

Multi-brand retailer community model: How multi-brand retailers can create and manage strong brand communities

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Abstract

Department stores are struggling, yet a new breed of multi-brand retailers operating retail-as-service models are thriving. Brand communities are gaining popularity as a next differentiating factor in brand proposition, especially with direct-to-consumer (DTC) brands applying it so successfully and consumers increasingly searching for somewhere to belong, more often than not to tackle growing loneliness. Customers' trust in brands is increasing, along with the need for brands to address various social issues, both at a local and at a wider social level. The current strategies for creating engaged brand communities, however, are not considering all these consumer behaviour shifts or the varied relationships that multi-brand retailers could incorporate to create more holistic, and therefore even more valuable, brand communities. This paper proposes a new multi-brand retailer community model with three important elements (human, local, brands) and describes strategies used to support each of them.

Keywords

brand community, multi-brand retailer, department stores, community, customer loyalty, employee engagement

INTRODUCTION

Department stores are in crisis. This is not news. Macy's has been closing stores and letting go of their staff.¹ Barneys New York filed for bankruptcy in late 2019.² House of Fraser has been closing stores since Mike Ashley bought it, and more store closures are planned in the future.³

Debenhams has been in trouble numerous times over 2019 and went into administration in April 2020 after being hit hard by the coronavirus pandemic.⁴ The pandemic has affected many retailers, with department stores suffering considerably. Neiman Marcus filed for bankruptcy protection in May 2020.⁵ The entire executive

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team at Lord & Taylor was asked to leave in April 2020.⁶

There are, however, many successful department stores out there. Selfridges has reported a 6 per cent year-on-year increase in sales for the period ending February 2019, although profits have fallen owing to investments in experiential and digital offering.⁷ Their growth might be slowing down, but their commitment to providing amazing customer experience is certainly not. Anne Pitcher, MD of the Selfridges Group said: 'In 2019 and beyond, we will strive to remain at the forefront of experiences as we disrupt and reimagine the world of retail, where sustainability and creativity are at its heart'.⁸ Another very successful multi-brand beauty retailer, Sephora, is going from strength to strength, having recently announced the opening of 100 new stores.⁹

The new kids on the block, however, are shaking up the concept of department stores as we knew it and turning it into retail-as-service models focusing on building strong communities. Brands like Re:store receiving US\$1.7m investment from the same people who put money into a very successful beauty brand Glossier and a women's co-working members club The Wing.¹⁰ Neighborhood Goods is yet another such celebrated example, raising \$11m in September 2019 and achieving 600 per cent year-on-year rise in sales in January and February 2020.¹¹ Showfields is yet another example, raising \$9m in February 2019 after opening only in December 2018.¹²

There are also minor players in the category, like Lone Design Club, in London, founded in 2016, which features various small designers on its website as well as in its frequent pop-up shops. When launching its crowdfunding campaign in late 2019, it reported that the average in-store basket size grew 65 per cent in the year

to July 2019.¹³ Seekology is another London multi-brand retailer focusing on well-being and beauty brands. It opened its Richmond store doors only in late 2019. Perfumarie in New York is a great concept, calling itself 'an incubator for sensory companies'.¹⁴ It allows carefully selected brands to showcase in their store usually for one month. All of these brands rely heavily on building and managing their brand communities to ensure continued customer engagement and commercial growth.

Another shift affecting the livelihood of department stores and multi-brand retail is the rising preference for local consumption. This has been even more evident during the lockdown period. Brandwatch has reported that social media conversations on shopping locally have increased by 440 per cent between December 2019 and March 2020.¹⁵ Accenture also looked at consumer behaviour changes resulting from the coronavirus pandemic and found that 46 per cent of customers surveyed in early April 2020 expect to continue shopping in their local stores post lockdown.¹⁶ Even before the pandemic, the McKinsey and Business of Fashion report, 'The State of Fashion 2020', mentioned the importance of local consumption in the retail strategies, stating: 'We expect fashion retailers to ramp up their presence in neighbourhoods and new districts beyond traditional commercial zones, with stores that reflect the local community and focus on service and experience' (p. 43).¹⁷

