The Digital Retail Experience Is About to Be Redefined — Again

Imagine a frictionless retail ecosystem, just a step up from where we are now.

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Convenience has always played a significant role in the shopping experience, from the early supermarkets to the first 7-Eleven locations (literally dubbed "convenience stores") to shopping by phone.

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Consumers marveled at being able to buy flowers, Veg-O-Matics and even cubic zirconium jewelry from the comfort of their homes thanks to infomercials and home shopping television networks. Although selections were limited and access to a deep variety of goods was constrained, these options were considered wildly convenient at the time.

Enter Alexa. Enter Google Express. Enter Uber Eats.

Now we can shop 24/7 right from our couch — for almost literally anything in the world — and even get our purchases delivered to our door in a matter of hours. It doesn't even matter if it's 1 a.m. on a Thursday morning. Out of cheese puffs? No, don't get up. Just press a button and you'll have them by 1:30 a.m.

Now we can consume whenever we want to, and the digital age has made this possible. But how should retailers be thinking about the new level of convenience? Which ones will take the next step?

A recent Kantar study ranked the most important factors when shopping, and no one with a smartphone-monitored pulse should be surprised that 59 percent of respondents named “stress-free shopping” among their most important, with 57 percent adding that online shopping is the best way to get there. The reasons are simple: Convenience (anytime, anywhere) and access (to anything) have been unlocked.

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There’s no going back now.

When I was 5 years old, I remember waiting five weeks to get a copy of *40 Funky Hits* on cassette after ordering it from a television ad. Now I can get it streamed to me in five seconds, thanks to Spotify. The same goes for candy, or movies, or vintage posters from the Pittsburgh monster truck jam.

The impulse to buy things hasn’t changed, but expectations surrounding the actual act have. We’ve always wanted things now — but now we can actually get them.

What’s coming next

The rise of ecommerce and the development of advanced product-delivery logistics, combined with a constantly connected consumer, have gotten us where we are today. Delivery speeds are unprecedented, down from days or even weeks to barely 30 minutes in some cases, or instantly for digital products.

While this is fascinating, what is more interesting is what happens next. What will retail be like once we enter an era

where convenience is ubiquitous?

The first area to watch is a continually improving shopping experience across all environments, physical and digital, seamlessly. Yes, the cliche of “omnichannel experiences” currently exists at the best retailers, but I prefer to think of a frictionless retail ecosystem as a step up from where we are now. You can see the green shoots here in the U.S. with Amazon and some of Walmart’s better efforts, and, of course, in China. And, yes, inherent to this are formerly digital-only players – like Warby Parker – becoming physical.

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The second area to watch is a more profound one: data-driven services. This also receives a large degree of press, and examples abound, with the most obvious being online grocery and subscription services, which allow the automation of many regular purchases, be they annual birthday presents or weekly deliveries of various grocery items. Yes, they sell physical products, but they are really selling services – and they can iterate those services to you much faster than they can a physical product. This provides a different type of value to the shopper.

Back to the future

Mike the milkman and Sam the butcher are back, and are coming to your home in a new technological guise. Just like 80 years ago, you can today get farm-fresh milk delivered to your door, or even buy a one-cow burger that’s traceable down to the field where a free-range cow named, perhaps, “Lucky” grazed and awaited her fate.

Because the future is folding back on the past, convenience and access are being redefined. Because data can and increasingly does underpin supply chains from farm-to-table

(or sustainable sourcing or ethical practice-to-home), interesting opportunities are arising. Companies can now drive loyalty, and therefore higher lifetime retention and value, by leveraging convenience with even further granularity of access to products or information or both, giving specific customers specifically what they want every time, in a way that caters to their product preferences (and possibly their belief system).

And, yes, it can scale.

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The evolution of convenience

For companies old and new, this evolution from selling products to selling services – leveraging the proliferation of internal and external data across the value-chain, to redefine or create your brand, product or service and create unique relationships – is a powerful concept.

And we're already there. The individual components of getting this right exist already in parts and pieces across manufacturing and retail.

But who will really bring it all together and redefine convenience and access? My guess is there will be many strange bedfellows with complementary strengths, potential acquisitions and unexpected mash-ups (think Google and Walmart) that will bring many variations of this to life over the course of the next 10 years. Those who do will win.

"Lucky," by the way? Delicious.

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