Navigating the future of retail

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In this series of Supermarket & Retailer's articles, we share stories of what some organisations and managers have done to motivate and inspire their teams. We give you practical ideas of what you can do to create the most amazing, customer-driven company in the world.

Tumultuous is a good way to portray the state of the business world recently. If you are anything like me, you can hardly even keep up with new social platforms (Twitch or Clubhouse, anyone?) and new terminology: NFTs, blockchain, the Metaverse, cryptocurrencies, omnichannel, 4IR, WFH, doomscrolling, intermittent supply chain risks ... and that's without the hundreds of abbreviations used while texting.

Changes we've seen in the retail ecosystem include the drive to online shopping and various hybrid shopping-models (even as customers have become savvier at finding the best deals) and more demand for greater value, delightful experiences and service, personalisation and customisation. The incentive to be flexible and innovative has been compelling – and you
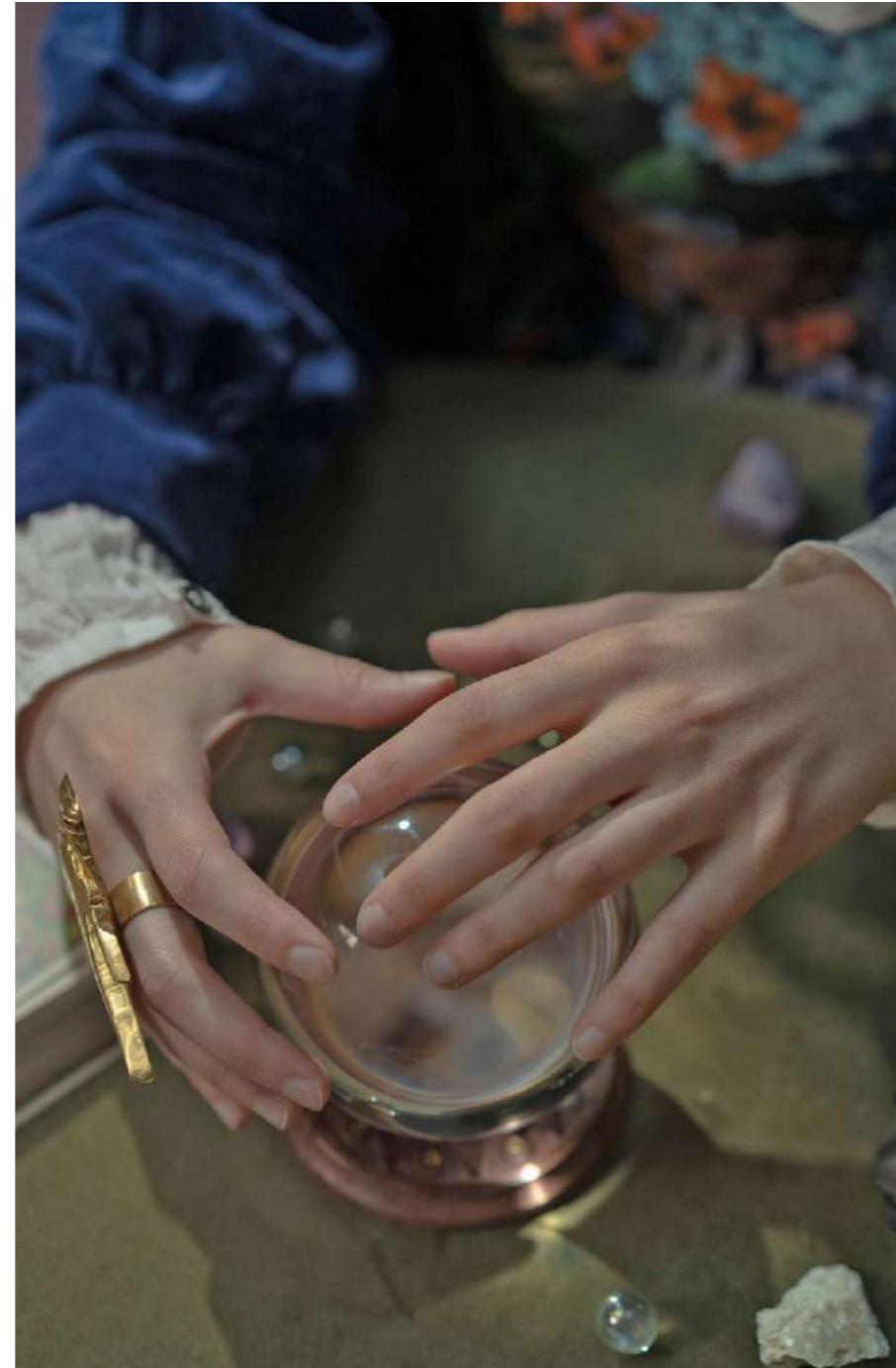

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have no doubt been affected by new internal processes and systems as your company adapts.

Customers, initially patient and forgiving of poor shopping experiences, have started rebelling – and their patience is now almost non-existent. Covid is not an excuse for bad service.

