

How brick-and-mortar retail is reclaiming its relevance

Article



The phrase "retail apocalypse" once dominated industry conversation, Ethan Chernofsky, senior vice president of marketing at Placer.ai said during the <u>EMARKETER Summit</u> on November 1.

"We were convinced [that] the store was dying," Chernofsky said. "It was a thing of the past, and we were going to move to this fully online environment."



But brick-and-mortar is as relevant as ever. In-store retail is experiencing a revival as retailers integrate physical and digital strategies to deliver experiences that ecommerce can't replicate.

Retail foot traffic is on a continuous upward trend, according to Placer.ai data. In September 2024, monthly retail visits increased by nearly 10% compared with September 2019.

The strength of brick-and-mortar stores

"The physical store... produces an experience in a better way than [what] you can get online," Chernofsky said. Physical stores offer sensory engagement and <u>immersive experiences</u> where customers can touch, test, and interact with products and store associates in ways that foster deeper connections.

Moreover, in-store shopping encourages discovery. "You're being enthralled by something... [but] that wasn't the reason you came into the store," Chernofsky said of the joy of browsing.

Another key advantage of in-store is the immediacy of purchase. While online shopping offers convenience, <u>waiting for delivery</u> remains a drawback.

One of retail's biggest myths is that convenience is overrated, Chernofky said. Once convenience reaches a "good enough" threshold, it stops being a primary factor.

Harmonizing physical and digital channels for success

The most forward-thinking retailers are successfully merging physical and digital elements to enhance the shopping experience. "The smartest retailers are... [asking themselves], 'What can I do within the four walls of my location to maximize those unique benefits?" Chernofsky said.

Knowledgeable <u>in-store product experts</u>, interactive displays, and exclusive events like brand activations and pop-ups create memorable experiences, while digital tools such as buy online, pickup in-store streamline the purchasing process.

Retailers have also found growth opportunities through adjacent partnerships like Starbucks' placement inside Target, and chain grocers opening wellness clinics. Kroger supermarkets with in-store clinics, for example, saw 43% more foot traffic in H1 2024 versus those without, Placer.ai research found.



These types of integrations create a retail environment that drives more transactions, creates a better experience for the customer experience, and creates lasting lifetime value and loyalty.

Watch the full **EMARKETER Summit session** with Placer.ai.

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