

SMART CUSTOMERS WANT SMART STORES

Customer Centricity is all about adding value through listening to consumers and giving them what they want. Today's savvy consumers want their stores to be as smart as them and their phones, if not more...

By Hozefa Attari

If there's one thing that's posing the biggest challenge to retailers today, it's customers, who are evolving even faster than the competition. How many times have shoppers walked in, check the tag, whipped out their smartphones and searched for a better deal? More often than one would care to admit. Truth is, this is the simplest part. While attractive offers and discounts still continue to weave their magnetic charm, the new age shoppers aren't satisfied with just deals anymore—they want a whole new level of being wooed.

BLAME IT ON THE TECH

Whether it's a brick and mortar or online retailer, consumers are changing their shopping habits, thanks to the omnipresent influence of tech in their lives. This is putting retailers under significant pressure and there seems to be no signs of it easing up. Consumers expect retailers to be updated with the full range of the latest products at competitive prices, which should be negotiable. Being out-of-stock is unforgivable and can cost the



▶ Smart solutions like Tulip empower associates to engage customers

retailer the customer. And, of course, the customer must feel delighted and wowed at every interaction. Needless to mention, this must be delivered with a smile and while making profits.

A tall order? Here are a few suggestions that can wipe the sweat off your brow.

EMPOWER THE ASSOCIATE

Your sales associate is a customer's first point of contact and perhaps, the most influential. Which is why

they need more than a charming demeanour to create conversions. Tulip, a mobile application provider, focuses on empowering retail associates through world-class mobile-first, cloud-first enterprise software. According to a recent survey by the company carried out in North America, workers with mobile-assist devices helped increase sales and improved the overall customer experience. The survey also revealed that 61% of store associates are actually not

armed with mobile devices, and only 17% interact with customers and expand the relationship beyond the four walls of the store.

Further findings of the study indicated the following:

- Almost 50% of store associates found consumers, at times, to be more knowledgeable about products than they are, confirming consumers' view—83% believed they were more knowledgeable than associates
- A majority of store associate respondents (44%) felt much of their time was spent on folding clothes and stocking shelves – tasks that take away from time spent engaging with customers
- When asked which option they would find most beneficial in an assisted mobile tool, 40% chose looking up inventory in-store, at other locations and online, 22% chose access to detailed product information, and 14% picked ability to make price and product comparisons
- Nearly a third of associates said they didn't have the ability to look up store inventory in real time
- 40% could only look up inventory that was in stock in the physical retail location, highlighting the missed opportunity to order online in the store to save sales on out-of-stock items
- 65% of store associates never texted or emailed customers after they leave the store –

another missed opportunity to improve service and help expand customer relationships

- Majority of store associates' job performance (68%) is evaluated based on overall store sales and also sales they personally drove, areas that mobile devices have been proven to help

TRANSFORM WITH TECH

These are interesting times, where every problem has a solution, sometimes more than one. It seems counter-productive to see most brick



► Endless aisle kiosk

and mortar retailers still struggling to create smart, intuitive stores. Partnering with tech and design can enable you to create a win-win environment for your consumers and yourselves and bring about a significant shift in the business.

We are already seeing this happening across the world. Some

retailers are creating a unique value proposition by implementing these solutions. This is not only creating a differentiator for themselves but also improving customer experience and business.

SMARTEN UP THE STORE

Consumers are savvy and are looking for stores that are as smart as them and their phones, if not more. Here are the key elements that make a store smart:

1. Smart Stores are intuitive: Take for example, Facenote, the state-of-the-art face recognition platform that helps identify a customer in real time and updates store associates on their shopping behaviour, equipping them to create meaningful interactions.

Even more interesting is the fact that Facenote recognises the consumers when they walk into the store and rewards them with both a sense of personalization and as well as points, thereby earning their loyalty. Similarly, Tulip understands that store associates play an important role in creating a service differentiator. The company's cloud based mobile platform is designed to empower store associates by providing real time relevant information about the product and the customer.

2. Smart Stores understand consumer behaviour: Can you imagine a Google Analytics approach to shopper traffic? Well, Traffic 2.0 by RetailNext, a platform that optimises the shopping experience by going beyond traditional traffic

CASE STUDY

Next generation menswear retailer, Frank + Oak, began as a pure play merchant who opened stores to augment the shopping experience, turning it into a destination where customers can hang out, grab a coffee, or get a shave at the barber shop. New customers fill out an online profile where they list their sizes, preferred styles and colours. Algorithms coupled with human style advisers suggest purchases, which are then shipped to the customer. The more a customer buys, the more customised the future recommendations become.

When a customer comes into a store, they are treated to an active experience where a Style Adviser interacts with them for 30 minutes. With Tulip-enabled iPads, they are equipped with detailed product information, paired with data and insight around customer style and shopping preferences, which empowers them to make expert decisions on the spot.

Frank + Oak's advisers are driving a new standard in service that traditional retailers can take note from.

counting and conversion, ensures that retailers get more than just a footfall counter. It provides retailers and brands with a comprehensive dashboard on shopper journeys. It analyses historic data and provides actionable data such as 'Today 11am to 3pm are your power hours. Staffing needs to be increased'. It goes beyond simple heat maps to provide sensors that can be trained to recognize behaviour. So, from a simple approach that told you how many people walked toward the headphones section, you can also count the ones who tried them on.

