

Fluid Retail

Navigating the Future of Shopping in a “Liquid Society”

If there is one thing we continue to discover, it is that all things, people, continents, businesses, and cultures are interconnected. We cannot run away from the footprints that our consumption patterns are imprinting on the planet; we need to feel a sense of belonging to a community; and working together can create small actions that have a big impact.

In fact, we are increasingly starting to think of ourselves and our actions as part of one holistic system and according to WGSN, by 2024, we are going to see a massive paradigm shift away from individualism towards **interdependence**.^[1]

One of the manifestations of this cultural shift is to be found in how we approach shopping and consumption, gradually shifting consumers' expectations of what it means to shop, how we shop, what we signal through our consumption, and how we can be more mindful in our behaviors.

Today's retailers are increasingly starting to realize and prepare for this new normal – but what is the new normal in retail going to look like?

At VIVALDI we are working closely with retail players at the forefront of their industry and know the importance of understanding how cultural shifts are shaping consumer behaviors and expectations, requiring an adjustment of experiences and offerings to continuously stay relevant. Here is our perspective on what the new normal in retail is going to look like.

¹ <https://www.wgsn.com/en>

Blurring Lines Between Shopping and Living: Goodbye “Customer Journey,” Hello “Micro-Moments”

Modern marketers know that the customer journey can no longer be seen as linear. Consumers engage with brands and products in various touchpoints, through various channels and sometimes without even knowing. Some would argue that marketing of the future is “sales in real-time” which happens through reaching the modern consumer in a “micro-moment,” a particular moment in time, where this person needs a product or service.

While it is becoming increasingly challenging for today’s brands and business to segment and target consumers, the key to success is to get close to your consumer. Really close. So close, that you become ingrained into your consumer’s everyday life and actions, so that shopping and living are not seen as separate activities.

An interesting channel to accomplish this is through livestreaming, which, according to McKinsey, is predicted to make up 20% of all ecommerce by 2026.^[2] Here lines are blurred between entertainment and consumption.

The same goes for “super apps,” where we increasingly will see platforms that are already well-integrated into consumers’ lives, move into social commerce. We are already seeing apps like WeChat as well as platforms such as “X” ramping up for this new future being utilized in these moments^[3].

Talking about blurred lines between living, consuming, entertainment and retail we cannot neglect the move that many brands are making to get established in the Metaverse, a universe where everything blends together in a virtual reality that allows consumers to escape, explore, create, share, live, shop, and dream – a new world that truly embraces “fluid living and shopping.” A good example is Ralph Lauren, who recently partnered with ZEPETO, a metaverse virtual game, to create a collection of virtual clothes.^[4]

In an increasingly “liquid society,” as lines between living and shopping are blurring, it is important to think about where your customers are, how they live and how they spend their time. Customers will no longer come to you, they expect you to come to them by being present in the exact micro-moment where demand appears.

² <https://www.mckinsey.com/capabilities/mckinsey-digital/our-insights/its-showtime-how-live-commerce-is-transforming-the-shopping-experience>

³ <https://morehandigital.info/en/wechat-explained-understanding-the-chinese-super-app/>

⁴ <https://apparelresources.com/business-news/retail/not-a-gimmick-anymore-retailers-embrace-ar-vr-technology-in-offline-and-online-formats/>

A woman with long blonde hair is wearing a VR headset. The image is overlaid with a large, white, stylized '2026' graphic. The background is a gradient of blue and green, with some circular light effects.

