Prepare for the future of shopping.

14 retail experts talk about the future of shopping and what you can do to prepare.
## Table of contents

**Introduction** ........................................................................................................................................ 3

01 **Retailers must adopt the “four pillars of Amazon success” to thrive.**  
Bryan Eisenberg, Founder and CMO, IdealSpot ................................................................. 4

02 **Delivering personalized experiences will be key.**  
Melissa Gonzalez, Chief Pop-Up Architect, The Lionesque Group ........................................... 6

03 **The days of one-size-fits-all customer service are over.**  
Jim Roddy, President, Innovative Retail Technologies ............................................................ 7

04 **Retailers must be prepared for Amazon’s no-click future.**  
Steve Mader, Vice President – Digital & Retail Insights, Kantar Retail ........................................ 8

05 **Retailers will eliminate inefficiencies in managing staff.**  
Kristin Harris, General Manager, Deputy ..................................................................................10

06 **Retailers will use technology to strengthen customer relationships while making operations easier.**  
Brent Spicer, CEO, Collect Apps ..................................................................................................11

07 **Retailers will increase their efforts to set up fully integrated systems.**  
Jessica Pearse, Events and Product Marketing Specialist, Unleashed Software ...........................12

08 **Many of the fundamentals will stay the same.**  
Ryan Baker, CEO, Timely ..........................................................................................................13

09 **Business collectives will continue trending.**  
Chris Benham and Angelka Vegar, Storbie ..................................................................................14

10 **Retailers should expect an uptick in competition.**  
Kevin Loomis, VP-Product Development & Co-Founder, Ecomdash ...........................................15

11 **The future of retail will be transparent, dynamic, and seamless.**  
Keith Anderson, VP, Strategy & Insights, Profitero .......................................................................16

12 **Retailers must make authentic connections.**  
Bridget Johns, Head of Customer Success, RetailNext ...............................................................18

13 **The future of retail is mobile.**  
Jon Worley, CEO of Proximity Marketing division, Proxama ......................................................19

14 **Retailers must get back to the basics.**  
Luigi Mallardo, VP of Global Sales and Marketing, Whisbi .......................................................20

About Vend........................................................................................................................................ 22
As the retail industry continues to evolve, merchants who want to thrive in the coming years need to be more forward-thinking. After all, one of the keys to succeeding in the future is to anticipate it. Of course, predicting the future is easier said than done. There’s no crystal ball that can give you a fool-proof glimpse of what’s ahead, but we do have the next best thing.

To help you gain a better understanding of what’s next in the retail industry, we got in touch with 14 retail experts and influencers and asked them: What is the future of retail and what can merchants do to prepare?

The answers they provided were thought-provoking and diverse. They covered a range of topics that are relevant to retailers of all types and sizes, so no matter what kind of store you’re running or what industry you’re in, you’re bound to get some ideas and – more importantly – action steps from the insights in this piece.
Brick & mortar retail has a real advantage. People love to touch, feel and experience great shopping. The challenge is they need to develop the culture to compete with the likes of Amazon. Just as Wal-Mart didn’t put everyone out of business, neither will Amazon, yet it is going to hurt a lot of businesses that don’t adapt soon.

The top source of friction most customers are feeling today is the effect of time crunch. We are busier than ever and want things faster and easier with less commitment. We want personalized experiences that account for our preferences and constraints. Retailers must track these trends and find ways to create remarkable customer experiences that save our customers their precious time.

Bryan Eisenberg, Founder and CMO, IdealSpot
Twitter @TheGrok | LinkedIn linkedin.com/in/bryaneisenberg

Retailers must adopt the “four pillars of Amazon success” to thrive.
What can you do to prepare for the future?

The key to success is to adopt what I like to call the 4 pillars of Amazon’s success:

1. Be Customer Centric – Ask yourself: will you be in the business of helping your customers buy, or in the business of trying to sell them hard?

2. Be Creative – In today’s environment, and with our need to keep up with our customers, we must find ways to experiment. Figure out what works, what doesn’t, and what is going to work next. Start small but keep experimenting.

