The retail sector is straddling two worlds—in-store and online—as it seeks to cater to a new breed of shoppers who enjoy the tangibility of shopping in a physical store with the convenience of shopping online.

In 2017, 51 percent of U.S. retail sales are digitally impacted. By 2022, 41 percent of in-store sales will be influenced by the internet.

Younger shoppers, too, are influencing the retail environment:

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**Millennial Shoppers** do most of their shopping online.

**Generation Z Shoppers** split their shopping between online and in-store.

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**Flexible Stores:** Smaller, more localized versions of large retailers cater to certain demographics of customers, such as college students or city dwellers, who need the flexibility that decentralized stores in the area offer. Pop-up stores, meanwhile, are temporary locations opened to capitalize on a particular trend or seasonal product, or as a way to test an idea or introduce new products.

**Mobile Wallets:** Consumers like the convenience of mobile wallets, which enable them to make a payment simply by scanning or tapping their phones. Savvy retailers are integrating mobile wallet technology with their loyalty apps, giving customers the ability to pay for purchases using rewards dollars and even pay for goods without having to stand in line at the checkout.

**Virtual and Augmented Reality:** From smart mirrors that can automatically measure a customer’s dimensions and offer up the correct size in apparel and then “dress” the customer virtually to apps that can “place” furniture pieces in a customer’s living quarters, augmented reality and virtual reality provide seemingly endless possibilities for retailers.

**Real-Time Inventory Management:** IoT is driving a new wave of real-time inventory technologies, including smart shelves that alert salespeople when stock is low and RFID tags that can track the location of any item in a store. Real-time inventory can help retailers conserve in-store space, reduce spoilage, and increase overall efficiency, which in turn can improve customer satisfaction.

**Chatbots and Artificial Intelligence:** Chatbots utilize the power of predictive analytics and artificial intelligence to provide a more personalized level of customer service. They can provide recommendations based on a shopper’s preferences or past purchases, help shoppers find items within a store instantly, and even place orders on behalf of the customer.

**The Vital Network:** Now is the time to ensure your network is robust enough to support the requirements of new-generation technologies in retail. Partner with a service provider that can provide reliable, flexible connectivity with scalable bandwidth and direct access to major cloud service providers.