

RetRail

NEW TRENDS IN
RETAIL COMMERCE

"New Trends in Retail" Guide for Retail shop managers & owners





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1. Introduction to the RetRail project

The RetRail project aims at introducing retail SMEs in the world of digital business innovation, helping them to keep up with their larger counterparts and to boost their sales. The needs addressed through this project are SMEs transition from the analogue to the digital era, looking at the need of the customer to have an easier and faster shopping experience and the need for universal access to such knowledge regardless company's fiscal level.

The target groups are the following:

- SMEs with retail activities;
- Salesmen in retail, sales managers and staff working in retail whose efficiency can be upgraded through digital innovation;
- Trainers, VET institutions providing retail SMEs with training and Entrepreneurs' Associations, Chambers of Commerce and Industry among others.

The expected result and impact to the target groups are:

- Owners, managers and trainers of retail SMEs will be up to date on the most important innovations of the sector, and will be motivated to implement them in their respective businesses;
- Employees of retail SMEs will hold a higher level of both digital and on-site tools, methods and innovations;
- VET teachers and institutions will have a new innovative curriculum at their disposal which will be a hybrid of digital and on-sight retail education that will equip learners with all the new skills that the sector demands;
- Retail SMEs will survive the devastating effects of the pandemic by keeping on generating income;
- Digital upskilling of these SMEs;
- Upgrading of SMEs employee's skillset on both digital and on-sight tasks;
- Customers will receive a better digital and in-site shopping experience;
- VET institutions and trainers will incorporate the project's innovative approach into their curricula, shortening of the digital skills gap between SMEs and corporations.

The RetRail project is a transnational project supported by the Erasmus+ programme. The RetRail consortium is led by Spain (CCV), with partners from Spain (COORDINA), Portugal (CECOA), Greece (IDEC), Cyprus (Hearthands Solutions), Slovenia (CPU), Romania (ADRO) and Bulgaria (RCCI).

RetRail project started in November 2021 and will end in October 2023.

For more information see: <https://RetRail.eu/>

2. The new trends in retail

Nowadays, researching on the Internet about a certain subject can prove a chaotic experience due to the vast amount of information that is available, not to mention the concerns of both falling into inaccuracies and missing out on important details.

These exact issues are going to be reflected by the Guide where the project's consortium will hand pick the most essential information on the subject and accumulate them in a comprehensive format.

As part of the project results, the consortium behind the RetRail project has done extensive research on the new trends in retail commerce. The first result of this research is the current guide. It is specifically aimed at executives and owners of retail shops and informs them on the latest technological methods, tools in the field of retail, as well as on how to select the most suitable ones according to their business' needs.

It offers also updated knowledge on the latest trends regarding on site sales. In the guide is included extended information on innovations such as:

- Social commerce — shopping experiences on a social media platform;
- Influencer Marketing;
- Online Stores in Offline Spaces;
- AR-Powered Shopping Experiences;
- Ethical and Values-Based Brands on the Rise;
- Same-Day (or Faster) Delivery;
- Increased Use of Chatbots;
- Data Science-Based Personal Interaction;
- Pop up Stores;
- Customer experience onsite.

2.1 Social commerce

2.1.1 Introduction to the trend

Social commerce is the process of selling and promoting products through social media platforms such as Facebook, Instagram, and TikTok. The top social media apps have ecommerce features for their users to rely on when in shopping mode.¹

Regarding **social commerce – shopping experiences on a social media platform**, the findings show the following:

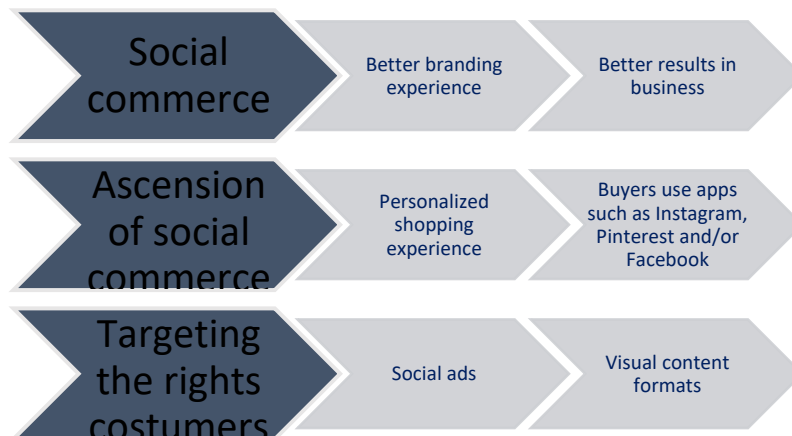


Figure 3: Understanding social commerce within new trends in retail (adapted from Rockcontent)

Indeed, “visual content trend is once again proved by YouTube, which is a source of research for 51% of shoppers in the U.S. and U.K”.

One of the successful examples of social commerce strategies is UGC (user-generated content), which allows promotion while engaging with its audience, based on the idea that consumers are simultaneously creators and distributors. UGC “doesn’t demand too much time and effort from a marketing team”.

Usually, UGC uses **images, videos, tweets and status updates, infographics, comments and blogs**.

- 79% of consumers state that UGC is more real and authentic when compared with contents created by brands
- 81% of consumers are willing to pay and wait longer for products and services
- Consumers age 30 years below are more influenced by UGC than older generations
- 73% state they feel more confident in buying
- 61% state that UGC makes them likely to interact with brands.

In a nutshell: “Word-of-mouth marketing has long been considered one of the most effective types of marketing. It drives \$6 trillion in annual spending, and in today’s digital world, it typically happens through user-generated content”.

¹ <https://www.shopify.com/enterprise/social-commerce-trends#:~:text=Social%20commerce%20is%20the%20process,on%20when%20in%20shopping%20mode>

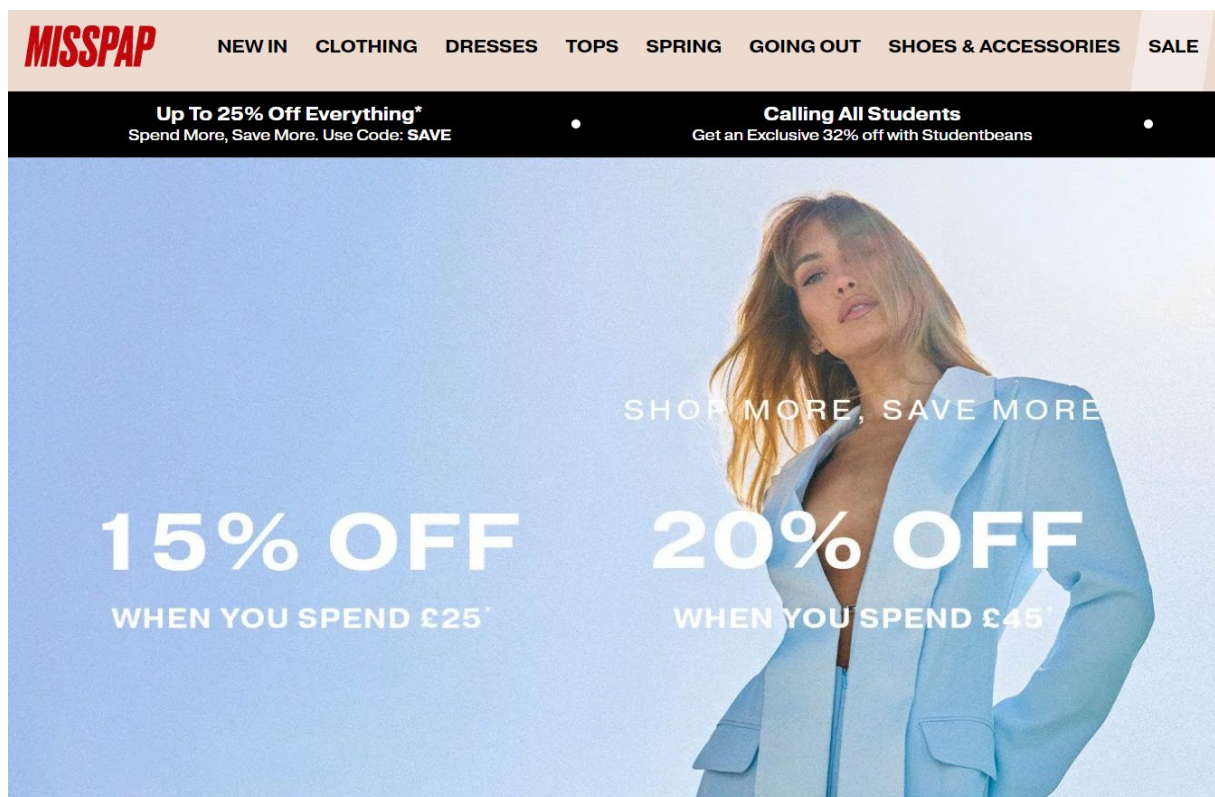
2.1.2 Best practice – MISSPAP (<https://www.misspap.com/>)

MISSPAP is a best practice on social commerce from the United Kingdom. Launching in 2013 Miss Pap has amassed a huge following through recognising that Instagram and influencers are a huge part of everyday life for millennials. After the company took a new, refreshing step into the world of social commerce: Introducing an instashop allowed their followers to shop the looks of influencers directly from their feed. Besides they have also collaborated with influencers to create capsule collections which tap into their loyal follower base.

Their strategy led to success. Always being one step ahead and creating collections that tap into an audience to build meaningful & loyal consumer relationships. This might mean taking longer to conduct influencer search or using more than one social platform but also, it means that SMEs should not rush the process. A good influencer will want to get to know a brand inside out and become not just an influencer but brand ambassador too.

Their success is transferable to other SMEs because it clearly shows that using the right channels, and working together with right influencers to promote a brand to reach the niche can grant you success.

By applying this best practice MISSPAP sold more products by making their products more available and attractive on a social media platform that their niche was following. Also, they used influencers as ambassadors, not just simply paid advertisers.



2.1.3 Best practice – MINTY SQUARE (<https://mintysquare.com/pt/about>)

MINTY SQUARE is a best practice on this trend from Portugal. Here the trend is fashion design by Portuguese designers only, available on e-commerce platform, but only in Portuguese language. This e-commerce platform is aggregating Portuguese designers in one platform, using engaging tools such as trade off online (smart social shopping method).

Using the trading off campaign of “replace used items for news”, where customers can see how much their used items worth and change them by new items (i.e., <https://white-stamp.com/minty-square/pt>), the company gained a lot of popularity, which allowed them to improve dissemination of national fashion production (following retail trends during pandemic times) and giving customers the possibility to recycle their articles.



2.2 Influencer marketing

2.2.1 Introduction to the trend

Influencer marketing is now a mainstream form of online marketing. It is a hybrid of old and new marketing tools. It takes the idea of celebrity endorsement and places it into a modern-day content-driven marketing campaign. The main differentiator in the case of influencer marketing is that the results of the campaign are collaborations between brands and influencers.

At a fundamental level, influencer marketing is a type of social media marketing that uses endorsements and product mentions from influencers—individuals who have a dedicated social following and are viewed as experts within their niche.

Influencer marketing works because of the high amount of trust that social influencers have built up with their following, and recommendations from them serve as a form of social proof to your brand's potential customers.