2026

**of all ecommerce will be
done as livestream by 2026**

“H” for Hybrid Commerce

Creating Meaningful Interactions Across Physical and Digital

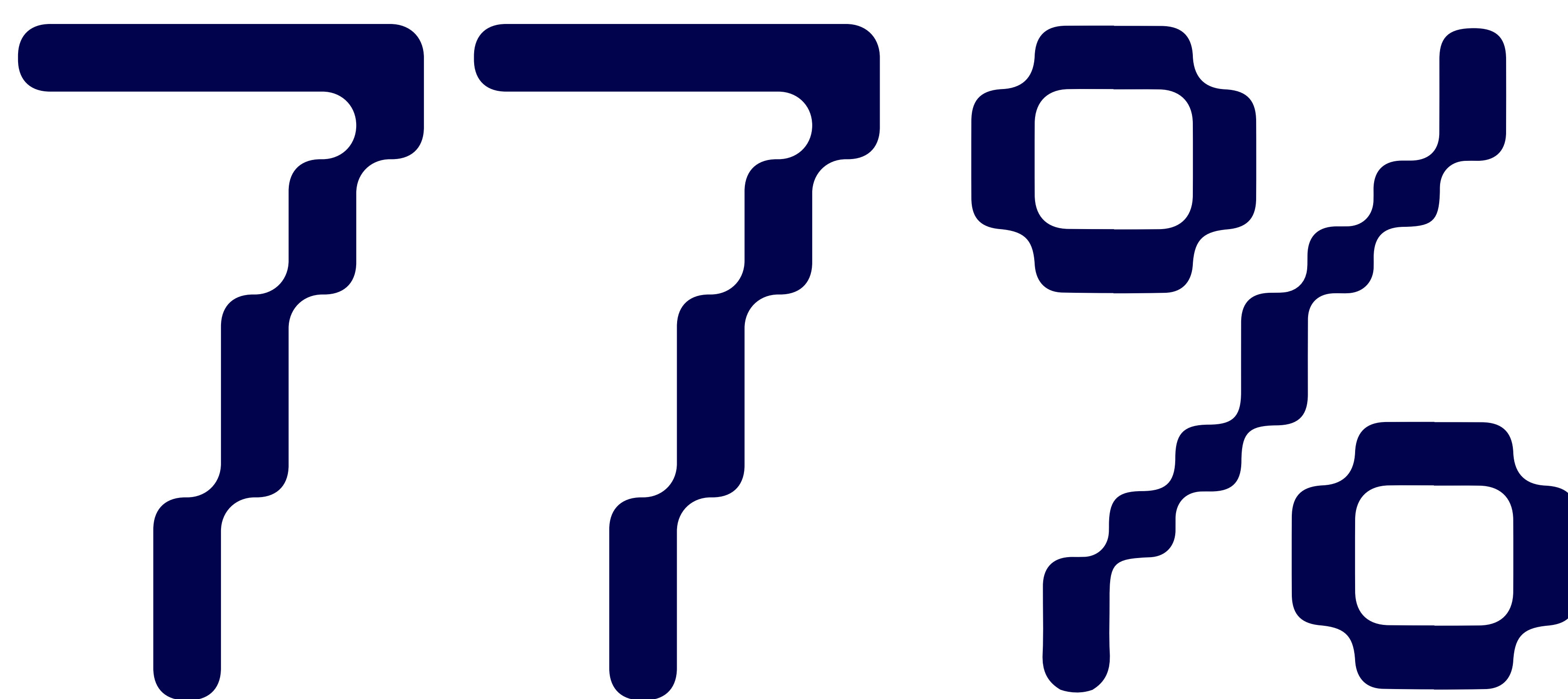
One of the areas in which retailers are embracing fluid shopping is through creating hybrid customer experiences. We are no longer talking about omnichannel experiences, but truly “phygital” experiences, which embrace physical and digital touchpoints as one interconnected experience serving different purposes towards engaging, inspiring, and converting a consumer.

