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UK retail innovation
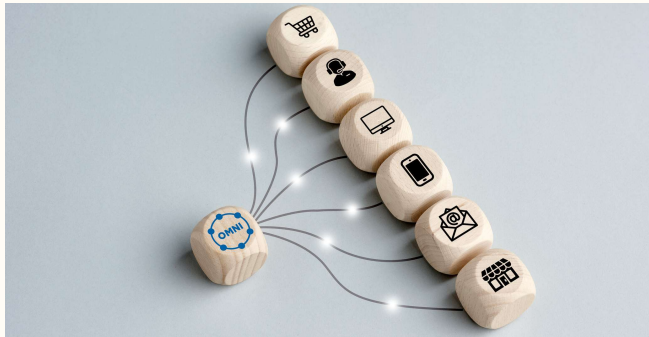
How are retailers harnessing technology to improve customer experience while driving efficiency?

Consumers nervously await Budget

Consumer Confidence Barometer

Source: GFK

A Flourish chart

GFK / Retail Week

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Future proofing propositions

Consumer expectations

Frictionless experience

In-store service

Sustainability messaging

Balancing costs

Driving productivity

Employee satisfaction

Targeted investment

Focused efficiency

Enhancing omnichannel operations

Headline themes

Elevating the in-store experience	Leveraging data and analytics
Delivering seamless experience	Driving efficiency in the value chain

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Case study : The Fragrance Shop

