders
- Over-design
- Client Contribution
- Re-work, field fix

Solution

- Site Survey, SCOPE
- Assigned P/M
- Early changes, then stop
- Decaf
- Pro-active management
- Vet your partners

Roadmap

16-20 weeks	Sites: mobile, streetside, ??
12 weeks	Permits: bldg, sign, you name it
8-12 weeks	Site remediation: right away!
4 weeks	Space planning: dwell, immerse, etc
4 weeks	Décor: graphics, merchandising
8 weeks	Exterior: Façade, Sign (permits)
6-12 weeks	Fabricate or construct – modular?
6 weeks	Talent & Technology
4 weeks	Logistics: delivery, install, SKU’s
2 weeks	Pre-launch
2 weeks	Shipping

Top Time Busters

Problem

- Late Start
- Bad SCOPE
- Landlord/Legal
- Change Orders
- Over-design
- Client Contribution
- Re-work, field fix

Solution

- Plan, Work it
- Upfront Clarity
- Flexibility, patience
- Early changes, then stop
- Decaf
- Pro-active management
- Vet your partners

Property

Problem

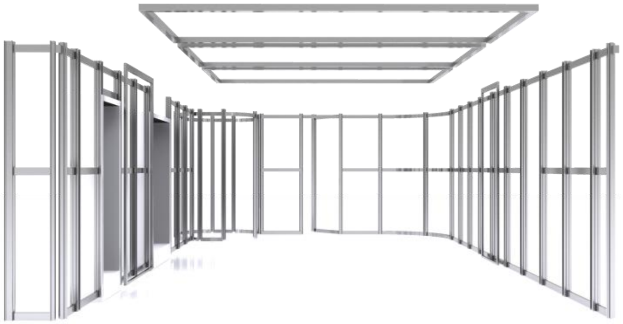
- Site
- Legal
- Shy Site Budget
- Short Install Window
- Need Graphics
- Fixtures
- Exterior Sign

Solution

- Freight container, tent, stripmall
- “Get to Yes”
- Paint, Banners
- Think theatre, or modular
- Adhesive wallcoverings
- Rental
- You’re stuck – permits.
  - Try banners, window decals

Optimum P/M

- Tight S.O.P. before R.F.Q.
- Proactive client management
- Team approach –who on the bus
- Dedicated and reachable Project Manager
- Eliminate scope-creep (change orders)
- Re-allocate budget
  - More up-front, less on-site = control
- Prefabrication
  - Exhibit fab for 40 years



Drudgery

WRITTEN DOCS

- Scope of Project
- Timeline
- Lease
- PR, Legal rights
- Scope of Work
- Milestone Points
- Measurable Outcomes

SITE SURVEY PROCESS DOCUMENT – EXTERIOR SIGN

1. **When a site survey is complete the Project Assistant responsible for the site marks the spreadsheet "done" in the column marked "site survey".**

A site survey is complete when the following has been recorded:

- Photos of site, clearly labeled
- Description of sign construction
- Sign condition
- Signage sizes
- Signage positioning (ie, ground level, 12 feet high on face of building, etc)
- W-9
- Certificate of Insurance.
- Invoice (if not pre-paid or account)

2. **The photos from the survey are then saved to the "Before" folder in both the public and private areas of the server.**

3. **When all of these materials are received the work order bag is divided into two packets: One for billing and one for project management.**

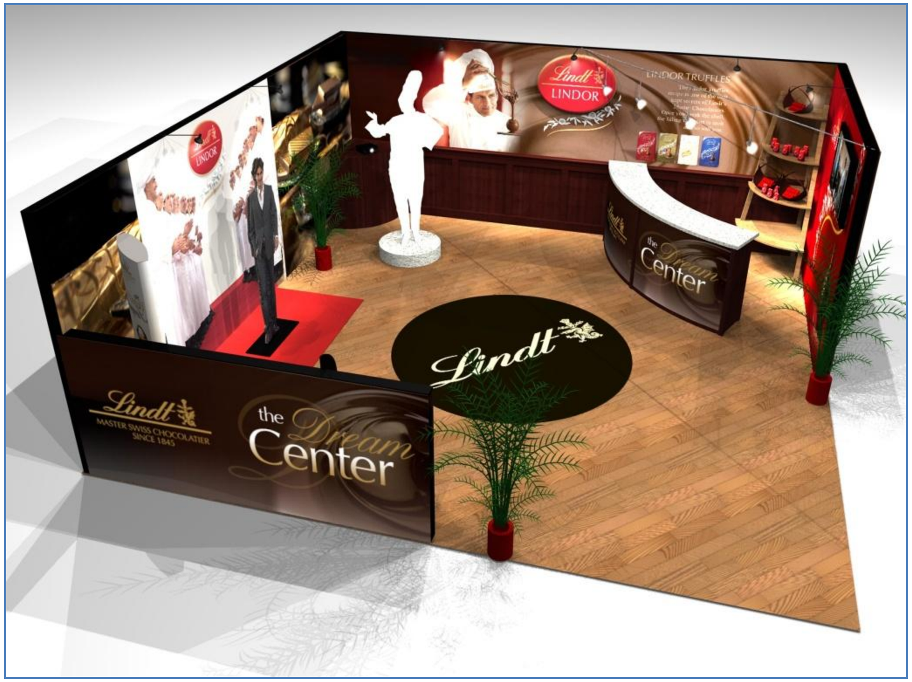
The billing packet should contain:

