THE SOUL OF THE STORE

Selling Joy & Meaning in an Era of Relentless Optimization

Steve Dennis

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Why do we shop?




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What is a store for?
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People have engaged in shopping ever since anyone first laid out goods and asked for something in exchange . . .

. . . across every civilization and culture for thousands of years . . .

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. . . different forms, different eras -- the same underlying human activity.


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PLAZA 45
1984
#thesoulofthestore


athens
heart
athens
heart
#thesoulofthestore


LEROY MERLIN
LEROY MERLIN
LEROY MERLIN
LEROY MERLIN
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ΣΚΛΑΒΕΝΙΤΗΣ
Είσοδος
Entrance
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Let’s take a trip back to 1995
OPEN
SHOP
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1990s



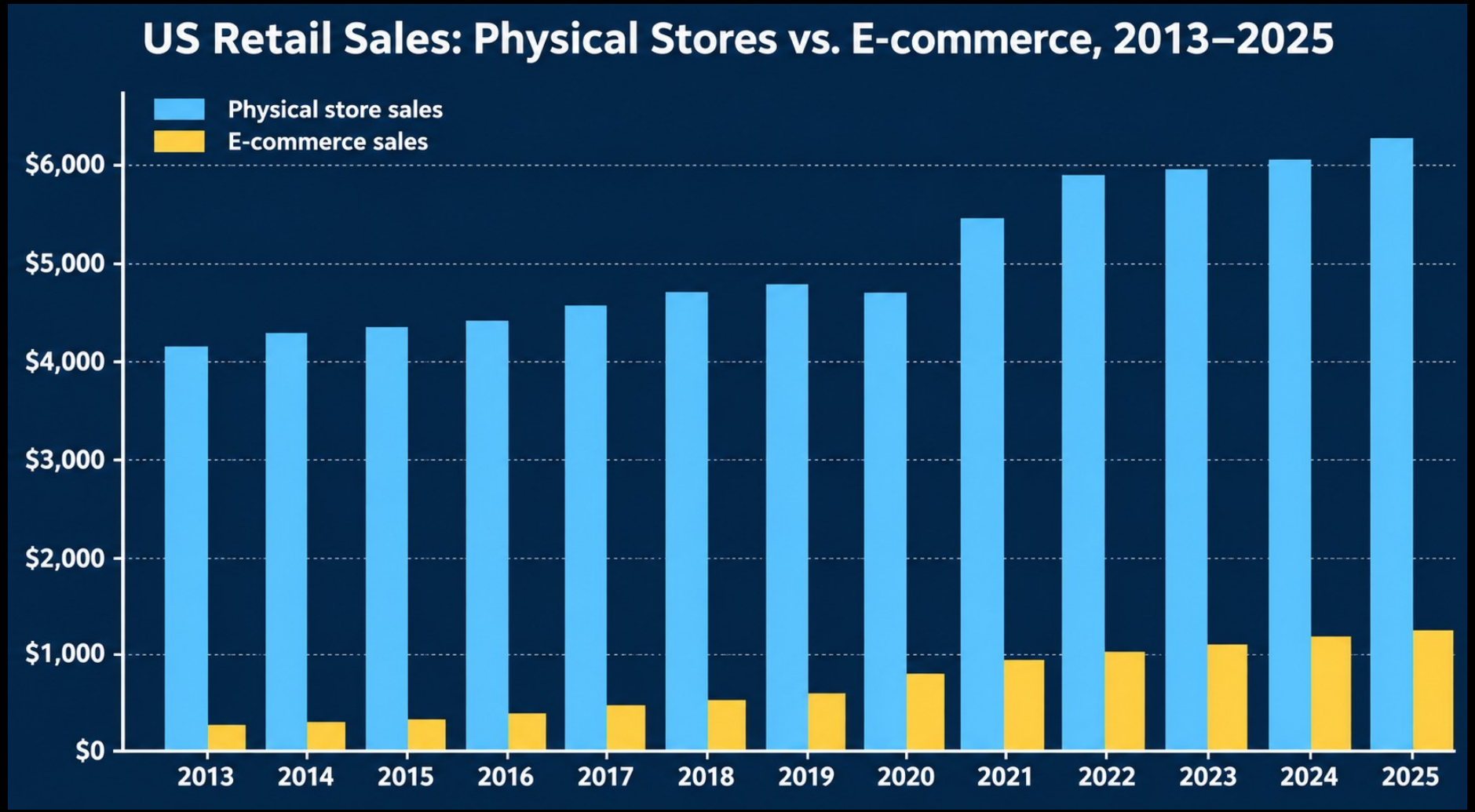
Today



STEVEDENNIS

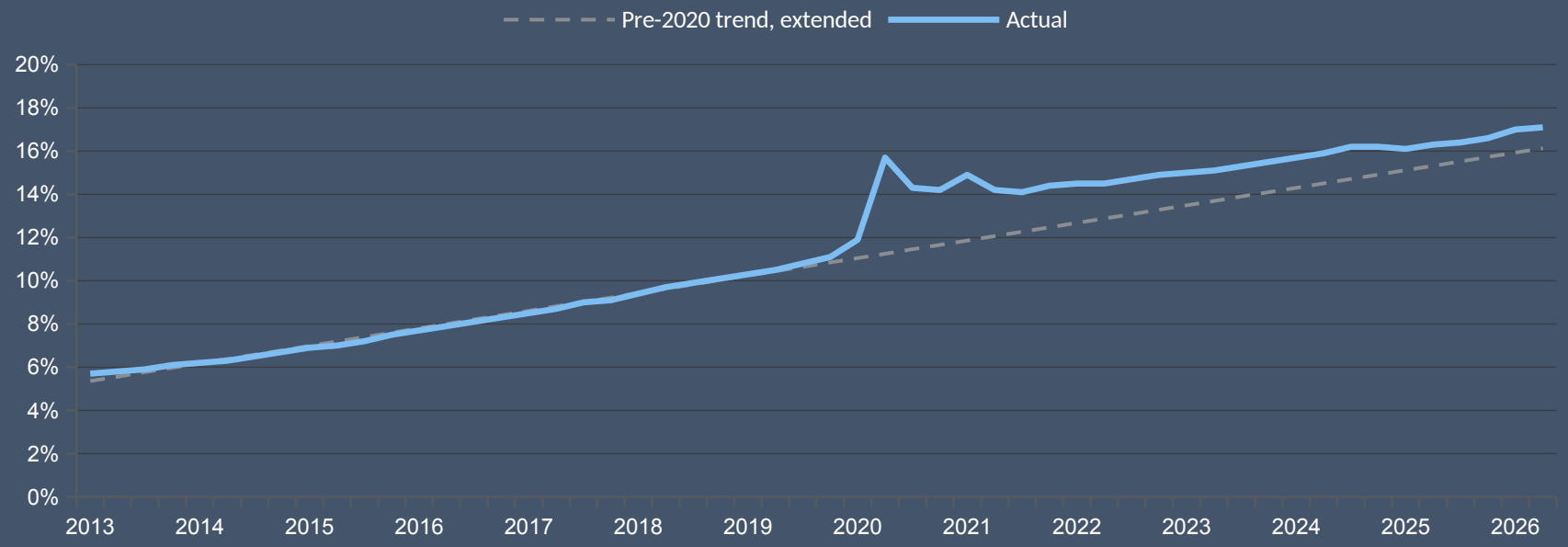
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""Retail guys are going to go out of business and ecommerce will become the place everyone buys.
You are not going to have a choice."
MARC ANDREESEN
January 2013
STEVEDENNIS
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US Retail Sales: Physical Stores vs. E-commerce, 2013–2025
Physical store sales
E-commerce sales
$6,000
$5,000
$4,000
$3,000
$2,000
$1,000
$0
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025

THE GREAT ACCELERATION THAT WASN'T

US e-commerce as % of total retail sales, quarterly



Data: US Census Bureau, Quarterly Retail E-Commerce Sales (seasonally adjusted). Framing after Benedict Evans.

