# Digital Retail Innovations 2015

Profiling digitally-driven innovation in retail

Glynn Davis Retailinsider.com





Sponsored by



**WELCOME MESSAGE** 

INTRODUCTION

**ADVISORY PANEL** 

**METHODOLOGY** 

**INNOVATION RANKINGS:** 

**Top 50 UK and Ireland innovations** 

**Top 20 most innovative** 

**Top 20 most potentially commercially** 

Top 20 most potentially influential across the sector

**Top 20 most potentially beneficial to consumers** 

**Top 10 International innovations** 

page three

page four

page five

page six

page seven

page seventeen

page eighteen

page nineteen

page twenty

page twenty one



Welcome to the annual **Retail Insider Digital Retail Innovations report** that is back for the second year – bigger and hopefully better than the inaugural production in 2014.

The aim is still the same – to highlight some of the more interesting developments taking place in the retail sector that have been driven by that all pervasive thing we call digital.

The difference this time is that we've expanded the number of UK & Ireland innovations from 45 to 50 (while keeping the overseas list to 10 innovations), which we hope makes the report a little more representative of what is happening in this exciting part of the retail industry.

This year's report further highlights how much of an impact digital technology is having on the sector. There is virtually no part of retail that is not being impacted by the ongoing march of digital. Whether it is the front-end or backend the ramifications are huge.

Such is the fast moving nature of this part of the market that compiling the list is always going to involve plenty of art – along with a dash of science. The reality is that, however robust the methodology (and we like ours), it is impossible to have visibility on all innovations out there.

Despite the tough task we are pleased that this year's report brings you 60 smart innovations that are being fully implemented by retailers, being piloted, or at the very least involved in trials that could see a roll-out shortly.

As well as highlighting well known innovations the report also aims to throw the spotlight on some lesser known initiatives that could potentially make a big impact on the industry.

A vital ingredient in the creation of this report is the Advisory Panel who helped rank the innovations in order. For their time and skilled efforts I would like to express my gratitude and thanks.

Finally I would also like to thank Webloyalty for their continued sponsorship of this report and for helping it grow in confidence this second year. As an annual production it is hoped it will highlight how the industry is continuing to evolve as digital innovations drive change and mark progress.

GLYNN DAVIS RetailInsider.com @GlynnDavis

As well as highlighting well known innovations the report also aims to throw the spotlight on some lesser known initiatives that could potentially make a big impact on the industry.



**GLYNN DAVIS** 

This year's leading innovations exhibit the best in the shift from traditional 'bricks and mortar' retailing, towards highly customisable user journeys and outcomes. **GUY CHISWICK** 

Building on the success of the 2014 report, this year's Retail Insider Digital Retail Innovations report offers an increased number of diverse innovations from the United Kingdom and Ireland.

The changing commercial environment, new technologies and demand from customers requires a constant response from retailers, and therefore innovation lies at the heart of successful retail. And we're on the right track. This year's expanded report focusing on the United Kingdom and Ireland is a reflection of the large volume of top quality digital innovation going on, right on our doorstep.

I'll let you read ahead and find out which innovations came out on top this year, but I can promise that there are some great examples of new and novel digital solutions spanning the full spectrum of the customer journey, including ordering, payment, product interaction, fulfilment and returns. While wide-ranging, this year's leading innovations exhibit the best in the shift from traditional 'bricks and mortar' retailing, towards highly customisable user journeys and outcomes.

The nature of innovation is that there will typically be very few solutions that carry on from one report to the next – it depends if they have been developed further. There are only four such examples this year -Starbucks pay-ahead and delivery; Volvo roaming delivery; B&Q Spaces virtual room designing; and Asda 3D printing. But what we did not expect this year was the total disappearance of last year's winner Google Glass, which has effectively been scrapped by Google.

It is excellent to see such a top group of industry experts on the advisory panel again in 2015. This year's line-up of innovations was an impressive and diverse one, and I'd like to thank the 12 panellists for taking the time to draw from their experience and carefully consider how to rank them.

Finally, I'm grateful to Glynn Davis and Retail Insider for having Webloyalty back for a second year as sole sponsor. It's a great initiative to be associated with and last year it generated an impressive amount of interest – and not just from our retail clients and contacts but also from people in the travel and leisure industry, and consumers generally.

We look forward to joining the discussion that we hope and anticipate this year's report will bring.



Managing Director, Webloyalty Northern Europe @Webloyalty\_Guy



### The Advisory Panel

lı.



### PETER WILLIAMS - Chairman, Boohoo.com

Chairman of two online retailers — UK-based boohoo.com and German business Mister Spex — as well as a non-executive director at Rightmove; Cineworld Group; Sportech; and a trustee of the Design Council. During his executive career he was chief executive at both Selfridges and Alpha Airports. He has also served on the boards of Asos, Jaeger, Blacks Leisure Group, JJB Sports, EMI Group, Silverstone, OfficeTeam, Erno Laszlo, Capital Radio and GCap Media.



