



Retail Innovation Snapshot

Retail

Innovation Snapshot 2018

Introduction

As we all know, the world of retail is transforming more rapidly than ever. Evolving technology, changing supply chain strategies together with higher than ever consumer expectations, all point to an industry in constant disruption. Digital connectivity in particular, is putting immense pressure on retailers to provide a fully integrated shopping experience across online and in-store platforms.

To survive and thrive in such a fast-paced environment, businesses of all sizes need to shed outdated ways of thinking and adopt new models for innovation and growth.

Since 2002 Springwise has been looking through this lens of disruption. Via our network of global innovators, outliers and entrepreneurs we champion positive change and create context for the smartest CEOs and innovation leaders worldwide to drive sustainable product and business transformation. With a daily overview of some of the most cutting-edge innovations from around the world, the Springwise platform provides real innovation examples in real time to inspire leaders to create this magical and often elusive culture of innovation as a key differentiator for long-term success and competitive advantage. At Springwise, we also care deeply about sustainability. In a world that is so often a maelstrom of conflict and confusion, great innovation and sustainable invention have never had a greater role to play in ensuring our wellbeing and survival. Applying this belief to ourselves, we are proud members of 1% for the Planet.

The adoption of sustainable practices has been widely recognised as a more valuable measurement of success for modern global retailers with benefits ranging from cost reductions to improved operational efficiency. As customers increasingly judge retailers on the basis of their reputation and practices in the global community, eco-friendly brands are also creating more value and improving consumer loyalty. The growing commitment to corporate sustainability worldwide is demonstrated by the increasing number of firms acquiring B Corporation certification, which since 2007 has reached over 2400 in more than 50 countries. (Source: B Lab UK)

To celebrate this year's **World Retail Congress** and the theme of **Innovate to Win**, the Springwise Editors have created an exclusive taster report with a selection of 5 recent innovations to help you think differently, trigger original ideas and embrace this theme of purpose. From manufacturing to logistics and supply chain, adopting a sustainable approach will continue to differentiate forward thinking businesses from competitors and bring greater transparency to consumers.

If you want to find out more about innovations in retail and connected industries, please <u>sign up to our newsletter</u> or contact <u>sophia@springwise.com</u> to learn more about the Springwise suite of services.

SPRINGWISE EDITORIAL TEAM









WHAT

New Zealand supermarket uses smart trolleys to recognize products and automatically charge customers.

WHO

IMAGR

WHERE

New Zealand

CONTACT

imagr.co/contact

Al powered shopping trolleys automatically charge customers

New Zealand supermarket uses smart trolleys to recognize products and automatically charge customers.

Self-scanners and self-service checkouts in supermarkets are becoming increasingly popular. Companies are constantly looking for new innovative ways to make the consumer's experience easier and faster. Last year we saw the invention of smart shopping bags in the United States, which allows consumers to scan and purchase items as they go around the supermarket, not needing to queue and pay at the end. Another invention is the autonomous grocery store, in the form of self-driving vehicles which brings food directly to the customer's house. The artificial intelligence company IMAGR has gone one step further. Consumers can now shop without needing to go to the checkout, scan barcodes or queue.

The SMARTCART uses computer vision technology in order to recognize products as they are placed inside the basket. Consumers then pay for the products automatically, using the mobile application, in which they must link their payment details to. Upon entering the store, customers pair their smartphone to a SMARTCART using a QR code. When an item is added to their basket it will automatically appear in their mobile phone's virtual basket. The innovation combines artificial intelligence and computer vision in order to facilitate grocery shopping. Upon completing their shop, clients can simply wheel their trolley out of the store and be automatically charged for their items.

The SMARTCART was launched in the Auckland branch of the New Zealand store Foodstuffs earlier this year and is said be able to help the store with inventory management, cost reduction and analytics. How else could consumers' shopping experience be made easier and more agreeable using advanced technology?







WHAT

UK company FRUU creates vegan-friendly lip balms using organic fruit and plant ingredients derived from post-consumer waste

WHO FRUU

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WHEREUnited Kingdom

CONTACT

www.fruuurskin.com/pages/contact-us

Award-winning startup turns fruit waste into natural cosmetics

UK company FRUU creates vegan-friendly lip balms using organic fruit and plant ingredients derived from post-consumer waste.

Sustainability has become an important issue for companies in recent years, with many adopting greener methods as part of their business plan. Recent examples include a Japanese airline that is working with environmentalists to turn clothes into fuel and a unique seawall design that generates power from the sea it is surrounded by.

UK startup company FRUU has taken 'going green' one step further by placing its importance as the core of its business, producing totally sustainable cosmetics. FRUU's lip balms are made to order, created by hand and delivered within a week of purchase, meaning there is no waste of unwanted stock. Its products are made of ingredients that derive from more than 15 types of organic fruits, most of which are created as a by-product from processed fruit waste that therefore generates extra revenue for fruit farmers.

The lip balms, which come in a variety of scents including more alternative offerings such as avocado, pomegranate and lime, are not tested on animals, and are vegan friendly and PETA certified. FRUU donates a cut of its profits to World Wide Fund for Nature (WWF) to help with the preservation of nature. The company is also happy to provide products to charity sales for the retail price, buying back any leftover stock following the fundraising. Business owner Terence Chung recently won a first prize in The Formations Company Entrepreneur Award 2017.

The balms cost GBP 2.99 a piece (GBP 4.99 for colour balm) and UK customers are charged just GBP 0.99 for packaging and delivery. In addition to its online store, FRUU products are also sold in health shops around the UK including Sheffield, Nottingham, Worcestershire and Birmingham. How much consideration do you take for the ethics behind your favourite beauty products?







