

Why harmonised retail is the future

By [Oliver Guy](#)

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For many industries, predicting the future during a pandemic would be difficult - if not impossible. Retail is different. Why?



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Because Covid-19 has acted as an accelerant for digital transformation – fuelling and amplifying trends that have been creeping in for years. You could even call this 'Covid acceleration'. McKinsey recently determined that, over a 10-week period in 2020, digital business penetration had increased by the same amount as in the previous 10 years.

So, considering this supercharged digital trend, here are my three predictions for retail in the coming year:

Automation everywhere

The Covid-19 crisis took almost every business by surprise, decimating many who were not prepared for a move to online sales. Covid-19 has prompted many operational changes that create efficiency challenges, driving the need for corrective actions.

Taking pole position in corrective actions will be automation – touching everything from inventory management to delivery. Walmart and Tesco are both trialing drone delivery and it is likely that robot vehicles like Starship will soon operate in more densely populated areas.



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McKinsey believes that over 50% of all activities in retail can be automated with current technology. AI will be used to improve and automate merchandising decisions. Business and supply chain execution will see control towers being deployed to monitor the business holistically blazing a trail toward the autonomous supply chain.

The key to automation is the seamless connection of data; as the drive to transform accelerates the ability to connect without constraints, it is even more important. Now is the time.

After omnichannel

As a consumer, every time you are exposed to an improved experience your expectations are reset to a new and even higher level. The phrase omnichannel is tired and yet few retailers have delivered on its promises.

Andy Gamble, CIO of Dixons Carphone – a UK retailer – recently said: “Omnichannel goes beyond just joining up the experience for customers online and in-store. It extends to the supply chain, customer service and contact centres.”

This describes 'harmonised retail' where at every stage of the consumer journey – select, transact, acquire and use – the experience is consistent and completely fluid. Customers get what they want, where and when and how they want it.

This has significant implications in terms of data, coordination and operations. Given that a simple BOPIS (buy-online-pick-up-in-store) transaction can involve 20+ systems, this is not easy. Add in the complexity of differing technology standards and vendors and you can see the pains felt by the IT team.

Seamless, agile and rapid connectivity, agnostic to system or channel, and unconstrained by different vendors, is a superb painkiller.



Don't mistake having an online store for true omnichannel retailing

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Stores will be reborn

Stores will reinvent themselves with safety and customer experience in mind.

Across all types of retail, physical stores will become digital operational hubs for delivery and order pick-up while also becoming experience centres. A digital operational hub is essential to meeting customers' same-day delivery expectations without investment in additional distribution centres.

Safety for customers and store associates needs to be maximised through in-store solutions like smart social distancing, robotic sales assistants and augmented reality for trying on clothing without touching it.

Customers will be able to visit stores remotely. Early adopters of this approach including both Ferragamo and Currys PC World whereby customers at home can enter a virtual store or get live product demonstrations and advice from associates in-store.



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As a retailer, you cannot wait to evolve because your customers will not wait. Look beyond the past, where evolution was constrained by connectivity, and into the future where data flows seamlessly. Just imagine what you can do with seamless orchestration and connectivity across and outside of your business.

The ability to connect and orchestrate like this is critical to the future of retail allowing you to out-innovate your competition without fear.

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