

Making a Connection: Oxfam Store Redesign

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Oxfam International

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StartJG

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'The new Oxfam shop connects customers, donors and volunteers to the work Oxfam does in 92 countries to alleviate poverty and suffering. StartJG invested time and energy in understanding Oxfam's mission and people at the heart of its activities when creating this contemporary, sustainable and flexible design. The innovative approach taken by StartJG resulted in a unique design that solves operational challenges, adds real value to the shopping experience and enhances Oxfam's ability to attract new supporters and grow vital income streams'.
Sarah Farquhar, Head of Retail Brand, Oxfam.



Executive summary [300 words]

'I would actually come here again – put myself out to come here again now I know what Oxfam are working for'
Oxfam shopper, Hampstead

We live in a rich world. Yet more than a billion people live in poverty. Charity as we've known it is not enough. Oxfam is a global movement for change - a network that empowers individuals, communities and organisations to build a future free from the injustice of poverty.

To help create this positive future now, Oxfam has set itself the target of raising an additional £13 million in income by 2022. Oxfam asked StartJG to create a more engaging, distinctive and commercial retail experience that would embody Oxfam's work and inspire more people to shop, donate and volunteer, driving sales upwards as a result.

Research shows that the new store design is connecting customers to the vital work Oxfam does and sales data proves that this is motivating people to spend more money.

- Sales via the latest rollout of pilot stores are **up by a striking 24%** on a year previously, outperforming **1% growth** achieved by non-redesigned stores in the same area over the same period, and **double the 12% target sales increase** set by Oxfam,
- It's also more than **three times the growth** for UK charity retail as a whole in 2012
- Individual redesigned stores tell their own remarkable success stories - with one store delivering a **135% increase in sales** since it opened. That's **11 times greater than the targeted increase**.

"Our research pointed clearly to the powerful potential of the redesign to bring customers closer to the Oxfam cause by bringing it imaginatively to life, as well as provide a fundamentally pleasant environment to do what they do best: shop!"

Adam English, Director, Flamingo

[291 words]

Project Overview

1. Outline of project brief

Oxfam wants to raise an additional £13 million by 2022 to fight poverty around the world and needs its stores to work harder to deliver this.

Our brief was to create a distinctive, commercial, engaging retail design that would:

- Embody Oxfam's positioning as 'a global movement for change'
- Clearly communicate Oxfam's work, getting more people to spend more money, more often as a result
- Be unique to Oxfam and differentiate its stores from other charity shops
- Encourage all of its key audiences - volunteers, shoppers and donors of stock - to do more
- Be efficient and scalable to work across a large, varied estate of differing store sizes and locations.

2. Description

Oxfam works towards 'building a world free from the injustice of poverty'. Its brand proposition is focused on inviting everyone to help build this 'positive future now'. The charity opened its first store in 1948, and now has over 700 - including stand-alone book stores and bridal shops - across the UK selling both new and donated products.

Oxfam launched a new global brand identity in 2012, and wants to use this identity and its positive brand message more powerfully across all its channels to help reach its fund raising targets.

3. Overview of Market

Over the last 10 years the sales performance of Oxfam shops has been steadily rising, and continues to do so despite the current financial climate. But there is still room for growth. Only a small percentage of shoppers and donors are driven by brand. A lack of differentiation in the charity retail sector means people only have a vague idea of which charity shop they are visiting, and scant knowledge of what the organization does.

Market research¹ shows that the number one driver for charity shoppers is the shop experience, and their perception of it will impact their view of the charity as a whole. There is a huge opportunity, therefore, for Oxfam to use its store environments more actively to build loyalty amongst shoppers, donors and volunteers and gain competitive advantage.

The challenge for Oxfam is to get people to really engage with the work it does - and therefore spend more money - by communicating its brand proposition in a more compelling way, via stores that offer a more positive, distinctive experience.

