Creating memorable shopping experiences to meet phygital customers’ needs: evidence from sporting goods stores

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Abstract

Purpose – This study focuses on memorable customer shopping experience design in the sporting goods retail setting. It aims to identify the phygital customers’ needs and expectations that are satisfied through in-store technologies and to detect the in-store strategies that use these technologies to make the store attractive and experiential.

Design/methodology/approach – This exploratory study adopted a qualitative research methodology, specifically a multiple-case study, by performing semi-structured interviews with sporting goods store managers.

Findings – Sporting goods retailers use various in-store technologies to create a phygital customer shopping experience, including devices, mobile apps, wireless communication technologies, in-store activations, support devices, intelligent stations, and sensors. To improve the phygital customer journey and the phygital shopping experience, retailers meet customers’ needs for utilitarian, hedonic, social, and playfulness experiences. Purely physical or digital strategies, as well as phygital strategies, are identified. This research also proposes a model of in-store phygital customer shopping experience design for sporting goods retailers.

Practical implications – Sporting goods managers can invest in multiple technologies by designing a physical environment according to the customers’ needs for utilitarian, hedonic, social, and playful experiences. In addition, they can improve the phygital customer shopping experience with specific push strategies that increase customer engagement and, in turn, brand and store loyalty.

Originality/value – This study highlights how the phygital customer experiential journey can be created through new technologies and improved with specific reference to the sporting goods stores.

Keywords Customer experience management, In-store technology, Customer engagement, Phygital retailing, Retail store experience, Sporting goods stores

Paper type Research paper

1. Introduction

Physical stores provide customers with experiences that cannot be replicated online because they involve experiencing emotions in person. Accordingly, many retailers are designing customer journeys in experiential terms by creating immersive and evocative servicescapes...
(Bitner, 1992) and using atmospheric and technological elements as fundamental touchpoints (Lemon and Verhoef, 2016; Roggeveen et al., 2020).

Sportswear retailing is an exciting context to examine this phenomenon for various reasons. First, sporting goods sales are rising in developed economies, where more and more people engage in sports and recreational activities because of an increased awareness of their effects on health and stress management. Second, the Covid-19 pandemic has prompted much of the population worldwide to adopt healthier lifestyles, including devoting more time to sports activities. Third, the ever-growing convergence between sportswear, everyday life, and fashion is accelerating the growth of this industry: many luxury brands, such as Calvin Klein and Ralph Lauren, have introduced sportswear lines to their collections. Finally, important sporting goods brands are approaching the world of style through music by creating different collaborations, such as those of Puma and Rihanna and Adidas and Beyoncé, thus increasing interest in retail athleisure, that is, in wearing sportswear outside the gym and sports moments, even during leisure and formal occasions.

Therefore, sporting goods store managers invest in creating in-store customer shopping experiences (CSEs) based on distinctive strategies aimed at differentiating both the store and the brand. In addition to atmospheric elements, which are traditionally used to create an immersive and sensorial environment design (e.g. Gentile et al., 2007; Lemon and Verhoef, 2016), technology is increasingly being used to improve the phygital customer journey, that is, the journey of a customer who needs integration between the physical and digital worlds. The digital transformation drives customers to move freely across these channels without distinction (the omnichannel approach) through mobile and interactive devices inside the stores (e.g. Cavalhinos et al., 2021). As a result, creating phygital customer experiences has become “a top priority” for both marketing scholars and businesses (Batat, 2022, p. 1).

Although research on the in-store CSE has been discussed extensively (e.g. Sachdeva and Goel, 2015; Bustamante and Rubio, 2017), there remains a lack of studies focusing on how the shopping experience can be created through new technologies and how the phygital customer journey can be improved in sporting goods stores (e.g. Funk, 2017; Bonfanti and Yfantidou, 2021; Happ et al., 2021). Specifically, two research questions have not been answered: (1) What in-store technologies do sporting goods retailers use to create memorable shopping experiences? And (2) What are the phygital customers’ needs and expectations addressed by in-store strategies in the sporting goods retail setting?

The paper proceeds as follows. After presenting in the literature review section the concepts of customers’ needs and expectations, customer engagement, phygital retailing, and phygital customer experience, the methodology is described. Next, the findings are presented and discussed in two separate and consecutive sections. Finally, the study concludes with the implications for theory and practice, followed by limitations and directions for further research.

2. Literature review

2.1 Customers’ needs and expectations

Previous literature has clarified the distinction between “needs” and “expectations” (Bonfanti, 2016). A customer need is “an abstract context-dependent statement describing the benefits, in the customer’s own words, which the customer seeks to obtain from a product or service” (Timoshenko and Hauser, 2019, p. 2), whereas “expectations are viewed as predictions made by customers about what is likely to happen during an impending transaction or exchange” (Zeithaml et al., 1993, p. 2). Specifically, the theory of attractive quality (Kano et al., 1984) divides customer needs into three categories: (1) must-be, referring to those needs that satisfy a minimum acceptable service level; (2) one-dimensional, referring to needs expected by customers who usually explicitly demand these of the service organisation; and (3) attractive
requirements, or latent needs, which customers do not expect because they are not aware of them. All three categories of customer needs should be met to offer customers a satisfying experience.

Concerning customers’ buying decision process, customer expectations are rooted in the pre-purchase stage, but they also affect the later purchase and post-purchase stages and the re-purchase experience (Olsson et al., 2022). Therefore, customer expectations change across the shopping journey and are influenced by a comparison of similar products, prior beliefs about a product or service from an advertisement or word of mouth, as well as personal desires or goals regarding how the product/service may respond to customers’ needs (e.g. Olsson et al., 2022). Retailers can influence customer satisfaction and loyalty through the touchpoints they manage during the customer journey, that is, the process or sequence of phases that a customer goes through to access or use an offering of a company (Lemon and Verhoef, 2016; Følstad and Kvale, 2018). Digital technologies play a pivotal role in retailers’ meeting customers’ needs and expectations throughout the customer journey to create a memorable shopping experience that leads to customer satisfaction. In this sense, customer experience is “a customer’s ‘journey’ with a firm over time during the purchase cycle across multiple touch points” (Lemon and Verhoef, 2016, p. 74).

