

The Death of the High Street?

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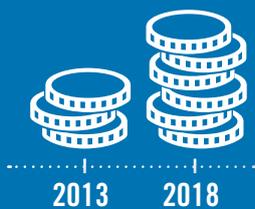
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Retailers on our high streets are under siege, battered from all sides by multiple attacks from e-commerce. Some say that the death of the high street is inevitable, that nothing can be done as consumers take to the internet to find the best prices; such a collective mindset fuelled further by our tough economic climes.

But are the doomsayers right? Or can even the smallest, most niche of stores survive in this harsh new digital world?

The Bottom Line

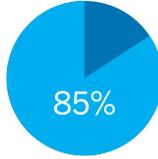


According to an IMRG e-retail survey, there are 1 billion global e-shoppers who will spend \$1 trillion (£655 billion) in 2013. That spend is predicted to rise to \$2 trillion by 2018.

Such figures will terrify high street-only retailers – and their fear is justified:



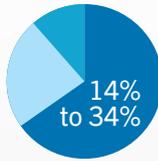
PWC and the Local Data Company surveyed 500 town centres and found the major retail chains shut an average of 20 shops a day in 2012



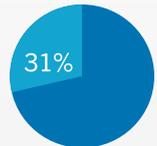
Exacerbating this problem is that 85% of UK consumers aged 18 or over already shop on the internet – expect that percentage and the regularity of e-commerce use to expand, not decrease, over the coming years



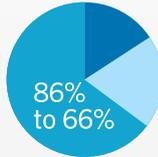
Four out of ten shops will shut in the next five years, says IT consultancy Deloitte



According to the Javelin Group, the share captured by e-commerce will grow from 14% to 34% of retail sales by 2020



According to Conlumino/ Webloyalty, 31% of high street stores will close by 2020



Sales through stores will decline from 86% to 66%.

SOURCES: Social commerce set to expand as high street declines: research



Sleeping With The 'Enemy'

If the threat from e-commerce is embraced instead of kicked against, the rewards can be huge. We believe creating a seamless multi-channel strategy is the only pragmatic approach to survival. And there are ever more platforms to spread your brand across – and all must be considered:

Social Media



While buying through social media remains low – only 3.9% of consumers have bought through the platform – the role of social platforms in e-commerce is predicted to become of vital importance to retailers in the future as they integrate their products fully onto their social media platforms.

Social media offers some distinct advantages for retailers:



Create buzz about your store and products; perfect for small niche retailers to get their message out there to the masses



[According to research by Rakuten](#), 45% of consumers use social media to recommend products; never has 'word of mouth' been so important



The ability to talk to consumers 'directly' and informally to create goodwill, plus create an image of a company that listens and immediately reacts to consumer feedback



The ability to tailor consumer experience of your brand specifically to a user's interests and tastes.

“It’s no longer enough to merely have a website that compliments your brick-and-mortar presence; retailers must start to develop interactive experiences which merge physical and digital channels.”

Adam Stewart, marketing director of Play.com,
an e-tailer that generated £1.8m of direct sales through its social platforms in 2012.

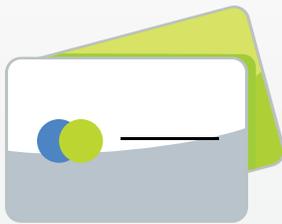
The Power of Mobile

Mobile devices open up a huge array of possibilities for engaging with consumers:



01. Scanning...

Apps that allow customers to scan each product they pick up, saving the consumer time and allowing them to see exactly what they are spending. [According to Deloitte](#), 36% of consumers would find the ability to scan product barcodes and access product information when in-store very desirable.



02. Next Generation Loyalty 'Cards'

Scanning apps also offer the potential for the next generation in loyalty cards as the app can track exactly what the consumer is buying and deliver special promotions on the fly – without the need for slow-moving postal-based vouchers.



03. StoreSquared

Push special-offer notifications to the consumer's mobile if they are near the store, snaring their interest with targeted promotions to encourage them to visit and make impulse purchases.



04. Free Wifi Here!

Offering free wifi for consumers in-store can have profound benefits. From being able to track which competitors consumers are comparing your deals with through to customers spending more time in-store thus increasing the potential for impulse purchases, the upfront cost of implementing a free wifi policy could pay dividends in the long term.

Concerned about the cost of app development? Then consider 'responsive websites' that scale automatically to whatever device they are being viewed on.

Keep An Eye On Tech

New platforms and services are always coming online and it's imperative to stay informed about any innovations that could aid your multi channel strategy. For instance, Tesco has installed 'virtual walls' in South Korean subways where commuters can quickly order their groceries by scanning in the QR codes of the displayed products on their mobiles. [See the wall in action here.](#)



Store Wars

What will shops actually look like in the future as multi-channel retailing becomes more prevalent?

Shops have traditionally been spaces that pack their shelves with product. This must change – stores need to create experiences that engage the consumer on a one-to-one basis; think showroom, not stacked shelves. For instance in the fashion retail sector, large screens and interactive displays are becoming commonplace, while other sectors are holding community and learning events to engage with customers.

The Future, Now

The master of multi-channel retail is Burberry which not only boasts a seamless 'one-vision' approach to all its channels but also creates in-store events that drive traffic through its London store. Each season, loyal customers are invited to exclusive events and offered the opportunity to buy products from Burberry's latest collection before anyone else. To add to the sense of occasion, consumers can [order their items using in-store iPads.](#)



SOURCE: The store of the future: the new role of the store in a multichannel environment

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