### JOHN BOVILL – IT and e-Commerce Director, Monsoon Accessorize

Joined Monsoon Accessorize in July 2013 as a member of the operational board, with responsibility for the full e-commerce P&L as well as the digital and technology strategy. Previously worked at Jacques Vert Group as Commercial Director and prior to that he spent a number of years at Aurora Fashions, assuming three roles during his tenure – supply controller, business development director and group IT director



### MARTIN NEWMAN - CEO, Practicology

Has been involved with multi-channel retail for more than 25 years — presently at strategic consultancy Practicology, which he founded. This followed a variety of roles that included head of e-commerce for both Burberry and Ted Baker, interim director of e-commerce for Pentland Brands, and head of marketing for Harrods' home shopping division. He is also a non-executive director of Conviviality Retail and sits on the advisory board of Wiggle.



### CRAIG SMITH - Director, REPL Digital

Joined REPL less than a year ago bringing expertise to its digital activities following two years as programme manager at M&S.com. He had responsibility for leading the digital transformation in-store at M&S. Previously worked with several large multi-channel retailers including Tesco, Sainsbury's and Michaels Stores in the US. Also runs the popular retail innovation website www.Retail-innovation.com.



### PAUL WILKINSON – Head of Technology Research, Tesco Labs

Has the job of finding the best technology in the market to make life easier – both for Tesco customers and colleagues. His remit is to help people experience the future today as technology changes the way they shop. This involves dealing with the likes of Microsoft and Google as well as start-ups and then bringing back ideas to Tesco and figuring out how to make them work for the company.



### GEOFF SCULLY – Managing Director, Shop Direct Ireland

Appointed managing director of Shop Direct Ireland in 2005 after previously working with wholesale /retail business Sixty UK as country manager UK/Ireland for a number of fashion brands within the group's broad portfolio. Prior to this he was sales manager for Pepe Jeans Ireland and worked as a buyer at Arnotts Dept store in Dublin. He also advises start up businesses in Ireland and is currently chairman of Picstash.



### DANIEL LUCHT - Global Research Director, Research Farm

Leads a team of analysts and consultants, with a remit that includes developing strategic content and new revenue streams, as well as corporate planning. Daniel has over a decade of experience analysing the sector and identifying latest industry trends, working with FMCG companies and retailers such as Tesco, Nestle and Disney.



### SIMON HARROW - CEO, Elevaate

Presently CEO of technology platform Elevaate as well as being an investor at digital investment and business incubator Haatch. Prior to this he was chief operating officer at Kiddicare and held senior digital roles within Morrison's after they acquired Kiddicare in 2011. He has also sat on global, European and UK advisory boards for a number of companies including IBM Coremetrics, and Oracle Endeca.



### JOE TARRAGANO - Director, Transform UK

Leads the retail practice at management consultancy Transform, working with a number of major retailers including Argos, Homebase, Tesco and Debenhams on their digital transformations and how they embed innovation and customer-centred thinking into their businesses. He joined Transform two years ago from eBay, where for six years he ran the retail business.



### ELISA CECILLI – Head of Strategic Insights, Portland Design

Heads up the strategic insights unit at international retail design and strategy consultancy Portland. Formerly innovation researcher at GDR Creative Intelligence and prior to that she worked at the Canada Research Chair on the socio-economic challenges of the Knowledge Economy of Téluq-UQAM University in Montreal. At Portland she has worked on projects for a number of international clients including Wolford, Kit Kat, IKEA Shopping Centres Russia, LS Travel Retail, HMSHost, Blender, Hamburg Airport, Munich Airport, TFL and British Land.



### SKY FERNANDES – Managing Director, Simon Venture Group

Presently heads up Simon Venture Group, the corporate venture capital arm of Simon in the US. The firm invests in the future innovation of retail that includes in-store retail technology and e-commerce as well as logistics, data analytics, and the Internet of Things. He was previously partner at Centripetal Capital Partners, a multi-stage venture capital fund. He is also an active angel investor and has a blog, One Match Ventures, where he shares key insights and entrepreneur resources.



### **RICHARD GOODALL - IT Consultant**

Currently an independent consultant to retail technology suppliers, he has worked as a 'corporate' sales and marketing director for the past 18 years with The PCMS Group from 2008 and prior to that Retail Business Solutions and RTC. While at these firms he has worked with retailers, especially around their use of in-store technologies. Present focus is on working with a number of suppliers to UK and US high street retailers as well as private equity companies.



Following consultation with a broad range of individuals across the retail industry – encompassing analysts, senior retailers, researchers, and IT specialists – a long list of digitally-driven innovations was drawn up.

During this process, and deliberations with some individuals on the Advisory Panel, this list was reduced down to 50 innovations from the UK and Ireland and an additional 10 from overseas.

Each innovation on the list was then scored privately by members of the Advisory Panel on four criteria – how innovative, how potentially commercial, potential influence across the sector, and potential benefit to consumers.

Collation of these scores helped create four tables, based on each of the criteria, as well as a table for the all-important overall score.

The final report contains a separate Top 20 table for each of these four criteria as well as a Top 50 for the overall score. In addition there is a Top 10 table for the overall score attributed to the overseas innovations.



# Po s

### Top 50 UK and Ireland Innovations

Position and score out of 960



### Doddle

732

Located at a growing number of train stations Doddle shops are a solution to that ongoing last-mile problem. They act as collection points for goods ordered online that shoppers can visit on their way home from work or at lunchtime. Retailers sign up to the service and shoppers can select the Doddle option for fulfilment. The company is retro-fitting changing rooms into a number of its shops that enable the trying on of clothes and provide an immediate returns route back to retailers for unwanted goods.