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Next: “The retail apocalypse” narrative

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Physical retail is far from dead



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Many thousands of stores continue to open

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LEGACY RETAILERS

Dollar General	+4,000
Five Below	+850
Aldi	+650
TJX	+550
Tractor Supply	+550
Burlington	+360
Ollie's	+220
Costco	+120

SPECIALISTS

Warby Parker	+200
Barnes & Noble	+100
Vuori	+90
Trader Joe's	+90
Alo Yoga	+80
On	+50
Dick's House of Sport	+45
Tecovas	+45
Aritzia	+35

Net new stores, 2021–2026 (approximate)

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How did so many smart people get this so wrong . . . ?

Why do we shop?

What is a store for?




JOBS
JOYS
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“JOBS” ARE ERRANDS EFFICIENTLY DONE



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WHAT MATTERS:

- Selection
- Price
- Speed
- Easy Access



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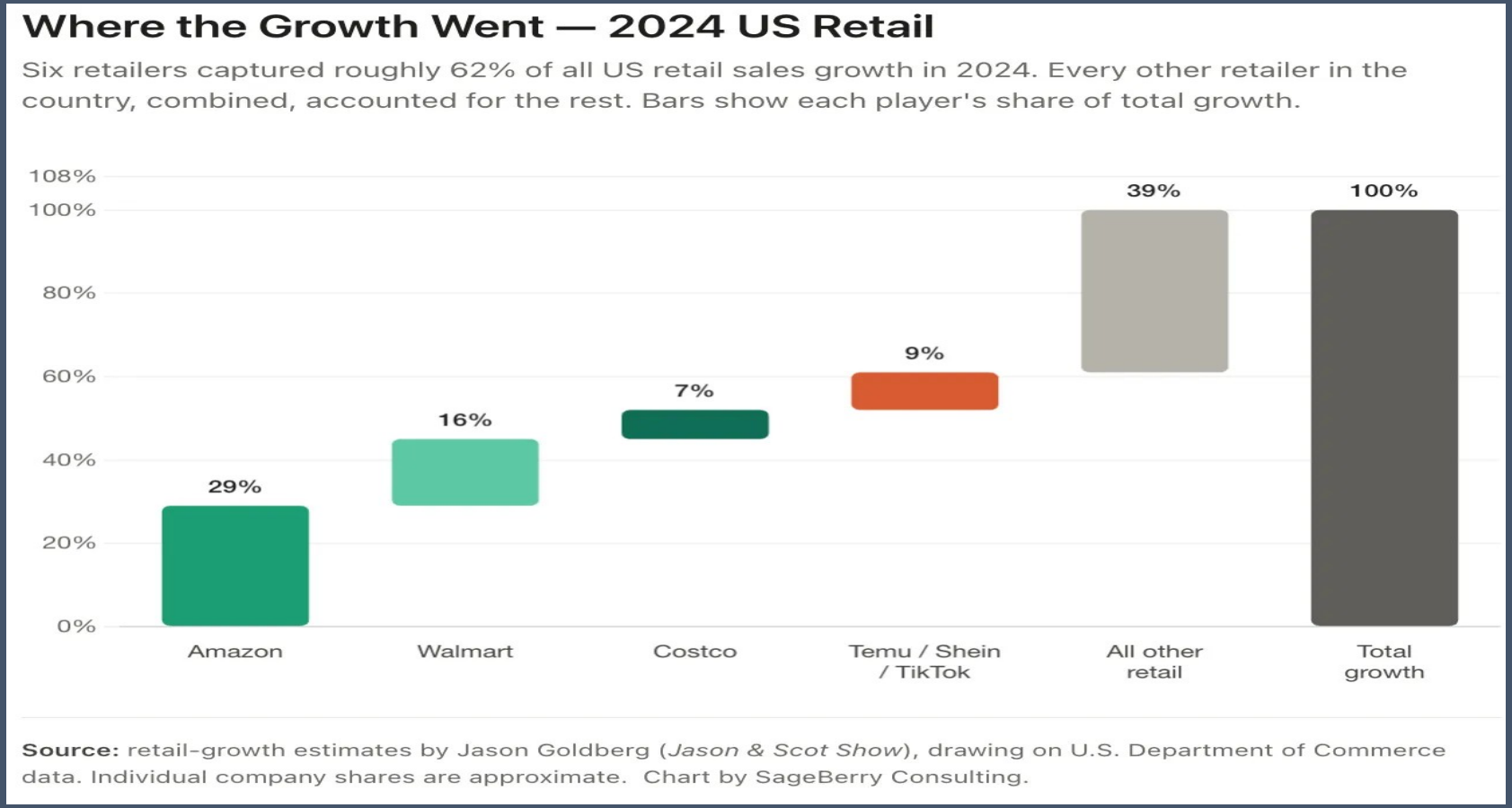