The importance of physical stores in the customer journey has been continuously accentuated. For example, 70 per cent of all fashion purchases are still made offline.¹⁸ In the UK, online sales represent on average 20 per cent of retail sales, jumping to 30 per cent only in April, likely caused by the lockdown.¹⁹ The physical human contact has been of rising importance in the

building of brand communities, initially thriving in online channels. Brands like Sephora, who are renowned for their very loyal and engaged community of customers, decided to launch Sephoria, a few days long festival where customers can interact with each other, meet their beauty heroes and attend workshops and treatments.²⁰ Not only has their store portfolio been increasing, but also the experience they have been building within their physical premises has always been focused on not only engaging their customers with the brand but also allowing them to connect with like-minded individuals.

Customers are not interested any more in brands that do not take responsibility, whether it is for the environment, social impact or the overall well-being of humanity. Accenture's research in 2018 showed that 'more than half of customers in the UK want companies to take a stand on issues they care about such as sustainability, transparency and fair employment practices'.²¹ Edelman reported that 53 per cent believe that 'every brand has a responsibility to get involved in at least one social issue that does not directly impact its business', yet 56 per cent agree that 'too many brands use societal issues as a marketing ploy'. Prospective employees are also looking for the possibility of social impact, with 73 per cent expecting an 'opportunity to shape the future of society' from a potential employer.²²

This has been further intensified during the coronavirus pandemic. Ninety percent of customers across 12 markets surveyed by Edelman in March 2020 stated that they 'want brands to do everything they can to protect the well-being and financial security of their employees and suppliers, even if it means substantial financial losses until the pandemic ends'. Eighty-four percent of customers want brands to focus their advertising on how they help people cope

with pandemic-related life challenges. More than 80 per cent of customers also expect brands to help them connect with people they are isolated from. And 65 per cent of customers said that how the brands respond to this crisis will determine whether they will buy them in the future.²³ Such social impact required from brands is a sign not only of high trust but also of high engagement in the brands' values, as representing those of the customers. Having such strong relationships with customers and, additionally, combining it with a well-managed brand community can truly not only award a brand many commercial benefits, but also help it to create an even bigger social impact.

Human beings are social animals, and the sense of belonging has been rising in importance as a driver of consumer behaviour. Abraham Maslow²⁴ indicated belongingness as one of the basic human needs; however, in recent years, because of globalisation and the increasing human population living in big cities, that need has not been fulfilled well enough. In the UK alone, 9 million individuals report being considerably or moderately lonely.²⁵ That is over 13 per cent of the whole British population.

People have been searching for groups where they can belong and that will allow them to form other meaningful life relationships everywhere, including within the brands that they like and trust. In fact, a study has shown that a sense of loneliness and a high need to belong are strong drivers of joining brand communities.²⁶

Brands have also recognised the importance of creating loyal and engaged brand communities, especially DTC brands, like Glossier, which consider community and the access to unique consumer data it warrants as one of their key differentiating factors and routes to success.²⁷ Various studies have shown that brand community

has a positive impact on brand equity, brand love, brand loyalty, word of mouth (WOM) and brand advocacy, among others.^{28,29}

Today customers want to be part of the brand and have a direct impact on brand's strategy, product design and marketing, something already stressed by Muniz & O'Guinn.³⁰ In fact, Stylus 'Dynamic Youth' Report states that '44% of Gen Z said that given the opportunity they'd like to submit product design ideas'.³¹ Furniture retailer Made.com³² has been allowing that for quite some time, and recently Asos created a unique collection, Collusion,³³ in collaboration with six teen designers.