### Starbucks pay-ahead and delivery

710

The coffee company has been developing its mobile strategy and building on the fact that more than 10% of transactions now go through digital devices. It had developed an app to enable the pre-ordering of food and drink and more recently has been testing an extension to this with a pay-ahead option. Taking things even further Starbucks has also been planning the launch of a delivery service for orders taken on its app, which it believes could increase frequency of purchases and generate up-selling opportunities.





695

### Waitrose Hiku home scanning

The grocery chain has been trialling the Hiku device among employees, which enables them to scan barcodes at home on products and have them automatically added to their online shopping baskets. They can also talk to the device through voice recognition software as an alternative way of adding products. The Hiku app on customers' smart-phones can also be used to scan products to add to their basket.





### Rapid Q pre-ordering

The app was piloted during the RBS Six Nations tournament and allowed supporters at the Ireland games to pre-order food and drinks at the Aviva Stadium. Once the app was downloaded food and drink could be ordered for before the game, at half time, and post-match and payment could be made via their phones. For collection of the goods a code on their phone is simply shown to the food and drink vendor. The app was created in conjunction with Compass Ireland and is available on iPhone and Android platforms.





### Amazon Dash

Automating the shopping service even further, Amazon has released 'Dash' for customers of its Prime service. It is simply a button that is branded to an everyday FMCG item that they then press and which immediately orders the product from the retailer. They are then delivered the next day. It is ideally suited to goods like coffee capsules and toilet rolls that are ordered often and can easily be forgotten. This simple, seamless way of buying goods is yet another way that Amazon is tying customers to its Prime service — especially for those frequently-ordered goods. No doubt it will be learning a lot from the early users of Dash buttons.







### Position and score out

### INNOVATION RANKINGS

Top 50 UK and Ireland Innovations

of 960

### Tictail / Uber delivery

672

Tictail, the website provider to small independent retailers, teamed up with taxi firm Uber to run a trial in Stockholm that enabled all merchants to offer one-hour delivery options using Uber drivers and their cars at no cost to customers. This empowering of small players resulted in them enjoying a 500% increase in sales. The service was well suited to Tictail's retail clients as they are predominantly made up of sellers of low volume, high value items such as boutique fashion and jewellery.





# Amazon / Audi parcel-to-vehicle delivery

Further pushing the boundaries of fulfilment and extending the reach of its Prime service, Amazon has been trialling the delivery of goods to shopper's cars. Amazon customers indicate the rough location of their vehicle and preferred delivery time and a DHL operative is then given the exact location of the car via a smart-phone app. They then use a one-time keyless access to the boot of the car and the customer is emailed notification of a successful delivery having been made.





668

### Volvo roaming delivery service

Car maker Volvo was the first company to pilot what it described as a 'roaming delivery' service whereby drivers can have online-ordered goods delivered to their cars by courier companies. The delivery firms use digital keys to lock and unlock cars for a controlled period of time. The success of the pilot has led to discussions in Russia, Africa and the US with distributors - who are the vital ingredient and will determine whether it has a future or not. It forms part of a raft of initiatives at Volvo with its XC90 connected platform providing digital connectivity around the car, driver and the environment.





### Like to Know

The influence of fashion bloggers has grown significantly and the creation of Like to Know can enhance the relationship they have with retailers. When the bloggers use the solution in their posts it allows Instagram users to buy items shown in Instagram photos by simply liking the image. They then receive an email detailing how they can buy the item from the retailer. The blogger receives a commission on every item sold via the relationship.





# Hunkemöller / Kega proximity marketing

665

The lingerie retailer has been trialling Beacon technology for proximity marketing and linking its online and store channels. For shoppers that have downloaded the app, when they walk past a store the digital displays in the window reflect what they have in their online basket. On entering the store the Beacons trigger offers to their phone related to these saved products and a sales assistant is alerted to their presence and the goods that they are potentially interested in buying. When the customer next uses the retailer's online store the experience can be tailored to what they were looking at in the physical store.







### L'Oreal Makeup Genius app

665

The app lets customers see how they look when wearing products that are not actually on their faces. Shoppers have initially been able to try on more than 300 cosmetics — including lip liner and lipstick - using the front-facing camera of their smart-phones. Different looks are available including those of well-known celebrities. As the phone is moved around the light will affect the colour in order to give a realistic interpretation of what the make-up would look like on the face. Over 250,000 downloads were made in the first two months of the app being initially launched in the US and France.





### **DPD** Pickup

653

Following on from the success of its Follow My Parcel service last year DPD continues to innovate in the delivery space with the creation of the Pickup click & collect initiative that enables goods to be bought from one retailer and picked up by the customer at another's store. Halfords is among the first retailers to sign up to the programme that DPD hopes will lead to 2,500 stores involved thereby providing a national network. As well as proving to be convenient for shoppers the idea is that it will drive footfall from people collecting their orders.





