



Revolutionizing Retail

5 Tech Trends Shaping the Industry

Convenience, Customization, and the Age of AI:

How Retailers Can Use Technology to Drive Growth
in a Competitive and Evolving Landscape



Introduction

In the past 10 years, the retail landscape has undergone a profound transformation, and this evolution has accelerated even further in the wake of the COVID-19 pandemic. In response to a disruptive economic environment that has tightened the budgets of both stores and shoppers, retailers have been forced to become attentive, agile, and creative. Those who have experienced sustained success during the past few years have one thing in common: they've adapted and remained agile to the changing times, technologies, and consumer behaviors. They are committed to embracing emerging tech and are open-minded and eager to adopt AI solutions.

New technologies are revolutionizing the retail ecosystem, enhancing operational efficiencies, consumer experience, and sustainable financial growth. Rapid changes are defining the future of retail, making it crucial to stay informed on the evolving landscape. We've compiled the key trends that brands and retailers should be following to ensure success in 2024 and beyond.

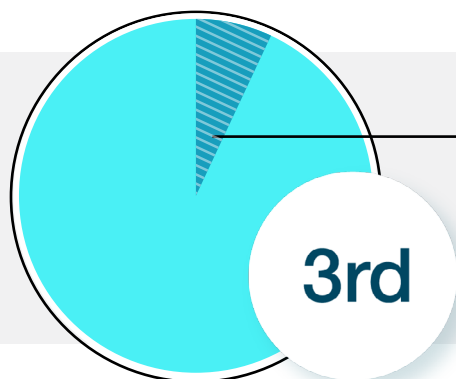
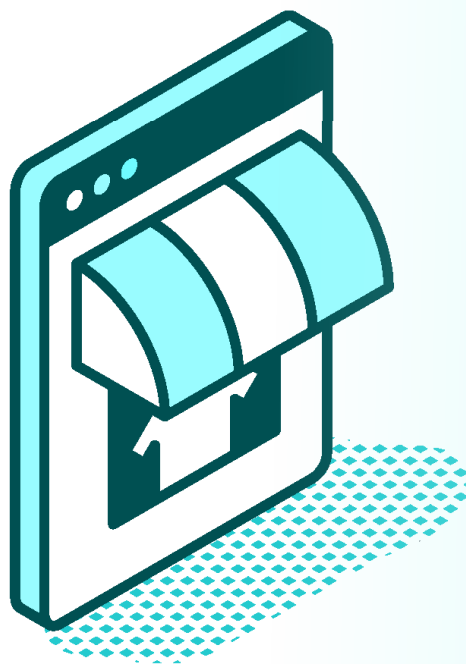


Retail Media & Advertising

Even before the COVID-19 pandemic, online shopping was already on the rise. But in 2020, e-commerce sales experienced an unprecedented surge, increasing by 45.5%.¹

This boost in online shopping created a golden opportunity for brands and retailers to connect with consumers in the digital space where they were already spending most of their time. Enter retail media: an entirely new advertising channel that targets high-intent users to increase sales online. Retail media entails retailers providing advertising spaces within their own digital platforms, enabling brands to deliver their messaging to the right person at the right time. It seamlessly guides shoppers from browsing to making a purchase—all without making them click away to another site.

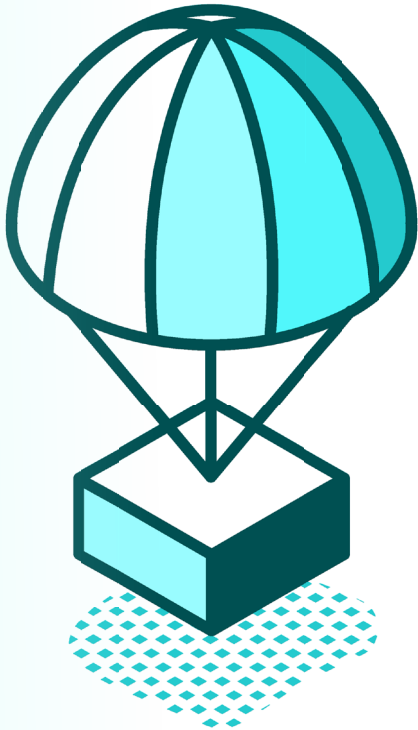
For brands, retail media offers consistent and relevant visibility to potential buyers, influencing purchase behavior. For retailers, retail media supplies valuable first-party data while also creating an additional revenue stream—a strategic and necessary advantage in today's competitive landscape between e-commerce and brick-and-mortar.