> **"** Not getting the basics of service right is unforgiveable. It was bad even before the lockdowns, but for customers bombarded with terrifying bad news and bad experiences, tolerance is down to zero. **"**

This is made worse because there have been many organisations that have stepped up to the plate, going above and beyond for their customers, and staying true to their customer promise. They have therefore increased customer expectations – and make the rest of their rivals look bad.

What will win customer loyalty back? Getting the basics right is non-negotiable in the loyalty stakes or you will end up losing customers. But get this right, treat them as special guests, constantly add value (tangible or intangible)

We see

access to fresh food being the global norm rather than the exception.

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and go further to make experiences warm, personal, empathetic, easier, frictionless and memorable – and your customers will in return spend more in your business. It also makes them less price-sensitive, willing to try new additional products and services, and share this with family and friends.

So, what happens now? Will 2022 be more of the same? I love maths and science because it is logical and rational – and tells us exactly where we are.

> **"** But predicting the future of business is a big conundrum. First, predictions are inaccurate, dangerous and crazy at best and, second, human beings are far from logical and rational.
>
> How can you practically deal with these problems? My predictions for the coming year demonstrate the buoyancy of the retail industry, and how you will rise to meet this with ground-breaking solutions of high complexity. **"**

Experts far cleverer than me have predicted a number of important issues you will need to enhance or create …

● The recent months since a rather gloomy Black Friday have shown that in-store shopping has reduced dramatically, but there was also a change in online shopping. Supply chain issues played a role, compounded by the policy of most retailers to not order stock which will be left unsold and then heavily discounted later. Some retailers

Image courtesy of: Ola Dapo, Pexels

report that shopping peaks are flatter and more elongated. I will never forget the disappointment a few years ago when I ordered a Furby for my child as a Christmas present, only to be told three days before Christmas that there would be no delivery. It created too much stress, and the lesson was "start earlier – and have a backup plan."

● Automation and AI have made it easier to give customers better and easier online and hybrid shopping experiences, from the moment they get onto an app to place an order and throughout

the journey to final delivery or pick-up. For example, when a customer wants to place an order, knowing whether the product is available helps a lot. When they are also able to track the process or status of a purchase, it gives them more peace of mind and reduces uncertainty. It's also nice to know that there is a 'premium deliver' process if their order is urgent, or if they don't want to stand in queues. As a result, the chemistry of online/offline shopping will continue to progress. Retailers should be less concerned where the transaction begins – as long as it's convenient for the customer.

● But improved ways of collecting and using customer information will also separate the weak from the strong. At it's most powerful, a customer information system that knows more about their personal preferences will allow you to predict their intent, influence their purchases – and create even more loyalty. When you know them better, it's comforting for them to know they won't need to start their search from scratch every time. A great example is Singapore Airlines, who not only know where you like to sit and what you like to drink, but also what you do for a living. Another example is the text reminder I get every month from my discount pharmacy chain with an option to order my chronic medicine and pick it up when it's convenient.

● Clearly, the traditional advertising and promotional strategies that have been so successful in the past no longer work. But even now, as we move to social media. it and other technologies

to reach customers have come under fire. Governments, Google and Apple created havoc for marketers when they announced changes to direct marketing, protection of personal information, cookies and other technologies that ambush customers where they least expect it. We can currently track users across the web and their devices and produce third-party data that is used to target consumers. These will soon be anachronisms and the only solution is to own your customers ... retailers who spotlight their own sources from the whole customer data journey via their POS, CRM, apps and more will be best positioned.

● Finally, the more technologically adept we become in future, the more important it is to create human experiences. Digital transformation is unstoppable and inescapable. In some industries, half of all customer transactions are digital. While it's true that younger customers are digitally driven and desire innovation, there is a big health warning – companies may be scrambling too hard to automate products, services and processes. As Forrester put it, "Customers are suffering from digital saturation."

> " Now, more than ever before, customers want warm human interaction and empathetic reassurance. They want to be appreciated and thanked for choosing your business over thousands of others. "

