Reflections on NRF’s 2020 Vision: Finding Experience in the Data

We’re officially a month into 2020 and the new decade is well underway.

NRF 2020 at Javits Center in New York last month provided a double-espresso-in-the-morning style kick-off for the new year. So much so, it is worth reflecting back as it jolted our eyes open and set the stage for what’s to come.

To sum it up in a word, data. Data, data everywhere – how to get it, how to use it, how to see it. Everywhere you looked there were analytics dashboards. But after that first upfront jolt, NRF – appropriately named 2020 Vision this year – fed us a more subtle flavor. Specifically, highlighting the need for winning brands and retailers to crack the code on data-driven consumer experiences.

According to the US Census Bureau, brick-and-mortar still accounted for nearly 90 percent of all retail sales in the third quarter of 2019 in the US. Yet, at the same time, all the growth is happening in eCommerce. It is no surprise therefore that Javits Center was all a buzz about the merging of digital and physical.

To this end, NRF provided a view of new interfaces, like ‘headless commerce’ where IoT-powered devices such as Alexa allow consumers to make purchases via voice. Similarly, product digitization demonstrated how ‘phygital’ can scale to accommodate the delivery of direct-to-consumer (DTC) experiences pre- and post-purchase through products themselves. PUMA’s Russ Kahn brought this last point to life during a chat we did together on stage. Russ explained how consumers in PUMA’s flagship NYC store are accessing digital experiences as part of the physical store experience but even more interesting, he confirmed PUMA is also reaching consumers post-purchase with DTC experiences through their products. Russ reported some 30% of digitally engaged consumers transact post-purchase creating a powerful new channel for PUMA.

In the opening keynote at NRF, Microsoft CEO, Satya Nadella shared retail generates 40 terabytes of data per hour. He then posed a very important question to the retailers in the audience, “what will we do with that data?” On this same day, we announced EVRYTHNG’s partnership with Wiliot. I share
this because Wiliot’s cutting-edge battery-less Bluetooth tags combined with EVRYTHNG Active Digital Identities™ in the Product Cloud demonstrates the possibilities — how brands and retailers can generate ever-richer real-time data and more powerful dynamic experiences for consumers through their products.

Product digitization, AI and connected packaging are no longer ideas being piloted on a few unique product items in select target markets. Connected packaging is becoming the norm as brands strive to meet consumer demand for authenticity, transparency and personalized experiences. Through the digitization of products at scale and the use of AI and machine learning, brands and retailers not only have a powerful competitive weapon to build direct-to-consumer relationships but, also gain access to unprecedented amounts of data. To lead in 2020, brands need to use this data to reinvent business models.

The press breakfast at NRF proved to be a fascinating ad hoc debate of the driving forces shaping brand and retailer responses in 2020 and beyond. Fernbrook Capital’s Marigay McKee called attention to the rising importance of transparency to nurture and retain Millennial and GenX consumer relationships, postulating that ‘phygital’ is the macro transformation that will help meet this need, as well as provide the much-needed platform for brands to scale DTC experiences. It was great to be able to point to Ralph Lauren’s announcement in November when the company shared it would be digitizing its entire product portfolio – end-to-end – with EVRYTHNG. Ralph Lauren’s announcement demonstrates how brand owners can use product digitization to create the operational agility necessary to operate in an omnichannel world, provide consumers with rich, personalized and dynamic digital experiences, and achieve visibility across the full product lifecycle. Related to visibility in the supply chain, the theme of sustainability and transparency in the supply chain was also high on the NRF radar including, a panel session I participated in chaired by Marigay McKee. Coincidentally, in January at the World Economic Forum’s Annual Meeting in Davos, we also announced our participation in the launch of a global initiative that provides an open blockchain-based platform for supply chain transparency to help businesses across industries respond to consumer demands for ethical and environmentally friendly products.

In characteristic fashion, coming back to the theme of consumer experience, at the NRF press breakfast Triangle Capital’s Richard Kestenbaum eloquently reminded us of the importance of store personnel as being the most powerful asset to influence shopper behavior. He challenged retailers and brands alike to think about how digital empowerment could help make these folks even more effective.
As a bit of a futurist, I like to look for the inevitabilities in the possibilities of the future that conferences like NRF parade before us. What we saw this year I believe is the maturing of data-driven retail through all channels — physical, online, mobile and through products. Also, the realization that making these experiences effective requires both new operational capabilities, and an ability to design convenient, authentic, personalized on-demand experiences using the massive amount of data now available to brands and retailers. Brands and retailers who embrace this data will win — providing consumers with the transparency, authenticity and personalized experience that they crave.

Looking forward to an exciting year ahead!

About the Author
Niall Murphy is CEO and co-founder of EVRYTHNG, the Product Cloud providing digital identities for the world’s consumer products. A computer scientist by training, Niall is a technologist, serial entrepreneur and angel investor with 25 years of experience innovation and future thinking. He has built pioneering businesses in Internet infrastructure, the mobile Internet and web services in Europe, the US and Africa. Niall is a contributor to the World Economic Forum’s Global Future Council on Advanced Manufacturing and Production and a frequent speaker at venues around the world, including TED.

Press Contacts:
Susan Baldwin
EVRYTHNG
susan.baldwin@evrythng.com
+1 (509)939-1137