Retail media is now 11% of total ad spend and the third-largest digital channel.²

¹ <https://www.forbes.com/sites/jasongoldberg/2022/02/18/e-commerce-sales-grew-50-to-870-billion-during-the-pandemic/>

² <https://www.forbes.com/sites/kirimasters/2022/10/07/retail-media-is-now-11-of-total-ad-spend-here-are-5-factors-driving-that-figure/>



Hyper-Personalization

Today's consumers aren't just looking for products; they expect personalized, tailor-made experiences.


All shoppers, but especially those in younger generations, value connection. They expect a unique, curated approach to shopping. They want brands and retailers to understand (and even anticipate) their needs and wants, offering a unique path to purchase for every individual. According to McKinsey, 71% of consumers want a personalized experience, and 76% get frustrated when they don't find it.³ Given the importance of finding and retaining customers, how can retailers use technology to deliver successful personalization initiatives?

+ Leverage Data to Create Unique Shopper Profiles

Use a robust customer management platform to track behavior, purchase history, and personal sentiment to deliver a relevant, 1:1 shopping experience.

+ Explore the World of Virtual & Augmented Reality

Create immersive, interactive experiences to keep customers engaged and delighted. With virtual and augmented reality, users can receive personalized recommendations and explore product visualizations, fit, and placement—all from the comfort of their digital space.

 As the retail landscape continues to evolve, putting the consumer first and embracing personalization will drive loyalty, innovation, and sales.

³ <https://www.mckinsey.com/capabilities/growth-marketing-and-sales/our-insights/the-value-of-getting-personalization-right-or-wrong-is-multiplying>



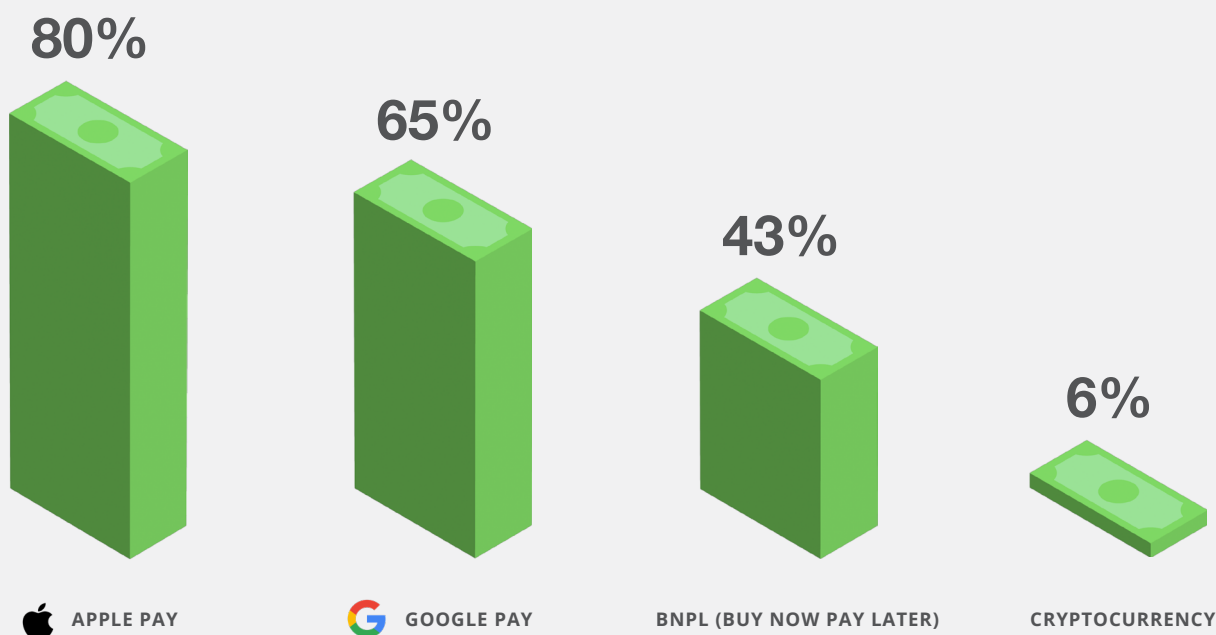
Convenient Forms of Payment

While QR codes and other contactless payment options resurged during the height of COVID-19, it's evident that they're here to stay—undeniably out of sheer convenience.