MEET “THE RELENTLESS OPTIMIZERS”

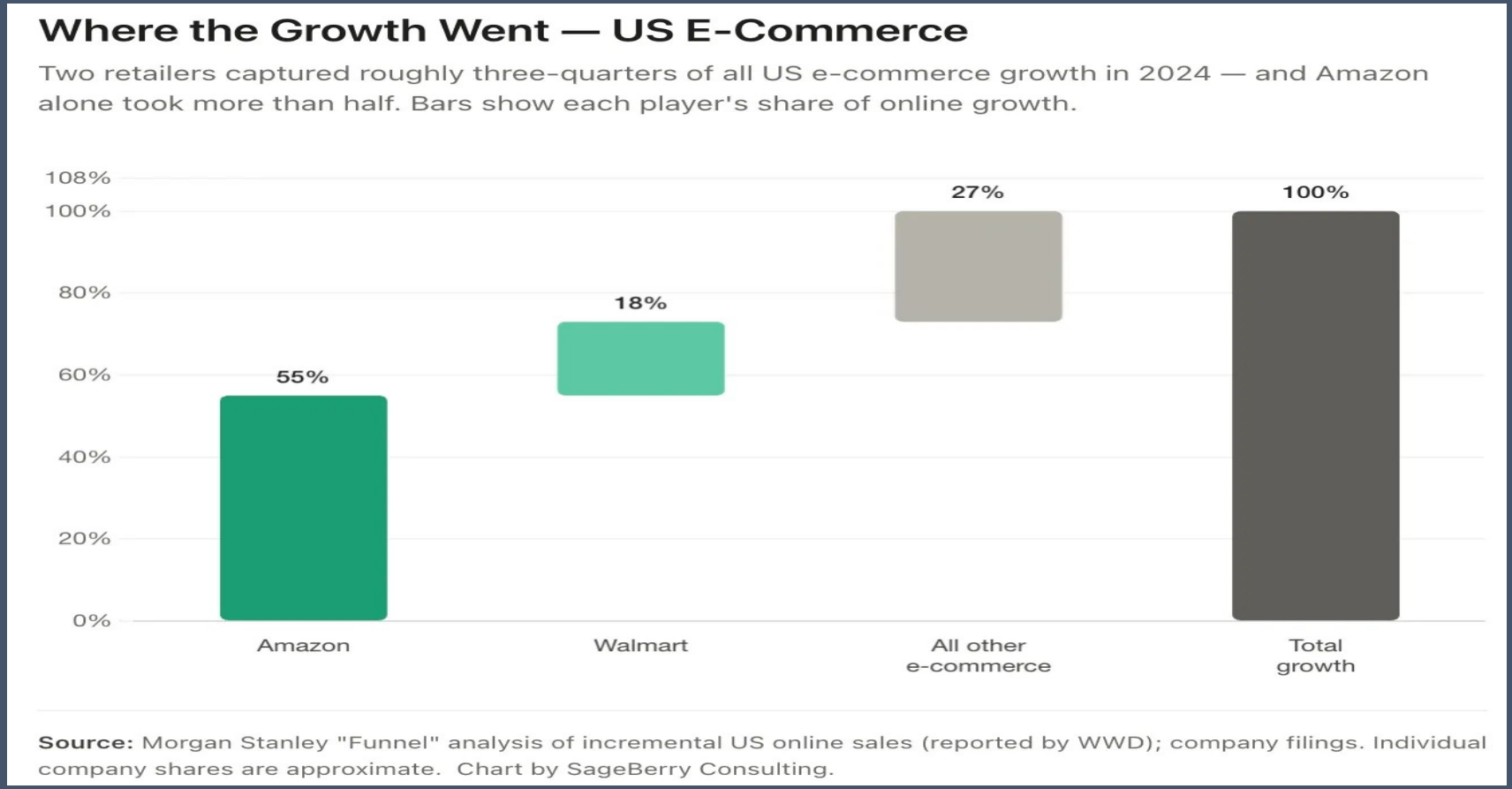
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The relentless optimizers are gobbling up share



