



RETAIL PROJECT

ADDITIONAL CONTENTS

COVID-19 impact on
the digital strategy of
companies

RETAIL PROJECT

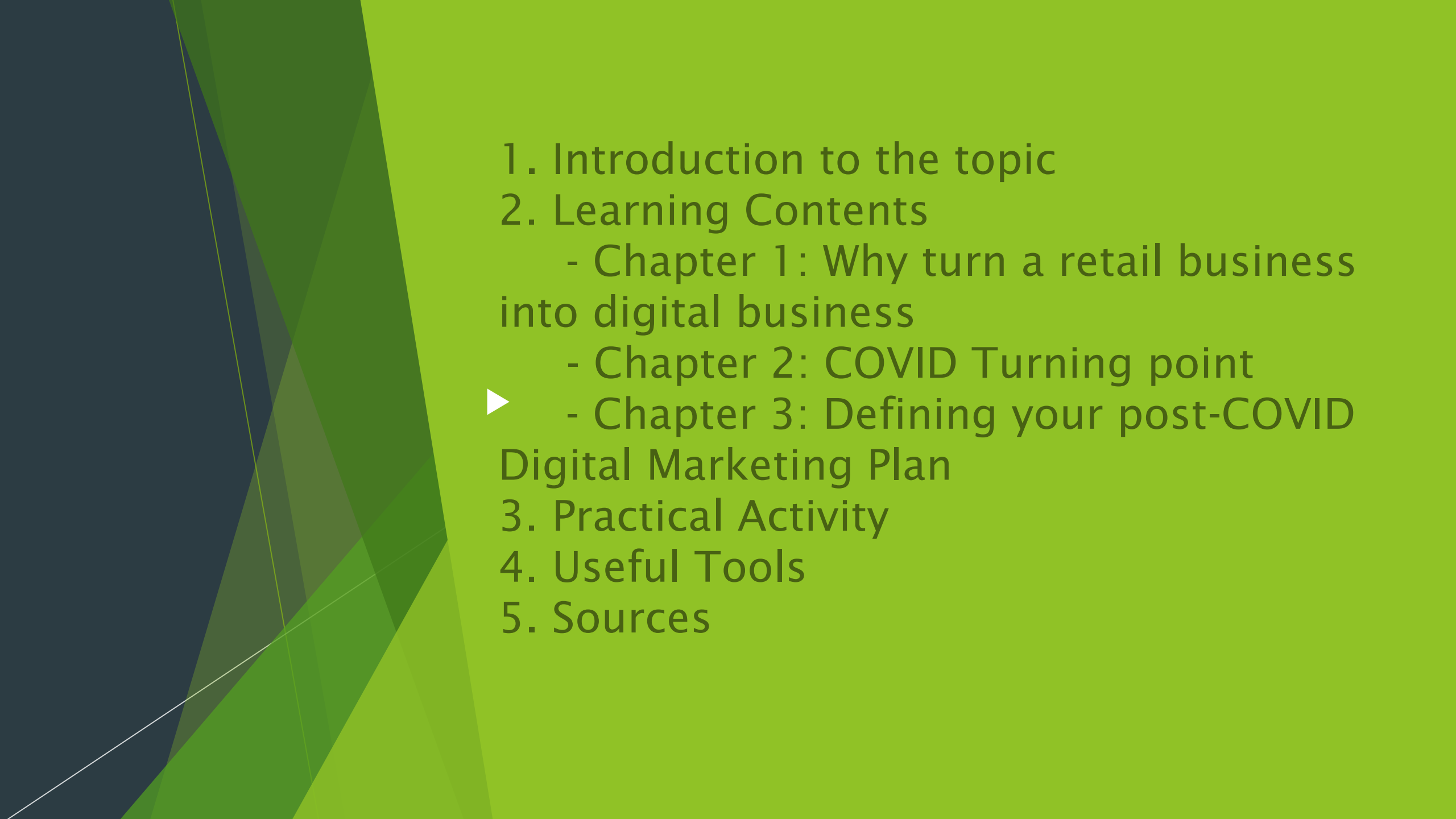


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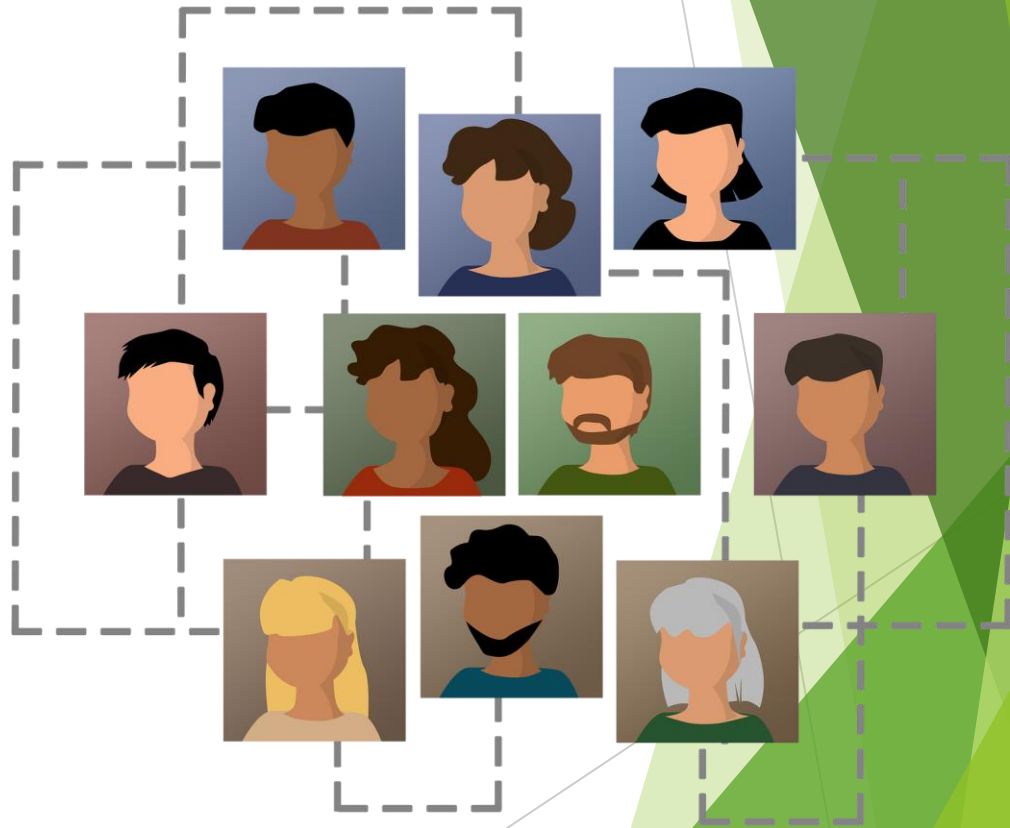
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Cooperation for innovation and the
exchange of good practices, Strategic
Partnerships for VET education**

Retail Project [www: retail.erasmus.site](http://www.retail.erasmus.site)

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 - Chapter 1: Why turn a retail business into digital business
 - Chapter 2: COVID Turning point
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1. Introduction to the topic



COVID-19 has accelerated digital transformation. According to the World Economic Forum, studies show that the pandemic has led to a 20% surge in total Internet usage.

Indeed, this crisis provided a sudden jump into the future, a world in which digital became central to every interaction. Digital channels became for some time the primary (and in some cases, the only one) customer-engagement model and whole business driver.

2. Contents

This additional module will be divided into 3 chapters, a practical activity, references and further tools.

- Chapter 1: Why turn a retail business into digital business
- Chapter 2: COVID Turning point
- Chapter 3: Defining your post-COVID-19 Digital Marketing plan



2.1. WHY TURNING A RETAIL BUSINESS INTO DIGITAL?

CONTENT OF CHAPTER 1

Importance of digital technologies in times of crisis

E-commerce during COVID-19 – key data

Business opportunities

RESILIENCE OF THE INTERNET

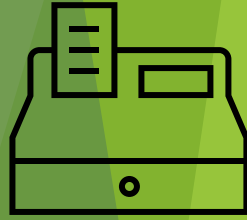
First prototypes of the Internet came in the late 60's from U.S military built to enable reliable communication between multiple computers on a single network. Indeed, if the internet was to be attacked, it didn't have a single point of failure, so was not subject to a general shutdown.

