



Intelligent Retail and Commerce

A WIL Digital Initiative

Presented by the Information and Communications Technology Council

1.0 Introduction to Retail Innovation



Retail has always been a cornerstone of the Canadian economy, representing trillions of dollars of revenue for Canada every year. Retail serves and touches all Canadians: its footprint is coast-to-coast, from big cities and small towns to rural and remote communities.

Everyone has heard of retail. For many of us, our first job was in a retail store! However, fewer people are aware of how complex and sophisticated retail truly is. Nearly everything we know is based on our shopping experiences as consumers, which are designed to be as simple and seamless as possible. But there is so much that lies just beneath the surface!

It takes millions of people - and the most cutting-edge technology - to create, produce, ship, and sell the products that wind up in stores and in mailboxes around the world. Retail is one of the most innovative industries around, because it has to be! It is responsible for keeping our local and national economies running, and keeping us connected to the global marketplace.

This is exactly why COVID-19 had such a massive impact on the Canadian economy. During the pandemic, many retail stores had to close their doors temporarily (and some permanently), and most essential businesses - like grocery stores, gas stations, and pharmacies - are retail stores, as well. **We rely on retail.**

In an effort to revive our economy and build a more resilient future, retail needs our best and brightest. Now more than ever, it's time to debunk the myth that working in retail means occupying a sales or clerking position at a brick-and-mortar location.

The future of retail is intelligent.

The future of retail will see the integration of technologies like augmented and virtual reality, AI-driven recommendation engines, frictionless shopping, sensor-driven packaging, and blockchain-driven supply chain solutions. As retailers rapidly complete their digital transformations, a flood of innovations is due to hit the market to ensure they stay efficient and relevant.

Working in retail means being a part of one of the most cutting edge industries in the world, and solving some of our society's most challenging and impactful problems. This course invites you to join the ranks of brilliant minds who are dedicating their careers to retail today.



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2.1 Emerging Technologies in Retail

How tech is transforming the consumer experience?

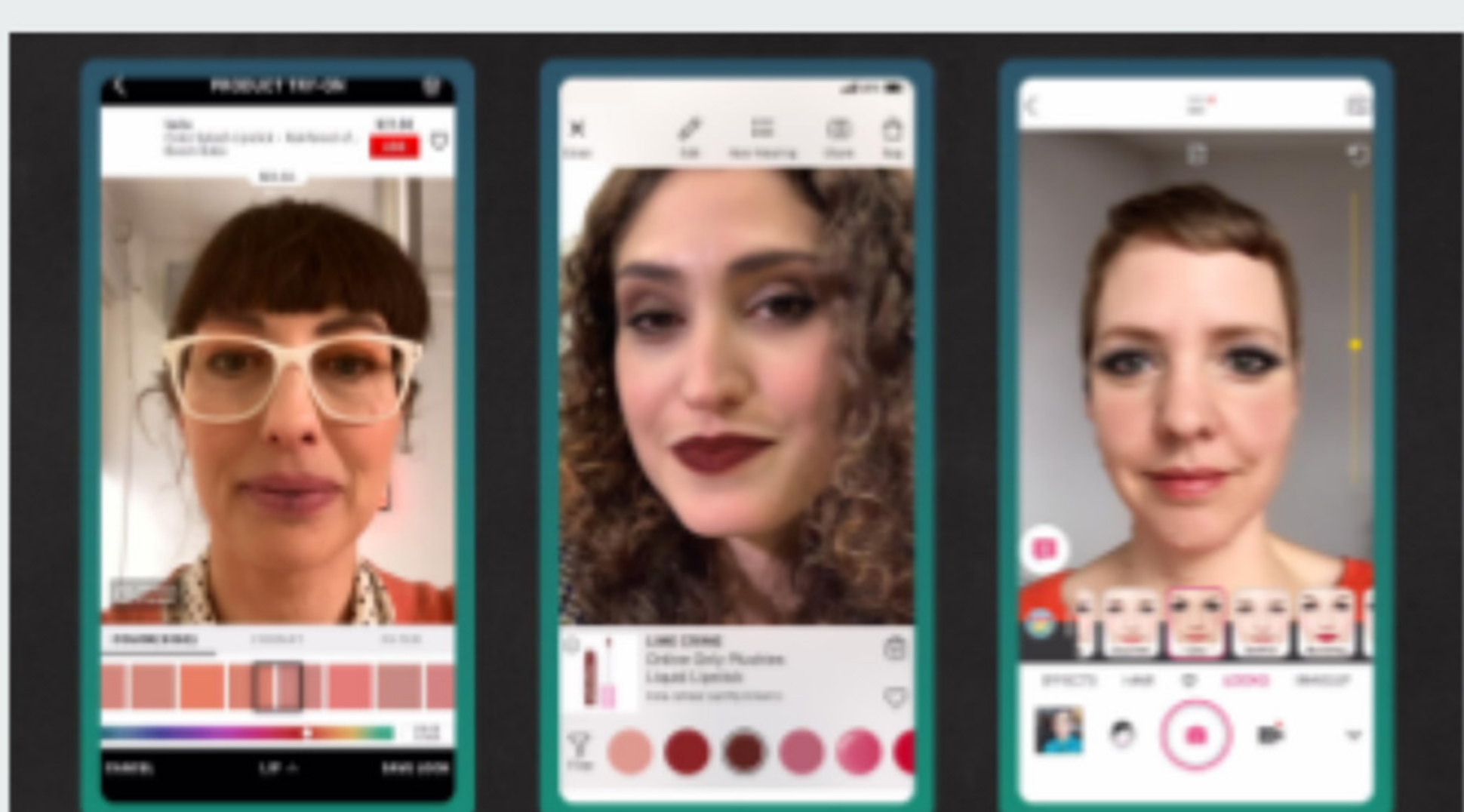
As we discussed in Module 1, one of the most exciting aspects of the retail industry is how it constantly adapts, evolves, and redefines itself in tandem with the arrival of new technologies, changing consumer needs, and - as was the case during the COVID-19 pandemic - economic, social, and political climates.