Today's consumers have more payment options than ever before, and retailers need to be proactive or else they risk missing a sale opportunity. Despite credit cards maintaining a dominant position—76% of in-person purchases were made with credit or debit cards in 2021—alternative payment methods are growing in popularity.

By understanding and implementing customers's payment preferences, retailers can streamline purchases, build trust and loyalty, and unlock sales opportunities.

Alternate Payment Methods Accepted by Retailers — Forrester, 2022 ⁴



⁴ <https://nrf.com/blog/retailers-are-embracing-alternative-payment-methods-though-cards-are-still-king>

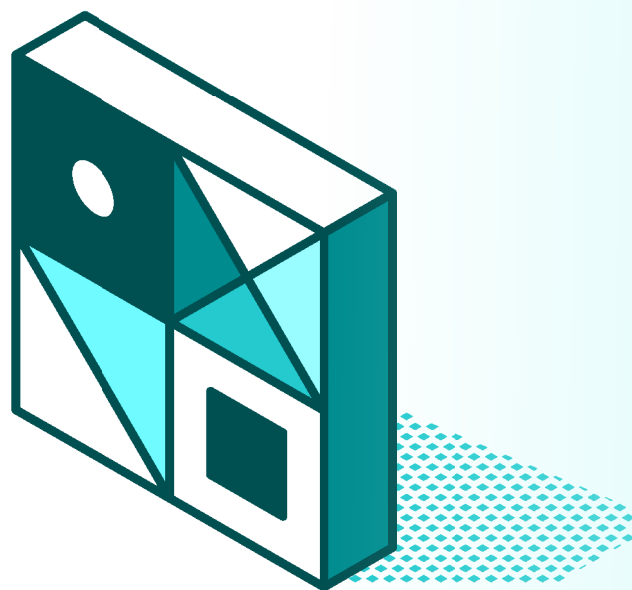


Omnichannel Experiences

Just as workplaces and schools have become hybrid, so have retailers.

Harvard Business Review found that 73% of shoppers use multiple channels to research products and compare prices.⁵ By closing the gap between these online and in-store touchpoints, retailers can create a seamless, hassle-free experience for shoppers.

A successful omnichannel strategy allows consumers to make purchases how, when, and where they want—resulting in larger basket sizes and transactions. In fact, according to data from McKinsey, omnichannel customers spend more money and shop 1.7 times more than single-channel customers.⁶



What does omnichannel look like?



Buy online, pick up in-store (BOPIS) & curbside pickup



Loyalty-based discounts at partner pharmacies, cafes, gas stations, etc.



Digital coupons delivered via email, social media, or text that can be used in-store



Social influencers with virtual storefront and shoppable tags within their posts



Branded apps that provide shoppers with price comparisons, coupons, and real-time inventory updates



Visual search functions that help users locate products and complementary items for instant ordering

⁵ <https://hbr.org/2017/01/a-study-of-46000-shoppers-shows-that-omnichannel-retailing-works>

⁶ <https://www.mckinsey.com/featured-insights/mckinsey-explainers/what-is-omnichannel-marketing>