COVID-19 has accelerated the digital dependence of our society. The pandemic has brought with it unexpected life twists, technologies, and the Internet became our only tool to continue communicating and working with one another, turning our physical contacts onto virtual ones.

Business are at the core of this transformation. According to a McKinsey survey from July 2020, companies have accelerated the digitalisation of their customer and supply-chain interaction by 3 to 4 years during the crisis.



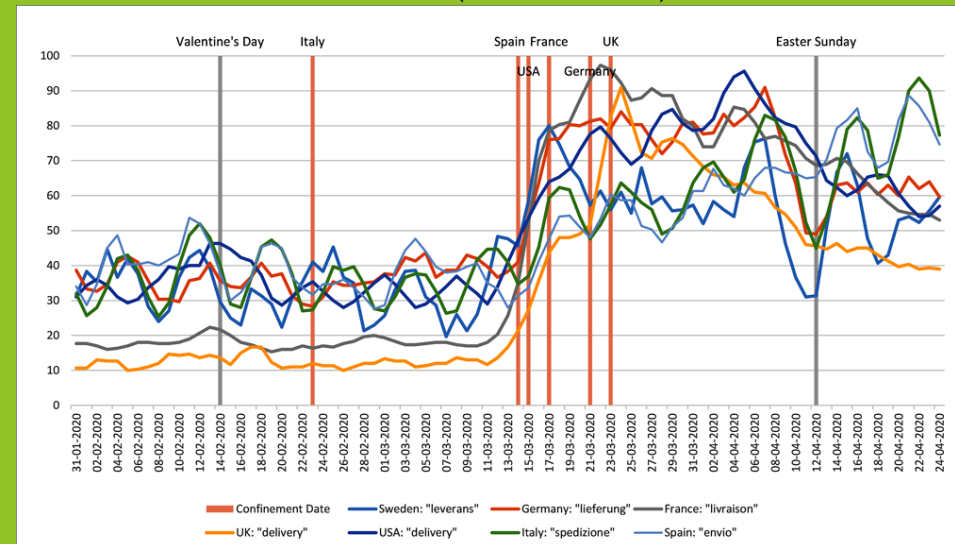
KEY DATA



2.1. WHY TURNING A RETAIL BUSINESS INTO DIGITAL?

- There has been a shift in demand from brick-and-mortar retailers to e-commerce
- Global e-commerce jumped to 26.7 Trillion Dollars in 2020, with a rise in its share of all retail sales from 16% to 19%. (Data source: UN News)
- Certain shifts brought by COVID-19 involve long-term changes in e-commerce, as surveys suggest users might stick to new routines and companies have made investments. (Data source: OECD)

Google search interest in “delivery”, selected OECD countries (source: OECD)



CONTENT OF CHAPTER 1

Importance of digital technologies in times of crisis

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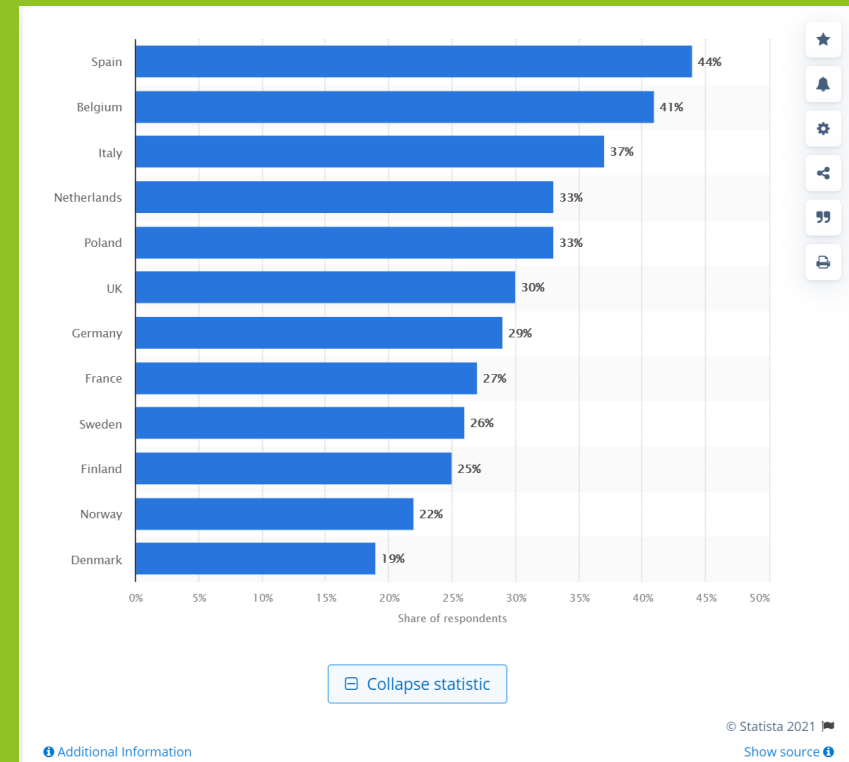
Business opportunities