# Pizza Hut / Tobii Technology mind-reading menu

653

The pizza chain is rolling out a digital 'Subconscious Menu' that reads customer's minds in order to prepare their order. By tracking eye movements when customers are presented with different ingredient options on a tablet device it takes just 2.5 seconds for the technology to collect the relevant data to determine their ideal order. The system has a 98% success rate but diners can still over-ride the recommendation and select manually.





### Sainsbury's shop-and-go app

2/7

The grocer is bringing mobile shopping into the store with it scan-and-go app that enables shoppers to scan barcodes of items at home and add them to their shopping lists. Once in-store the Sainsbury's Wi-Fi points out where the required items are located in-store. By scanning the codes on these items as they are physically added to the shopper's basket it is possible for the customer to make payments instantly via their mobile and a photo of their payment card. A receipt is then sent directly to their phone. The roll-out of the solution will depend on the success of a single-store trial in London.





### Tesco mobile payments

641

The grocer has been trialling mobile payments at 10 stores, which would have enormous ramifications for the way people pay for goods if the company takes the decision to roll the solution out to all its stores. At the pilot outlets customers with the Tesco app can pay for their goods on their phones and have their Clubcard account automatically updated. For shoppers using the self-service tills this new ability to pay for the goods by mobile phone delivers a real frictionless shopping experience.





Top 50 UK and Ireland Innovations

Position and score out of 960



628

### Farfetch click & collect

Online fashion retailer Farfetch has further empowered boutique owners around the world with the launch of a click & collect service across 100 independent fashion retailers that sell their goods on the Farfetch platform. The service enables goods to be ordered online from one retailer and for them to then be collected by the customer from another merchant anywhere in the world. The initiative further extends the presence of these smaller stores around the globe and drives increased footfall.





623

### **DHL** drones

Amazon grabbed all the media headlines when it revealed its plans for using drones to make deliveries but it is DHL that has been making some of the most progress recently. It announced it was operating a regular service using an autonomous 'quadcopter' to deliver small parcels to a German Island 12 km into the North Sea. Islanders place orders at the pharmacy store for the regular flights. Although the flight is fully automated it is being constantly monitored at this stage in the development of this innovative mode of delivery.





622

### House of Fraser / Qudini

With the rise of click & collect and smart-phone adoption, queue management has now moved into the digital world. House of Fraser and Debenhams are two retailers that have adopted Qudini, which effectively replaces the old paper ticket queuing systems. Customers check-in and receive updates directly to their mobile phones indicating when their click & collect parcel is ready for collection. This empowers the customer and has led to uplifts in sales as shoppers spend their time browsing and buying rather than physically waiting in a line.





621

### Clarks iPad foot gauge

Clarks has delivered a simple but effective tablet solution that helps create a fun experience for children in its stores. The gauge measures the length of a child's foot and this determines what shoes are best suited to them. The selected items are then displayed on the iPad. The solution has led to a significant increase in fitting speeds and a rise in the number of fitting appointments.





### Metail virtual fitting room

Metail has sought to solve the issue over sizing when consumers buy goods online by enabling them to create a model of themselves online from a number of measurements they provide. Using this model – Metail claims it is 94-96% accurate – it is possible to try on clothes online and for outfits to be created with confidence. House of Holland used the platform for its Spring/Summer collection. This enabled shoppers to virtually try on the clothes, and pre-order the items as they were showcased on the catwalk.







### Argos / eReceipts

616

Argos rolled out eReceipts across all of its stores in the UK and Ireland after a successful trial, which enables customers to choose emailed receipts that can be safely stored and accessed when required – such as when goods are returned and when warranties need extending. The retailer is also using the solution to enhance communication with customers as it is an effective platform to deliver relevant offers and highlight complementary goods. Tying it into its CRM systems provides Argos with a powerful engagement capability.

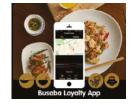




616

### Busaba Eathai / MyCheck app

Restaurant chain Busaba Eathai has driven significant increases in visits from repeat customers as a result of introducing the MyCheck app. Customers can check-in, receive relevant offers, make a payment and leave the restaurant without waiting for the bill. The app also includes a loyalty component that includes 'gamification', which provides the mechanic for incentives to be distributed such as free dishes. Around 40% of app users are repeat diners who contribute 67% of daily transactions. During the six months to January repeat visits grew at a rate of 6.9% per month.





### Very image recognition app

The first transactional shopping app from Shop Direct involves its Very brand and uses image recognition technology to enable customers to take photos of clothes they like and to then search for similar items across the brand's product range. Customers can also use the app to track their orders, query their balance, as well as pay for goods when they are on the move. Initially launched as an iOS solution it will also be made available on Android.





596

### John Lewis 3D sofas

John Lewis extended its 'Any Shape, Any Fabric' sofa service from photos and swatches to 3D printing and RFID tags. The customer chooses a shape that has been 3D printed and has a RFID tag that throws up an image of the sofa on a screen. Different colour fabrics can be placed on this image by using swatches that also have RFID tags attached. A myriad of shapes and fabrics can be easily viewed via this solution that cleverly mixes digital with physical. There are clearly opportunities to extend this into other bulky big ticket categories.





### Topman personal shopping hangouts

Topman has extended its in-store personal shopping service at its Oxford Street flagship into the digital world through a partnership with Google+ that enables customers to book a time-slot for a video-chat shopping consultation. They select specific clothes ahead of the chat and the sales assistant then describes the items and makes suggestions and recommendations in real-time, interactively online. There is no minimum-spend required and free express delivery is offered on all orders.