While the pandemic has led to a spike in ecommerce sales, the physical store is now becoming more relevant than ever. Consumers are increasingly embracing the physical outlets to experience and connect with a brand and its surrounding community. Today, 77% of consumers now research online, but purchase offline, and nearly six in 10 (58%) consumers make purchases on their phones while in a store from another retailer’s website.^[5]

Retailers are increasingly adopting “H-Commerce” strategies. Established players are achieving this through M&A, integrating new digital offerings into the existing customer experience. For the digital players, this means increasingly embracing physical locations such as pop-up shops. It is essential to rethink the role of physical outlets as critical customer experiences, not only as places to reach customers but as opportunities to showcase your brand with meaning, excitement, and relevancy.

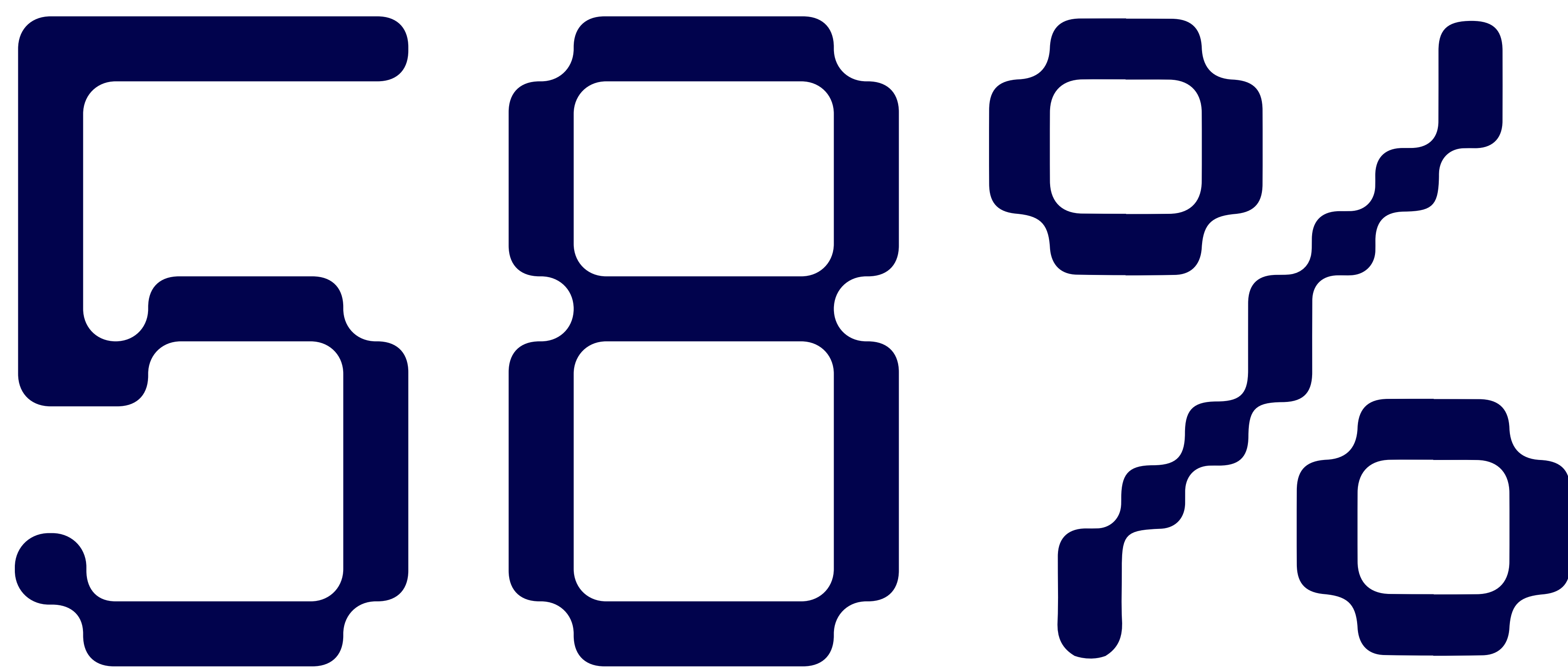
⁵ IAB brand Disruption Report 2023

⁶ <https://apparelresources.com/business-news/retail/not-a-gimmick-anymore-retailers-embrace-ar-vr-technology-in-offline-and-online-formats/>



77% of consumers now research online, but purchase offline.

