# Three Key Takeaways from Shoptalk 2019



Posted by Mae Cichelli, March 7, 2019

## What Retail Brands Need to Know This Year

The fourth annual **Shoptalk** conference welcomed 8,400 attendees from the worlds leading brands in retail and technology this week in Las Vegas. Our team spread out across the expo floor and to various track sessions to bring you the top three takeaways that retailers need to know in the coming year.

## Challenges with Omnichannel

"Going omnichannel" has historically been thought of as a collection of ways to reach customers via email, SMS, in-app, mobile push, web push, direct mail, and social where brands tend to favor one channel over another.

With more nascent technologies coming into maturity, omnichannel is now about orchestration. The idea is that you need to figure out when you should leverage which communication vehicle and when you shouldn't. Marketers have become smarter with orchestration, but the customer data that feeds into it still sits in silos.

Many data points are in disparate systems, have duplicate entries, and are not aligned in the most actionable way. Just look at established brand like Samsonite and Joanne Stores that have painstakingly achieved a single view of the customer through multi-year marketing and data re-alignments.

> *Charlie Cole, Chief eCom Officer, #Samsonite: "A true multibrand Customer Data Platform - and a global one - has never been done. Samsonite would be a great candidate given the number of brands, its global reach (which is INSANE) and, obvs, the product category! 🌎 #ShopTalk19*
>
> *— Lily Varon (@lilyvaron) March 6, 2019*

Omnichannel isn't just about crossing platforms to reach customers, *but crossing internal departments' use of customer insights.*

Charlie Cole of Samsonite explains, "Customer data platforms (CDPs) aren't an actionable strategy. Instead, think customer service platforms with a holistic view of purchase & browse history, channel preference, etc."

And for some brands, this means re-organizing teams, bringing together eCommerce and stores under the same leader, hiring a customer experience officer to ensure the organization is properly serving the customer across various touchpoints, and rethinking about how they (the brand) collect data — not just a customer's digital footprint, but what they do offline.

As Vineyard Vines' Chris Fitzpatrick puts it, "Lifestyle data points are very valuable."

## Seamless Store Pickup

We've been keeping an eye on in-store pick up this year since Adobe Analytics reported that Buy Online, Pickup In-Store (BOPIS) purchases had **increased by 47%** over the 2018 holidays. Pick-ups are a win-win for everyone as customers get to skip the crowds and waiting for delivery, while retailers avoid shipping fees that eat into their margins.

To demonstrate BOPIS's success so far and potential for growth at Shoptalk this year were Instacart and Lowe's. Two brands that are no strangers to fast-paced change and meeting consumer demands.

Instacart, the app-based grocery delivery service, has been in a high-growth mode since it's inception. Last year, it was able to raise a total of **$800 million** between two rounds of funding in the spring and fall for a hefty valuation of $7.6 billion. However digital delivery services are only expected to **grow by 22%** this year. Poised to disrupt an industry with an eye beyond delivery, Instacart's Chief Business Officer, Nailam Ganenthiran announced their plans to add in-store pickup services to grocers this year in North America. Not only does this launch even the playing field for Instacart's grocery partners facing an unrelenting expansion of services provided by behemoth Amazon, but it improves convenience for shoppers.

As Instacart invests, Lowe's shed light on their early success with BOPIS. The home improvement store has seen a fair amount of **change recently** with a new CFO as well as a new CEO Marvin Ellison who spoke at Shoptalk. Unlike their competitor, Home Depot who targets large order professional builders, Lowe's primary customers are smaller order size DIY consumers. This puts improving individual customer experiences front and center of their priorities.

At Shoptalk, Ellison shared that 70% of of Lowe's online transactions are either picked up or fulfilled in-store. What's more is that 30% of those pickups added an item to their basket. By offering more channels to make purchases (online, mobile, in-store, subscription) and easier fulfillment options like in-store pickup and delivery from nearby stores, Lowe's is tapping into growth trends other retailer should take note of.

> *4B$ sales online at Lowe's with 70% pickup in store, 30% of pickup add item to their basket, the power of #omnichannel says CEO of @Lowes at #Shoptalk19 #bopis pic.twitter.com/lZLulwYBOI*
>
> *— Farid Mheir (@fmheir) March 5, 2019*

As Buy Online, Pick-Up In Store (BOPIS) becomes more competitive, brands will need to manage this process at scale. For instance, this might mean dedicating more retail space to serve multiple customers at once, or moving popular items within sightline for additional upsell opportunities, or perhaps eliminating the wait in line for a check-in (and we've all experienced this during Black Friday when there are 10 people ahead of you) — automate mobile check-in by location detection.

# Personalization and Privacy Experiences

Not surprisingly, personalization was a prominent topic throughout the sessions and expo floor. The message: **personalization wins**.

Technology companies clamored to show how they provide the most thorough customer data while leading brands proudly announced how they differentiated themselves by providing exceptional, tailored customer experiences. After all, the more data you have, the better your personalization. The better your personalization, the happier your customers are.

But what happens when personalization creeps shoppers out?

With the passing of General Data Protection Regulation (GDPR) and the Californians for Consumer Privacy (CCP) we can't pretend that consumers and aren't beginning to question the integrity of brands and services that have their data.

> *Theme at @shoptalk: how do brands know when data use is crept or cool? #shoptalk19 #FashionLaw*
>
> *— Staci Riordan (@staciriordan) March 4, 2019*

Think of privacy as an ongoing experience your customers have with a brand. They need to understand what and how their data is being used in the same way they need to understand how brand fit into their lifestyle.

In short, the hype we've heard about collecting data at all costs is just that. Instead ask: *how can we build trust and create seamless experiences?*

Underlying it all is a sense of tech maturity we're now seeing in retail. The complexities that omnichannel and privacy present to personalized customer experiences are fundamentally a sign of their success and maturity within an expanding industry. Likewise, as retailers offer customers more ways to purchase and fulfill their orders, and tech companies like Instacart invest heavily in providing these services, we can expect to see further complexities and competition in this space.