

Deep digitisation and destination shopping. Retail tech trends to watch in 2023

Retail tech trends since the pandemic have accelerated hugely - the way people shop has changed, as has what they are looking for, their budgets and what they want from an omnichannel experience.

Traditional retailers now find themselves sharing the stage with hot new players, with metaverse capabilities, as well as frictionless shopping experiences. Here are the trends I see sticking in 2023...

Reinvent yourself

Although some high street units are empty, in reality we're seeing a reinvention of how high streets and physical shopping experiences are run. The mix, pre-pandemic, was crying out for a refresh. Physical retail is crucial to brands, and shoppers will always crave personal interaction, so I predict that we'll see a rise in experience-led pop-ups, as brands get creative with adding more experience and personalisation to their offerings. Technology to support these innovations will be important to the experience.

British multi-brand retailer Flannels is rethinking how it uses its £10M flagship store on London's Oxford Street, in an attempt to engage more deeply with

Gen Z and link in with that generation of digital/social media shoppers. The destination store's primary function is shifting from selling products, to acting as a stage for brands and influencers to exchange and broadcast creative ideas. The idea is to invite creatives to act as 'cultural curators' and offer a more intimate look inside their personal universes. The flagship has now been rebranded as *"Flannels X" to mark the transformation.*

Earlier this year French multinational retailer Sephora returned to the UK (after it shuttered its nine UK perfumeries in 2005). Its relaunch strategy began online, with the retailer launching a dedicated UK e-commerce site in October 2022, and culminated with in-queue entertainment for those waiting for the physical doors to open in White City's Westfield shopping centre, with the *Sugababes serenading eager shoppers.* But, as their online capabilities don't bring anything new to the table, how long with the buzz around the global giant last here in the UK? Have they reinvented themselves enough since their retreat in 2005?

Destination shopping

Activations like store takeovers and collaborations with creatives mark the path for a tech trend this year, which could see bricks and mortar retail destinations like this blend seamlessly with social media and the metaverse, engaging shoppers in a totally new way, while they learn about brands and retail offerings.

Concepts such as *Situ Live* and *Sook* allow brands to create physical pop-up experiences with technology to support the experience, with digital screens that can be easily adapted, new campaigns, and even staff with acting experience to create engaging customer experiences.

Frictionless retail

With frictionless retail on the rise, digital payment solutions and fintech will also take the front seat for the year ahead – brands have got to make payments as easy as possible for new customers, otherwise their attention may stray.

The future is about technology supporting physical experiences. From frictionless payment, and digitising rota planning, to AI supporting sales associates with everything from managing queries to stock takes. These solutions allow sales associates more time with customers which is ultimately why someone visits a store, to engage with a person rather than an iPad in store.

Deep digitisation

With some retailers investing in diversity, inclusion and engaging personally with each customers, brands like Levi are testing the capabilities of AI-generated models in order to show shoppers clothes on being 'more body-inclusive, allowing customers to view what an article of clothing would look like on a multitude of models spanning a wide range of body types, ages, sizes, and skin tones.' I think the digitisation of models, photoshoots and clothing could be a real asset to some brands, as this will also allow shoppers to virtually try on items (decreasing return rates) in store or in time at home.

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