

World Retail Congress

Future Retail Challenge

VirtuCasa

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Problem Definition

The home retail and interior design industry is struggling to meet the expectations of Millennials and Generation Z, who often struggle to visualize products within their homes.

This *visualization gap* hinders consumer decision-making in high-involvement categories like furniture, lighting, and interior décor. Traditional retailers have failed to adapt, leading to increased return rates and abandoned shopping behaviors.

The *VirtuCasa* concept aims to bridge this gap by providing an integrated interior design ecosystem that allows users to scan their spaces, receive AI-curated design recommendations, and experience fully rendered virtual representations of their redesigned rooms.



INNOVATION CONCEPT



How Retail is Evolving: Innovation in Interior Design

1.Immersive Technologies

- VR/AR for product visualization (e.g., IKEA Place)
- Al for hyper-personalized design bundles

2. Smart Premiumization

- Surge in smart home devices (CAGR +15% by 2029)
- Consumers seek elegant yet tech-enabled environments

3. Phygital Experiences

- 70% research online before visiting stores (Deloitte, 2023)
- "Try before you buy" via interactive showrooms

4. Eco-conscious Innovation

- 56% of French consumers prefer natural/upcycled materials
- Digital design tools reduce trial & return waste



What Today's Consumers Really Want in Interior Retail

Convenience + Customization

- 42% of design clients come from Instagram
- High interest in mobile-based visualizations





Smart HomeIntegration

- Penetration in France: 57% (2024) → 89% (2029)
- Consumers want design that syncs with connected living

Sustainability-Minded Buyers:

- 47% consider eco-renovation
- Preference for certified ethical materials





Value-Driven but Design-Focused:

- Gen Z budgets ≈ 600 but expect high aesthetics
- Looking for guidance + inspiration, not just products



Where Existing Players Fall Short – The Experience Gap in Interior Retail



1.Leroy Merlin

Functional and dominant in the DIY segment but offers no immersive or emotionally engaging design journey

2.IKEA

Great for affordability and AR tools, yet lacks depth in personalization and premium design curation.

3. Maisons du Monde

Strong on aesthetic appeal and omnichannel retail, but doesn't integrate tech like VR or AI in the customer journey.

4. Roche Bobois

Caters to luxury clientele with high-end designs but remains inaccessible and non-interactive for tech-savvy or budget-conscious buyers.

5. Castorama & Brico Dépôt

Focused on price and practicality, with little emphasis on curated design or innovative shopping experiences.

No brand combines immersive tech, emotional design guidance, premium designs and personalized shopping in a seamless phygital model—VirtuCasa fills that void.



Introducing VirtuCasa

Emotion, Innovation, and Design in One Retail Concept

VirtuCasa is not just another furniture or home decorbrand. It is a premium, tech-forward interior retail experience designed for the digitally native, designaware consumer. The concept blends emotional design inspiration with advanced tools like AI and VR to make the journey of home transformation simpler, smarter, and more satisfying.

Today's consumers don't just want to browse—they want to visualize, personalize, and feel confident in their decisions. VirtuCasa empowers them to do exactly that through a hybrid phygital model, combining the ease of online navigation with the richness of in-store immersion.



What makes VirtuCasa different?

- Immersive design journey: Scan your space and see it reimagined in VR
- Al-powered suggestions: Tailored layouts and decor based on your real environment
- Seamless hybrid model: Digital planning + in-store immersion = smart decision-making
- Premium product offering: Modern, sustainable, modular furniture collections

Reimagining the Consumer Journey

How VirtuCasa Guides the Modern Consumer

Rather than starting with isolated product searches, consumers begin with their space, style, and needs—then receive personalized suggestions supported by immersive tech.

The consumer journey is built on 4 stages:

- **Discover:** Users scan their room via app and receive Alpowered style bundles tailored to layout, taste, and budget.
- Immerse: In-store VR and sample zones allow tactile exploration and real-time visualization of their future space.
- **Personalize:** Customers can tweak designs, materials, or color schemes using interactive displays and tablets.
- Own: Products are ordered, tracked, and delivered with options for eco-packaging and home setup assistance.