That only accentuates the shift in the brand ownership. Previously, the thinking was that the brand belongs to its founders, perhaps investors. 'Brands are now community property belonging to shareholders, employees and customers'.³⁴ Vallaster and von Wallpach³⁵ stated that 'organisations no longer unilaterally define and control the brand, rather that the brand is co-created by customers'. Muniz & O'Guinn³⁶ referred to such a strong engagement in brand community that customers feel part owners of the brand and expect its managers to recognise and respond to their feedback, ideas and recommendations.

It is thus clear that department stores and multi-brand retailers can really benefit from introducing and/or enhancing brand communities. The current understanding of brand communities, however, is much too limiting for application to such complex businesses. On the basis of all of the consumer behaviour shifts discussed previously, it is evident that multi-brand retailers are required to manage many more relationships than the ones between customer-brand and customer-customer alone.

This paper, therefore, introduces a new model of multi-brand retailer community, consisting of three groups of relationships that should be managed to achieve a more holistic brand community: human, local and brands. The human element includes supporting and fostering the following relationships: consumer-brand, consumer-consumer, consumer-employee and employee-brand. The local element comprises relationships with local to physical stores customers, supporting local to physical stores residents' community and a wider social impact. The brands element consists of supporting featured brands in creating relationships with the retailer's customers (customer-featured brands) and between each other (brand-brand). Strategies that are applied by various multi-brand retailers are discussed here to exemplify how each element of the presented model can be supported with these initiatives.

LITERATURE REVIEW

First, however, a bit more about the current knowledge on brand communities, drivers for joining them and their benefits for customers and brands need to be understood.

Brand community

The concept was first introduced by Muniz & O'Guinn,³⁷ who defined brand community as 'a specialised, non-geographically bound community, based on a structured set of social relationships among admirers of a brand'. They were partly inspired by Thomas Bender's definition of community as 'a network of social relations marked by mutuality and emotional bonds',³⁸ all clearly accentuating the importance of relationships between various stakeholders of such communities.

They have also identified three elements of brand communities: consciousness of kind, rituals and traditions and a sense of moral responsibility.

Consciousness of kind refers to an 'intrinsic connection that members feel toward one another and a collective sense of difference from others not in the community' or, in short, 'a shared knowing of belonging'.³⁹ Such consciousness is manifested by 'legitimacy', which refers to members differentiating between true community members and those who are not 'true believers'. True members tend to 'fully appreciate the culture, history, rituals, traditions and symbols of community'.⁴⁰ It is especially important as community belonging is often one of the mechanisms of creation and expression of the Self (identity). This process also establishes a clear hierarchy in the community, with members adopting different roles that are 'critical to community's function, preservation and evolution'.⁴¹ Another element supporting consciousness of kind is oppositional brand loyalty, where by understanding what the brand is not and who the brand members are not, a customer gains a more refined meaning of the brand. As brands are symbols of people's beliefs and values, opposing a brand can be as expressive as supporting another brand. It also has a unifying effect because of the 'us versus them' approach, where conflict between groups tends to bring members of a community closer together to stand stronger against the enemy. With the growing consumer trends of togetherness and kindness,⁴² however, using such conflict to support brand-community engagement can backfire.

Rituals and traditions are necessary to sustain and communicate a shared history, culture and consciousness and can, for example, include members' greeting rituals. The simple phrase 'I'm glad you're

here' that echoes from the mouths of members of the November Project running meet-ups is often enough to feel that deep, resounding sense of belonging.⁴³ There are two manifestations of rituals and traditions: celebrating the history of the brand and sharing brand stories. Knowing important historical facts about the brand and its community is 'a form of cultural capital within the brand community; demonstrates one's expertise, secures membership status, and commitment to the larger community'.⁴⁴ Sharing brand stories (usually common experiences of members with the brand) has numerous benefits: it creates brand meaning, enhances meaningful consumer-consumer relationships, 'reinforces consciousness of kind', helps members learn community values, increases the feeling of security in community belonging and 'helps ensure the legacy and thus survival of brand cultures and their communities'.⁴⁵ So even a simple social media campaign where a brand asks consumers to share their ritual of, for example, how are they using their beauty product in the morning and what it means to them can work here.