4. Project Launch Date

September 2012

5. Size of Design Budget

Confidential

6. Outline of Design Solution [500 words]

A design that clearly evidences what Oxfam does and the brilliant way that it does it.

We developed a retail proposition for Oxfam that focuses on 'connection' and 'empowerment' - a store that connects visitors to the positive future that they and Oxfam can create together; and empowering local people to make a global difference.

We worked closely with the research company at Flamingo and Oxfam throughout the creative process to ensure that proposition and design concept were meaningful and motivating for shoppers, donators and volunteers.

The team then brainstormed how we could bring this proposition to life in a retail environment. The resulting '101 ideas' were then plotted against the shopper, donor and volunteer journey and tested in focus groups, to create a complete retail experience for each audience.

¹ Source: Flamingo "Shoppers & Donors" 2008

The result is a retail design that promises local people a greater sense of connection to the global impact they can make by shopping, donating and volunteering at Oxfam.

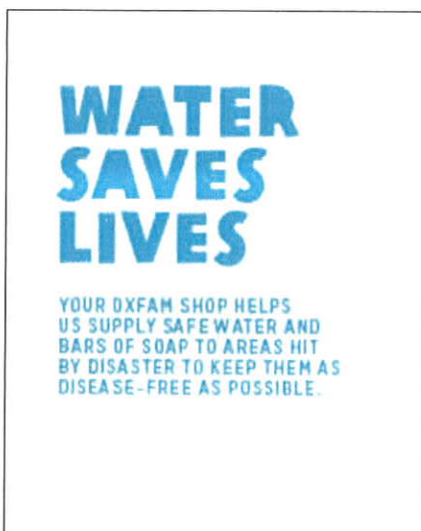
Touch points throughout the store inform the shopper of the impact they can have by shopping or volunteering at Oxfam.

Five impact statements on the fascia communicate Oxfam's work in a human and tangible way. 'Come in and change the world' message welcomes shoppers and donors and sets the tone for the whole store experience.

GROWS VEGETABLES
FILLS CLASSROOMS
DRILLS WELLS
EMPOWERS WOMEN
FIGHTS POVERTY

A visit to Oxfam's humanitarian warehouse inspired us to create a humanitarian toolkit for stores using the same materials Oxfam uses to save lives, such as crates usually used to deliver vital supplies, tarpaulin used for temporary shelters and corrugated iron used to make water tanks.

A tap promotes Oxfam's 'water saves lives' message whilst also merchandising donated clothing. Product hanger and price tags contain direct messages and connect shoppers to the impact that purchase will make.



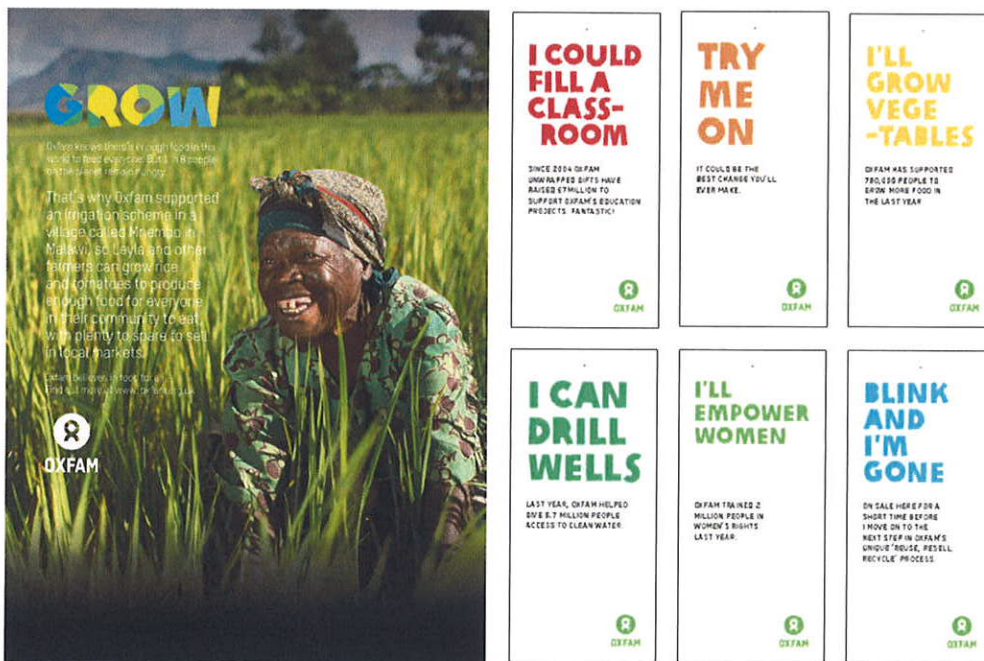
Retail impact messaging is motivating and unique to Oxfam. Tone of voice and messages reinforce Oxfam's positioning as a 'global movement for change' such as the fitting room mirror that inspires people to buy with the call out 'the greatest change you'll ever make', and messages such as 'Wow. Everything you buy helps us build positive futures right now'. Personal stories from the people that Oxfam has helped around the world connect people to the impact shopping and donating with Oxfam can make.

