

interior design



# LEAN, MEAN SELLING MACHINE

POINT DESIGN MAKES THE MOST OUT OF SM'S SHOPPING SPACES

WRITTEN BY **ARDEL CLAVERIA** | IMAGES COURTESY OF **POINT DESIGN**



**I**f there's anything that I've learned from my four years in design school, it would be that design, especially the design of spaces and environments, is powerful. Imagine, by just manipulating and changing certain elements in a space, the design can affect how people think, behave and respond in that environment. Design can make a place seem warm, friendly and conducive to positive social interaction. It can also do the opposite if the

design elements—color, lighting, distances, surface materials and furnishings—are changed. Recently, I realized that retail design best demonstrates this.

"Retail design is as sophisticated, if not more complex, as any other design discipline," explains Diego Garay, AIA, president of New York retail design group Point Design, Inc. "As Ken Walker, founder of retail design firm Walker Group/CNI (where my partners and I worked in the 80s until the early 90s),

would say, one can compare retail design to a hamburger. All the ingredients of a hamburger need to be right for the experience to be right, simply because you eat them all at the same time. If one of the ingredients is bad, the hamburger is bad. In retail, if you miss one thing, the project will not be right. Each element should be done correctly because one element cannot compensate for the other."

Designing with such precision sets retail design apart

from other design practices. On top of that, it must serve one goal that is paramount—to sell products. In retail, success is defined not by the store’s popularity alone, but by what’s inside the cash register. “In retail, they always want to sell more, or sell the same for more,” Garay points out. “And as retail designers, our goal is to come up with an environment that becomes a selling machine.”

Six years ago, the bosses of Shoe Mart (SM), the country’s largest department store chain, felt that the potential of its retail environment as a “selling machine” was not maximized. With a design that had been in use for more than five years, many of SM’s department stores needed to be refreshed and updated.

Being in retail for more than 50 years, SM has established itself as the dominant mass-market retail company in the country. While it has been doing very well with its loyal customers, mostly from the C market, SM wanted to go a step further and hit a larger chunk of the B and B+ market without alienating their existing customer base. To help realize their goals, they employed the expertise of Garay and his

team to redesign their major stores and make them look more fun, efficient and sophisticated, starting with the Ortigas store (SM Megamall) in 2005.

To be able to read, understand and capture a retailer’s vision into a design, one must know the client very well. Allen Felsenthal, Point Design’s managing director, is no stranger to SM and the Sy family. “I’ve known them for 23 years and they’re like my family here in the Philippines,” Felsenthal shares. “I started working with SM and the Sys way back when I was still with the Walker Group. Back then we were more involved with the design of their malls. We designed 18 of their malls, Megamall being our first project, followed by SM Southmall, SM Makati and some parts of SM North Edsa. However, we never designed any of their stores.”

Even after Felsenthal left Walker Group, he maintained a close relationship with the Sys. He continued to be involved with projects for SM both when he was doing independent consultancy work and when he eventually joined a design company in Australia. In early 2000, he partnered with Diego Garay,

a colleague and friend from Walker Group who founded Point Design. “I’ve always liked Diego. I’ve worked with him in projects in Hong Kong under Walker, and it was an easy relationship,” Felsenthal shares.

SM Tarlac was Felsenthal and Garay’s first project for SM under Point Design. After they did the design for the mall, Felsenthal and Garay met with SM’s president for retail, Teresita Sy-Coson (TSC), to discuss giving their department stores a whole new look. “TSC wanted to have a more refined environment for their department stores, starting with SM Megamall, in order to appeal to the new higher target market while keeping the current market happy and interested,” says Felsenthal. “At the same time, she wanted to have a new system that would allow future remodeling of their stores to be much faster and more efficient,” he continues.

TSC had seen pictures of Point Design’s work in Tsum, one of the most high-end department stores in Europe located in Moscow, Russia. “She loved Tsum! She liked the simplicity of the design and thought that the fixtures were beautiful. However, she also

knows that SM is nowhere near Tsum. She was basically inspired by the simplicity, efficiency, and sophistication of the design, which was done with great taste in a minimalist manner,” says Garay.