Top 50 UK and Ireland Innovations

of 960



### Mothercare / yReceipts

582

Mothercare is among a number of retailers using the digital receipts technology from yReceipts that enables it to offer electronic receipts to its customers that contain social media information, real-time feedback features, as well as digital marketing content. The solution enables retailers to connect their physical shopping data with e-commerce information and to better tailor the multi-channel experience to individual customers.





580

### B&Q 'Spaces' virtual room designing

The solution initially enabled 3D kitchen design to be undertaken in-store and at home via the B&Q website and this year it has been extended to bedroom and bathroom designing. It allows customers to design, order the relevant materials or items, have them delivered, and get them all fitted. The entire B&Q product catalogue has been recreated using CGI so items will all scale automatically to the room layout and viewing angle. There is also a running total of the overall cost of the room as it is being designed.





### Asos / Apple Watch

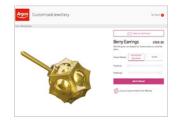
First out of the blocks as usual in using new platforms, Asos has developed an app for the Apple watch. Not all its pioneering initiatives have worked including selling through Facebook but as a way to notify customers of imminent Asos deliveries the watch app could prove beneficial. The opportunity is also there for recommendations to be flashed-up on the device. Others experimenting with such solutions include Ocado, which launched the world's first Apple Watch app for grocery shopping, and Vente Privee.





### Argos 3D printed jewellery

Argos has been trialling a jewellery collection that can be customised and 3D printed. The website of items priced between £50 and £220 includes cufflinks and earrings that can incorporate the customer's own personal touches. The 3D printers then create the products that are despatched to the customer's home. This is another Argos digital initiative that is exploring the way shoppers interact with the retailer across channels.





### Asda / Eagle Eye digital coupon

Manual reconciliation of paper vouchers has long been a headache for retailers. To end this inefficient activity Asda has teamed up with Eagle Eye (and its till provider Toshiba) to digitise the process. This involves Asda using Eagle Eye software to digitally count and reconcile own brand and supplier-brand coupons at the Point-of-Sale across the retailer's estate. It improves fraud prevention and operational efficiency. The partnership will also involve the real-time issuance and redemption of coupons and vouchers for Asda-specific campaigns.







### House of Fraser / Caffé Nero

575

A clever tie-up between two high street operators involves House of Fraser introducing a click & collect service into a Caffé Nero branch in Cambridge whereby the ground floor is largely a coffee bar with tablet devices showcasing the HoF offer. On the first floor there are HoF branded till points for customer collection, product displays, terminals for buying in-store and a fitting room. Such a collaborative initiative works especially well in a city like Cambridge where HoF does not have a store.





### Thomas Cook / Samsung VR headset

Customers at Thomas Cook stores in the UK, Germany and Belgium can experience 360 degree content of a variety of holiday destinations to give them a flavour of what they have to offer. Effectively the solution is letting customers try-before-they-buy via cutting edge technology, it is a great way of bringing experiences into physical stores that cannot presently be achieved in shoppers' homes.





### Waitrose digital store

The company has continued to develop its digital store concept, with the latest incarnation — a Food & Home format in Salisbury — featuring dedicated collection points for items bought on the Waitrose and John Lewis websites and changing rooms whereby shoppers can try on their ordered goods before they leave the shop. There are also a number of tablets for online orders to be placed. Other ongoing trials include using iBeacons to allow the grocer's Quick Check (scan & go) service to be used by customers on their own mobile devices.





### Pizza Hut interactive table

The restaurant group has been developing an interactive table that allows customers to build their own pizzas. Working with software developer Chaotic Moon Studios the solution enables selections to be made from various options of base, sauce, toppings and sides, with drag-and-drop interactivity employed. A counter then appears on the screen highlighting how long is left until the dish is cooked. There are also gaming apps on the table that can be played while customers wait. Payment can also be made by connecting the table and the customer's smartphone.





### Made.com / CloudTags

At its London showrooms Made.com is allowing its customers to digitally interact with physical products using CloudTags. Using hand-held tablets in its two stores customers can scan visual NFC tags such as images or symbols in order to receive more information on the products and create a wish list of items. Shoppers can then receive this list via email, which gives the retailer the opportunity to gather digital data on the customer, which then enhances their experience. Half the customers of Made. com stores use the tablets. Harvey Nichols is also using the CloudTags technology.





Top 50 UK and Ireland Innovations

of 960

### Clinique skin lab

550

The skincare brand set up its first standalone pop-up store in London's Covent Garden and this has became a permanent unit following its success with shoppers. The unit incorporates a number of interactive pods that enable customer's faces to be scanned, and a number of questions are asked of them, that helps determine how their skin will be affected in the future. From their lifestyles Clinique can then highlight the products that would be particularly suited to their skin. They are also given a unique identifier that can be used online to extend the personalised experience across channels.





### Marks & Spencer / RFID tags

RFID tags have been around for many years but M&S is now using them extensively across its stores in order to give it greater stock visibility, which helps it to drive more efficient stock management. As many as 98% of non-fast fashion clothing and all general merchandise goods are now RFID tagged and readers/scanners of the tags have been recently rolled-out to more of the retailer's stores. Stocktakes and visibility have been improved dramatically and enabled more movements of goods between stores overnight that boosts M&S' click & collect capability.





