

# RETAIL NEWS INSIDER



## How Technology Is Influencing the In-Store Experience





**There's  
an App  
for That**

# How Technology Is Influencing the In-Store Experience

By Retail News Insider

**"For any given retail experience that involves human interaction, there is a technology either underway or being devised to achieve an equivalent experience for the shopper,"** asserts Dr. Lance Eliot, Vice President of Global IT for Interactions.

**consumers to online marketplaces, innovative brick-and-mortar stores have risen to the challenge and are**

shopping have transitioned to integrate some of the best elements of the online retail experience. Consumers now often have the choice of whether to get those services by interacting with

**From the moment you even think about going to a store, whether you realize it or not, technology is increasingly playing a part in your retail journey. That's because rather than sitting by and losing**

**using similar technologies to draw consumers into the store—and to keep them coming back.**

In just a few short years, many of the services that brick-and-mortar retailers used to tout as their key advantages over online



an in-store associate or by interacting with technology. Put more simply, the slogan “there’s an app for that” now applies to many brick-and-mortar services.

According to Eliot, retailers are using technology inside the store in a variety of different ways. Some are using it to give consumers the option for reducing or even potentially eliminating the need for direct contact with a salesperson, even to get highly personalized recommendations.

For example, clothing retailers like Lord & Taylor and Macy’s are using in-store beacons that connect with their own-branded apps installed on shoppers’ smartphones to send targeted offers and purchase recommendations based on where a shopper goes inside the store.

Northeast grocery retailer Stop & Shop offers an app that allows shoppers to scan and bag their groceries as they place items in their carts, and to receive personalized offers as they go based on their purchase history and in-store location. When they’re ready to check out, shoppers simply scan their digital device, swipe their credit card and leave the store—no associate interaction required.

In a similar vein, Target recently released a new app for the Apple Watch that can guide shoppers around the store, leading them to the products that they have added to their personal shopping list. “More sophisticated apps allow the shopper to scan a product, such as shirt, and the app will then recommend a matching pair of pants, shoes, socks, and so on,” adds Eliot. “Plus, the app will lead the shopper around the store to the aisles where each of those items are located, and even tell the shopper whether the items are in-stock and what colors and sizes are available in the store.”



But not all retailers are using technology as a replacement for associate-led services. Take upscale retailer Nordstrom, who recently announced the launch of a new technology to enhance its traditional in-store Personal Stylist service. For those not familiar, Nordstrom has long offered

its customers the option to book an appointment with a Personal Stylist who will ask question about their style preferences and wardrobe needs, then show them various garments and outfits available in the store that are relevant to them. With repeat in-person visits, a Personal Stylist would get to know consumers’ preferences better and offer more targeted options.

Using a new enhanced service called TextStyle, consumers can now text their Nordstrom Personal Stylist about a particular item of interest using their phone and get a fast reply, often accompanied by an image of that exciting new item as well as complementary pieces. Consumers can then simply reply with the word “buy” to make the purchase. This service can be used while the customer is in the store (for example, if they spot an item they like but can’t find in their size) or anywhere else text messaging service is available.

“In this case, the Nordstrom associate is still very much in-the-loop and a key component of the service,” says Eliot. “The human-to-human contact is preserved and expanded by the use of technology.”



It is this balance of technology and associate engagement that many retailers are struggling and experimenting with as they seek to combine the best elements of online retailing with the best elements of the traditional in-experience. This is true for both brick-and-mortar stores and online retailers making a foray into the physical retail space.

“Online fashion retailer Zalora is a good example of this,” explains Eliot. “They have been creating pop-up stores that allow consumers to see and touch products, but there isn’t any POS per se in the store. Instead, the consumer scans the code on the product to make an online purchase with their own digital device. This bare bones experience has allowed Zalora to cut down on the costs of the in-store equipment and labor, while still providing an in-store experience.”

Eliot goes on to caution, however, that this type of barren in-store experience isn’t a one-size-fits-all solution. “For many shoppers, the in-store experience has to have pizzazz, and they are seeking direction interaction with the store associates,” he says.

The in-store human interactive experience is something many consumers



still crave. According to software firm TimeTrade, 85 percent of shoppers prefer to shop in a physical store versus buying online. A big part of this is the innate need for people to be around other people, to interact with them and to have a jointly shared experience. Shoppers also want to be able to tangibly see and touch the products that they are interested in. These are all things that a purely technology-driven experience cannot fully replicate.

Clearly, high-tech is here to stay and will increasingly become an accepted and integral part of the in-store shopping experience. As more retailers adopt in-store technologies, they will need to carefully consider how to engage shoppers via technology while also maintaining the human element that drives so many consumers into the store in the first place. They’ll also

need to consider the role of in-store technology as part of their overall omnichannel strategy.

“In the not-to-distant future, the shopping experience will no longer begin solely upon entering the store and then end upon exiting,” concludes Eliot. “Instead, it will be a continuum across in-store and outside-of-the-store contact. Retailers who want to make sure that they are always on the minds of consumers will have to meld technology throughout every point of contact they have with shoppers. When done well, it is quite an incredible match.”

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