Private Label as a Strategic Advantage

VirtuCasa's Products Are Not Just Stocked — They're Crafted

Unlike resellers, VirtuCasa controls its product design, quality, and pricing by focusing on its own private label. This enables faster trend response, better integration with tech, and tighter alignment with the brand's sustainability goals.

Collections are modular, minimalist, and designed to plug into AI-based bundles with ease. For example, a Japandi-themed living room kit might include smart lighting, multi-purpose furniture, and calming textures—all coordinated in one click.

Strategic benefits:

- Higher brand equity and margin control
- Full customization of aesthetic and functional features
- Faster supply chain reaction to evolving consumer trends
- Unique ownership of product and experience design



Why VirtuCasa is the Future of Interior Retail

The Right Brand for a Generation That Craves More Than Products

Today's home shoppers don't want to "decorate"—they want to create meaningful spaces that reflect who they are. Yet, they are often overwhelmed by choice, limited by time, and hesitant to commit without clarity.

VirtuCasa removes the guesswork by offering a design journey instead of a product hunt. It speaks the language of a generation raised on visual platforms, real-time feedback, and smart living—and it gives them the tools to build homes that feel as good as they look.

VirtuCasa wins because it:

- Reduces decision stress with Al-powered design curation
- Inspires through a balance of emotion, tech, and trend-savviness
- Builds trust through transparency, sustainability, and personalization
- Creates an experience that's not just transactional—but transformative

Conjoint Design Overview

Attribute	Levels	Explanation
Design Tool	AI / AR / VR	Captures the preferred technology used to preview or personalise design solutions.
Customization Level	Basic / Modular / Full	Indicates how much control users want over the design process, from minimal to fully modular systems.
Price Range	€1,000-€2,000 / €2,001-€3,500 / €3,501-€5,000	Represents willingness to pay across accessible, mid- range, and premium digital design packages.
Delivery Timeline	7 Days / 14 Days / 21–28 Days	Evaluates acceptable waiting times for delivery and implementation of the design bundle.
Sustainability Label	None / Eco- Friendly / Certified	Assesses the importance of ethical and environmentally conscious design choices to the user.

We selected 5
attributes with 3
levels for the product
profile creation.

Total possible profiles $3 \times 3 \times 3 \times 3 \times 3 = 243$



Conjoint profiles

Card List

	Card ID	Design Tool	Customisation	Price Range	Delivery Time	Sustainability Label
1	1	AR	Modular	€2,001- €3,500	14 Days	None
2	2	VR	Full	€1,000- €2,000	14 Days	Certified
3	3	VR	Basic	€3,501- €5,000	14 Days	None
4	4	Al	Full	€3,501- €5,000	21-28 Days	None
5	5	VR	Modular	€3,501- €5,000	7 Days	Eco-Friendly
6	6	VR	Modular	€1,000- €2,000	21-28 Days	Certified
7	7	VR	Basic	€1,000- €2,000	7 Days	None
8	8	VR	Basic	€1,000- €2,000	7 Days	None
9	9	AR	Basic	€1,000- €2,000	21-28 Days	Eco-Friendly
10	10	AR	Basic	€3,501- €5,000	7 Days	Certified
11	11	Al	Modular	€1,000- €2,000	7 Days	None
12	12	AR	Full	€1,000- €2,000	7 Days	None
13	13	VR	Basic	€2,001- €3,500	21-28 Days	None
14	14	VR	Full	€2,001- €3,500	7 Days	Eco-Friendly
15	15	Al	Basic	€2,001- €3,500	7 Days	Certified
16	16	Al	Basic	€1,000- €2,000	14 Days	Eco-Friendly

