



# TOP 5 RETAIL TECHNOLOGY TRENDS REVOLUTIONISING SMALL BUSINESS AND HOW TO USE THESE TO YOUR ADVANTAGE

The integration of technology into our everyday lives has completely revolutionised how consumers interact with retail businesses. But what exactly can business owners do to ensure that they thrive in this new digital marketplace?

The once rigid line between in-store retail and e-commerce is blurring as on-the-go, tech-savvy shoppers research, browse, try on, and transact wherever and whenever they please. As a way to adapt to this, retailers have become much more sophisticated in how they predict demand, manage and move inventory, and integrate their physical, virtual, and mobile selling channels. Retailers that offer a more seamless and integrated experience between their physical and online stores have better results than those who do not.

“1 billion people (53% global internet users) have made an online purchase in 2016”  
- SmartCompany 2016

The brick-and-mortar store hence, no longer commands consumer loyalty. In general, people are more willing to shop around for better prices and services on the Internet than they were when they had to use the telephone or travel by foot from store to store. With the ease of online shopping, customers are also more inclined to buy from multiple vendors instead of a single one, and are more likely to switch to new suppliers due to even the slightest dissatisfaction. Even business-to-business customers are more fickle than they used to be. As transaction speeds have escalated, inventory does not need to be maintained for as long, meaning smaller and more frequent orders can be placed.

Due to the rapidly transforming nature of the online world and its integration with offline stores, as a retailer you need to put your best foot forward to stay competitive in this technological age. It's worth questioning whether your company has the culture to be sufficiently dynamic and responsive in **5 key areas** for the large and diverse customer base of the modern retail world.



# 1 Ecommerce

Perhaps mobile phones are no longer cutting-edge, but the boom in mobile e-commerce certainly is, thanks to improved technologies and strategies. By the end of 2016, 25 percent of all retail ecommerce sales will take place via mobile devices.

With expectations for 2016 to be another record year for online sales, retailers need to make sure they stay ahead of the curve to get their share. Get on board with ecommerce. Create a comprehensive site with detailed product images and descriptions to aptly target your market.



Make online payments smooth, convenient and easy by catering to customers' needs and preferences. Providing a vast array of options for payments, marketing and customer support will help online merchants gain new customers and offer existing ones more opportunities to make a purchase.



As a retailer, it's also important to not only consider the digital payment options available online but also those in your store. Cash has phased out to credit cards. Now contactless phones' 'tap-and-go' function has been gaining popularity with retail transactions. There are even wearable devices that facilitate payments such as the Apple Watch, Samsung Gear S2 and the Microsoft Band 2.

***By moving towards digitizing your business, you are one step closer to overshadowing the competitor and revolutionising your customers' shopping experience.***

**“ Ecommerce is expected to surpass \$1.5 trillion in worldwide sales by the end of 2016. ”**

# 2 Social Media

It's important to realise that in-store shopping is a highly social activity — interactions occur between customers, sales assistants and even friends you might see whilst out and about. So, it only makes sense that retailers would leverage social media to take full advantage of the customer engagement they already enjoy. Businesses must plug into the social buzz to gain insights from their customers and use these learnings to deliver strong marketing campaigns in touch with their consumer needs.



To go about doing this, consider what platforms your shoppers could be operating on. If you're a company whose target audience comprises significantly of millennials, your marketing should definitely not be restricted to the likes of only Facebook. Get on board with apps such as Instagram and Snapchat to reach the right market and in return, get the market to engage with you.



Snapchat recently launched Geo Filters for businesses whereby companies can design and run a filter within a particular vicinity to promote their brand or encourage a deal. As a retailer who integrates online and offline experiences, you could for example, create a filter that advertises a 10% discount on all in-store purchases when customers share the snapped brand image with friends.



Additionally, in many other ways social media is becoming increasingly commercialised for businesses. Significantly driven by the growing amount of smartphone usage, retailers are opting to improve their buying functionality on social. Many social apps now contain 'Buy' buttons that when clicked, sending users directly to the retailer's ecommerce site.

***It should be the aim of every retailer to remove as much friction from the buying process as possible. Through social commerce you can certainly make this achievable.***

**“ 68% of all Australians are on social media, with half of these people logging in daily. This represents huge potential in terms of organic and paid reach via social media platforms! ”**

## TIPS FOR SOCIAL MEDIA SUCCESS

Choose the platforms that are right for your audience. What works for middle-aged professionals won't work for students and young adults.

Get active! Post regularly about your business, your products, industry news, and topics relevant to your target audience. Aim for 2-3 times a week to start.

Use reviews to your advantage. Over half of all social media users read reviews before making a purchase so encourage reviews from all customers.



# 3 Product Technology

Ever heard of a Fitbit? The product is an activity tracker and wearable device able to deliver information on metrics such as heart rate, number of steps walked, calories burned and any other vital piece of information an active on-the-go individual would need.

The truth is, most of you would likely be looking forward to hearing the end of Fitbit. No doubt it would be surprising if your yoga loving, health concerned or super athletic acquaintance hasn't already boasted about the perks of having this wearable technology in their lives. The device has well and truly taken the sporting world by storm and spread to mass consumer consumption.



But it doesn't just stop there. From headsets and smartwatches to fitness and health devices, wearable technology is being embraced by shoppers around the world for ease of accessing product and store information, offers, and speed of payment. Smartwatches will continue to lead the wearables market. They accounted for 59% of wearable sales in 2015 and are estimated to grow to 70% of sales in 2019. Just under 50 million wearable devices were shipped in 2015 and over 125 million units are expected to ship in 2019.