2.2 Customer engagement

Although it is difficult to find a univocal definition of customer engagement, several studies have shown a close relationship between customer experience and customer engagement. Indeed, a positive customer experience strengthens the connection between the store and the customers, enhancing their engagement with the store (Mohd-Ramly and Omar, 2017; Spena et al., 2012). Store attributes increase customer involvement and personal interaction and allow customers to play an active role in generating a memorable customer experience, which positively affects customer engagement with the store (Mohd-Ramly and Omar, 2017). These findings might be read in the light of the Self-Determination Theory, which explains how experiential motivation drives customer engagement in the behavioural dimension (Gilal et al., 2019). Findings from An and Han (2020) confirm the importance of creating a successful shopping experience to maximise hedonic value and reinforce positive shopping memories that lead to higher customer engagement. A memorable shopping experience allows customers to recognise a retail store as a place where they can enjoy a new experience so that the shopping in the store will be remembered as a unique experience for the consumer. We argue that phygital retailing might help create a memorable shopping experience that, ultimately, leads to more significant customer engagement with the store.

2.3 Phygital retailing

Digitalisation has strongly impacted the retail industry, and new concepts have emerged such as phygital retailing, which combines physical and digital elements to provide customers with an unparalleled experience (Pangarkar et al., 2022). Phygital retailing is conceived as the connection between the physical and digital context helping customers live in-store and online simultaneously in the same place to achieve a greater shopping experience (Banik, 2021; Belghiti et al., 2017). In other words, phygital retailing meets customer expectations by merging offline experiences with online offerings. Specifically, phygital is described as “a holistic and integrative ecosystem that adopts a consumer standpoint as a starting point and then integrates a combination of physical, human, digital and media content elements, platforms, technologies, and extended realities to offer a unique and compelling customer experience” to guarantee consistent delivery of consumer value from the digital to the physical context and vice versa (Batat, 2022, p. 10). This study focuses on
brick-and-mortar stores and how integrating digital and physical elements can deliver memorable CSEs that increase customer engagement with the store and with the brand.

2.4 Phygital customer experience

CSE is a holistic concept that focuses on a “customer’s cognitive, emotional, behavioural, sensorial, and social responses to a firm’s offerings during the customer’s entire purchase journey” (Lemon and Verhoef, 2016, p. 71). Nowadays, retailers face the challenge of offering customers a memorable and seamless customer experience across different touchpoints (Lemon and Verhoef, 2016). Digital technologies may enhance the overall CSE, strengthening the link with the online channel by providing consumers with a phygital experience (Bustamante and Rubio, 2017; Bonfanti and Yfantidou, 2021). The in-store CSE could be improved through the DAST framework—design (store layout, architectural design, and furnishing), ambient (every environmental factor that influences consumers’ senses), social (the interactions between people present in the store), and trialability (customers’ ability to interact with products and services)—as proposed by Roggeveen et al. (2020).

From this perspective, interactive technologies can improve the overall in-store CSE and phygital customer journey by reducing the increasingly blurred boundaries between online and offline domains (Verhoef et al., 2015; Siregar and Kent, 2019). Phygital retailing combines and connects the physical and digital environments to deliver a seamless and enhanced CSE (Banik, 2021). Specifically, a phygital CSE occurs when the digital and the physical are hybridised simultaneously and in the same context. Therefore, phygital retailing “helps customers live in-store and online at the same time in the same place to achieve an amazing experience” (Banik, 2021, p. 1). The concept of phygital customer experience has received increasing attention in literature. In a recent contribution, Batat (2022, pp. 11–12) has proposed a framework for phygital customer experience, in which the customer experience is created by “shifting from physical to digital (‘digitalisation’) and from digital to physical (‘physicalization’)”. Along this line, digital technologies offer customers an immersive experience with higher levels of entertainment and interactivity in the store environment, which translates into enduring emotional moments and memories (e.g. Foster and McLelland, 2015). Therefore, in-store digital technologies are pivotal in creating a memorable shopping experience and improving the overall phygital customer journey.

These general considerations regarding CSE need to be adapted to the context of sporting goods retailing. Previous literature has identified sportswear as a unique business, leading to a unique customer experience (e.g. Happ et al., 2021). This mainly occurs because sports consumption involves experiences based on engaging consumer-retailer interactions with sports environment, technology, and digitalisation, especially interactive technology, as the fundamental experiential elements (Funk et al., 2012; Roggeveen et al., 2020). Very few models are proposed in the literature. One of them is the Sports Experience Design framework, which was presented by Funk (2017). It is composed of the three following elements: (1) the sport context, in which a sports customer navigates through an experience and interacts with touchpoints; (2) the sports user, with mental processes, psychological needs, and personal characteristics; and (3) the sports organisation, which produces a sports experience to achieve the organisational goals. This framework combines different elements of CSE, but it neglects that the CSE for a sports customer requires considering multiple experiential elements to meet their different needs.