It's almost impossible to scroll through social media without seeing some form of influencer marketing. Everywhere you look, influencers are showing off their latest snacks, clothes, makeup brands or candles, and that's just the beginning.

From traditional posts to ever-popular Instagram Stories to long videos, influencers are always finding new ways to be sponsored on their favourite platforms. But influencer marketing doesn't just involve celebrities. Instead, it revolves around influencers, many of whom would never consider themselves famous in an offline setting. When it comes to defining influencers, it's important to note that anyone can be an influencer.

2.2.2 Best practice – GLOSSIER (<https://www.glossier.com/>)

GLOSSIER is another best practice on using influencer marketing to engage customers and to build a community from the United Kingdom. Glossier is a beauty product seller. Since its pre-launch it has always stayed true to their belief that “every single person is an influencer” so it is no surprise that 70% of their growth is attributed to owned, earned, peer-to-peer or organic channels. Founder, Emily Weiss who also runs her blog “In The Gloss”, has always put consumers at the heart of Glossier. Having over 500 ambassadors for the brand all with varying audience sizes that consumers can shop Glossier through gives them a huge online presence.

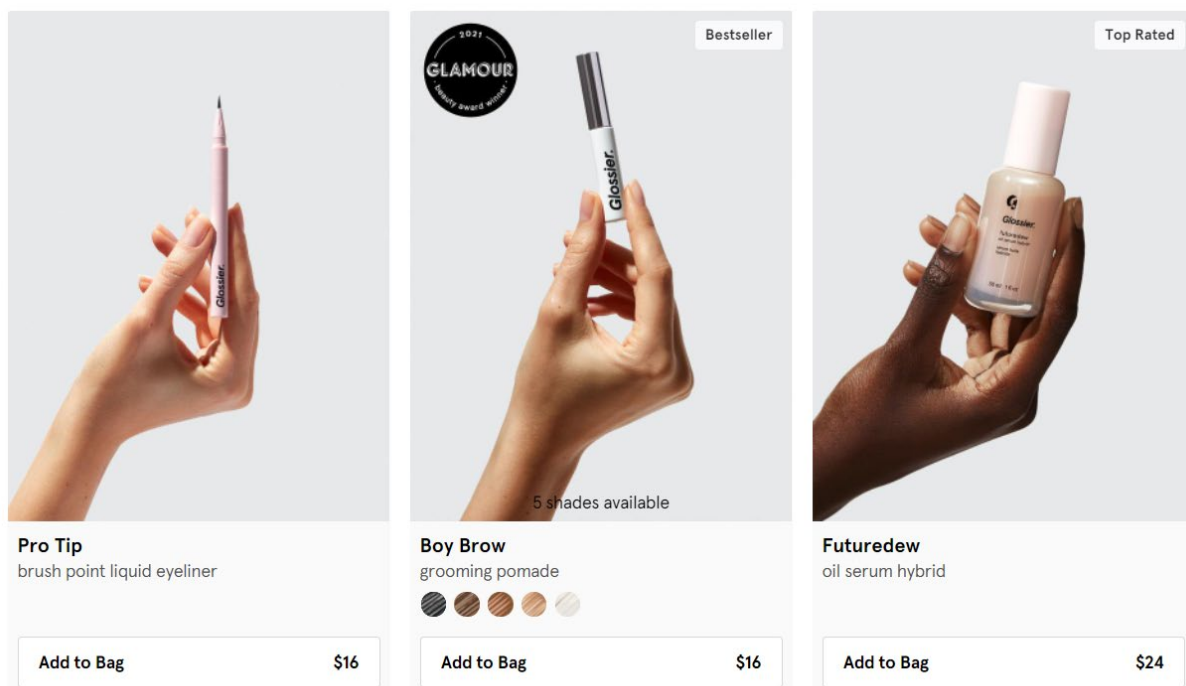
The whole Glossier team go through all their Instagram mentions plus they regularly repost consumer images of their products in their incredibly instagrammable packaging and their favourites even get invited to take part in their marketing campaigns.

They also recognise that their consumers aren’t exclusively going to just use their products and share stories and posts of them being used in contingency with huge brands such as L’Oréal. This creates a much more authentic and powerful content.

Glossier’s “mission of giving voice through beauty” is certainly a great one when it comes to influencer marketing and has resulted in them creating a huge online community.

Their success is transferable to other SMEs because every SME that wants to be successful and build a meaningful brand has to target and value of their consumers equally – not just those with a huge following crowd. When looking at potential influencer to work with, consider all aspects of their social profile, not just the number of followers they have. All SMEs has the opportunity to choose wisely and choose influencers who fit into their profile and this isn’t just based on the number of followers.

The company stepped up and started to value all influencers equally, including large influencers and also the smaller influencers, thus involving and reaching out to more and more potential customers.



2.2.3 Best practice – HEALTH-ADE (<https://health-ade.com/>)

Health-Ade was founded in 2012 by a husband, a wife and best friend in a true farmer's market start-up story. The brand got started in the Brentwood Farmer's Market in 2012 selling its flagship kombucha drinks. Instantly gaining a cult following in Southern California, Health-Ade Kombucha rapidly expanded to sell nationwide in over 45,000 stores including Whole Foods Market, Sprouts, Safeway / Albertsons, Kroger, Publix, Target and more. For Health-Ade, getting content was the goal and they choose to do that with influencers.

When you work with micro-influencers, you're more likely to have someone see an ad than that one time you work with a large influencer, it's cheaper and people tend to purchase when they see a product often, yet most brands fail to show their products frequently enough to make a real impact. Micro-influencers create incredible content and have genuine audiences. This approach allows them to reach unique groups of people rather than the same audience over and over.

The company connected to the platform named Trend.io (Trend.io is a marketplace of creators and brands), which helped them to find the right influencers for their products. Influencers received their sample product and engaged with Health-Ade in their own way – some cooked with the product, others turned it into a cocktail or show how they blended it into their workout regime.

The company is also publishing photos on Instagram of "fans" who love their kombucha and organically post photos and stories on Instagram and their personal blog and so creates a so-called social proof. Social proof in a marketing context is evidence that other people have purchased and found value in a product or service offered by a business. User social proof is when your current users recommend your products and services based on their experiences with your brand.

Health-Ade company's approach is transferrable to SMEs. It was a very small family-owned company which evolved into a company that now employs around 135 employees, which can serve as a great example for other SME's. Micro-influencers that Health-Ade uses are more suitable for SMEs than macro or mega influencers, because they create a more authentic environment and create bigger trust between customers. The fact that micro-influencers are more cost-efficient than bigger influencers is another reason why they are more appropriate for SMEs'. Influencers, because of their social media influence, are often deemed as celebrities within the niche area. When others see them with a particular product, they would transfer the positive attributes they see in these "celebrities" to the product and that's how influencers can create a "social proof" SMEs'.



2.3 Online stores in offline spaces

2.3.1 Introduction to the trend

“Online stores in offline spaces” is a business strategy that is designed to draw potential online customers to physical stores. Consumers are identified online through email campaigns and advertising. These potential customers are then enticed to physical stores to make a purchase².

When a company has both an online and an offline presence, online-to-offline commerce can be implemented. How? By treating both channels as complementary, they don’t have to compete against one another. Reports show that 63% of shoppers start their journey online. To capitalize on that, “Online stores in offline spaces” businesses should make that online experience as first-rate and convenient as possible. Then, they can be *encouraged to head to a physical store to buy the product or service in question*³.

Some methods an online-to-offline commerce company has at its disposal include, among others⁴:

- *In-store pick up of products bought online or on a mobile app;*
- *Allowing customers to place an order online from a physical store;*
- *Permitting goods that have been purchased online to be returned to a physical store;*
- *Installing a mobile retail kiosk, such as an in-store information booth.*

The aspect these strategies all have in common is they allow consumers to move between online and offline with ease. The goal is to build as many of these processes and customer experiences into your business⁵.

If “Online stores in offline spaces” sounds a little confusing, here’s a quick example to show you how it works⁶.

Let’s say that you run a local food wholesale business. Lately, customers have been shopping with your competitors online and you’re looking to draw them back. Since you’re not using eCommerce software to sell online, you use email marketing to send a promotional discount to your customers that can be redeemed in-store. This increases your sales and helps you compete against your digital competition.

Another common example is when an existing online company acquires physical retail businesses. This happened with Amazon’s purchase of Whole Foods Markets. It allows both locations to benefit. The physical business benefits as the online company already knows how to use eCommerce marketing and eCommerce SEO to attract customers. The online company benefits because it expands its portfolio and can increase revenue in new areas.

² <https://www.bigcommerce.com/e-commerce-answers/o2o-commerce/>

³ <https://www.bigcommerce.com/e-commerce-answers/o2o-commerce/>

⁴ <https://www.bigcommerce.com/e-commerce-answers/o2o-commerce/>

⁵ <https://www.bigcommerce.com/e-commerce-answers/o2o-commerce/>

⁶ <https://www.bluecart.com/blog/o2o-meaning>

2.3.2 Best practice – FINISHLINE (<https://www.finishline.com/>)

This best practice is about an American company.

Click-and-collect retail allows a shopper to place an order online whenever it is convenient and pick up the order at a local store. Customers like the option because they can often get their items the same day they order them, and they can have the order waiting for them, so that visiting the physical store takes less time.

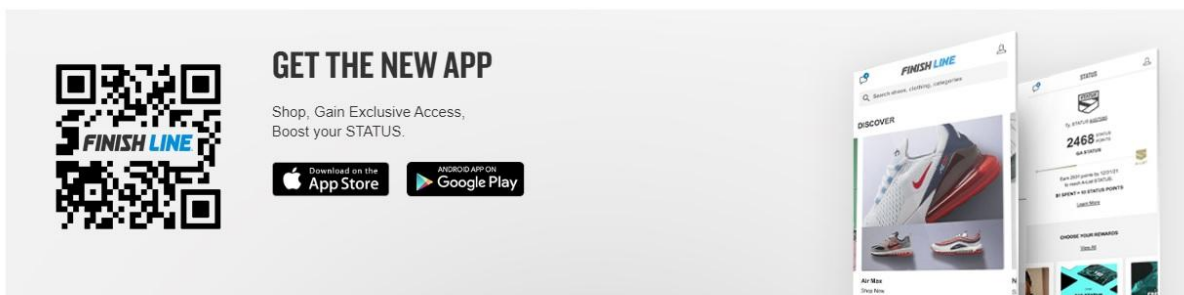
When shoppers order online and pick up in-store (Click-and-collect), Finish Line save on shipping and packaging costs, have a chance to get add-on sales at the store and can bring more data about their purchase habits.

Click-and-collect sales can be much less expensive to process. Online retailers are compelled to offer free shipping, which typically reduces margins and profits. Moreover, online orders must be packed in boxes, which cost more than the bags that items are loaded in at a physical store.

Thus, if a merchant can encourage click-and-collect, both the merchant and customer might benefit. Consider promoting click-and-collect throughout the online store and in its checkout process. Let shoppers know that the items can be picked up the same day or next day, and even consider offering a small discount for click-and-collect.

This best practice is transferable to many traditional retail businesses with one or more physical stores. Sometimes these businesses think of online operations as a separate sales channel. But there are many ways to integrate physical stories with sales made online.