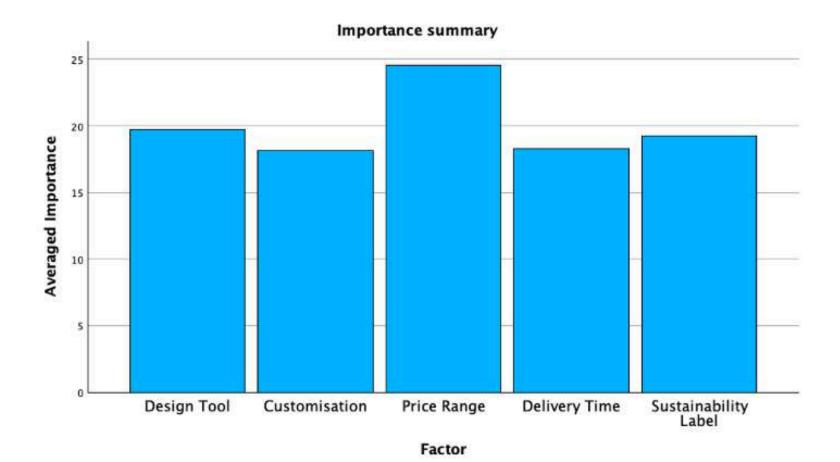
Then, we simplified the 243 possible Product Profile combinations to a more manageable set of **16 key Product Profiles** using Orthogonal Fractional Factorial Design in SPSS.

By focusing on these 16 unique profiles, we were able to extract some valuable product preferences without overwhelming our respondents with a lot of choices.

CONCEPT TESTING

Conjoint Analysis Results

- 1. Price is the most important attribute (24.57%). Consumers show strong preference for the mid-premium price (€2,001–€3,500), valuing balance over low cost or luxury.
- 2. Design Tool ranks second (19.73%). Al-based experiences received the highest utility, supporting our decision to lead with Al in the product journey.
- 3. Certified Sustainability Labels are preferred. Users trust clear, verifiable sustainability claims more than vague "eco-friendly" messaging.
- 4. Full and Modular Customisation outperform Basic. Supports our strategy of offering flexible, user-controlled design options.
- 5. Delivery Time matters, but not most important. 14-day delivery was preferred. So people wish for realistic over rushed.



Utilities

		Utility Estimate	Std. Error
Design_Tool	VR	044	.124
	AR	078	.145
	Al	.122	.145
Customisation	Basic	322	.124
	Modular	.153	.145
	Full	.169	.145
Price_Range	€1,000-€2,000	.244	.124
	€2,001-€3,500	.294	.145
	€3,501-€5,000	539	.145
Delivery_Time	7 Days	056	.124
	14 Days	.086	.145
	21-28 Days	031	.145
Sustainability_Label	None	078	.124
	Eco-Friendly	103	.145
	Certified	.181	.145
(Constant)		4.997	.116



Product Experimentation

Objective:

To test whether interface hierarchy influences user confidence in interior design decision-making within the VirtuCasa app.

Design:

- Between-subject experiment using two interface layouts:
 - → ScanFirst (scan button featured at top of homepage)
 - → ShopFirst (scan button placed in bottom navigation)

Research Question:

Does highlighting the "Scan Your Home" feature lead to greater user confidence than traditional product-first navigation?

Hypothesis (H₁):

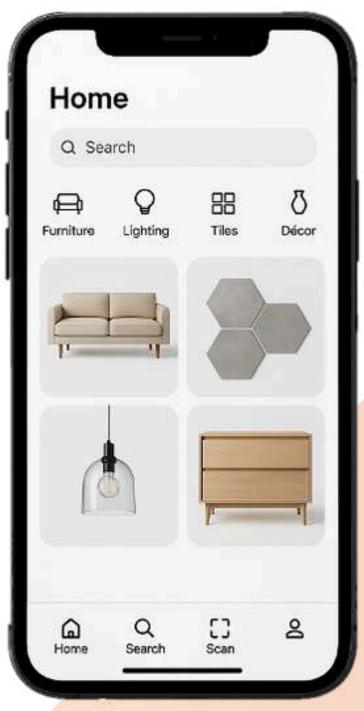
Participants using the ScanFirst version of the VirtuCasa app will report significantly higher confidence in their design decisions than those using the ShopFirst version.

CONCEPT TESTING

Product Experimentation Results

The product experimentation revealed that users shown the ScanFirst version of the VirtuCasa app reported significantly higher confidence in their interior design decisions compared to those using the ShopFirst version. The difference was statistically significant (p < .001), with a large effect size (Cohen's d = 1.79), confirming that prominently featuring the room scanning tool on the homepage meaningfully enhances user trust and decision clarity.