From the examined literature, it becomes clear that a significant gap exists in the underlying theory developed to understand how to create memorable shopping experiences within sporting goods stores by meeting phygital customers’ needs. Drawing from a broad stream of work, researchers have identified the phygital customers’ needs and expectations that are satisfied through in-store technologies to make the store attractive and experiential.
3. Method

3.1 Research design

Given the exploratory nature of this research, this study adopted a qualitative methodology—specifically a multiple-case study—to identify phygital customers’ needs and expectations that are satisfied by using in-store technologies. Following an interpretive (Nag and Gioia, 2012; Gioia et al., 2013) and abductive approach, the data were collected through semi-structured interviews to allow participants to communicate their ideas, projects, and strategic actions freely and flexibly using their preferred narrative structures (Creswell and Creswell, 2018). This method was employed to provide a solid contribution to the existing literature on in-store CSE in sports stores, moving iteratively between theory and the data to grasp better the empirical phenomenon (Dubois and Gadde, 2014).

The interview guide was designed based on the literature review on customer journey and CSE design. The interview guide included the following three questions: (1) What challenges are brand stores facing in designing a memorable customer experience that combines physical and digital worlds? (2) What new technologies are you investing in? Would you please share some brief examples? and (3) What role does technology play in creating a memorable customer experience to improve the phygital customer journey?. These questions are specially formulated in an open manner to give extraordinary voice to the informant (Gioia et al., 2013) and, inductively, to codify and categorize emerging aspects about the CSE creation from the sporting goods stores perspective. The pre-test phase was conducted through open-ended conversations (Jafari et al., 2013) with two sporting goods store managers to ensure that the meaning of the questions was clear and their wording was explicit. After rewording some sentences according to the managers’ feedback, the interview guide was deployed to collect other managers’ opinions. Since no significant revisions were recommended, the responses collected during the pre-test phase were included in the data corpus.

3.2 Selection and sampling procedure

Purposeful sampling was employed to collect relevant information about the role of in-store technologies in creating CSE. The sample was controlled based on the following criteria: (1) inclusion of brand and specialist sporting goods retailers and exclusion of general retailers; (2) international presence and brand awareness of the sporting goods retailers (local retailers were excluded); (3) retailers with brick-and-mortar stores who employ phygital marketing strategies to reach more customers and create a more positive experience for their customers; and (4) informants’ current or previous experience as sporting goods store managers. An initial list of potential case retailers and connected sporting goods store managers was elaborated.

Through the selection process, seven sporting goods store managers from six retailers were identified who were willing to participate in the research. Due to individual and work motivations, only five managers confirmed their availability for an interview (Table 1). This number of interviews is appropriate because it falls within the limit recommended for qualitative research that adopts case-study strategies (e.g. Creswell, 2007) and homogeneous populations such as sporting goods retailers (e.g. Saunders, 2012). Although all the interviewed managers work for retailers localised in Italy, the nature of this classification method ensures anonymity and confidentiality, as some interviewees required because of the strategic sensitivity of some questions that were under investigation.

3.3 Data collection

This study used semi-structured in-depth interviews, which provide both retrospective and current accounts by individuals of conceptual interest (Gioia et al., 2013). The interviews were
conducted in-store and face-to-face, except for two that were organised via telematics because of travel restrictions due to the pandemic (data were collected between January 2020 and August 2021). Some respondents were approached again after the interview to obtain further clarification or additional information. Interviews were undertaken in Italian and subsequently translated into English, guaranteeing the meaning of the original responses. The quality of the translation was ensured by the fact that the researchers are fluent in the two languages and the texts translated were revised with the support of linguistics experts (McGorry, 2000). The interviews were audio-recorded and later transcribed verbatim and checked for accuracy. To provide research validity and reliability (Yin, 2003), their content was supported with further information published on the corporate website of each retailer, as suggested by the respondents themselves. The transcripts of the interviews and the text collected via websites formed the final data set.

3.4 Data analysis
Content analysis was conducted via NVivo 11 software. During the coding process, the researchers followed the three steps suggested by Gioia et al. (2013): they gathered informants’ voices as first-order codes and subsequently derived abstract concepts from the first-order categories, namely, phygital customers’ expectations. Finally, the researchers identified phygital customers’ needs by organising the second-order themes according to extant theory and inductive interpretation of the data. During this process, three researchers (two authors and another expert scholar) carefully checked and compared codes to reduce similarities and differences to a manageable number and obtain a unique coding scheme. The coding was conservatively assumed by including only what was explicit in the data. The number of codes progressed from 33 first-order concepts to eight second-order themes and then to four aggregate theoretical dimensions.

4. Findings
4.1 Validation and presentation of qualitative findings
In this qualitative research, methodological rigour and relevance were applied to study design and the research process. More precisely, the sample selected is suitable according to the research questions and emergent insights (Franklin and Ballan, 2001). To take advantage of the strengths of computer- and human-based techniques, software was used to efficiently deal with large volumes of data, and human coders’ ability was employed to understand the latent meanings of specific expressions (Krippendorff, 2012). In addition, direct quotations were necessarily selected as examples and demonstrations of each theme to present the findings because they enable to extensively propose key issues.

<table>
<thead>
<tr>
<th>Sportswear retailer</th>
<th>Portfolio of products</th>
<th>Role of the interviewee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adidas Group</td>
<td>Sports apparel, footwear, and equipment</td>
<td>Store manager</td>
</tr>
<tr>
<td>Decathlon</td>
<td>Mountain sports equipment, water sports equipment, cycling equipment, and numerous other products</td>
<td>Store operation manager</td>
</tr>
<tr>
<td>Foot Locker</td>
<td>Sneakers, footwear, and sports apparel</td>
<td>Store shift leader</td>
</tr>
<tr>
<td>Nike</td>
<td>Sports apparel, footwear, and equipment manufacturer and retailer</td>
<td>Store sales assistant</td>
</tr>
<tr>
<td>Sportler</td>
<td>Trekking, cycling, skiing, running or climbing equipment</td>
<td>Retail manager</td>
</tr>
</tbody>
</table>

Table 1. Profiles of interviewed sportswear retailers
Source(s): Table by authors
The presentation of the finding includes the two following themes: (1) the in-store technologies used to create memorable shopping experiences, and (2) the type of experiences offered to address the phygital customers’ needs (Figures 1–4). For each type of experience, this study proposes the expectations satisfied through in-store technologies. In addition, a model of phygital CSE—that combines phygital customers’ needs and expectations with the in-store technologies—is provided (Figure 5). Next, the findings are categorised into physical, digital and phygital strategies to highlight the purely physical or digital strategies and those that blend physical and digital strategies.