Retail is highly analytical, technological, and creative, all at the same time. The most successful retailers have always combined bold visions with creative thinking and acute business savvy in order to deliver the very best for their customers.

Let's take a look at some of the technologies that are emerging on the retail scene today.

Use the forward and back buttons to scroll through the emerging technologies:

Extended Reality



Augmented reality (AR) and virtual reality (VR) allow retailers to blur the lines between online and offline, and revolutionize the way consumers shop. This is the kind of technology we only dreamed about a few decades ago, and now, it's in the palm of our hands (thanks to smartphones).

For example, **Sephora's** augmented reality app lets users upload a photo of themselves and digitally "try on" makeup before they buy. Another exciting example is **Adidas'** collaboration with digital agency Somewhere Else, which takes users on a virtual reality trip up Delicatessen mountain, ascending the peak alongside two real-life climbers.



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2.2 The Human Side to Retail Innovation

The role we play in creating lasting change.

The retail industry is modernizing at a remarkable pace. While speeding up the innovation process has been a necessary response to COVID-19, it's also important to reflect on how industry players have been able to co-lead some of the most disruptive changes the industry has seen in the past decade.

Above and beyond technological developments, the key driver of innovation in the retail industry is human:

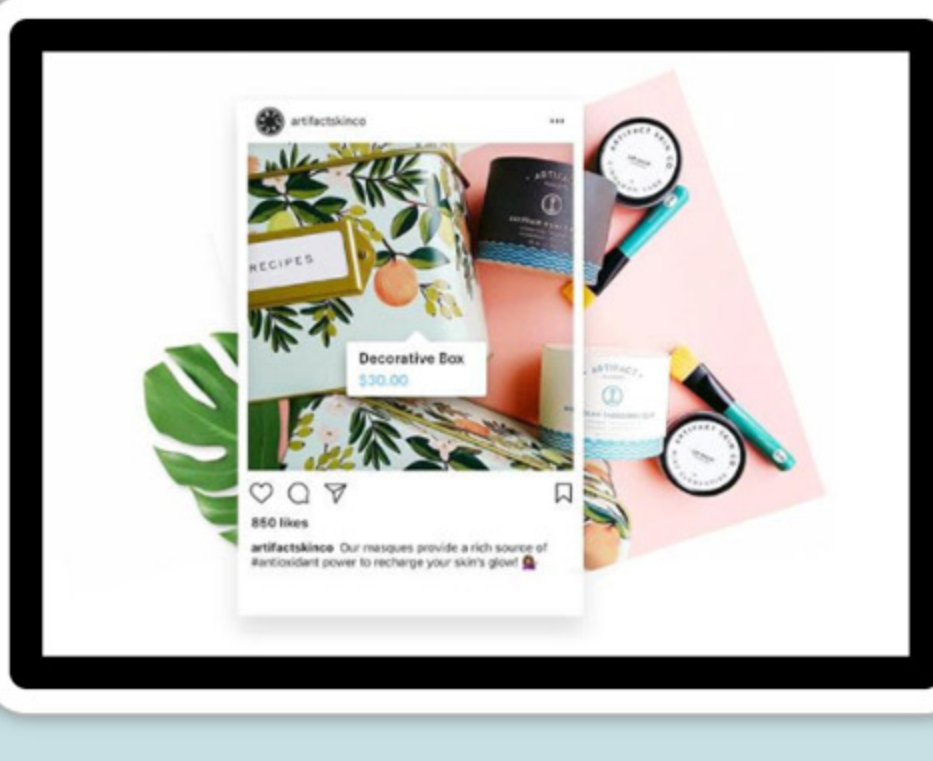
- > **Convergence**
- > **Customer centricity**
- > **Co-opetition**
- > **Co-creation with consumers**