“Click-and-collect” retailers, those with physical stores and an online shop, can use the rich data ecommerce provides to encourage online shoppers to visit the retailers’ physical stores or pop-up shops.



GET THE NEW APP

Shop, Gain Exclusive Access,
Boost your STATUS.

Download on the
App Store

ANDROID APP ON
Google Play

PERSONALIZED SHOPPING
Checkout faster with curated looks.

EASY IN-STORE PICK UP
Buy online, pick up in-store today.

RELEASE CALENDAR
Know when the latest sneakers are dropping.

2.3.3 Best practice – HAWKERS (www.hawkersco.com)

The best practice is about a company from Spain but with an international dimension.

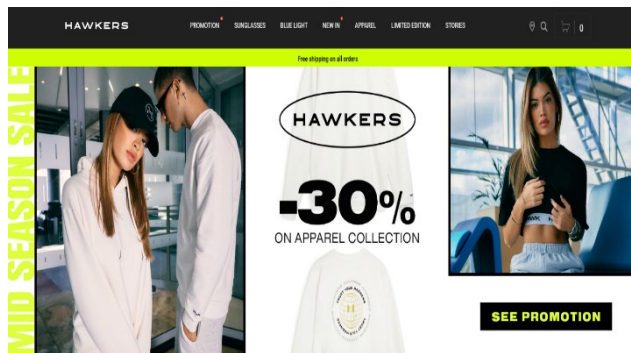
Although many companies go the other way and open a physical store and then an e-commerce, Hawkers did just the opposite, they started in 2013 with an online store with a huge success and in December 2017 Hawkers decided to innovate in its strategy and launched to open physical stores⁷.

Hawkers, is a Spanish sunglasses company created by four young people from Alicante. The company turned an initial investment capital of 300 euros into 70 million euros in turnover in less than 3 years. Hawkers depicts one of the best examples of company growth and commercial success achieved through the ability to effectively leverage Big Data to draw consumer insights. In 2016, the company received 50 million euros from external financial partners which allowed them to embark upon an international growth strategy in several European countries such as Italy, Germany or France to increase their ROI to more than 300 million euros that year. Lately, the company has opened offline outlets opening more than 30 stores in major European cities and has also entered the market of prescription glasses⁸.

Physical stores have different formats such as flagships, experiential stores and micro-stores in various shopping centers. In addition, the store design changes from time to time to bring creativity to customers and a unique experience each time they visit the store.

This best practice is transferable to other companies who have been successful in online market and can improve their position through opening physical stores where both strategies can be combine.

The company increase the engagement with their customers, the covered customer segments and the market share both for online and physical customers.



⁷ <https://www.estrelladigital.es/articulo/empresas/hawkers-dar-salto-tienda-online-offline/20181213145832359306.html>

⁸ López-Navarrete, 2019

2.4 AR-Powered Shopping Experiences

2.4.1 Introduction to the trend

Augmented reality (AR) is an enhanced version of the real physical world that is achieved through the use of digital visual elements, sound, or other sensory stimuli delivered via technology. As so many shoppers continue to rely on online shopping during the pandemic, retailers leverage AR (Augmented reality) technology to bridge the gap between the digital and the physical.

It involves the projection of digital data onto the real world. Aside from being a hybrid form showcasing both the practical and the virtual side-by-side, augmented reality is proving to be a big boost for business processes at a time when enduring physical experiences is severely limited.

AR technology is becoming more accessible all the time. Small and medium-sized enterprises can develop and use AR in ways that are exciting and pragmatic. Augmented Reality can be experienced across a wide range of hardware: handheld devices (smartphones and tablets), wearables, PCs and laptops, TVs, digital mirrors, connected devices such as glasses, head-mounted displays, lenses and even AR fitting rooms.

The difference between Augmented Reality and Virtual Reality is that AR doesn't replace the real world but "augments" it with additional virtual objects. This game-changing trend will revolutionize the retail industry and transform the way people shop.

2.4.2 Best practice – YOU stores and P&G

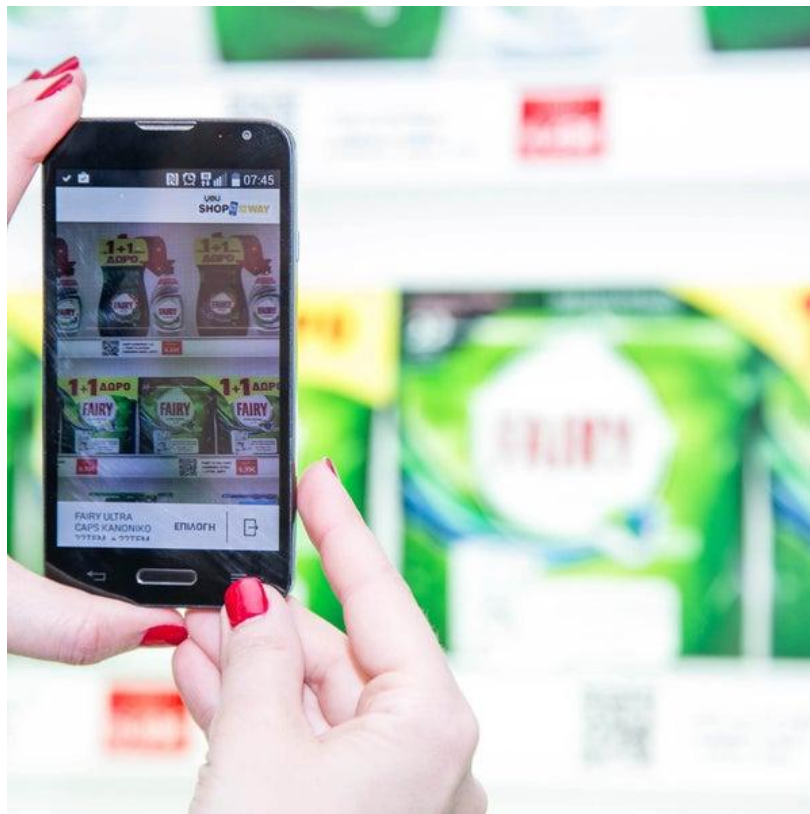
<https://foursquare.com/v/virtual-store-%CF%83%CF%84%CE%BF-%CF%83%CF%8D%CE%BD%CF%84%CE%B1%CE%B3%CE%BC%CE%B1/554fc513498e1fe6878c9c3c>

This innovative idea came to life in the centre of Athens and specifically at the central metro station in Syntagma. www.you.gr, the ecommerce specialist in Greece, creates the first virtual store in Greece with consumer products and technology items. P&G participates with well-known products that we use every day, such as Ariel, Pantene, Fairy, Gillette, and Pampers, while Info Quest Technologies one of the largest import & distribution companies of IT products in our country, supports the action with a wide range of technology products (tablets, smartphones, peripherals, accessories, gadgets, etc.).

The virtual store opened its doors and for three weeks consumers could buy their favourite products at attractive offers while waiting or passing by the station, saving time, money and energy. The products were delivered free of charge to your home after completing the simple process that only takes a few minutes and 3 simple steps:

- 1) Download the relevant "YouShopOnTheWay" app on your smartphone.
- 2) Scanning the product (each one had its QR code) on the virtual "shelf".
- 3) Completing the purchase (payment by card or cash on delivery).

With this pioneering virtual store, more and more consumers could discover how simply, easily, quickly and securely they can make their purchases.



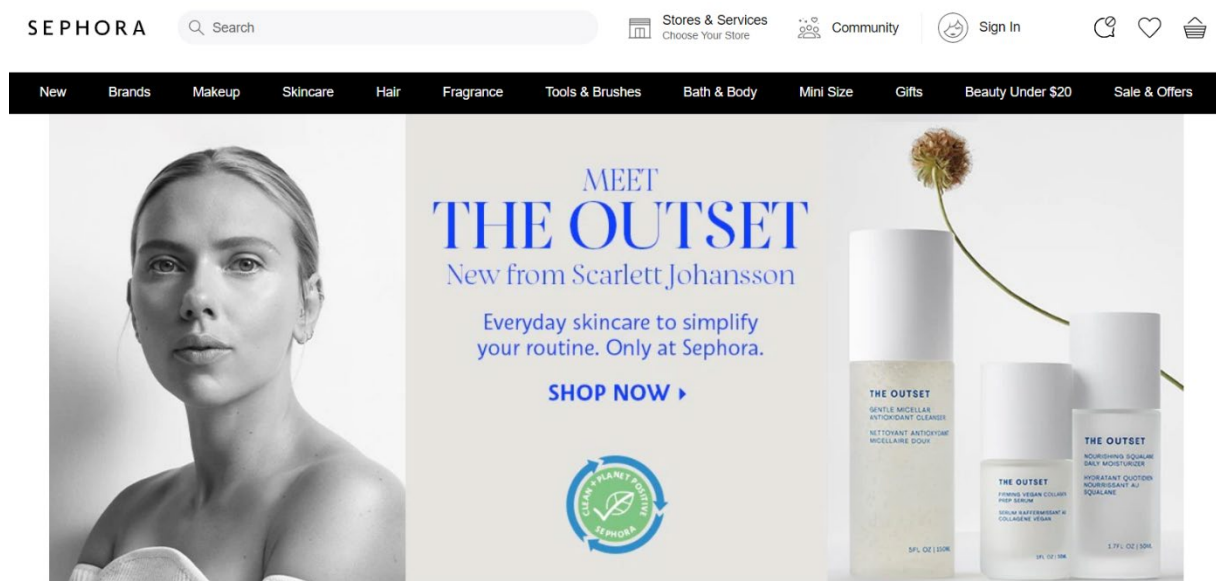
2.4.3 Best practice – Sephora stores (<https://www.sephora.com/>)

Sephora is a global retail store. It sells cosmetics and skincare all over the world. Sephora uses augmented reality mirrors for testing their makeup products online.

Sephora have inserted a tool in their stores which allows customers to try on products using an in store 'digital mirror'. The customer looks at the screen and sees a live video of themselves as if they were looking into the mirror. The customer then selects a product and sees themselves on the screen as if they had applied it.

As it is well known cosmetics are non-returnable after opening and since the beginning of the pandemic, testers are not available to use as they are unsafe. Research shows that they may never be available again in this range of use, so by applying the 3D mirror practice customers can still get a full-on site experience and feel more confident for their purchase.

This best practice can be implemented by SMEs. SMEs could insert this practice in their online stores. However, it requires collaboration with a company to provide the technology and software.



2.5 Ethical and value-based brands

2.5.1 Introduction to the trend

Price, product quality and customer experience are important attributes, but retail companies looking to build their competitive agility need to find new ways to stand out. Customers are increasingly expecting brands to have ethical values. Brands that behave unethically risk making their customers angry and seeing their reputations dented. Companies that do not make business ethics a priority are also missing out on the positive effects that exemplary corporate behaviour has on customers.