The new design is scalable, flexible and easy to shop. Fixtures throughout the stores are adaptable, and empower volunteers to keep new and donated product fresh, organised and accessible. Modular furniture allows staff to

create mini collections in-store using pegboard and crates. Volunteers can write local impact messages, ask for specific items or highlight products they love using A-board templates.

'Donate Here' shouts out to visitors as they enter the store and dedicated donation bins make donating products easy and fast. The back room door is now a donation point with a stable 'service' door that also tells Fripp Ethique's story, an Oxfam-run social enterprise in Senegal, showing donors where their donations go and how they can empower women.

A flythrough animation of the new store design can be viewed via the following link <https://vimeo.com/69470024>. Password is Oxfam. [Words 510]



Summary of results

Oxfam commissioned Flamingo to carry out three stages of customer research to help develop a retail USP and test the new design with its key audiences against objectives. Oxfam has also benchmarked sales data from all of its newly designed stores, against a controlled group of non-redesigned stores in the same area and of the same type.

Both Flamingo's research findings and Oxfam's store sales data show that the new design is meeting its objectives and has huge potential - better connecting customers to what Oxfam does and getting people to spend more money, more often in store.

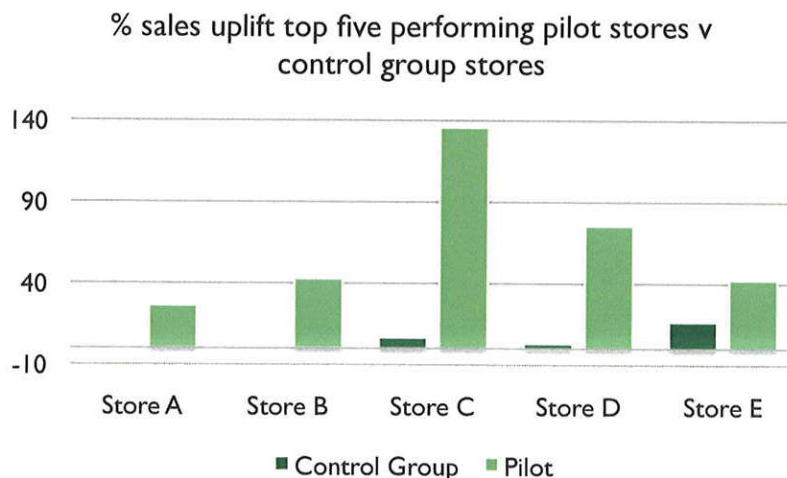
"Our research - comprising focus groups where we evaluated concepts and design mock-ups - pointed clearly to the powerful potential of the redesign to bring customers closer to the Oxfam cause by bringing it imaginatively to life, as well as provide a fundamentally pleasant environment to do what they do best: shop!"

