

In June 2021, Scala issued the retail benchmarking report, Recovery Solutions and Store Strategies. Produced in partnership with WBR Insights, the report features survey responses from 100 retail brands based across Europe. Looking at areas of investment focus for retail brands as well as strategies for retail recovery, the report covers a variety of topics including the reconfiguration of store layout, occupancy management systems, attitudes toward omnichannel and optimising the car park. This short solution report uses data and expert commentary from Recovery Solutions and Store Strategies to explore digital solutions which could be applied to a key topic highlighted in the larger piece of research. The full retail benchmarking report is available for download. Other short solution reports, one exploring the way the car park can be optimised to better serve retail brands and the other looking at the ways in which integrated solutions can support reconfiguration of the store layout, are also available.







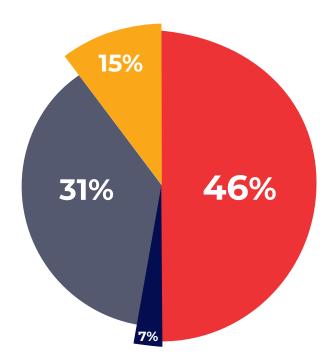
Data is becoming the biggest currency one can have. The more data, but meaningful data, available, the better to serve the customer. Personalised offerings are the first and very obvious way to leverage data and benefit customers and brands but data can also be further utilised to perform predictive analytics to prepare for the future."

Pavan Pidugu,
Chief Technology Officer, FMCSA,
U.S. Department of Transportation,
former Director of Digital Customer & Omnichannel
Experience, Walmart International

Data is essential for retailers of all types. Our benchmarking report *Recovery Solutions and Store Strategies* explores the ways in which retailers gather data to use in store and the role data will play moving forward. The report also looks at the confidence that retailers have in their omnichannel offering and the importance of an omnichannel experience to their business. This report takes the findings from the larger research and explores the solutions that could answer the needs of the interviewed retailers.

Omnichannel

Being able to offer an omnichannel experience gives customers a seamless, convenient experience likely to encourage repeat custom. Omnichannel also offers brands a huge opportunity to gather data from multiple touchpoints. This data, if used effectively, can offer a huge competitive advantage — influencing merchandising and marketing strategy as well as informing brands how best to eliminate waste, amplify successful product lines and widen sales opportunities.



When interviewed, 54% of retailers identified that being able to offer an omnichannel experience was important (\blacksquare 46% as important and \blacksquare 7% as extremely important).

■ 31% of the retailers questioned believed that omnichannel could be potentially important with ■ 15% stating that they do not feel omnichannel to be important at all.

Of those who believe that omnichannel is at least potentially important, only 57% say that they are confident or extremely confident in their omnichannel offering. 13% say that they are not confident.



A robust omnichannel offering is key to a brand being able to offer a 'start anywhere, finish anywhere' experience. Convenience is a key consideration for customers. In the United States, two-thirds of consumers currently pay for a delivery service such as Amazon Prime, with that figure jumping to 82% of the busiest consumers such as parents. A 'start anywhere, finish anywhere' experience is one that treats the convenience of shoppers as a priority. With an integrated 'start anywhere, finish anywhere' experience customers can choose where they begin their interaction with their brand whether it be on the high street, on the brand website, a supplier website, a social channel or store app. Customers can also decide how they want to purchase and receive products such it be as in store, using an app and a fulfilment locker, online and delivery or any other offered method that is most convenient for them. An integrated digital solution in store can optimise the available omnichannel experience ensuring that brand attributes across multiple touchpoints stay consistent. It can also ensure that any data shared by the customer is effectively and securely gathered, stored and analysed by the retailer.

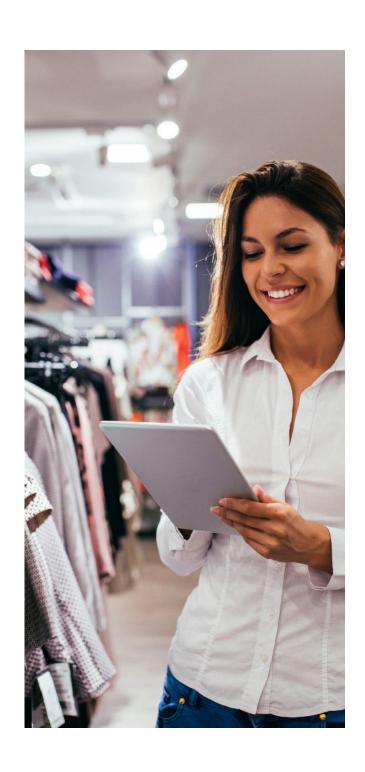
Using Online Data In Store

loyalty.

