The Future of Digital Stores

Introduction

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Consumers today are constantly on the move, and their shopping habits reflect this trend. With smartphones in hand, customers are never far from these devices, which enable them to make purchases on the go. Some of the retail industry's most popular brands have designed their stores to support this buyer's journey in the digital age. Amazon introduced Amazon Go to enable people to scan their smartphones when they enter a store, grab their items, and go without having to checkout; the items are charged to the person's account.

Nike is also setting an example in the digital retail landscape. The company's flagship store in New York City is driven by its mobile app. This store, dubbed the "House of Innovation 000," enables customers to complete instant checkouts without interacting with any associates if they don't want to. Consumers can also scan items in the store such as shoes and outfits and try these products on while in the store. Nike doesn't promote traditional checkout counters, but instead has their store associates use mobile phones to check out customers and avoid long lines.

With COVID-19 greatly impacting brick-and-mortar establishments, businesses must evolve to succeed. Not all physical stores will fade, but brands have to reinvent themselves to avoid a boring retail experience; they need to transform their retail operations, and that starts by transforming their old, traditional stores into digital paradises of the future.

Let's find out how your company can usher in a new digital era for your stores to attract customers through your doors and keep them coming back for more.

1 Digital Fitting Rooms and Magic Mirrors

Whether called digital fitting rooms or magic mirrors, some retailers are embracing connected stores that blend both traditional retail and digital experiences. Rebecca Minkoff's connected store includes interactive fitting rooms, mirror displays that can be activated to show customers the latest styles and the company's social media feeds for inspiration, request a fitting room, or download the app. Once in the fitting room, shoppers will find the items they requested to try on when interacting with the mirror. These rooms include various settings as well, most notably ways to change lighting and receive suggestions from a stylist.

Rebecca Minkoff isn't the only retailer taking advantage of the connected store. Sephora partnered with ModiFace to launch a 3D augmented reality mirror that enables customers to try on different cosmetics virtually. The technology uses a consumer's face to simulate how cosmetics look on their faces in real-time.

This process allows shoppers to experiment with different products quickly and conveniently.

These use cases are just scratching the surface of what's possible with digital fitting rooms and magic mirrors. Jewelry retailers in particular can use similar concepts because these businesses don't always have all their designs available in their stores. By allowing customers to virtually try out new designs, jewelry brands can deliver an innovative experience to shoppers and, if they like the products, can place an order right then and there.

2 Clienteling

Technology has made it possible for people to become more impersonal through text messages instead of phone calls, or video chats instead of face-to-face meetings, but consumers still want a personalized retail experience. They don't want to feel like they're just a number in a long line of dollar symbols. Clienteling ensures store associates have the data they need to recommend products and deliver a seamless checkout experience

With customer preferences and buying habits constantly changing, the most successful retailers have a complete 360-degree view of their consumers. Clienteling solutions empower retailers to access key shopper data such as purchase history, style preferences, and loyalty status. What's so valuable about this information?

In-store associates can refer to this info, which is readily available on a mobile device like a phone or tablet, to make personalized recommendations to customers, suggestions that help brands cross-sell and upsell customers. This data is also critical for increasing overall order value by turning these product recommendations into sales.

3 Runner

Retail stores are kinetic experiences, with consumers walking around browsing products and associates doing their best to assist shoppers. What if there was a way to ensure the customer experience isn't broken? Enter the Runner concept, an app that enables store associates and backroom employees to join forces and coordinate to never disrupt a shopper's experience. With Runner, associates can scan a product's barcode and in real-time, a runner can retrieve that item and deliver it to a customer.

Let's look at Nike's House of Innovation 000 again, which utilizes the Runner retail concept. Nike customers can scan a product's QR code from their mobile app and request shoes to try on while in the store. In a few minutes, an associate brings the shoes as requested, and the shopper can test out their new kicks.

In addition to Nike, other brands such as Aldo and Apple are also benefiting from the Runner retail model. Aldo's shoe stores allow associates to request shoes for customers through a mobile app, and a runner brings the shoes from the back of the store to the shopper to try on. Apple uses a similar method, and this process allows companies to engage with multiple customers on the floor without leaving their side.