Brands with a conscience are a great opportunity for business – they boost customer loyalty and foster long-term relationships with firms. The following **five major benefits of ethical brands are identified**:

- 1. Commitment toward the Brand;** Customers have a greater affective commitment and emotional attachment to those brands they see as being more 'ethical' than others. Furthermore, committed customers are less sensitive to price differences in relation to competitors and are willing to pay more. They are also more likely to blame service failures on external factors or even themselves, thereby becoming more forgiving of poor brand performance.
- 2. Customer perceived quality;** A company embracing ethical behaviour transmits trust to customers. This positive behaviour boosts a customer's perception of quality service rendered by the company. When customers recognise a company as ethical, they perceive the brand's service excellence as superior compared to its competitors.
- 3. Empathy and satisfaction;** Customers value being treated in a helpful manner by a company's employees. Brands with staffers who show empathy elicit greater positive emotions from customers, raising relationship satisfaction and commitment to the brand. Empathic employees are also better at understanding customer needs and so are more able to personalise their services for each client.
- 4. Customer loyalty;** Compared to their counterparts, ethical brands benefit from higher levels of loyalty and customers' strong commitment to repurchase a company's products or services. The emotional commitment that people develop toward a service provider boosts customer retention and loyalty and prevents the search for alternatives among competing brands.
- 5. Positive word-of-mouth;** Brands that behave ethically make customers' more loyal. The findings confirm that greater loyalty also boosts positive conversations about the brand. When customers are loyal to a brand, they are more likely to share their positive feelings with others, thus 'spreading the good word' about the company and its products and services.

Social media has helped to democratize the relationship between retailers and consumers, and enabled consumers to find their voice. And consumers believe it's effective: 71% of young consumers surveyed by Accenture believe that refusing to buy from brands or criticizing them on social media can make a difference in how companies act.

2.5.2 Best practice – UNIQLO (<https://www.uniqlo.com/us/en/>)

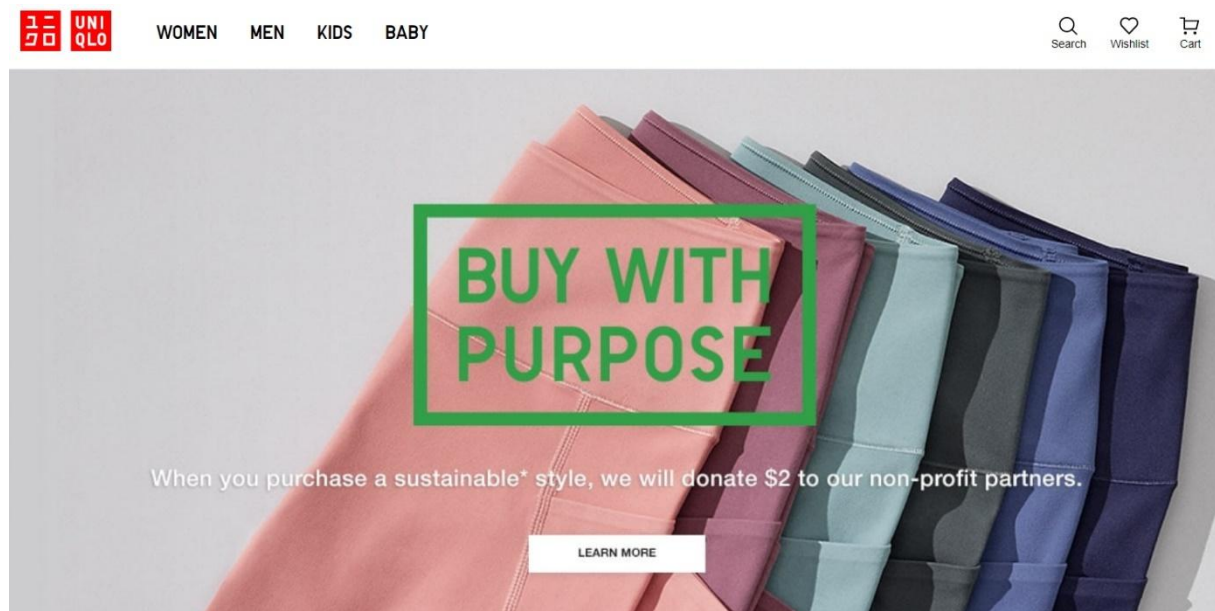
UNIQLO is a worldwide best practice from Japan. UNIQLO is a big retail company committed with the quality of life of persons with disabilities, through promoting the labour insertion of persons with disabilities and by reducing the physical barriers and helping customers with disabilities enjoying shopping.

UNIQLO began actively hiring people with disabilities in 2001. We have almost achieved our goal of hiring more than one disabled person per store since 2012. In 2021, the employment rate in Japan of people with disabilities is 4.6%, significantly exceeding the statutory employment target in Japan (2.3%). Employment is not limited to Japan, and is expanding globally, with approximately 1,500 staff members working in various countries or regions.

To ensure employees with disabilities can expand their skills and reach their potential, we provide training for store managers and able-bodied employees on how we can work together effectively. Through this training, we aim to improve our performance through mutual respect, regardless of disability.

Fast Retailing launched a project to help customers with disabilities enjoy shopping at UNIQLO stores. Reflecting the opinions of customers and employees, many UNIQLO departments, such as the sales and store development departments, collaborated to evaluate and improve store facilities and operations, including the introduction of barrier-free stores.

The company's approach is really simple and many SMEs can adopt it.



2.5.3 Best practice – BUOREVOLUTION (<https://www.buorevolution.com/>)


BUOREVOLUTION is an ethical and values-based brands on the rise from Spain.

It is a micro retail company whose business is the online commercialization of sustainable clothes, based on an ethical and value-based strategy including:

- Maximizing the use of materials from certified sustainable origins
- Using certified paper and cardboard in their packaging
- Respecting the labour and human rights of the employees of the suppliers from countries in developing countries through the corresponding verified standards
- Involving artists in the creative process, thus boosting their careers.

Being sustainable and maximizing the use of materials and reducing packaging are small steps, which can be taken by any SMS, therefore the approach of BUOREVOLUTION is transferable to any retail company working in the clothes distribution sector.

**WEAR
YOUR WAY
OF THINKING.
BE UNIQUE
ONCE.**



2.6 Same-day delivery

2.6.1 Introduction to the trend

Online shopping is on the rise and so are same-day or faster deliveries. Simply put, same-day delivery is when an item is delivered on the same day that the customer ordered it. However, to have orders delivered quickly, retail owners need to keep their inventory fulfilled locally from distribution centers, MFCs or stores that are relatively close to the customer.

Same day and next day delivery, along with in store and curbside pickup, are ways for businesses to get more money from eCommerce sales by using up local inventory. In an era where more people are shopping online and fewer go into stores, this omnichannel approach is especially critical.

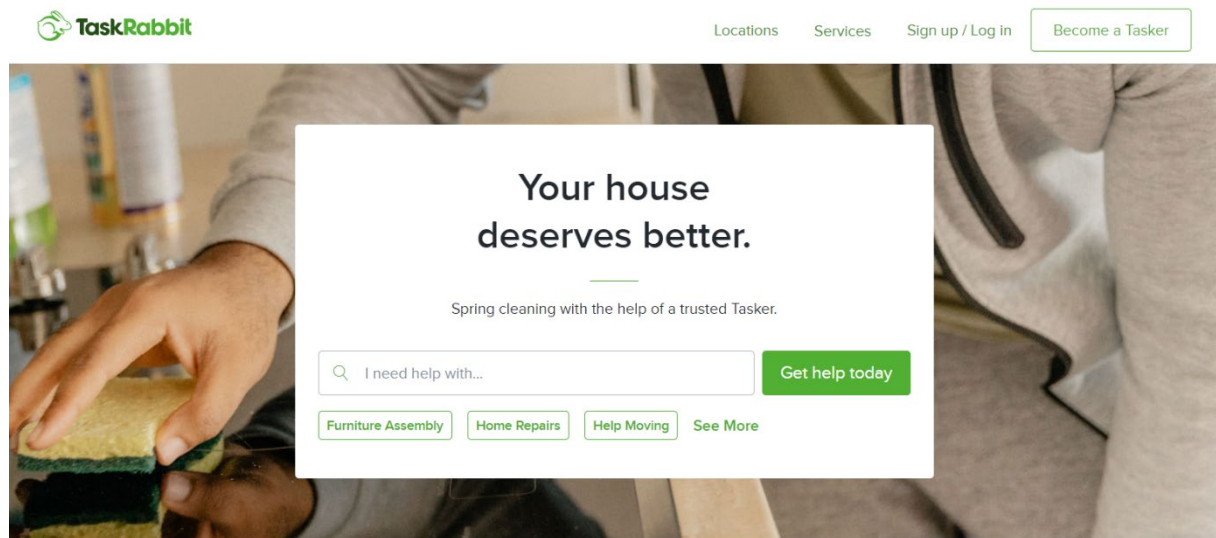
Consumer demand for same day shipping is skyrocketing. Many retailers and their delivery logistics providers will need to find technology solutions that reduce their cost to deliver, without inflicting additional costs onto the end customers.

2.6.2 Best practice – Task Rabbit (<https://www.taskrabbit.com/>)

Task Rabbit is an online platform that allows you to receive help around the house from a trusted Tasker. It is a best practice on same-day (or faster) delivery from USA. The idea behind is that you go online and can look for a handyman work, furniture assembly assistance, to help with moving, yard work, and more with the option that you schedule yourself the completion of the task day, including same-day.

The idea behind it is that you not only see a product, but you can also help your customers to not only receive it, but also assemble it when help is needed can bring more positive review and free advertising to your business.

Any SME's can adopt this best practice and offer additional services to its customers.



2.6.3 Best practice – CookIt (<https://cookit.bg/en/>)

Cookit is best practice on same-day or faster delivery from Bulgaria.

It is a service that provides delivery of a box with a recipe and the necessary ingredients for its preparation. The company offers original recipes for home-made meals, that are quick and easy to prepare, following steps-by-step instructions and using the ingredients that come in the box with the recipe. Since the headquarters of the company is in Sofia the residents of the capital benefit from the same-day delivery, which is also free.

Cookit supplies all the necessary products for the recipe that is purchased. In order to expand and offer its service to other Bulgarian locations the company had to find solution to 2 problems: finding a way to keep the raw meat or fish fresh during the next-days deliveries to other cities and reducing the use of plastic packaging. The problems were solved by removing the plastic boxes for cherry tomatoes and mushrooms, as well as pre-mixing together products in the given recipe in a single package, thus reducing the number of single disposable packages. In addition to this, gel cooler and thermal bags are used for the next-day delivery of raw meat or fish.

Yes, it is transferable to other SMEs. Every business can benefit from same-day delivery offers and in addition with the Covid-19 pandemic the demand for fresh food and products is on the rise.



2.7 Chatbots

2.7.1 Introduction to the trend

Social network nowadays plays an important role in improving online commercial sales and relationships between sellers and consumers. Digitization has led us to the urgent need to use advanced technology both in private life and in companies. Chatbots are only one example of digitalization in companies. Advancements in natural language processing technologies and the nature of mobile devices and messaging apps have opened up a range of business opportunities that showed us the power of chatbots. Chatbots can be implemented in companies for increasing sales and improving customer relationships and seem to be a gateway to the automation of different processes that were traditionally carried out by human employees or entrepreneurs.⁹

The first chatbot was introduced even before personal computers were created. It was developed in 1966 by MIT Artificial Intelligence Laboratory by Joseph Weizenbaum and was named Eliza. ELIZA was a simple chatbot that could interact with users in a written conversation and is considered an early indicator of artificial intelligence algorithms. ELIZA inspired computer programmers to design tasked programs that can match behaviour patterns to their sets of instruction.