Particularly in e-commerce





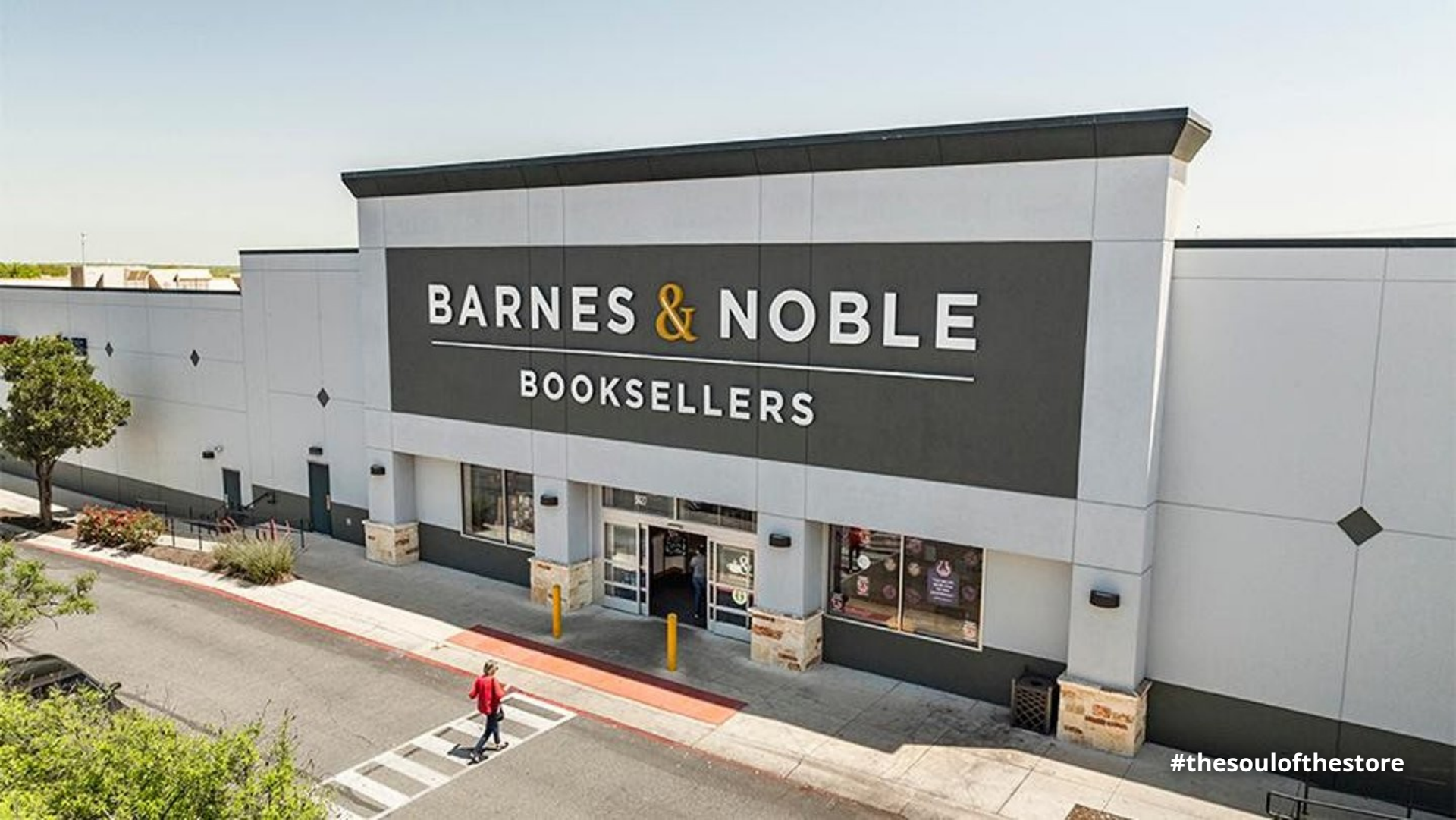
The perfect errand has no soul, makes no emotional connection