AI-powered perfume personalisation station

- New London flagship opened end 2023

- Customers can create their own bespoke

  fragrance

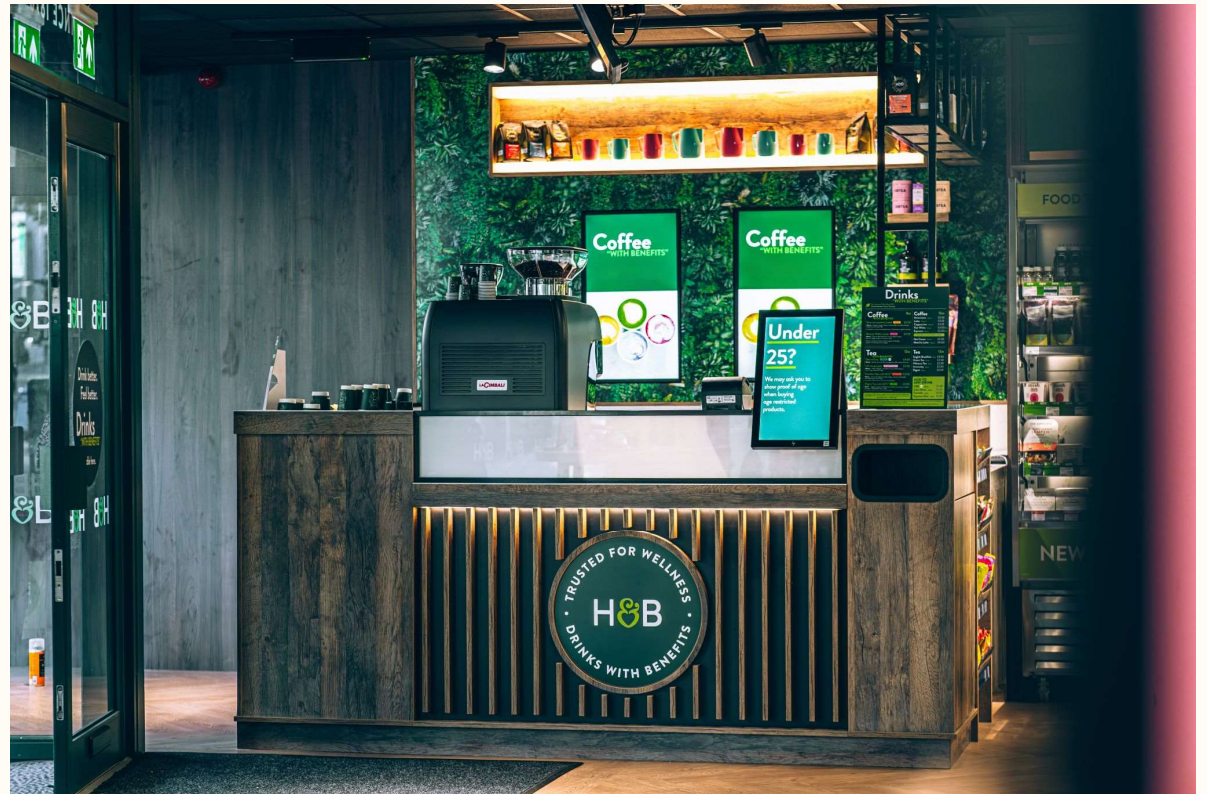- Partnered with EveryHuman on

  its 'Algorithmic Perfumery'

Source : The Fragrance Shop

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Case study : Holland & Barrett

Customised wellness solutions

- Expanding beyond retail

- Slew of acquisitions including Avie and

  Parla

- Partnered with DnaNudge and Ivie

- Launched in-store café concept

Source : Holland & Barrett

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Case study : Jellycat

Creative in-store experience

- Global pop-ups

- Providing in-store theatre

- Exclusive products
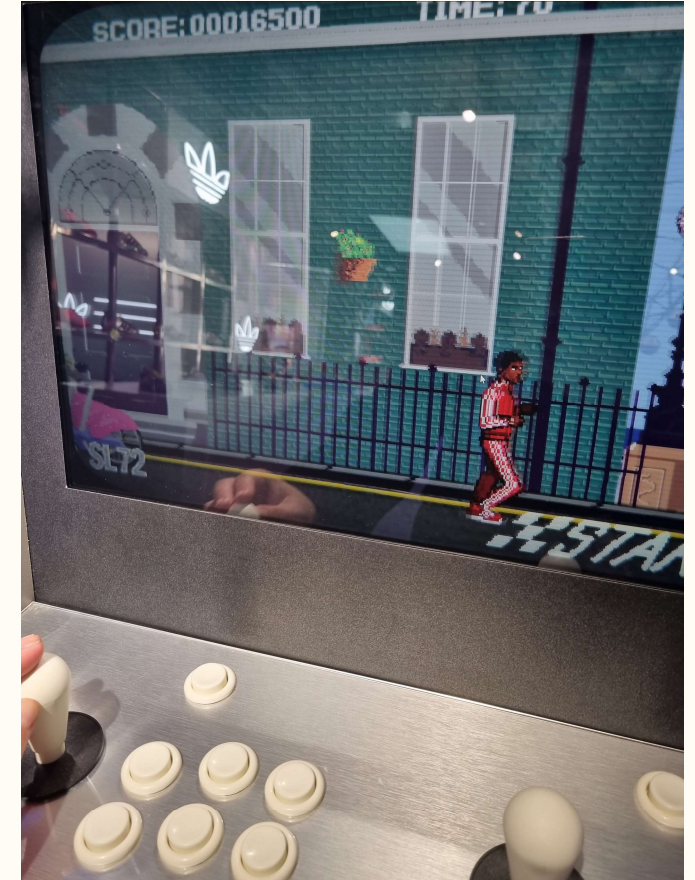
- Amplifying brand presence

Source : Jellycat

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Case study : Adidas
Harnessing digital capability

- Global flagship in London

- Over 100 digital touch points

- Test products on treadmill

- Smart mirrors

- Gamification

Source : Adidas / Retail Navigator

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Case study : Uniqlo
Technology to enhance customer experience

- Trending areas

- In-store signposting

- RFID checkout technology

- Frictionless experience

Source : Retail Navigator

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Headline themes

Elevating the in-store experience	**Leveraging data and analytics**
Delivering seamless experience	Driving efficiency in the value chain

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Case study : Lidl
Loyalty driving growth