2020 lockdowns led to an increase in online sales across households of all types. With increased activity across digital channels, how are retailers planning on using the data gained from online interactions to better inform their in-store strategy?

When asked how data from online sales would be used to inform in-store strategy, retailers picked 'targeting of product recommendations' (26%),' helping to determine product range' (22%) and 'supplementing staff training' (20%) as the top three applications of the data. There is a recognition of the power of data and how it can be used to create compelling, personal interactions with customers — offering insightful recommendations leading to greater customer convenience and deeper customer

Integrating data, whether it is gained from online purchases or in-store activity with digital signage can unlock even more loyalty opportunities for retailers. Through the store app and integrated signage, customers can 'check into' to a store to receive offers and recommendations. Signage can display personal directions to the areas of the store likely to be of most interest or help a shopper reserve items to be placed into a fitting room. In a grocery setting and with appropriate permissions, a shopper could be shown recipe ideas for ingredients that they regularly purchase or be reminded of items that they have previously purchased that may be about to expire or be due for a replacement.



Sensors and Signage

49%

of those retailers that were interviewed as part of the Recovery Solutions report stated that they were planning to invest more into in-store sensors to gain greater customer insight.

Of those retailers that already use sensors in store (95%):



use sensors to help determine product placement in store.



use sensors to gain data and insight on traffic and dwell times in-store.



use sensors to help determine which marketing messages should be displayed.



Of the 95% retailers that use sensors in store, less than half have integrated these sensors with their signage. Those retailers that have not integrated sensors and signage are missing out on data that could prove incredibly valuable. By integrating sensors and signage, relevant marketing creative can be served to target those that are in store. Anonymous sensor data can reveal demographic data and prompt targeted promotions on screen. Sensors can also play a role in gauging the effectiveness of promotional messages by logging responses such as dwell times or eyeball tracking. Using this data, marketing messages can be honed

to be their most effective. Linking sensors and data points with a dynamic digital solution such as a shelf-edge display means that one aisle can be marketed in a variety of ways depending on the time of day and the customers in store — maximising sales opportunities and minimising waste.

Sensor integration is also an opportunity to create something truly special and experiential in store. Tracking movement of those close to the display could result in interactive marketing, engaging customers across the store.



Conclusion



With deeper understanding of what technology can offer and a broader understanding of various use cases and business opportunities, retailers are investing to integrate technologies by creating technology platforms or eco-systems rather than systems in silos. There are many opportunities for many retailers to advance in their technology integrations."

Pavan Pidugu,
 Chief Technology Officer, FMCSA,
 U.S. Department of Transportation,
 former Director of Digital Customer & Omni-Channel
 Experience, Walmart International

There is a huge opportunity for retailers to gather and analyse data to better serve their customers and gain an edge on competitors. With proper permissions and responsible use of data points, brands can use the full scope of their touchpoints to create customer profiles and offer an omnichannel experience that is truly personalised. This omnichannel experience is enhanced when integrated with an in-store technological solution such as dynamic digital signage. Employing a digital solution such as a smart fitting room or shelf-edge display screens adds an invaluable channel to bolster customer communications as well as creating another crucial touchpoint to offer shoppers a convenient and personalised service.

Sensors in store also have an important role to play for brands. Although most retailers employ sensor technology in their stores, more could be done to connect sensors with in-store signage. By connecting senors with signage, brands can create eye-catching in-store creative that will be truly relevant to their customers. Sensors can also supply crucial feedback on the effectiveness of messaging, informing brands of where their merchandising could be improved to create better campaigns and greater sales.

Fundamental to the success of any new digital investment or implementation is finding the right technology partner. Retailers should look to find a technology partner who understands the potential of their business and are able to power digital implementation in the future with a sound strategy and deep knowledge of processes. Able to mitigate risk and optimise for future growth, Scala is a proven, trusted technology partner with an integrated hardware, software, services and support solution powering digital solutions across retail brands of all types. Talk to a Scala solutions expert today to discuss business goals and how an integrated solution could benefit your brand.