

## ENTERTAINMENT

# A soundtrack for shopping

*In-store music, essential in some fields,  
useless or even counterproductive in others.  
According to some, part of the brand image.*

## RESEARCH

Suggested reading by



# A soundtrack for shopping

*In-store music, essential in some fields,  
useless or even counterproductive in others.  
According to some, part of the brand image.*

by Irene Greguoli Venini



Reading Path:  
[www.largoconsumo.info/tag/Musica](http://www.largoconsumo.info/tag/Musica)

The use of music in shops is quite widespread in Italy, especially in the fields of retail and food, less so in services and finance, and completely absent in the telecommunications sector. Often companies consider it an important part of the concept store, that can complete the image of the brand, and those not using it do so for technological reasons rather than for the costs.

From the point of view of the consumer, the approval depends mainly on the type of shop: in luxury and food the soundtrack is not considered fundamental, while it is appreciated more in department stores. In general, there is more interest on the part of young people, more aware of rhythm and genre. Thus it becomes essential, for this factor to function, to design a playlist in line with the brand, taking into account the characteristics of the audience at whom it is directed.

A research by **Cermes**, the centre for research on marketing and services of **Bocconi University**, has looked into how the use of music is perceived by store managers, consumers, and staff. The research on managers' perceptions has been carried out with a telephone survey of store managers, looking at the motivation and the barriers to the use of music in the store, the characteristics and the role that this element can have, the perception of costs, and the willingness to pay. The research is based on a sample of 300 medium to large Italian retail chains, under direct management, with at least 30 points of sale in various sectors: services (e.g. **Adecco** and **Snai**), finance and insurance (among which **Unicredit** and **Poste**),

food (e.g. **Autogrill**), retail (e.g. **Carrefour**, **Euronics**, but also **Ferragamo**), telecommunications (**Vodafone** and **H3g** among others). «The first data to emerge is that nearly 30% of the companies use in-store music; excluding **Poste Italiane** (Postal service), where most branches have none, the figures reaches 54%.

“The appeal of this service depends greatly on the type of store”

In-store music covers 86% of big Italian food chains, 72% of retail chains, while it is less used in the sectors of finance (13%), and services (27%), and is completely absent in telecommunications», explains Andrea Ordanini, director of the Marketing Department of Bocconi University.

«By analysing the motives for not using in-store music we discover that for managers of finance and services, music is not useful; for retail and telecommunications the reason for not adopting it is the cost, but often it is also for technical and technological

reasons, such as equipment and devices. Looking at the channels used for broadcasting, external media, i.e. not controlled directly by the company management, are the most used.

In particular FM radio is the most used in the finance and insurance sectors (100%), followed by the food and beverage sectors (78%), and in services (38%); web radio – audio broadcasting through internet streaming – is widespread in the service sector (62%), and in the retail (52%), while in-store radio is used mostly in retail (18%), and in food and beverages (26%). In-store radio, unlike FM radio, and web radio, is supplied by a service provider, that deals not only with the technical management, but also with the choice of music in relation to the brand, and the creation of radio programs; the majority of chains that have chosen an in-store radio service, especially in the food and retail sectors, avail themselves not only of the technology (namely the audio player), but also of the advice of the provider in the choice of music to be broadcasted.

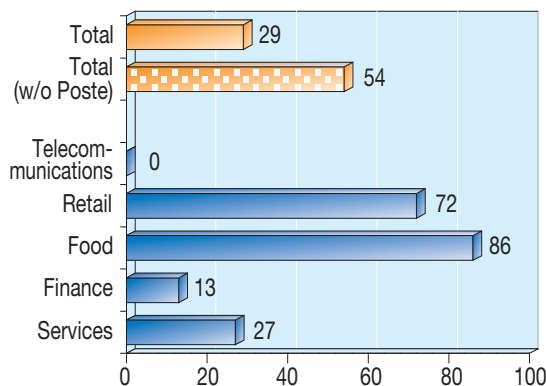
For the majority of the managers interviewed, the role of the soundtrack is to complete the image of the shop, but also to improve the working environment, while for a minority it is just background music. The perception that music is connected to the brand identity, and is part of the shopping experience, is stronger in the sectors of food, retail, and services. Another interesting aspect that emerges from the study is the fact that, in most cases, no research is carried out on the soundtrack preferences of consumers and personnel.

«On the basis of this part of the survey, we can say that music is fairly widespread in Italian points of sale, in particular in the retail sector» states Ordanini.

«The main obstacles to the use of music seem to be mostly technological. In-store radio is seen as a key instrument to communicate the brand identity, to create an association with it, and to improve the buying experience.

