

# LONG LIVE PHYSICAL RETAIL



**HOW** RETAIL AS A SERVICE (RAAS) CAN ACCELERATE BRANDS  
INTO INNOVATION AND PEOPLE INTO SUSTAINABLE CHOICES.

# OUR AIM



We explore **Retail as a Service** in a multi-brand setting as a *way* for companies to take a more agile and mindful approach to meet customers' expectations and create opportunities for engagement in a test–learn–pivot environment.

001



**AN ODE TO PHYSICAL RETAIL**

002



**RETAIL AS A SERVICE:  
WHY IT'S RELEVANT**

003



**WHERE WE SEE THE  
OPPORTUNITY FOR BRANDS**



IT'S A TRICKY  
TIME FOR  
PHYSICAL RETAIL  
RIGHT NOW.



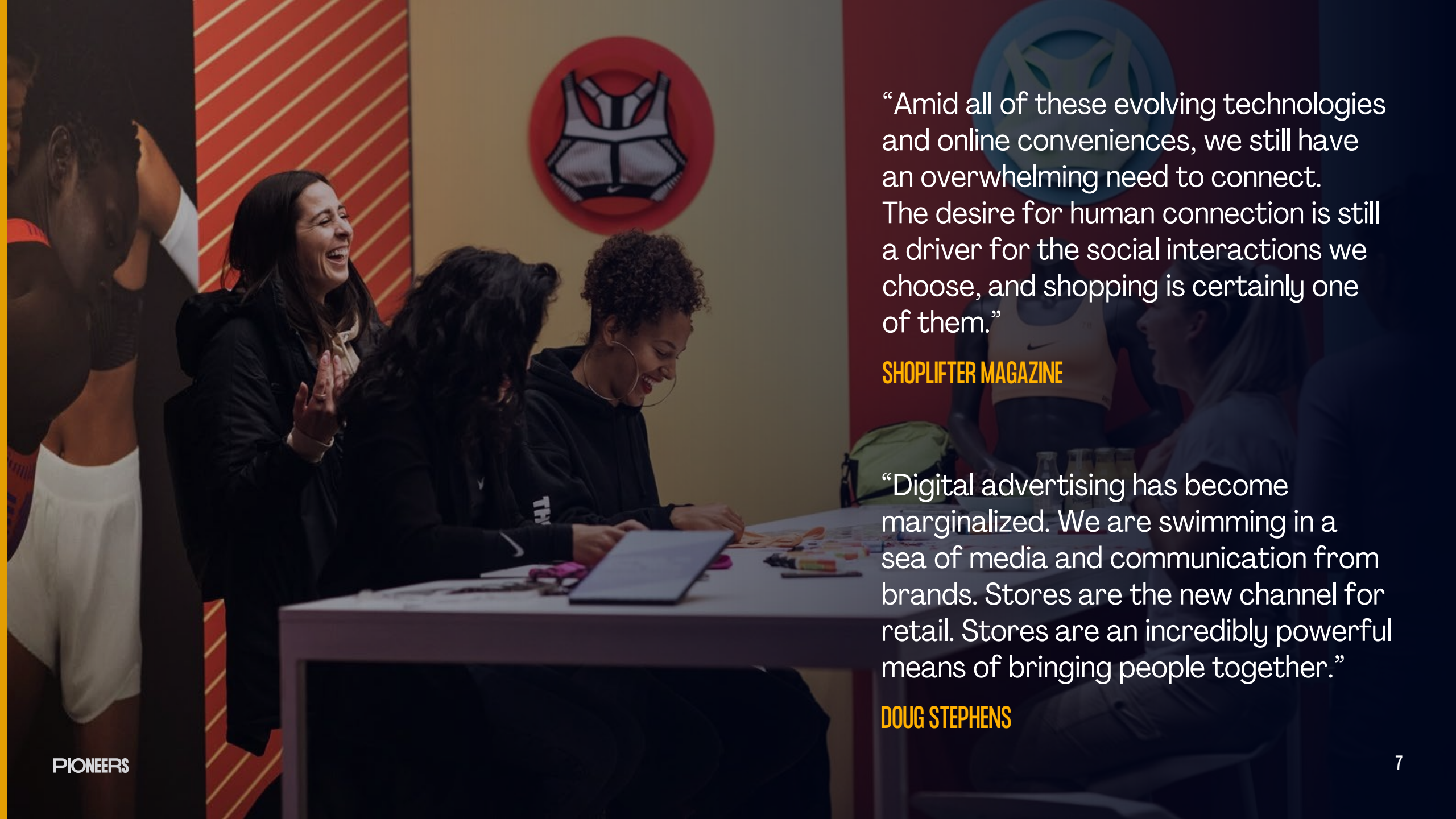
People want real-life experiences; they long for authenticity, discovery, connection, and control, which unfortunately remain a blur within the online world. Simultaneously, the last thing that brands are looking at right now is to invest in yet another costly channel in the marketing mix —————→ **PHYSICAL STORES**



## 001—AN ODE TO PHYSICAL RETAIL

Stores remain decisive in driving meaningful, competitive differentiation and reaching consumers more effectively and genuinely than digital marketing. It's also a great, more humble way of entering subcultures, art worlds and communities, becoming part of them, and understanding their needs, beliefs, and values.