3. Be Focused on Customer Experience – What are the little details of your store saying to your customers about what you think of them? What are the remarkable things in your customer experience?

4. Continuously Improve & Optimize – What data are you using to make your decisions? How often are you acting on this data? Is this data aligned with your brand and customer experience?
Delivering personalized experiences will be key.

Merchants should be able to know who they are serving and providing products for, how often those customers shop, and have the ability to offer them relevant perks.

Melissa Gonzalez, Chief Pop-Up Architect, The Lionesque Group
Twitter @MelsStyles | LinkedIn linkedin.com/in/melissagonzalezionalesque

The future of retail will encompass the continuous evolution of consumer connectivity and immersive interaction. Retailers must be prepared to deliver a personalized experience to shoppers, whether their store is small or large.

If your POS system isn’t providing in-depth analytics on your customers, inventory and conversions, it’s time to upgrade ASAP. Merchants should be able to know who they are serving and providing products for, how often those customers shop, and have the ability to offer them relevant perks. These don’t always need to be discounts, but could be alerts when top products are back in stock, or exclusive first looks on new launches.

Incorporating sensors in stores is so affordable now there is little reason for a merchant not to have them. With knowledge of traffic patterns and trends via companies like Placemeter, merchants can better serve their customers with pertinent hours of operation and more. They can take the interaction further with beacon technology from companies like Footmarks, better targeting the delivery of deals and personalized incentives.

To bridge the online-offline experience, merchants need to be sure they understand their customers in all environments – online, mobile and in-store.
The days of one-size-fits-all customer service are over.

I can’t tell you the exact future of retail, but I can point you to the person who has that answer: your customer.

Jim Roddy, President, Innovative Retail Technologies
Twitter @Jim_Roddy | LinkedIn linkedin.com/pub/jim-roddy/6/523/a68

The days of one-size-fits all customer service are in our rear view mirror. Today retailers are challenged to innovate in order to provide as individualized a customer experience as possible.

Our organization feels so strongly about this trend that we changed our magazine’s name from Integrated Solutions for Retailers to Innovative Retail Technologies. We have seen leading retailers shift from focusing on back-end efficiency to embracing new technologies and philosophies that help attract and retain loyal customers.
Retailers must be prepared for Amazon’s no-click future.

There will be resurgence in the category specialist that can convey their expertise through a curated assortment that helps reduce shopper angst.

Steve Mader, Vice President – Digital & Retail Insights, Kantar Retail
Twitter @StephenMader | LinkedIn linkedin.com/in/stephenmader

When you look at the entirety of Amazon’s recent big bets — Amazon Prime Now, Echo Voice Re-ordering, Amazon’s Choice, Dash Replenishment Service, and Dash Buttons, the long term strategy of this “Amazon as a service” idea becomes clear: the retail giant is envisioning a no-click future.
In Amazon’s vision of a no-click future, once a shopper has made their brand or item choice, it will work behind the scenes to ensure the lifetime consumption of that choice is as frictionless as possible.

This has a couple of massive implications for how suppliers will go to market with Amazon:

1. Highly promotional categories will be disrupted as it becomes excruciatingly difficult to switch a shopper out of their replenishment-locked item.

2. Continued separation of Best Seller SKUs away from the general assortment.

3. Item level profitability on Best Seller SKUs will become even more important as the focus on replenishing individual products will likely result in smaller basket size, and thus a higher cost of fulfillment per item, unless significant order consolidation occurs.

What about merchants that are competing against Amazon?

The retailers who can compete are those which create value by reducing the stress of the shopping mission. Shopping on an Amazon (or any of the ecommerce mass merchants) can often result in choice fatigue due to the huge assortment. There will be resurgence in the category specialist that can convey their expertise through a curated assortment that helps reduce shopper angst.
Ongoing technology advancements, growing competitive pressure, and increasingly savvy consumers continue to impact retailers across all categories. At the same time staffing remains the single largest controllable expense item on the balance sheet. With margins tighter than ever, the ability to finely match customer demand with workforce supply will become more critical than ever.