Adam English, Director, Flamingo

Re-designed stores raise more money for Oxfam

Sales data shows that pilot stores continue to perform better than control group stores². Sales via redesigned pilot stores are up by a **striking 24% since opening** on a year earlier. This is against a sales uplift of 1% in control group stores over the same period. Sales data by individual pilot store reveals huge fund-raising potential for the new design.

Pilot store C recorded a sales increase of 135% year-on-year, against a 6.5% increase in sales of stores within the control group. This is closely followed by a pilot store D delivering a 75% hike in sales, whilst its control group of stores recorded an increase of 3.2%.



Beating Oxfam's target sales increase for new stores

All 12 redesigned stores hit or exceeded Oxfam's sales targets for a good proportion of the time they have been open.

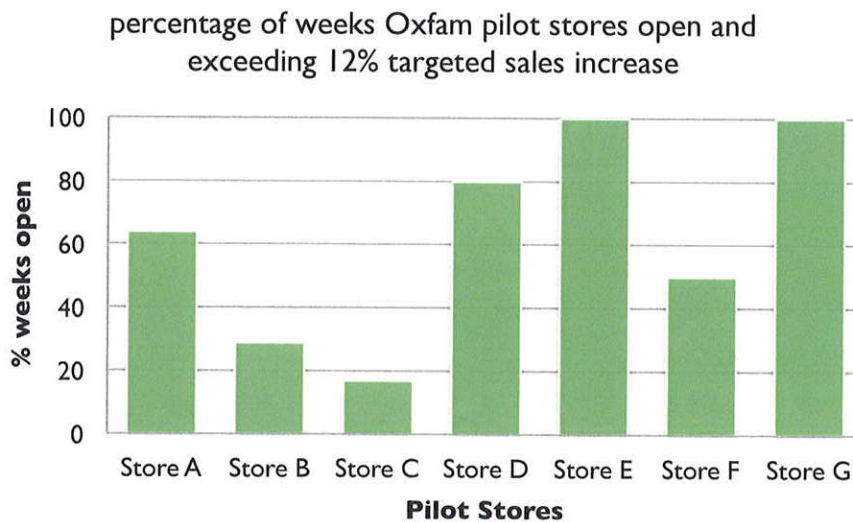
² Control Group – all stores in area around pilot store of same type, open this year and last year

Oxfam set a target sales increase of 12% for pilot stores as a key performance indicator for the new design, based on the additional funds that the charity wants to raise.

In the short time two of the pilot stores have been open, they have both consistently - every week the new design was in place - achieved sales increases well above 12%.

- Derbyshire store's growth is more than **11 times greater than 12% target**
- Bristol area store's growth is **six times greater than target**

Altogether, five out of the seven phase two pilot stores exceeded sales targets for more than 50% of the time they have been open.



And outperforming wider charity retail market

The fact that charity shops are bucking the high street trend at the moment is well reported. A recent report by the Charity Retail Association shows a charity retail sector that is thriving in the recession, with Income up 6.8% in 2012³, against flat overall growth in the retail sector as a whole. Profits for charity stores are up by 14.6% since 2011, the highest growth ever recorded.

Such enthusiasm for charity shops amongst consumers has no doubt had an impact on the performance of all Oxfam's stores.

But sales growth for the redesigned pilot stores is notable even against the vibrancy of the charity retail market as a whole. Sales growth through Oxfam's

³ Civil Society and Charity Retail Association, *Charity Shops Survey 2012*, October 2012

phase 2 pilot stores ***is more than three times greater*** than overall growth achieved for charity retail in the UK.

Such a strong performance is evidence that the new design is playing a pivotal role in getting people in to the stores and spending more money.

The result is a modern and inviting retail experience

Customer research carried out by Flamingo shows that shoppers, potential shoppers and donors think that the new design is modern, welcoming, professional and engaging.