4.2 In-store technologies used to create memorable shopping experiences

Based on the analysis of the interviews, six categories of in-store technologies were identified: (1) computers, tablets, displays, touchscreens, and customers’ smartphones or other mobile devices; (2) mobile apps to scan, check, request, or order products not available in-store; (3) wireless communication technologies such as Radio Frequency Identification (RFID) and Near Field Communication (NFC) tags; (4) in-store activations such as screens, lights, and

<table>
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<tr>
<th>First-order CONCEPTS</th>
<th>Second-order THEMES AGGREGATE DIMENSIONS</th>
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<tbody>
<tr>
<td>• Our visitors can freely use in-store computers and tablets to customize every detail of the chosen product</td>
<td>Rational and practical experience</td>
</tr>
<tr>
<td>• Our customers can use their smartphone to gather up information about products inside the store</td>
<td>FUNCTIONAL EXPERIENCE NEED</td>
</tr>
<tr>
<td>• The integrated function called “Bring It to Me” on the Adidas mobile app allows customers to scan products, check stocks, request their size, and purchase via smartphone</td>
<td>Time saving and cost-effectiveness experience</td>
</tr>
<tr>
<td>• Each employee is equipped with a smartphone to access the app through which to check the stock and order the size/model/item that the customer wants. […]</td>
<td></td>
</tr>
<tr>
<td>• Employees, equipped with digital devices, can access all information to respond immediately to customers</td>
<td></td>
</tr>
<tr>
<td>• Our customers can use contact a click-and-collect strategy</td>
<td></td>
</tr>
<tr>
<td>• Customers can save time by checking the product availability on-screen, choosing to have it arrive in the store or be sent to their home, and by requesting different sizes to try on in the dressing room through the internal digital mirror</td>
<td></td>
</tr>
<tr>
<td>• The “stop-and-go” checkout has been transformed to the “scan-and-go” checkout</td>
<td></td>
</tr>
<tr>
<td>• Our store combines RFID tags with mobile payments as the favorite self-checkout</td>
<td></td>
</tr>
<tr>
<td>• Our customers can benefit from in-store easy, quick self-checkout. […] customers place an item into a boxed area in the self-checkout kiosk, the RFID tag that was placed on the item is read, and automatically the price and details are captured. […]</td>
<td></td>
</tr>
<tr>
<td>• Every detail has been designed to offer customer support: free Wi-Fi, and safe boxes to recharge smartphones and tablets for free and at the same time: each box has three plugs with different inputs to support the iOS, Android, and BlackBerry worlds</td>
<td></td>
</tr>
</tbody>
</table>

**Source(s):** Figure by authors

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**Figure 1.** Data structure about functional experience need

**Figure 2.** Data structure about hedonic experience need
sounds; (5) support devices such as smartphone chargers; and (6) intelligent stations and sensors. Table 2 presents the in-store technologies used by the sporting goods stores interviewed, showing response frequencies.

### 4.3 Need for utilitarian experiences and connected expectations

The need for a utilitarian experience emerged widely from the interviews (Figure 1). Sporting goods retailers use different technologies to meet customers’ expectations of rational, practical, time-saving, and cost-effective experiences. Specifically, customers can gather information freely about other products inside the store and subsequently choose the item desired independently by using in-store digital devices such as computers, tablets, or displays located inside the stores or, where possible, through personal smartphones. As the Adidas store manager explained:

The integrated function called “Bring it to Me” on the Adidas mobile app allows customers to scan products, check stocks, request their size, and purchase via smartphone.

When a specific item, colour, or size is not present in-store, customers can order what they want directly through these new technologies or, when they are not available, customers can
Need for utilitarian experiences

IN-STORE TECHNOLOGIES
• devices
• mobile apps
• wireless communication technologies
• support devices
• in-store activations
• intelligent stations
• sensors

Need for hedonic experiences

Expectations for emotional, sensorial, and immersive experiences

Need for social experiences

Expectations for experiential relationships with personnel and the brand

Expectations for rational, practical, time-saving, and cost-effective experiences

Need for playfulness experiences

Expectations for experiences about the interactive creation of products in-store and enjoyment and fun environment

CUSTOMER SHOPPING EXPERIENCE

Source(s): Figure by authors

<table>
<thead>
<tr>
<th>In-store technologies</th>
<th>Frequencies</th>
</tr>
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<tbody>
<tr>
<td>devices such as computers, tablets, displays, touchscreens, and customers’ smartphones or other mobile devices</td>
<td>5</td>
</tr>
<tr>
<td>mobile apps, for example, to scan, check, request, or order products not available in-store</td>
<td>5</td>
</tr>
<tr>
<td>wireless communication technologies such as RFID and NFC tags</td>
<td>4</td>
</tr>
<tr>
<td>in-store activations such as screens, lights, and sounds</td>
<td>4</td>
</tr>
<tr>
<td>support devices such as smartphone chargers</td>
<td>3</td>
</tr>
<tr>
<td>intelligent stations and sensors</td>
<td>3</td>
</tr>
</tbody>
</table>

Source(s): Table by authors

Table 2.
In-store technologies used to create memorable shopping experiences

Figure 5. Model of in-store phygital CSE design for sportswear retailers
contact the sales staff, who will carry out the orders. For example, the Nike store manager claimed that:

Each employee is equipped with a smartphone to access the app to check the stock and order the size/model/item required by customers. This service is also done with the items that are not in the store to allow customers to collect their order directly in the store or have it shipped to their home.