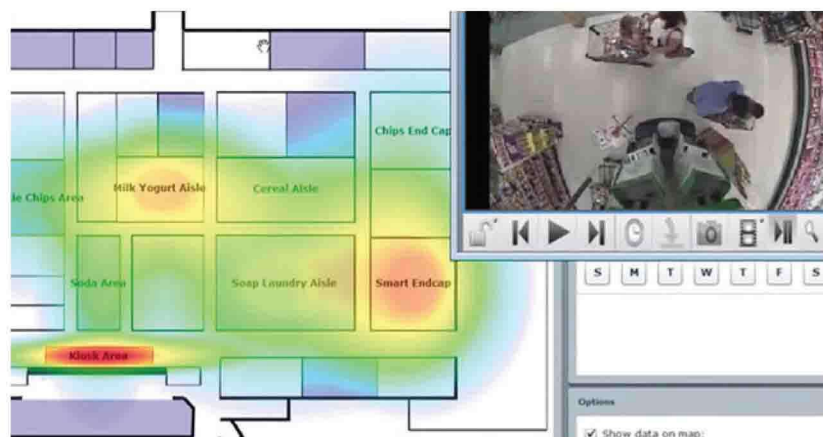
3. Smart Stores improve personalisation: It's all about personalised experiences and then some. Customers some times need suggestions in addition to options. Solutions like Mode.ai create personalised shopping experiences using visuals and artificial intelligence creating conversations using the ubiquitous messenger.

The bots (that serve as

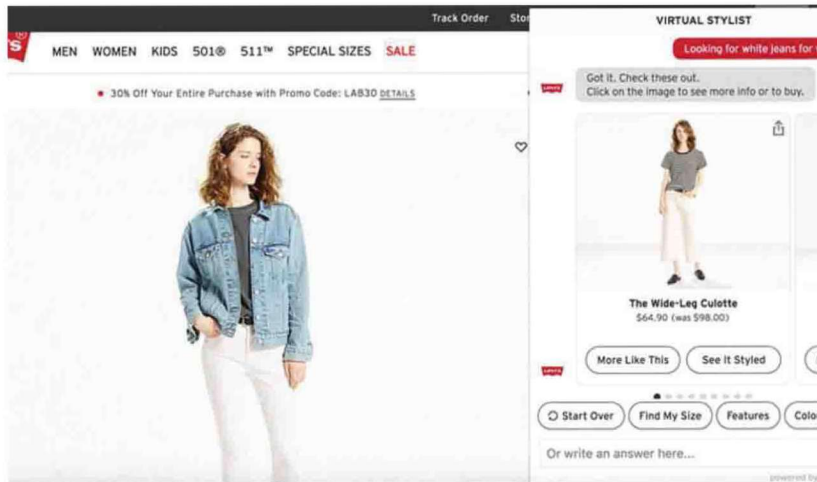
personalised stylists) guide consumers and allow them to select options through an online chat.

4. Smart Stores make buying easier: Consumers seamlessly transition between the online and offline universe. There's no reason why brick-and-mortar retailers cannot. Across the globe, retailers are adopting the concept of endless aisles to ensure that no customer leaves without a sale. Endless aisles are in-store kiosks that allow customers to browse and order products which they cannot find in their size or colour. The kiosks allow customers to check availability and offer collection and delivery options. Uniqlo, a US-based leading fashion retailer has successfully used endless aisle at its stores.

Another example of smart technologies making buying easier is that of a mobile app platform for grocery stores called SwiftGo. It allows brick-and-mortar stores to provide its customers with a



► **Traffic 2.0 by RetailNext:** The next level of traffic analytics don't just count footfall but give intelligent insights to maximise sales



► Chatbots that serve as personalised stylists

swift and personalized in-store shopping experience. It delivers a self-contained shopping system that enables self-checkout, while ensuring that theft (perceived as one of the most significant problems with self-checkout) is minimized. Customers leave the stores happily, having completely bypassed queues and the cash till.

5. Smart Stores wow: No discussion about a smart store is complete without the mention of Augmented Reality (AR) and Virtual Reality (VR), which are becoming an integral part of the e-commerce shopping experience. These allow consumers to literally step into a (virtual) store and browse products, through their mobile phones.

Obsess, a shopping platform for mobile, enables brands and retailers to create beautiful, visual, immersive AR & VR shopping experiences that add that bring e-commerce to life.



Customers are treated to a differentiated experience versus monotonously scrolling through the infinite grid of the website. In-store customers too can actually have fun browsing through virtual sections and products where none are present.

Another solution that retailers use to excite, engage and enthrall customers whilst giving them the tools to measure and track results

is Ads Reality. Using AR, it helps bring static products to life with interesting information about them floating around packaging, adding that wow futuristic touch to mundane shopping.

While these technologies are mostly deployed in e-commerce, imagine the space-saving benefits brick-and-mortar establishments could reap, especially with large products such as furniture, electronics and white goods. The investments in space would be minimal which would result in better ROI. And the unique interactive experiences would create better customer engagement which in turn improves sales conversion.

Finally, consumers are only going to become smarter and fussier. Redefining their shopping experience is a step towards ensuring their shopping basket gets checked out at your till. 😊



Hozefa Attari is Co-Founder, Network-bay Retail, India's first curated retail platform that is propelling the Indian retail industry to the next level of change, by bringing together leading global retail service and technology providers.