“Amid all of these evolving technologies and online conveniences, we still have an overwhelming need to connect. The desire for human connection is still a driver for the social interactions we choose, and shopping is certainly one of them.”

**SHOPLIFTER MAGAZINE**

“Digital advertising has become marginalized. We are swimming in a sea of media and communication from brands. Stores are the new channel for retail. Stores are an incredibly powerful means of bringing people together.”

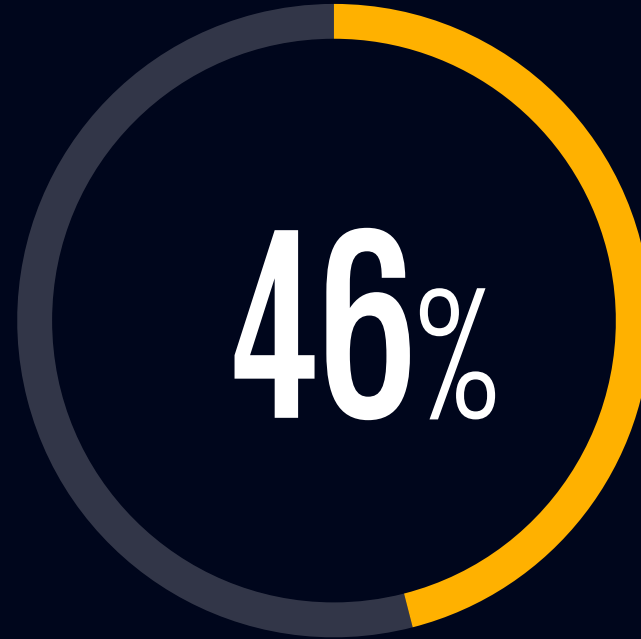
**DOUG STEPHENS**

001—AN ODE TO PHYSICAL RETAIL

# BRICK—AND—MORTAR STORES STILL PLAY AN IMPORTANT ROLE IN RETAILING

SALESFORCE & PUBLICIS. SAPIENT  
SHOPPER—FIRST RETAILING REPORT

[READ MORE HERE](#) ➤



of shoppers say that  
they prefer to

**BUY IN A PHYSICAL  
LOCATION**



of shoppers choose to buy  
a first-time product

**THROUGH A RETAILER**





## 001—AN ODE TO PHYSICAL RETAIL

**Retail as a Service** is a way of having but not owning the brick-and-mortar.

RaaS is a commerce platform to build, test, learn, and respond to ever-changing consumer habits. It's an opportunity for companies to establish a foothold in the market by minimizing risks and costs while focusing on people, services, experience, and new technologies.