In this way, it is possible to reduce in-store queues. In time-saving terms, some stores have transformed the checkout process from “stop-and-go” to “scan-and-go.” For example, Decathlon has introduced self-checkout kiosks that automatically provide products’ prices and details as follows:

With in-store self-checkout, there is no need to scan the products’ barcodes because customers place an item into a boxed area on the self-checkout kiosk, the RFID tag placed on the item is read, and automatically price and details are captured. The customer then removes the item from the boxed area and adds the next one.

Due to their capacity to make the retrieval of a product more efficient, in-store technologies prove especially useful when the store is large, when the items available are very numerous and when the customer wants to make a shop expedition fast and targeted to a predetermined item. All interviewees argued that in-store technology contributes to integrating the physical and digital worlds according to a utilitarian approach that leads customers to make decisions based on the characteristics and functional benefits obtained during the shopping experience.

4.4 Need for hedonic experiences and connected expectations

Store managers create a memorable CSE by meeting customers’ hedonic needs through the satisfaction of emotional, sensorial, and immersive experiences (Figure 2). Precisely, sporting goods retailers invest in architectural, physical and digital elements that make the store environment engaging and one-of-a-kind. Technology is used to create the “wow effect,” that is, to generate unusual and exceptional settings with high-tech retail activations that customers do not expect to find when they shop. They become unknowingly and pleasantly immersed in a sporting activity as an athlete or a fan. For example, the Adidas store manager highlighted that:

During the 2020 European football championships, Adidas reproduced the advertising campaign via a projector at the entrance to the store, showing videos related to the product being launched.

Most of the stores examined have invested in design and technology to create in-store live experiences of products before customers buy them. For example, the Nike store in Soho (New York) was designed to make customers feel as if they were in a large gym or sports centre with staff who invite them to experience first-hand the unique experience of the Nike brand:

On the 5th floor, the Basketball Trial Zone has been installed, which is half a basketball court to try on shoes and do personalised exercises. The space is surrounded by screens to fully immerse customers in real game sensations using images and sounds.

Some shops aim to create an engaging and highly suggestive atmosphere to amaze customers and generate sensational feelings. The Adidas store manager claimed that:

We want to generate unusual and amazing settings with high-tech retail activations that customers do not expect to find when they shop.

Our store includes LED screens and floors that can be changed according to the setting and mood that the brand wants to convey and interactive changing rooms enabled by RFID technology.

A store is an irreplaceable touchpoint to create a valuable brand experience. However, neither a physical-only store nor an online shop alone would be able to deliver the same emotions as
when the physical and digital elements are combined in the same phygital context. Instead, blending intriguing commercial settings with big screens and other technological devices provides a unique experience. Immersive store design via sensorial physical and digital elements thus contributes to customer engagement according to a hedonic approach, which leads pleasure-seeking customers to purchase based on the benefits emerging from the emotional sphere developed in-store.

4.5 Need for social experiences and connected expectations

To improve the phygital customer journey, sporting goods retailers focus on meeting customers’ need for social experiences (Figure 3) by striving to satisfy their expectations for experiential relationships with personnel and the brand. Specifically, retailers are equipping the sales staff with digital devices that can satisfy customers’ needs in real-time to develop relationships with personnel. In addition to this service, Decathlon provides a further occasion of socialising with expert sales staff, named sports leaders, to in- and out-store customers:

WhatsApp Business is a service that allows sales assistants to make live videos with the customer, even inside the store, to satisfy all their questions and clarify any doubts and perplexities.

Further, Adidas has launched the following service aimed at satisfying the product test request by strengthening the relationship with the customer:

With the Adidas app, customers can search and select the in-store products and ask the sales staff to bring them the product directly using real-time updates about the customer’s position within the store.

Since each customer has a personal relationship with sport and develops different physical and psychological needs, sporting goods retailers invest in specialist advice to inform and capture customers about many sports products. Some sporting goods retailers pursue individualised or hyper-personalised customer experience management, for example, by offering specialist advice about sports products. In this regard, Sportler offers a unique and tailor-made service based on biometrics and developed with the help of the R&D of the highest-end brands:

The cycling department houses an intelligent station: a testing booth includes a bicycle mounted on a treadmill that, thanks to biometrics and advanced photosensors, can process the entire range of vital signs related to specific sporting activity. The data is processed by an expert personal consultant, who explains to the customer the results of the tests and advises on the most suitable model and compliant equipment and clothing.

Through different technologies, retailers provide customers with a new community-based brand experience. For example, Nike developed an app, which is currently in use in some Foot Locker stores, to provide customers with the opportunity to be part of the Nike community by accessing experiences, content, and services (e.g. personalised discounts) that are guided digitally throughout the store. To strengthen the relationship with the brand, Nike organises various events, especially when there is a need to promote a new product, as explained by the store manager:

Events are planned with DJ sets, artists, and famous people to allow customers not to buy the shoe but rather to relate with the person who created/designed it or with the celebrity with whom the partnership was made.

Nowadays, mobile devices, apps, and messaging systems are used by brands to facilitate and stimulate communication with customers. Today’s consumers are accustomed to having relationships mediated by a digital interface. So, somehow counterintuitively, the availability
of in-store technologies enhances rather than depresses customers’ connection needs and satisfaction. In-store technology, therefore, can improve the phygital customer journey by developing a social approach that connects customers, sales staff, and the brand by promoting the coexistence of the physical and digital channels offered to customers.