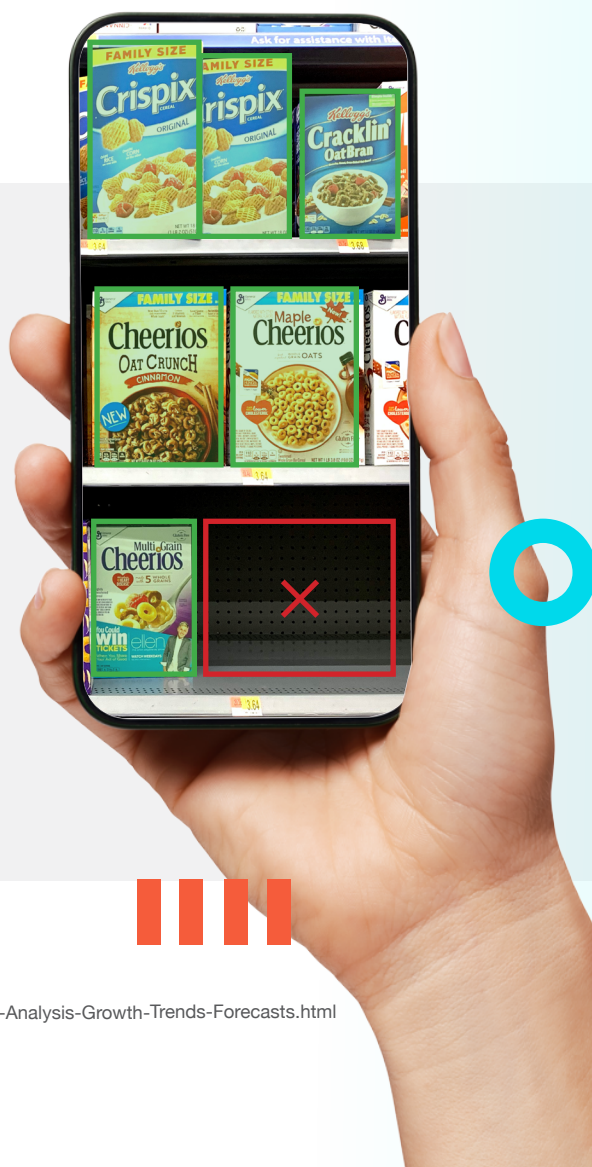
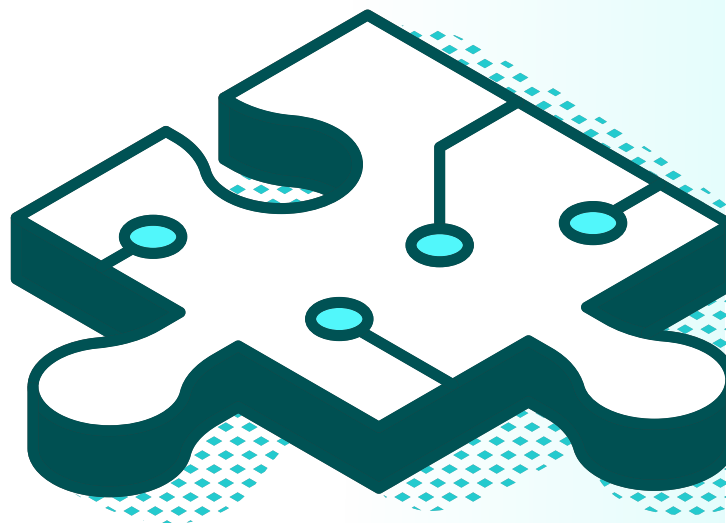
AI-Driven Merchandising

The digital transformation of the retail space has been happening for years, but the implementation of AI has taken it to a new level. According to a study by IBM, the adoption of AI in the retail and consumer products industries is projected to leap from 40% of companies today to more than 80% in three years.⁷

Delivering personalized experiences, boosting efficiency, and driving revenue at scale is no easy feat for retailers, but with the help of AI technology, stores and brands can be empowered to reach their goals quickly and easily. With tools like deep learning, conversational AI, and computer vision, retailers can transform their business operations and make faster, smarter decisions.

How Retailers Can Use AI to Boost ROI

- ☒ Improve Planogram & Merchandising Compliance
- ☒ Enhance the Customer Experience
- ☒ Boost Operational Efficiency
- ☒ Drive Instant Action in Every Store
- ☒ Track Stockouts of Never Miss a Sale
- ☒ Capture Store-Level Data in Minutes



⁷ <https://www.reportlinker.com/p06483792/Artificial-Intelligence-In-Retail-Market-Size-Share-Analysis-Growth-Trends-Forecasts.html>

Conclusion

As emerging technology continues to reimagine retail, the industry continues to focus on innovation and evolution, tapping into **automation, customization, and optimization.**

Today's consumers—especially Generation Z—have enormous buying power and influence. They are looking for personalization, convenience, and omnichannel experiences, and will quickly take their dollars elsewhere if they don't find it.

We can't predict the future of AI, but one thing is clear: innovative retailers will be the ones leading the way, and collaboration between retailers and their technology partners will be essential for sustainable success.





GoSpotCheck by FORM's industry-leading AI is the world's only task management platform integrated with computer vision technology for retailers. Teams can capture store data 75% faster, enhance trade marketing and planogram compliance, and increase long-term sales with our AI-powered product detection software.

