

Graffiti reached the classical Fine Art market a long time ago. For the stationary retail the integration of corresponding products is still a challenge. Moreover, the increasing interest in e-commerce means obstacles to them. The following interview, serving as a basis for the special show at the Creativeworld in hall 4.2, examines how urban brands can be integrated successfully in the point of sale and how it's possible to beat the online challenge.

In conversation with: Jürgen Feuerstein (founder of MOLOTOW™, Feuerstein GmbH)

## "GRAFFITI HAS ITS RIGHT TO EXIST - ALSO IN THE FINE ART MARKET. THIS IS HAPPENING NOW, TREND: INCREASING!"

### LM: IN WHAT WAY DOES GRAFFITI INFLUENCE THE PBS (PAPER, BUREAU, STATIONERY) HOBBY AND FINE ART MARKET?

JF: Traditional markets are looking for new and fresh ideas in order to stimulate their own market. This is also true for the hobby and Fine Art market, that casts an eye on modern art applications. Question in return: How many independent innovations emerged the last years by the Fine Art sector? The big players take ideas from smaller and medium-sized enterprises that are more agile and dynamic in their mindset. No surprise, other companies came for a visit and short time later, we found our concepts published under another name. As one of our business contacts said: "Jürgen! MOLOTOW™ is vitamin C to the sleepy Fine Art sector!" I think this statement gets to the heart of it. Another example is the handlettering trend. In a nutshell, this is nothing different than Graffiti for "the mob" – breaking down to its core, we are talking about letter architecture. 10 years ago, we were the first Graffiti brand exhibiting on the Paperworld. Have a look around and tell me how many urban brands you can see now, selling urban ideas or products. Graffiti has its right to exist – also in the Fine Art market. This is happening now, trend: increasing!

"AS A RESULT, YOU SEE DUMPING PRICES AND DISCOUNT OFFERS FAR FROM ANY SENSE - ALTHOUGH THERE'S A SMARTER AND MORE SUSTAINABLE SOLUTION, CALLED: CREATING CONCEPTIONAL SHOPPING EXPERIENCES AND COMFORT. EVERYTHING ELSE CAN BE FOUND AT AMAZON MARKETPLACE."

#### LM: WHAT DO YOU THINK, WILL HAPPEN IN THE MARKET IN FUTURE? HOW WILL IT CHANGE?

JF: In future? The question is, what's happening in the market, now? Ask the stationary retail and they will mention you all the same issues: The stationary retail feels threatened by online giants like Amazon and traditional artists are hard to find. Conversely, this means the number of buyers decreases. For this reason, many shop owners see themselves in a direct competition to e-commerce platforms. This is a problem! It is just like a David and Goliath battle and for the stationary retail it almost seems impossible to win this fight. As a result, you see dumping prices and discount offers far from any sense – although there's a smarter and more sustainable solution, called: creating conceptional shopping experiences and comfort. Everything else can be found at Amazon marketplace. The hobby and Fine Art market needs distance from vintage sales displays and yellowed posters. Today's customers want more: accessible, touchable brands – even a complete brand environment. Those who understand will remain, the rest will disappear from the scene in the long-term, due to the fast-moving internet and upcoming trends.

### LM: YOU THINK THE STATIONARY RETAIL NEEDS A RADICAL CHANGE IN ITS MINDSET? WHAT DO YOU DO FOR YOUR RETAILERS?

JF: For sure. Have a walk through the city and tell me how many handicrafts stores you can still find. As an entrepreneur, you should be open for changes and trends, because they make chances possible. This includes also the development of employees demoted for stocking the shelves, leaving the own comfort zone, as well as having a current purchase department helpful for the customers – becoming a professional specialist store and getting rid of the concept of a non-specialized supermarket chain.

We predicted our graffiti retailers many years ago, how the market is going to change (which already happened). We told them about the risks and the chances and started to create sustainable business concepts then. In doing so, we created concepts for modular P.O.S. systems, shop in shop solutions as a full range store, as well as concepts for flagship stores. The customer decides which way to go and whether being a part of it or not, or as we say "whether sitting in the train with us, or not" (as we have our own train wagon in the backyard.)

Nowadays, we have pure MOLOTOW™ stores in Madrid, Prague and Warsaw – further stores coming soon. At the beginning of such projects there are always two issues: brand experience and consultation. The latter is supposed to reduce fears of contacts and to create product certainty – it's all about information. Due to that, we are not only working together with our retailers, but also with their employees. What does this mean? This is exactly the point we discuss with them, when visiting MOLOTOW™ Headquarters and making the brand tangible.

# "IF YOU WANT CUSTOMER LOYALTY, YOU NEED TO BE STUCK EMOTIONALLY TO THE BRAND FIRST. END CUSTOMERS FEEL THE PERSUASION AND AUTHENTICITY - AT THE LATEST WHEN BEING IN THE SHOP."

### LM: THIS MEANS, YOU NOT ONLY CREATE BRAND EXPERIENCE TO YOUR END CUSTOMERS, BUT ALSO TO YOUR RETAILERS?

JF: Sure! How should retailers create a touchable brand in their store, unless they've never been to the Original?

A retailer is only able to represent MOLOTOW™ authentically, if he or she knows about the history of graffiti, had a look inside the MOLOTOW™ Train (and its men's room) and drank some wine from Baden. It needs to groove – this is why people love the original!

The brand experience is part of our communication and distribution policy, part of our marketing mix: If you want customer loyalty, you need to be stuck emotionally to the brand first. End customers feel the persuasion and authenticity - at the latest when being in the shop.

### LM: WHICH FEEDBACK DO YOU GET FOR YOUR P.O.S. CONCEPTS FROM THE MARKET/ THE RETAILERS?

JF: Customers to whom we have business relationships, understand our positioning. The agile communication and especially the quick reaction to their questions and needs result in transparency and safety – two main values when speaking of our business relationships. Retailers find our concepts helpful, as we take them by their hand in order to pick them up where they are emotionally: in their store for which new concepts are needed, otherwise they would not have contacted us.

## "WE CREATED A P.O.S. SELLING SPACE [...] ON OUR OWN, FOR WHICH ONE WE WON AN AWARD AT THE NAMTA SHOW IN 2017."

LM: YOU MENTIONED DIFFERENT P.O.S. CONCEPTS FOR AN INTEGRATION IN FINE ART SHOPS. HOW DOES THESE CONCEPTS EXACTLY LOOK LIKE?

JF: We created a P.O.S. selling space (Skyline Shop System, abbr. SLS) on our own, for which one we won an award

at the NAMTA show in 2017. Our P.O.S. system is not only optically attractive and self-explaining, but also modular. We reduced our core assortment to a space of 4 meters. For different needs and wishes, this shelving system is expandable within its modules and also variable in the assortment of products. This SLS is the base for every kind of product presentation in classic Fine Art and graffiti shops. A lot of our new customers start with this basic concept and are happy when learning that marketing supports are inclusive when ordering 4 meters of our Skyline Shop System. In doing so, we try to be as helpful to the retailers as possible. Further P.O.S. concepts from MOLOTOW™ build on this 4-meter shop system. This kind of shop concepts can be seen in bigger trade markets or in special MOLOTOW™ concept stores where the presentation of goods is being supported by an adequate interior design in the corporate identity of MOLOTOW™. As mentioned before, we want to pick up our customers in their actual state. Therefore, we visualize our P.O.S. system in their shop in two versions: Once in a neutral version and also under consideration of the brand identity.