KEY DATA

2.1. WHY TURNING A RETAIL BUSINESS INTO DIGITAL?

- Examples of new digital services: click and collect, pick up services, delivery, online booking systems...
- Not all categories of products have benefitted from the rise in e-commerce (see slides on Growing & Declining categories in E-commerce)

Share of respondents in selected European countries who shopped online more often due to the coronavirus pandemic in 2020 (source: Statista)



CONTENT OF CHAPTER 1

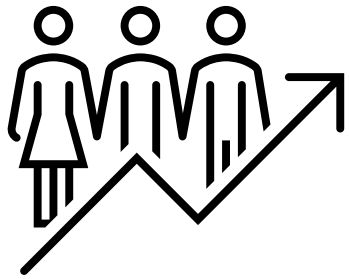
Importance of digital technologies in times of crisis

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BUSINESS OPPORTUNITIES

2.1. WHY TURNING A RETAIL BUSINESS INTO DIGITAL?



CONTENT OF CHAPTER 1

Importance of digital technologies in times of crisis

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Business opportunities

Traditional retail businesses responded better to the lockdown crisis when they were able to sell and deliver their products thanks to online shops.

In the mean time, the convenience of 24-hours online shopping, greater product choice from multiple retailers, combined with home delivery, has transformed customers habits.

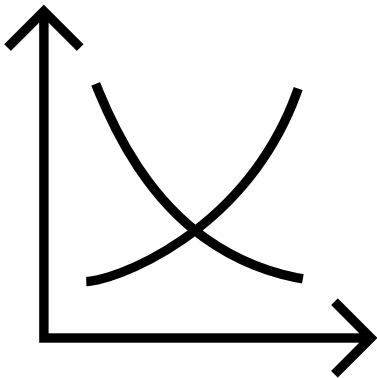
As a consequence, the trend towards e-commerce seen in 2020 is likely to be sustained during and after the recovery period according to UNCTAD report COVID-19 and E-Commerce: A Global Review.

2.2. COVID TURNING POINT

CHALLENGES

- The leap forward in e-commerce has mostly benefited the world's leading digital platforms. Smaller players also entered these markets, but were dwarfed by digital giants
- E-Commerce reinforces inequalities in countries with less and difficult to access digital infrastructures, especially in the least developed countries.
- All sectors of e-commerce did not benefitted from the digital uptake.

CONTENT OF CHAPTER 2
Challenges
Growing & Declining categories in E-commerce



2.2. COVID TURNING POINT

CONTENT OF CHAPTER 2 Challenges Growing & Declining categories in E-commerce

The Top 100 Fastest Growing & Declining Categories in E-commerce.

March 2020 vs. March 2019

Source:

Stackline

Stackline is a retail intelligence and software company founded by a group of industry veterans and headquartered in Seattle, WA. Our technology helps thousands of the world's largest brands manage and grow their e-commerce businesses. For more information, visit www.stackline.com.