### OPSH personalised fashion site

Online fashion site OPSH is looking to take on Asos by providing shoppers with a more personalised service. Customers have the ability to shop across a host of brands and the options they are provided with when they undertake searches are tailored to their preferences, which are created when customers register on the site. This initially includes sizes and favourite brands. The intelligence of the site improves over time for each customer as they shop the store. The idea clearly is to show shoppers those goods that they are most likely to want to purchase.





533

### Trinity Leeds / Coniq loyalty app

The success of the 'Love Trinity Leeds' app has resulted in it being expanded to include a loyalty programme. The app gives the 60 retailers who are signed up to the initiative (including Adidas, Superdry and Dorothy Perkins) visibility of customer's behaviour and shopping patterns throughout their whole journey at the mall. The digital loyalty aspect has been developed by Coniq and involves exclusive store promotions and discounts that are tailored to the individual customer based on their activity within the complex. Offers are redeemed in-store by sharing a barcode on the app at the point-of-sale.





### Argos AR catalogue

After trialling augmented reality technology with Blippar in its catalogues in 2013 Argos has now moved on to using a solution from HP Aurasma – named Argos Scan – that does not require customers to download a third-party app. Much AR content has been built into its latest catalogues enabling access to extended ranges, product videos, special offers, and 3D content through simply scanning special codes while in the Argos app.







### John Lewis click & commute store

528

A further flexing of the formats at John Lewis led to the creation of the first click & commute store at London's St Pancras station. At only 3,000 sq ft it is easily the company's smallest unit, which houses only a modest edited range of goods. It is mainly designed to act as an order and collection point. It takes advantage of the high demand for click & collect, which accounts for over 50% of the retailer's online orders. Goods can be ordered in the store for next-day delivery and customers can pick them up on their way to work or during their lunch breaks.





# Harrods / Ralph Lauren proximity marketing

517

The fashion company took over 15 window displays of the department store to launch a new line through the use of mobile and digital technology. Using the TapPoint platform from Proxama each window had large vinyl images that could be tapped or scanned by customers' phones and which then led them to a landing page that offered an interactive map guiding them to the product range in-store. When the store was closed shoppers received links to the Harrods mobile website where they could access the collection.





### Fitbay

513

Utilising a social media-type model Fitbay is seeking to solve the sizing problems when shoppers buy clothes online. Customers enter their height, weight and body shape on the site and are then matched with other similar-sized people. They are encouraged to post 'selfies' wearing clothes they like thereby helping each other to find clothes that fit. The solution is based more on a customer's shape rather than on their measurements. A 'Discover' page on the site highlights items that the Fitbay algorithm believes will be suitable and the right size for individual customers. They can then click through and make purchases from the relevant retailers who stock these items.





### River Island / Google Cardboard

511

River Island has adopted Google Cardboard to bring a virtual reality experience to shoppers in a cost-efficient way. By downloading an app and inserting their own smart-phones into the cardboard goggles the customer can be transported to the catwalk or to the inside of the flagship stores before they have been opened to the public. They get a 360 degree view of the content and can purchase the collections. Such a solution is opening up exclusive aspects of the fashion industry to a much broader audience.





### Mammut / Oculus Rift

101

Ground-breaking Oculus Rift virtual reality headsets have been adopted by yet another retailer that recognises the potential for them to improve the in-store experience for customers. Trekking equipment store Mammut uses the technology to allow shoppers to experience cliff climbing in the store.





Top 50 UK and Ireland Innovations



### Schuh / Google Ingress

477

Shoe retailer Schuh is experimenting with customer engagement through mobiles via a partnership with Google that mixes virtual and reality in a game called Ingress. Shoppers can interact with locations within the game while they browse footwear in the store. Created by Google's Niantic Labs, the game transforms physical places into interactive experiences on the phone which in this case involves Schuh stores being integrated into the game. It adds a new layer of interactivity to the shopping experience and could lead to new footwear being found in the adventure.





### House of Fraser mannequins

476

Beacon technology (from Iconeme) has been rolled out to the mannequins at the company's click & collect store in Aberdeen, which enables offers to be sent to shoppers as they walk past dummies. The idea is to communicate information about the clothes being displayed on the mannequin including price and to give links to the retailer's website where customers can directly purchase the goods. The solution utilises shoppers' mobile devices to create a richer shopping experience. Ted Baker has also introduced the same technology at its Westfield London store.





### Smart shopping trolley

By installing a tiny sensor that sits inside shopping trolley wheels Cambridge Consultants have made the vehicles sufficiently 'smart' for retailers to be able to track customer's movements around the store. This enables them to determine when to open more checkouts and reduce trolley theft. The solution uses Bluetooth technology to track customers to within one metre. The advantage of this system is that it enables the tracking of movements without shoppers having to download an app or hook up to the retailer's Wi-Fi connection.





459

### Asda 3D printing

After offering a limited run 3D printing service in October 2013 to produce personalised figures that sold at its York store, Asda is rolling out the service around the UK. The technology has since been adapted to scan up to three different shoppers' bodies concurrently in a matter of seconds. The 8-inch figures cost around £60 and can be collected from the store or delivered to the customer's home.





