

# Retailers Must Optimise Omnichannel; Mobile for Millennials

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by [Hugh Williams](#) on 23rd Aug 2018 in [News](#)



**RetailTechNews' weekly roundup brings you up-to-date research findings from around the world. In this week's edition: Retailers Must Optimise Omnichannel; Mobile for Millennials; and U.S. Supermarkets' Struggles.**

## **Retailers Must Optimise Omnichannel**

Over half (52%) of shoppers in the UK believe that retailers need to offer a more seamless experience between online and offline commerce to retain their custom, according to research by [PushON](#). The research shows that retailers should invest in technology that enables a better omnichannel experience.

For more than 82% of the public, shopping in a brick-and-mortar store is preferential to purchasing online because products can be viewed before a commitment is made to buy. This opinion is supported by 45%, who stated they feel more reassured that they're making the right decision when shopping in-store, compared to buying online.

In terms of what would increase shoppers' trust in buying from an online store, 40% of consumers highlighted AR technology as a desired feature. This was due to the ability to virtually test out a product, mirroring the real-life experience. In addition, 32% would like to use online services, such as AI chatbots, to enable them instant answers to their questions. Again, this reflects the in-store experience.

Sam Rutley, managing director of PushON, said: "It's clear from our research that in order for shoppers to part with their money online, they must receive the same level of reassurance that they would in a brick-and-mortar store. Without the physical ability for customers to experience the tactile nature of a product, or to obtain advice from a sales assistant, online retailers must provide the virtual 'next best thing' through the implementation of technology."

## **Mobile for Millennials**

Six-in-ten (60%) Millennials are most likely to complete transactions on their mobile devices, with nearly 80% discovering products via mobile while on the go, finds data from ViSenze.

Almost two-thirds (62%) of respondents want visual search capabilities, enabling them to quickly discover and identify the products on their mobile devices that they're inspired by and seek to purchase. Meanwhile, over 70% indicated that if all digital content were shoppable, their rate of online purchasing would increase.

While 57% of Millennials discover products on retailers' websites, 60% of Gen Z discover products on social, highlighting the power of the direct-to-consumer relationships brands can build with their customers. Nearly three-quarters (70%) of total respondents indicated that they engage with social media platforms at least five times per day.

The survey analysed and compared Gen Z and Millennial consumers' attitudes towards emerging technologies and their impact on both in-store and online shopping experiences, nearly half of whom shop more than once a week online and 50-60% of whom shop in-store more than one a week.

## U.S. Supermarkets' Struggles

According to a new report from [Inmar](#), 30 years ago U.S. supermarkets had 90.0% of dollar share. By 2017, that had shrunk by half. The firm estimates that the traditional grocery channel's dollar share will decline to 43.1% by 2022.

Traditional grocery has been taking hits, not just from newer e-commerce options, but also warehouse clubs and big box multichannel retailers. Grocery shoppers are spreading out their spend across more channels than ever.

In 2017, e-commerce sales grew 26.0% year-on-year to reach USD\$46bn (£35.64bn), more than seven times the growth of limited-format (6.7%), dollar stores (6.6%), and fresh format (6.2%). Traditional supermarkets grew by 1.3%, while mass stores declined by 1.9% as [Kmart](#) continues to close locations.

Limited-format stores like Aldi and Lidl opened around 100 locations last year and reached sales of USD\$39.8bn (£30.83bn). Fresh format stores, including Whole Foods and Sprouts Market, had USD\$29.6bn (£22.93bn) in sales and increased locations by 5.6%.

Most U.S. grocery shoppers don't regularly buy food and beverages online for home delivery like typical e-commerce purchases. But that's not to say that grocery sales are immune to digital influence. According to the Food Marketing Institute (FMI) and The Hartman Group, 72% of U.S. grocery buyers interact with grocery retailers in some digital form.