Top 100 Fastest Growing Categories

1 Disposable Gloves +670%	26 Chips & Pretzels +186%	51 Incontinence & Tommy +129%	76 Jams, Jellies & Spreads +102%
2 Bread Machines +652%  Bread is one of the many items people have been stockpiling for their time at home, resulting in a shortage at grocery stores and a rise of bread machine sales.	27 Crackers +184%	52 Multivitamin +126%	77 Coffee +101%
3 Cough & Cold +535%	28 Health Monitors +182%	53 Cat Litter +125%	78 Spices & Seasonings +100%
4 Soups +397%	29 Popcorn +179%	54 Training Pads and Trays +125%	79 Skin Care +99%
5 Dried Grains & Rice +386%	30 Computer Monitors +172%  Many businesses have implemented a mandatory work from home policy, causing a surge in computer monitor sales as consumers purchase items for their home office.	55 Juices +125%	80 Pain Relievers +99%
6 Packaged Foods +377%	31 Fitness Equipment +170%	56 Smoking Cessation +122%	81 Cooking Vinegars +98%
7 Fruit Cups +326%	32 Single Vitamins +166%	57 Dried Fruit & Raisins +120%	82 Air Purifiers +97%
8 Weight Training +307%  Gyms and fitness studios are temporarily closed, forcing a shift in people working out from home and an increase in weight training equipment sales.	33 Nut & Seed Butters +163%	58 Salt & Pepper Seasoning +118%	83 Granola & Nutrition Bars +97%
9 Milk & Cream +279%	34 Cat Food +162%	59 Craft Kits & Projects +117%  With most events and activities canceled, consumers have an increased need for activities to keep them busy at home, including craft kits & projects.	84 Pudding & Gelatin +97%
10 Dishwashing Supplies +275%	35 Fruit Snacks +162%	60 Batteries +116%	85 Toy Clay & Dough +95%
11 Paper Towels +264%	36 Baby Care Products +162%	61 Trash Bags +116%	86 Single Spices +95%
12 Hand Soap & Sanitizer +262%	37 Refrigerators +160%	62 Nuts & Seeds +116%	87 Bird Food & Treats +91%
13 Pasta +249%	38 Baking Mixes +160%	63 Hair Coloring +115%  Trips to the hair salon are on hold, so consumers have shifted to purchasing hair coloring kits to maintain their hair color at home.	88 Lab & Science Products +90%
14 Vegetables +238%	39 Toilet Accessories +160%	64 Sauce & Gravy +115%	89 Eczema & Psoriasis Care +90%
15 Flour +238%	40 Dog Food +159%  Pet owners who are avoiding going into brick-and-mortar retail stores have shifted a larger share of their spending online.	65 Deli Foods +114%	90 Ping Pong +89%  Ping Pong sales have increased as consumers look for fun, indoor activities suitable for all ages.
16 Facial Tissues +235%	41 Diapers +154%	66 Syrups +114%	91 Chocolate +86%
17 Allergy Medicine +232%	42 Yoga Equipment +154%	67 Breads & Bakery +114%	92 Baking Ingredients +84%
18 Women's Health +215%	43 Bottled Beverages +153%	68 Minerals +113%	93 Energy Supplements +84%
19 Cereals +214%	44 Baby Meals +153%	69 Condiments +111%	94 Respiratory +82%
20 Power Generators +210%	45 Cookies +147%	70 First Aid +108%	95 Office Desks +89%  Consumers have an increased need for home office furniture as they shift to working from home full-time, causing sales of office desks to surge.
21 Laundry Supplies +200%	46 Digestion & Nausea +144%	71 Nail Care +108%	96 Potty Training Supplies +82%
22 Household Cleaners +195%	47 Snack Foods +141%	72 Humidifiers +105%	97 Herbs, Spices & Seasoning +82%
23 Soap & Body Wash +194%	48 Herbal Supplements +136%	73 Art Paint +104%	98 Keyboard & Mice +80%
24 Toilet Paper +190%	49 Cooking Oils +135%	74 Office Chairs +104%	99 Body Lotion +79%
25 Jerky & Dried Meats +187%	50 Water +130%	75 Deodorant +103%	100 Safes +69%

2.2. COVID TURNING POINT

CONTENT OF CHAPTER 2 Challenge Growing & Declining categories in E-commerce

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Top 100 Fastest Declining Categories