# RETAIL AS A SERVICE: WHY IT'S RELEVANT

- FOR EFFICIENCY
- FOR DISCOVERY
- FOR KNOWLEDGE
- FOR SUSTAINABILITY
- FOR A NEW RETAIL CULTURE

002—RETAIL AS A SERVICE: WHY IT'S RELEVANT

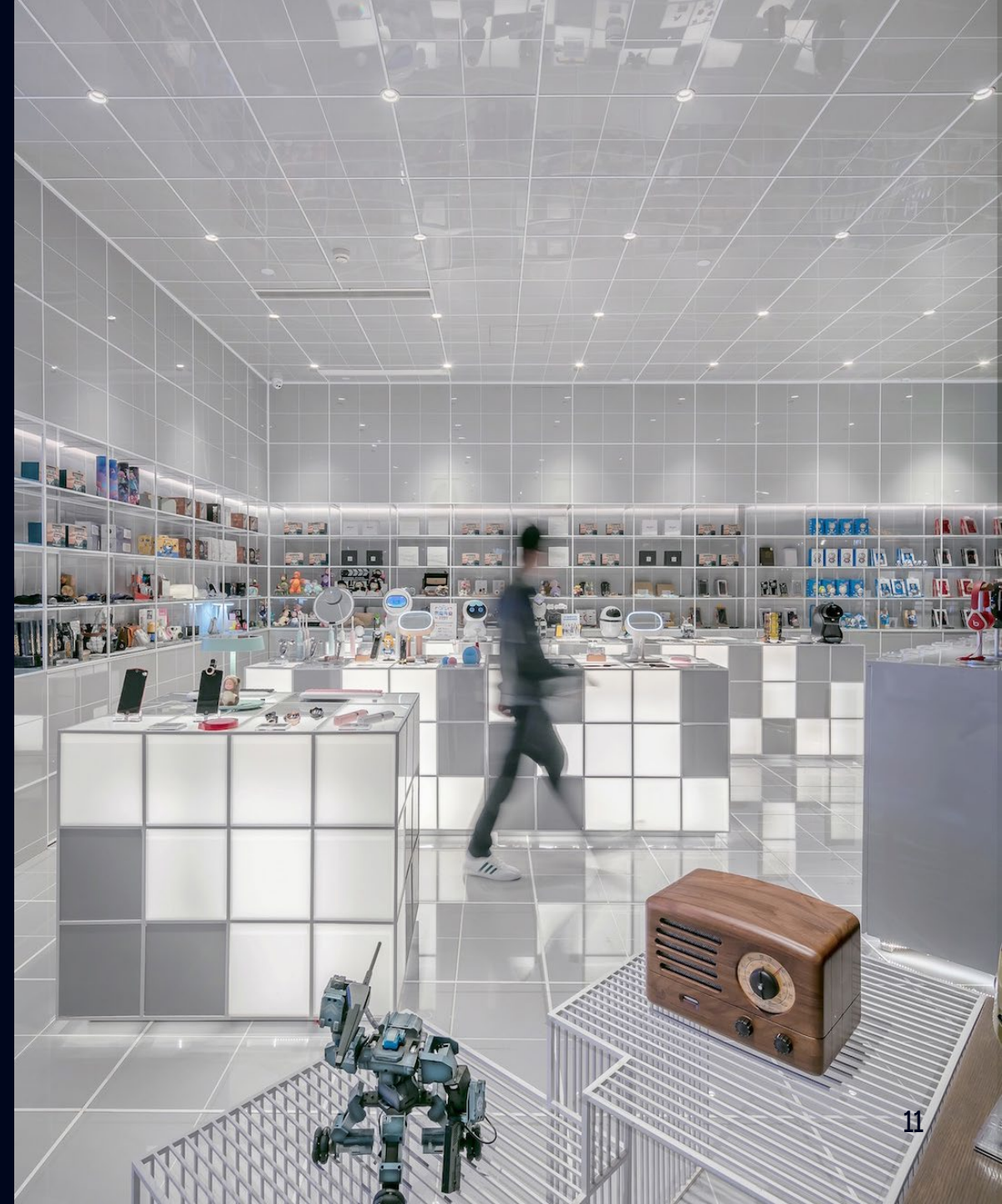
# → FOR EFFICIENCY

## RaaS helps

companies to allocate money smartly and plan cost-efficient operations: sourcing, logistics, inventories, staffing, amenities, discounts. It provides a trusted infrastructure and efficient, scalable execution of high-volume transaction processing.

## RaaS encourages

teams to use innovative tools to focus only on what matters in the customer journey - elements that enable competitive differentiation, bring strategic value and are consistent with the business objectives. For small companies and start-ups, RaaS might be the only opportunity to tap into retail, test the market rapidly, and react mindfully.





002—RETAIL AS A SERVICE: WHY IT'S RELEVANT

# → FOR DISCOVERY

## The store

has to be worthy of spending customers' time and attention. RaaS provides a curated experience, where people feel acknowledged and understood, where brand ambassadors replace clueless merchandisers and give helpful, relevant advice.

## The products

are selected based on purpose, utility, and innovation, and they are instrumental in telling the brand story. Technology is the back-bone in designing a worthwhile experience and depicting an exciting brand narrative.





of shoppers expect to see

**NEW PRODUCTS WHEN  
THEY COME TO A STORE  
OR VISIT A SITE**

**SALESFORCE & PUBLICIS. SAPIENT  
SHOPPER—FIRST RETAILING REPORT**  
[READ MORE HERE](#) ➤

002—RETAIL AS A SERVICE: WHY IT'S RELEVANT

# → FOR KNOWLEDGE

Markets move quickly.  
Trends fade. Technology  
accelerates innovation.

Built to collect data from different touch-points, RaaS acknowledges the slightest changes in the ways products perform, industry trends evolve, and customer-product interaction unfolds.

Transaction-specific and customer-specific data coupled with purpose-built operating systems will increase data collection and trend prediction accuracy and complexity.

Knowing what works and what doesn't will ultimately help companies scale with precision and agility, avoid regret-spending and close loops in customer journeys.



MEMBERS  
UNLOCK  
MORE WITH  
THE NIKE APP





002—RETAIL AS A SERVICE: WHY IT'S RELEVANT

# → FOR SUSTAINABILITY

Retail as a service has a critical hygiene factor attached to its mission.

