

The Evolution of Retail and Customers

Retailing is undergoing two significant shifts. The first is technological, and the other is consumer behavior. Retailers that stay ahead of the curve at both fronts will thrive in the long-run.

The Retail Evolution

Retail 1.0

- > Physical Stores
- > Self Service
- > Single Channel

Retail 2.0

- > Departmental Store
- > Supermarket
- > Hypermarket

Retail 3.0

- > Technology Advancements
- > eCommerce Boom
- > Global Selling

Retail 4.0

- > mCommerce and Social Media
- > Multi-channel and Omni-channel
- > Sensors and Beacons

Retail 5.0

- > Reimagined Physical Stores
- > Self-checkout System
- > AI and Robots



Generation of Customers

Silent

- > Option of Just Brick and Mortar
- > Simply Come and Buy the Product

Baby Boomers

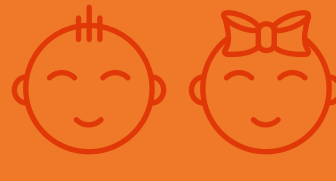
- > The Rise of Radio and TV Ads
- > Started to Hold the Power

Gen-X

- > The Internet Boom
- > Customers Became the King

Millennials

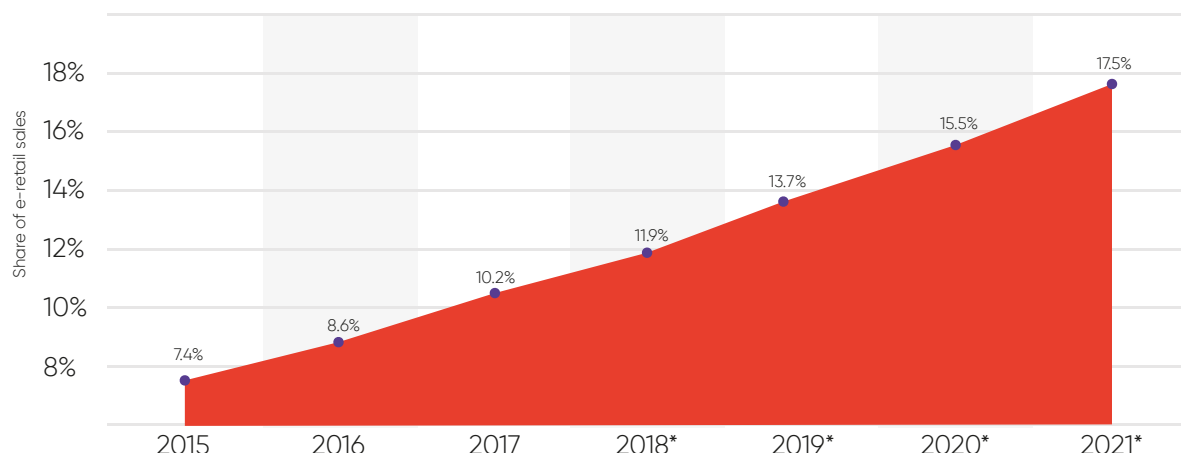
- > The Age of Omni-channel
- > Now at the Core of Everything



Current Shopping Trends

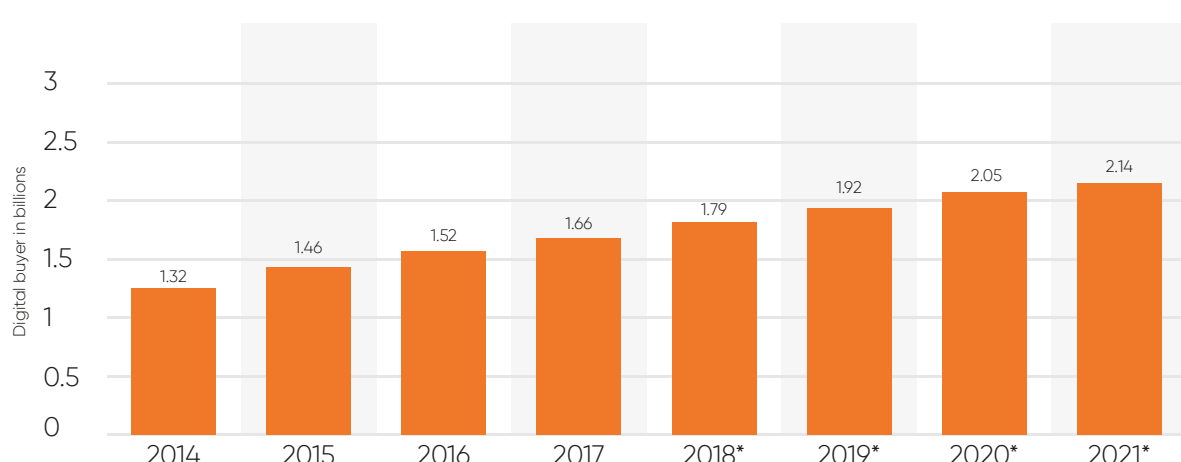
E-retail Sales

In 2017, e-retail sales accounted for 10.2 percent of all retail sales worldwide. This figure is expected to reach 17.5 percent in 2021.