The optimizer's goal is satisfaction not joy.



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JOBS
JOYS
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BARNES & NOBLE
BOOKSELLERS
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BOROUGH MARKET
Ted's Veg
RAYA
MIX & MATCH
ANY 3 FRUITS
£5
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RH
#thesoulofthestore


#remarkableretail
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Everything they sell is available elsewhere --

cheaper, faster, easier.

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Not all friction is failure
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Some friction is the signal
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MEET “THE SOUL PROVIDERS”
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Soul is what the store brings
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SOUL IS NOT A MISSION STATEMENT

It’s emotional resonance and intangible atmosphere that makes a space feel alive, authentic, magnetic

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Joy is what the customer feels
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Delivering joy has three parts

MEANING

BELONGING

FUN

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MEANING

You leave with more than what you bought.

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patagonia®
Store
HOURS
MON-SAT 10-7
SUN 11-6
#thesoulofthestore



Aēsop

#thesoulofthestore


GOLF SHOP
ENTRANCE

BELONGING

Seen, recognized, less alone.


HERMÈS
PARIS
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Franklin
BARBECUE
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FUN

Playing, not being processed.



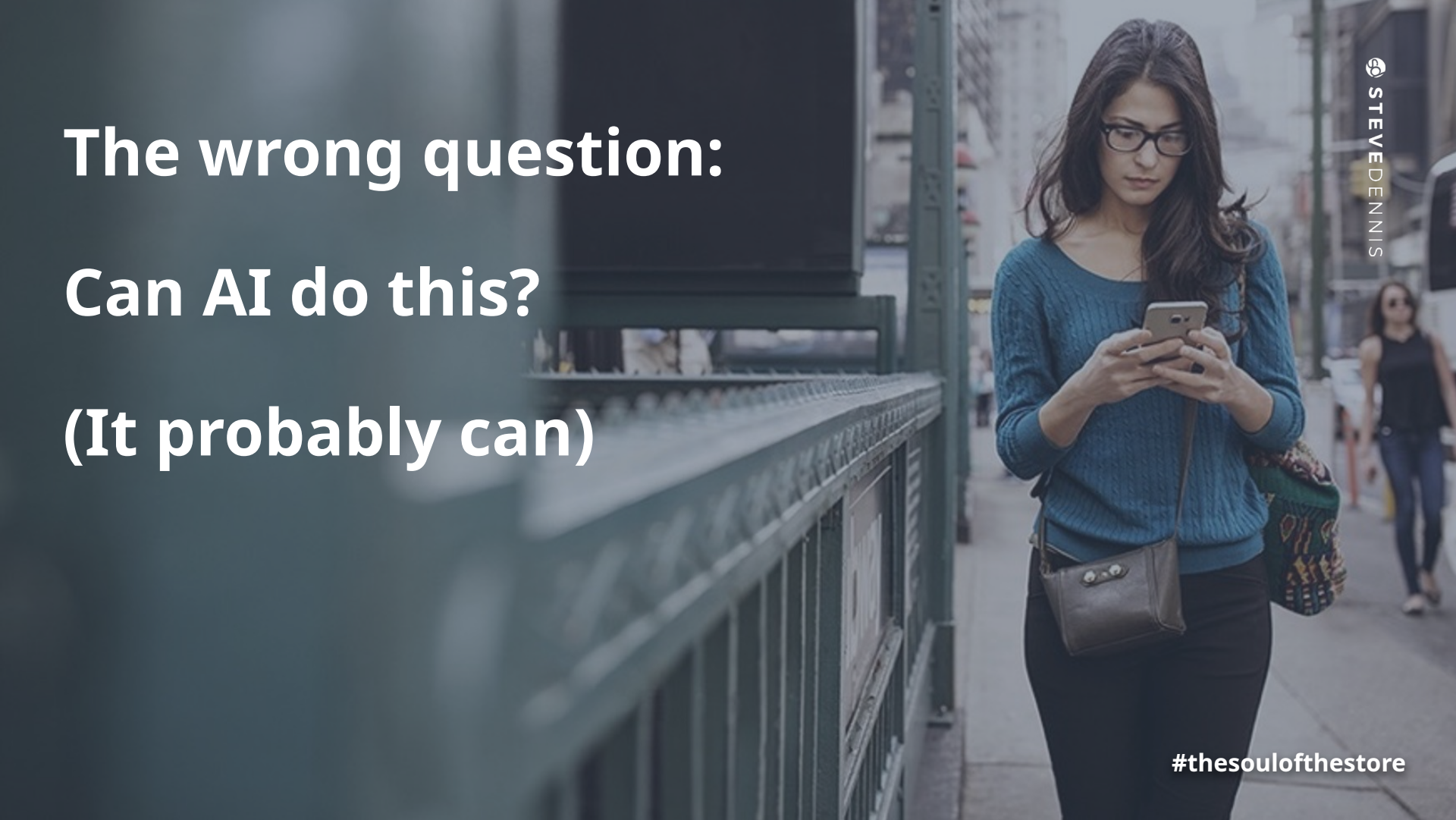
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ANCHOR
BELAY
CARABINER
ORDER PICK UP
CURBSIDE PICKUP
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The wrong question:

Can AI do this?