4.6 Need for playfulness experience and connected expectations
The sporting goods retailers interviewed also designed their stores to meet the need for playful experiences (Figure 4). This happens when expectations about the interactive creation of products in-store and expectations for a fun environment are satisfied. Precisely, the interactive creation of products in-store aims at stimulating customers’ discovery and learning behaviours, as explained by the Foot Locker and Nike store managers:

Interactive touchscreens help Foot Locker customers design their baseball caps.

Nike has inserted the NFC tag in the T-shirts of all NBA teams. By interacting with the T-shirt, customers get unique content related to the team and the specific player, such as highlights and statistics. Customers obtain discounted tickets and admissions to special events as rewards.

Given that sport is a mix of physical effort, challenge, entertainment, and fun, stores need to inspire their customers by creating a vibrant, animated, and playful environment where they would like to spend a long time. In this regard, an interactive Nike store in Soho (New York) is giving “customers the opportunity to try their shoes out on a basketball court equipped with kinetic sensors to capture body movements and then project them on a large screen.”

The new Adidas store in London also provides a virtually and psychologically immersive experience for customers in runs through treadmills and interactive screens reproducing racing scenes:

Customers can test the products on treadmills with a large responsive screen, giving users the feeling of running through a London landscape. The store has more than 100 digital touchpoints, and interactive games are projected on the floor to entertain the youngest.

Physical equipment and digital technologies enable customers to live first-person active experiences, simulate desirable identities, or enjoy a carefree moment in their daily routine.

In-store technology transforms experience management by developing a playfulness approach that highlights the importance of creating recreational spaces inside stores to play live sports. In this sense, sporting goods stores are designed to be not simply points of sales, but also immersive and interactive (gym-like) places of activity, entertainment, and fun.

4.7 Physical, digital and phygital strategies used to create memorable shopping experiences
Based on the findings mentioned above, it is possible to identify the in-store strategies that use technology to meet customers’ expectations. In this regard, it is possible to distinguish between purely physical or digital strategies and those that blend physical and digital strategies into phygital strategies (Table 3). Specifically, when technology is used to create exclusively physical engagement of customers, the in-store strategy is purely physical (it could be named “in-store technology-driven sales strategy”). It occurs, for example, when the customer orders an item/size/model that is not available in-store but has the opportunity to collect the order directly in the store or to have it shipped to home, or when sporting goods retailers reproduce the advertising campaign in the store. Differently, when sporting goods retailers organise events to virtually relate customers with product designers or celebrities, the in-store strategy is developed only digitally and could be identified as customer relationships development strategy. When technology blends customers’ physical and digital engagement, phygital strategies can be detected. Specifically, this study highlights two phygital strategies: (1) smart store creation strategy, i.e. when sporting goods retailers
5. Discussion

Despite the increasing importance of integrating digital and physical elements in the customer journey, studies about the types of technologies used in stores and their effects on CSE are still scarce (Alexander and Kent, 2022), especially in sporting goods retailing. This study plays a pioneering role in filling this gap in the literature by exploring how sporting goods retailers create memorable CSE to improve the overall phygital customer journey.

<table>
<thead>
<tr>
<th>In-store strategies using technology to meet customers’ expectations</th>
<th>Classification of the strategies</th>
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<tbody>
<tr>
<td><strong>In-store technology-driven sales strategy</strong></td>
<td></td>
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<tr>
<td>• Giving customers the possibility to order in-store and receive the order in-store or at home</td>
<td>Physical strategies</td>
</tr>
<tr>
<td>• Reproducing the advertising campaign via a projector at the entrance to the store with videos related to the product being launched</td>
<td>x</td>
</tr>
<tr>
<td><strong>Customer relationships development strategy</strong></td>
<td></td>
</tr>
<tr>
<td>• Organising events (e.g. to promote a new product) to virtually relate customers with the (product) creator/designer or the celebrity</td>
<td>x</td>
</tr>
<tr>
<td><strong>Smart store creation strategy</strong></td>
<td></td>
</tr>
<tr>
<td>• Equipping stores with digital devices or favouring the use of personal smartphone in-store for product information, purchases and payments</td>
<td>x</td>
</tr>
<tr>
<td>• Technologically equipping stores to enable customers to order a product that is not present in-store through their smartphone or in-store digital devices</td>
<td>x</td>
</tr>
<tr>
<td>• Equipping stores with the “scan-and-go” in place of the “stop-and-go” process to enable customers to save time in the checkout line</td>
<td>x</td>
</tr>
<tr>
<td>• Equipping sales staff with digital devices to develop relationships with in- and out-store customers (e.g. WhatsApp Business; app)</td>
<td>x</td>
</tr>
<tr>
<td>• Offering hyper-personalised advice and tailor-made services using technology</td>
<td>x</td>
</tr>
<tr>
<td><strong>In-store experiential immersion strategy</strong></td>
<td></td>
</tr>
<tr>
<td>• Designing stores where customers are immersed in unusual and exceptional settings to experience real game sensations</td>
<td>x</td>
</tr>
<tr>
<td>• Providing customers with a new community-based brand experience by accessing experiences, content, and services (e.g. personalised discounts) that are guided digitally throughout the store</td>
<td>x</td>
</tr>
<tr>
<td>• Designing stores to stimulate in customers’ discovery and learning behaviour as well as immersive experiences</td>
<td>x</td>
</tr>
</tbody>
</table>

Source(s): Table by authors

<table>
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<tr>
<th>Memorable shopping experiences in sport store</th>
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</table>

Table 3. Physical, digital and phygital strategies used to create memorable shopping experiences
Regarding the first research question, the study classifies the main types of technologies that sporting goods stores use into devices, mobile apps, wireless communication technologies, in-store activations, support devices, and intelligent stations and sensors. These technologies affect the phygital customer journey in terms of immersive design, ambient elements, social relationships, trialability, and real experience sharing, in line with the findings of Bonfanti and Yfantidou (2021), who extended the DAST model by Roggeveen et al. (2020) to retail sports equipment. Sporting goods retailers aim to respond to customers’ needs to have memorable CSEs through these technologies. The in-store CSE represents a crucial part of the overall phygital customer journey and can help sporting goods retailers strengthen their competitive advantage. Indeed, to compete with both traditional and online retailers, stores need to create memorable CSEs that combine the real and virtual worlds in a seamless solution. The proportion of physical and digital elements within the in-store CSE may vary depending on the needs and expectations sporting goods retailers are trying to meet.

