

Three trends shaping the future of in-store checkout

Article



In-store checkout technology is adapting to consumer's desire for convenience, ease, and speed. But despite advancements, there is more room for improvement: A quarter of US adults agree that the checkout experience is a leading pain point when shopping in-store, according to February 2024 data by the Path to Purchase Institute and the Great Northern In-Store.

From the staying power of self-checkouts to the growing integration of [mobile](#), here are three trends shaping the way consumers complete their in-store purchases.

1. Self-checkout is evolving, not disappearing

Because retailers made big investments in self-checkout during the pandemic, it isn't going away any time soon, our analyst Sky Canaves said on the "[Behind the Numbers: Reimagining Retail](#)" podcast. But it is changing, as retailers adapt to its shortcomings, such as theft and technical glitches.

Even though self-checkout doesn't always operate the way it should, retailers are still trying to meet consumer demand for it. More than six in 10 US baby boomer internet users are happy using self-checkout at the grocery store, according to October 2023 data by Razorfish and GWI.

While some retailers, including Five Below and Dollar General, are scaling back on self-checkout, others are responding to friction points by:

- Limiting self-checkout to smaller basket sizes
- Reducing the number of self-checkout kiosks
- Increasing staff presence to assist customers and prevent theft

2. Scan-and-go gains traction

Mobile scan-and-go, which allows shoppers to scan items with their phones and pay through an app, is emerging as a popular alternative to traditional self-checkout. Having the checkout technology built into a device that consumers already have has advantages:

- People know how to use smartphones
- If technology malfunctions, the onus is not on the retailer
- There are opportunities for ads

Since rolling out Scan & Go app in 2016, Sam's Club has converted one in three members as regular users, the company reported in February. In July, [Sam's Club launched ads in its Scan & Go app](#), expanding its [retail media](#) offering and data-collecting capabilities.

3. Just Walk Out faced hurdles in grocery, but finds other applications

"Just Walk Out just didn't work that well in [grocery] settings because there were still limitations to the tech," Canaves said. "[Amazon] has had a lot more success [with the technology] in small-format stores and retail environments with fewer SKUs and places where time is of the essence."

Amazon plans to open more Just Walk Out stores this year than ever before, adding to over 170 third-party locations at airports, stadiums, hospitals, and more in the US, UK, Australia, and Canada. In July, the company also announced updates to Just Walk Out that boosts accuracy even in the face of camera obstructions, poor lighting conditions, and unpredictable shopping behaviors.

What it means for marketers: Advancements in checkout technology are creating new digital touchpoints for brands to reach shoppers. Scan-and-go apps offer new retail media placements at the consumers' point-of-purchase, while enhancements to Just Walk Out technology may give rise to data that will make audience targeting more precise.

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