1 Luggage & Suitcases -77%	26 Automotive Mats -50%	51 Wine Racks -40%	76 Girl's Active Clothing -34%
2 Briefcase -77%	 Shelter-in-place orders have been implemented across the country and, except for the occasional grocery store trip, consumers not driving their cars have fewer needs for automotive parts and accessories.	52 Men's Shoes -40%	77 Women's Tops -34%
3 Cameras -64%	 Camera sales are declining rapidly since many travel plans, weddings, sports activities and other events have been postponed.	53 Clocks -39%	78 Braces, Splints & Supports -34%
4 Men's Swimwear -64%	27 Men's Outerwear -49%	54 Baby Girl's Shoes -39%	79 Car Anti-theft -34%
5 Bridal Clothing -63%	28 Watches & Accessories -49%	55 Bracelets -39%	80 Rings -34%
6 Men's Formal Wear -62%	29 Cargo Bed Covers -48%	56 Men's Boots -39%	81 Blankets & Quilts -33%
7 Women's Swimwear -59%	30 Track & Field Equipment -48%	57 Tapestries -39%	82 Women's Athletic Shoes -33%
8 Rash Guards -59%	31 Ceiling Lighting -47%	58 Camping Equipment -39%	83 Kitchen Sinks -33%
9 Boy's Athletic Shoes -59%	32 Camera Lenses -47%	 Many public parks, hiking trails and campsites are closed, resulting in a decreased demand for new equipment.	84 Golf Clubs -33%
10 Gym Bags -57%	33 Girl's Coats and Jackets -47%	59 Men's Bottoms -38%	 While spring and summer are typically popular times for golf courses are closed and consumers are seeking new indoor activities, rather than a new set of golf clubs.
11 Backpacks -56%	34 Women's Hats & Caps -47%	60 Cell Phones -38%	85 Equestrian Equipment -33%
12 Snorkeling Equipment -56%	35 Women's Outerwear -47%	61 Tool Storage & Organizers -38%	86 GPS & Navigation -32%
13 Girl's Swimwear -55%	36 Video Cameras -46%	62 Necklaces -38%	87 Recording Supplies -32%
14 Baseball Equipment -55%	37 Wheels & Tires -46%	63 Swimming Equipment -37%	88 Home Audio -32%
15 Event & Party Supplies -55%	38 Motorcycle Parts -45%	64 Men's Hats & Caps -37%	89 Boys Accessories -32%
 Without birthday parties, graduations and other large events, there is a reduced need for supplies, resulting in a decline of event & party supplies sales.	39 Women's Wallets -45%	65 Girl's Shoes -37%	90 Earrings -32%
16 Motorcycle Protective Gear -55%	40 Shocks & Struts -44%	66 Industrial Tools -36%	91 Dining Sets -31%
17 Camera Bags & Cases -54%	41 Transmission & Parts -44%	67 Juicers -36%	92 Calculators -31%
18 Women's Suits & Dresses -53%	42 Girl's Athletic Shoes -44%	68 Desktops -35%	93 Boys Shoes -31%
19 Women's Boots -51%	43 Women's Shoes -44%	69 Classroom Furniture -35%	94 Volleyball Equipment -31%
20 Cargo Racks -51%	44 Telescopes -44%	 Classroom furniture sales are declining as schools close and students take classes virtually from their home.	95 Strollers -31%
21 Women's Sandals -50%	45 Sunglasses & Eyeglasses -43%	70 Bar & Wine Tools -35%	96 Coolers -30%
22 Drones -50%	 Demand for sunglasses has declined, since many family vacations and other outdoor activities have been delayed.	71 Glassware & Drinkware -35%	 Many parks and public beaches are closed, so consumers no longer have a need to buy new coolers.
23 Boy's Active Clothing -50%	46 Men's Tops -41%	72 Musical Instruments -34%	97 Sanders & Grinders -30%
24 Lunch Boxes -50%	47 Video Projectors -40%	73 Power Winches -34%	98 Men's Active-wear -29%
25 Store Fixtures & Displays -50%	48 Men's Athletic Shoes -40%	74 Home Bar Furniture -34%	99 Living Room Furniture -29%
	49 Marine Electronics -40%	75 Office Storage Supplies -34%	100 Climbing & Hiking Bags -28%
	50 Hand Tools -40%		

2.3. DEFINING YOUR POST- COVID-19 DIGITAL MARKETING PLAN

CONTENT OF CHAPTER 2
General Principles
Step by step of your new strategy
Dos & Don'ts

PRINCIPLES

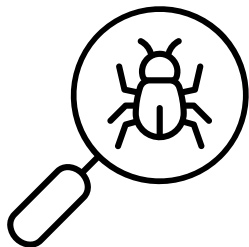
- Technology has taken a leap forward during COVID-19, including in the fields of e-commerce and retail.
- Either your digital strategy is new or not, the return to business after COVID needs an updated strategy.
- This means that every aspect needs to be (re)visited and updated.