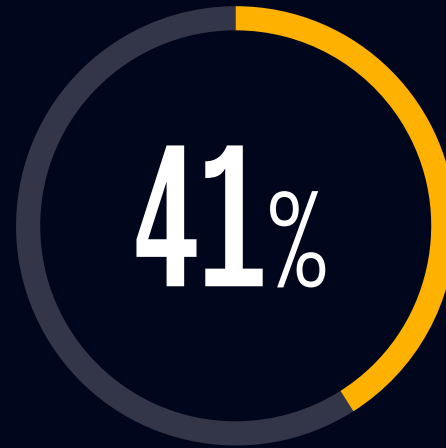
It advocates for balance and helps people make informed, conscious decisions.

RaaS is customer-centric and responsive to feedback - this helps companies design better products and more humane services, manufacture on-demand, avoid under/overstocking, curb product returns, and avoid other harmful practices to the environment.



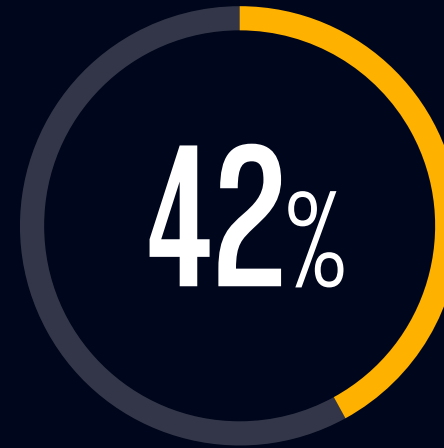
# GERMAN CONSUMERS ARE WILLING TO PAY AN AVERAGE OF €2.34 EXTRA FOR ECO- FRIENDLY DELIVERY

PWC RESEARCH  
[READ MORE HERE](#) ➤



of Europeans prefer  
products with

**LESS  
PACKAGING**



of Europeans  
want to

**AVOID  
PLASTIC**



Europeans choose products  
with a traceable and

**TRANSPARENT  
ORIGIN**

002—RETAIL AS A SERVICE: WHY IT'S RELEVANT

# CONSUMERS WANT TO HELP REDUCE NEGATIVE IMPACT TO THE ENVIRONMENT

IBM & NRF RESEARCH

[READ MORE HERE](#) ➤

A donut chart with a dark blue background and a yellow border. The chart is filled with a dark blue color, representing 57% of the total. The percentage '57%' is displayed in white text in the center of the chart.

57%

are willing to  
**CHANGE THEIR  
PURCHASING HABITS**

A donut chart with a dark blue background and a yellow border. The chart is filled with a dark blue color, representing 77% of the total. The percentage '77%' is displayed in white text in the center of the chart.

