



## The Road to a Consumer-centric, Context-aware, Self-Adaptive Retail Strategy



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### Abstract

Retailers have come to the realization that consumer shopping behavior has fundamentally and permanently changed as a result of the Internet, social networking, and, most importantly, the enormous proliferation of mobile devices. Traditional retailers have transitioned from a focus on store channels to an integrated retail business of providing value to their customers in a manner that is most convenient for them. That value might come in the store, at home, or through a gamut of digital devices that are always connected. The adoption of a seamless experience for customers across all channels and touchpoints is the first step in this direction. We are already witnessing many retailers transform their systems and processes in order to make the seamless experience a reality. Moreover, they are implementing more innovations in order to take their stores to the next level of customer engagement.

We predict that the next wave of changes could help retailers to better serve consumers based on their respective shopping journeys. This next wave of improvements will focus on context-aware, self-adaptive, omnichannel retailing strategies.

## Meeting consumer expectations

Consumers are increasingly demanding excellence during every point in their shopping journeys. Now that most of them are equipped with 'anytime, anywhere, any device or channel' devices, retailers are in a race to enhance the consumer experience. They are all too aware that staying ahead of

shoppers' expectations and continuously adapting to the changing multichannel retail landscape is vital to success in this new marketplace. Retailers need to better align their business and operating models by significantly increasing their agility and flexibility. Only then will they better

understand the immediate needs of their customers. Doing so requires a different look at the way retailers 1) market their products, 2) track and adapt to consumer behaviors, 3) operate their online and physical stores, and 4) manage their supply chains and delivery models.



In this race to win over the discerning customer and increase conversion potential, the boundaries of multichannel, cross-channel, and omnichannel strategies are becoming blurrier each day. The top attributes of current retail channel strategies include:

- Being innovative in all channels and digital offerings in order to provide a superior customer experience. Perhaps it's extending the in-store visual experience to an online format that appears like endless aisles in a store. Whatever the creative format, a satisfied customer is somebody who drives sales.
- Unifying and optimizing retail systems to bring in product visibility across channels, inventory, and pricing

information. The goal is to form a seamless experience across channels, resulting in a "purchase – collect – deliver – return" paradigm across channels and without restrictions. With the improved visibility including competitive pricing, retailers can now look at the best price to beat the competition too.

- Placing the consumer at the center of the selling strategy. Retailers are striving to provide in-store assistance online as well. All these efforts are to get product-related questions answered and also to provide personalized recommendations online. Retailers are now empowering store associates with tools that will help to sell better and to identify the customer, guide them to select the

right product, and help them purchase it with a smile. Retailers are looking at collecting data from all customer touch-points from Web, mobile, email, in-store, and loyalty data sources so as to get a 360-degree view of customer behavior. Plus, they can tailor their service at each retail touchpoint, thus driving more sales and long-term customer loyalty.

- Implementing social connections as a legitimate marketing channel. Social plug-ins placed in online channels leverage positive customer reviews. Retailers are now looking at bringing user-generated content from online reviews to store displays to assist the consumers in-store with their reviews.



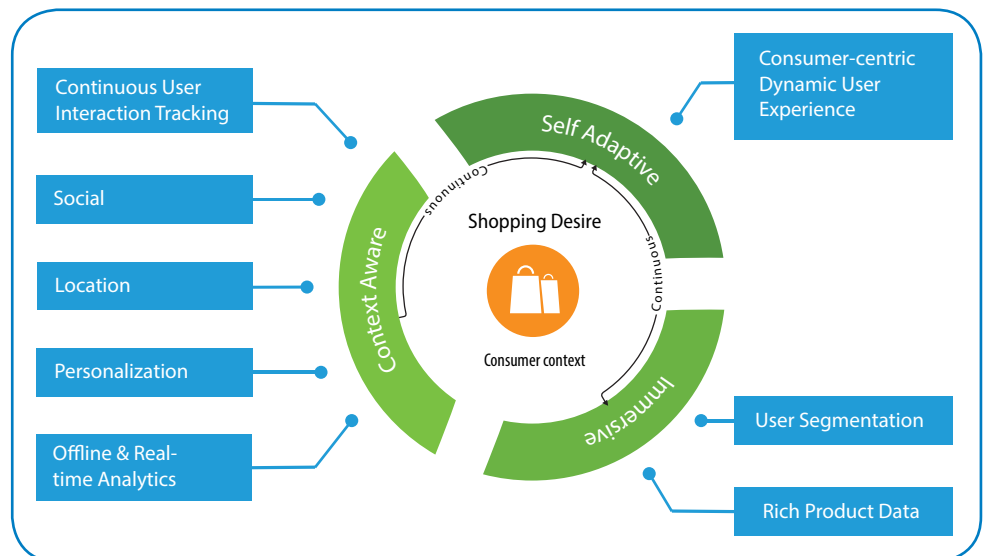
Infosys helped a leading supermarket chain to realize their vision of providing enhanced multi-channel retailing to consumers.

[Watch the video](#)

## Going beyond consumer expectations

Getting the basics of the multichannel retail strategy is key. But the true winners in this race will be those retailers who inspire their customers to spend more through their channels by providing enriched customer experiences and an overall better value proposition. Successful retailers in this strategy will be able to take better advantage of the knowledge of their merchandisers as well as the understanding of their customers to create better user experience.

Retailers in this transformation process will enhance the shopping experience of consumers to be both personalized and also dynamically self-adapted to their needs. Doing so means moving away from the conventional, hierarchical-based commerce channels to an experience completely revolving around the end-user. Savvy retailers will also supplement this strategy by improving information about the products. They will not only provide manufacturer and retailer-provided attributes, but also derived attributes from user-specific and even third-party sources to provide a better shopping experience.



Understanding consumer context as well as self-adapting selling channel behavior to the real shopping desire of the consumer will definitely elevate the conversion rate to a higher ground. To do so requires significant improvement of the experience beyond just personalizing a search filter based on purchase history. It involves re-adjusting the digital content delivery, layouts, and features available across channels based on the Consumer

Shopping Desire (CSD) index. Retailers could derive such information based on a combination of user-contexts such as the current shopping journey, previous purchase history, user-generated preferences, segmentation & analytics, and third party & social data. Retailers will enhance the existing channel renderings to use an intelligent CSD index to create a context-aware shopping experience.

## Conclusion

There are incremental innovations in this space. For example, A leading restaurant chain introduced a “subconscious” digital menu which leverages eye-tracking software to determine the CSD based on where the user is looking on the menu and then using a contextualization algorithm to provide options that are most suited to the user’s tastes.

Along similar lines, we envision that the static hierarchical layouts of digital channels (e/mCommerce) will definitely give way to much more user-friendly, dynamic, and constantly self-adapting shopping Web pages that are tailored to the user’s needs. Many commerce platform providers are already in the early stages of providing this kind of enhanced and simplified omnichannel shopping experience.

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