- Lidl Plus launched in 2020

- App offers personalised discounts, as well as prizes

- Customers can unlock new coupons by meeting monthly spending targets

- Partner offers
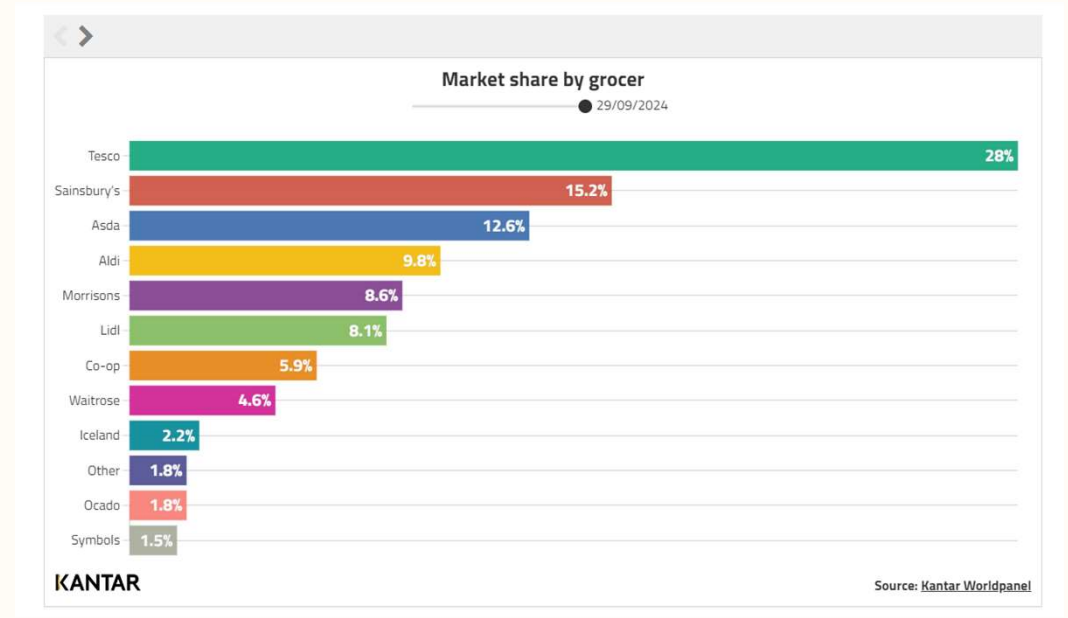
Source : Lidl / Kantar / Retail Week

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Market share by grocer
● 29/09/2024

Grocer	Share
Tesco	28%
Sainsbury's	15.2%
Asda	12.6%
Aldi	9.8%
Morrisons	8.6%
Lidl	8.1%
Co-op	5.9%
Waitrose	4.6%
Iceland	2.2%
Other	1.8%
Ocado	1.8%
Symbols	1.5%

KANTAR

Source: Kantar Worldpanel

Retail Media

Leveraging customer data

- Retailers leveraging customer data to supercharge retail media efforts

- Targeted ads

- Detailed analytics

Source : Tesco

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Case study : John Lewis Partnership
Democratising data

- AI driven insights through Tableau Pulse –

  helping to understand customer returns

- £100m Google partnership

- Partnered with Quicklizard for relaunched price-

  match promise

Source : John Lewis Partnership

Case study : Marks & Spencer
Brand ecosystem

- MS2 division

- Sparks loyalty

- Brands at M&S

- Online product recommendations

- 'The Parent Hood' launched August 2024

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Case study : THG

Data to inform consumer choice

- Tech from Provenance

- Publishes fact-checked sustainability claims

- Higher conversion rate

- Make informed decisions at checkout

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Headline themes

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Case study : Amazon
Conversational shopping assistant