If we put chatbots in a retail context, they help answering shopping-related questions in natural language without waiting for one of the employees to answer customers' questions. Few of the benefits of interacting with a digital agent are that chatbots are: time saving, efficient in purchase decisions, cost efficient, they can provide pleasure for customer which is derived from the direct interaction with the firm and perception that they are being important for the company.¹⁰

AI-chatbots can take different roles in the communication and interaction with customer and employees, depending on their level of intelligence.

Some of the actions that chatbots can take:

- Sales - Help customers choose products to purchase, after the bots qualify their preferences and in more advanced cases, also using the historical data about prior purchases in the customer's record.
- Marketing - Offer lifestyle recommendations e.g., specific uses of a food product in a recommended recipe based on the other ingredients that the customer has handy. This is content driven marketing. This can drive leads and, hopefully, sales.
- Customer Service - Get the answer to a customer service query based on the interactions with the customer. This can also mean the chatbot being able to identify when it is necessary to escalate the query to a human being.¹¹

⁹ Illescas-Manzano, M.D., Vicente López, N.; Afonso González, N.; Cristofol Rodríguez, C. Implementation of Chatbot in Online Commerce, and Open Innovation. J. Open Innov. Technol. Mark. Complex. 2021, 7, 125. <https://doi.org/10.3390/joitmc7020125>

¹⁰ Adamopoulou, E., Moussiades, L. Chatbots: History, technology, and applications. Machine Learning with Applications. 2020, 2, 100006. ISSN 2666-8270. <https://doi.org/10.1016/j.mlwa.2020.100006>

¹¹ Chong, T., Yu, T., Isobel Keeling, D., Ruyter, K.d.. AI-chatbots on the services frontline addressing the challenges and opportunities of agency. Journal of Retailing and Consumer Services. 2021, 63, 102735. ISSN 0969-6989. <https://doi.org/10.1016/j.jretconser.2021.102735>

2.7.2 Best practice – ThreadBeast (<https://www.threadbeast.com/>)

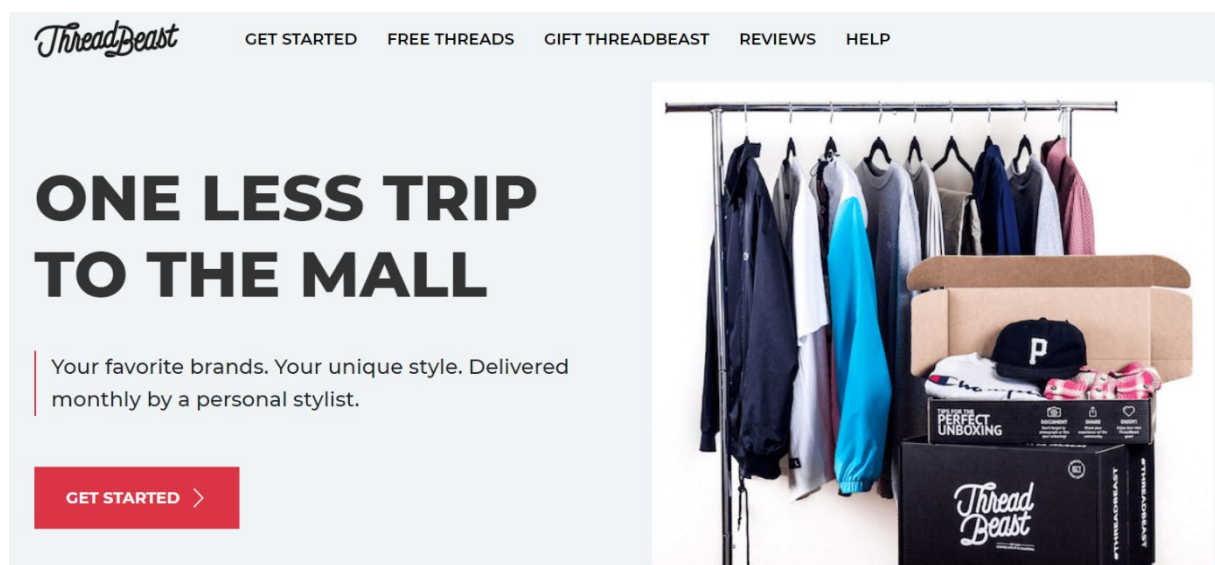
ThreadBeast is a best practice, related to the increased use of chatbots in retail from USA. It is a subscription box service for men's streetwear, delivering clothing personally catered to each customer's style preferences, size, and personality every month. ThreadBeast delivers a curated selection of menswear to thousands of subscribers every month. To communicate personally with each customer, ThreadBeast uses Intercom. Intercom integrates with the other channels and tools they use, like Facebook and Stripe, so they can provide personal, helpful support from one platform – increasing customer retention and improving conversions from Facebook advertising.

Providing such personal, helpful support also results in “astounding” brand loyalty among ThreadBeast's customers. For examples, a lot of customers will answer questions for them and advocate on their behalf on their Facebook advertisements, which is amazing to witness. This information, along with Intercom's automated conversation assignment rules and tagging features, helps the team prioritize and route messages to different inboxes depending on the request.

When ThreadBeast started out in 2015 they chose Intercom platform to handle all of their customer communication. The chatbot helped ThreadBeast hit the right tone when talking to customers; initially, they kept support messages very formal, but found this wasn't resonating with customers. They've discovered that being B2C and because of their marketing demographics, having less formal and more personable conversations hold exceptional value.

ThreadBeast's approach to the increased use of chatbots is transferable to SMEs because the personal communication style that this company provides is very suitable for the most of SME's since smaller businesses are based on building a more personal relationship with customers.

The chatbot that ThreadBeast uses is provides basic answers to frequently asked questions, customers that have other (more specific) questions can then ask them through other different channels, where the team of employees answers them in short period of time. This chatbot provides a good solution to help the team take more time to answer more complex questions and to dedicate themselves to customers.



The screenshot shows the ThreadBeast website. At the top is the ThreadBeast logo and a navigation menu with links: GET STARTED, FREE THREADS, GIFT THREADBEAST, REVIEWS, and HELP. The main heading reads "ONE LESS TRIP TO THE MALL". Below this, a sub-headline says "Your favorite brands. Your unique style. Delivered monthly by a personal stylist." A red "GET STARTED" button with a right arrow is positioned below the text. On the right side of the page, there is a photograph of a clothing rack filled with various jackets and sweaters. In front of the rack is an open cardboard box containing a black baseball cap with a white 'P' logo, a white t-shirt, and a pink and white striped shirt. Below the open box is a closed black ThreadBeast box with the brand name and "#THREADBEAST" printed on it.

2.7.3 Best practice – Automotive Dynamics

(<https://www.automotivedynamics.com/>)


Automotive Dynamics (AD) is an Arizona-based business which offers a variety of car-related services. Their repertoire is diverse, providing customers with everything from collision repair to second hand car reselling. One of the company's services is the humble engine oil change, which all car owners get periodically in their car's life cycle.

The company is an example for a best practice on increased use of chatbots in retail from Arizona, America.

Presenting answers to a basic set of queries within a chat, solves this problem. The conversational nature of the interaction makes the process of completing a purchase more human. This builds trust and creates a sense of investment in the prospect's mind. As a result, there is a greater likelihood that they will stay on the page till they resolve the uncertainty which is preventing them from converting. Using a PPC Chatbot, Mark has created a more frictionless buyer journey. This has resulted in a 50% increase in conversion rate and a corresponding drop in cost per lead.

This example for increased use of chatbots in retail is transferable to SMEs. This type of chatbot is able to provide 24/7 non-stop accessible information based on customer inquiry. Chatbot also able to compose a detailed information from various databases. It releases customer demands for prompt responses, and potentially increase customer satisfaction of the service. SMEs are strategically positioned in close proximity to their customers. A properly managed CRM and customer service are key to the sustainability of SME by creating longer customer lifetime value. It is vital for SMEs to maintain customer relationships either using human agents or e-service agents.

SME customers have specific characteristics in buying the SMEs product and expecting certain service levels when engaging with SMEs. Customer experience, which is related to service encounters, such as welcoming reception and generous hospitality, is an important factor for SME customers.



AUTOMOTIVE DYNAMICS
SERVICE SALES COLLISION TOWING

yelp 4.8 ★★★★★
Google Reviews

SALES 623-972-1221	SERVICE 623-972-6114	COLLISION 623-972-6100	TOWING 623-972-6116
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FAMILY OWNED AND OPERATED SINCE 1982

HOME USED CAR SALES SERVICE & REPAIR COLLISION REPAIR CUSTOMER CORNER TOWING ABOUT US

LOOKING TO SELL YOUR VEHICLE?

WE BUY QUALITY USED CARS AND TRUCKS

- EASIEST WAY TO SELL YOUR CAR
- WE PROCESS ALL PAPERWORK LEGALLY
- WE CAN COME TO YOU
- HASSLE FREE SELLING EXPERIENCE

WE PAY TOP DOLLAR
623-972-1221

CLICK HERE

Hi there! I'm Addy, how can I help?

SHOP AND DO BUSINESS WITH THE PEOPLE YOU KNOW AND TRUST

2.8 Data science-based interactions

2.8.1 Introduction to the trend

Data science uses scientific methods, processes, algorithms, and systems to extract knowledge from data, and use the maximum advantage of this data to make major decisions is a key strategic practice for any business (including the retail sector).

Due to emerging of the new digital era, nowadays data proves to be a powerful lifting up of any industry. Big companies are starting to invest in the data for a more reliable form and SMEs has started to follow this trend as well.

Data has become of great importance for those willing to take profitable decisions during the business. Data needs to be very beneficial for every company's decision-maker, a thorough analysis of a vast amount of data allows influencing or rather manipulating the customers' decisions.

The connection of retail develops rapidly, the retailer analyses data and develops a scenario for the customer. Therefore, a customer tends to be easily influenced by the tricks developed by the retailers. Data science helps to gain insights from this data about the customers and market merging trends.

