

Client: Halfords Automotive
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The human touch

Online growth is a huge opportunity for retailers but stores are still central, says **David Wild**

“The internet has revolutionised the way we live and shop and the pace of change is set to accelerate with the next wave of technology.

It's a huge opportunity for retailers, not least because this most modern of channels relies, at its core, on basic retailing skills: value, advice and service.

Sir Tim Berners-Lee launched the concept of the World Wide Web as a “pool of human knowledge” in 1989.

Even then another English visionary had other designs on the internet. Michael Aldrich had invented online shopping a decade earlier by connecting his TV and a transaction-processing computer to his telephone line.

It just demonstrates how rapidly UK retailers adopt new technology. From barcode scanning to pick by light we have invested and introduced new IT solutions wherever we believe it will deliver better value for customers.

So the internet was a natural progression for most established retailers as well as an opportunity for a myriad of new entrants.

Although it's been around for 30

years and is growing at 15% year on year, online is still a relative small part of total retail sales – just 8.1%.

The majority of customers want to visit stores, and for many product areas they like to try before they buy.

It could be sitting on a sofa or testing out a mobility aid.

A picture and some words online just don't give the same

sense of assurance. New technology such as videos and hover-overs will make online product research easier. This is enormously exciting because it allows us to bring information and our expertise to customers more conveniently and cost effectively.

Through social media and user-generated content, such as ratings, reviews and ask/answer, we can also facilitate the conversation between customers and make their experience and advice available to everyone.

There are challenges too. The influence of the net on price comparison is growing and growing. For instance, new apps that convert mobile phones to scanners mean customers can go online and check prices in neighbouring stores as they shop. There is no hiding place for retailers who are out of line on price. This is probably the most unforgiving aspect the web.

Whatever the sophistication of the net, stores remain central to shopping. 80 percent of Halfords' online orders are picked up by customers direct from store. They tell

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us they like to get further advice from store colleagues about installation of child car seats, the accessories for sat-navs or, in the case of a bike, to have the store build it before they take delivery.

The human touch will always be a central part of the retail experience.



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➤ **David Wild is chief executive of Halfords**