WHAT

New clothing lender Boro allows customers to rent designer fashion and help save waste and expense.

WHC

Boro Clothing

WHERE

Canada

CONTACT

www.boroit.ca/contact-us

Peer-to-peer designer clothing rental starts up in Toronto

New clothing lender Boro allows customers to rent designer fashion and help save waste and expense.

Keeping up with the latest in designer fashion can be both expensive and frustrating, especially for those who like to buy new clothes each season but only have the chance to wear them a few times. But what if you could have instant access to a wide variety of quality garments, which you can wear once and then return? Toronto's Boro Clothing can now offer an answer to this question. Boro provides a peer-to-peer marketplace for women to rent stylish and high-quality clothing from local residents.

Boro acts as a marketplace and lending library to allow women to rent items of fashionable clothing worth at least CAD 300 in retail value, and which are less than two years old. Lenders send their clothes to Boro, along with descriptions and photos, and the company manages the transaction, including pickup and delivery to and from the 'Boro'er'. The company also handles all repairs and dry cleaning, and will compensate owners if garments are destroyed or irreparably damaged. Lenders can request their clothes back at any time. Borrowers do not have to pay if the garment does not fit, and lenders receive their money just twenty-four hours after the garment is delivered to the borrower. With prices starting at around CAD 30 for a four-day dress rental, Boro allows women to show up at that special event in a fabulous and expensive gown at an affordable price, while lenders make money from their little-used clothing.

At the moment, Boro only operates in the Toronto area, but the company's long-term goal is to become the first place everyone goes when they are looking to shop for an upcoming event. In doing so, the company hopes to be able to reduce waste in the fashion industry. It is already possible to rent drones, luxury jewelry, and designer glasses - what else might benefit from the peer-to-peer rental treatment?







WHAT

IFM is using autonomous drones to automate data capture inside warehouses, streamlining the process of managing inventory.

WHO

IFM

WHERE

United States

CONTACT

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Tech startup creates indoor flying robots

IFM is using autonomous drones to automate data capture inside warehouses, streamlining the process of managing inventory.

Springwise has seen various breakthroughs in technology used to automate the process of accurate cataloguing, for example, a robotic librarian in Singapore that scans the shelves and lists missing books. IFM (Intelligent Flying Machines) applies a similar approach to inventory, using a small army of lightweight drones to navigate the inside of warehouses and feed back discrepancies between listed and actual inventory. The startup thinks it has solved two key problems of practical application - developing a reliable indoor navigation system since GPS doesn't work indoors and keeping the robots light enough to allow them to maneuver around safely.

The drones are claimed to work with "centimeter accuracy" meaning they can capture data without direct human oversight. They are designed to be deployed between shifts, taking off, scanning the shelves and landing for recharge independently. The system integrates with existing warehouse management software: information is gathered via scan, uploaded and cross referenced with the company's existing inventory. If errors are spotted, they are sent automatically to tablets kept at the end of each aisle. Warehouse staff can then check these tablets at the start of each shift to see if anything is missing. "Lost inventory costs companies billions of dollars every year" explains CEO and founder Marc Gyongyosi. The process takes on average 20 minutes, depending on the size of the warehouse and the number of drones deployed.

IFM believes that these drones - which make use of a GPU (graphics processing unit) in order to find their way around - have potentially limitless application from insurance inspections to construction. Could these autonomous flying robots undertake useful tasks in your sector?







WHAT

A German company will give startups a brick-and-mortar presence while also providing market research insights.

WHO

KaDeTe

WHERE

Germany

CONTACT

www.wilmersdorfer-arcaden.de www.wilmersdorfer-arcaden/ kontakt

Startup supermarket offers market research insight

A German company will give startups a brick-and-mortar presence while also providing market research insights.

When startups are looking to launch physical products to markets there are a variety of routes to take, none of which guarantees success. Germany-based KaDeTe is aiming to give these startups an opportunity to showcase their products in a brick-and-mortar space.

KaDeTe (or Kaufhaus de Testen, which roughly translates to 'testing department store') will offer shelf space to 150 startup retailers in the bustling Wilmersdorfer Arcaden in Berlin. Startups often rely on online interest to generate crowdfunding revenue or else they may present their products at markets. With KaDeTe their products will be exposed to the representative cross-section of consumers that frequent the mall, who can try and taste products. KaDeTe will collaborate with professionals in department store design and public relations from the Berlin Institute for Innovation Research, to record how customers interact with products and rate them. Real-world market research can be used to determine ideal product placement within stores and how fair pricing is compared to customer perception. This can maximize future sales potential, and also offer advice on marketing strategies and media exposure.

To gain a spot at the KaDeTe stall, businesses will pitch their product and pay a small fee, after which each product will be granted a six-month period on display, including time spent on special promotional stands. Alongside the tangible exposure and analytics benefits, KaDeTe also hope to create a Startup community; a networking incubator for new businesses to exchange ideas and experiences with other like-minded entrepreneurs. KaDeTe, which was recently awarded funding from ProSiebenSat.1 Accelerator opened in March 2018 with plans to open more stores in Germany and internationally. How else can the gap between physical and online marketplaces be bridged?





This Retail Innovation Snapshot has been compiled by the <u>Springwise</u> Editorial team exclusively for the <u>World Retail Congress</u>, the 3-day congress which every year provides a high-level forum for retail leaders to meet and share insights, form powerful connections and to help shape the future of retail.

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Springwise and Re_Set are proud supporters of <u>1% for the Planet</u>, which connects us to some of the most environmentally concerned organizations in the world and commits us to donating 1% of our annual sales to environmental causes.

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