

Unveil the Future of Retail @ NRF2019

The world's rendez-vous for startups and leaders in the retail industry, known as NRF, is the biggest event highlighting the upcoming technological and strategical trends in the retail industry. This year, the BayBridgeDigital team was your eyes and ears to know everything about the key takeaways from this gigantic event.

Chris Baldwin, Chairman of the National Retail Federation

"I would love to say that retail is back, but that would be wrong," Baldwin said as he opened the show. "Retail never went away. As I stand here today, I can say that our industry is more healthy, vibrant, innovative and exciting than ever."

THE INCREDIBLE STORE TOUR IN NYC



During the NRF, many store tours were organized to visit the most innovative stores of NYC. Among them, the iconic Nike's new flagship on the 5th avenue cut our breath with its impressive exterior design, stylish staff wearing white lab coat, and entire ground floor dedicated to training shoes' customization. Technology completely transforms the customer experience with lockers to pick-up online orders or with possibility to try a pair of sneakers and buy them without even standing in line thanks to the direct in-app purchase.

EMERGING TECHNOLOGIES ARE BECOMING MAINSTREAM

There is no doubt that the retail industry is becoming progressively data driven and tech-savvy to improve customer experience, optimize data and leverage AI. From robots helping employees with stock management, to IoT allowing customers to pay instantaneously and VR letting customers sublimate their immersive experience, more and more stores design their customer journey experience around mobile app, tablets and connected devices (i.e : Nike, Rebecca Minkoff, Amazon 4-Star...)



1. Store digitalization

It's all about experiences

"It's no longer acceptable to just offer a digital experience online, at home." Walmart CTO
"They want a digital store experience too that stretches from online pick-up instore, through to digital shopping lists and voice."



Smart Mirror by Google

In 2018, only 11% of retail sales were made online: stores undoubtedly continue to play a vital role in the customer journey.

However, customers expect a more digitalized and personalized experience – one they can't have without touching the products. In this direction, Google exposed during the show a connected mirror crossing visual recognition and retailers' product information, allowing to display product data information when tried by a customer (price, rates, description, colors...). Since the store associate can access the same information directly on its tablets, he/she can monitor who is trying the product, how long he is trying it and can access additional products suggestions to match with the customer taste. This technology is expected to increase sales by almost 10% while significantly enriching customer data.

IBM also released an interesting research during the show, highlighting 50% of retailers see the roll out of technology to stores as their greatest opportunity to grow sales and differentiate.

2. Robotization

Robots are retailers new best friend

"The global retail industry is at a critical inflection point," said Bruce McWilliams, president and chief executive officer at Bossa Nova. *"Today's retail powerhouses require accurate, real-time product information to create a seamless omnichannel shopping experience expected by all customers."*

In 2019, Robotization could become the new best friend of retailers. Robotics enable store managers and sales people to shift time away from managing product inventory in order to focus on value added activities, such as customer experience. Walmart has equipped 50 stores with Bossa Nova's autonomous robots to help retailers

with operations management. The robots are already roaming the aisles, scanning for out-of-stocks products or incorrect prices.



Bossa Nova's autonomous robots by Walmart

3. Virtual shopping

Product's contextualisation is a key driver for customer purchasing decision

"You have a chance to be first," said Joel Mitch president of global digital agency *"There's definitely a first-mover advantage here."*

Augmented and virtual reality move a lever with customer experience like never before and also allow for experimentation.

Customers know that retail is about touching, feeling, seeing and customizing a product before thinking of trying it or buying it. To meet ever more demanding customers' requirements, retailers are integrating disruptive technology to provide immediate, intuitive, and individual solutions even if customers are online.

This is what Threekit showed off in the NRF2019 Innovation Lab: a 3D visualization platform allowing to visualize instantaneously a product, a coffee machine in the environment of our choice. They claim conversion rate of their customers increased from 2.4% to 4% with one client of ThreeKit.

In the same direction, Perfitly, a AR/VR solution based in New York allows customers to see themselves dressed in the clothes of their choices to decide their purchases.

4. Artificial Intelligence & Automation

AI is everywhere, in every business dimension

"We're seeing that our AI product recommendations are driving 26 percent of revenue on our brands and retailers' storefronts" Michele Davolos, Salesforce's director of product marketing for Commerce Cloud.



3D visualization platform by Threekit

It is a sure thing that AI is overwhelming the retail industry landscape in many of its dimension. According to a joint survey of 1900 retail executives by NRF and IBM released at the show, 51% of retailers are using AI to strengthen customer intelligence, 48% are using it for demand forecasting, and 38% are using it for product pricing and promotion. in multiple facets of their operations.

From IoT to voice, robotics or virtual/augmented reality, AI and intelligent automation are key elements to make the customer relationship seamless and augment human capabilities. As Zulily, an online retailer using automation and machine learning daily to drive personalization and pricing, numbers of stores are using it every day to drive sales success and customer experience.

5. Omnichannel

Seamless experience is more than ever a necessity

"Omnichannel is no longer an option, it is an imperative for today's retailers." Brendan Witcher, VP principal analyst Forrester research.

"Even with things like buy online, pick up in store or endless aisle, there are very few retailers that have fully implemented them yet,". "As consumers continue to expect these solutions, retailers need to continue to invest in them." Sucharita Kodali, VP of Forrester Research at NRF:

According to a recent study conducted by Applause, specialized in digital solution, and revealed during the show, 78% of retailers admit they don't provide a single brand experience across all channels. Whether it is on their phones, online, onsite or in their living room with voice assistant, consumer needs to feel free about the way they interact with a brand. As a consequence, retailers need to be accessible whatever the communication channel. With Amazon pop-ups, Amazon Echo or Amazon.com Amazon strategy to provide seamless omnichannel experience to its customer is strengthening days after day.

CONCLUSION

Adopting those news trends is a must for retailers to succeed in 2019.

The Salesforce platform is constantly introducing new APIs, platform services and developer tools to stay ahead of trends and help retailers remain competitive, according to Michele Davolos, Salesforce's director of product marketing for Commerce Cloud. During the NRF, Salesforce announced new innovations across its Commerce Cloud platform that enable companies to bring artificial intelligence, visual search, inventory availability services and more to an entirely new generation of commerce experiences.

ABOUT BAYBRIDGEDIGITAL

BayBridgeDigital is an innovative consulting company headquartered in New York with offices in Paris, London and its Technology Hub in Tel Aviv.

BayBridgeDigital helps companies in diverse industries do what they do better through an ever-evolving suite of digital transformation services including e-commerce, digital marketing, mobile solutions, business insights and analytics, artificial intelligence, salesforce integration, software development, and digital transformation.

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