TIPS

- Consider it a new start, put passion in this task
- Have clear and realistic objectives, use all the available data and metrics.
- Be prepared to change in your business practice.
- Be ready for innovation and to take some risk.
- Get legally and technically prepared: registration, platform solutions, payment methods, etc.

2.3. DEFINING YOUR POST- COVID-19 DIGITAL MARKETING PLAN

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STEP BY STEP

#1 Update your knowledge of your customer:

She/He probably changed during COVID-19 crisis - evolution of thought, behaviours, etc.

#2 Observe the market:

As the situation recovers, new trends and patterns will emerge. Also, markets will have changed, some competitors might have disappeared, new may have come. Update your knowledge of your current market.

#3 Update your UVP (Unique Value Proposition)

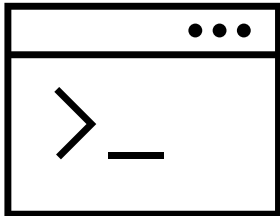
What made you singular might not be a differentiator anymore.

#4 Re-define your goals

Don't' forget the digital scope and opportunities offered by the new technologies (see our module on e-commerce)

2.3. DEFINING YOUR POST- COVID-19 DIGITAL MARKETING PLAN

CONTENT OF CHAPTER 3
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STEP BY STEP

#5 Update your messages to your customer's realities post COVID:

Review your contents and adapt your online messaging to the reality post COVID-19. For example, using fewer pictures showing physical closeness between people, wearing masks, etc. Inform customers about any changes in your services / protocols.

#6 Care about your advertising online and SEO:



Optimise your Digital presence (see our module on e-commerce).

#7 Track your customer

See how customers behave on your website, adapt your strategy to make them not only buy your products, but become loyal customers. Create a customer database.