Like inventory errors, employee mismanagement can be extremely costly. The key to establishing an optimal workforce is eliminating inefficiencies in managing staff. For retail operators now and in the future, accurate labor budgeting and planning is the foundation of real-time retail agility.

It’s all about making sure the right person, with the right skills, is in the right store at the right time while accounting for full and part-time ratios, labor policies and union rules. This can be the difference between bumper customer spending or lackluster sales.

Only by integrating day-to-day operational management with employee scheduling, and time and attendance processes can retailers hope to increase the accuracy of labor forecasts. With real-time visibility and analytical insight retailers can plan with more certainty and predictability. The upshot of that is only paying for labor when it’s truly needed, helping ensure optimal customer experiences while improving bottom-line business results.

With margins tighter than ever, the ability to finely match customer demand with workforce supply will become more critical than ever.

Kristin Harris, General Manager, Deputy LinkedIn linkedin.com/pub/kristin-harris/2b/593/594
Retailers will use technology to strengthen customer relationships while making operations easier.

Consumer technology is moving fast, and retailers are faced with the exciting (and a little bit terrifying) challenge of keeping up in today’s mobile and social world.

Brent Spicer, CEO, Collect Apps
Twitter twitter.com/collectspice | Linkedin nz.linkedin.com/in/brentspicer

The future of retail is all about using technology to strengthen customer relationships and improve the customer experience, while making the day-to-day operations easier for merchants.

Take an emerging consumer technology like Apple Passbook, soon to be Apple Wallet, for example. Consumers use Passbook to keep their coupons and loyalty cards in one place on their iOS device and will soon be able to pay using the same app. This is a technology that’s just now available for merchants to start taking advantage of. As more and more consumers adopt it, it will become vital as they demand to use it in-store. But to ensure it actually improves the customer experience it needs to be fully integrated with point-of-sale and your loyalty software or offers marketing engine, so that it runs slickly, speeding up transactions over the counter.

It’s all about recognising emerging consumer technologies, implementing them early, and in a way that improves the customer experience, while making things easier for staff. And all while creating that ‘wow’ factor that puts your store ahead of the competition making it a fun and interactive shopping experience.
It is the consumer’s expectations that drive the demand for numerous shopping options, access to a large amount of product data, retail comparisons, competitive offers, constant availability of brand options and so on.

Due to this rising demand, retailers are increasing their efforts to set up a fully integrated system to not only meet their clients’ needs, but also allow for flexibility, and support new ideas with little disruption to their profit and sales. At the core of this model is supply chain and inventory management. While the typical interaction is with POS and ecommerce systems, retail businesses need to have the mechanisms to both take and feed data in real time to report on cost of goods, warehouse location and how much stock there is on hand.

The future for retail will involve an integrated eco-system to ensure complete visibility and efficient supply chain management.
Successful retailers will continue to put their customer’s experience at the centre of their world.

Retailers have the opportunity to forge deeper relationships with customers who are carrying, wearing and even driving more and more connected devices. These devices collect and share all sorts of data, which will allow customers to receive the best products and services, in a completely personalised way, at the right time, wherever they happen to be.

Done right, every customer will feel like a VIP on Rodeo Drive, whether they are shopping in store, at home, on the bus, or in their sleep. Retailers can prepare for this by treating this future as an evolution rather than a revolution. Bake change into the culture of your retail business and make small advances in the technology and systems you use on a regular basis.
A recent notable example is New Zealand craft breweries with Wellington brewers Yeastie Boys and Tuatara Breweries, Renaissance Brewing from Blenheim, 8 Wired Brewing Co from Warkworth and Three Boys Brewery from Christchurch forming the New Zealand Craft Beer Collective to help market their brands to Asia.

So what can retailers do to ensure they are ready to take advantage of this trend?