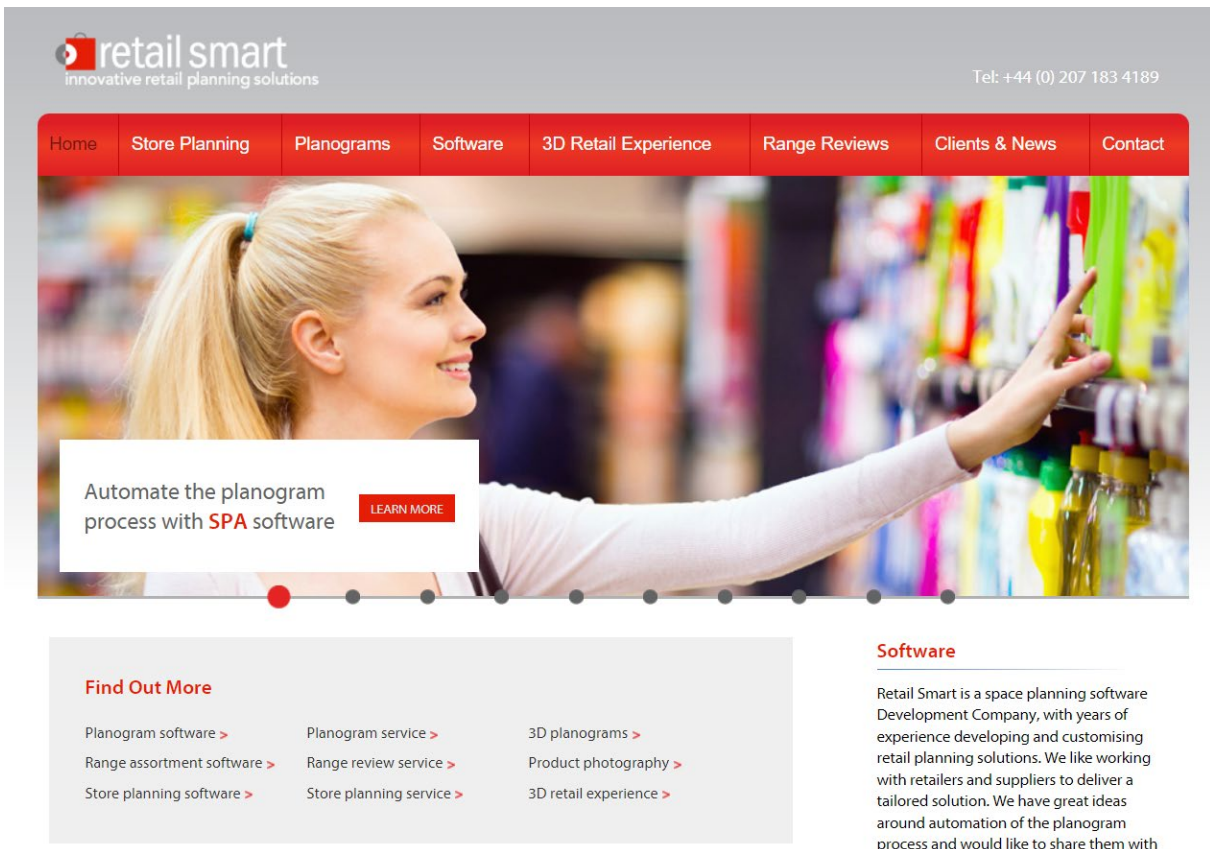
2.8.2 Best practice – Retail Smart (<http://www.retailsmart.com/planogram-service-1>)

Retail Smart are services provided by all over EU. It is a best practice in data science based personal interactions (based on data on human behaviour).

With only one third of in-store purchases being pre-planned, product placement is crucial in enticing shoppers to buy. But SMEs need the right data in order to determine a product's optimum positioning. Product placement isn't just guesswork; using scientific evidence, retail stores can see where shoppers look and even which patterns their gazes follow, in order to find the optimum position for products and so drive sales.

For example, much if today's product placement is based on research that says shoppers start looking at the shelf at eye level, work from left to right, and make their purchasing decision in fewer than eight seconds. Based on this, retailers can come up with a planogram, which is defined as a "model or diagram that indicates the placement of retail products on shelves to maximize their sales.

Every SMEs that has a physical store can benefit from this service. By designing a shop and product placement plan with a simple software that is available they can optimize their product placements based on scientific research and they can predict their customer behaviours.



The screenshot shows the Retail Smart website. At the top, the logo "retail smart" is displayed with the tagline "innovative retail planning solutions". To the right, the phone number "Tel: +44 (0) 207 183 4189" is listed. Below the header is a red navigation bar with links: Home, Store Planning, Planograms, Software, 3D Retail Experience, Range Reviews, Clients & News, and Contact. The main content area features a large image of a smiling woman in a retail setting, reaching for a product on a shelf. Overlaid on this image is a white box with the text "Automate the planogram process with SPA software" and a red "LEARN MORE" button. Below the main image is a section titled "Find Out More" with a grid of links: Planogram software >, Range assortment software >, Store planning software >, Planogram service >, Range review service >, Store planning service >, 3D planograms >, Product photography >, and 3D retail experience >. To the right of this grid is a section titled "Software" with a paragraph describing the company: "Retail Smart is a space planning software Development Company, with years of experience developing and customising retail planning solutions. We like working with retailers and suppliers to deliver a tailored solution. We have great ideas around automation of the planogram process and would like to share them with".

2.8.3 Best practice – JYSK (<https://jysk.ie/about-jysk>)

Jysk is a famous company from Denmark that uses data science based personal interactions in order to receive instant feedback from its customers.

Data science can produce information about real-time events and allow marketers to tap into those situations to target customers. Based on collecting data on their buying personas behaviour and needs JYSK train their sales personnel to be the ideal end point of the offline customer experience.

By leaving their shop after purchasing their product they setup tablets on the exit where they ask you questions about the buyers in-store experience and how is their level of satisfaction of their buying experience.

In case of Jysk, the system provides quality feedback about the in-store experience, helping the retailers to adjust their processes, pricing, customer service in a manner to optimise their sales and also predict new trends.

Setting up a feedback system especially right before the customers leave the store is easily transferable and could be a great advantage to the retailers. Meanwhile after shopping the buyers are not likely to leave any comment or rate their experience, leading them immediately to a feedback tool (for example a tablet) is a great opportunity to gather data.



JYSK is an international home retailer with Scandinavian roots that makes it easy to furnish every room in any home and garden. With more than 3,000 stores and webshops in 51 countries, JYSK always has a great offer and competent service nearby, no matter how customers want to shop.

Founder Lars Larsen opened his first store in Denmark in 1979. Today, JYSK employs 26,500 colleagues. In Germany the stores are called DÄNISCHES BETTENLAGER – in the rest of the world JYSK.

JYSK is part of family-owned Lars Larsen Group with a total turnover of 4.8 billion EUR. JYSK's turnover is 4.1 billion EUR.

Read more about JYSK at [JYSK.com](https://jysk.com)

2.9 Pop-up stores

2.9.1 Introduction to the trend

Pop-up store or flash retailing, is a trend of opening short-term sales spaces that last for days to weeks before closing down, often to catch onto a fad or scheduled event.

This type of activity can bring a lot of benefits for retailers, among which we mention: sell more, clear stock or launch a new product, reach potential customers through a new location or in front of a new audience, offer short-term experiences or reinforce a brand message, perform market research to gather insight and to better understand the target customers.

We invite you to discover below some pop-up store ideas that can inspire you for your business.

2.9.2 Best practice – EcoBrunch

<https://www.facebook.com/cnipttqneamt/videos/418212475819017>



EcoBrunch is an annually a pop-up event that relates to gastronomic heritage and promotion of local SMEs. It is a Romanian initiative related to the pop-up events best practice.

Bison Land association organises annually a pop-up event in Neamt county, Romania.

This event aims to promote traditional gastronomy and local people. It is also a unique way to discover the ecotourism destination of the Bison Land. During the event the participants can try tasty local food: traditional recipes, natural juices and homemade cakes.

The program also includes guided walking tours in the forest, different workshops with local craftsmen and exhibitions for selling local products, among which we mention: sea buckthorn juice, jams, syrups, honey, crocheted ornaments, handmade candles.

This idea can be used by SMEs from small communities involved in the promotion of their local area, products and services.

Taking into account that in any area there are traditional products and unique things (products or services) that remain anonymous just because they are not promoted as they should be, this initiative would help a lot local producers and SMEs to make their products visible to as many interested parties as possible.

These kind of pop-up events are already organized in many regions and their value is very high for all those involved in organizing the event. More than promoting local products, it is also an opportunity to network and build new partnerships with other local producers participating in the event.

This type of event represents a win-win situation for all parties involved, both for entrepreneurs who promote their business and for participants who have the opportunity to test new products and to create nice memories with their family, in a relaxed and welcoming environment.



EcoBrunch în Ținutul Zimbrului - Ediția I - 22.08.2020

2.9.3 Best practice – Carrefour's initiative

(<https://www.carrefour.com/en/newsroom/carrefour-opens-its-summerdrive>)

Carrefour launched a new initiative called Summerdrive in Belgium, which is related to the pop-up stores best practices.

Summerdrive it's a pop-up drive store by the sea that's open seven days a week all during the summer holidays. So, if customers prefer to stay lounging on the beach instead of shuffling their way through the aisles of a store, they can simply visit www.summerdrive.be and shop with their smartphones, tablets or PCs. They can then either pick up their shopping later on from the pop-up store, or they can have it delivered directly to them using the home delivery service.

This approach helps buyers to save time, especially on vacation, when they do not want to go into stores to do their basic shopping, but rather to be as efficient as possible and to receive these products as easily as possible.

This idea can be applied in other locations too: ski resorts, Christmas fairs and many others and can also be applied by small retailers, who can open seasonal stores in heavily populated areas and offer order forms that buyers can take and complete. The order will be taken and prepared when the buyer comes with the completed list, specifying the time at which they want to pick up the products.



Menu



EN ▼



Locations

What is a Summerdrive?

It's very simple: it's a pop-up drive store by the sea that's open seven days a week all during the summer holidays. So if customers prefer to stay lounging on the beach instead of shuffling their way through the aisles of a store, they can simply visit www.summerdrive.be and shop with their smartphones, tablets or PCs. They can then either pick up their shopping later on from the pop-up store, or they can have it delivered directly to them using the home delivery service.

Summerdrive Edition 2.0

This year, the Summer drive is returning to Knokke and will stay there until the end of the summer holidays. It will have the same pink flashy façade, but with four new features:

- a wider range of products, including a new selection of ready-to-eat meals,
- customers can now pick up their shopping after only 2 hours,
- free delivery (when customers spend €40 or more) with an environmentally friendly vehicle,
- 5% off on all shopping orders.

2.10 Customer experience on site

2.10.1 Introduction to the trend

In the digital age, it can be difficult for brick-and-mortar retailers to compete with the convenience of e-commerce websites. As customer journeys become more complex by involving online and offline touchpoints, it is crucial for retailers of all sizes to focus on delivering an omnichannel customer experience.

Customer experience on site is a trend, which focuses on each customer's entire journey interacting with a business. It is a well-known fact that your customer's journey starts when they first become aware of your brand and it goes on until after they make a purchase and leave a review. If the interaction was good and the customer is happy with the experience, they will return. And even more, they will recommend your business providing you free advertisement.

That is why, brands today are increasingly focused on crafting an exceptional customer experience across all of their channels. The most obvious place to start is a brand's online presence. A website is where customers find information about a brand's products, services, and solutions. It's where customers became engaged with the brand.

2.10.2 Best practice – Rebecca Minkoff

<https://www.rebeccaminkoff.com/pages/about>

Rebecca Minkoff is a best practice on social commerce from New York, USA. The good practice trend, encouraged by this company is promoting in-store engagement. Rebecca Minkoff is a personal brand/fashion, having retail stores in New York, San Francisco, Los Angeles, Hong Kong, Tokyo, and Korea; includes handbags, footwear, jewellery and accessories.

The method they use is called “Save your fitting room session” experience, in which fitting rooms are equipped with screens that allow a customer to save the items they liked during an in-store try-on session and then order them later from their mobile device (via the e-commerce site or call-in number.)


