The impact of new retail technologies and services on library users

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Retail has fundamentally changed

“There will be more changes in how consumers shop and pay in the next three to five years than there were in the last twenty.”
- John Donahoe, CEO eBay
Let’s change the experience
What is the buzz today in retail?

- Technology
- Personalization
- Analytics
- Omni-channel
- Social media
- Empowered consumers
- Loyalty
- Service
- Showrooming

"Companies were in control even up until 2000. But now the customer is in the driver's seat. If you embrace that, you will thrive. If not, then by 2020, you will not survive."

- Jamie Nordstrom, President of Nordstrom Direct
Market forces have reshaped the retail landscape

- Power shifts to customers, heightening their expectations
- Small, nimble, innovative entrants compete for attention
- Transparency forces differentiation beyond products

[Logos of various companies and platforms]
It’s all about meeting expectations

Anticipate and service my shopping needs
Use what you know about me to deliver a seamless and interconnected engagement regardless of where I am shopping.

Make it convenient and easy to interact with you
Consistently capture my history and profile and deliver information and services to me through my preferred channel.

Be there when I need you, in real time
Empower me with real-time updates, proactive communications and choices before, during and after I shop.

Remember all of our interactions
Understand me and my preferences through our past interactions.
Retail is now the confluence of science and art
Innovative retailers are finding ways to differentiate themselves...
Hointer is taking humans out of stores

Headquarters: Seattle, Washington
Year founded: 2012
Why it's revolutionary: Led by former head of supply chain and fulfillment tech for Amazon, Nadia Shouraboura, Hointer is changing the way you shop for clothes by using a robotic sales staff. You download an app, go to the showroom, and scan the QR codes of the clothing you'd like to try. The clothes are delivered automatically right to the fitting room, customers swipe their card on the tablet, and walk out.

Business Insider, December 2012
Kroger uses infrared cameras to wage war against long lines

Headquarters: Cincinnati, OH
Year founded: 1883

Why it's revolutionary: Long used by the military and law-enforcement to track people, these cameras, which detect body heat, now sit at the entrances and above cash registers at most of Kroger's roughly 2,400 stores. The technology, which is paired with in-house software, determines the number of lanes that need to be open. Kroger has reduced the customer's average wait time to 26 seconds - compared to an average of four minutes before Kroger used the cameras in 2010.
Restoration Hardware is making showrooming an asset instead of an enemy

Headquarters: Corte Madera, California
Year founded: 1979
Why it's revolutionary: Restoration Hardware decreased its number of physical stores and used the remaining ones as showrooms. Sofas, tables, rugs and other decor were meticulously arranged with an emphasis on the aesthetic. Customers can find more merchandise online or in catalogs while shopping in the stores. The tactic is working... direct-to-consumer now makes up half of Restoration Hardware's business.
ShoeDazzle hand-picks shoes that women will love

Headquarters: Los Angeles, California
Year founded: 2009
Why it's revolutionary: ShoeDazzle takes the experience of buying shoes to a whole new level through a personalized "showroom". Every month, the ShoeDazzle system reviews its new inventory and selects a collection of shoes into the user's personal "Showroom." The selections are based, initially, on a survey the user fills out to establish their taste profile. Over time, the recommendation algorithm gets more sophisticated as it takes into account the user's actual purchases. The result is a collection of items users feel have been handpicked just for them. The approach is working - the retailer went from 3 to 13 million customers in 2012.

Fast Company, March 2012
SSENSE takes product placement to a new level, creating a music video where viewers can shop while they watch.

Headquarters: Montreal, Canada
Year founded: 2003
Why it's revolutionary: SSENSE, an online luxury retailer that sells designer clothing and accessories, produced the world’s first ‘shoppable’ music video. The video allows viewers to shop ‘through’ the video by clicking on the “S” box pop-ups. Viewers can scroll over the “S” box and click “Shop this look” to link to a page where every high-end garment worn by the performers can be purchased.

Source: http://www.thestar.com/business/2012/04/05/canadian_online_retailers_music_video_lets_you_shop_while_you_watch.html
Rent The Runway makes high fashion designer clothes available to the masses; it’s ‘the Netflix of dresses’

Headquarters: New York, NY
Year founded: 2009
Why it's revolutionary: With over 50,000 dresses and accessories, Rent The Runway allows the average shopper to play dress-up with high end designer clothing. The concept is simple – search the collection; book your chosen piece for a 4 day or 8 day rental; wear it; then return it with the pre-paid envelope. Their app makes finding the right outfit even easier. With ‘Dress Match’, users can snap a photo of any dress, fabric or pattern and the app will browse for a similar style to rent. If you can’t decide on what to rent, get a second opinion by sharing your favorites with friends directly from the app.

What does the future hold?
The store becomes a showroom... a destination for an experience

While 28% want to see a product in the store, only 9% said they want to see the whole range of products*

Conversion rates increased 9% when customers were helped by employees with a high degree of product knowledge and strong interpersonal skills^

Deloitte Research, The Multichannel Consumer Survey, 2010; Deloitte Research, ^Driving Profitability through your store associates: the make or break factors,
“Burberry Regent Street brings our digital world to life in a physical space for the first time, where customers can experience every facet of the brand through immersive multimedia content exactly as they do online,”
- Angela Ahrendts, CEO, Burberry