The Runner retail model not only doesn't break the customer experience, it increases engagement and store associates' productivity.

4 Mobile Self Check-Out

Mobile Self-Checkouts are another trend reshaping the digital landscape. There are two types of mobile checkout: instant and the scan-now option. The instant mobile checkout option delivers a frictionless experience to shoppers, enabling them to scan and pay for items while in-store and avoid the checkout lines. For this second retail model, customers can scan products' barcodes from their mobile device, add these items to their wishlist, and checkout later from home at their own convenience.

Some brands such as Sephora show their entire catalogs on digital displays so shoppers can browse products, even ones that aren't in stock. Apple is another brand that has embraced this mobile retail model. Customers can use the Apple Store app on their iPhones to walk into an Apple store, pick out their favorite products, and buy these items without ever interacting with a store associate.

With mobile devices becoming an extension of customers' hands, it's only natural that retailers follow suit and support their latest buying preferences through these products.

5 Mobile Checkout using Mobile POS

A mobile point-of-sale (POS) system is another way retailers can support the customer journey. A mobile POS allows store associates to access customer, inventory, and product data to engage customers and complete checkouts anywhere throughout the store (also known as line-busting). Some of the other advantages of a mobile POS include mixed carts (accessing global inventory and fulfilling demand by sending orders to customers' preferred delivery address), the runner concept, and flexible payment methods.

Mixed carts have opened new doors to the retail space. Mixed carts allow customers to place two items in one cart, with one product that can be purchased immediately in-store, and the other item saved for a home delivery. Conventionally, retailers have had to process two separate transactions, meaning customers have to provide their credit card information twice for these purchases. Mixed carts allow businesses to process both items in one transaction, minimizing any buying friction.

Mobile POS solutions are a building block to retailers' digitization and innovation and, importantly, improving the customer experience.
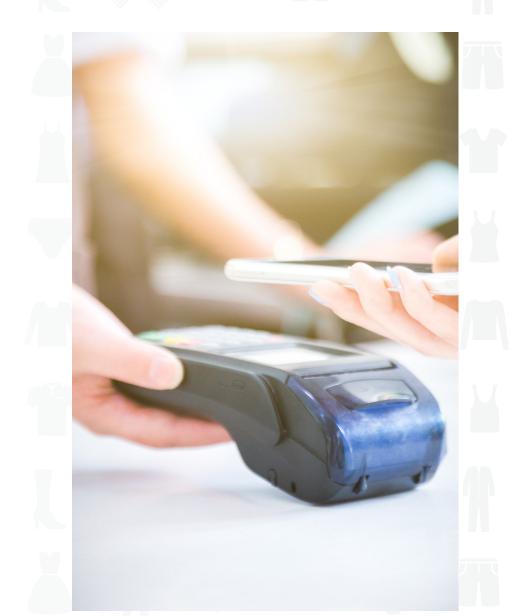
6 Contactless Payment

Apple is a brand that continues to pave the way for other brands to follow suit. In 2019 alone, the company had [441 million Apple Pay users worldwide](). Apple Pay is a mobile payment and digital wallet service that allows customers to purchase items with contactless payments. What's so valuable about contactless payments?

- Customers can pay using their mobile devices and avoid carrying around money.
- Shoppers can skip long checkout lines.

Today's customers can leave their houses without their physical wallets and instead carry digital wallets on their smartphones. If you're looking to provide the best, most seamless experience to the digital-first shopper, it's time to enable contactless payment through Apple Pay at your retail locations.

7 Live Video Chat

COVID-19 has reshaped not only the business landscape, but also how people communicate. Companies are turning to Zoom meetings rather than in-person meetings, and for consumers themselves, they can take advantage of a similar scenario. Rather than interacting with store associates on a face-to-face basis, customers can use live video chat tools to speak with employees about products they'd like to purchase.

Ralph Lauren is a brand that has embraced these virtual appointments to provide a new type of experience to the company's customers. Businesses searching for ways to redefine how consumers interact with their products can utilize live video chats to facilitate these types of conversations, including through real-time product showcases, beauty consultations, and styling appointments.

During this pandemic when face-to-face communication can be rare, it's important to maintain strong, personal relationships with your customers. By offering live video chat, your customers can put a face behind your brand and still have a personalized interaction with your company.