77%

say that for them  
**SUSTAINABILITY  
IS IMPORTANT**



002 — RETAIL AS A SERVICE: WHY IT'S RELEVANT

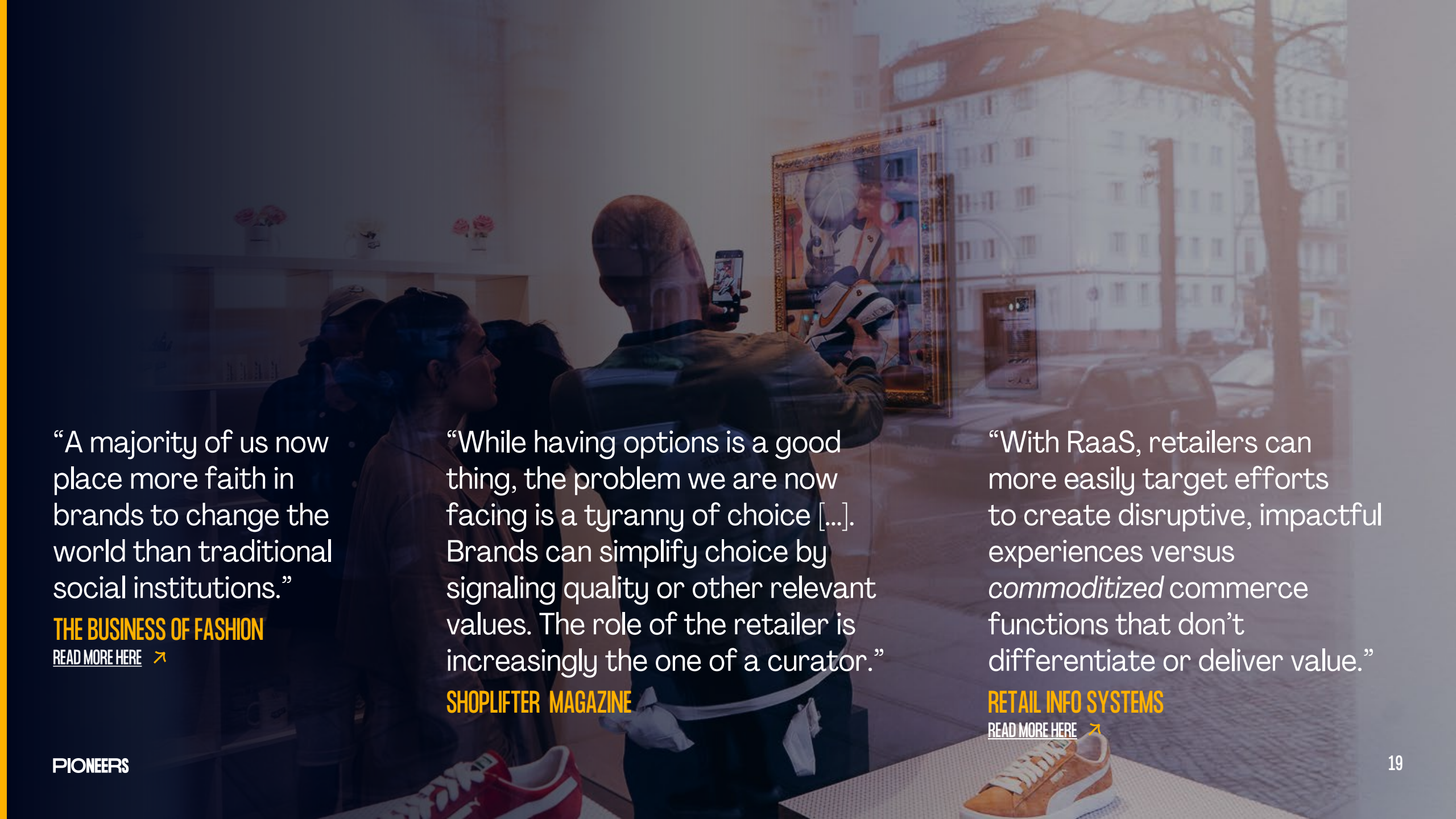
# → FOR A NEW RETAIL CULTURE

We think retail should be closer to an animated entity: sensitive to cultural and social change, quick in providing solutions, conscious about people and the planet.

We consider RaaS an opportunity to accelerate companies into becoming thoughtful of their purpose and solutions, just as much as we see it as an agile infrastructure that empowers brands and retailers to get better at innovating and experimenting.

RaaS changes the image we have of stores – from lifeless, over-crowded spaces to platforms where brands learn about their audience and can be active members of communities, living and breathing their values and aesthetic philosophies.





“A majority of us now place more faith in brands to change the world than traditional social institutions.”

**THE BUSINESS OF FASHION**

[READ MORE HERE](#) ➤

“While having options is a good thing, the problem we are now facing is a tyranny of choice [...]. Brands can simplify choice by signaling quality or other relevant values. The role of the retailer is increasingly the one of a curator.”

**SHOPLIFTER MAGAZINE**

“With RaaS, retailers can more easily target efforts to create disruptive, impactful experiences versus *commoditized* commerce functions that don’t differentiate or deliver value.”

**RETAIL INFO SYSTEMS**

[READ MORE HERE](#) ➤



# WHERE WE SEE THE OPPORTUNITY FOR BRANDS \*PRACTICAL

- ACCESS TO THE RETAIL OS
- LOW REAL-ESTATE RISK
- REAL-TIME INVENTORY
- TRUSTED AND TRANSPARENT SUPPLY CHAINS
- INNOVATION AND TECH EXPERIMENTATION