ScanFirst

ShopFirst

Primary Customer Segments

VirtuCasa targets digitally fluent, design-invested consumers who are ready to spend on personalized, emotionally engaging home experiences. These primary segments are the core revenue drivers:

1. Urban Nest Builders (Aged 32-40)

- Married or with kids, building long-term homes in upper-middle-income areas
- Seek comfort, stability, and emotional reassurance in high-stakes design decisions
- Prefer in-store consultations + VR walkthroughs for validation
- Use AI bundles but value expert guidance
- Implication: Bundle immersive journeys + loyaltydriven post-purchase support

2. Creative Dual-Income Couples (Aged 28-35)

- Child-free, dual-income, actively co-designing their spaces
- Value aesthetics, originality, and shared creative expression
- Heavy app users mood boards, style quizzes, design challenges
- Implication: Enable co-creation, gamified tools & referral incentives

3. Design-Savvy Professionals (Aged 26-34)

- Urban renters, independent decision-makers, minimal but impactful design upgrades
- Expect fast, intuitive digital journeys minimal need for consultation
- Implication: Prioritize AI speed, app UX, and flexible modular bundles

Secondary Segments

These segments may have limited budgets today, but their deep digital engagement and aspiration for stylish living make them strategically important for future growth.

1. Style-First Renters (Aged 22–26)

- Young renters seeking Instagrammable, creative spaces on a budget
- Discover trends via TikTok, Pinterest, YouTube
- Prefer single-room kits, design challenges, highperceived-value items
- Implication: Use social gamification, UGC, and affordable entry bundles

2. First-Home Starters (Aged 26-28)

- Recently moved into owned/rented homes; cautious but serious investors
- Seek durable, functional, well-planned design decisions
- Value mobile simulation tools to build confidence
- Implication: Emphasize reassurance, longterm style planning, transparency
- Primary segments drive revenue and showroom use via immersive, premium experiences
- Secondary segments build long-term brand equity through mobile engagement and social design tools

Persona 1 - Aurore Laurent

- Age: 37
- Location: Lyon, France
- Occupation: Senior HR Manager
- Household: Married, two kids, recently purchased duplex
- Income: €95,000/year

Pain Points:

- Struggles to visualize room bundles in her space
- Feels overwhelmed by too many product options
- Distrusts purely online design tools

Touchpoints with VirtuCasa:

- Room-scanning mobile app
- Al-curated bundles for family spaces
- VR showroom visit with spouse
- Style continuity support for future upgrades



Psychographics:

Aurore is pragmatic, emotionally grounded, and risk-conscious. She values long-term wellbeing and gravitates toward brands that offer credibility, reassurance, and lifestyle alignment.

Behaviours:

Aurore follows a structured approach to decision-making, relying on reviews and trusted recommendations. While she uses digital tools, she prefers in-person experiences for major purchases.

Goals:

- Create a warm, functional space for children and guests
- Avoid costly design mistakes
- Invest in timeless, durable choices

Persona 2 – Théo Martel

- Age: 29
- Location: Paris (11th arrondissement)
- Occupation: UX Designer at a fintech startup
- Household: Lives alone in a 2-room loft rental
- Income: €75,000/year

Pain Points:

- Frustration with poor UX on traditional furniture sites
- Long delivery timelines
- Limited customization options in current offerings

Touchpoints with VirtuCasa:

- Mobile-first design journey and room scanning tool
- Style-quiz-based DIY bundles
- VR validation at a local pop-up studio
- Engagement via Instagram style reels



Psychographics:

Théo is an independent, tech-savvy urbanite who values control, aesthetics, and efficiency. He seeks sleek, modular solutions and prefers digital-first interactions with minimal friction or commercial fluff.

Behaviours:

He explores products online, decides quickly based on utility and design, and avoids physical stores. Théo wants customization without complexity and enjoys sharing his setups with peers via social media.

Goals:

- Transform his space with a Scandinavian-industrial aesthetic
- Maximize utility in a compact layout
- Complete the redesign in under 2 weeks

Positioning Statement

VirtuCasa's positioning strategy centers on addressing a fundamental consumer pain point in the interior design market, that is the inability to confidently visualize how a living space will look after redesign.