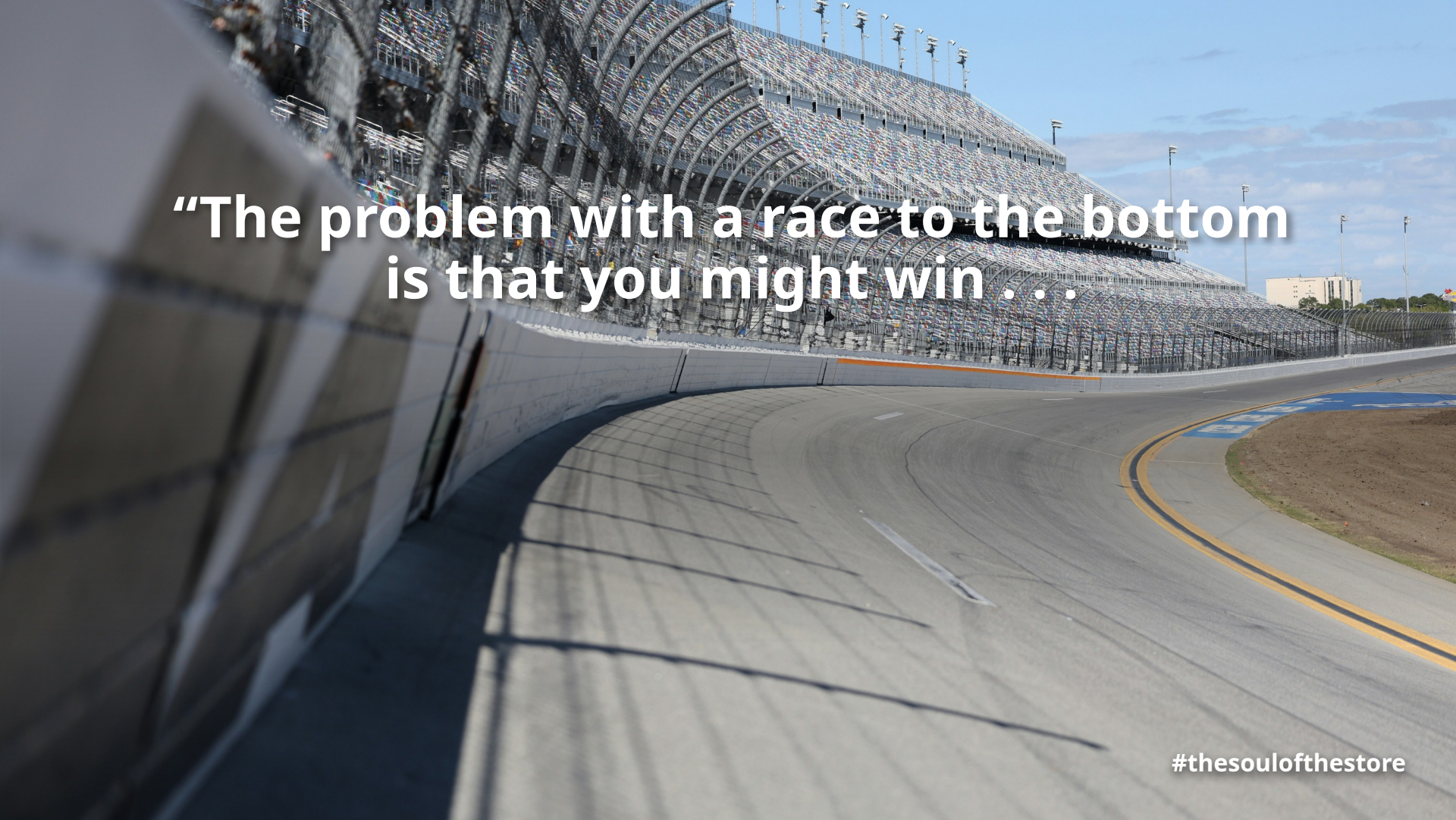

The wrong question:
Can AI do this?
(It probably can)
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AI agents thrive where joy is absent —
and recede where it’s present.

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You can’t out-Amazon Amazon.

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“The problem with a race to the bottom
is that you might win . . .
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“The problem with a race to the bottom is that you might win . . .