When combining these motivations with technological advancements, the immense amount of opportunity for learning and innovation in the retail industry starts coming into focus.

Match the concept with the real-world example.

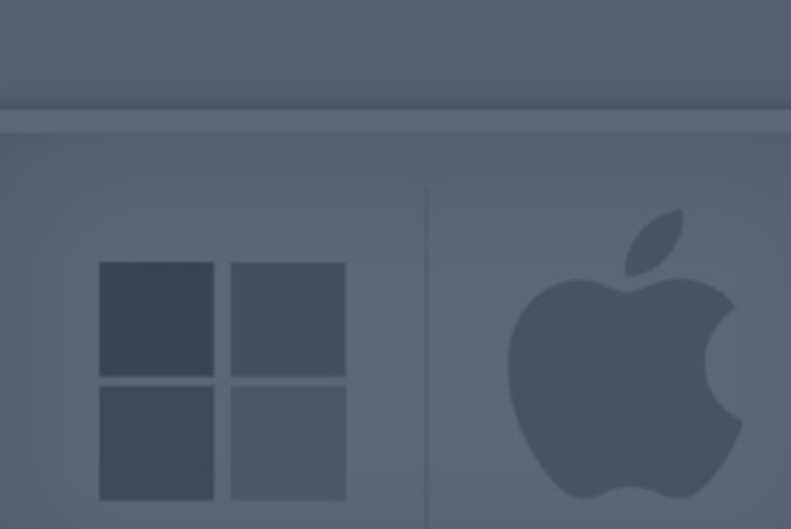
Type the correct answer in each card

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Instagram has integrated a shopping experience to enable the sale of items showcased in images. This is an example of _____.

Your answer



Apple licensed part of their design patent to Microsoft as part of an anti-cloning agreement. This is an example of _____.

Your answer



Uber collects customer feedback on every ride. This is an example of _____ with consumers.

Your answer

Some of these innovations take place in front of consumers' eyes (front-end), while others occur behind the scenes (back-end). Both are equally important, and work together to create a holistic experience.

Let's define what we mean by front-end and back-end:



Front-end, when referring to retail, encompasses the segment of the path to purchase that the customer interacts with directly. This includes the physical shopping experience, including merchandise, displays, the checkout process, and the customer service experience, whether in person or online.



