

The Future of Brick and Mortar (Published in OFFPRICE Magazine)

Over the last 15 years, ecommerce has been the [fastest growing](#) category of the retail industry. The dawn of 4G networks made it easier for consumers to shop on their smartphones from anywhere, since they no longer needed to rely on a strong Wi-Fi connection.

Many experts estimate that ecommerce still makes up only [between 8 and 11 percent](#) of the retail market; however, these figures may be inaccurate. The totals used for all retail sales include gas, which can't be purchased online, and large items like cars, furniture and appliances, which are rarely purchased online. Retail Strategist and Analysis Consultant Gary Hoover estimates that the real figure is more like [40 percent](#). Amazon has been the leader of the ecommerce revolution, dominating [18 percent](#) of the market.

Studies show that consumers are frustrated by in-store shopping experiences. About [40 percent](#) say that they consider shopping to be a chore, and [32 percent](#) say that they would rather stay home and wash dishes than go shopping.

Is brick and mortar dying out?

It may seem like traditional brick and mortar stores will soon be replaced by online shopping, but experts say that's not exactly the case. While ecommerce continues to grow, the rate of growth is [slowing](#), and it's predicted to continue this pattern of slowing over the next 25 years. Also, the leadership of online companies is known to be fragile. While Amazon dominates the market today, in another 20 years, it may go the way of AOL and Myspace.

Some retail categories have remained strong. Drugs and food have been the least affected by ecommerce, and they continue to generate huge revenue. Also, research shows that about [70 percent](#) of consumers still prefer to touch and feel products before they buy them.

How can brick and mortar stores compete?

In order to keep up with the fast growth of ecommerce, brick and mortar stores need to integrate their physical stores with their online presence, a strategy that is now being referred to as "bricks and clicks" or "clicks and mortar." Ecommerce giant Amazon has already employed this strategy by opening brick and mortar stores to sell their online products. Many retailers use their physical stores as more of a showroom, where customers can touch and feel products before purchasing them online.

Other ways to integrate online technology into physical stores include:

- installing kiosks that display personalized content to customers;
- using digital concierges to greet customers, make recommendations and inform them about special offers;
- sending coupons and other communications directly to customers' phones while they shop using near-field communication technology and
- using cloud-based POS technology that allows employees to process transactions from anywhere in the store.

Become more than just a store.

In addition to bricks and clicks technology, today's consumers are looking for brick and mortar stores that do more than just sell products. Nearly [60 percent](#) of consumers say that they want stores to

provide social spaces and learning experiences, like DIY workshops or cooking classes. Stores like Apple and Williams-Sonoma have embraced this trend by basically becoming mini schools that offer regular training classes.

Put a premium on customer service.

Customer service is another important focus. Consumers who continue to frequent brick and mortar stores are looking for more than just products—they want an experience. Customers still prefer making a human connection, and many enjoy interacting with employees and other customers. Friendly customer service goes a long way to keeping customers walking through the door.

The future of brick and mortar is not as bleak as it may seem. Many traditional stores are seeing the potential of online technology as a tool to enhance their customers' experience. Those that adapt and integrate will continue to see strong sales, no matter how much ecommerce grows.

Sources:

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