...to the quarter one edition of Retail Trends, our summary of some of the latest global innovation, upcoming trends and campaign activity in the market.

This edition features some exciting digital innovation, which could change the way people shop, including live footfall trackers and facial-recognition-based product suggestions.

The ‘Trends to Watch’ section details some ideas we think might be adopted further by brands and retailers in the future. We have also compiled a focus on lifestyle habits which are increasingly common amongst consumers, including social sharing and the rise of virtual experiences.

I hope you find this interesting, and if you want to know more about any of the ideas featured please don’t hesitate to get in touch.

Until next time, happy reading!

Catherine Marsden

**GLOBAL INNOVATION**

**Braille advertising**

Mars Chocolate unveiled a Braille outdoor ad at a London bus stop in January, to mark World Braille Day.

Comprised of Braille made from fake Maltesers, the poster forms part of the brand’s ambition to champion greater inclusivity in advertising and better represent disability in the media.

The poster works using audio enablement, automatically playing a recorded message every five minutes, which alerts people that it is written in Braille.

Only 22% of consumers said they feel people with disabilities are well-represented in British marketing and advertising. (Marketing Week)
GLOBAL INNOVATION

Contactless payments in schools

In October 2016, Singapore-based bank POSB (part of DBS bank) announced the results of its Smart Buddy pilot programme. The programme facilitates contactless payments within schools, for example in the canteen or book shops. Students wear a smart wristband or have a contactless card, linked to a mobile app, where they can track their expenses and savings in real time. Parents can also use this to determine daily allowances.

According to the bank, the initiative enables children to learn financial management at an early age.

It is crucial for banks to engage with young people, who are the customers of the future. Research shows that most consumers stay loyal to one bank, unless significant problems are encountered, so gaining early brand trust is important.

GLOBAL INNOVATION

Scratch-and-sniff packaging

Smirnoff released a seasonal product over the Christmas period, Peppermint Twist vodka. This not only added a different flavour to their portfolio, but used packaging in a unique, fun way to connect with consumers.

The bottle featured a special scratch-and-sniff feature, allowing consumers to test the product’s peppermint aroma before purchase.

Sensory packaging goes beyond visual, to encompass the sense of smell, touch and sound. This helps brands stand out in the retail environment and drives product engagement.
Facial recognition shopping

In November 2016 eBay opened a pop-up store in London, using facial recognition to help people find the perfect Christmas gifts.

The ‘Ultimate do good, feel good shop’ allowed shoppers to browse through a selection of items on screen, using a camera to track their facial expressions and measure their reactions to different products. A shortlist of items was then suggested to the shopper based on their reactions.

The initiative, the first of its kind, was designed to help relieve the stress of holiday shopping and help people locate gifts they really want. This follows earlier eBay research showing that due to the stress of Christmas shopping, heart rates tend to increase by 33%—which is on a par with the increase whilst running a marathon.

Google real-time footfall tracker

This new release from Google, through a feature in Google Maps, allows shoppers to assess how busy a shop, bar or restaurant is in real time before they arrive.

It can also advise users on how long people typically stay in a location, and gives a breakdown of opening times by department to help plan shopping visits. A new ‘Live’ tag will also highlight whether it is busier or quieter than usual at that time.

The feature uses anonymised location data from Google users, as well as searches, to provide the analysis.

Interactive petrol pumps

BP has recently introduced interactive petrol pumps in America, with an initiative called Miles. Using the Personality Pump’s interactive technology, customers can select music, record a video e-card to share on social media, or play music trivia, all while they are filling their vehicle.

The trial is due to run until February 2017, with interactive pumps available in Chicago and New York.

Personalisation is set to be a key trend for 2017 and this initiative takes it a step further. 56% of consumers* say receiving a personalised incentive would improve their perception of a brand.

(*Virtual Incentives research)
**Retailtainment**

The concept of adding entertainment and experiences to the retail mix is not new, but has accelerated as retailers and shopping centres look for new ways to attract and connect with consumers. UK video game retailer Game is rolling out a dedicated gaming area in stores, and 2017 may see more entertainment areas such as bowling alleys, cinemas and mini leisure experiences opening in retail spaces. This can help counter the threat of online and help retail areas become more appealing.

**SOCIAL MEDIA TRANSACTIONS**

Social media is already a big influence on consumer behaviour and purchase decisions, but 2017 is expected to see initiatives to drive direct transactions further. Instagram has a new feature enabling brands to tag products featured in photos which, when tapped, takes users directly to the website to learn more and make a purchase. Pinterest also features ‘buyable pins’.

**HEALTHY FOOD CHOICES**

In 2017 the trend for healthy foods from last year is predicted to continue. Consumers will apparently snack on Hawaiian raw-fish salad and American-style vegetable yoghurts, while quenching their thirst with watermelon juice.

**Premiumisation**

Despite the widespread economic difficulties of recent years, premiumisation has been a key trend, particularly in food and drink. This treat-seeking consumer mentality looks set to continue, fuelled by manufacturers who are looking to distance themselves from a cost-cutting marketplace by developing products with a unique selling point. Brands are increasingly focused on creating differentiation, or taking products upmarket through premium ranges.