The managers who do not use the services of in-store radio perceive the copyright royalties as a relevant cost, particularly in the retail sector. There is, however, a general willingness in the telecommunications, finance, and food sectors to pay for a service of music design an hypothetical monthly licence fee, for

POINT OF SALE: % OF USE OF IN-STORE MUSIC, BY TYPOLOGY



Source: Bocconi University

Largo Consumo

## The perception of the employees

The point of view of employees has been analysed thanks to two focus groups: one consisting of employees of four companies in the food sector, the other of salespersons of six fashion companies, three luxury and three non luxury. In the luxury sector employees do not feel the music is intended for them, and the choice of style is not always appreciated, thus compounding the feeling of exclusion. The repetitiveness, the excessive sophistication, and the slowness, make the music unpleasant. Taking into consideration non luxury stores, the stylistic choices are perceived as simple and adequate for the context.

The soundtrack is considered to be functional to the brand and to the entertainment of the customers, but the employee feels somehow to be the recipient of the music broadcast, and the catchiness of many songs creates a bond between staff, and between staff and clients - besides, the rhythm increases the feeling of energy and liveliness, particularly at certain times during the day. Salespersons, however, do not always appreciate the background music: the volume is often so high as to be annoying, and spoils the interaction with the customers, who sometimes complain about it.

each point of sale, of 10 to 15 Euros, and up to 30- 35 Euros in services and retail».

To evaluate the expectation of customers, 82 in-depth interviews were carried out by stopping customers outside the points of sale of five food and non food chains, and single brand luxury and non luxury fashion stores. In the case of single brand luxury stores music is perceived as just a pleasant background sound, but not particularly relevant, while in the non luxury stores consumers answered that it is an important part of the shopping experience. In the food chains music is appreciated but not deemed fundamental, while in non food ones it is appreciated, even though for some people it can be annoying when asking the staff for information. ■

## Focus

# M-Cube in-store radio The right music for each brand And ad hoc services for the staff

**G**iving each brand its own musical identity is the aim of M-Cube which, since 2001, has been carefully choosing the music to be broadcast in the points of sale, in order to create a brand radio for each client through an in-store radio service.

In its studios M-Cube, which also handles the paperwork and the costs related to SIAE/Scf and copyright, produces the playlists, and the audio messages for the brand, using well known actors, speakers and Djs. These are then distributed through the net to the

alised that in some stores, especially in Asia, the music played did not fit the context, and was not coherent with the brand – says **Francesco Bottigliero, Brunello Cucinelli's CdO** – The choice of music was not controlled or centralised, but left to the single point of sale. We therefore consulted a professional service to create a musical identity for our brand, and to produce a playlist that would cover the entire week without being too repetitive; always keeping in mind our employees that for us come first and foremost. The costs are contained. It is worth it”.



stores equipped with an M-Cube player – a small device connected to the audio-system – that downloads the new programs during the store's closing times, and broadcasts them during the day. The playlist is decided together with the brand, in order to choose the mood that represents it the most: the creation of a musical identity requires an exhaustive study and research of thousands of appropriate music tracks. It is something quite different from a normal commercial radio: the policy at M-Cube, when choosing the playlist for the brand, is to take the staff into consideration too; thus it is important to add variety to the right mix of music, so as to avoid repetition during the day. As explained at the presentation of the research by Bocconi University “We re-

The service can include also messages on promotions and special offers, an important feature for food & grocery chains and malls. Besides, the radio developed by M-Cube can be used as an internal communication channel with the staff. “The program used by Euronics – says **Tea Della Pergola**, marketing director of **Euronics Italia** – enables us to broadcast ad hoc messages for every store. Messages about promotions, or prize competitions, are directed also at our staff, to remind them of the ongoing promotions and initiatives. We are also considering the possibility of using the in-store radio before opening times to motivate and train employees”.



M-Cube spa  
Via San Galdino, 6 – 20154 Milano  
Tel. +39-040-634364  
sales@mcube.it – www.mcube.it



# Largo Consumo

RIVISTA DI ECONOMIA E MARKETING SULLA FILIERA DEI BENI DI CONSUMO

[www.largoconsumo.info](http://www.largoconsumo.info)

**IDENTIFICA I PRODOTTI E COMUNICA I MERCATI**

**Editoriale Largo Consumo Srl**

Via Bodoni, 2 - 20155 Milano

Tel. +39 02 3271646 (digitare 2) - Fax +39 02 3271840

e-mail: [redazione@largoconsumo.it](mailto:redazione@largoconsumo.it) [www.largoconsumo.info](http://www.largoconsumo.info)