8 Buy Online Pick Up In-Store

A straightforward concept, [Buy Online Pick Up In-Store](#) (BOPIS) is a popular choice among consumers who like to research items online and pick up their orders at a brick-and-mortar location without waiting for delivery. Some forward-thinking businesses have also introduced curbside pickup for BOPIS orders to limit physical interactions.

To truly transform the retail operation from a BOPIS perspective, companies can introduce a mobile POS system to support these efforts. Since most shoppers use their mobile devices to research products and purchase items, a mobile POS platform functions as a mobile register, enabling companies to operate their brick-and-mortar locations with the flexibility of an eCommerce website. The best mobile POS solutions offer a complete package of applications such as BOPIS, Buy Online Return In Store, [Endless Aisle](#), and Store Fulfillment apps.
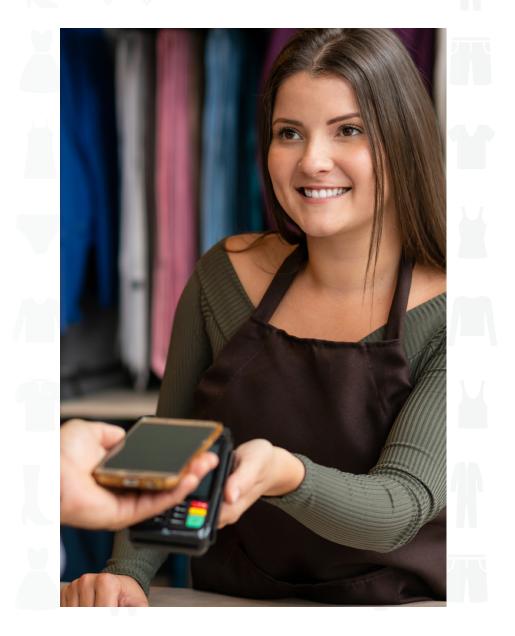
9 Store Fulfillment

Customers want flexibility in everything they do as it pertains to the retail experience, and this is where Store Fulfillment solutions thrive. Unfortunately, some companies are not equipped to support this critical omnichannel model because they still rely on legacy technology, and it's costing them revenue. A Store Fulfillment solution allows retailers to accommodate shoppers' orders by ensuring they have access to products between stores and distribution centers for delivery.

In a mobile-first retail environment, retailers with Store Fulfillment mobile apps can go above and beyond less tech-savvy brands. These apps enable in-store associates in stores to easily access inventory, locate the items in stores and pick, pack, and generate shipping labels right from their mobile devices. The Store Fulfillment mobile app ensures online orders are fulfilled quickly and accurately, strengthening relationships with customers and enhancing the shopping experience.

10 Cloud-Based, RFID-Enabled Inventory Management

Inventory accuracy is a necessity for any successful retailer. Businesses that are unable to fulfill orders because of inaccurate inventory will not have many loyal customers. Cloud-based platforms have transformed retailers' inventory accessibility to avoid these negative outcomes. Cloud-based, radio-frequency identification (RFID)-enabled inventory management solutions enable retailers to unlock full omnichannel potential, minimize shrinkage, optimize the on-shelf availability, and create seamless checkout-out experiences. It enables store associates to scan items quickly to avoid tedious stock-taking with traditional barcodes. This ensures associates have more time to focus on customers.

The efficiency gained with cloud-based, RFID-enabled inventory management tools means greater inventory accuracy, customer satisfaction, and revenue. In terms of costs, these platforms won't break the bank, either, and are feasible for different types of retailers, especially fashion brands. As the accuracy of inventory plays a critical role in omnichannel initiatives, cloud-based, RFID-enabled inventory management will only become more important to these objectives.

Retailers that continue to rely on traditional brick-and-mortar experiences despite an ever-changing retail context are limiting their sales opportunities and, frankly, disappointing their customers. Customers demand options, regardless of the device or purchasing pathway. The only way forward for retail brands is to digitally transform how they do business to attract customers, delight them, and keep them loyal for years to come.

The future is digital, and companies must streamline their selling strategies and customer engagement initiatives across the entire omnichannel experience. Start your digital transformation today by contacting HotWax Commerce.

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