Concerning the second research question, four primary customer needs emerged: (1) the need for utilitarian experiences, (2) the need for hedonic experiences, (3) the need for social experiences, and (4) the need for playful experiences. While several studies about the CSE in-store have highlighted the importance of the utilitarian benefits that can be obtained through in-store technologies, such as convenience, efficiency, and speed, less attention has been given to the hedonic benefits derived from the phygital CSE in-store (Alexander and Blazquez Cano, 2020). Therefore, this study contributes to a better understanding of how technology can be used to respond to customers’ needs for hedonic experiences when shopping for sportswear.

In line with the theory of attractive quality (Kano et al., 1984), the present research explains the role of in-store technologies as attractive requirements. These technologies act as facilitators to meet customers’ latent needs and play a pivotal role in creating a memorable CSE that leads to customer satisfaction (Lemon and Verhoef, 2016).

In addition, this research reinforces the importance of technology for delivering social experiences in sportswear retail settings (Alexander and Kent, 2022). This finding aligns with Happ et al. (2021) finding that social interaction with employees plays a significant role in the customer experience in sports retail stores. Accordingly, sports customers strive not only for functional benefits but also for social benefits.

The analysis of the interviews also highlights the critical role of technology in designing and delivering playful in-store CSEs. This finding fits with prior literature that suggests that customers can experience playfulness and enjoyment when using multisensory technology in CSEs (Mishra et al., 2021a). Unlike previous studies that have included playfulness within the hedonic dimension of the CSE (e.g. Alexander and Blazquez Cano, 2020), the findings of this paper suggest that playful experiences can be considered a stand-alone need in CSE. While hedonic experiences derive from external stimuli and the customer is somehow passive, enjoying the immersive context provided by the servicescape, playfulness emerged as a dynamic behaviour on the part of the customer, who is involved in some form of first-person activity. This finding is in line with the research on customer value co-creation that underlines the importance of involving the customer in the company’s production and delivery processes. In recent years, marketing research on playfulness has increased (Kang et al., 2020). However, the literature provides different interpretations and definitions of “playfulness.” For example, playfulness can refer to both design elements of a shopping environment and customers’ motivational or situational characteristics (i.e. the interaction between an individual and a situation; Lin et al., 2005). In a recent study, Kang et al. (2020, p. 71) examined the 3D virtual reality context and explored the role of playfulness in fashion purchase decisions: playfulness is considered “an experiential outcome of shopping that provides enjoyment and escapism.” This conceptualisation is in line with previous work of...
Mathwick and Rigdon (2004). Kang et al. (2020) also suggest that while playful experiences may lead customers to explore more luxurious and stylish items, they may not be influential in determining purchase intention if the informative (i.e. utilitarian) dimension of the CSE is not present.

6. Implications
6.1 Theoretical implications
This study makes some theoretical contributions to advance the knowledge about memorable shopping experience creation to meet phygital customers’ needs regarding sporting goods stores. First, although the term phygital is widely used in business contexts and retailers have already incorporated phygital strategies to deliver customer experience, academic literature on this phenomenon is still scarce and very few studies have focused on phygital customer experience (e.g. Banik, 2021; Mishra et al., 2021b). Second, very few studies hitherto focused on the retailer’s perspective (Roggeveen et al., 2020; Bonfanti and Yfantidou, 2021) by preferring to examine in-store CSE in the omnichannel context from the consumer behaviour viewpoint (e.g. Funk, 2017; Fujak et al., 2018; Happ et al., 2021). Third, while a few studies have addressed phygital experiences in retail (Banik, 2021; Belghiti et al., 2017), this is the first empirical study to investigate the phygital CSE in sporting goods stores, precisely by adopting the sporting goods retailers’ perspective to improve the in-store phygital customer journey. Fewer studies have examined the types of technologies used in stores and their effects on CSE (Alexander and Kent, 2022), especially in the context of sporting goods retailing. This study advances the literature on creating memorable shopping experiences in sporting goods stores by identifying the in-store technologies that make the store attractive and experiential. In addition, this research identifies the phygital customers’ needs and expectations that are satisfied through these in-store technologies. Thus, this study highlights how the phygital customer experiential journey can lead to customer engagement through new technologies in-store. In this sense, this research invites sports or, in more general, retail management scholars to consider customer engagement with the store as crucial to generating memorable customer experiences. In line with the Self-Determination Theory (Gilal et al., 2019), the findings suggest that phygital strategies can help retail managers to transform the customer’s active participation into an engagement. New technologies can contribute to achieving this goal.

Finally, this study proposes a model of phygital CSE, which combines phygital customers’ needs and expectations with the specific in-store technologies identified, by introducing new research lines. Precisely, it suggests considering playfulness experiences as a stand-alone need in the CSE creation, unlike previous studies that have included playfulness within the hedonic dimension of the CSE (e.g. Alexander and Blazquez Cano, 2020).

