

TECHNOLOGY

What will be the retail technology trends next year? **Rebecca Thomson** finds out

Future-proofing for 2015

Technology trends now have as much of an impact on retail as the wider economy and society. Some technologies, such as RFID, can take 20 years before the conditions are right for them to have an impact. Others, such as smartphones, completely revolutionised retail in the space of five years. That can make it hard to spot any disruptive technology on the horizon. Here are four trends to be aware of.



EXPERIMENTATION

Retailers including Shop Direct and Tesco have already started to embrace a more experimental approach, and more businesses are starting to implement it.

It's an important option to consider – customer behaviour is increasingly unpredictable and trying different things in small, quick trials that are easily dropped if they're not the right route is perhaps the only answer.

Forrester analyst Michelle Beeson says in a report on what retailers should be prepared for next year: "2015 will be a year of experimentation with the ways in which digital pervades the customer journey." She observed that retailers will experiment with mobile and in-store technology.

MOBILE PAYMENT

2015 might finally be when mobile payment starts to become mainstream.

Shop Direct's ecommerce director Jonathan Wall says that the release of Apple Pay, Apple's payment technology that uses near field communication, could be part of the gamut of technologies that mean the tipping point is near.

He says: "Payment is a really big one. We have been keeping a watchful eye and the time has come. Nobody's been willing to make a jump but Apple has woken us all up and [we will all need to] make a couple of big bets."

He says Shop Direct has also been keeping a close eye on Zapp, which enables shoppers to pay on their mobile via their bank accounts.

INTERACTIVITY

Analyst firm Forrester says that by the end of 2015, global spend on interactive media across all industries will top \$67bn (£43bn) – 14% up on 2014.

Marketers are expected to keep increasing their use of data-driven marketing to produce content and promotions that are tailored to a shopper's 'context' – or, their location, tastes and stage in life.

Part of the shift in marketing will encompass mobile, which will increasingly be incorporated into overall marketing strategies rather than being treated as a standalone initiative. Data gleaned from mobile will play more of a role in building customer profiles, and the focus will move from apps – which consumers are tiring of, according to Forrester – to more of a 'multi-touchpoint' approach with mobile seen as part of a journey.

INTERNAL COMMUNICATION

As retailers implement wide-ranging change across their businesses, technology is helping them to manage the process.

The most important part is communicating what is happening and why. Mike Lynskey, retail industry development manager at Microsoft, says: "If you don't have a happy, motivated workforce you are probably going to fail in retail."

It is important to ensure the culture in a business keeps up with the organisational change – communication is a key part of that. Cloud technologies and productivity tools will play a growing role in connecting staff and keeping them engaged.

As 2015 gets under way, the pace of change will not slow down for retailers.