Connection of brand and people through technology and gender-focused on women empowerment (“In 2018 Rebecca Minkoff announced they would no longer be presenting at New York Fashion Week, but instead chosen to focus efforts on a new, inspiring project that launched in tandem with the 2018 Women's March, RM Superwomen. RM Superwomen is a social space with one powerful goal: to encourage women around the world to be brave and courageous. The platform will not only highlight activists like the Women's March leaders, but it will also be a place for conversation and events that will hopefully inspire women to lead "fearless" lives. To kick off the new social space, Minkoff has partnered with The Women's March, launching a campaign to highlight their voices along with other key activists and influencers like actress Zosia Mamet and journalist Gretchen Carlson.

It is important to notice that using digital tools in-store experience will provide engaging experiences for costumers and this is a best practice that can be adopted by SMEs.

REBECCA MINKOFF

NEW NOW HANDBAGS CLOTHING SHOES ACCESSORIES FRAGRANCE HOME SALE OUR STORY

Q BG/11B 0



An industry leader in accessible luxury handbags, accessories, and apparel, Rebecca Minkoff's playful and subtly edgy designs integrate the elements of bohemian femininity with a little bit of rock 'n' roll. Rich leathers and suedes, bohemian-inspired prints, effortless silhouettes, and signature hardware details embody a woman who is both carefree and edgy. Effortlessness is perfectly blended with sophistication for an aesthetic that combines West Coast mentality with a Downtown sensibility.

After developing an affinity for design while in the costume department in high school, Rebecca Minkoff moved to New York City at only 18 years old to pursue her dream of becoming a fashion designer. In 2001, Rebecca designed a version of the "I Love New York" t-shirt as part of a five-piece capsule collection. In 2005, Rebecca designed her first handbag, which she soon dubbed the "Morning After Bag," a.k.a. the M.A.B. This iconic bag ignited Rebecca's career as a handbag designer and inspired her edgy, feminine creations in the years to come. After four years of designing statement-making handbags and accessories with her trademark leathers, studs and hardware, Rebecca introduced her first ready-to-wear collection in 2009. Today, Rebecca Minkoff is a global brand with a wide range of apparel, handbags, footwear, jewelry and accessories.

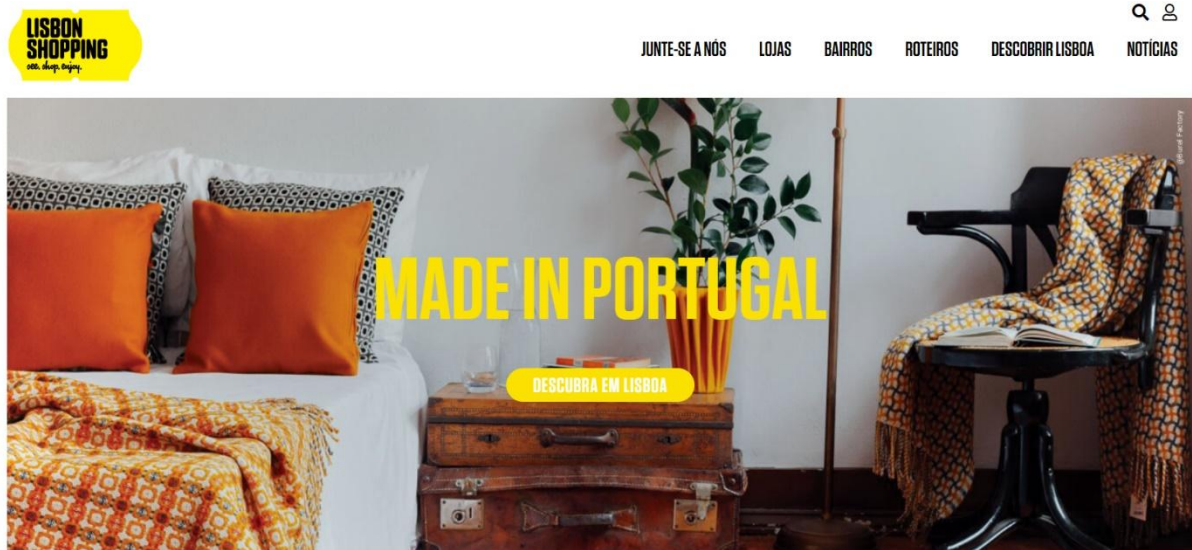
In September of 2018, she established the Female Founder Collective, a network of businesses led by women that invests in women's financial power across the socio-economic spectrum by enabling and empowering female-owned businesses.

2.10.3 Best practice – Lisbon Shopping (<https://lisbonshopping.com/>)

Lisbon Shopping is a best practice on customer experience on site from Portugal. The good practice trend, advanced by this company is promoting local stores and culture. Lisbon Shopping is digital platform (partnership between public/council body and trade and services employers' associations).

It is a platform that is open to all businesses. In fact, all local business can register for free on the digital platform; the platform provides an overview of the shops, neighbours and provide itinerary for people to get to know local shops and history/culture; allows people to create their own itinerary according to their own interests.

It promotes of local retail within local culture and within the neighbouring environment and it is a practice that promoting local commerce, connecting them with history and culture and any SME can adopt it.



3. Keep in mind

3.1 Why we should avoid less-than-ideal practices?

Digital business innovation in general, and social media in particular, has greatly enhanced the way business owners communicate with potential customers, engage with and acquire followers. When businesses are able to use social media to interact with and eventually convert potential customers to sales, they have the best of both worlds. However, there are several things that business owners can do to sabotage this and other social media marketing efforts – causing an upheaval and major setbacks, ruining their brand's reputation for months or even years to come. Below are some not so great practices that business owners find themselves doing that can ruin their digital marketing strategies and efforts.

3.2 Social commerce — shopping experiences on a social media platform

Here are three mistakes that retailers should avoid to do social commerce the right way:

Mistake 1: Creating Clunky Digital Experiences for Shoppers

The best brands are using social commerce to give shoppers a seamless purchasing experience. Sometimes, that means exploring shopping options directly with the platforms or implementing remote checkout technology that lets you turn nearly every surface into a great checkout experience. Becoming part of a shopper network can also lead to great digital experiences because your shoppers won't have to enter their information, even if they've never previously shopped on your site. That means your shoppers can see your product on social media, tap to complete the purchase with fast, one-click checkout on your site or even faster with remote checkout right in their social media app.

Mistake 2: Giving Up Your Brand In The Social Commerce Game

One place where your brand can easily get lost in the shuffle with social commerce is during the final stage of checkout. In a bid to reduce friction and keep your own checkout, you may implement multiple redirects to have shoppers check out on your site. This creates a cumbersome experience for shoppers and could potentially hurt your brand experience more than it helps. Alternatively, you may have customers log into separate branded experiences like PayPal or other Alternative Payments Methods (APMs), but that means you're giving up your brand during the all-important final checkout step and rely on a third-party's experience to get the shopper to complete the purchase.

Joining a shopper network is one way to leverage the power of social commerce while maintaining your own branded experience all the way. This gives you exposure to millions of new shoppers and creates new places for customers to discover and engage with your brand through word of mouth. Most importantly, those shoppers can purchase your product in a seamless, hassle-free way and experience your carefully crafted brand experience from beginning to end.

Mistake 3: Missing the Opportunity to Create Store Accounts

Instead of driving store accounts, you may decide to offer guest checkout, but that shopper will often leave with a subpar experience and likely won't become a repeat shopper.

Again, this is where a robust shopper network can help retailers of all sizes. Not only does it make purchases coming from social channels easy, but it also makes creating a store account as easy as one-

click after the purchase is complete. Forget the clunky forms and usernames and passwords shoppers have to create.¹²

3.3 Influencer Marketing

The mistakes you should avoid when you are getting started with influencer marketing:

1. Not Defining a Goal for Your Influencer Marketing Campaign

Every marketing campaign needs to have a set goal – whether it's to raise brand awareness, drive conversions, or boost customer loyalty.

2. Choosing the Wrong Compensation Model

The right compensation model can get you a long way with your influencer marketing campaign. But choosing one that doesn't fit your budget or goals could result in huge losses. And in some cases, you may end up paying for something that you could have gotten in exchange for a free product or experience.

3. Being Tempted by Audience Size Alone

This is easily the biggest mistake marketers make with their influencer marketing campaign. They think that just because an influencer has a massive following, they'll have the maximum impact.

4. Being Overly Restrictive with Content Creation

You may have seen celebrities or influencers promoting a product and listing its features and benefits. And in many cases, the way they mentioned the benefits may seem a bit off – like it was overly scripted and unnatural. That's what happens when a brand is too controlling over what the influencers post about their brand. They provide influencers with a script they want them to follow, and expect them not to make any changes.

5. Failing to Maintain Transparency

A mistake brands make with their influencer marketing campaign is failing to disclose their partnerships. In an attempt to maintain authenticity, they fail to ensure their influencers are disclosing their partnerships. Some may even advise their influencers against disclosing that the brand has paid them for the content.¹³

3.4 Online Stores in Offline Spaces

The implementation of "Online stores in offline spaces" strategies could be hindered by several common practices to be avoided. First of all, retailers must avoid taking "old school retail" strategic principles and apply them to "Online stores in offline spaces". Retailers cannot solely rely on the tactics that made them successful in physical retail. It does not necessarily transfer over to online. The physical strengths of location and "one stop shop" are not a value proposition for consumers who buy online. This thought process comes from the larger more arrogant retailers who feel their substantial brand equity will see them through to ecommerce success. Retailers must go through a process of reinvention in order to succeed in the online channel and in doing so develop a more effective method of communicating and selling to consumers.

¹² <https://www.retaildive.com/spons/3-mistakes-retailers-should-avoid-with-social-commerce/607637/>

¹³ <https://shanebarker.com/blog/influencer-marketing-campaign-mistakes/>

Retailers must avoid creating an online channel in a silo and avoid interaction with their physical entities (can be caused by an inadequate infrastructure not allowing the interaction). The focus is to drive the cross pollination of consumers from online to physical retail, and physical retail to online through numerous initiatives. The goal is to create multichannel consumers, the most profitable consumer type.

Retailers must avoid shopping cart technology with no regard as to whether it adds value to the buying process of a target market. Technology is meant to enhance the buying experience not hinder it. No two ecommerce technologies are created equal. A rigorous process to define the needs of the business is necessary in order to prescribe the most suitable ecommerce technology fit.

Retailers must avoid not updating the skills of their human resources and/or themselves in micro retail companies. Retailers need to increase the level of accountability for the performance of all vendors who deliver support and services to the online stores. The online manager is a change agent. To create a new business channel requires change. The online team needs to have influence in all elements of the retail business: pricing strategy, marketing, customer service, logistics, inventory, management, supply chain, accounting.

3.5 AR-Powered Shopping Experiences

1. Choosing Developers: In-House vs Third-Party

The first challenge that needs to be addressed is who will build and manage your mobile experience? Both in-house and third party come with pros and cons. In-house can be cheaper if the merchant has the staff with the required skill sets. While a third party can be faster and easier, which allows the merchant to manage their business.

2. Creating a Realistic Experience

Regardless of who is building the AR experience, the two key elements that are crucial to a great customer experience is realistic and easy to use. There must be a talented 3D design team to make the products to appear as close to the actual product as possible. Easy to use comes with a master of User Interface and User Experience.