- 'Rufus' launched in UK September 2024

- Shop by occasion or purpose

- Compare options

- Ask questions about a specific product or

  general search terms

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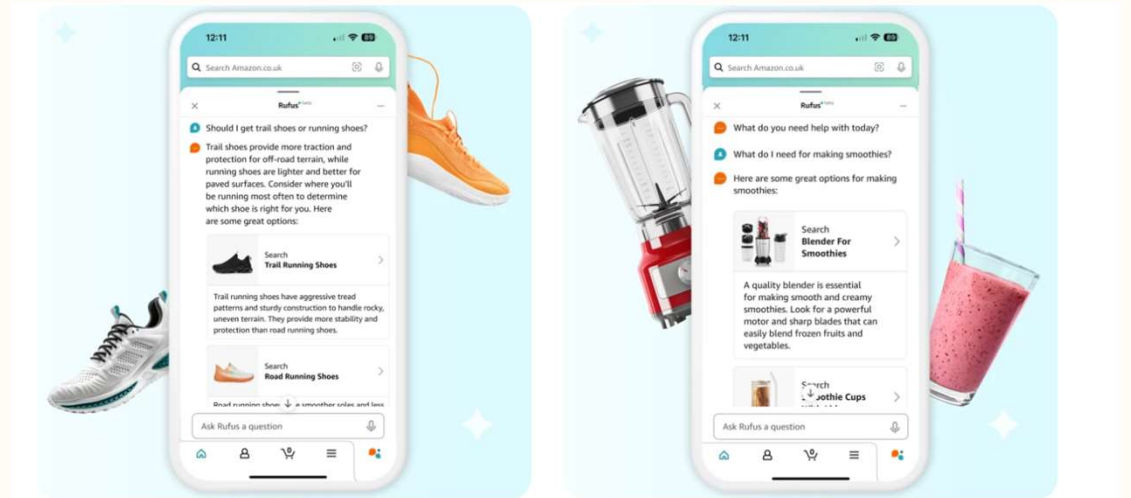
Case study : Mint Velvet
Live shopping

- Launched live shopping in early 2024

- *Retail Economics* predicts UK social commerce market to grow to £16bn by 2028

Timeline

Next up

White Workable Wide Jeans
Mint Velvet
£99.00

Indigo Wash Puff Sleeve Denim Blouse
Mint Velvet
£89.00

Neutral Mongolian Jacket
Mint Velvet
£425.00

Black Leather Flared Trousers
Mint Velvet

Source : Mint Velvet

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Case study : Ikea

Helps customers to be self sufficient

- 35 kiosks 'Upptäcka' available in every store

- Create shopping lists, search for products and

  plan product combinations

- Transfer to app

- Enhances flexibility and convenience

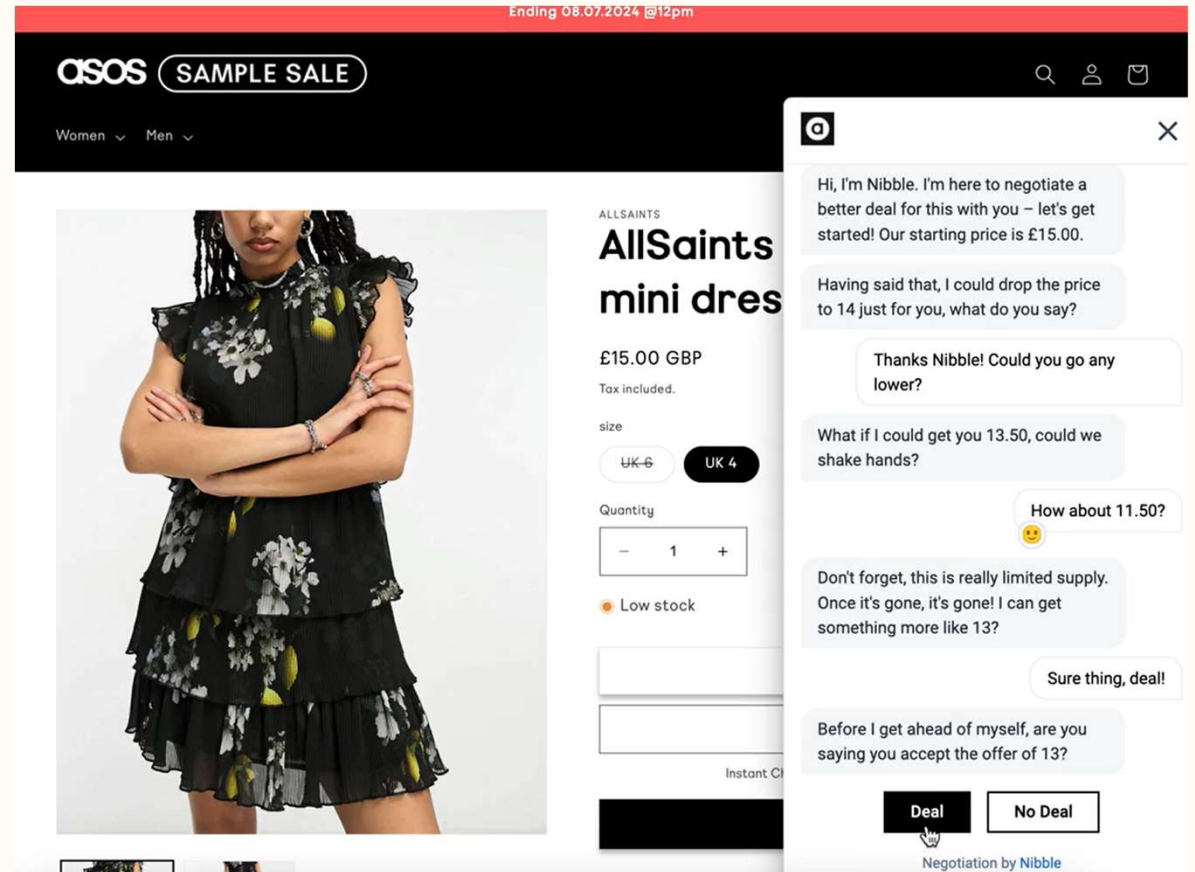- Reduces waiting times and employee workload