A sense of moral responsibility is understood as a 'felt sense of duty or obligation to the community as a whole and to its individual members'⁴⁶ and is made up of two elements: integrating and retaining new members and assisting brand-community members in the proper use of the brand. The first is necessary for the survival and growth of the community. Assisting members is also an important behaviour, something the majority of early consumer-created brand communities have been built for. It can, however, take an even more unusual form, where people are more willing to help, for example, in house chores, a fellow community member rather than any other unidentifiable stranger, indicating

an inferred trust due to the usage of the same brand. With lowering trust awarded to brands and their managing organisations, the power of customer-to-customer trust has never been more important. In fact, Edelman (2019) reported that only 34 per cent of customers trust most of the brands that they buy and that 63 per cent have much more trust in what influencers say about a brand than in what brands themselves state, with relatability of influencers being twice as important as popularity.⁴⁷

Retailer community

‘Community became more than a place. It became a common understanding of a shared identity’.⁴⁸ Interestingly, the concept of brand communities might have moved beyond a physical location for a while, but now it is beginning to come back to its roots and be more and more associated also with physical stores, which tend to deliver another dimension of community experience and relationships.

Communities that are developed in third places like gyms and coffee shops often provide social and emotional support equal to or stronger than family ties – a benefit that delivers price premiums of up to 20%.^{49,50}

Peters and Bodkin⁵¹ presented a model of retail store communities (based on research in grocery stores) that differ slightly from, or perhaps augment, brand communities. In addition to the three elements introduced by Muniz & O’Guinn, they identified further ingredients necessary for the overall sense of community in retail stores. One of them was social interactions taking the form of supporting behaviours (eg giving unused coupons or offering advice), integrating with others (eg being polite by opening doors) and

social networking predominantly taking the form of talking to people they already know. Another key component identified was store employees and three crucial ways in which employees help to create a sense of community: developing personal relationships (eg by joking around, asking about kids’ birthdays or health), pleasant professional interactions (eg by answering questions or providing excellent service) and how the store helps to create a community (eg meeting the store employee outside of the store and recognising each other).

The role of employees

Similarly to the above model, Velotsou and Black⁵² has also identified employees as fundamental members of brand communities and their contribution as necessary for building engaged and successful brand communities. It is no surprise that many brands create internal brand ambassador programmes allowing for more personal and intimate relationships between employees and customers.

That, however, can go even further into forming internal brand communities, as a form of internal branding, allowing employees to better understand, identify with and communicate the brand to the external stakeholders. Researchers have established that membership of internal brand communities will lead to higher identification with brand communications, higher employee support of branding strategies, a higher level of interaction and affinity with other members of the internal brand community as well as greater satisfaction with interactions with external brand communities (consumer focused).⁵³

At the end of the day, employees that truly live the brand and are given agency over its expression are going to be more

successful in engaging customers in any brand community activities, for example co-creation. Hatch and Schultz⁵⁴ paints employees as partners in co-creation and shows the importance of their being truly engaged with the brand values as it results in higher brand transparency and access for other stakeholders. Employees humanise the brands and allow for more intimate and personal relationship building between a customer and a brand.

Motivations for participating in brand communities

‘For members, brand communities are a means to an end, not an end in themselves’.⁵⁵ The review by Hook and colleagues⁵⁶ indicated five categories of antecedents of customers’ participation in brand communities: self-related, social related, information related, entertainment related and technology related. Interestingly, their investigation showcased that participants in offline communities are more interested in self- and social-related benefits, whereas those participating in online communities put information-related benefits as a priority. Notice that entertainment-related benefits did not feature strongly in offline, online or social-media-based brand communities. As much as customers crave incredible experiences from brands, it might seem that those should be self-enhancing and social in nature.

