

Making the Digital Connection: Why Physical Retail Stores Need a Reboot

Country Snapshot



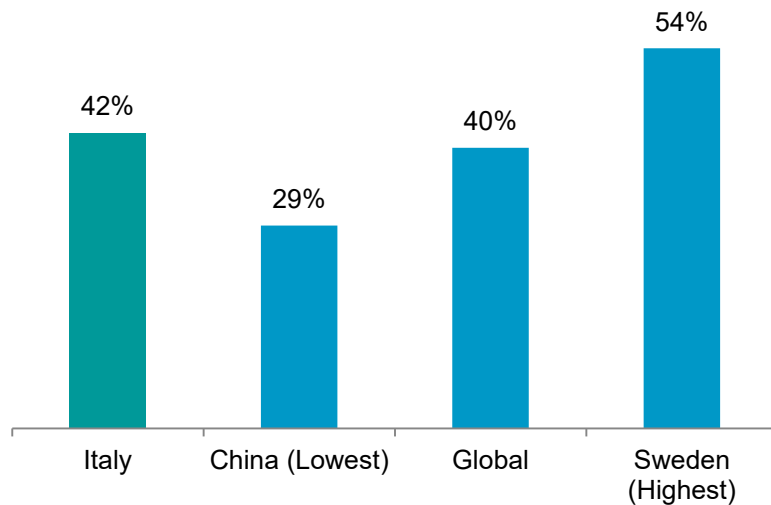
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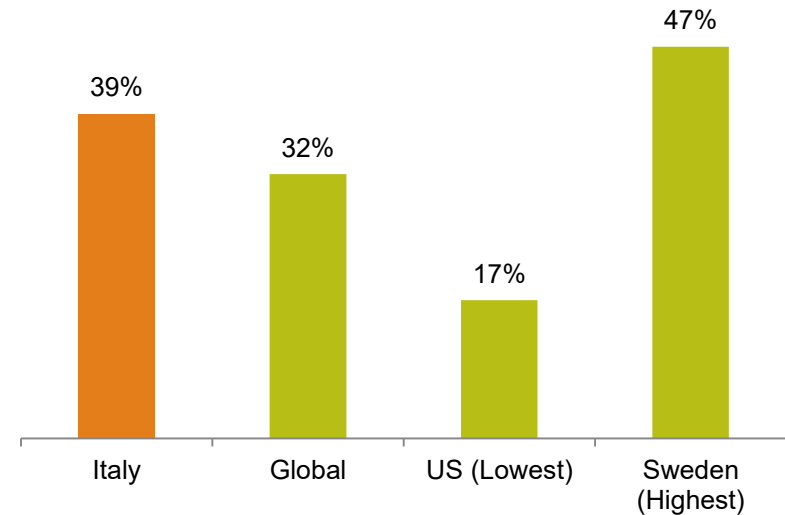
Shopping in brick & mortar stores is no more a pleasurable activity

Bricks-and-mortar shopping is seen by more and more people as an increasingly onerous chore



