BMi Research trends 2014

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BMi Research has completed research examining the latest retail and shopper trends. The report consists of the company's predictions for 2014's trends in the industry.

1. Procurement Planning Patterns - Shoppers continuing to put effort and intensity into shopping.

We will see the continuing intensity of time and effort invested by shoppers into purchasing. This will affect the frequency of shopping, types of trip missions, retailer choices, ecommerce vs traditional purchasing and value seeking. Continued focus on seeking value through promotions, multi-buys and discounts.

2. Retailer Customisation - Retailers offer more tailoring with offers and ranging

As shoppers and consumers become more discerning and demanding with their grocery spend, retailers will need to respond accordingly by adjusting range offers to suit shopper profiles of particular geographic areas. Basket analytics data currently used by retailers will offer shoppers and stores specific insights relating to consumption patterns. These insights correctly translated into merchandising strategies could provide retailers with a competitive edge.

3. Innovative Retail - Improving the shopping experience.

As buying behaviour shifts, retailers will drive innovation around retailing concepts such as product offerings like never before. Incorporating technology, shopper convenience and offering shopper value retailers will seek to attempt fresh innovative offerings. Concepts such as On/Off Retailing, ClicknCollect and Dark Stores will continue to grow in various derivatives.

4. Tech Savvy Shopper Growing - Using the internet to seal the deal.

The use of technology by shoppers will continue to be a key factor in shopping and consumption patterns. Price comparisons in real time combined with bargain hunting will be done online on a day to day basis. Shoppers will gain more insight in competitively priced retailers and conversely will not support uncompetitive retailers. Continued growth in feature phone sales will aid this trend's growth exponentially.

5. E & M Commerce - Electronic and mobile commerce making waves albeit small waves for now.

More trade will be conducted through e & m commerce. ClicknCollect could be a real hit in South Africa, with time strapped shoppers buying their groceries online and then using the retailers' "Drive Through" offering to collect their purchases without leaving their vehicles. ClicknCollect shoppers then don't have the hassle of arranging delivery access for the retailers to deliver goods to their homes. Additionally, security concerns of having regular deliveries made to a home are diminished. Retail websites and offerings are constantly developing as more business shifts to e & m commerce.

6. Dark Stores - Still down the track for South Africa.

As e & m commerce grows and more shoppers opt for online shopping, retailers in Europe are responding with "Dark Stores" which serve to support the product supply to online shoppers. A "Dark Store" is a large warehouse which is laid out like a supermarket which allows staff to walk around to compile online orders. This may become a reality in selected high income areas with high concentration of online shopping.

7. Retailers Power Up - Retailers seeking to create their own brands.

Retailers are seeking to differentiate themselves through various means including growth in Private Label's offerings and thereby influencing in packaging designs. Also spending additional effort in global procurement and sourcing products more competitively via stronger supplier networks and leveraging buying power. Retailers are also focusing on differentiating their brands not only through competitive pricing and product offerings but also by linking consumer and shoppers touch points such as community outreach and sustainability causes.

8. Conshopper (Consumer and Shopper) Voice - A growing influence.

As the consumer and shopper voice grows stronger, retailers and suppliers heed to the influences and demands pertaining to product origins, ingredients sources, responsible agriculture/manufacture and sustainability.

9. Product Infusing - Creating new niche offerings

In a need to cater for the growing demand for customised solutions, product manufacturers are creating more products which infuse traditional products to create "fresh fit for purpose" products. Such offerings typically focus around beverages, food and snacking categories. Drivers for such developments centre around health, convenience, value and functionality.

10. Packaging Influencing Shoppers - Packaging offering in store brand attraction.

With shelf clutter combined with more discerning shoppers trawling supermarket aisles, retailers and product manufactures are awaking to the extremely influencing role packaging plays. Not just protecting and preserving goods for consumers, but also providing brands with crucial brand awareness opportunities on shelf. Brand re-enforcement, nutritional information and other consumer touch points may all be carried on the packaging and may influence brand switching and purchase decisions.

11. Connecting More Data Dots - getting more ROI from data.

Using existing internal and external data in a more efficient manner will be a competitive advantage for retailers and product suppliers, triangulation of various data sets leading to innovative insights pertaining to product usage, trip missions and basket analytics in real time will become a growing trend. All of this leading to improve ROI on analytics when strategic insights are gained.

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