**Sustainable, practical packaging**

The recent launch in Brazil of three new Smirnoff flavours in Tetrapak packaging signifies the desire by brands to innovate in the area of packaging. There is generally a demand for increased environmental sustainability, and new materials can also allow more practical storage and transportation.

**Trial of new store formats**

There has recently been a shift in retail strategy in this area, with retailers such as Best Buy and Ikea investing in smaller-format stores in more central locations. This is expected to continue, in order to fit with consumer demand for increased convenience and accessibility.

**TRENDS TO WATCH**

- **Retailtainment**
- **Premiumisation**
- **Sustainable, practical packaging**
- **Trial of new store formats**
- **Healthy food choices**
TREND FOCUS...

Food as social currency
Sharing of meal occasions

More than 130,000 pictures of food are shared on Instagram every day in the UK. A 2016 food survey by Waitrose found that nearly half of consumers make more effort with their cooking if they think a photo of it is likely to be shared.

Posting pictures online means that meals have become a form of self-expression, in the same way as the clothes people wear, the cars they drive and the music they listen to. Waitrose go as far as stating that food is ‘today’s hottest social currency’ in their Food and Drink report 2016.

Restaurants are also getting in on the act, with many restaurants tending to have one dish on the menu which is a showstopper and lends itself to social media sharing. This may inspire people to go to a specific restaurant just to say they’ve tried that dish.

Brands can therefore try to capitalise on the trend for food sharing, by providing tips on how to achieve restaurant-quality food presentation or running competitions based on sharing pictures.

Virtual experience development
Advancements in augmented reality

Trendwatchers have been talking about the blurring of online and offline for some time, but with the arrival of Pokémon Go in 2016, augmented reality (AR) has now really presented itself as a valuable engagement tool. The AR market was worth $640 million in 2015, and is predicted to rise to $100 billion by 2024 (Grand View Research, 2016.)

So what’s next in 2017, other than a host of copycat location-based AR games?

There is predicted to be a shift in the planning of digital experiences for entertainment, to a more inclusive global platform, that offer status-accruing experiences. The challenge is to create virtual experiences that consumers will value and want to share, just as they do with their experiences in the real world.

Status is seen through the value an individual adds to the shared experience, perhaps with their creativity or problem-solving abilities; or by proving their bravery – as seen with ‘The Walk’, the VR experience from Sony pictures which simulates French high-wire artist Philippe Petit’s terrifying tightrope walk between New York’s Twin Towers in 1974.
AT THE SHELF EDGE

POS standout
3D display elements

These cardboard displays in the pet care category have strong standout with 3D elements, die-cut techniques and layering of signage to allow brand differentiation and attract shoppers to the fixture.

Engaging outdoor print
Attracting passing footfall

Outdoor print can be used in areas of footfall to create an element of interaction, driving engagement and brand standout.

Interactive push-button display provides sound clips of information about a new product technology.

To promote a new TV series in Germany, bus shelters in Berlin had over 3000 temporary tattoos applied, which commuters could take away.

To create a feeling of comfort for its winter tea range and attract consumer attention, Nestea created a knitted bus shelter in Budapest. It included a knitted bench panel, poster frame and shelter side panels.

Over the Christmas period, shoppers in London’s Covent Garden could download Blippar for free to access a variety of AR experiences, including an interactive map displaying discounts for shops and attractions.
Large format print installations are extremely visible, typically involving large billboards, building wraps, and large-scale graphics, such as escalator graphics. Due to their size and scale, they require specialist installation, but tend to have high impact and are easily noticed by consumers, so can have a positive return on investment.

These large promotional graphics could perhaps work harder by incorporating digital messaging, for an immediate call to action and help create social media buzz.

Hotspot trays are standard in many retailers, but in order to stand out further, brands are using the space to communicate clear product benefits and tie-in to seasonal events. When space is at a minimum, such messaging adds impact and can influence purchase behaviour.

Promoting two complementary brands together, such as lipstick and toothpaste, is clever marketing in order to encourage product trial and build repeat purchase activity.
Small footprint POS

Creating visibility in small spaces

These cardboard displays are small in size, yet create strong brand standout. They have been adapted to fit into selected spaces and fixtures, utilising previously unused space for sales opportunities.

Lenticular print

Engagement through moving images

The world’s largest lenticular print was installed at Amsterdam’s Schiphol Airport in 2016. Titled ‘Beyond’, the artwork created by Daan Roosegarde is 400-feet in length, created with printing technology using lenses to produce the appearance and effect of movement and perspective. The image of clouds appears three-dimensional and seems to move and change based on the viewer’s location. LED lamps embedded in the walls also create a soft glowing effect.

Lenticular print is also successfully used on smaller installations, such as these images on bus shelters for Kraft Foods.
WANT TO KNOW MORE?

This proactive review of trends in the retail market by our Insights team is just one of the many ways we can help plan your campaign strategy.

We can offer advice on all elements of retail marketing, from market trends, to innovative design, cost savings and production best practice.

If you want to talk through anything further, please get in touch: info@hhglobal.com

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