### Karen Millen virtual store

Fashion retailer Karen Millen has sought to replicate the in-store experience of its new flagship in London's Knightsbridge in the online channel through a virtual reality version of the outlet. Using vTail technology from Avenue Imperial a four-floor virtual shop has been uploaded onto the Karen Millen website. Shoppers navigate around the store and can click on products at any point, which are then taken to the e-commerce pages of the site. Images of the virtual store can be shared on Facebook and Twitter.



### Top 20 - How innovative

 Pizza Hut / Tobii Technology mind-reading menu

- 2 Volvo roaming delivery service
- 3 Amazon Dash
- 4 Amazon / Audi parcel-to-vehicle delivery
- 5 Asos / Apple Watch
- 6 Argos 3D printed jewellery
- 7 Tictail / Uber delivery
- 8 L'Oreal Makeup Genius app
- 9 DHL drones
- 10 Waitrose Hiku home scanning
- 11 Hunkemöller / Kega proximity marketing
- 12 River Island / Google Cardboard
- 13 Pizza Hut interactive table
- 14 Like to Know
- 15 John Lewis 3D sofas
- 16 Sainsbury's shop-and-go app
- 17 Schuh / Google Ingress
- 18 Thomas Cook / Samsung VR headset
- 19 Starbucks pay-ahead and delivery
- 20 Doddle













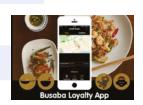
### Top 20 - How potentially commercial

- Starbucks pay-ahead and delivery
- Doddle
- 3 Rapid Q pre-ordering
- 4 Waitrose Hiku home scanning
- 5 Amazon Dash
- 6 Like to Know
- 7 Clarks iPad foot gauge
- 8 Hunkemöller / Kega proximity marketing
- 9 DPD Pickup
- 10 Asda Eagle Eye digital coupon
- Marks & Spencer / RFID tags
- 12 Tesco mobile payments
- 13 Argos / eReceipts
- 14 L'Oreal Makeup Genius app
- 15 Farfetch click & collect
- 16 House of Fraser / Oudini
- Busaba Eathai / MyCheck app
- 18 Pizza Hut / Tobii Technology mind-reading menu
- 19 Amazon / Audi parcel-to-vehicle delivery
- 20 Metail virtual fitting room













### Top 20 - Potential influence across the sector

- 1 Doddle
- 2 Starbucks pay-ahead and delivery
- 3 Like to Know
- 4 Argos / eReceipts
- 5 DPD Pickup
- 6 Waitrose Hiku home scanning
- 7 Sainsbury's shop-and-go app
- 8 Tictail / Uber delivery
- 9 Tesco mobile payments
- 10 Volvo roaming delivery service
- 11 Amazon / Audi parcel-to-vehicle delivery
- 12 House of Fraser / Qudini
- 13 Rapid Q pre-ordering
- 14 Marks & Spencer / RFID tags
- 15 L'Oreal Makeup Genius app
- 16 Amazon Dash
- 17 Asda Eagle Eye digital coupon
- 18 Mothercare / yReceipts
- 19 Hunkemöller / Kega proximity marketing
- 20 Clarks iPad foot gauge















### Top 20 – Potential benefit to consumers

- 1 Doddle
- 2 Rapid Q pre-ordering
- 3 Tictail / Uber delivery
- 4 Starbucks pay-ahead and delivery
- 5 DPD Pickup
- 6 Waitrose Hiku home scanning
- 7 Amazon / Audi parcel-to-vehicle delivery
- 8 Hunkemöller / Kega proximity marketing
- 9 Sainsbury's shop-and-go app
- 10 Tesco mobile payments
- 11 L'Oreal Makeup Genius app
- 12 Volvo roaming delivery service
- 13 Busaba Eathai / MyCheck app
- 14 Argos / eReceipts
- 15 Farfetch Click & Collect
- 16 Metail virtual fitting room
- 17 House of Fraser / Qudini
- 18 DHL drones
- 19 Amazon Dash
- 20 Like to Know











### IGS

### Top 10 – International innovations

Position and score out of 960



### Carrefour Connected Kitchen

627

Customers at Carrefour in Belgium can easily add products to their online shopping baskets through a tool that involves the scanning of the item or alternatively via a voice recognition option. The device is equipped with a magnet that enables it to be attached to a fridge. It is another example of making grocery shopping increasingly painless and locking customers into using specific retailers.





### Lowe's in-store robots

626

DIY retailer Lowe's has introduced in-store robots at one of its Orchard Supply stores that act as guides helping customers navigate around the outlet and supplying them with product information. The OSHbot, which has been developed at the company's Innovation Labs, are a complimentary support for in-store employees. Developments have been ongoing to add multiple languages to the robots and for them to remotely connect with expert staff at other stores to answer specific project questions.





615

### Darty 'panic button'

In France electrical retailer Darty has launched what it calls a 'panic button' for subscribers to its support services. Pressing the 7cm square button – that can be located anywhere in the customer's home – results in an agent from the retailer calling back in less than a minute, 24 hours a day. The device uses Wi-Fi or Bluetooth connectivity and allows customers to use the service to not only ask personal queries on products bought at Darty but on all electrical goods. This is an early example of the Internet of Things whereby myriad devices are becoming connected.