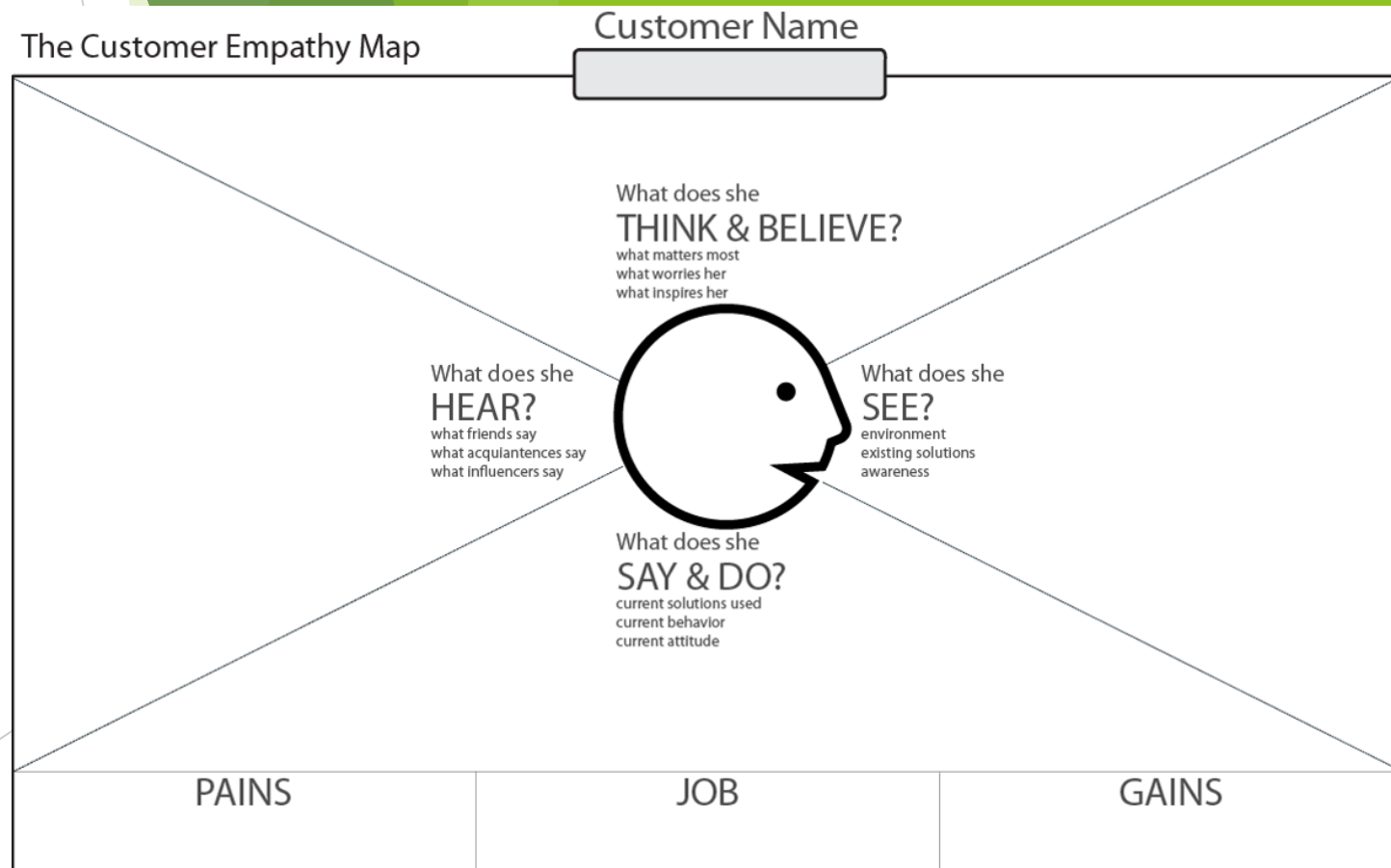
2.3. DEFINING YOUR POST- COVID-19 DIGITAL MARKETING PLAN

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<ul style="list-style-type: none">- Observe the new trends and profiles of your customers- Adapt your offer and messages to the new situation- Make the most of new technologies- Establish a clear digital strategy- Think global	<ul style="list-style-type: none">- Assume that things remain the same- Think that e-commerce is always profitable: study your market and costs- Forget about trading rules across borders! (Customs fees and documentation)

3. Practical Activity

To practice, we propose you use the free online tool called Mindmeister: www.mindmeister.com; and draw a portrait of your new digital customer.



4. Useful Tools



Social media

Link: [Instagram](#), [LinkedIn](#), [Facebook](#), ...

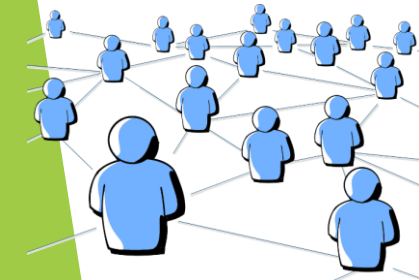
E-commerce platforms

Link: <https://websitesetup.org/best-ecommerce-platform/>



Mental maps

Link: [mindmeister](#)



5. Sources

Top 100 fastest Growing and Declining Categories in E-commerce:

Link: <https://www.stackline.com/news/top-100-gaining-top-100-declining-e-commerce-categories-march-2020>

Article from the World Economic Forum about COVID-19 and digital transformation:

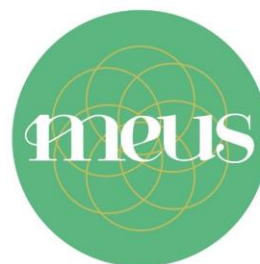
Link: <https://www.weforum.org/agenda/2021/03/covid-19-accelerated-digital-transformation-how-companies-can-adapt/>

Article from UNCTAD on How COVID-19 triggered the digital and e-commerce turning point:

Link: <https://unctad.org/news/how-covid-19-triggered-digital-and-e-commerce-turning-point>



RETAIL PROJECT Partnership



POLISH CHAMBER OF COMMERCE

Retail Project [www: retail.erasmus.site](http://www.retail.erasmus.site)