The company has developed a clear and targeted positioning statement –

"For Millennial and Gen Z homeowners and renters who seek smart, stylish, and simplified interior design, VirtuCasa is a technology-led retail experience that transforms scanned living spaces into fully designed virtual rooms in real time. It empowers users to make confident design decisions through AI recommendations and immersive visual tools, unlike traditional retailers that offer limited personalization or inspiration."

Consumer Journey Analysis

VirtuCasa's consumer journey is carefully designed to integrate both digital and physical touchpoints, guiding users from discovery to loyalty. Rather than duplicating efforts across channels, each stage is strategically aligned to maximise impact.

1. Awareness

Brand discovery happens through high-engagement content on Instagram, TikTok, and YouTube. Transformation stories and creator collaborations spark curiosity and build emotional relevance.

2. Interest

Users download the app, complete style quizzes, and explore Al-curated design bundles. This phase encourages active participation and begins tailoring the experience to individual needs.

3. Consideration

Through in-store VR stations and app-based simulations, users preview full room designs in context. This reduces uncertainty and builds confidence in decision-making.

4. Purchase

Customers finalize purchases either in-store or via the app, with unified pricing and product consistency. The checkout experience is streamlined across both digital and physical channels.

5. Post-Purchase

Loyalty grows through app-based design dashboards, user challenges, referral rewards, and follow-up content — turning buyers into brand advocates.

MARKETING STRATEGY

Channel Strategy

VirtuCasa's channel strategy creates a seamless and immersive retail experience by integrating social media, in-store VR showrooms, and a mobile application. Social platforms like Instagram and TikTok drive discovery through visually engaging content, while the app bridges online interaction with in-store visits by syncing user preferences and enabling features like scan-based design previews and session bookings. Physical showrooms in Paris, Lyon, and Marseille offer full-scale VR experiences that help users visualise their spaces with confidence. A built-in referral program enhances organic growth, positioning VirtuCasa as a techenabled, user-centred ecosystem focused on personalisation over transactions.

Channel	Target Audience	Core Activities	Objectives	Key Metrics
Social media	Gen Z and Millennial design-seekers	Instagram Reels and TikTok videos featuring scanned spaces, creator bundles, and styling walkthroughs	Drive brand discovery and app downloads	Monthly reach, engagement rate, app opens
In-store immersive	First-time homeowners, design explorers	Virtual reality walk- throughs of scanned rooms, real-time editing of bundles, one-on-one design support	Build purchase confidence and reduce decision time	VR session completions, conversion rate
Mobile application	Tech-enabled shoppers	Room scanning, AI bundle generation, bundle editing, showroom booking, in- app checkout	Connect online discovery with in-store engagement	Bundle saves, completed purchases
Referral marketing	Satisfied customers and their peers	In-app referral codes with dual-sided rewards and gamified loyalty points	Acquire new customers through trusted peer recommendations	Referral shares, conversion per referral

KPIs and Success Metrics

To measure performance effectively, VirtuCasa uses a multidimensional KPI framework aligned with its hybrid, tech-driven model. As a phygital platform combining immersive design tools and curated bundles, it tracks commercial results, customer experience, and digital engagement.

On the commercial front, KPIs like average order value, conversion rates (online and in-store), and sales per square metre assess how well the brand monetises its showroom and bundle model. Customer-focused metrics such as CSAT, NPS, and CLV gauge satisfaction and long-term loyalty—vital for a brand positioned as a design partner.

Operational metrics like inventory turnover, fulfilment speed, and delivery accuracy ensure service reliability, while digital KPIs — including app engagement, bounce rate, and personalisation tool usage — monitor interaction quality. Together, these indicators help VirtuCasa stay responsive, scalable, and customer-centric.

Implementation Strategy

VirtuCasa is a platform that combines interior design, immersive technology, and emotional decision support to address the "visualization gap" in home design decisions. It offers "Design Confidence as a Service" through spatial scanning, Al-generated design suggestions, VR walk-throughs, and curated design bundles, transforming how people interact with and commit to home design choices.

The primary target audience comprises Millennials and members of Generation Z, demographics that prioritize self-expression, aesthetic consistency, and technological ease-ofuse, particularly within the constraints of time-limited lifestyles. VirtuCasa seeks to become the preferred destination for home design among these cohorts by offering a seamless, digitally enhanced, and emotionally reassuring decision-making journey.

