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Five US trends for Australian retailers

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David Evans, CEO of the SPOS Group, predicts five North American trends will help Australian retailers to adapt to the economy and customers' shopping needs.

Customers are informed

Shoppers have permanently moved from impulse buying to information.

They want to find information about the product they are thinking of buying without being 'annoyed' by sales assistants. So it's important to make product data available right next to the product.

Interactive technologies like digital screens and self-service kiosks are great tools to achieve this.

Customers are looking for immersive experiences

Customers tend to shop in many stores before deciding which one to buy from and, in addition to this, they also buy online. They have become omni-channel shoppers.

So a critical factor to success for retailers is to create new levels of loyalty or a reason for customers to come back to their outlet.

One way to do this is by creating an 'experience' for the shopper. Interactive merchandising like the MTI Solution allows shoppers to actually try the product before buying it, thus getting a real first-hand experience.

A camera retailer, for example, would be able to keep its cameras safely out on display and powered so shoppers can take photos with them and look at various options the cameras offer.

Self-checkouts are another way to create customer loyalty because they speed up the buying process. Anecdotally, Australia is the country that has adapted more quickly to self-checkouts.

Integrated merchandising

Small and large retailers alike are introducing systems that are fully integrated to their POS system to save management time and ensure consistency of data across the board.

They are looking for a system that can automatically produce the right promotional signage and shelf edge labels in the right media, in the right store, in the right quantity, showing the right price, in the right order and at the right time.

As a result we will hear less and less about customers asking for a huge discount because the label indicated the wrong price. Integrated merchandising ensures that when a product is scanned at checkout, it is the same as the price on the shelf and the same price is also on the website.

Instrumented execution

To increase economic efficiencies, there is an increasing tendency to instrument the whole sales process from shelf merchandising to checkout to help with dense and timely data acquisition. For example, RFID tagging of apparels and temperature sensors on perishable food items have become very popular in the US and UK and we will see them increasingly in our Australian outlets.

The sustainability discourse has temporarily died

Sustainability was on all retailers' minds before the financial crisis. And although US research indicates that 88 per cent of brands and retailers want to develop more sustainable initiatives, they do not want to pay for the changes that would be required.

We will see retailers engaging again in the sustainability discourse within the next six to 12 months.

David Evans is CEO of SPOS for more information visit www.spos.com.au