Source : Ikea

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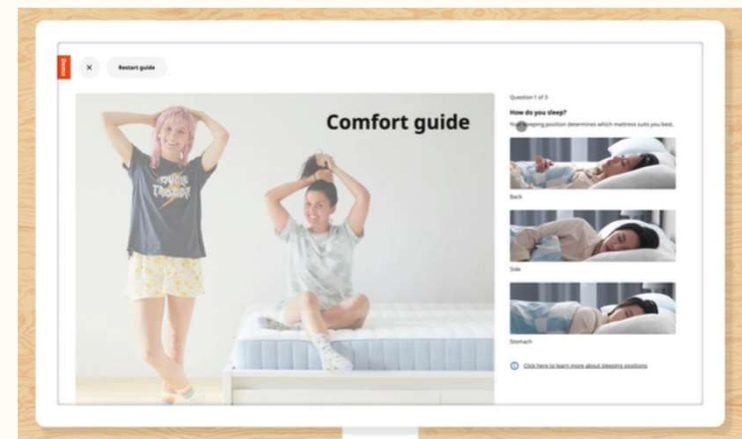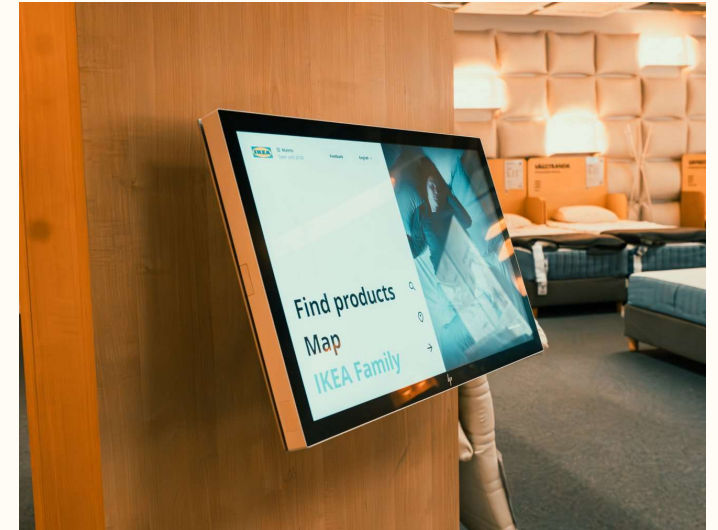
Case study : Asos

AI negotiation chatbot

- Partnered with Nibble – an AI negotiation platform

- Piloted on its Asos sample sale site

- Allows customers to haggle on prices

- Tapping into 'human' decision making

Source : Nibble

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Case study : Kingfisher
Harnessing AI to improve customer experience and efficiency

- Using AI powered assistant in its Castorama business

- Product recommendation engine

- AI used on demand forecasting

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Headline themes

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Case study : Chinti & Parker
Digital product passports (DPPs)

- Tesco to become one of largest UK retailers to adopt DPPs in its F&F clothing ranges

- Follows fashion retailers such as Nobody's Child and Chinti & Parker

- Facilitated by Fabacus

"DPPs represent an important step forward, encouraging and promoting sustainable and circular practices."