- Shopping is just a chore that has to be done

Most Consumers view shopping in store as an avoidable activity

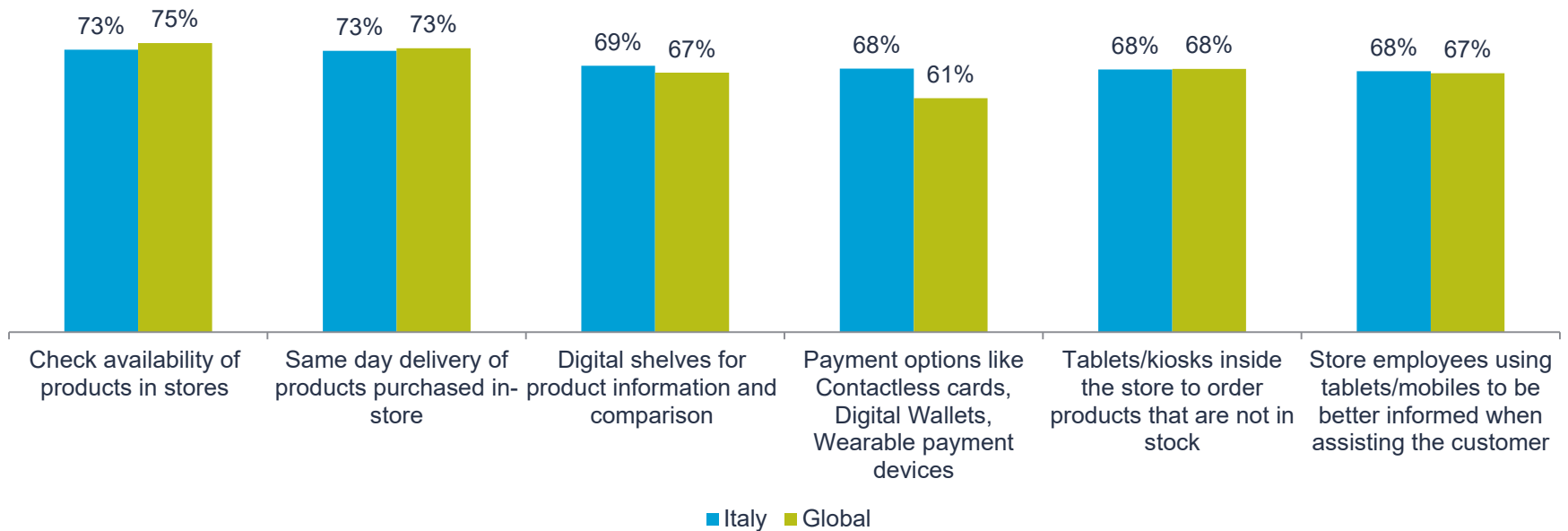


- I would rather wash dishes or clothes than go shopping in a retail store

Source: Capgemini Future of Retail Store Survey

Consumers want same-day delivery and ability to check product availability

Consumers expectations from the store



Source: Capgemini Future of Retail Store Survey

Consumers also want lower prices and rewards for revisiting and spending time in stores

Consumers want the store to serve higher function than just selling a product



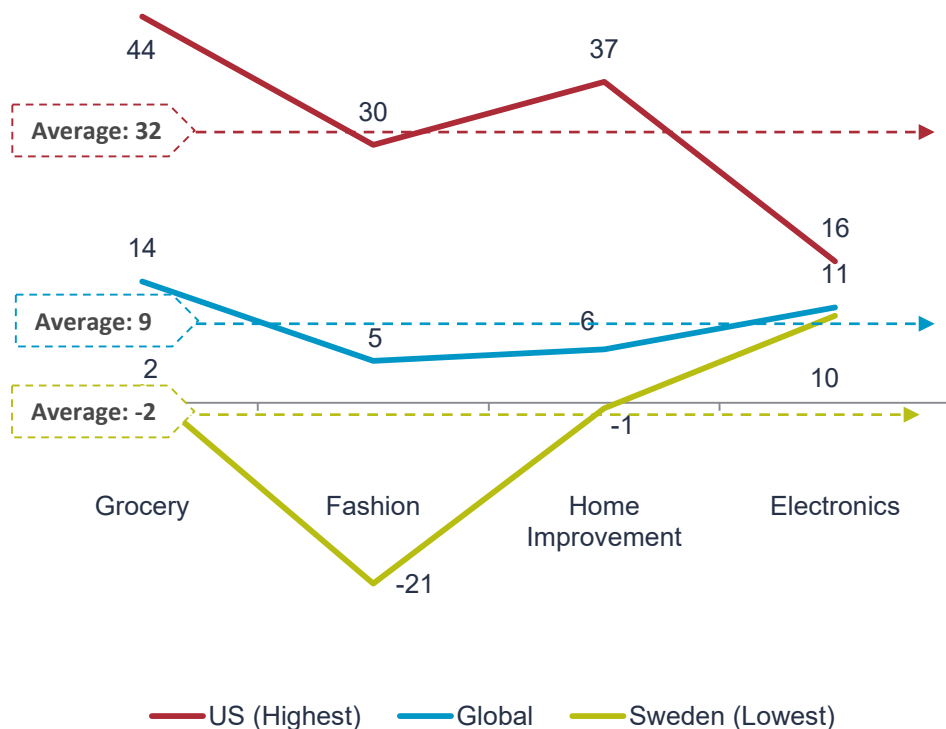
Source: Capgemini Future of Retail Store Survey

Are consumer expectations being met?

