

Smart retail technologies: their impact on customer experience, engagement and the importance of the social dimension

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Extended abstract

Walmart's CEO stated to have "started to invent the future of shopping again" as the company invested in technological development to enhance the customer experience and empower its employees (BusinessWire 2017). This statement attests of the urgency for physical retailers to focus on offering an outstanding experience to their customers in order to keep them engaged (Pansari and Kumar 2017). Indeed, offering a rich customer experience and reinforcing customers' engagement helps retailers to remain relevant in customers' eyes (Spena, Caridà et al. 2012). Many retailers have turned towards smart technologies in order to do so (Les Echos 2022).

Smart retailing (SR) is the incorporation of smart technologies in the retail environment (Pantano and Timmermans 2014, Pantano, Priporas et al. 2018). SR emphasizes the interactions between customers, products, retailers, touchpoints and the smart technologies (Roy, Balaji et al. 2020). Retailers often present smart retail technologies (SRTs) as being practical and convenient while they can also impact customers' shopping experience on other dimensions such as their emotions or their social needs (Moore, Bulmer et al. 2022).

The study of SRTs is a current and popular issue (Adapa, Fazal-e-Hasan et al. 2020, Roy, Balaji et al. 2020, Khan, Lian et al. 2021). Despite the popularity of new technologies in store, linking customer experience and engagement to SRTs has scarcely attracted attention in the literature up-to-now.

We explore the underlying mechanisms between SRTs, customer experience and customer engagement. We conducted an exploratory qualitative study in which we interviewed 16 participants using a semi-directive interview guide divided in two parts: a general discussion about shopping habits and the participants' opinion on smart technologies, and then they were asked to react to some examples of SRTs (electronic shelf labels, smart shopping carts, augmented reality). The main goal of that study is exploratory, we wanted to find out more about the role SRTs can play in consumer experience and engagement while shopping.

We found that shopping plays an important role in meeting social needs. Interestingly, this applied to grocery shopping which is typically attributed to utilitarian motives (Wagner and Rudolph 2010). The study also brought to light a paradox between seeking the store personnel for social interaction, resulting in a reticence towards technologies, and the willingness to adopt SRTs to make the shopping trip more convenient. Indeed, some SRTs aim at delegating tasks that were traditionally achieved by employees to customers (e.g.: self-checkout) (De Bellis and Johar 2020). In doing so, it reduces the number of social interactions that might take place during the shopping trip. This evolution is not pleasing for isolated or lonely people who seek social interaction when going shopping (Smith, Rippé, et Dubinsky 2018). There is room to further study the role SRTs might play in a store environment, especially among the social interactions taking place in store. The next step in our research is to use our findings to design a quantitative study that would allow us to get insights on the moderators altering SRTs' impact on customer experience.

This paper contributes to the literature on customer experience, engagement and smart retailing by bringing to light the importance of the social dimension that needs to be considered while implementing SRTs. The managerial contributions of this research lie in our finding regarding important role of store personnel in answering customers' need for social interaction.

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