Launch Strategy

Phase 1

Paris Flagship Store and App Beta

VirtuCasa plans to open a Parisbased flagship showroom and develop a mobile app for room scanning, AI-driven design bundle generation, and session booking. An early-stage VR walk-through system will be introduced. Digital engagement will involve partnerships with Parisbased influencers, using visual storytelling to convey brand appeal and innovation.

Phase 2

National Expansion and Feature Augmentation

VirtuCasa is expanding its home design brand through a second phase, replicating its flagship model in smaller showrooms in design-conscious urban centers like Lyon and Marseille. The app will be enhanced for multi-room modelling, mood boards, and social sharing, while local partnerships will host pop-up experiences and loyalty events. This strategy aims to establish VirtuCasa as a technological pioneer and trusted partner for design-minded consumers.

Customer Activation & Experience Design

VirtuCasa is a home furnishing platform that transforms traditional shopping into an immersive experience. It uses behavioral psychology and technology to create personalized entry points, addressing visualization uncertainty, style confidence, and decision complexity.

The platform also focuses on providing personalized offerings, such as a guided onboarding journey, AR furniture placement feature, and a design history timeline, which can increase conversion rates and customer engagement.

Style Quiz Integration	Boost engagement, capture first-party data. Upsell full room sets based on customer style. Ensure that scanned room data syncs across devices and store visits. Bridge the digital-to-store gap and reduce 40% drop-off. Allow progress saving, addressing 35% of mid-process abandoners.		
AI-Generated Design Bundles			
App Scan using VR Linkage			
Design Consultation Booking Tool			
"Save for Later" Flow			
Order Tracking & Visual Countdown	Reduce anxiety post-purchase, prevent cancellations.		

Revenue & Monetization Strategy

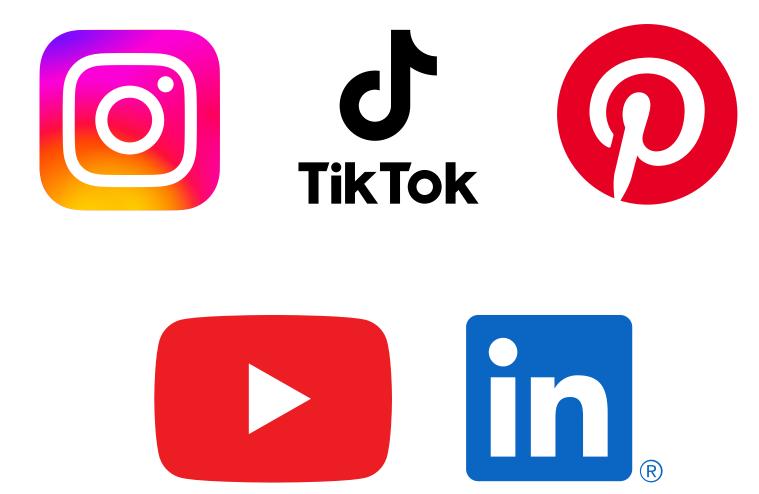
VirtuCasa's financial architecture focuses on elevated-margin bundle commerce, personalization methodologies, and immersive pre-acquisition demonstration technologies. Revenue acquisition channels include product sales, Al bundle sales, premium subscription services, and a referral economy.

Product sales include premium home décor, furniture, and renovation products, while AI bundle sales offer curated product bundles. VirtuCasa Plus offers exclusive benefits for Gen Z and Millennials, while its mobile app rewards users for bringing in new customers.