Firstly it is important for retailers to find themselves a niche and become an expert in that area. Niches such as Funk Estate and their Seriously Funky Brews allow them to take advantage of a craft brewery collective but still stand out from the crowd.

By establishing a niche, retailers can maintain margins when consumers have online access to products from all over the world. In addition, operating within a niche provides an opportunity for retailers to grow their audience. Where once a retailer was limited by their geographical boundaries and lack of numbers to service a niche, now, by adopting a multi-channel strategy which includes physical retail and ecommerce, they can tap into already-established communities of customers around the globe who are passionate about what they are selling. And by joining collectives, retailers can effectively sell to the converted.
Retailers should expect an uptick in competition.

An increasingly low barrier to entry for ecommerce, in conjunction with a growing variety of online selling tools, will encourage more and more businesses to enter the industry and create competition for current sellers.

Kevin Loomis, VP-Product Development & Co-Founder, Ecomdash
LinkedIn linkedin.com/pub/kevin-loomis/6b/880/28b

This uptick in competition will likely drive down prices and cut profits, forcing current retailers to get creative and find cheaper ways to source products, up their omni-channel marketing strategy and begin selling to alternative markets and niches to make up the loss.

Many of the businesses now selling online may also grow operations to include brick and mortar or pop-up stores in effort to mature their business model and establish their brand. Others may also begin to test new marketplaces and find which channel is most profitable for their products. Though most businesses today sell on Amazon, eBay, a shopping cart and through a POS system, the introduction of burgeoning ecommerce marketplaces will likely encourage sellers to list their products via new sales channels. I think we may see sellers expand to all available channels as they arise within the space.
The future of retail will be transparent, dynamic, and seamless.

Going forward, expect retail to be transparent, dynamic and seamless.

Keith Anderson, VP, Strategy & Insights, Profitero
Twitter linkedin.com/in/keithanderson101 | LinkedIn twitter.com/KeithAnderson

Going forward, expect retail to be:

1. **Transparent** – Shoppers already have unprecedented access to detailed information about retailers’ pricing, promotions, and individual products. Recent data from Deloitte suggests that $0.64 of every dollar purchased in retail stores is digitally influenced, so don’t count on shoppers being uninformed.

2. **Dynamic** – As ecommerce and digital influence grow, many aspects of retailing are becoming more dynamic. Profitero data shows that Amazon, for example, changes prices on millions of products daily.
Greater transparency means that your competitors likely have better intelligence too. Anticipate that competitors will see anything shoppers do, and consider investing in competitive monitoring capabilities to take advantage of growing transparency.

Business planning cycles that used to take months or longer are being compressed to near real-time. Expect more retailers to invest in capabilities that give them continuous visibility into key performance indicators like stock levels, sales, and staff scheduling and help them make optimal decisions on the fly.

Tomorrow’s shoppers will expect a consistent experience online and in-store and transactions as quick, easy, and personal as some of their favorite non-retail experiences.

Forward-thinking merchants will set the bar high for their customers’ experience and eliminate friction in everyday customer interactions like paying for or returning products.
Retailers must make authentic connections.

Whether online or in physical stores, the future of retail lies in making authentic connections with shoppers and engaging with them on a personal level.

Bridget Johns, Head of Customer Success, RetailNext
Twitter twitter.com/bridgetjohns

With today’s shopper and her new shopping journeys, it’s becoming more important than ever to optimize a shopper’s visit to store or site. This can be through an understanding of what she’s shopping for and ensuring there’s available inventory on site, or at least a very convenient option – to the shopper – to deliver products to her.

Specific to retail stores, because of the lower frequency of shopping trips and store visits, the imperative arises to deliver an authentic, seamless, branded shopping experience – from the most optimal shopper interactions with staff to the minimum points of friction in the shopping process. These are the things that will establish a store as a ‘retailer of choice’ and keep her coming back. To position itself best in the competitive retail space, a brand should utilize technology touchpoints to connect with the customer, with the goal of capturing opportunities to engage and retain a loyal following. Some of the best examples include fitness apparel, where companies like UnderArmor and Nike have invested in fitness apps, giving them a very authentic way to connect with customers.