6.2 Practical implications
Several relevant managerial implications can be derived from this research. First, the findings show how the technology responds to different customers’ needs by fluidifying the overall in-store CSE from online to offline and vice versa. As argued by Batat (2022), the phygital should be considered as a holistic framework for managing customer experiences. Additionally, this study suggests that phygital strategies can be used to enhance customer engagement. Specifically, the findings provide several examples of how retail managers can adopt phygital strategies to respond to customers’ utilitarian, hedonic, social, and playfulness needs. On the one hand, phygital strategies can make the CSE smarter and more efficient; on the other, they can improve customers’ experiential immersion. As a result, these strategies enhance overall customer engagement with the store and with the brand, which, in turn, can lead to increased customer loyalty.
Second, even if online retailers are often perceived to be more efficient than brick-and-mortar stores, phygital strategies can enhance the utilitarian experience design in terms of convenience or time savings, for example, by introducing self-checkout kiosks or apps that enhance this type of CSE. To respond to customers’ needs for a utilitarian CSE, the store could use, for example, the “endless aisle” assortment (also referred to as virtual shelf) through interactive kiosks, where customers can check inventory and find products online if they are not available in the physical store.

Third, retail managers can use phygital strategies that stimulate engagement primarily through memorable hedonic, social and playfulness CSEs. Concerning hedonic experiences, sporting goods retailers should use technology to personalise the CSE, and surprise and delight customers beyond their expectations (e.g. Zucchella and Fossati, 2014). For example, intelligent stations or sensors can help retailers to provide tailor-made solutions for their customers. In this sense, while satisfying pleasure-seeking customers, retailers can also offer specialised technical assistance that is particularly relevant for athletes and sporting goods customers, who tend to make reasoned purchases (Fujak et al., 2018). With regard to social CSEs, stores can become a gathering place for sports enthusiasts and brand lovers, stimulating online and offline social interactions. Since the beginning of the COVID-19 pandemic, the meaning of social interactions has radically changed, and the boundary between physical and digital social contacts has blurred. On the one hand, social distancing and lockdowns have reduced the presence of customers in-store; on the other hand, they have enhanced the opportunities for more intense one-to-one interactions with shopping assistants and the opportunity for phygital events. Creating good in-store relationships, easy-to-use technologies, and activities that generate emotions leads customers to share their in-store experience online and offline. Sports products can create a high sense of community, and the social dimension of the CSE can be highly significant. In addition, sporting goods retailers can use technology to provide memorable playful experiences. Playfulness has a central role in sports (Mares and Ryall, 2021), and this feature could be distinctive for the CSE in sporting goods stores. There are several ways sporting goods retailers could use technology to provide a playful CSE, for example, by using gamification to involve customers in unique phygital experiences. However, playfulness should not be limited to gamification. Storytelling could also create playful in-store and digital experiences by stimulating escapism and enjoyment (Kang et al., 2020). In addition, playful experiences could combine entertaining and utilitarian content for customers to create a distinctive, personalised, enjoyable, and memorable experience.

Fourth, sporting goods retailers could design a CSE that responds to different customer profiles and experiential needs. Customers’ expectations and needs may differ depending on their characteristics (e.g. professional athlete vs sports enthusiast or novice, purchase motivations, level of brand engagement) as well as store type and characteristics (e.g. flagship store vs “regular” chain store). In this sense, the overall phygital customer journey should be designed after a careful segmentation process and in line with the store brand’s intended brand positioning.

In addition, the empirical evidence of this study highlights that retail store chains tend to concentrate on the experiential dimension of CSE only in specific chain stores. It is essential to implement a mix of utilitarian, hedonic, social, and playful experiences in a greater number of chain stores, even if they need to differ according to the type and location of stores. For chain stores, pop-up stores or pop-up trucks could also be used to create a memorable CSE in unusual settings while at the same time increasing brand awareness and reinforcing brand image while limiting the investments for single retailers.

Finally, technology is rapidly and continuously evolving, and different types of physical and digital supports can be used to design and deliver a memorable CSE. When designing the physical environment, store marketers should consider integrating technology within the
store’s physical space and, therefore, design space to respond not only to utilitarian needs but also to customers’ needs for hedonic, social, and playful experiences. At the same time, although technologies are fundamental in creating memorable CSEs and meeting phygital customers’ needs, it is paramount to consider the servicescape’s immersive design and sensorial ambient elements.

7. Conclusions, limitations and future research lines
This study highlighted the importance of creating memorable shopping experiences by investing in technologies that satisfy phygital customers’ needs and expectations. Given that these needs and expectations are continually evolving (e.g. Bonfanti and Yfantidou, 2021), sporting goods retailers must examine them in function of ongoing changes. For example, investing in integrating channels (e.g. Pantano and Gandini, 2018) and using multiple devices to satisfy phygital customers’ purchasing experience is not enough. This research outlines that each technology meets specific needs and expectations. Accordingly, each technology must be used appropriately based on what phygital customers want. Specifically, this study suggests meeting utilitarian, hedonic, social, and playfulness experiences and considering the satisfaction of playfulness experiences as a stand-alone need.

This study offers valuable insights into the phygital CSE in sporting goods retail; however, some limitations should be acknowledged. First, store managers’ perspectives on customers’ experiential needs were investigated. Future studies should address the customers’ perspective and compare it with the store managers’ view. Second, there is a need to understand how the satisfaction of utilitarian, hedonic, social, and playful needs in CSEs may affect customers’ purchase intentions and loyalty. Third, it would be interesting to explore the relationship between the use of technology, types of expectations, and experiential needs and memorability of CSEs. Fourth, further research could compare the results of this study about sporting goods store experiences with empirical evidence from other industries. In this direction, it could be significant to examine if customers’ needs for playful experiences differ from hedonic needs and pertain only to specific industries, for example, those related to the theme of fun and play. Fifth, this study focused on sporting goods stores located in Italy. Future studies could include international case studies and consider the possible effects of cultural variables in the phygital CSE. Finally, this research has neglected to investigate ethical considerations that are connected to the CSE creation. Future research could be carried out through mixed method (qualitative and quantitative survey) to explore if and how ethical considerations impact on CSE.

References


Further reading


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