### Deliv

597

This US-based on-demand crowd-sourced delivery solution leverages mobile technology to access people and resources that were previously unavailable at scale in order to provide same-day delivery capabilities. It manages to make the fastest and most flexible same-day delivery the cheapest shipping option. The app-based solution uses independent contractors to make the delivery and ensures the retailer retains the direct relationship with the customer.





### Fiat Brazil live store

594

Developed to bridge the gap between the internet and physical car dealerships the Fiat Brazil Live Store connects online customers with a team from the car maker who can explore the vehicles on behalf of the remote customer. Wearing eye-level micro cameras and microphones the team can give customers a personal tour of the cars through real-time video streaming. These experts also use tablets to share further information with the prospective car buyer. The idea is that the Live Store will shorten the purchase-decision process that is undertaken before customers visit the dealerships.





Top 10 - International innovations



### Macy's digital stores

589

around its stores with 4,000 such transmitters now delivering deals, discounts, recommendations and rewards to shoppers via the Bluetooth technology. The company has also been testing enhanced mobile point-of-sale devices and tablets that enable employees to process transactions and receive information on recommended merchandise. Electronic kiosks have also been added alongside large interactive 'lookbook' displays. Macy's has also been one of the first retailers to accept Apple Pay mobile payments.





587

### Baked by Melissa / Nomi shopper tracking

Nomi is one of a number of retail-tracking start-ups that monitor the movement of people in-store through their mobile devices. Using Wi-Fi and/or sensors to track mobile signals it is helping the likes of Baked by Melissa to understand shoppers. The retailer uses Nomi data to run A/B tests on its window displays where it promotes different cake flavours, to determine which displays result in higher conversion rates. Nomi is also working on an opt-in solution Engage that will allow consumers to identify themselves and receive relevant offers.





562

### Neiman Marcus MyNM

The US-based department store chain is looking to replicate its personalised in-store shopping experience for its shoppers online through its MyNM solution. Customers have access to a dashboard whenever they visit the retailer's website that they can populate with their preferences and favourite products as well as respond to presentations of the latest new products and trending items. This gradually builds up a profile of the shopper that drives an increasingly tailored experience whenever they visit the site.





536

### Auchan 3D printing

The France-based retailer has opened a dedicated 3D printing area at its Lille store that helps its customers buy a range of personalised products including 'mini-me' figures, jewellery, trophies and medals. At the store-within-a-store that involves a partnership with i.materialise customers design the items and order them to be printed for collection at a later time. The retailer is using the 3D kiosks as another way to bring the latest technologies and innovations to its customers.





## Respect Your Universe / Gesaky interactive mirror

513

US sportswear brand RYU is rolling out interactive mirrors that it is using as both an up-selling/cross-selling tool and as an information gathering device on its customers. When an item is held up to the mirror it provides additional information and matches products as well as giving stock details such as availability. Out-of-stock items can be ordered from a touch-screen device attached to the mirror. The next iteration will enable ordering and payments to be made by customers simply walking up to the mirror and using their phones. It will also be more integrated with social media. During quiet times the mirrors also act as an advertising platform and as staff training tools.





### Retailinsider.com

**Retailinsider.com** is a free-to-subscribe blog/website that aims to adhere to its strap-line of 'Taking a look behind the obvious on the high street, online and in the City'. It's not just another news site but instead offers up a cocktail of opinions and insights on the retail industry along with the occasional leisure sector content to spice up the mix.

The regular insights are complemented by a range of carefully selected columnists, and regular slots such as Q&A's with leading e-commerce & multi-channel retailers and the 'Innovative Retailers' series.

For more information please visit retailinsider.com or follow @Retailinsider on Twitter.

### webloyalty

### Webloyalty

Webloyalty is a leading online savings programme provider. We work with over 200 retail and travel businesses internationally to help them build stronger, more profitable relationships with their customers.

Through our membership programmes, we help our online retail partners' customers make significant savings each year while providing the partner with an additional revenue stream. As well as incentivising customers to make repeat purchases at the partner's site, they can also earn cashback and get great deals on everything from fashion to electronics to travel at top online stores.

Webloyalty started operating in the UK in 2007 and has since expanded into France, Spain, Ireland, Brazil, the Netherlands, Turkey and Australia. Webloyalty is part of Affinion Group, a global leader in customer engagement and loyalty solutions.

For more information, please visit  $\mbox{webloyalty.co.uk}$  or follow  $\mbox{@WebloyaltyUK}$  on Twitter.

### Copyright 2015 by Retailinsider.com

All trademarks, trade names, product names and logos appearing in this report are the property of their respective owners.

All rights reserved. No part of this publication may be reproduced, transmitted, transcribed, stored in a retrieval system, nor translated into any human or computer language, in any form or by any means, electronic, mechanical, optical, chemical, manual or otherwise, without the prior written consent of Retailinsider.com

Design by pmdesignteam.com





# Can you think of a great, new digital innovation being used in the retail sector?

email glynn@busicomm.co.uk



#digitalinnovation

Retail Insider glynn@busicomm.co.uk @glynndavis retailinsider.com

