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The future of technology in retail

Introduction

The COVID-19 pandemic accelerated innovation and sparked new challenges in various sectors. According to Deloitte, **consumers have built up €450bn in savings** — setting the stage for a 2021-2022 rebound.

After 18 tumultuous months, retail is poised for a tech-driven revival. Adapting swiftly to evolving consumer behaviours and fresh competition is essential for survival.

Agility and innovation are critical.

Technology-driven future strategies

Technology sustained businesses during the pandemic and continues reshaping operations. To define tomorrow's market, **91% of executives advocate making technology** central to strategy.

Waiting for a "new normal" isn't an option; companies must work with fresh mindsets. **Tech leaders seek sustainability alongside profit**, especially with Gen Z's ethical focus. In retail, emerging tech is redefining the landscape.

Source: Accenture

91% of executives say capturing new markets will require their organisation to define them

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1. Digital twins

Digital twins revolutionise retail by enabling real-time analysis and proactive problem-solving. They **improve in-store planning and deliver tailored product** recommendations.

Retailers use digital twins to track products through their lifecycle, enabling efficient supply chain management and real-time monitoring. This approach **streamlines processes, reduces costs, and provides detailed data** to refine customer experiences.

2. Augmented and virtual reality

Retailers are embracing "phygital" experiences, combining physical and digital elements. AR/VR spending in retail is set to **grow by 88.6% in 2021 (IDC).**

Key benefits:

1. Reducing online purchase uncertainty - IKEA's AR furniture app lets customers visualise products in their homes before buying.

2. Immersive experiences - interactive Starbucks stores offer engaging product interactions.

3. Post-sale support- -brands like Mercedes use virtual assistants for customer support.

Source: Statista

AR, VR, and mixed reality markets will reach close to €300 billion by 2024
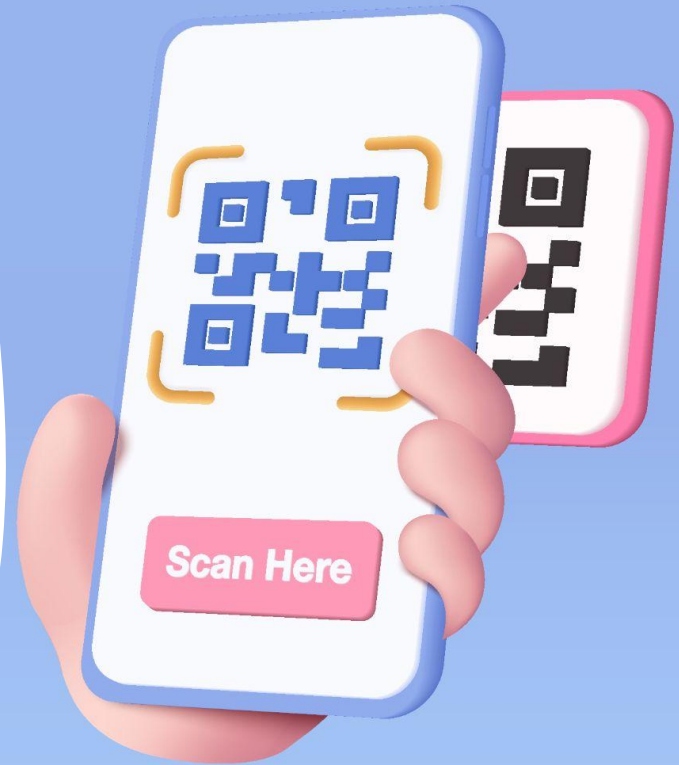
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3. QR-code shopping

Although not new, the pandemic **accelerated QR code adoption**, transforming retail experiences.

QR menus facilitate contactless ordering/payment, while CVS and hotels streamline processes with QR codes. This technology offers **easy access to product info, seamlessly bridging offline and online shopping**.

4. The rise of frictionless shopping

In today's post-pandemic landscape, **frictionless shopping is becoming more popular**, offering smooth, tech-driven experiences. Retail tech caters to customer preferences and addresses queuing concerns due to sanitation requirements.

Recent data shows **self-checkout usage in the US has doubled**, providing convenience for retailers and shoppers.

Tapping into technology talent

To spark innovation in retail through technology, **you need top-notch tech talent**. However, in Western Europe, North America, and Australia, the talent pool often falls short regarding the necessary skills.

To overcome this hurdle, consider **expanding to thriving tech hubs like Bangalore and collaborating with local experts.** Bangalore boasts a rich pool of tech talent, making it an ideal destination to tap into for your retail tech transformation!

Wrapping up!

After the upheaval of 2020, two big truths came out. First, **businesses need to go all-in on tech**. Second, **we're in a constant state of change**, with technology reshaping industries and customer experiences.

AI and machine learning are fueling these innovations, the key elements behind improved retail experiences and operational efficiency.

These advancements are **not just trends but the foundation of our digital future.**

Thank you

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