Brand & Social Media Strategy

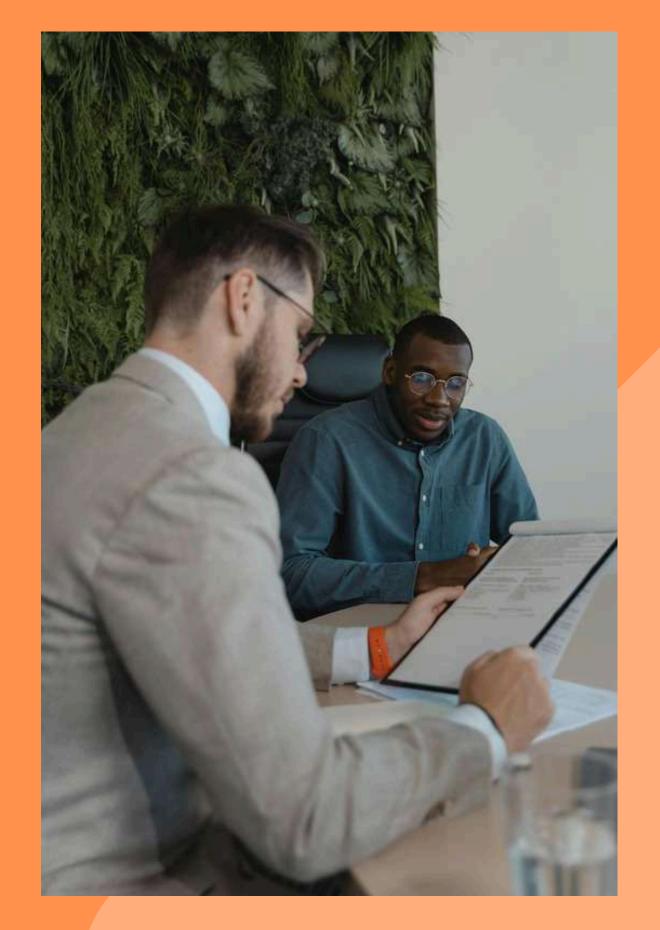
VirtuCasa's brand identity exists at the intersection of visual storytelling, design transformation, and community co-creation. The brand seeks to engage Millennial and Gen Z audiences through strategic use of social media platforms.



Talent & Culture Strategy

VirtuCasa is establishing a next-generation retail organizational structure founded upon innovation, agility, and co-creation methodologies. To facilitate continuous evolution and innovative practices, the following elements have been incorporated into the recruitment architecture:

- Rotational Work Scheme: A twelve-month developmental program comprising quarterly cycles across Sales, Visual Merchandising, Marketing, and Customer Experience functional domains.
- Intrapreneurship Lab: Personnel present improvement or innovation conceptualizations on a quarterly basis; selected proposals receive internal financial allocation.
- **Talent Marketing:** "Retail Reinvented" promotional initiative designed to engage creative Generation Z and Millennial professionals.



Rollout and Expansion Timeline

The rollout and expansion strategy for VirtuCasa is structured to first validate the concept within a localized context, then scale it regionally, and ultimately position the brand as a leader in immersive, technology-driven interior retail across Europe. The phased implementation is outlined as follows:

YEAR 1

Launch of the Paris flagship showroom, introduction of the mobile application in beta form, and execution of influencer-led marketing campaigns.

YEAR 2

Establishment of additional physical locations in Lyon and Marseille, release of the full version of the mobile application, and pilot testing of pop-up formats in Berlin or Amsterdam.

YEAR 3

Transition to a pan-European, digitally focused model featuring smaller showroom formats, scanenabled design consultations, and a fully integrated app-based purchasing experience.



Budget and Resource Allocation

For the first-year investment strategy, VirtuCasa adopts a carefully calibrated approach to resource allocation, balancing the demands of technology development, physical retail presence, and market activation.

Drawing on benchmarks from comparable retail technology startups and immersive commerce implementations, the proposed budget reflects prevailing market rates and emphasizes the creation of scalable infrastructure. This strategic distribution of investment ensures both immediate impact and longterm growth potential.

Attribute	Budget
Paris Flagship Showroom Setup	€425,000
Technology Development	€390,000
Marketing & Launch	€195,000
Inventory & Logistics	€280,000
Staff Hiring & Training	€310,000
Operating Reserve	€150,000
Total	€1,750,000

Project Execution and Monitoring

VirtuCasa is launching a three-phase execution roadmap, starting with the *Pilot Phase* in Paris, which will focus on launching its flagship store and enhancing user experience.