Self-related benefits included social identity (feeling part of the community), attitude, self-discovery and rewards, although incentive seeking had the least effect on loyalty. The main social-related benefits were interpersonal relationships.⁵⁷ ‘People are more interested in the social links that come from brand affiliations than in the brand themselves’.⁵⁸ Other antecedents identified under this

category were a shared culture between members, support given by community members, trust and approval of others. Most of the studies reviewed showed the importance of creating trust before a customer decides to participate in a brand community. Information-related benefits included the expectation of receiving information and quality of information given, with higher perceived quality leading to more participation. Entertainment-related benefits refer to ‘the level of enjoyment or fun that a member can have in the brand community’.⁵⁹ Technology-related benefits address those motivations where a customer is driven by unique features and design of technology platforms used in online and social media communities.

Benefits of brand communities

Review by Hook and colleagues⁶⁰ identified three categories of brand-community participation consequences: brand related, brand community related and social related. Interestingly, offline communities provide the highest benefits in brand-related categories with lower benefits in brand-community- and social-related categories, similar to social-media-based brand communities. Online brand communities show the highest benefits in the brand-community-related category, with brand-related benefits also featuring strongly and social-related benefits last.

Brand-related benefits most studied were brand loyalty, purchase and repurchase intentions, all positively affected by brand community participation. Brand-community-related consequences include commitment to the community, integrating into the community and loyalty to the community. Social-related consequences refer to various concepts studied that can

basically be summarised under WOM. As much as brand community participation has often been shown to lead to positive WOM, authors point out that negative WOM have not been studied frequently.

Relling and colleagues⁶¹ have created a unique scale to measure perceptions of brand community character (PBCC) made up of three dimensions, as previously defined by Muniz and O'Guinn—consciousness of kind, rituals and traditions and a sense of moral responsibility. They have also been able to show a positive correlation between PBCC and brand loyalty, brand trust and brand equity. Hur and colleagues⁶² proved that brand community commitment has a positive impact on repurchase intentions, positive WOM and constructive complaints.

Innovation and co-creation are key to many brands' survival and growth. Research by Fuller and colleagues⁶³ showed that community identification and brand trust influence willingness to engage in innovation projects for a favoured brand. Schuler and colleagues,⁶⁴ however, identified important differences in the value of co-creation online and in physical stores, indicating that marketing co-creation with a focus on playfulness is better for in-store initiatives.

Brand trust has been mentioned few times as a result of brand-community participation and engagement,⁶⁵ and Edelman⁶⁶ reported that the higher the brand trust, the more likely customers are to prioritise the brand when looking to purchase a product in their category and also more likely to stay loyal to, advocate for and defend the brand.

Research has also shown higher relatedness satisfaction and reduction of loneliness if a customer is made to really feel the part of this community, together with more positive brand evaluations.⁶⁷

MULTI-BRAND RETAILER COMMUNITY MODEL

The multi-brand retailer community model identifies three areas of member relationships: human, local and brands. The various strategies adopted by multi-brand retailers that support these three elements are now discussed.

Human element

The human element encompasses all actors' relationships with a retailer's brand and various relationships between the members as fostered by the platform of the brand community, specifically including consumer-brand, consumer-consumer, consumer-employee and employee-brand relationships.

Allowing customer control over their shopping experience is certainly a successful strategy, something Neighborhood Goods have utilised very well. They have created a mobile app that allows for anything from browsing, to reading brand stories, to 'RSVP-ing' to events, to even having a direct conversation with an employee and asking them to bring any desired product to them wherever they are in the store.⁶⁸ Hero, a conversational commerce app, allows customers to instantly connect with in-store team via text, chat and video.⁶⁹ Galleries Lafayette customers can choose their own personal stylist and build a direct relationship with them via instant messaging.⁷⁰ Such solutions not only help customers feel more in control of their experience, but also allow for the creation of a personal relationship with the employees (i.e. brand representatives) and therefore the brand by extension.