- Image 4 estimate
- Vendor estimate
- Image 4 purchase order OR signed approval to proceed if vendor required a 100% prepay
- W-9
- Certificate of Insurance.

4. **Staple all these together provide the Billing packet to Sr. Project Manager. Paper clip the Vendor's Invoice to image 4 (if we have not prepaid). Sr. P/M will process the paperwork for billing.**

Design

- Outcome based – engage, sell, activate? More?
- Brand immersion includes a sale!
- Visitor experience
- Traffic management –
  - time, immersion
- Site considerations –
  - time, prep, removal, repair
- Can you extend?
  - $$$



EVENT MARKETER

The Event and Marketing Agency Guide to:

POP-UP STORE EXPERIENCES

2011 EVENT OPERATIONS AGENCY PLANNING SERIES

INSIGHTS AND IDEAS FOR CREATING BEST-IN-CLASS POP-UP STORE ENVIRONMENTS

VIEW FROM ABOVE

A broad-brush view of the landscape of experiential, branded retailing

Customer values, tastes, fads, trends, colors, and how marketers respond or develop those values are the dynamic face of brand-oriented retailing. Phish cobranding with GreenPeace in 1985, Martha Stewart polling customers for projects and tastes, Apple developing its first branded stores in 2001 and its SXSW blow out in 2011—all voice the lively dialogue between retail brands and their consumers. But retail space has not, until very recently, been considered as dynamic. Brand immersion has generally taken place in an event-based platform and the shop environment was left to stagnate, unable to echo consumers and their interests.

1. Experiential—the cost side of the ledger. In the beginning there was the event. The event agency invented the concept of the pop-up experiential immersion. From early pop-ups in warehouses, in-store venues and local events, the targeted, highly branded event space has matured. Retailers budgeted millions for experiential projects, measured value in "store sales bump", or "coupons" and wrote a PO for the next project.

This changed in 2009. Budgets collapsed, retailers demanded performance to metrics agencies never thought about, and required proof that pop up projects drove transactions at the store and web level. Today, agencies are regularly asked by brands to develop and manage dimensional experiences and to integrate with all other media and activation strategies to create brand awareness and connections with the longest possible tail.

2. Transactional—the income side of the ledger. Last year saw an explosion in the number and type of income-producing pop up retail experiences. From one-off boutiques with exclusive merchandise in highly targeted economic zones for Parker Pens and Grants Scotch Whiskey, to carefully marketed product launch outlets for Apple, to 600 seasonal units for Toys R Us. In short, retailers are changing how they present to the consumer. The pop-up footprint is literally earning its place on the sales ledger.

The face of the popup is becoming more diverse , more specific to the brands need. Micro-pop-ups are being developed to exist for one night, aligned to an event, offering a true inventory-based retail opportunity. Literally over 100 brands are discussing seasonal pop-ups as a solution to landlord and budget issues.

3. Crossover is the place of the most value. Event-based experiential space will always have a value. No other approach allows the consumer to literally immerse himself in the brand's values. And even in the face of web-based retail's rapid growth, consumers will always choose to experience a physical environment we call a store. Tomorrow, however, will be different for agencies, retail designers, brands and consumers. Brands are requiring their marketing departments (and thus agencies) to collaborate closely with their merchandising departments (and thus retail designers) to develop powerful experiences that drive immediate sales. Seasonal events, new product launches, talent-based events, "super-niche" products, engagement in store-based "mass-customization" of products are all the lexicon of event-based retail.

This crossover point between event-based and transactional experiences is a high-value opportunity to develop programs for brands, their retail customers and your agency. Keys to the success of this model include available locations, willing landlords, appropriate demographics, seasonal or event-focused timing, well thought-out merchandising and hyper-focused branding, integrated digital platforms, and the ability to design, implement and knock down as quickly as possible. ■

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Wordpress: Experience. Space.