> " The more technologically adept we become in future, the more important it is to create human experiences. Digital transformation is unstoppable and inescapable. "
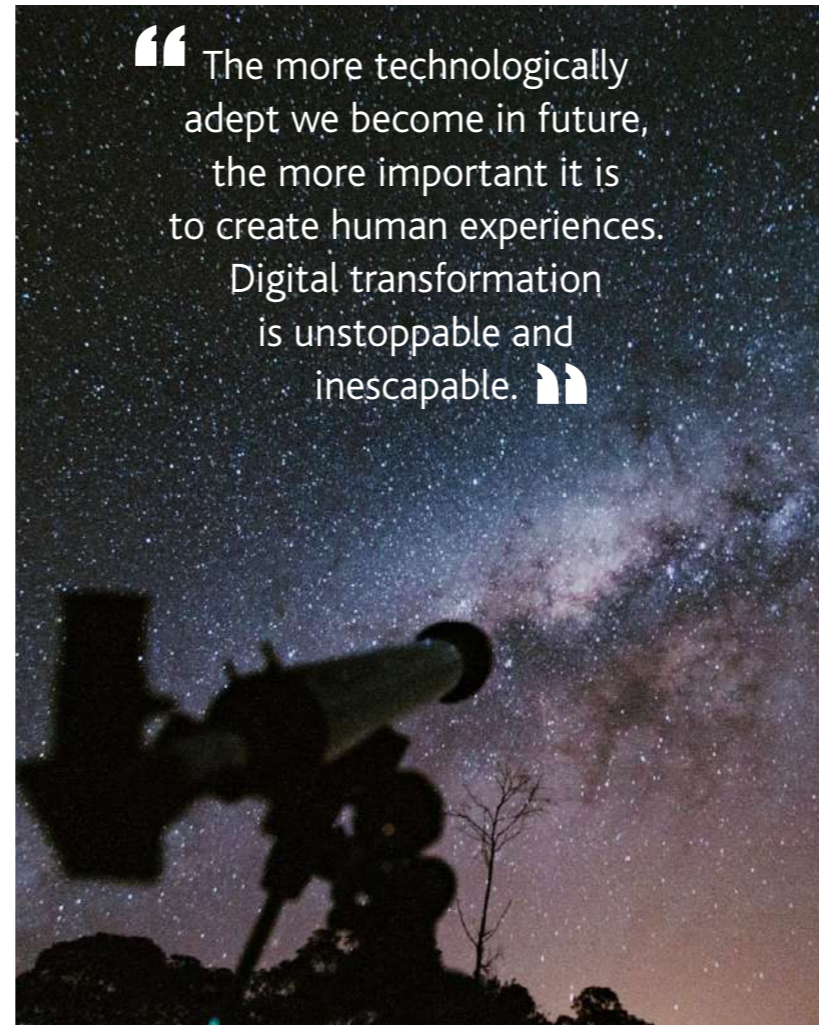
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They want to be remembered, be seen as individuals, not account numbers and need you to understand their point of view and their experience with your business. This is quite an intimate connection and needs to be repeated thousands of times a day. Salesforce announced that while 68% of customers expect brands to show empathy just 37% receive it. In the same way we now operate with hybrid offline/online experiences, customers will seek meaningful interactions driven by digital – but fuelled by kindness.

So perhaps it is better to ask this question: What will probably NOT change when it comes to customer experience? I think Jeff Bezos summed it all up so nicely when he said, "In our business, we know that customers want low prices and I know that's going to be true 10 years from now. They want fast delivery; they want vast selection. It's impossible to imagine a future 10 years from now where a customer comes up and says ... "

Photo: Getty Images

> " 'Jeff I love Amazon; I just wish the prices were a little higher,' or 'I love Amazon; I just wish you'd deliver a little more slowly.' Impossible.

> And so the energy we put into it today will still be paying off dividends for our customers 10 years from now. When you have something that you know is true, even over the long term, you can afford to put a lot of energy into it. "

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What you need to know about nutritional profiling

To consumers, a label on a food product is nothing but a guide to help them make purchasing choices. But to manufacturers of foodstuffs, the labels are much more than that. Labels on food products contain the nutritional profiling of the item. And, acquiring the correct information for these labels is a large responsibility. This is because it is legally required, and because it is there to protect consumers.

What is nutritional profiling?

The World Health Organisation (WHO) defines nutritional profiling as the science of grouping or grading foodstuffs in relation to the nutrients that they hold. The purpose of this is to encourage healthier eating habits, and to mitigate foodborne disease.

Organisations like the WHO have also placed an emphasis on nutritional labelling as a part of global efforts to reduce non-communicable diseases like hypertension.

To describe it differently, nutritional profiling is the process of analysing the food items that you produce to determine its nutritional contents. After this process is complete, manufacturers can use the information to create labels for their products.

The South African government, in their regulations relating to the labelling and advertising of food stuffs (like the Foodstuffs, Cosmetics,

and Disinfectants Act (Act 54 of 1972), extensively lays out what information you need to present on these labels.

How is it done?

In short, nutritional profiling is done in a chemistry laboratory, by an accredited and reputable food testing facility. But what happens in the lab?

After you provide the scientists with samples of your product, they analyse it using specialised equipment, like chromatographic and mass spectrometric instruments. Through their analysis, they can give you an overview of both the physical and chemical characteristics of your products.

At the end of the process you'll have a full nutritional profile of your product.

Why should you do nutritional profiling?

If you're in the business of producing food or feed, you are likely required by the law to have food labels. And if you need food labels, then you need nutritional profiling.

When your samples are sent to the lab, you can select to have your products analysed for the regular factors like nutritional composition of the item. But you can also select to test for harmful components, example: heavy metals and trans fats.

With chemistry lab testing and nutritional profiling, you can avoid unnecessary expenses, legal claims, and damage to reputation.

On top of this, we must remember that part of the reason for nutritional profiling is promoting good health. By doing nutritional profiling, you can help people make better food choices and contribute to overall public health.

In conclusion

To retain consumer trust and a good brand reputation, you must ensure that your products have undergone thorough testing and nutritional profiling. You can get this done easily, by sending your products to a chemistry lab.

What makes this even better is that this can be a two-in-one activity. You can ensure your food is free of harmful components, and meets food quality compliance standards. **SR**