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Successful Technological Integration for Competitive Advantage in Retail Settings comprises research, insights, and practices on a topic that researchers do not explore very often: the link between technology and marketing in the retail sector.

We are all aware of the numerous technologies that have affected the retail sector, even if these technologies very often did not originate in the retail domain, but were adapted to suit retail companies. Nevertheless, these technologies have already modified the way business is done in retailing. Further, it is very difficult to accurately forecast the changes that will occur within just the next five to ten years, let alone in the long term, which is totally unpredictable.

This up to date collection of papers from different countries and various fields of specialization focuses on five main topics:

- The continuous innovation process in retailing and the issues of funding and maintaining the pace of innovation;
- The effect of technologies on the consumer experience, especially on the social interaction, which is one of the main elements of the consumer experience;
- The evolution of the interaction between customers and retailers, specifically the mediating role of shop assistants;
- How technology and innovations can provide retailers with a competitive advantage;
- The retailer’s dilemma: Investing in innovation, or adapting to the sector specificities, innovations and other domains’ technologies.

My personal observations are first of all related to one of the most ancient retail strategy concepts – scale economies. From the beginning of modern retail in the mid-19th century, the economies of scale concept was strictly linked to the retailers’ size and their ability to negotiate lower prices than their competitors could provide with their suppliers. Very soon a second element became relevant: The ability to increase the inventory and the capital turn-over to sustain the virtuous circle of sales volume, cost reduction, price reduction and sales growth. This managerial innovation required companies to introduce “technologies” to manage their inventory turn-over and to very efficiently control the capital they invested in their retail company.

More than 150 years after the birth of the department store, the real competitive advantage is no longer size, but companies’ capacity to be innovative, flexible and capable as well as to exploit technologies better than their competitors. A few current retail champions have within a short time acquired a place in the rankings of the world’s top retailers, while other—well reputed and long-established—retailers
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have disappeared, or are facing difficult challenges to maintain their place in the market. Size does, of course, still matter, but more in the sense of generating resources to invest in order to improve the company’s efficiency and competitive advantage than in the previous sense of the balance of power between retailers and manufacturers.

The second point I want to emphasise is linked to one of the main sections of the book: Funding innovations and technology adoption. This issue is a true dilemma for many retail companies whose financial performances are shrinking due to the world economic crisis and the on-going price war in many developed markets, but which are also forced to invest in innovations that could help them maintain their position in the market.

This observation leads to another point: The pervasiveness of technology and innovation in retail companies. We have seen the integration of technologies into stores, but also into the entire supply chain in order to manage branches dispersed throughout the world and as a tool to demonstrate retail brands’ omni-channel presence to consumers.

Certain in-store technologies are partially replacing tasks that store personnel previously performed, for example, automatic cash systems and self-scanning systems. In other cases, these technologies are aimed at improving the interaction between the sales assistants and the customers in order to offer the latter the personalized service available in online channels. Technologies therefore not only help retailers reduce their operating costs, but simultaneously help improve the customer experience.

The customer experience is perhaps the key issue for every technology integration in retailing. Many researchers have studied the evolution of consumer behaviour through the diffusion of technologies that allow everybody to make purchases everywhere, at any time and to share their impressions, intentions and opinions in real time before, during and after their purchase. Researchers have also analysed new ways to create a relationship between brands and consumers, while some of their publications have illustrated innovative forms of attachment to brands.

Technologies and their integration into retailers’ day-to-day operations should improve the relationship between a brand and its consumers, both current and potential; simultaneously, technologies should help retailers suggest experiences to their customers that can differentiate a brand from all others in the market. A positive experience is a key factor in order to create attention and build a strong and lasting relation with customers.

Customer experience is perhaps easier to create in a physical store, while technologies can help reinforce the set of store experiences already studied in the “sensory retail” stream of research. In future it will be essential for retailers to propose a unique store experience, well differentiated from the experiences available through other channels; conversely, the risk of stores becoming irrelevant or mere show rooms before customers make their purchases online, could become a reality.

Finally, I highlight the differences between developed and developing markets.

All the main retailers in the world are international, even if their level of internationalization and the weight of the foreign markets regarding turnover and profitability differ greatly. With the advent and diffusion of technologies in all the main retail company sectors, the question arises whether these technologies should be adopted around the world, or whether the technological level should be adapted to different countries’ requirements. Some adaptations may be compulsory, due to the host market’s limitations, but the cultural acceptance of some technologies, or the social and cultural habits that are still very important in certain “non-western” markets may justify other modifications.

This is another challenge for researchers and managers trying to integrate retailing and technology.
I believe Successful Technological Integration for Competitive Advantage in Retail Settings provides scholars and managers with many contributions regarding the fast changing retail sector where the customer not only has to remain centre stage, but marketing and management theories and practices also have to integrate the evolutions and the disruptions that technologies and their application introduce to businesses.

Daniele Pederzoli
NEOMA Business School, France

Daniele Pederzoli has a degree from the University of Bologna (Italy) and a PhD from the University of Rennes I (France). He is currently Professor of Marketing and Director of the Bachelor in Retail Management programme at NEOMA Business School, France. He started working in the retail sector as Head of the Retail Unit of a training and consulting company in Italy at the end of the 1970s. After the completion of his PhD, he became an Associate Professor at the Rouen Business School in France. He has authored or co-authored four books in the field of retail marketing and shopping centre management. He has also published 14 articles in academic journals and more than 30 communications at academic congresses in France and internationally. He has also written more than 100 articles for managerial marketing and retail reviews. His current research interests are international retailing and relations between brands, stores, and consumers in the luxury sector.