

FUTURE RETAIL

5 CONSUMER TRENDS

Relentless innovation, a customer-focused ethos, and swift digital integration are key to survival in the hyper-competitive retail space. The British Retail Consortium reports that a third of Britain's retail jobs could vanish by 2025, so what can retailers do to protect their business? Harris and Hayes explores the role that technology, sustainability, and immersive in-store and at-home experiences have to play in the future of retail.

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BYE BYE CHECKOUTS

We no longer distinguish between shopping in a physical store and online; we want an efficient, personalised experience wherever we are. Luckin is the largest coffee network in China, second only to Starbucks. It's leading the way in digitally-integrated retail with pick-ups via mobile and delivery-only stores. Increasingly you can pay online even when in-store. KFC, Pizza Hut and McDonald's Chinese customers skip the queue with Alipay, and Alibaba's supermarket uses app and facial recognition payment. Harris and Hayes expects this technology to grow in the UK. And rather than online competing with offline, future-facing retailers will sync the data-rich digital world with best of the real world.



HEY GOOGLE, WHAT'S FOR DINNER?

Technology is creeping into our kitchens at speed and redefining traditional cooking. The market is saturated with new gadgets to help us shop smarter, waste less, and link up devices for a seamless cooking experience. Smarter FridgeCam analyses your fridge contents to minimise food waste. Meanwhile anticipation is building for Silo, a food storage startup combining Alexa technology with a revolutionary vacuum system to increase food's shelf life. KitchenAid's Smart Display will rival the iPad, with a kitchen counter companion supported by Google Assist that walks you through recipes, controls smart gadgets, and revolutionises shopping lists. Technology is divisive, but its clever cooking solutions offer total transparency and ultimate convenience.



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MORE IS MORE

Whilst budget retailers reduce choice to deliver savings at the checkout, premium brands adopt multisensory approaches to elevate the shopping experience. Waitrose deploys bespoke scent marketing at Christmas. Whole Foods has launched food-hall style flagship stores in the US and UK with fast-casual dining, butchers, and cut-to-order fruit and veg. 'Grocerants' blend the traditional grocery experience with on-the-go restaurants and premium retail to provide multiple touchpoints for time-poor customers. These unique retail experiences keep brands front-of-mind and top of the shopping list.

SUSTAINABILITY 2.0

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We're striving to lead more sustainable lives and asking businesses to do the same. UK coffee chain Boston Tea Party banned single-use cups last summer and they've been praised for putting the planet before profits after reportedly losing £250k in sales. According to A Plastic Planet (APP), a social impact non-profit, 40% of all plastic is used for packaging, half of which is for food and drink. APP is campaigning for a plastic-free trustmark which will put plastic-free on the same level as Organic and Fair Trade. Harris and Hayes forecasts the normalisation of radical sustainability practices as consumers expect businesses to provide environmentally friendly adaptations of their favourite products without compromise.



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SHOPPING WITH BENEFITS

Retailers need to provide more than just their core services to retain the next generation of shoppers. Perks like free Wifi or click-and-collect are standard. Today we expect added benefits for our loyalty, like free electric car charging at Tesco, in-store creche at IKEA, or the exclusive members Club Room at Nespresso's flagship boutique. Smart retailers use these services to their own ends, including collecting detailed customer data and targeting marketing via in-store Wifi. The more brands understand their customers, the more relevant and profitable little extras they'll introduce to stay ahead of the competition.