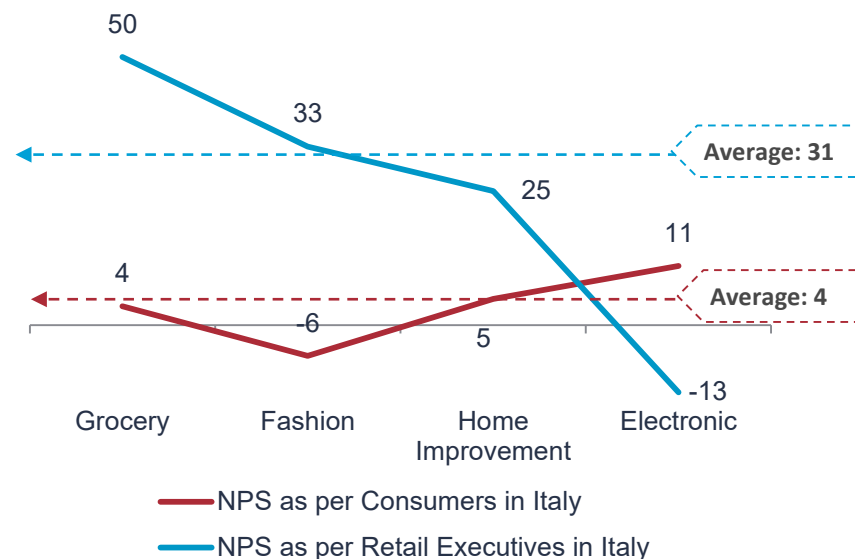


Retail executives vastly underestimate consumer's dissatisfaction

Highest, Lowest and Average NPS® by consumers



Italy- Net Promoter ScoresSM comparison between consumers and retail executives

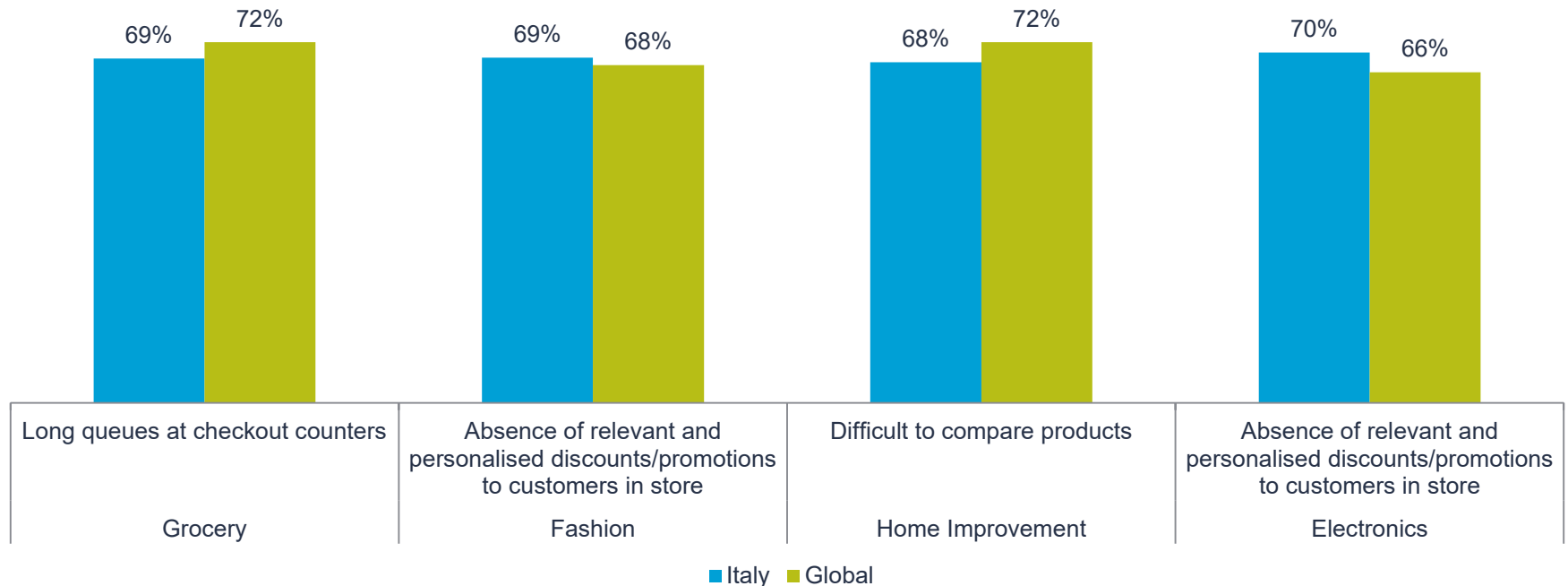


Disclaimer: Net Promoter Score measures the loyalty that exists between a provider and a consumer. It is calculated based on responses on a 0-10 scale to a single question: How likely is it that you would recommend our company/product/service to a friend or colleague?