Tesco head of technical, Joe Little
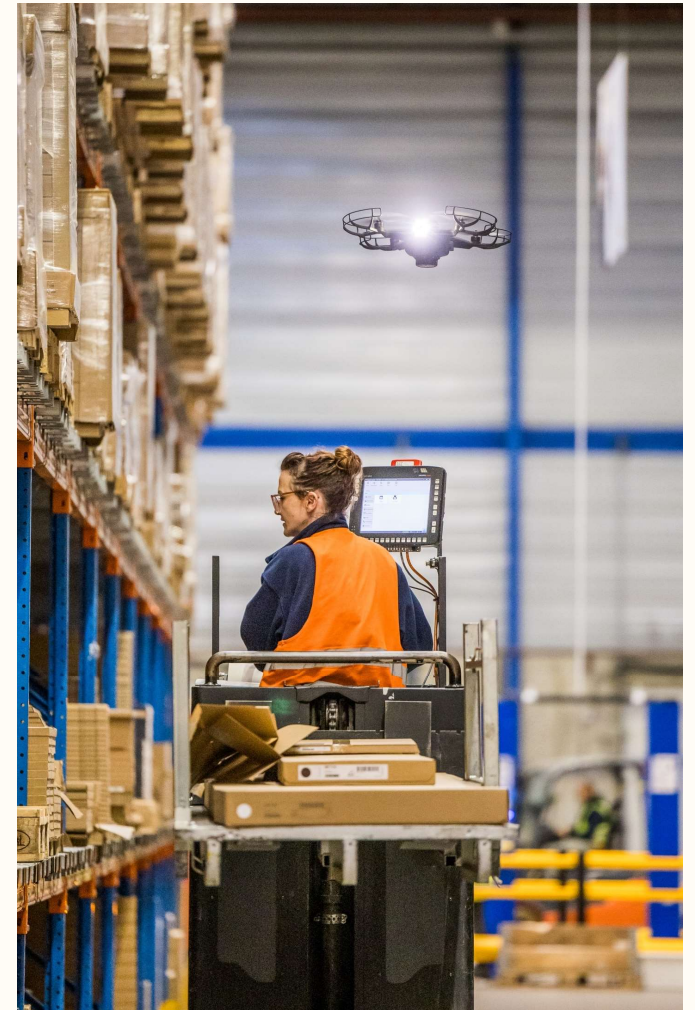
Case study : Ikea

24/7 drones in supply chain

- 250 drones in operation as of mid-2024

- Upgraded AI-powered operating system

- "Transforming" its inventory management

- Real-time stock data

- "Significantly boosting operational efficiency whilst also

  enhancing co-worker productivity"

Source : Ikea

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Case study : Dunelm

Online and offline – total retail system

- Ongoing digitisation making Dunelm a "bigger, better business"

- Stores at the heart of Dunelm's "total retail system"

- Launched click and collect and improved delivery options

- Introducing new AI search functionality on its website helping with search results and personalisation

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Case study : Mango
AI to streamline processes

- 15 conventional AI platforms adopted at different points of its value chain

- From pricing to design, to customer service

- 'Lisa' launched October 2023 - improvements from the development of collections to the after-sales service

- First campaign generated by AI summer 2024

Source : Mango

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Summary

➤ Customer centricity remains key

➤ Data enhancing propositions

➤ Efficiency, but not always at the cost of headcount

➤ Targeted investment

➤ Partnerships

➤ Sustainability as part of value chain

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Thank you for listening

Get in touch

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