

# 5 trends influencing the retail landscape

 By [Michael Smollan](#)

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Gears switched at the beginning of 2022 as we entered a new phase in a retail eco-system.



Image supplied. South Africans are shopping at fewer retailers but spending more per trip

While the sector is still massaging aches and pains, and playing catch up with new consumer behavioural patterns, new ways of doing things, 'adaptability' and 'having an evolving mindset' have become the rallying cry.

What lies beyond in this ever-changing landscape as we look to the now and beyond – sees physical stores becoming critical touchpoints; how some pandemic shopping behaviours are here to stay; consumers turning to less traditional shopping platforms such as Instagram and TikTok while commerce companies are exploring the metaverse.

## Spending more per trip

Together, in the opinion of [www.mytotalretail.com](http://www.mytotalretail.com) - these new ways of doing things will offer consumers far more satisfying ways to shop, while providing opportunities for traders to convert shoppers into customers.

Globally, overwhelmed supply chains, supply-demand imbalances and commodity-driven cost pressures as Russia invaded Ukraine, pushed inflation up and put further pressure on businesses and consumers alike.

Despite this, according to a recent Shopify article, economists and the National Retail Federation in the US project US retail sales to rise between 6% and 8% this year.

Closer to home, NielsenIQ South Africa released its monthly State of the Retail Nation analysis which shows that total annual retail sales at South African retail outlets were R516bn which represents a 14.4% annual increase.

“South Africans are shopping at fewer retailers but spending more per trip, with the average value of their shopping basket increasing by R131 since April 2020,” said NielsenIQ SA, managing director, Ged Nooy.



## 5 social commerce trends changing how we shop & sell

Greg Bailie 27 Jan 2022



## Trends going forward

Mindful of the expected growth predictions and with price hikes and inflationary concerns - to stay competitive the retail trade will once again have to adapt, with the following trend considerations under the spotlight from now, into next year:

1. Emerging technologies such as social commerce will offer the industry new ways to integrate shopping carts using Facebook, Instagram and TikTok. Partnering recommendations from influencers, friends, and family leads to increased sales.
2. An increase in buy online, pick-up in-store services, QR codes that allow shoppers to connect instantly, mobile point-of-sale systems to allow sales anywhere inside a store and a range of contactless payment options – will have data winning the day
3. Customer centricity will remain king going into 2023 – essential to allow for synchronicity between marketing, products, supply chain and e-commerce or brick and mortar to present products, services, and experiences customers desire and expect.
4. By 2030, the top 18 cities in Africa could have a combined spending power of \$1.3tn. Businesses at the coal face are already looking to invest in these markets to reap the potential they may have ten or even 20 years down the line. Unlocking this potential will require strong local partnerships and a deep understanding of local markets.
5. Key digital marketing trends for the South African retail industry to be aware of include – prioritising the omnichannel customer experience that has not necessarily come to full fruition yet; monetising digital efforts by tracking the entire customer journey to understand how each individual channel is contributing to ecommerce conversions, and the growing utilisation of dark social channels where the user journey is encrypted such as Facebook Messenger and WhatsApp – where brands are for example investing in the creation of WhatsApp bots as an innovative way to reach these audiences.

Seizing new opportunities for innovative growth are undoubtedly part of every retail or commerce strategy and trends certainly bring a fresh perspective.

## No innovation without curiosity

However, now that we have had more time to swing back operationally, I would throw my own 'left-of -centre-trend-shapeshifter' into the mix around being curious, as there can be no innovation without curiosity.

As we look for new perspectives to old problems, do we really make space for curiosity as a conscious daily practice? It should become a habitual tool for retailers, brands, and organisations to help uncover what innovative buttons they need to push.

## ABOUT MICHAEL SMOLLAN

Mike Smollan is Chief Growth and Innovation Officer at Smollan.

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