With virtual reality already exploding on the tech scene and augmented reality brimming at the lid, we can expect to see many more innovative wearable technologies soon to hit our shelves. It is now time that every business, no matter of what industry it is in, consider the applications and potential benefits wearables could bring to their organization.

***It is vital that retailers research and most importantly OFFER the latest product technology available to meet consumer demand.***

**“ By 2018, the global wearables market is expected to reach a staggering 25 BILLION dollars. ”**

## TIPS FOR EMBRACING PRODUCT TECHNOLOGY

It doesn't have to all be go-go gadget technology.

Even providing the most modern versions of your products to your customers show that you are up-to-date with evolving needs eg. The Halo Headband with patented SweatBlock Technology.

By promoting products with the most up-to-date technology in their field, whether you sell sports equipment, clothing accessories, clothing or more, you are helping your business stand out from the many competitors on-and-offline, giving you a unique advantage!

# 4 In-Store Digital

Online shopping is booming and with the transition to digital transactions continually increasing, it's important that Brick and Mortar stores in particular work hard to compete with a web buying experience.

How exactly can this be achieved? Well, if you can't take the offline online, it's time you take the online offline. Bring technology, literally, to the forefront of your store.

iBeacons are an excellent example. With the power of geo-targeting on most phones, there is no better way to harness the capabilities of proximity driven digital marketing. Customers who are nearby or enter a store with a specific app installed on their iPhones, will be alerted about deals and items that they may be interested in.

You may think, 'But surely this is a bit annoying for the consumer isn't it?'. Perhaps in some ways, but not if you approach your marketing the right way. An individual who chooses to be an app user is effectively someone who is on the lookout for daily deals, rewards and discounts. Utilise the ability of GPS technology to drive foot traffic straight to your store and deliver shoppers with the promotional incentives they are looking for.

Another mode of bringing digital to offline retail is via inbuilt smart technology. Set up tablets or iPads in your change rooms to enhance the customer experience as they can gain immediate access to item stock levels, colour ranges and pricing. Take it a step further and introduce recommended items that they can 'virtually' try on with the outfit they have chosen. The realm of possibilities here is endless.



“ In 2015, 64% of all in-store sales were influenced by the internet. ”

HostingFacts.com

## TIPS ON GETTING DIGITAL

Think outside the box and come up with ideas to encourage people to visit your physical store. This could be in the form of promotions and discounts only available in-store, or by revolutionising the experience your customers have when they visit. With retail becoming increasingly competitive, it's important to make shopping at your business a real experience - this is what will set you apart from others.

As mentioned above, bring digital in-store with the use of technology to make the experience as effortless as possible for the consumer. Can you make use of tablets or apps to transform the average shopping trip into something special? What digital technology can deliver convenience and personalisation? Lastly, don't forget now-standard technology such as in-store WIFI and social media pages for check-ins.



# 5 Analytics

As customer preferences evolve and options for where and how they shop expand, you need a better understanding of who your customers are to stay competitive. Retailers have to maximise learnings from the insights of their customer data to optimize operations, refine pricing, provide the products their customers need, etc.



Ensure that proper ecommerce tracking is set up on your website to receive accurate data and use your learnings from this to drive effective online marketing and deliver consumer-oriented products. You can add UTM parameters to promotional links on various marketing channels such as AdWords, Facebook, Google Display Network, etc. to determine the best source of traffic for your business.

You can also translate in-store consumer data from tracking of sales transactions to your online store. If you notice that a significant portion of customers purchase certain accessories along with clothing, include a recommended add-on section to clothing product images in your online store.



Most importantly, know how to use marketing analytics to make targeted and localised decisions in real time. For example, remarket to those who have visited a particular page on your website recently, anticipate future trends of demand and reach audiences near the end of the buying funnel.

*It is inherent that retail executives understand the importance of investing time and money into data and analytics. This is undoubtedly the best way to gain insight into your customer behaviour and produce the right course of action to enhance sales.*

“ Revenue in the Business Intelligence and Analytics market should reach \$16.9 billion by the end of 2016 - revealing just how much value companies are placing on analytics being at the forefront of strategy. ”

## TIPS FOR USING ANALYTICS TO EVOLVE YOUR BUSINESS

Choose an Analytics platform you feel comfortable with (for example, Google Analytics), and set up tracking and goals based on your business objectives - contact form submissions, phone calls, PDF downloads, product purchases and/or sales revenue.

Monitor your results and notice any outliers that could indicate areas of improvement. Are people leaving your website immediately upon entering it? Are they abandoning the shopping cart at the same point of the sale?

Make changes! Using the outliers identified, make adjustments to the sale process, call-to-action buttons, and more. This is the most critical part and is where you can turn your website into a well-defined, revenue-making machine!

It's evident that in our modern day and age, unless you're a retailer that is keeping up with digital, you'll be one that is falling behind. Short and sharp, here are the five main points to remember:

## 1. Ecommerce

In the 'I want it now, I need it now' age, get on board with online shopping and diminish the efforts of online and offline transactions as much as possible.

## 2. Social Media

Facebook and Instagram stalking isn't limited to individuals. If you're a business, you definitely want to have social for your customers to check you out.

## 3. Product Technology

Meet consumer demand. Technology shouldn't just be in how you engage with customers but should also be a part of what you sell them.

## 4. In-Store Digital

Get out of the 20th century traditional store layout and bring in the new with in-store screens to engage your shoppers.

## 5. Analytics

It's all about the data. With access to online tracking, much of which is free, every retailer needs to ensure they're capitalising on the power of sales analysis.

**If you're witnessing a decline in bricks and mortar sales, then it's time to stop being a technophobe and get online. The digital future is now; ongoing innovation presents both great opportunity and great risk to your business. Embrace technology and disrupt the status quo to create a great customer experience and pave your way to online business success.**



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