In Tune With Technology

Grocery shopping is no less impacted by technology than any other shopping in today's market as technology is key to building consumer interest and sales

By **Ken Nisch**

Today, all retailers consciously make decisions relative to technology; whether technology will be a background or a foreground element of the retail experience, and to what extent that technology proceeds, integrates with, and supports a brick-and-mortar visit on the part of the customer. When shopping, most customers are planning their trip; making their shopping list, deciding if, how and where they might meet friends during their shopping trip. During the shopping excursion, many are often interactively reaching out to other stakeholders, asking "I saw this, what do you think?" or "Should I get this or that?" Or they compare plans for shopping trips and how they might change, given the impulsive and serendipitous nature of the typical retail outing.

Grocery shopping is no less impacted by technology than any other shopping in today's market. Arguably, because of certain logistical challenges, technology purchasing as an alternative to brick-and-mortar shopping (particularly related to the food category), is less developed in India than it might be in other parts of the world. Warehousing, delivery logistics, and consumer psychology are more focussed on convenience than it might be to the typical Indian consumer, who often still has the luxury of help, and as well, a history of shopping close to home.

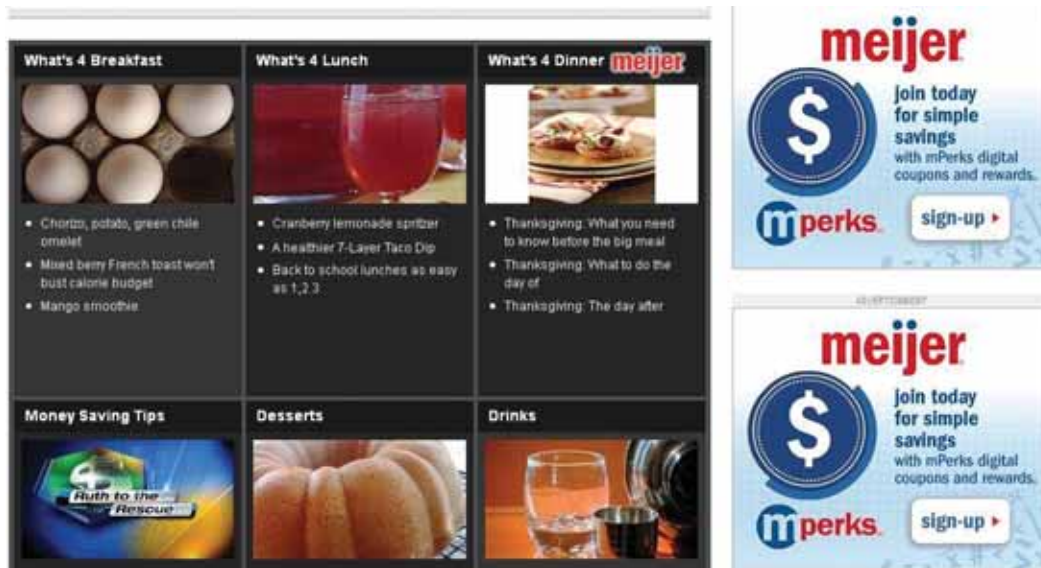### Communicating what's new

This may change as today's consumer is looking for items that do not currently exist in

McCormick World of Flavours: Supermarkets can layer technology-based kiosks into the design to educate consumers on how new products can enhance everyday menus, in the same way that specialty food store experiences do. At McCormick World of Flavours in Baltimore, five types of kiosks provide information on everything from 'Name that Spice' to determining a shopper's 'FlavorPrint' to enhance their menu choices. Photo: Laszlo Regos Photography

have visual appeal, but do not necessarily have variety or integration into their day-to-day shopping patterns. I walk into many modern Indian stores, and see products not in the freshest state. This leads one to believe that the consumer may look, but not purchase; leaving these items to linger on the shelf. The most progressive Indian stores have brought these products to the marketplace, but failed in many cases to take the most important step –- which is to help the customer understand why these products command a premium, how they can be an interesting addition to the consumer's diet, and how these most important products, given their premium positioning, can be used related to entertaining where the customer is most likely ready to pay the premium.

Making technology work

Technology in the stores from a consumer perspective can be brought to life through things such as digital signage, integration of tablet technology within merchandising and display areas, and through various codes – whether they be QR, Near Field, or Augmented Reality. These tools allow the customer to use their smartphone devices, to capture the image of a product, which might lead to a whole story of where the product comes from, its uniqueness, and of course, how the product might be served.

It would be reasonable to assume within modern Indian food retailing that the impact of smartphones would exceed the already high level of penetration among the more affluent consumer. In these stores, you are much more likely to see the end-consumer shopping versus their domestic help, and therefore, the shopper is in a position to make both the economic, as well as the lifestyle choice. It is something that in a more conventional grocery environment, the 'purchasing agent' (the customer's help) would not be at freedom to do.

Lastly, technology is a key factor in providing the best shopping experience from sourcing, logistics, turnover, management of inventory, POS and consumer relationship management activities. Consider these 'below the line' uses of technology as crucial to enhance the consumer experience and the increased sales that may follow. ■

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the shopping environment. Consider unique food products (wine, olive oils, chocolates), or something that they are willing to wait for, because they either want to pay less than the local market prices for the product, or whose distribution network is underdeveloped. However, beyond this, the consumer will increasingly use technology to shape their shopping trip with everything from interesting ideas around entertainment, cooking and menu choices, to even social opportunities.

Remember, in most markets, grocery shopping is still one of the best ways to meet and greet friends, neighbours, and who knows, maybe a new friend! Food stores that are not addressing their out-of-store consumer interface will shortly fall behind from other stores that use technology to begin the shopping trip.

With the growing range of new and unfamiliar product particularly in modern stores, the consumer may see products that