. . . or even worse, finish second.”
SETH GODIN
#thesoulofthestore


JOBS
JOYS
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Which wolf wins?

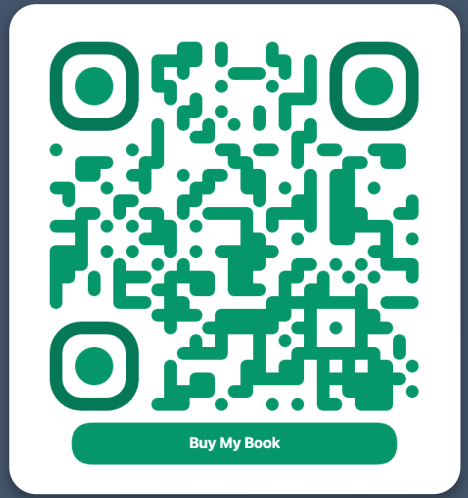


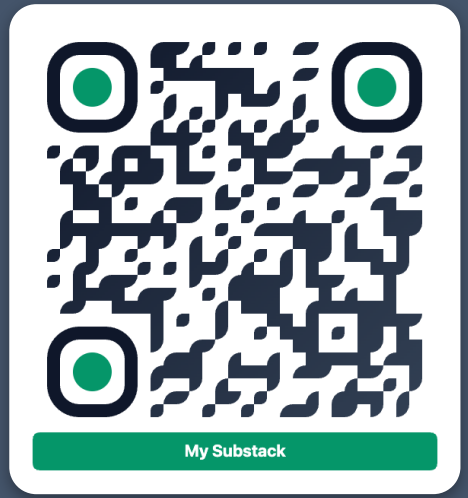
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Which wolf wins?
The one you feed.
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Σας ευχαριστώ!

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