ETAIL 101

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5 tech trends *to follow*

eStar chief technology officer
Matt Neale lists them.

1 Convergence

What used to be called omnichannel – is here. As they say – once a buzzword has stopped being used, generally means it's actually in use.

The traditional divide between online and in-store sales channels is rapidly blurring and converging into the inevitable single sales channel.

This is driving new investment and development of systems that can bring both channels together, expect this to become a major differentiator.

Advice: Get on board, this was the future and is happening now.

2 Machine learning and emergent insight

Not new, but gaining in sophistication. Expect to see the use of machine learning to maximise audiences and to specifically target offers.

The buzz around AI seems overblown, but the deep learning and pattern analysis brought about by increasingly sophisticated ML systems is creating insights that have not been possible until now.

Imagine having your marketing engine suggesting specific promotional activity and sales events with predicted returns, and cross-comparisons - based on a deep level of emergent insight from the analytics and patterns that drive sales activities.

It doesn't take a crystal-ball to see these systems going a step further, and to trigger these automatically, in conjunction with a contextual commerce engine.

Advice: Understand it. It's not a magic bullet & the term AI is over-used, but ML is powerful, present and growing in influence.

3 Subscription boxes and totes

Certainly not a new model or a trend, but these are growing out of the pure-play subscription-based fashion businesses to encompass different markets and existing brands and retailers.

Brands who can offer something to cover their whole market will see increased returns and increased recurring revenue from this model. Managing returns & replacements can become a challenge, and so finding a model that minimises or discourages these is critical.

Which leads nicely into the next trend…

Advice: Consider an offering. Curate your products carefully, and "surprise and delight" your customers every month.

4 Contextual commerce

Based on the concept that customers are more nuanced (as we know they are!) than the demographic data we have on them, and they have different shopping behaviours at different times, and scenarios.

We're seeing a greater push into social selling via social networks (based on who and what they're interacting with), and the technology that powers this is facilitating other interesting possibilities.

Picture separate brands working together to use each other's ranges to supplement and enhance their own offerings, for example a footwear retailer offering matching accessories as a contextual cross-sell offer from a completely unrelated, but complementary brand.

The underlying technology that facilitates social selling, facilities the above.

Considerations around sales attribution, fulfilment SLA's and brand positioning are things to consider, but are solvable.

Other contexts are discovered around events, locations and times – and the emergent insight that is possible, allows the users' context to be understood, and in real-time to tailor offers or communications to the customer in that immediate context.

Advice: Look for opportunities and enabling technologies.

5 Personalised product

Mid-range aspirational brands are seeing huge conversion and uptake on bringing a customisation/ personalisation element to commodity products.

The aspirational customers feel they're getting something akin to their own "brand", whether it's embossing, monogramming or other embellishment. Brands that do this well are those that can bring this to a mass market without losing quality or crossing the line where it becomes somewhat tacky in the execution.

Advice: Research and consider what would work for your brand.

In summary, the baseline for online retail offerings is moving ever higher, fundamentally do the basics right, but the basics are constantly evolving.

Of course, customer behaviours are also evolving. Technology has always been a fast-mover, and as it has permeated society, especially with the advent of smartphones and pervasive social networks, society is changing more rapidly with it, and this extends to eCommerce.

This evolution is driving the final trend, and that is of sophistication – of customers, services and expectations. Retailers need to manage this, and not be overwhelmed by it. Sophistication does not mean more features, functionality or using more technology, it means tailoring the use of new technologies to bring a smoother sales and support journey to their customers. ∎