

Digital service encounters in brick and mortar stores





This research project focuses on two new forms of digital service encounters used in retail, for which there was previously a lack of research to guide the industry:

- One-to-one: Digital service encounters between an in-store employee and a remote consumer, where the customer receives advice and can make purchases without being physically present.
- One-to-many: Live shopping broadcasts and non-live video content, where store employees educate and inspire consumers about products and services.

The purpose of the project was to increase knowledge about the effects of using digital video-based tools in retail to create new digital service encounters for sales, education, and inspiration purposes. Both forms of digital service encounters serve as examples of how digital video technology creates opportunities for new interactions between retail companies, employees, and consumers.

The overarching goal of the project was to contribute to research on service encounters and customer service in retail, as well as the effects of digital video-based tools in retail companies' omnichannel strategies. The aim was to provide guidance to retailers on how digital service encounters can be used to achieve positive effects, such as increased sales, enhanced engagement, and satisfaction among both employees and consumers.

During the project, a literature review, five experiments, three different analyses of store

data and video broadcasts, and an interview study were conducted. Data from ten focus groups on live shopping were also analyzed. Some key conclusions from the studies are:

- 1. Video meetings provide retail employees with an additional channel to assist customers.
- 2. Live broadcasts and recorded content fulfill different needs and are used in different ways.
- 3. Live shopping is a source of inspiration, entertainment, advice, and information.
- 4. Store employees can effectively serve as hosts for live shopping broadcasts.
- 5. Recorded video content from live shopping has positive effects on e-commerce.

The results of this research project are presented not only in this report, but also in several conference papers and research articles. The project has generated new knowledge about digital service encounters, and the hope is that this

knowledge can be applied within the Swedish retail sector to increase its attractiveness and, in the long run, strengthen Swedish commerce. Thus, we offer the following recommendations for how Swedish retailers can utilize new video technology:

Offer video-based service encounters for increased accessibility and willingness to pay

The project's results indicate that both employees and consumers see the benefits of this form of phygital service encounters.

• Engage employees in live shopping

Employees are considered knowledgeable about both the product range and customer needs, which increases consumers' willingness to engage in live broadcasts.

• Create relevant content

Consumers appreciate the inspiration, entertainment, social aspects, and enhanced product information that the broadcasts provide.

Enrich product pages with recorded video content from live shopping

Live shopping can be used as a cost-effective way to increase consumer satisfaction and engagement with online stores while simultaneously boosting sales.

• Dare to implement and experiment with video in commerce

The project has shown overall positive effects when retail companies implement and offer different types of video-based service encounters.

Project name: Digital service encounters in brick and mortar stores – can video material increase sales

and satisfaction?

Project leader: Karina Töndevold Liljedal **Other project participants:** Hanna Berg

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