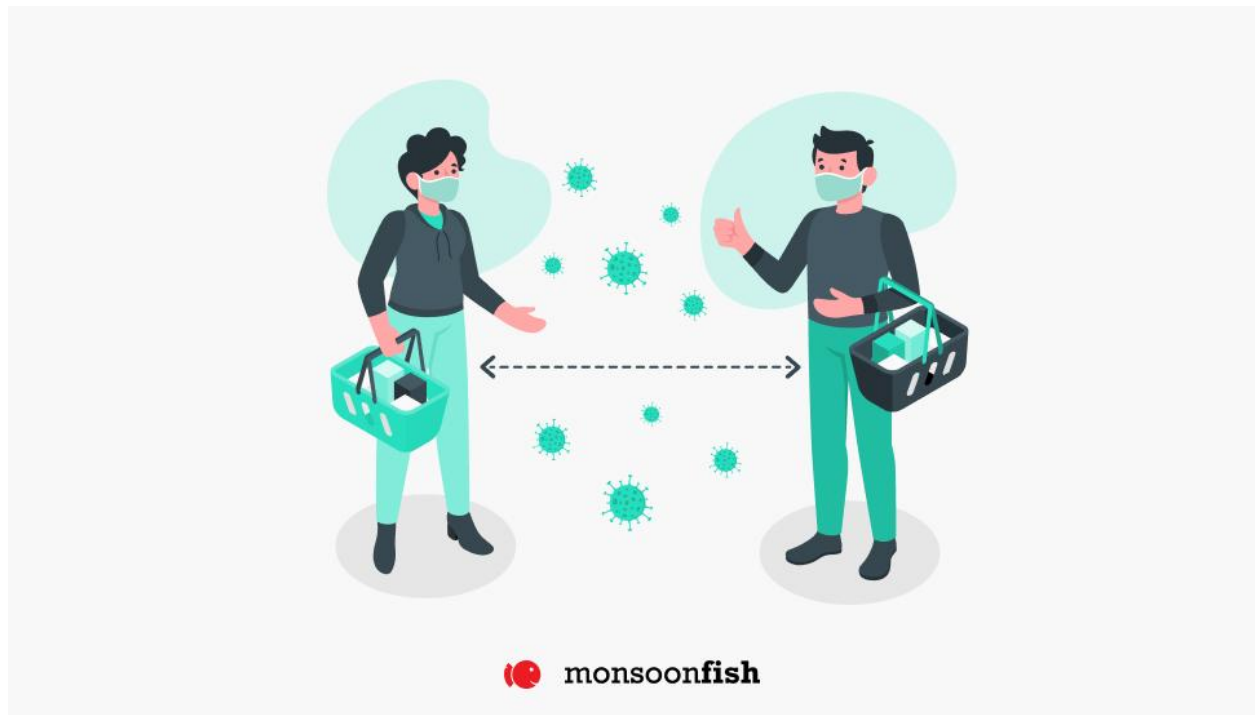


# Impact of Covid-19 on Retail Stores and Online Shopping



Covid-19 pandemic has led to reduction of physical stores and causing uncertainty for the future of the in-store experience. These abrupt shifts have left many retailers to serve customers through other channels. Digital-first and omnichannel retailers have pivoted more easily, however retailers that prioritized physical stores and face-to-face engagement over omnichannel strategies have struggled to respond but are gradually reconsidering their retail strategy toward digital channels.

## Reshaping Retail through Acceleration of E-commerce and Digitalization

Retail industry has gone through major changes due to Covid-19's impact on customer behavior. Daily in-person interaction has reduced and has been replaced by digital engagement. It also has been indicated that much of this change will continue as a constant growth in the long term. Ever since the beginning of the pandemic, sales of apparel, groceries and beauty products have gone up by 10% on e-commerce spaces.

Going forward, we believe that retailers should focus on the following aspects to build a better customer experience and be more sustainable and stronger in the recovery.

## How Retailers Can Meet New Customer Expectations

### 1. Expanding Digital Presence

Retailers can develop digital presence on multiple channels other than utilizing just one medium to market or sell. This means being actively present on different social media platforms, using online marketing methods as well as selling through various online channels such as Amazon, Nykaa, etc. can widen the reach of retailers to gain customers.

### 2. Introducing Innovation into Omnichannel

Finding and incorporating technological innovations into the digital aspect to make customers experience better can improve the digital experience. Leading retailers have introduced in-store personalized interaction with models such as virtual appointments, where sales associates use video conferencing platforms to offer personalized attention to customers for digital shopping.

Moreover, retailers have been developing alternative engagement models to de-risk digital-purchasing decisions, such as virtual try-on methods which Lenskart introduced even before the pandemic to try-on multiple frame options by digital scanning customer's face.

### 3. Providing Safer Experience and Transforming Store Operations

Creating a safer environment has been a concern for retailers however, this doesn't mean that in-store shoppings will completely vanish, rather a combination of digital experience with in-store shopping will be adapted. For example, retailers in India are also looking to replace physical trial rooms with an interactive kiosk that works as a digital mirror wherein customers can try outfits without actually trying them. Artificial intelligence and augmented reality play a major role in such experiences transforming in-store operations.

#### 4. Reimagining the Physical Network

Pandemic has accelerated the shift of retailers and department stores to e-commerce with projected growth of 10-13 percent. The constant growth of online transactions has left no option but to re-evaluate their physical stores and how they can best support their customer experience with it.

#### Take Away

This article has my views on future retail industry trends and the management agenda for the industry given the impact of COVID-19. I hope that this will be an opportunity for the retail industry itself to identify priorities and rethink about what actions are needed in our society to improve customer experience as the digital world is constantly evolving and we cannot simply return to the time before the COVID-19 pandemic.