In order to deliver on this phygital experience, retailers are adopting AR/VR technologies. Zara, for instance, has already deployed 120 AR displays in its stores, allowing customers to view catalogue models demonstrating selected looks. As per reports from IDC, the retail sector is expected to contribute significantly to the growth of the AR/VR market ^[6]. However, with the recent launch of Apple's new VR goggles, an entirely new experiential avenue has been unlocked for smaller, less established, retailers to offer an experiential in-home and ecommerce environment. Some could be tempted to argue that phygital strategies may pave the way for retailers of the future to need a [spatial strategy](#).

A stylized graphic consisting of the numbers '58%' in a bold, blocky font. The '8' is composed of two stacked rectangular shapes. To the right of the percentage sign is a line graph with a jagged, upward-sloping line, suggesting growth or data trends.

of consumers make purchases on their phones while in a store from another retailer's website.

“H” for Hyper-Personalization

Know Your Customers better Than They Know Themselves

To win and retain customers today, it is not enough to attract customers by creating a differentiated experience — you need to meet your customers where they are, predict what they want and when they want it. This is called hyper-personalization: using data, AI, and marketing automation to create targeted experiences for customers.

Succeeding is dependent on understanding and predicting your customers' needs, wants, values and behaviors. Again, get close to those customers. Closer than your competitors. Meet your shoppers where they are by expanding your ecommerce business with new

channels and digital-first retail CX, and create a more personalized understanding of the consumer and an emotional connection with their entire shopping journey before, during, and after purchase.

By harnessing customer data and employing predictive algorithms, retailers can offer highly relevant product recommendations, personalized marketing campaigns, and tailored promotions. Hyper-personalization not only enhances the shopping experience but also cultivates deeper customer loyalty by making customers feel seen, understood, and valued.

In the future, understanding fluid moods and moments will be the differentiator that keeps your company resonating with new consumer groups, such as Gen Z and X. Being able to act on these fluid shifts in moods, values and beliefs in real-time will become invaluable.

Build Loyalty Through Authenticity

Staying True to the Core

However, in order for consumers to be willing to share their data, there needs to be a component of trust established. To build loyalty, consumers must feel like they are engaging in a meaningful relationship rooted in trust.

Consumers are also looking for brands that they feel align with their values and belief system. They are no longer lured in through empty promises of brands doing good – they are looking for brands that truly stand for something and act on it.

This is why a brand like Bud Light is currently getting punished by consumers for trying to tap into new opportunities that don't align with their core value system. They have breached the contract of trust and authenticity, which is the core foundation of their brand-customer relationship.^[7]

The most important thing a brand can be today is **authentic**. Something that can only be achieved once your values, ideals, and actions align.

⁷ <https://www.washingtonpost.com/business/2023/05/09/budlight-mulvaney-ad-angers-left-and-right/>



To understand modern retail, we need to look far beyond transactions. Consumers today don't buy products. They engage in meaningful reciprocal relationships or tradeoffs, where they "purchase" meaningful experiences from brands, who are in turn compensated with consumer's most valuable asset: *their data*. This data gives retailers insight into their desires, behaviors, dreams, hopes, and actions.

Retail as a Holistic System

Think Beyond Yourself and Your Customers

We are entering an era of interdependence, meaning that consumers want to feel part of something bigger than themselves. The future of retail extends beyond individual transactions or storefronts. It encompasses a holistic system that takes into account the entire ecosystem of retail, including supply chain management, inventory optimization, and sustainability initiatives.

However, what we will be seeing much more of in the future, is retailers embedding the customer into the value equation. Businesses are enabling customers to create their own journeys during the shopping experience. Similarly, given the speed of innovation within the industry, and the growing reach of tech giants, retailers must look to tap into a broader ecosystem of alliances and partners, unlocking new ways of creating value for their consumers, business and society.