 Net Promoter, NPS, and the NPS-related emoticons are registered service marks, and Net Promoter Score and Net Promoter System are service marks, of Bain & Company, Inc., Satmetrix Systems, Inc. and Fred Reichheld

Source: Capgemini Future of Retail Store Survey

Absence of relevant discount, long queue at checkout and difficulty in comparing product explain low satisfaction scores

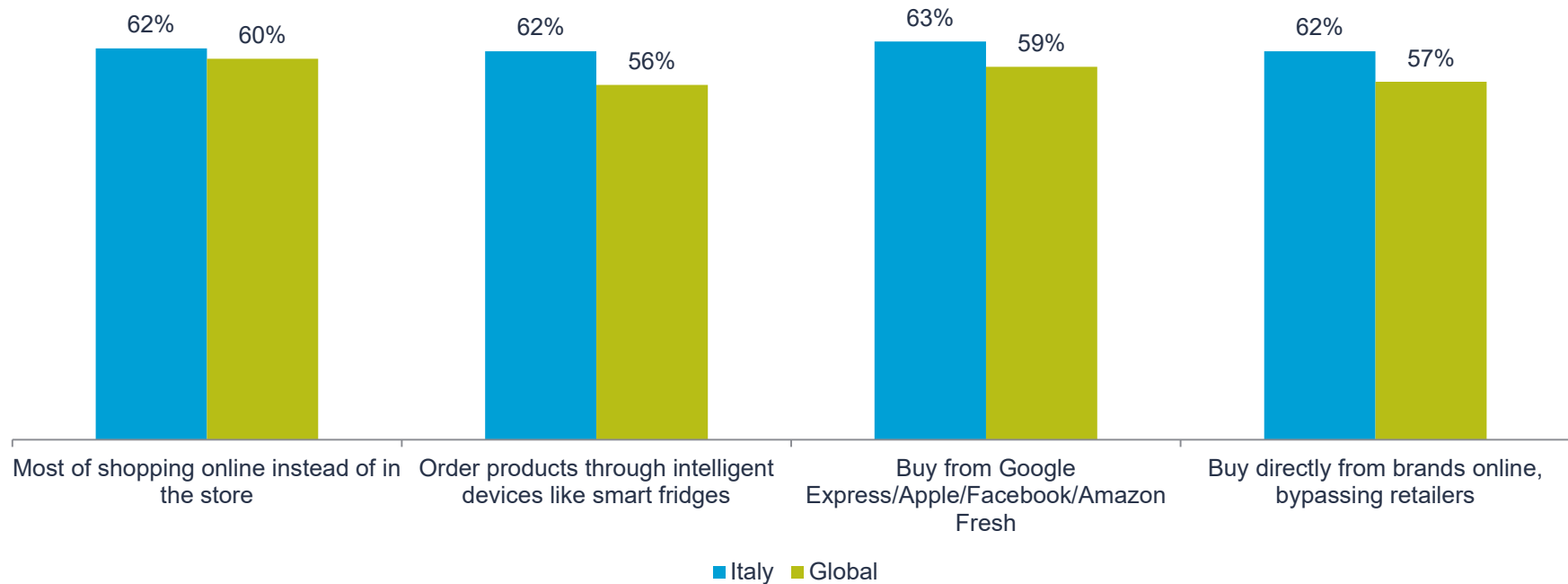
Frustrations for consumers in retail store



