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ARE YOU READY FOR THE RETAIL REVOLUTION?

Rethinking the Funnel for the Omnichannel Age

By GUILLERMO D'ANDREA

In little more than a decade, smartphones have radically reconfigured how we socialize, engage politically, stay informed, study and consume entertainment, providing a big boost to many sectors and putting at risk those that don't keep up with the times. People born after 1995 have never known a world without internet connectivity and mobile devices, though we are all, to some extent, part of what's being called the Mobile Generation.

This technological revolution has already left a trail of corporate corpses in its wake,

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including such household names as Kodak and Nokia. Newspapers have been forced to redefine their business models. Bookstores and music stores are increasingly becoming a rarity, to be enjoyed only by the most committed bibliophiles and music purists. Television broadcasters have also had to reconsider their business models, having been forced to shift from terrestrial to cable and now live streaming.

Still, millions of photographs are published every day on social media; professional and home videos are broadcast and shared in staggering volumes; music is heard and exchanged more than ever; news is instantaneous; and virtually all forms of information and knowledge are just a click away.

How does all this affect consumers? And how can brands and businesses adapt to these changes?

Over the past few years, I have conducted several studies whose findings point to a number of strategies that would enable companies to take full advantage of this sweeping digital transformation. In this article, I highlight some defining traits of the future consumer and suggest how brands and businesses ought to be adapting to them.

The New Consumer

Consider the world today: digital entertainment is available on demand; online socializing has exploded, shrinking vast physical-distance barriers; and communication gets cheaper by the day and in some cases is even free. It should come as no surprise, then, that consumer patterns are shifting at a dizzying pace.

CONSTANTLY CONNECTED. In most places, even in the remotest corners of the world, consumers own a smart device with full 24/7 access to news and information. From the first known webpage in 1991, the World Wide Web now hosts more than a billion websites. Since the introduction of the iPhone in 2007, more than two million mobile apps have been developed. Content has grown and devices have shrunk in both weight and size.

In 2015, Apple set another technological milestone by launching the Apple Watch, which quickly became the first-ever mass-consumed wearable device. If recent trends are any indication, the wearable revolution is almost upon us. According to Forbes, the number of wearables shipped could double by the year 2021.

More and more market players are joining the revolution. Levi's has designed a jacket with Google tech woven into it, enabling the wearer to communicate, navigate and listen to music at the touch of a sleeve. And Callaway has introduced smart sunglasses to its range of premium products for golfers, allowing wearers to get music or phone calls without missing a swing. Wearable tech will also make it easier for consumers to execute online purchases on the go.

MORE FREE TIME. The more companies automate, the more free time they open up for consumers. While automation at check-ins/checkouts or call centers may still be relatively new to us, factories, warehouses and distribution centers are near fully automated, with robotics increasingly supplanting the human workforce. The hours freed from work affords more hours for other activities.

It also raises profound questions about the possible need for a universal basic income, given that roughly half the world's jobs are at risk of being automated. Some countries are already experimenting with giving their citizens a baseline income, regardless of whether they work or not. Finland is in the middle of running a two-year pilot, giving 2,000 unemployed Finns aged 25 to 58 a guaranteed 560 euros a month, which doesn't stop even if they find work. The jury is still out on whether this could help or hinder the process of people finding alternative work arrangements or more quality time.

Cars are another area undergoing automation, transforming the hours we spend behind the wheel. Uber has agreed to buy 24,000 self-driving cars from Volvo, while numerous other carmakers are integrating Amazon's Alexa virtual assistant into their vehicles to free up not only drivers (checking fuel levels, locking or unlocking doors, starting the car and warming it up for you) but also consumers (Alexa can

EXECUTIVE SUMMARY

Wearables, self-driving cars, AI displacing people who will spend less time working and more time searching for memorable experiences to share on social media. These trends are already triggering a seismic shift in consumer patterns toward a constantly connected and engaged omnichannel model. From his research on retail sector trends and the challenges posed by digitization, the author offers a series of tips so that brands and businesses can adapt to the consumer of the future. As the success of firms like Zara, Mango, Uniqlo, Apple and Amazon show, the keys to survival in this new age are unforgettable customer experiences and efficiency.