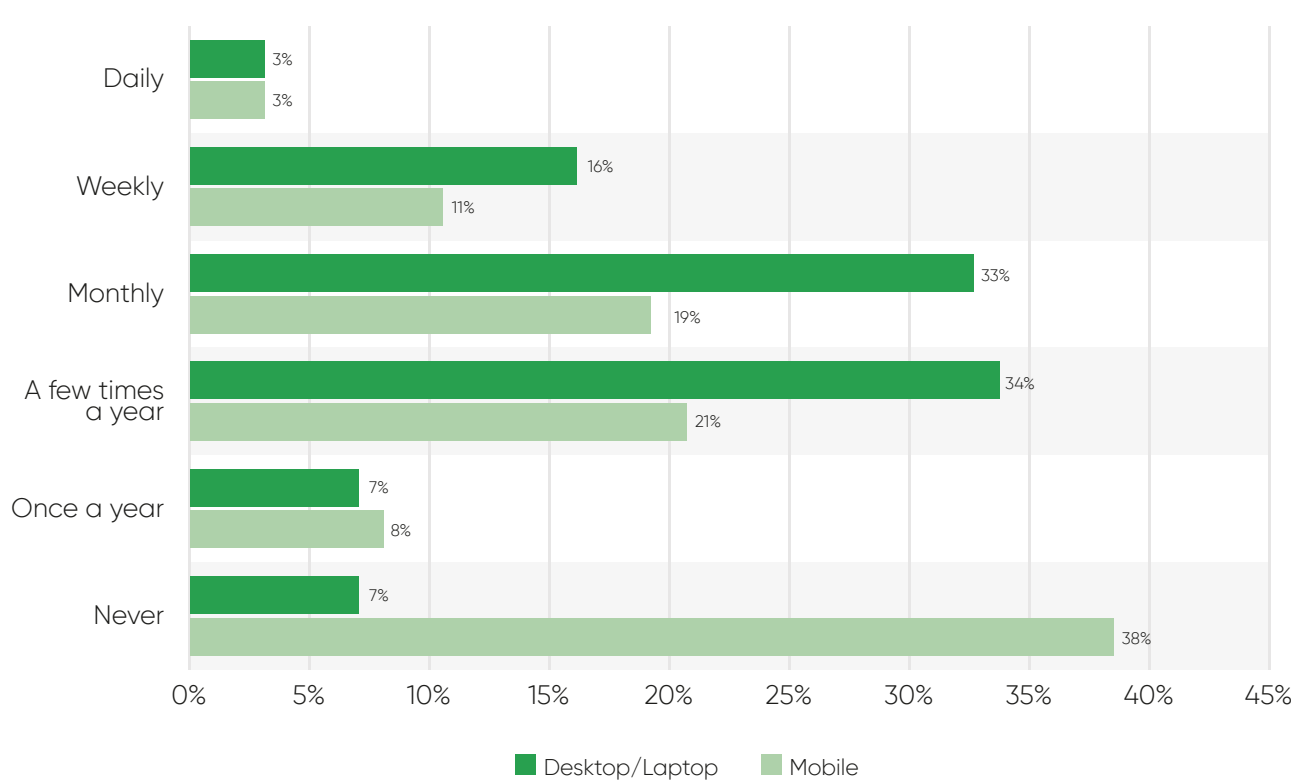
Digital Buyers

In 2021, over 2.14 billion people worldwide are expected to buy goods and services online, up from 1.66 billion global digital buyers in 2016.



Device Usage

During the survey period, 11 percent of respondents stated that they shopped online via mobile on a weekly basis.



Loyalty

75% of consumers said product information found on social channels influenced their shopping behavior and enhanced brand loyalty.



Unified Experience

70% of consumers were more likely to recommend a brand if their experience with that brand was simple and there were unified communications across all channels (Schneider, 2015).



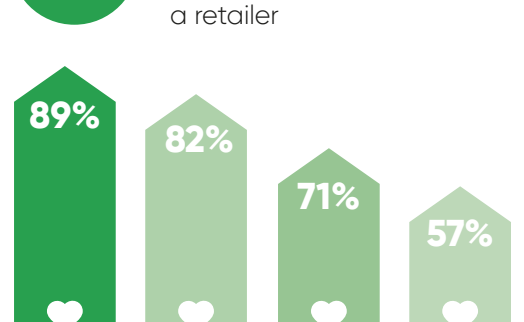
What Matters Most in Retail Shopping?

For Customers:

- Personalized shopping experience
- Hassle-free return policy
- Automatically get the lowest price
- Uniformity across platforms (digital and in-store)
- Easy loyalty program



More than half of the customers say they would pay more if their top benefits were included in the customer experience. Millennials and Gen Xers much more likely to pay a bit more for the experiences they value.



The biggest impact of a great customer experience is loyalty. 77% of customers say if they received their top three benefits, they would shop at the retailer more often. Millennials are the most responsive group, with 89% saying they would be more loyal to retailers offering the benefits they want most.

For Retailers

- Easily consolidate and manage any data
- Build personalized purchase journey across all channels
- Bridge the digital divide between online and physical store
- Blend mobile, micro-location, voice assistants, and AI-powered technologies
- Reduce time-to-market

Technology Spending

Rise approximately 3% over the next 3 years

Omni-channel

Retailers continue to build omni-channel capabilities

Customer Experience

Provide a modern, engaging customer experience

Connected consumers shop omni-channel



Source: PCM Research

Retailers must prioritize their omni-channel strategies to survive and thrive in today's environment.

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