



# Demanding Digital:

## Retail in focus

How digital services can revitalise the high street

Traditional, or bricks and mortar retailers, have had a tough time recently. Since April 2014 high street footfall figures have fallen consistently every month except for January 2016. This has resulted in stores throughout the UK being left vacant as retailers look to cut costs, and become reluctant to take new risks with additional real estate.



of consumers feel that "different digital services don't always work together as well as they should, even when they're from the same organisation



want a simpler, cleaner experience from digital services provided by traditional retail



expect to see virtual reality shops that are completely tailored to their shopping preferences within five years

Despite this, it's not all doom and gloom. There is a unique opportunity for retailers to adapt to meet changing customer needs. Online retail is of course the flagship of digital services, but at every turn traditional retail can or is using technology to improve customer experience. Whether that's in-store with footfall analytics or through mobile point of sale, stores that do not use technology to improve customer experience in some way are rapidly becoming a thing of the past. But consumer expectations, particularly when it comes to digital services, are on the rise.

To understand what the next steps are for retailers, we asked over three thousand UK consumers what they thought of their

digital experiences, how they compare to other sectors, what they expect now, and critically - what makes them walk away. This direct feedback from consumers has allowed us to draw some conclusions around how bricks and mortar retailers can use their stores and existing digital channels to return to winning ways.

Virtual reality is a hot topic at the moment, and the hype has clearly got consumers excited. Over half (51%) expect to see the emergence of virtual reality shops that are completely tailored to their shopping preferences within five years. Whether you agree with this timescale or not, its clear consumers expect big things. Although

the basic premise of the high street shop hasn't changed in hundreds of years, what has changed are the digital services that can wrap around it. You no longer have to queue for your coffee during your morning commute, you can simply order it on an app before you arrive. You don't have to wait until you get into a store to browse for an item you want, you can reserve it online and collect it at a time that works for you. The crossover between the physical and digital world has never been stronger. This interconnectivity has been noticed by consumers, and 59% agree that they feel "more positive generally about organisations that offer well designed digital services."



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Consumers are clear about where they want improvements. Most important of all is a simpler, cleaner experience (43%) that makes things faster for them (38%). But it doesn't stop there – 34% want the option to earn a discount or loyalty benefits, while a fifth want a personalised service that remembers who they are and their preferences.

Meeting these digital demands is likely to result in increased customer retention, as 51% believe they would be more likely to become a repeat customer of an organisation that offers an innovative digital service. As organisations in all different verticals search for the key to customer retention, it seems the answer is meeting these seemingly simple expectations.

The key here is making consumer experiences as simple and enjoyable as possible. To achieve this, digital services must be developed with the user at the



want a faster digital service



want the option to earn a discount or loyalty benefits

heart of them. Each and every possible route to purchase must be considered to include online, mobile, in-store or a combination of all three. Linking the three can be challenging, and as a result 55% of consumers feel that "different digital services don't always work together as well as they should, even when they're from the same organisation."

Despite dwindling footfall figures, billions are still spent each month in UK stores, presenting a huge opportunity for retailers.

As designer **Betsey Johnson** once said; "Hard times always lead to something great."

But to reach those 'great things' retailers must continue to place consumers at the heart of what they do, introducing digital services that build on their current expectations, and deliver new compelling in-store experiences to meet their ever-increasing demands.



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