Source: Capgemini Future of Retail Store Survey

Consumers are considering reducing their reliance on traditional retailers

Consumers show willingness to experiment with new ways of shopping



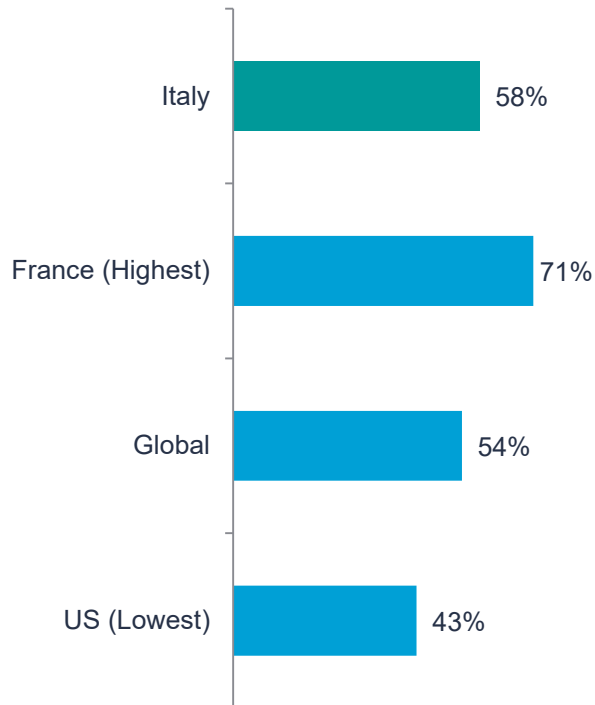
Source: Capgemini Future of Retail Store Survey

How are retailers responding to changing consumer expectations?