Apart from Tsum, she was also inspired by the sophisticated look of the newly renovated home area of the Bon Marche Department Store in Paris. “TSC called Diego who was in New York to tell him she liked this and that about the store. My partners flew from New York to Paris for two days so that they could talk to her and see what she was looking at,” says Felsenthal.

Point Design’s challenge, therefore, was to use what they had seen as inspiration for a design concept suited for the Philippines, a developing country but no less sophisticated. “Filipinos are value-seekers and are very aware of trends. The majority may not be able to afford them but they know what a good buy is. Plus, they always aspire for more,” Garay explains. “For that reason, TSC wanted to have a shopping environment that is sophisticated and, at the same time, friendly and accessible,” he adds.



1-2 SM Fairview’s new and more refined interiors are designed to keep their current customers satisfied while attracting and interesting new customers 3 SM Fairview before renovations 4 SM Pampanga is another location that has been recently redesigned. For all stores, the technical aspects of design like product grouping and layout were done first, creating a strong backbone for the aesthetic parts of the design process



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1 SM Pampanga, which was recently redesigned, looks fun, hip and sophisticated but ultimately every inch works towards the goal of convincing people to spend money 2 In SM Cubao, as in the other new SM locations, cash register stations are easy to find without distracting shoppers from the merchandise displays 3 SM Cubao has also been upgraded and redesigned. The lighting design had to appeal to the Filipino preference for bright spaces while maintaining the light and shadow that creates a sophisticated retail environment

The design intent was to create a more stylish shopping environment with a line of fashionable yet affordable merchandise that would make Filipino shoppers feel and look good.

Like a good speech, the design of a store needs to speak to its audience in a language that they can understand. For Filipinos, shopping is not just about finding and purchasing a product. It is also recreation, entertainment and a fun bonding activity with family and friends. And in the Filipino context, fun means bright happy colors, movement, texture, and well-lighted spaces. "But we are not entertainers. We are not in the entertainment industry. We do not design pretty spaces to entertain and amuse people. We design pretty spaces that entice and

convince people to buy," Garay emphasizes. In redesigning the SM Department Stores, Point Design explored the idea of a fun, hip and sophisticated store that would enhance the appearance of the displayed merchandise (make it look more expensive than the price tag) and attract Filipino value-seekers to go inside and shop.

Point Design's strategy for SM Department Stores' makeover is a combination of technical problem solving and smart creative thinking. They tackled the practical issues first before moving into the more creative part of the design process. "One good thing about SM's stores is that they already have a good layout to begin with. However, while the categories are grouped and laid out thoughtfully in the old stores, the space of the

departments, with reference to the distance from the aisle to the back wall, was too deep," says Leandro Artigala, principal of Point Design. "The problem with deep departments is that the customers don't immediately see the merchandise from the aisle. This creates a boomerang effect, with the customers turning back to the aisle midway into the department," he continues. To address this, they made the departments less deep and made the major aisles wider in order for the customers' awareness of the merchandise category and selections to be more immediate. "With the new plan, we made it easier for shoppers to find and select the items that they are looking for."

Probably one of the more challenging issues of the design

is lighting because the general preference of the Filipinos for bright spaces conflicts with the design objective of having a more dramatic lighting to make both the environment and the merchandise look sophisticated. "We are always up against finding the right balance between creating a sophisticated composition with dramatic lighting, and making the store bright enough to address the Filipinos' penchant for bright spaces," Artigala relates. In the old stores, everything looked flat simply because the lighting was flat. One strategy to make the merchandise pop was to make the lighting more dramatic, using a combination of highlights and lowlights to add dimension and texture to the previously flat store, to make the merchandise look more appealing, and to

make the colors appear vibrant by using lighting fixtures with excellent color rendering. Thus, a more theatrical lighting scheme replaced the previously flat, bright fluorescent lighting of the stores. Ceiling coves and recessed downlights provided general lighting while adding powerful lines and patterns to the ceiling. On the other hand, spotlights and directionals highlight and guide the customers' eyes to the important features and focal points of the store. The design also included LED chandeliers by the escalator well to provide a visual attraction in the void vertical space.

