

5 ways to reimagine the retail experience

By  John Watling

12 Oct 2021

Now is the time for retail brands to ambitiously reimagine their relationships with customers, and to set the bar high. This means rewiring all customer-facing functions of the organisation - marketing, commerce, sales and service - making them customer-obsessed to reignite growth.



Source: Getty

At Accenture we have identified five retail industry reimagination opportunity areas – applicable to all retail sectors – and how brands can adapt their shopping experiences to meet changing behaviours and expectations.

1. Everywhere commerce

Covid-19 rapidly accelerated the growth of e-commerce by four to six years in just a couple of months. Content and commerce are merging, enabling shoppers to buy relevant products in non-traditional e-commerce settings, creating new direct selling opportunities. To respond, you must meet your audience where they're already consuming content, and if strategically done, any place can become a point of purchase.

Pick partners wisely – Platforms like Instagram or TikTok, can be a powerful way to generate sales and reach new generations of shoppers. However, selling on social (or any new platform) is like choosing a new location for a new physical store. What type of customers will be in that area? What other activities occur nearby? Will it seem out of place or brilliantly positioned? Answering these questions will require experimentation and examination of behavioural analytics.

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2. Let me entertain you

Shoppers are returning to real-world outlets with expectations raised by the ease and convenience of online shopping.

Physical retail spaces will remain relevant if they become places where people want to go, not just need to go. This is an opportunity for storefronts to come closer to their communities – engaging them through all their senses and leaving them delighted.

Assess the needs a physical store can best serve – Can the experiences offered in-store be matched by an online presence? As plans progress, find opportunities to build unique experiences that elevate your brand presence in ways that cannot be fulfilled digitally.

Learn locally, act strategically – Retailers thrive when they listen and adjust their offerings based on evidence and analytics on an ongoing basis. Revisit KPIs to adapt to both how shoppers' behaviours and expectations change and how they evolve their own retail propositions in response.

Don't compete with yourself – The digital and physical storefronts must be partners, not competitors. If one experience is obviously superior to the other, shoppers will notice and behave accordingly. So don't compete against your own experience, and avoid copying yourself across environments.



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3. The many “re”s in retail

Reuse, resell, refurbish are thriving. Consumers have a growing desire to recycle and repurpose, rent and return and with subscription becoming popular, “ownership” is being redefined. Retailers can learn from the re's in retail, using them to inform and inspire as they explore and experiment to innovate their business models and associated shopping experiences.

Choose the right “Re” for your business – To identify this, consider customer barriers and analyse why some of your customers aren't coming back to your stores. The answer is likely to be an obstacle of some kind, which could be your opportunity. Customer barriers can be the start of new business offerings.

Perfect your execution – Analyse the execution of your “re” business model to evaluate what might concern or put off customers. This can help identify the way forward. Evaluate what you find to enhance the right execution to meet your customers' needs.

Find the right partner – A retailer does not need to do everything itself from scratch. Don't reinvent the wheel in-house. Instead, access new competencies that you need through a partnership – with a startup specialist, for example – or acquisition. Working with the right service providers makes integrating a new offering easier.

4. Put your money where your purpose is

With shoppers increasingly aware of the power they have to set the direction for retailers, they will reward brands that show they're listening and acting most effectively to make the world a better place. To build customer loyalty and set the direction in the future, brand owners will need to have strong, fundamental values underpinned by a clear purpose.

Audit your actions before your customers do – Don't neglect your story. By using a data-driven approach to environmental, social and corporate governance, brands can communicate all the good they are already doing and tell their story continuously.

Do the math: know your impact – Can you account for your carbon footprint? Do you accurately know the economic impact of your company among local communities? Being able to track and communicate impact is a tool for internal decision-making as well as informed brand communication.

Know what you stand for as a brand and be consistent about it – Pleasing everyone serves no one. Hyper transparency is here to stay, and the brands that aren't publicly clear about their intentions and values risk being left behind.

5. If you don't know me by now

Shoppers' growing demand for increased personalisation will pave the way for sophisticated and enriched shopping experiences that are increasingly human. Retailers' ability to deliver on this will depend on acquiring shoppers' data. As this is a transaction between customer and retail brand, a customer-focused approach to data will prove valuable.

Diversify data points to make better experience decisions – Retailers should leverage the opportunities technology provides to mine the data and spot patterns and trends. How do checkout patterns compare across your online and in-store platforms for example? Brands should look to AI and machine learning to help organise data points in a useful way.

Let the customer take the wheel – Consider your brand permission when it comes to gathering personal data and allow people to self-profile, giving them decision power over how they want your brand to know them. If you give them a compelling reason why they should be sharing their data with you, they are more likely to do so.

Make magical your minimum – Ensure that the data you collect is intended to create shopping experiences your competitors can't replicate. Let the customer be your guide. Consider not just what customers are likely to buy, but what is likely to spark joy.

Looking ahead, both digital capabilities and flexible operations will remain fundamental to success in the next phase of retail. They will inform new and engaging shopping models and experiences, which will be needed by retail organisations to meet customers' evolving expectations and demand.

ABOUT JOHN WATLING

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