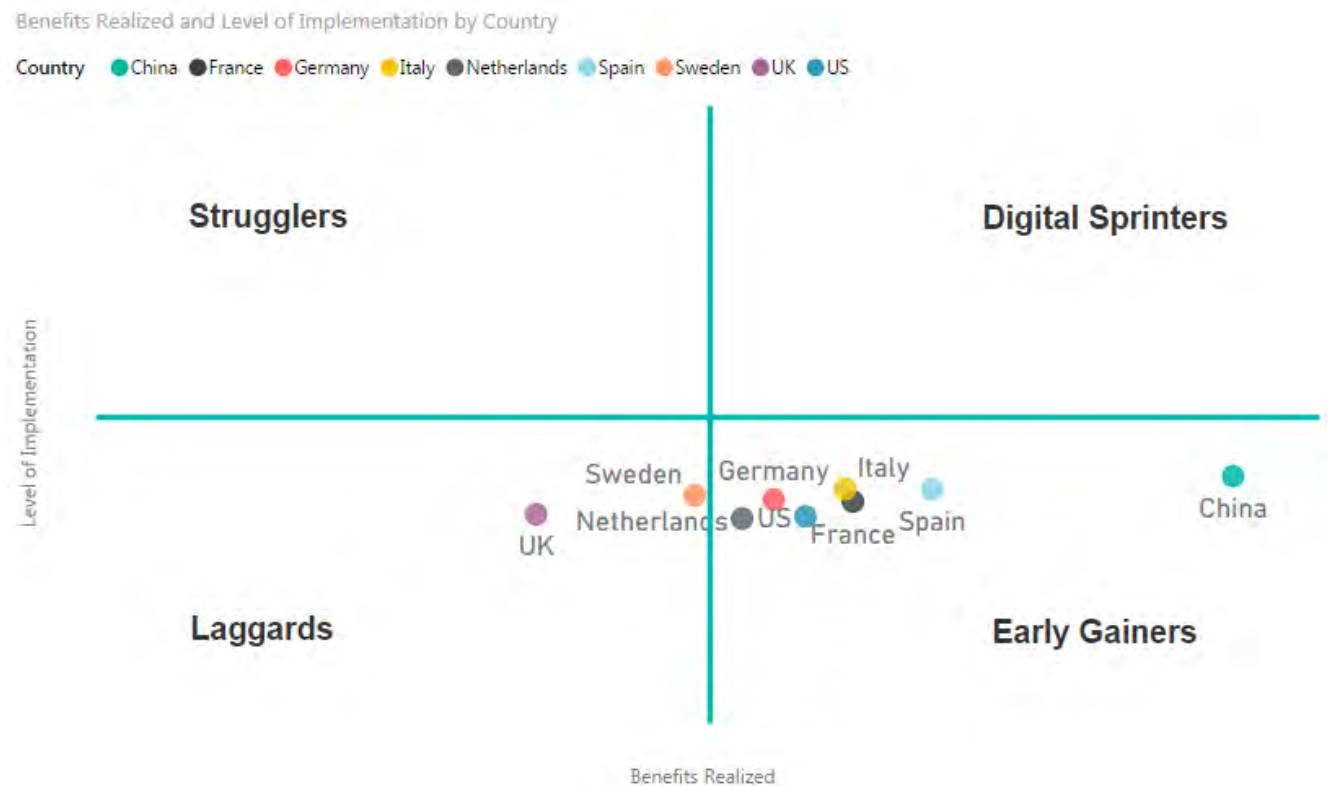


58% of Italian retail executives agree that digitization in stores is slow

Percentage of Retail Executives who Agree that Digitization in Stores is Slow



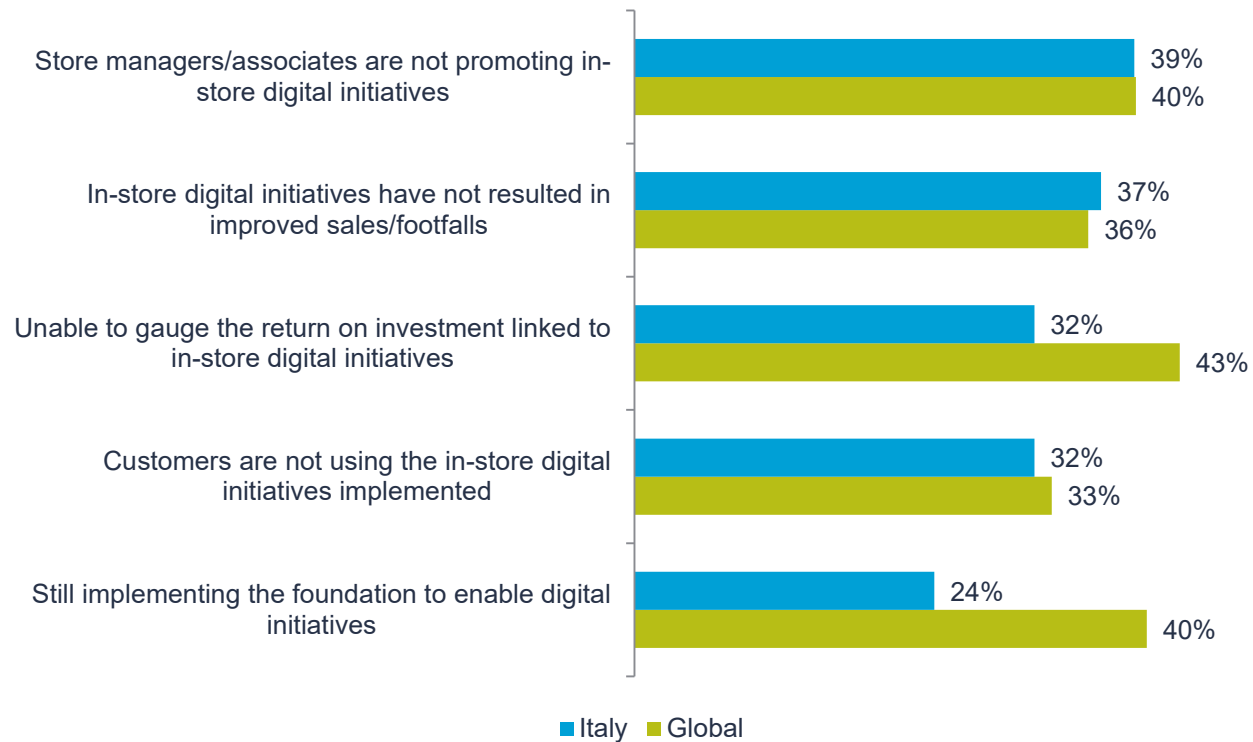
Italian retailers lack in implementation even after realizing benefits from in-store initiatives