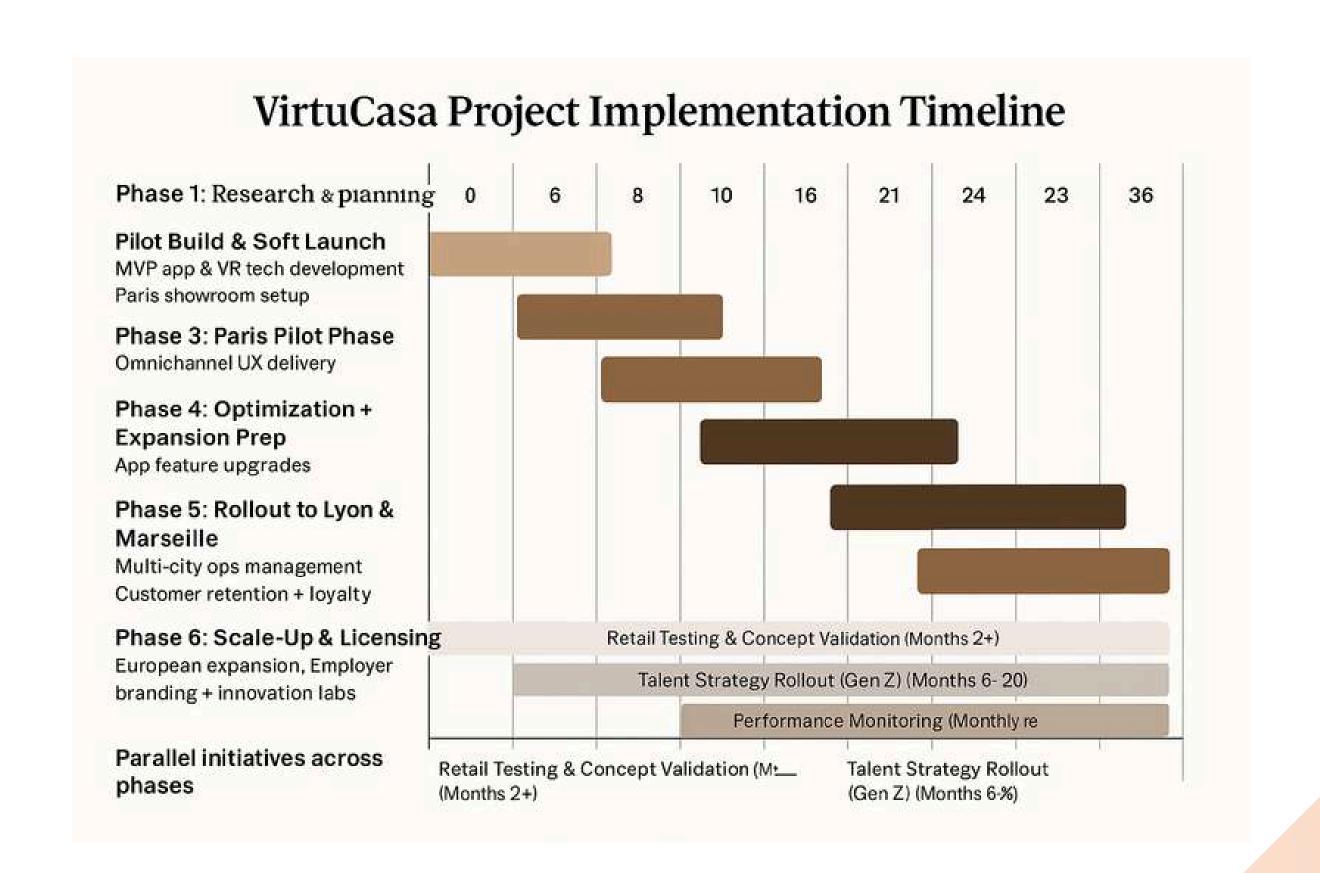
The Rollout Phase will expand to Lyon and Marseille, introducing private-label product lines and improving its AI recommendation engine.

The Scale-Up Phase will transform VirtuCasa into a global design-tech force, implementing premium subscription memberships and loyalty programs. The company will also license its in-house technology to real estate and interior design partners.

Key performance indicators will be monitored throughout the phases, and a proactive risk management framework will be implemented to manage potential risks. The team will also review a risk matrix monthly during sprint planning to ensure project momentum remains uninterrupted.



Timeline



THANK YOU