Unlimited In-Store Choice and Engagement

The way we shop has changed a lot in recent years. The prevalence of online retail now means that consumers expect a wide choice of products, wherever they happen to be browsing. They also want more interaction. In a social media-driven world of hyper engagement, consumers expect their shopping experience to be exciting, informative and shareable.

This can be challenging to achieve, however. Where we used to go into a store, purchase an item and take it home, we now see shoppers using the physical store to try out a product before purchasing it elsewhere, usually online (also called 'showrooming'). Retailers are faced with the task of bridging this online/in-store gap with an engaging shopping experience. This involves interacting with the consumer to encourage them to find and select products they want and to complete the transaction easily and quickly.

As retailers grapple with this new type of consumer, they also need to address the operational issues associated with greater choice and engagement. In comparison to online retailers with large warehouses of stock, for bricks-and-mortar stores, holding a diverse inventory can present significant challenges in terms of logistics, space and, most importantly, cost. This is compounded for an increasing number of smaller-format ('proximity') stores.

Recent research from IHL[1] estimated that the combined annual cost of over-stocks and under-stocks (known collectively as inventory distortion) is around $818 billion globally, and may be growing by as much as $50 billion each year. Holding unlimited stock just in case customers want to see it is not a viable option, but on the other hand retailers want to avoid lost sales caused by not being able to offer the products to their consumers in-store.

[1]IHL Group Report: $818 Billion Lost Annually in Global Retail "Inventory Distortion"; 2012

A number of brands are now adopting large interactive visual displays on their shop floors to engage with customers and amplify brands through social media. At Capgemini, we've been working closely with Intel to develop such a solution for our customers to explore.

Wonder Wall

The 'Virtual Wall' concept for in-store retail consists of a series of 55-inch interactive high-definition video display columns, each powered by a media player running on Intel® Core® i5 processors. The displays connect, via Ethernet, to the store's inventory management system, delivering product details directly to the viewer on demand.

Shoppers are presented with life-size product images and an interactive touch screen that lets them dig deeper, viewing the product from multiple angles, reading about pricing and extra features or comparing it with similar products. If they want to speak to an assistant, they can press a 'call' button on the screen, sending an alert direct to an assistant's tablet device and asking them to go to the customer.

The customer can order the product they like, directly from the Virtual Wall, or through the sales assistant. It is then shipped directly to the customer's home from the retailer's depot, meaning space is saved in store while the customer gets a more immediate service.

The Virtual Wall's displays can also include QR codes, URLs and other features to engage customers further. Offering coupons (redeemable immediately in-store) in exchange for following a link or sharing a product through social media can help encourage purchases. Engagement can be encouraged further by including an avatar in the digital display that interacts with the customer and helps them find what they need in a more exciting and innovative way.

While all this customer engagement is going on, the Intel® Audience Impression Metrics (Intel® AIM) Suite harnesses the power of anonymous analytics to measure the effectiveness of the Wall's displays, for example the number of viewers or dwell time (analyzed according to demographic characteristics like gender and age). Used with sales-out data from POS systems, this provides additional insights for retailers who want to measure the effectiveness of promotions and understand their consumers better. For instance, between 8am and 11am most consumers are female, aged between 20 and 40 and purchase mainly fresh food.

Proven Value

The potential of the Virtual Wall to help boost sales, extend product range and reduce in-store inventory has already been demonstrated for a number of retailer types. A great example is the Adidas Adiverse Virtual Footwear Wall, which displays up to 8,000 trainers (a supply of physical shoes is also available for use as fit models).

Launched in a few pilot stores in Japan and the UK in 2012, it has proven extremely effective. After implementing the Wall, the Oxford Street Adidas branch in central London sold in just two weeks the volume of shoes it would usually take three stores six weeks to sell.

Closer to home, Capgemini and Intel recently showcased a Virtual Wall model for use in a white goods store, at the Capgemini Innovation Center in Lille. The wall helps the shopper experience their refrigerator, for example, in a more realistic way so they can imagine it in their own homes. By making the experience more interactive and personalized, the wall can help increase sales and presents greater up-sell opportunities. Meanwhile, having a range of virtual products means the retailer can save on space.

The Wall is now a permanent feature at our Lille site and we invite you to come and explore what it could do for your retail environment.

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