

# The Tech Tactics in Physical Retail

Technology today is not only enhancing in-store experiences but helping retailers managing their store spaces well and mapping consumer behaviour. The article discusses the areas where tech can come as a saviour.



The excitement of walking into a store and experiencing its products first-hand is still unrivalled. By elevating this experience to an exceptional level, retailers can create a unique differentiator, which will keep customers coming back and filling their baskets.

Customers today seek a unique experience which is exciting, engaging and connects with them. So retailers must create an in-store experience which their customers will remember, repeat and share, and which will also add business value.

## Retail technologies are redefining in-store experiences

Leading retailers across the world have integrated technology to enhance the buying experience. From helping customers browse through products and finding more

information on them, to improving sales associate-customer relationships, these high-tech innovations have helped retailers stay competitive. What is important to note is that these technologies help deliver maximum value even for smaller formats, as they enable retailers to offer the entire product range despite real estate restrictions.

## The Small Store That Never Runs Out Of Merchandise

Cromã decided to open a network of smaller stores that would leverage modern retail technology to enable them to offer the entire Cromã offering in a small space.

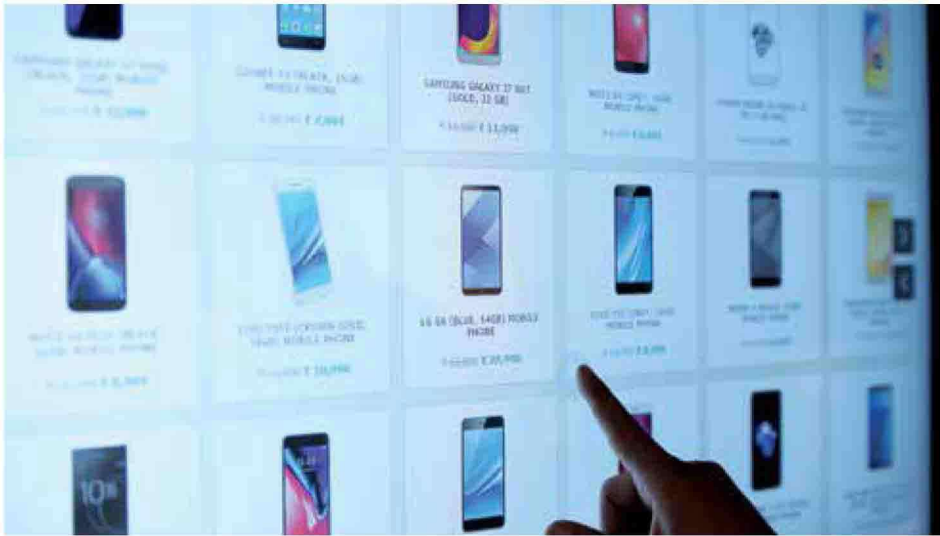
Networkbay created the store experience and developed the in-store technology applications with its international partners, Chute Gerdeman (USA) and Scoop Retail

(UK). Together, they transformed product demos into an interactive experience.

The key highlights of the 'Gadgets of Desire' store are:

- the 'wider-than-store' feature, which enables consumers to access the entire Cromã catalogue through multiple interactive screens
- the demo experience in the audio category, which enables music enthusiasts to experience more than 70 speakers through an interactive screen
- the experience of the large store in a small format without any compromise on product range or service

Cromã has been effective in providing an engaging customer experience by creating



a whole new sub-brand. How do retailers capture such experiences within their existing infrastructure and with minimal investment?

### The Removal Of Cash Counters: Better ROI?

The cash counter is still believed to be the most important part of a store. However, some tech companies consider it to be an inefficient use of space, as Tulip Retail has demonstrated with its iOS mobile platform built exclusively for next generation retail stores. The platform not only allows store associates to accept payments while on the move but also empowers them with accurate, real-time inventory information and shopper insights such as order history and taste preferences. This elevates their role from sales fulfilment to personalised style consultants who offer real value and enhance the customer experience.

Retailers, who have replaced the cash till with Tulip's mobile intervention have freed up approximately 5% space on an average in a 1000 sq ft store. This extra real estate has been utilised to display additional merchandise or product promotions and has improved store sales by 5 - 10%.

### From Utility Store To Lifestyle Destination

Verizon Wireless, a US based mobile device retailer wanted to reinvent the store experience from a product-driven model to a lifestyle-driven design. Chute Gerdeman, their branding and design agency, helped expand its product offerings while showcasing items in dynamic, interactive, and complementary ways.

The Verizon Destination Stores and Smart Stores introduced state-of-the-art hands-on

digital experiences. The stores are segmented by location-inspired areas to engage the Verizon shoppers' lifestyles: gaming and gadgets; music and entertainment; health-related applications and accessories; and home automation.

### Consumers > Footfall



Footfalls are only a quantifiable measure of success. They do not reveal "who", "what", "where", "when", "why" and "why not".

Traffic 2.0, a patented, proprietary web-based platform by RetailNext, has reinvented traffic counting by going beyond conversion. It uses sensors to collect valuable shopper demographic and behavioural data. By measuring the flow, directionality, and conversion rates of their shoppers, physical retailers gain deeper understanding of their customers. This empowers them to deliver a differentiated value proposition and an improved shopping experience eventually increasing customer loyalty.

### Empowering Associates To Enhance Experience

Creating a larger than life shopping experience could involve a complete overhaul of the retail space. Often, the budgets for this can be quite intimidating, which is why most in-store investments have not been transformational in the true sense. By empowering the store associate with

hi-tech mobile solutions that go beyond mere footfall counting to "line-busting" to "endless-aisle" to "clienteling", retailers can enhance the in-store experience and elevate their brand. These apps put customer information on their fingertips – such as purchase history, likes and dislikes, clothing size - that can become engaging conversation starters and build long-term relationships.

### Technology Is The Differentiator



Given the increasing competition that brick-and-mortar retailers face today from online players, technology offers many possibilities to create experiences that resonate with customer needs. It also offers retailers many advantages.

Sephora's Color IQ program is a great example of clienteling. Designed to help consumers find the exact shade of foundation and concealer that matches their skin tone, a handheld device first scans the customer's face. It then matches the scanned tone with a four-digit code of numbers and letters from their shade library. This code is the customer's "Color IQ."

Internationally, Nordstrom's Reserve Online & Try In-Store service lets customers browse, select items through an app and lets them try them on by booking a fitting room in any of its stores. Location services allows store associates to track the shopper's journey to the store so that they can keep the fitting room ready, with the customer's name on the door.

Retail technology is still a new trend in India and by being an early adopter, a retailer can offer customers a truly differentiated and exciting experience. •



Hozefa Attari, Co-Founder, Networkbay Retail, is 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.