

Return on Experience: The Real Value of Physical Retail

Institute for Retail Studies, University of Stirling and Agile Retail

A Knowledge Transfer Partnership Project funded by Innovate UK

The Challenge

As digital commerce transforms how people shop, physical retail faces increasing scrutiny. Despite its evolving role in brand engagement and omnichannel strategy, the sector struggles to prove its value relying on outdated profit-and-loss measures. Without better metrics, innovation and investment in physical retail risk stagnation.

The Project

This two-year research and development initiative, supported by funding from InnovateUK, aims to redefine how we evaluate physical retail. It will deliver a validated, commercially applicable model to measure the broader contribution of physical stores to a brand – beyond just sales. It will capture metrics such as brand awareness, omnichannel influence, and ‘return on experience’.

Project Goals

- Understand how physical stores influence consumer decision-making.
- Identify gaps in current performance metrics.
- Design and validate a framework to assess the holistic value of physical retail.
- Provide tools for brands to predict ROI and make more informed investment decisions.
- Develop a validated model ready for commercial adoption.

Approach & Timeline

Three 6-month cohorts over two years will follow a five-stage process:

1. Map the evolving role of physical stores in the customer journey.
2. Audit and evaluate existing commercial performance metrics.
3. Build a new model and identify updated or additional evaluative metrics.
4. Test and refine the model using real-world data across sectors.
5. Roll out and scale the model, supported by training and communication materials.

Partner Involvement

We are inviting commercial partners to engage in three ways:

- Advisory: Act as ‘critical friends’, shaping the project’s direction. This will involve responding to ‘project papers’ and participation in three project meetings per year.
- Collaborators: Provide insight into the nature, type and use of existing metrics and support model development.
- Testers: Help trial and calibrate the model with anonymised or historic data to facilitate a proof-of-concept stage.

Partners

- Institute for Retail Studies, University of Stirling – academic lead with four decades of retail research experience.
- Agile Retail – commercial lead with expertise in experiential and pop-up retail operations.

Why Participate?

Partners will help shape a sector-defining tool, gain early access to insights, collaborate during model testing, and be credited in the project documentation. Confidentiality will be assured through NDAs and secure data handling protocols.