

What Worries Retailers?

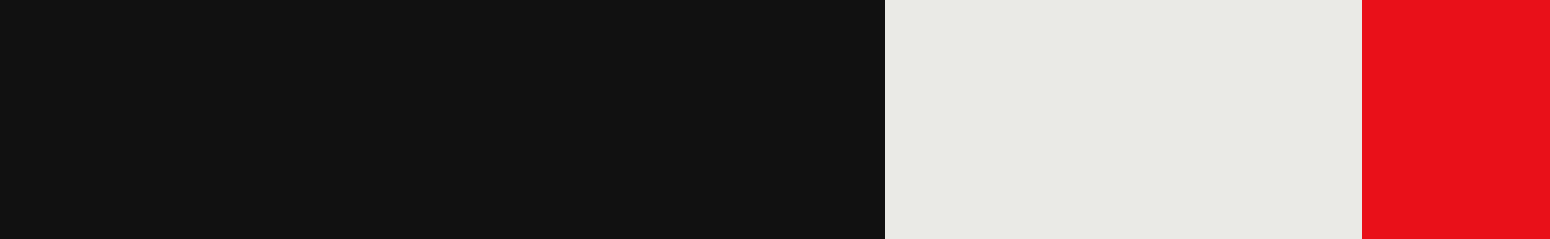
Article



A survey of worldwide retail professionals from Retail Systems Research (RSR) found there's a lot that keeps them up at night.

For one, they're worried about their competitors. When asked to pick their top 3 retail challenges, nearly half (49%) of the 182 worldwide retail professionals polled said that online competitors are innovating too quickly, and it's hard to keep up, while another 28% felt they were behind in digital adoption compared with other players in the space.

Other retail professionals felt they weren't able to deliver what their customers really wanted. There were those who felt that consumers have become trained to serve themselves more—and want the proper technology in-hand to do it (36%), worldwide retailers who said they have been unable to deliver the level of service their consumers have come to expect (23%),



and worldwide retailers who are aware their consumers are dissatisfied with their omnichannel efforts, or lack thereof.

Business Challenges of Retail Stores According to Retailers Worldwide*, July 2018

% of respondents



Note: top 3 responses; *primarily in Europe and the US
Source: Retail Systems Research (RSR), "The Retail Store 2018 - From Apocalypse To Renaissance Benchmark Report," Aug 28, 2018

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For many retail executives, though, consumer price sensitivity was an increased concern, as it was last year and the year before **when RSR conducted the study**. But that's not surprising. Ecommerce giants like Amazon and Alibaba are becoming **a competitive threat to retailers and brands**, since more consumers are turning to these marketplaces to find the best deal.

A survey from Salesforce conducted earlier this year found that to be the case, too. Digital shoppers worldwide were asked two separate questions. The first was to imagine they want to buy something they've never bought before: Would they go to a retailer, a brand or a marketplace? Roughly 50% of the shoppers surveyed said they would go to a retailer. Then, when asked to imagine that they like the product they bought the first time, and want to buy it again: Where would they go? This time, the response was reversed: 47% of the worldwide digital shoppers polled said they would turn to online marketplaces for repeat purchases.