3. Easy to Use Interface

The mobile AR app should guide first-time users, have minimal clicks and actions, and should be intuitive to use for any customer.

4. Activation & Discoverability

Lastly, users need to know the AR experience are available and they need to know how to access the AR interactions. For active mobile users this can be achieved through push notifications, alerts, texts, email and social posts. To activate new users in-store promotions, video and print displays can all be great methods for making the customer aware of benefits to engaging with the augmented reality. Merchants need to remember to use social sharing to gain the benefits of user-generated content to spread awareness of their products and their AR capabilities.¹⁴

¹⁴ <https://www.x-cart.com/blog/augmented-reality-retail.html>

3.6 Ethical and Values-Based Brands on the Rise

The first and foremost obligation of an organization and its employees is to protect the rights and interests of customers, and they are liable to ensure for the customers' safety and security. An organization can't practice unethical practices by violating the consumer's rights to make a profit. There are various deeds such as **deceiving advertising, sharing wrong information with customers, hide the complete truth about the products and their characteristics invading customers' privacy, lack of quality control** on the products sold by the organization, **questionable pricing policies**, selling the item at full prices even when they are on sales without the knowledge of consumers, etc. violates the customers' rights and interests¹⁵.

When being active in the "online retail" there are some specific things to be avoid. Whereas companies can put anything they want into these **terms of service**, requirements that are not actually legal are unenforceable and can even result in lawsuits. Almost no one reads the pages-long user agreements, which can enable businesses to slip in some undesirable requirements. There are some unethical business practices that are legal but morally questionable. There's nothing to stop businesses partaking in these activities, especially if they think that their products and services are desirable enough that customers will continue to purchase them anyway. Companies may include the right to sell customer data in their agreement terms. Often, this is completely legal, especially if the data contains no personally-identifiable information. Usually, companies sell this data to advertisers or start-ups who want a database they can market to¹⁶.

Employees are also an important stakeholder group which is affected by the behavior of the companies. Examples of **unethical practices** towards **employees** are: unfair treatment to employees working at the same level; paying them less or not paying them as per the salary mentioned in the employment act; making them work overtime without paying for overtime work; or abusing them at the workplace¹⁷.

Unfair competition must also be avoided. Some companies try to give themselves an unfair advantage by attacking their competition through a few different types of unethical business practices. In the digital era, it's easier than ever to spread false information. Businesses can create fake accounts on social media or post anonymously on blogs or forums to spread lies about a competitor. If the identity of the user is discovered, the business may receive a hefty fine¹⁸.

The **suppliers** are critical for ensuring an ethical behaviour of the retail companies, which must avoid working with those suppliers which cannot ensure a proper social and environmental behaviour.

Finally, we can state that an ethical and value-based brands must also avoid negative impacts to the **environment**, like high consumptions of plastics or energy or contaminating the water, air or soil.

¹⁵ <https://www.marketing91.com/ethical-practice/>

¹⁶ <https://myva360.com/blog/the-ugly-truth-about-unethical-business-practices>

¹⁷ <https://www.marketing91.com/ethical-practice/>

¹⁸ <https://myva360.com/blog/the-ugly-truth-about-unethical-business-practices>

3.7 Same-Day (or Faster) Delivery

Here are biggest same day delivery challenges that can turn this process into a bad experience for customers:

1. Inefficient dispatching and routing

Most companies use dispatchers for scheduled delivery. Even next day deliveries can be scheduled, assuming they arrive before the cut-off. However, outdated dispatching software or manual dispatching doesn't work with same-day, as there is no time to check fleet availability for on demand delivery orders. There is no time to check which driver is closest to the delivery location, or which fleet will be able to deliver the order most cost-effectively.

2. Travel distance

eCommerce is proliferating at a faster pace than companies can match with their supply chain – in particular, local inventory. eCommerce has even entered into suburban and rural areas, where few retailers have local fulfilment centers or retail footprints near enough to customers to perform same day delivery.

Moreover, inventory management systems are not built around shipping from stores, and many a business struggles with inaccurate inventory on the store level. Without accurate inventory management and a supply chain built around local fulfilment, it's impossible to guarantee inventory availability on demand, in real time.¹⁹

3. Miscalculating delivery rates

If the rate is too low, you risk making your delivery financially unsustainable. The price of delivery won't be able to cover the cost of operations. On the other hand, if the rate is too high, you risk disappointing customers. The price of your service (plus product) could scare them off, and lead them to your competitors.²⁰

3.8 Increased Use of Chatbots

Chatbots can be used to interact with customers across the entire customer journey (during pre-purchase, purchase and post-purchase stage). During the pre-purchase, chatbots, which use learning algorithms and predictive modelling, can immediately link consumer demand with available products that meet their needs. During the purchase stage, chatbots can redirect customers to shopping platforms or introduce certain promotional offers. In the post-purchase stage, the customer can still work with the chatbot to monitor the delivery process and ensure relationships with after-sales services. Therefore, chatbots can play a major role in retaining customer, particularly for vulnerable businesses such as SMEs.

SME customers have specific characteristics in buying the SMEs product and expecting certain service levels when engaging with SMEs. The findings suggest four combinations of chatbot features that match SME customer characteristics: responsive; simple steps to trigger customer actions; humanized conversations; and personalized recommendations. Building a chatbot for SMEs can be more complex

¹⁹ <https://www.bringg.com/blog/delivery/same-day-delivery-challenges/>

²⁰ <https://elogii.com/blog/biggest-mistakes-in-delivery-management/>

whereas customers have high expectations of humanized, natural and casual chatbots. Promoting usefulness in assisting shopping activities but also fun and enjoyable bots are therefore the main features that should be present in implementing chatbots for SMEs.

3.9 Data Science-Based Personal Interaction

Data analysis, like any calculation/interpretation-based study, is prone to errors. And even when the study itself is correct, further problems arise when someone starts to misquote or cherry-pick convenient stats from it. Therefore, you have to keep in mind to:

1. To not rely on unreliable data

Analysts are not always able or willing to check the correctness of the source data they are using. It could have missing values, rounding error, or duplicate records. If unaddressed or unaccounted for, this will produce descriptive statistics that simply do not describe the population or situation. Data can also be unreliable if "second-hand". Analysis reports are often based on the results of other reports, citing the results of studies by external research or consulting companies.

2. Do not compare apples with oranges

You can't compare the growth dynamics of a large corporation with a small start-up. Neither can you like-for-like compare the results of December sales from July if your business is highly affected by seasonality.

3. Not providing commentary for noticeable changes

Sharp rises or falls from one data point to another on charts attract the report user's attention quickly. The reason they are so impactful is that the user infers from the sharpness of the change that something significant has happened that they need to understand and react to. If a significant change is due to something other than the core trend the chart intends to report – a change in calculation methodology or an event specific to that data point – then this needs to be explained prominently in the report's commentary.²¹

3.10 Pop up Stores

Creating a pop-up store can give a great competitive advantage to the business. Although it may seem easy to open a temporary shop, it is actually a process that needs to be thought out in detail in order to be successful. Planning a pop-up store takes a lot of careful planning and strategizing. It requires a number of tasks that might go outside of your typical day-to-day operations, which means that some of those well-needed details can easily be forgotten.

The main things you need to avoid when planning and running a pop-up store are:

1. Choose the location quick

Localization is a key factor when opening a pop-up store. As the store will run for just a short time period, the objective is to attract as much foot traffic as possible during that time.

²¹ <https://insights.btrhub.com/common-data-analysis-mistakes>

Before choosing the location, be sure you spend enough time to identify the target customers, their shopping behaviours, how and where do they like to do shopping? Answering these questions should help you identify the best location for your pop-up store.

You should also consider future events that are scheduled around the time of your pop-up store. Music festivals, seasonal markets, or sporting events are all great opportunities to set up a nearby shop.

2. Expecting to set up a pop-up over night

As the pop-up store is just temporary, you may be tempted to think that the preparations will be very fast. However, bear in mind that firstly you will need to prepare a workplan with specific deadlines and this process must take place at least a few months before the event. Planning an opening for the first time in just a few days could be a total failure.

3. Ignoring legal or commercial requirements

Once the location was chosen, bear in mind that even if it is just a temporary store the legal and commercial requirements can be pretty similar to those of a permanent store. Meeting these requirements may be critical for the success of the pop-up store.

4. Failing to promote the pop-up store

After spending so much time in planning and preparing the grand opening, that doesn't mean that customers will be there, as you expected. The novelty of your pop-up shop may attract a steady flow of traffic for a while, but it certainly won't be enough to ensure long-term success.

Be sure to promote your pop-up store on social media. Facebook is a great platform to hint at the launch in the weeks leading up to the shop, and Instagram and Twitter are great for "in the moment" updates once you're open. Reaching out to local influencers, bloggers and press can also help spread the word to a vast network of eager shoppers.

5. Pop-up store = low costs

Don't fall into the trap of thinking that a pop-up store will cost you very little. If you're hoping to generate a sufficient amount of revenue from your pop-up shop, be sure to lay out a budget before you start planning. Leave room for any unanticipated costs, and hold yourself to your initial budget. In the long run, your business will be rewarded for saving.

3.11 Customer experience onsite

Keep in mind poor usage of customer data. Making a customer give you information they have given you makes them doubt the credibility. How many forms is too much? Many businesses keep customer information and data, they don't make any use of it. Using customer data will help improve customer experience. Use customer names, keep their demographic information in mind while segmenting and more. You can wish them for their birthday, keep their place and location details in mind. Not utilising customer data is a huge mistake.

Another important point is to engage with customers. This is a costly customer experience mistake. It reduces growth deeply and creates loss in trust. If a company does not engage with customers, they will not have an idea on opportunities to grow. You can miss valuable insights to grow and engage. A brand should have a two-way communication with customers. You need to know how your product is and what can be improved via interaction on events, interviews, polls, and surveys.

Do not forget to track social media and review sites. Customers these days review and research a product online completely. After they purchase, they do not shy away from posting a review on social media or review sites. Premier review sites like G2 are a treasure trove for customers who are looking for prospective solutions in your niche. This is what you need to improve. Some sites allow companies to respond to the reviews on social media and their page. This needs to be handled carefully. Neglecting this can lead to negative effects and is a big customer experience mistake.²²

²² <https://www.smartkarrot.com/resources/blog/customer-experience-mistakes/>

4. Conclusion

Today's retail world is changing like never before. The new generation is full of digital customers who have grown up talking to Alexa, Google and Siri, and interacting with touch screens. Something as simple as grocery shopping at the supermarket has become a special occasion as weekly grocery orders are delivered to the doorstep. The spread of technology will continue to grow and define the way consumers perceive and do shopping. The question at the forefront of retailers is: How will the rise of online retail affect us, and how can we take advantage of the situation?

In this guide we tried to answer that question in more practical way – with good and not so good practices, real life examples that works, and some that should be avoided. Considering the online marketing trends shift and change rapidly, it is very possible new ideas and practices to become relevant tomorrow, but we are confident that in the foreseeable future these trends will be valid. We would encourage everyone in the retail sector to follow the latest news and trends – this is the best way to be informed, not fall behind the new ideas, and a great opportunity to innovate their business.