‘...a vast improvement. It is light and spacious and modern. I would definitely think about coming and having a shop here’ [non-shopper, Lancaster]

‘Other charities stop you in the street, they try to talk to you, it’s all a bit in your face. This is better, this is come in, have a look around and see what they do’
[Non-shopper, Lancaster]

That connects people to what Oxfam does

In stores where all the elements of the new design are most successfully implemented, Flamingo state there is has strong potential to connect visitors to their ‘local movement for global change’

‘I think it makes you feel more connected and more part of the organisation, rather than just some random person that’s working in the shop. It’s being part of more, and I like it’ [Volunteer, Alderley Edge]

‘It’s interactive; you are interacting with what Oxfam DO. You feel more engaged with the process itself, through the crates and the piping’ [Non-Oxfam Shopper, London]

The positive tone of voice across all communications and touch points was found to be a key strength by Flamingo, and allows shoppers to join in the cause, and effect change in small and rewarding ways.

‘A nice little bit of information to tell you about who they are helping.. a nice detail’ [non-shopper, Henley]

By educating visitors about the impact of Oxfam’s work

Research carried out by Flamingo provides further evidence that the design is helping customers not only understand what Oxfam does but also the positive local impact they can make on global causes by shopping in one of its stores.

Shoppers and donors generally found the in-store messaging interesting and helpful - ‘opening up’ what Oxfam does.

‘They’re spending the time to make you aware of what they do. It demystifies Oxfam a little bit’ [donor, Lancaster]

Impact messaging on the fascia - summing up practical work that Oxfam does - was found to be fun and bright but also informative, motivating and rewarding. Visitors responded very positively, the messages ‘summed it up well’, setting up a connection with Oxfam’s work as they enter the store.

‘They’re more specific than my general connotations of crisis relief. So they are a bit more considered’ [non-shopper, Hampstead]

Flamingo found that fixtures and fittings, such as the aid crates, the tap, as well as the changing room door sheeting, all successfully convey the broad brush strokes of Oxfam’s work, add a note of authenticity and convey an aesthetic that is in keeping with brand’s personality and values.

[IMAGE] The water pipes and tap were always noticed by visitors and instinctively linked with Oxfam’s work without explanation. Customers find these elements intriguing, ‘a clever connection to Oxfam’s work and they are keeping people in the shop for longer.

'I like that. It looks modern and it tells you about their work on irrigation in an interesting way' [shopper, Lancaster]

The changing room poster is made of the kind of sheeting used to make shelters. Strong, simple messaging such as 'Sheeting Gives Shelter' and further information about how it can be used to save lives was perceived to be clever and convey Oxfam's intelligence and resourcefulness.

'You get certain information about how aid relief works – but that is another little snippet and it is like oh right, that is what you can do with it' [donor, Hampstead]

And is motivating people to shop, donate and volunteer

'I would actually come here again – put myself out to come here again now I know what they are working for' [shopper, Hampstead]

Flamingo conclude, based on shopper, non-shopper and donor feedback, that the new Oxfam stores are 'a very positive experience, giving customers a clearer sense of the added value of shopping and donating in an Oxfam store, and are likely to genuinely motivate visits to shop and donate'.

Each specific audience finds compelling details that motivate them. We've seen that shoppers like the positive, friendly Oxfam related messaging and unique, characterful touches, such as the water pipes.

The Donor journey through the store has also had positive feedback. The new design features a donations bin and specific donations area designed to streamline the whole donations process. Donors find that this makes the process of dropping off easier and quicker, a key driver for getting people to donate more.

Store managers have reported that donations have increased because the blue bins make it obvious that Oxfam is happy to have small donations. People are getting the message that they don't have to have huge clear outs in order to bring in donations.