Authenticity is so important. Shoppers can sense a lack of authenticity, and because of the wealth of alternative products, channels and retailers, they quickly move off one brand and onto another.

Lastly, retailers need to ensure in-store technology is designed around the shopper, her journey, and resolve her pain points. The shopper is key – what’s good for her is good for the business.
The future of retail is mobile.

We are fast approaching a place where mobile technology will offer retailers a channel that will create a perfect synergy between payments, loyalty, marketing and advertising.

Jon Worley, CEO of Proximity Marketing division, Proxama
LinkedIn linkedin.com/pub/jon-worley/2/329/122

The mobile device is increasingly becoming an essential part of the customer’s shopping journey. Bluetooth Low Energy (BLE) Beacons, NFC and QR codes are the latest proximity technologies on offer to retailers, providing an opportunity to engage with customers via their smartphone. Mobile payment technologies such as Apple Pay are already using this type of innovation but, despite the relatively slow consumer uptake of this technology, the smart retailer will be looking beyond just mobile payments.

Retailers should be thinking ahead about implementing these technologies within a mobile strategy that cleverly integrates mobile payments with customer loyalty and marketing initiatives. This is where the future will get interesting.

Retailers that have designed a mobile offering that links mobile payment infrastructure with sensitively planned marketing messaging and valuable loyalty initiatives will have the best chance of delivering a unique and engaging mobile-enhanced in-store shopping experience.
Retailers must get back to the basics.

We at Whisbi believe that the key of retail success lies in ‘getting back to basics’, to the roots of the shopping experience.

Luigi Mallardo, VP of Global Sales and Marketing, Whisbi
Twitter twitter.com/luigimallardo | LinkedIn es.linkedin.com/in/luigimallardo

It is very remarkable that most companies predict that they will be competing mainly on the level of customer experience instead of price or products in a few years time.

It’s the result of a customer (r)evolution. Shoppers now want to have it all: they demand convenience, speed and ease, yet they don’t want to sacrifice either the quality of the products or the quality of the shopping experience.

We believe that the best indicator is the typically huge gap between online sales conversion rates and that of physical stores. Approximately $4 trillion worth of merchandise is left in online shopping carts each year. For bigger companies, this means lost revenue, yet for smaller companies it translates not only into ‘profit loss’ but also an existential threat.

Our personal learning is that if you can recreate a real store experience 100% online, then the sales conversion you can expect is closer to in-store conversion than to online rates. As digital interactions already influence one third of spending at physical stores and cross-channel shoppers tend to spend more according to studies, omnichannel solutions will hold huge business potential in the future.
Take steps to future-proof your retail business.

Now that you have some idea of what to expect in the coming months and years, it’s time to think up ways to future-proof your store.

Take the insights that you’ve learned above and figure out the best course of action. Talk to your customers and staff, do some research on solutions and technologies that can help you meet your goals, then take the steps to achieve them.

Good luck and here’s to your current (and future) #retailsuccess!

PS: Looking for a tool that can help you future-proof your retail business? Vend’s POS, inventory management, ecommerce and customer loyalty solution could be right for you. Click here to learn more or take a free trial today.
About Vend.

Vend is a cloud-based retail software platform that enables retailers to accept payments, manage their inventories, reward customer loyalty and garner insights into their business in real time. Vend is simple to set up, works with a wide range of point-of-sale devices and operates on any web-capable device with a browser.

Whether it’s simplifying the inventory process, cutting 30 minutes from their end-of-day bookkeeping or making it simpler for them to sell their products on multiple channels, Vend’s mission is to make retailers’ lives easier.

With Vend, retailers are able to focus less on transaction and inventory concerns and more on creating that relationship with their customers. Vend aims to empower merchants by putting the right data and tools into retailers’ hands and enabling them to do things themselves – and succeed.

Run the worlds best retail
www.vendhq.com