When it comes to material specification and furnishings, SM's limited budget was the main obstacle for the designers. Artigala says, "When we were presented with the budget, we realized that we can't do things in a traditional way. We needed to be more creative and resourceful in terms of our material choices and on how we maximize less expensive materials to achieve a sophisticated space." Special attention was given to the flooring as it provides the customer with a sense of whether a store is good or bad. With this in mind, the designs used the more expensive ceramic and glass mosaic tiles for the aisles because they are visible to the customers. The designs even played around with color and pattern to make them look interesting, to avoid monotony and to minimize the long appearance of the aisles. For the merchandising sections, the more economical vinyl tiles in a dark wood finish were used to contrast with the light-colored aisles and make them pop. "We were blessed with the fact that in the last 10 years, vinyl has improved tremendously. We now have better options like the wood-like vinyl tiles that we used for the merchandising areas."

The new designs also took advantage of the use of graphics for color, pattern and visual texture without the high cost. "What we did was to pick patterns that are associated with high-end designs. We picked patterns from the 1950s and 60s and digitally converted them into

wallpaper and graphic stickers for the walls and ceiling. We used a lot of techniques like that, wherein natural finishes and traditional materials are simulated using less expensive materials like vinyl and wallpaper in place of fabric and real wood to make the store look chic without necessarily breaking the bank," Felsenthal relates. On top of making the store look fun and exciting, these finishes, more importantly, suit the Filipino customers' limitless appetite for color and texture.

Compared to their usual design process, Point Design tends to work backwards when designing for the SM stores. "Normally, a client would say, 'I'm planning to sell Prada or Gucci or Ray-Ban.' We'll then create an environment suited for that type of merchandise to make them sell," says Garay. "With SM, it's the other way around. We move the design to a higher-end look but maintain the same line of merchandise. Because the environment is telling the customers that they can spend more, high-ticket items eventually started selling more. As the lower-end items started selling less, SM started bringing in better brands since their customers are now willing to spend more. They observe how the people respond to the new environment then follow it up with higher-end merchandise."

There's a tremendous amount of information that you need to digest in order to come up with an environment that aims to achieve several goals—to sell, make customers feel good, make the merchandise look better, make the shopping experience easy and fun, and make the store look good for four to six years without losing its appeal. After Point Design's makeover in the department stores, the selling machine that is SM continues to successfully grow its market share by capitalizing on a new asset of its retail business—the convincing power of a well-designed shopping environment.

Their work on the Megamall Department Store started the strong partnership between SM and Point Design. "We hit it off very well and we've become the problem solvers, especially on the creative level. It seems



that when something comes up, they'll call us because they know we can solve it. Hence, on top of redesigning the rest of their major department stores, we're also doing their junior anchor stores, like Toy Kingdom, Our Home, their Appliance Store, Supermarkets and their Hypermarket. We take pride in being able to read our clients, understand the problem, and make suggestions as to why something will work or won't. For that reason, TSC is confident that when she gives us a project, she won't go through the painful experience of constant revisions and asking us to show her something else," says Artigala.

Apart from their talent and expertise, TSC also appreciates Point Design's diverse cultural backgrounds. "Leandro and I both grew up in Latin America and

I remember that she once said, 'You should never forget your Latino roots and always make them a part of your work with SM because we (Filipinos) are Latinos in a way, and we relate to that sensibility,'" shares Garay.

At the same time, Garay, Felsenthal, and Artigala recognize and respect SM's position as a major retailer in Asia. "We're working with amazing retailers. Henry Sy is a visionary, and so are his children. Their success is unbelievable because they know the business very well and they know their customers," Felsenthal says. "TSC is brilliant. She knows each of their 40 stores like the back of her hand! She's fantastic to work with. We learn a lot from her and she's learning a lot from us as well. We try very hard to give her what she envisions. And we really go all out to do just that." ■