003.1—OPPORTUNITY FOR BRANDS—PRACTICAL

# ACCESS TO RETAIL OS

# AUTONOMY. CLOUD. REAL-TIME INSIGHTS.

# → EMPOWERMENT

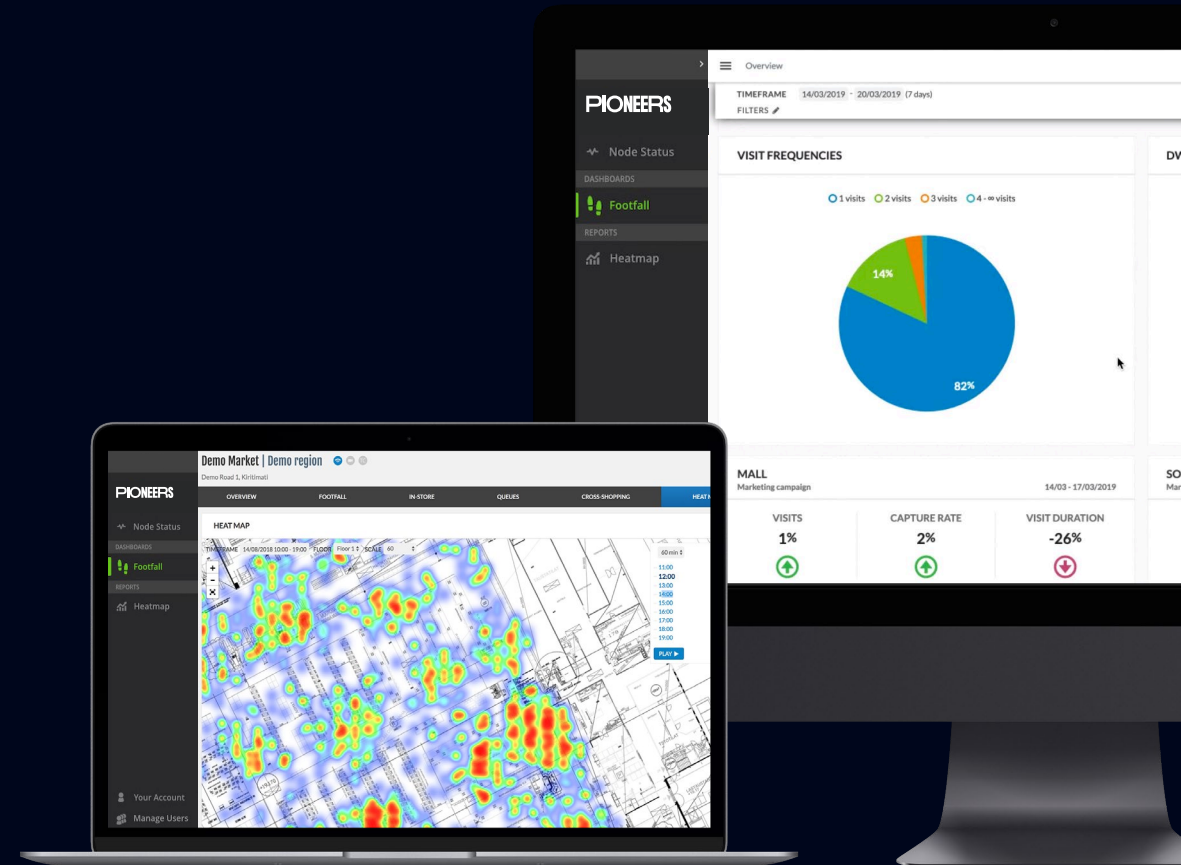
003.1—OPPORTUNITY FOR BRANDS—PRACTICAL

# ACCESS TO RETAIL OS

A dynamic cloud-based commerce platform

The core of Retail as a Service is a dynamic cloud-based commerce platform that gets input from various touch-points and helps retailers understand how their products work and how their audience's tick.

With dedicated accounts on the platform, brands would gain control of the consumer and transaction data that enable them to understand, build, and scale customer experiences that facilitate business success.





003.1—OPPORTUNITY FOR BRANDS—PRACTICAL

# LOW REAL-ESTATE RISK

LOWER COSTS. LESS TAXES.  
DON'T BUY. DON'T BUILD. —→ RENT.



003.1—OPPORTUNITY FOR BRANDS—PRACTICAL

# LOW REAL-ESTATE RISK

Buying RaaS solutions means using the provider's infrastructure and amenities.

There's no cost of building the store, but of a monthly/ temporary rent, according to the company's needs and goals.

Retail as a Service fits retailers with limited budgets, small companies, or startups that want to test the market without having to spend a lot of time, money and effort on owning a space.





003.1—OPPORTUNITY FOR BRANDS—PRACTICAL

# TRUSTED AND TRANSPARENT SUPPLY CHAINS

REDUCE. MINIMIZE. SPLIT.  
→ STRAIGHTFORWARD

# TRUSTED AND TRANSPARENT SUPPLY CHAINS

Due to ethical and environmental concerns, every aspect of the supply chain is rethought to reduce waste, carbon emissions, and minimize resources.

Rethinking supply chains can be costly and discouraging for companies to undergo on their own, especially if they are trying to keep the customer experience intact. Retail as a Service provides a shared platform for multiple companies to optimize their applications and operations to benefit customers, retailers, and the environment.

From product shipping to order management systems, from inventory control to human resources training, RaaS solutions can help companies join forces and improve supply chain management in a cost-efficient, sustainable way.

003.1—OPPORTUNITY FOR BRANDS—PRACTICAL

# PEOPLE ARE WILLING TO PAY MORE TO THOSE ORGANISATIONS WHO SERVE THEIR VALUES

IBM & NRF RESEARCH

[READ MORE HERE](#) ➤



40%

of consumers are driven by  
**SUSTAINABILITY  
AND WELLNESS**



over  
2/3

saying that they are  
**PREPARED TO  
PAY MORE**



003.1—OPPORTUNITY FOR BRANDS—PRACTICAL

# INNOVATION AND TECH EXPERIMENTATION

SHARE. SCALE. INNOVATE.