Source: Capgemini Future of Retail Store Survey

Store employees do not promote initiatives; this leads to slow digitization of stores

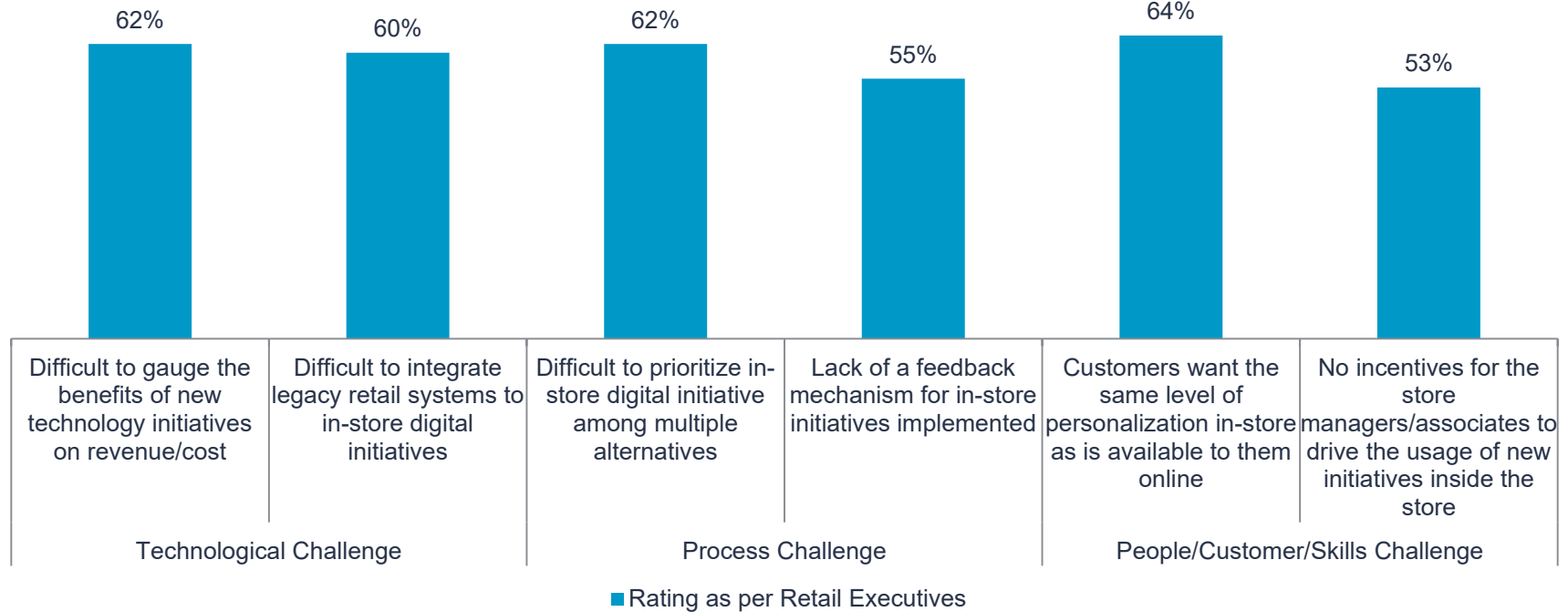
Top reasons for slow in-store digitization



Source: Capgemini Future of Retail Store Survey

Retailers face numerous technical, process & people related challenges in transforming stores