Another expression of customers' need for control and a sense of ownership they feel over their favourite brands is co-creation. Nordstrom has been running

the Advisory Panel programme for many years, asking a community of their most engaged shoppers anything and everything about their business. When asked, customers said that the opportunity to express their opinions (71 per cent) and helping Nordstrom succeed (46 per cent) were some of their favourite parts of the experience.⁷¹ For Nordstrom it was also very useful, helping them to shape marketing messages, product selection, customer services and gain very valuable insights about their customers. In August 2019, Nordstrom also introduced a Fashion Ambassador Program inviting high-school age creatives to participate in events where they can connect with fashion insiders at Nordstrom, meet like-minded individuals and impact on the team of buyers.⁷² The program was focused on physical monthly meetings at various store locations, further showcasing the importance of including physical stores in brand-community building strategy.

Engagement and loyalty of employees to the brand can be influenced by many different aspects. Aspects of self-congruity, however, where employee and the brand share similar personality and values are certainly some of the most important to ensure. When able to identify with a brand they are working for, employees feel as if they are simply living their lives, having fun, fulfilling their own life missions rather than simply working. Birchbox uses a group of their employees called 'B Team' to bring the brand to life through social media in a more personal way.⁷³ Such communications appear more authentic and often more effective in not only engaging customers but also making employees feel part of the very close community of beauty lovers. Earlier mentioned examples (Neighborhood Goods, Hero, Galeries Lafayette) of building

personal relationships between customers and employees are further helping employees feel like their work is meaningful, thus fostering loyalty to the employer.

Another aspect of the human element is consumer-consumer relationships. Brands fostering closer social bonds with existing relationship partners, helping customers create new relationships or even to enhance a relationship a customer has with their own Self are just some examples of such consumer-consumer relationships. Fournier and Lee⁷⁴ stated that 'people are more interested in social links that come from brand affiliations than in the brand themselves'. Muniz and O'Guinn⁷⁵ also supported such views, mentioning that 'deprived of their social connections, the value of these brands to consumers would certainly be diminished'.

Sephora is probably one of the best examples of strong brand communities featuring great loyalty programmes, webinars, active social media discussions, in-store events and special gatherings like Sephoria House of Beauty. It is an annual event packed with various unique experiences, masterclasses and gatherings designed for customers to meet one another, explore all the brands they love and discover new ones, meet their beauty expert icons and learn new beauty tricks.⁷⁶

Local element

The local element comprises relationships with local to physical stores customers, supporting local to physical stores residents' community, and a wider social impact.

The importance of local personalisation of stores and opening many smaller concepts in local neighbourhoods has been growing, especially for multi-brand

retailers. McKinsey and Business of Fashion 'State of Fashion 2020' urges retailers to reconsider their store network, stating, 'the winning formula will feature in-store experiences and localised assortments in neighbourhoods and suburbs beyond the main shopping thoroughfares'.⁷⁷ Matt Alexander, the founder of Neighborhood Goods, underscored the importance of local personalisation in his recent interview, saying '[I]t's about going into a store relevant to your interests that's different in each location, that's localized, that's trustworthy, that's thoughtfully designed'.⁷⁸ One of the best recently introduced localised formats is Nordstrom Local, a small neighbourhood store with no merchandise but with a full menu of in-store services personalised to the local community. It has been reported that customers who visit these new store formats spend on average 2.5 times more.⁷⁹ This is in line with research that showed that localisation of products, information, services and even experience had a positive impact on loyalty and willingness to pay more.⁸⁰

Supporting local residents' communities is not a new strategy; however, it is becoming more important to any brand customer. *intu* shopping centre owner has opened The Birdhouse Café in Nottingham's *intu* Broadmarsh. The café gathers local suppliers within one space as well as offers budding local retail entrepreneurs a retail and events space to promote their businesses.⁸¹ Hammerson, another UK shopping centre owner, reaches out to local communities in numerous ways, including working with schools in Croydon to reduce knife crime and through a pop-up business school that provides mentoring and free retail space to retail entrepreneurs.⁸² Whether that is supporting local business, involving kids

from a local school in co-creation exercise or donating to local charities, such little acts of kindness can go a long way towards building loyal brand communities.