→ EXPERIMENT



# INNOVATION AND TECH EXPERIMENTATION

**RaaS stands for a shared platform.**

Companies with limited budgets or small IT teams usually find it challenging to be agile and keep up with technological advancement, while large companies can find it more useful to outsource the service.

RaaS stands for a shared platform, a safe space where companies can test new ideas and new technologies to refine their services/products and offer a frictionless customer experience. Artificial intelligence, blockchain, RFID technology, autonomous shopping carts, instant check-outs, VR showrooms – experimentation is the goal.



“Consumers are keen on experimenting with the latest tools. **71% of consumers** are already using or want to try searching by visual means; close behind are **69% of consumers** who use or want voice search options.”

**IBM & NRF RESEARCH**

[READ MORE HERE](#) ➤

PIONEERS



of customers

**EXPECT COMPANIES TO USE  
NEW TECHNOLOGIES TO CREATE  
BETTER EXPERIENCES**

Salesforce  
State of the Connected Customer Report, 3rd Edition



# WHERE WE SEE THE OPPORTUNITY FOR BRANDS \*CULTURAL

- BRAND EXPERIENCE
- CONSUMER INSIGHTS | DATA COLLECTION
- RETAIL ASSOCIATES
- IN-STORE SERVICES AND BENEFITS
- GOOD, CURATED PRODUCTS

003.2—OPPORTUNITY FOR BRANDS—CULTURAL

# BRAND EXPERIENCE

RESPECT. ACKNOWLEDGE. DISRUPT.  
→ EXPERIENCE IS EVERYTHING.



“If more retailers focused on mastering broad human needs, as opposed to buying into demographic and psychographic profiling, we'd have a much lower failure rate in retail.”

#### RETAIL DIVE

[READ MORE HERE](#) ➤

“It is time to question if customer experience has leaned too far in the direction of utility. And if it too readily expects the burden of distinctiveness to lie solely with the activities of the brand.”

#### PUBLICIS.SAPIENT

[READ MORE HERE](#) ➤

PIONEERS





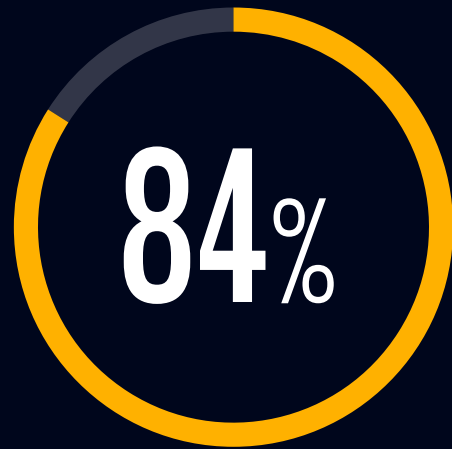
# BRAND EXPERIENCE

## Experiences are strongly linked to our identity

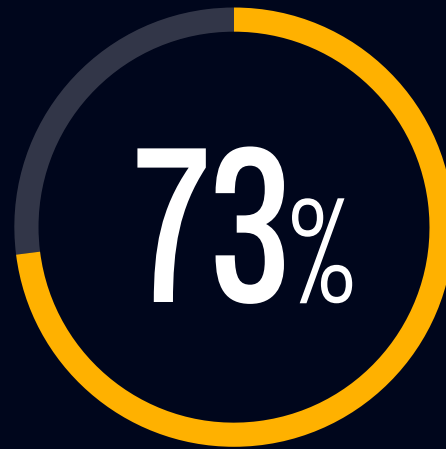
Experiences are strongly linked to our identity, our view of the world, and our purpose in life. If we expect retail to be an extension of how we think of the world, we need to see narratives that fit, brands that act more around universal human needs and aspirations, and less around hype.

We need brands and retail with a long-term thinking approach to experience that won't just do patchwork to fill gaps every now and then.

Keeping that competitive edge means always being on guard, ever acknowledging what the customer needs. By providing direct feedback, RaaS can help brands and retailers deliver relevant, stunning experiences that make them stand out.



of customers say the  
**EXPERIENCE A COMPANY  
PROVIDES IS AS IMPORTANT AS  
ITS PRODUCTS AND SERVICES**



of customers say  
**ONE EXTRAORDINARY EXPERIENCE  
RAISES THEIR EXPECTATIONS OF  
OTHER COMPANIES**



of customers are  
**WILLING TO PAY MORE  
FOR A GREAT EXPERIENCE**

**SALESFORCE RESEARCH**  
[READ MORE HERE](#) ➤

003.2—OPPORTUNITY FOR BRANDS— CULTURAL

# CONSUMER INSIGHTS / DATA COLLECTION

LISTEN. LISTEN.  
→ LISTEN



# CONSUMER INSIGHTS / DATA COLLECTION

Customers now expect their retail experience to be like a simulation of their online experience: filtered, personalized, worthwhile.