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4.2 Innovation Case Studies

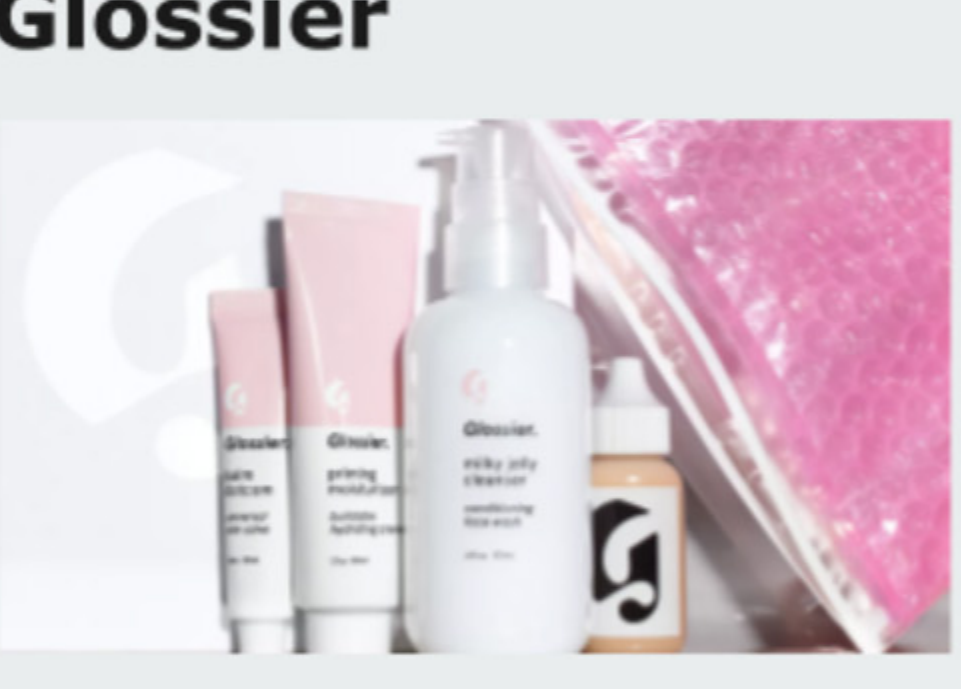
Fashion and Lifestyle

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☰ Glossier
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Glossier



Glossier has disrupted traditional retail beauty brands by going direct-to-consumer via digital marketing, building a \$1.2B business primarily through social media sales.

Instead of selling to pharmacies, department stores, and specialty stores, Glossier opened its online store in 2014 with a focus on the millennial consumer. They understood that millennials are more likely to make a purchase based on a friend's recommendation and enjoy being part of an online community, so Glossier focused their efforts on a digital content marketing strategy and customer experience. To this day, digital content marketing has been their main driver of growth: they currently boast an impressive 2.8M followers on Instagram.



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4.4 Innovation Case Studies

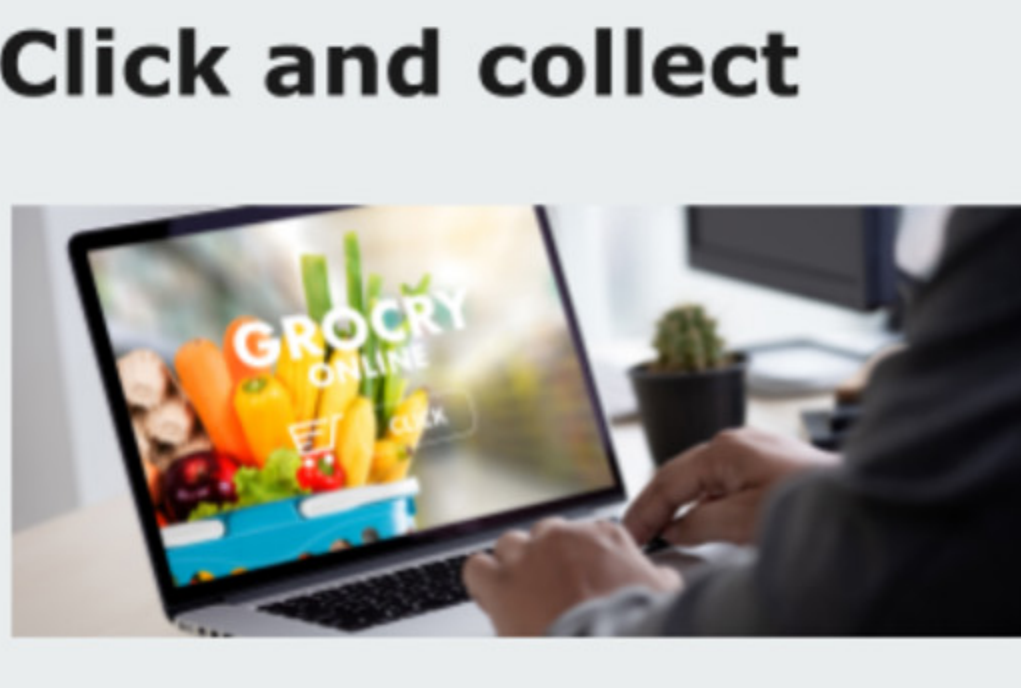
Food and Beverage

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- SkipTheDishes
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- Summary & submit

Click and collect



Click and collect is a customer experience innovation that enables shoppers to buy their groceries online and pick them up in-store.

This model allows people to buy food from local retailers, save on shipping costs, and save on shipping time. This process also reduces the risk of damaged or stolen parcels.

With physical distancing measures still in place, click and collect - also known as "curb-side pick-up" - enables people to shop at their favorite local stores while reducing the risk associated with entering a physical location. The COVID-19 pandemic has pushed nearly all grocers to adopt this customer experience innovation.

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