Top Challenges for implementing the digital initiative in-store



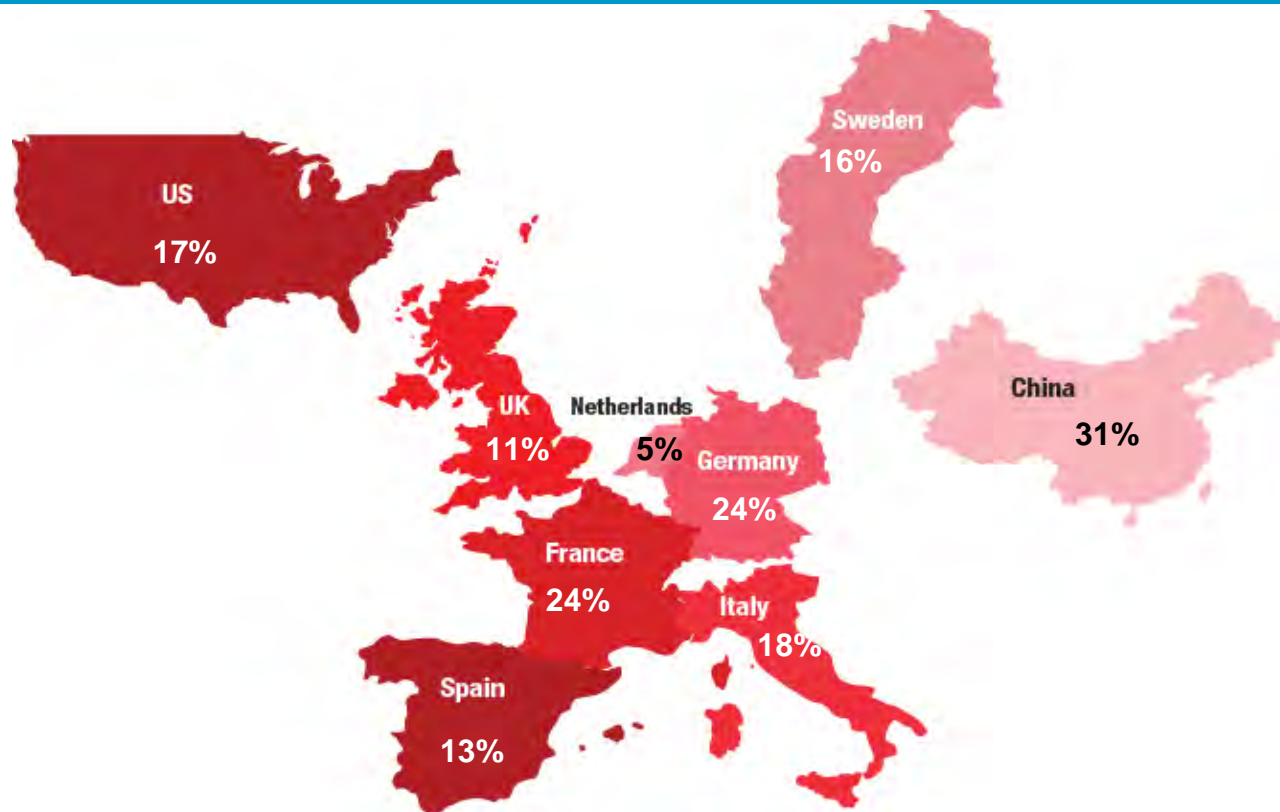
Source: Capgemini Future of Retail Store Survey

Digital Sprinters in Italy



Geographical spread of Digital Sprinters across 9 countries surveyed (Italy – 18%)

Digital Sprinters by country



N = 88

Source: Capgemini Future of Retail Store Survey

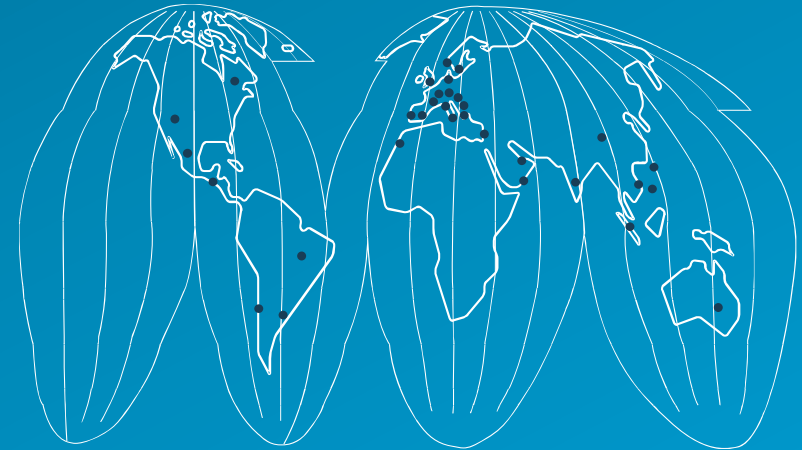
People matter, results count.



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