Stylus reported that 63 per cent of UK customers believe that brands have a responsibility to give back to society.⁸³ Hence, the wider social impact should become a fundamental part of any brand-community strategy, but especially for multi-brand retailers as the majority of them have not been found to do much in this department. As brand community engagement is strongly dependent on the shared values between a customer/employee and a brand, standing for something beyond good business and experience is really non-negotiable. John Lewis launched in June 2020 a month-long series of well-being workshops for their loyalty programme members to help them tackle challenges experienced on account of the coronavirus pandemic.⁸⁴ Neighborhood Goods launched The Commons, a free platform allowing selected brands affected by COVID-19 to showcase initially on their website and then in a special section of the stores once reopened post lockdown. The founder, Matt Alexander, said about the decision to introduce this initiative: 'You're going to want to feel like you're contributing to something meaningful, more than just trying to extract dollars from wallets'.⁸⁵

Brands element

The brands element consists of supporting featured brands in creating relationships with the retailer's customers (customer-featured brands) and between each other (brand-brand).

One of the popular solutions among the new breed of multi-brand retailers is providing co-working space for the brands

they showcase. Showfields introduced such space in their New York store in June 2019. Tal Nathanel, founder of Showfields, said in an interview with PSFK that one of the main reasons for launching a co-working space was to support their community: 'Our community is made of creators, and one of their needs is space that serves as a place to work while they build the brands of tomorrow'.⁸⁶ Perfumarie, an incubator for sensory brands in New York, also has a separate co-working and events space that featured brands can use to work from, collaborate, learn from each other or simply host events.⁸⁷ Seekology, a London-based well-being and beauty retailer, has a busy schedule of events where both customers and fellow brands founders can hear from the owners of featured brands.⁸⁸ Of importance here is the collaboration. The times when brands in similar product categories have competed have passed. Customers are naturally mixing different brands to fulfil all of their needs, and the learnings that any one brand gathers can help to serve all of the brands.

This principle is further supported by the many retail-as-service concepts mentioned, as they gather unique customer data for the brands to take advantage of. Neighborhood Goods has an especially sophisticated app that allows for a much more personal customer experience but also follows even how the customer behaves in the store.⁸⁹ Showfields also shares a multitude of data with the brands, helping them, for example, to decide how much stock to feature and what products to focus on.⁹⁰ Lone Design Club, in London, takes a different approach and invites the designers to work within their pop-up stores and have direct conversations with the customers to help them, for example, adapt their future collections.

Business accelerators have been gaining popularity for multi-brand retailers as a great way of discovering and supporting exciting start-ups. Sephora Accelerate was launched in 2016 to support female entrepreneurs. It selects 8 to 10 businesses that then participate in a week-long boot camp full of workshops, events and mentoring, concluding with a Demo Day.⁹¹ Birchbox Breakthrough is yet another such example, where a select number of brands receive access to beauty experts in the form of workshops, networking and mentorship and are also featured in a special limited edition box, allowing customers to discover them.⁹²

CONCLUSION

'The goods that retailers sell and the way in which they sell them are meshed in a whole host of implications for the cultural fabric and the pattern of civil life,' states Stanley C. Hollander.⁹³ He goes on to discuss some of the impact on consumers, employees, producers and distributors of the brands sold by a retailer and a whole wider society. This beautifully showcases the importance of stretching the definition of brand communities, especially as applied to multi-brand retailers.

The presented consumer behaviour shifts of localisation, increased need for belongingness, raising trust in brands that create a meaningful social impact and a desire to co-create underscore the importance of reshaping multi-brand retailers and the brand communities they build.

The multi-brand retailer community model presents a great opportunity for brands to adopt their current and future brand community strategies to ensure the maximum benefits for all members involved.

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