To achieve higher degrees of customization and differentiation, brands need data from different sources and touchpoints.

From thermal imaging to sentiment analysis, from device-based tracking to floor sensors, these are a few of the technologies that ultimately gather more insights, understand, and anticipate customer behavior. With new data collection opportunities, relevant insights will enable brands to act on innovation.

At the same time, RaaS creates an environment where companies and people can interact and guide each other. These direct customer relationships are invaluable, should brands know how to listen and use the data they generate.

003.2—OPPORTUNITY FOR BRANDS—CULTURAL

# RETAIL ASSOCIATES

NOT A JOB. BUT A CAREER. SKILLS. AND TALENT.

→ REASON TO COME BACK

# RETAIL ASSOCIATES

Retail is moving from being primarily a transactional space to a more conversational, relational environment.

In this new context, the ultimate goal for brands is to establish trust with their customers - this calls for an effort to understand what matters to the customers.

RaaS employees are instrumental in building trust and loyalty, as consulting is very much part of the service. Their role is more that of a host or concierge and less that of a salesperson, while their attitude can be decisive for the customer experience.





of all consumers will

**ABANDON A BRAND IF  
THE EMPLOYEES ARE NOT  
KNOW/LEDGEABLE**

**PWC RESEARCH**


[READ MORE HERE](#) ➤

003.2—OPPORTUNITY FOR BRANDS—CULTURAL

# IN STORE SERVICES AND BENEFITS

CUSTOMISATION. PERSONALISATION. INSTANT  
GRATIFICATION. —→ REAL VALUE





“In store personalisation not only addresses this need for distinction but also the desire for instant gratification: the ultimate strength of brick and mortar.”

#### SHOPLIFTER MAGAZINE

“In the quest for better customer understanding and more meaningful relationships, personalization is already having a measurable impact: Personalized experiences yield a 4.5x higher cart rate and 5x higher per-visit spend.”

#### PUBLICIS SAPIENT

[READ MORE HERE](#) ➔

PIONEERS



# IN STORE SERVICES AND BENEFITS

The services provided in-store are just as essential as the products showcased.

With RaaS, the service and the customer experience become the ultimate reason for revisiting the store.

Customization areas, repair booths, pick-up services, click & collect, subscription models, and counseling sessions are just a few of a RaaS provider's possible services.

003.2—OPPORTUNITY FOR BRANDS—CULTURAL

# GOOD, CURATED PRODUCTS

COOL. UNIQUE. ETHICAL.  
→ FOR ALL TYPES



# GOOD, CURATED PRODUCTS

**RaaS aims to design services that give people a reason to come back .**

Brands seeking differentiation have been flirting with the concept for quite some time. Still, choice overload and minimal opportunity for product/service counseling are still important triggers for customer frustration.

Customers now have a heightened awareness regarding environmental concerns and business ethics, leaning towards a less is more approach to buying.

RaaS aims to design services that give people a reason to come back and products that provide them with a sense of discovery: It's not just about brands who create these opportunities, but also about the community that grows out of the interaction.

Community-curated product selections can be a significant driver for consumers to keep coming back to the store to experience a sense of belonging.



# YOU MADE IT!

Thank you for taking the time to read our guide to **Retail as a Service**. We hope you found the concept just as exciting as we do! If you want to read more, jump to the next slide and check out some of our research.

Get in touch with [our team](#) to learn about our take on RaaS and what we're experimenting with. Just drop us an e-mail at [hello@pioneers.agency](mailto:hello@pioneers.agency).

THANK YOU!  
**MARTIN BAUMDICKER**

Founder & CVO

# READ MORE

## Retail as a Service

[Risnews.com](#) ➤

[Martechseries.com](#) ➤

[Forbes.com](#) ➤

[Handelsjournal.de](#) ➤

[Cloudblogs.microsoft.com](#) ➤

## Future of Retail & Customer Experience

[Medium.com](#) ➤

[KPMG](#) ➤

[Brandeins.de](#) ➤

[Forbes.com](#) ➤

[Retaildive.com](#) ➤

[BCG.com](#) ➤

[Businessoffashion.com](#) ➤

[Retaildive.com](#) ➤

[Deloitte.com](#) ➤

## Generation, People, Society

[McKinsey.com](#) ➤

[Salesforce.com](#) ➤

[Salesforce.com](#) ➤

[Aeon.co](#) ➤

[Liga2037.com](#) ➤

[NYtimes.com](#) ➤

[Frameweb.com](#) ➤

[Frameweb.com](#) ➤

[Politico.com](#) ➤

[Accenture.com](#) ➤

[IBM.com](#) ➤

[“Anticipating culture and changing behaviour”  
whitepaper](#) ➤