'We have been able to use the refit to completely revamp our shop. This has led to new customers, donors and volunteers and our sales have been growing'

Tony, shop manager, Lancaster

The design is also motivating staff - both volunteers and paid - to do more. Store managers are reporting an increase in applications for store staff and volunteers, and cite the new welcoming shopping environment as a key factor.

'We feel like the backroom makes such a difference to us, it's a pleasure to come in and volunteer' [Oxfam volunteer, Hove]

And is a distinctive high street store, unique to Oxfam

The new design differentiates Oxfam shops from other charity retailers because the whole experience - merchandising, communications, fixtures and fascia - now reflect the essence of what is unique to Oxfam. Tone of voice and content of communications is positive, active and empowering, and embody Oxfam's positioning as a 'global movement for change'.

'The new design is a fresh look for Oxfam shops. It brings together our overseas work and our new global brand with our retail offer. The external fascia is bright and stands out on the high street and helps our shops engage with new supporters' Laura Ruxton, Retail Environment Manager, Oxfam

Flamingo's customer research findings show that the different elements of the design make the store distinctive and 'not like other charity stores'.

Visitors also remark on the store's 'organization and efficiency', which also marks it out from other charity shops.

'I would say Oxfam is a very professional and streamlined organisation' [donor, Lancaster]

Externally, Oxfam branding successfully distinguishes the store from other charity shops on the high street. Customers agreed that storefronts were

modern, fresh, clean, professional and smart. Impact messaging ‘adds warmth and stand out’ and window blinds are ‘impactful and resourceful’.

That is efficient and scalable - ultimately saving Oxfam money

The new design has now been rolled out to 28 stores in the UK, across a range of locations and shop sizes including 3 bookshops. It’s the most rapid refit program that Oxfam has ever run, thanks in large part to the efficiency and scalability of the design. It is also replacing old style fascias with the new design, and 35 stores now sport this new look.

The need to keep refit costs down led to the team to re-think the existing retail design rather than completely redesigning it. The design uses Oxfam’s original store system to reduce rollout costs. New elements have been added to this to create a flexible layout that can be scaled up or down easily to work across different store sizes and types. In addition, sustainable flooring and new LED lighting will significantly reduce utility costs over the next five years, ultimately allowing Oxfam to use more of the funds it raises via its stores to alleviate poverty around the world.

A global movement for change

Evidence presented above clearly demonstrates that the new Oxfam store design is meeting objectives. Feedback from shoppers, donors, volunteers and store managers shows that the stores convey the fantastic work Oxfam does and the brilliant way it does it - connecting people to the change that together they and Oxfam can make to alleviate poverty around the world.

Perhaps most powerfully though, striking sales increases point to the considerable impact redesigned stores can now have on Oxfam’s fund raising targets over the next 10 years. A convincing testimony that good design can ‘do good’.

Other Influencing Factors

Oxfam launched a new global identity in 2012 to provide unified branding for the charity worldwide. This new identity and tone-of-voice is built around the brand proposition: 'Be part of building a practical future now. A future free from the injustice of poverty'. The brand personality is summed up by the phrase 'practical visionary', which Oxfam says, 'means [we have] the vision to create major change, backed up with practical, effective solutions'. In order to deliver this brand they have a look and feel that is vibrant, modern yet human, and completely ownable.

Oxfam sent a marketing email with news of the store redesign to gift aid customers during the week of the launch to supporters in the local area. Click through rates are not yet available.

There was no national PR or advertising to support the new stores launch. Each shop was supported with local PR activity, including inviting local press and dignitaries to a launch event.

Research Resources

Sales Data for Pilot Stores, 2012/2013, *Oxfam*

Oxfam Shop Refit Evaluation. Debrief. *Flamingo*, November 2012

Oxfam Shop Experience. Debrief. *Flamingo*, July 2012

Charity Shops Survey 2012, *Charity Retail Association*, October 2012

Charity Shops See Record Profits, *Resource.co.uk*, October 2012

Charity Shops Cash In, *Morrish, John, Management Today*, August 2012