“...consumers want to feel part of something bigger than themselves.”



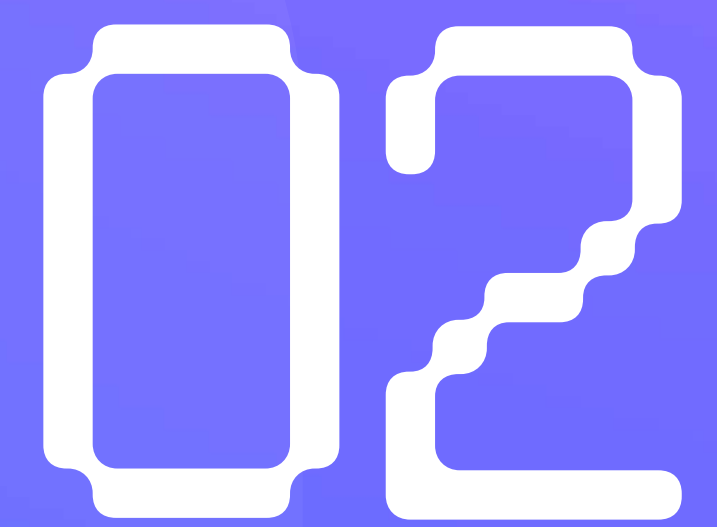
The future of retail is undergoing a transformative shift, propelled by the fluid nature of our society.

In this dynamic landscape, the lines between shopping and everyday life are blurring, giving rise to new opportunities and challenges for retailers. Embracing fluid retail means acknowledging the power of micro-moments, where personalized experiences intersect seamlessly with consumers' daily routines. A futureproof retail strategy, requires that you:



01

Get to know your customers really well to; build trust, anticipate their needs, and embed yourself directly into their everyday lives.



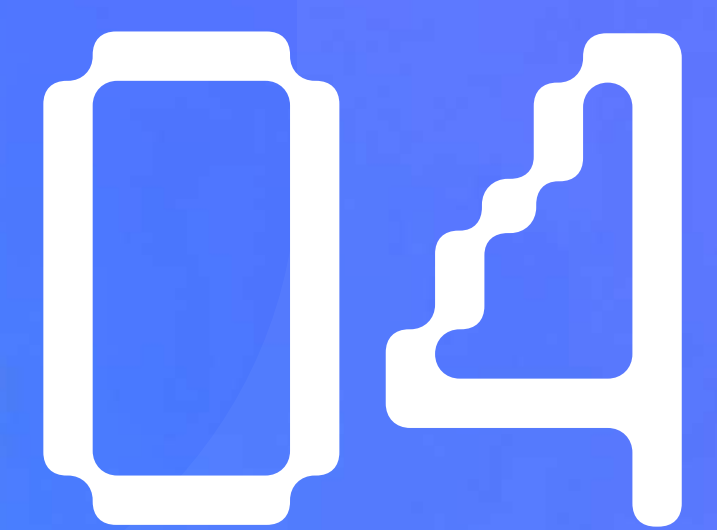
02



03

Leverage new tools and technologies to deliver personalized experiences that make your customers feel seen, heard, and understood.

Think bigger than yourself – you are part of a larger construct, where everything is interlinked and interdependent. Your actions matter for your customers, your environment, your collaborators, and for the world.



04

Build phygital experiences that unlock meaningful interactions and value creation beyond transactions.

About the Author

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Emilia is a Senior Manager with Vivaldi working with global B2B and B2C brands to identify and unlock new growth opportunities through a demand-led approach that is deeply grounded in customer needs. She has spent her career in consulting, working with major clients such as adidas, American Express, Coca-Cola, Danone, Vans, and others, helping them overcome major branding challenges, better connect with their customers, and capture global opportunities, through defining and unlocking strategic market positions.

