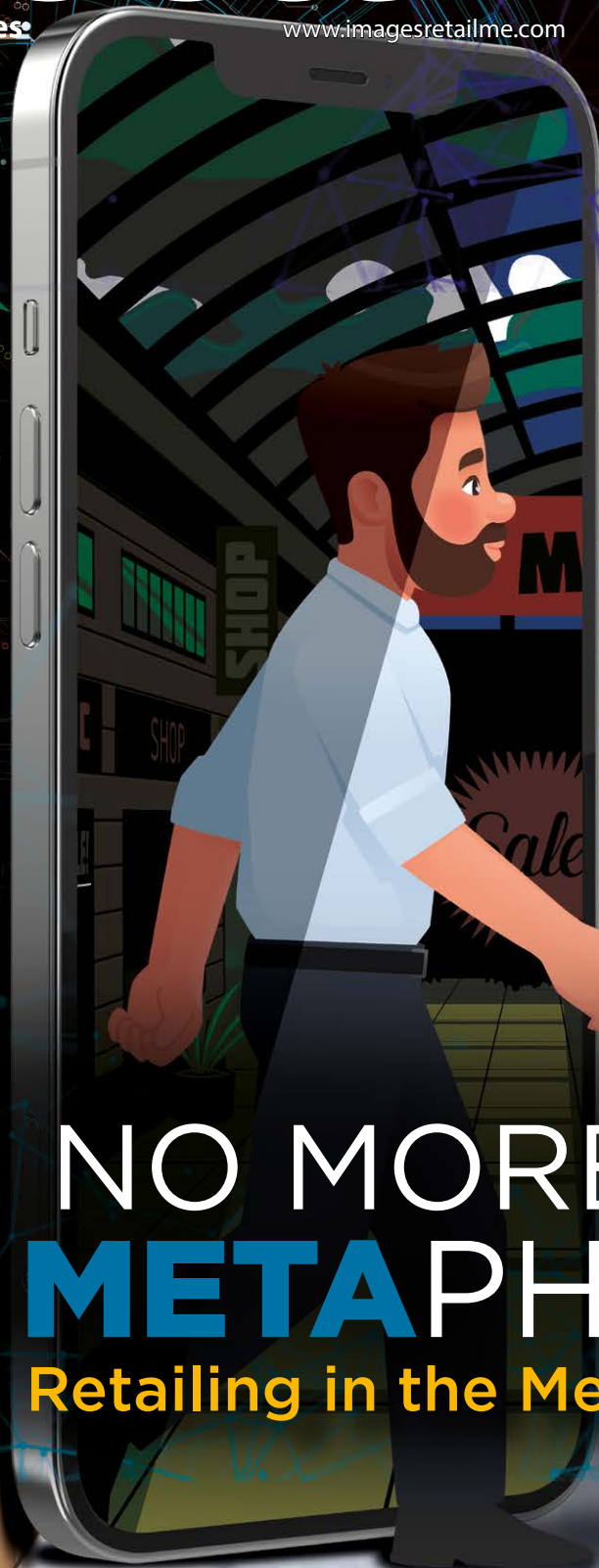


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December 2021



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Retailing in the Metaverse



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Cover Story:

Retailing in the Metaverse

With every passing year, with every new technological innovation introduced, with every new announcement that comes from a Jeff Bezos, Mark Zuckerberg or Elon Musk, our reality as we know it seems to get challenged, doesn't it? In this month's cover story, we explore how the Metaverse will change consumption and retail perceptions.



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MRF 2021:

MRF 2021 was participated by 40 speakers and attended by 200+ retail industry leaders from 120 companies. The event witnessed some thought-provoking content sharing in the form of CEOs Conclave to SOLO sessions and panel discussions.



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RetailME Awards 2021:

The 11th Images RetailME Awards, held alongside the Middle East Retail Forum recognised the achievements of retailers from the region who have had the courage to think out-of-the-box to bring innovative retail concepts and experiences equipped with emerging technologies and data that the world has access to today.

Dalma Mall Wins 5 Prestigious Awards

@MECS+R RECON MENA 2021



- Mr. Mohammed Al Mazrouei - Retail Professional of the Year (MECS+R RECON MENA 2021)
- Retail Excellence for Entertainment, Music & Leisure
- Marketing Excellence for Cause Related Marketing
- Marketing Excellence for Sales, Promotion & Events
- Marketing Excellence for New/Emerging Technology



(L-R) Mark Thomson, Piyush Kumar Chowhan, Daniel Gomez, Phillip Smith & Sander Maertens

THE 'NEW RETAIL' REVOLUTION

In 2016, Jack Ma, co-founder and former executive chairman of Alibaba, coined the term 'New Retail' to describe how offline, online, and logistics businesses were merging to create a seamless retail sector blending both spaces. Describing it as one of five areas that will be fundamentally transformed by innovation, the others being finance, manufacturing, technology, and energy, Jack Ma asserted that New Retail should be the priority for e-commerce businesses. New Retail takes the power of digitization and big data beyond current applications in e-commerce and creates new dynamics between consumers, producers, wholesalers, and retailers in the physical commerce space. This plays out across several dimensions: Know your customer, Payments solutions, Data strategies and Faster shopping experiences for consumers.

The topic was discussed in a panel discussion at the Middle East Retail Forum 2021. The CIOs and CDOs of major retail conglomerates like Piyush Kumar Chowhan, Group CIO of Lulu Group International, Daniel Gomez, Chief Digital Officer of Al Malki Group, Phillip Smith, Head Of Digital at KOJ,

Sander Maertens, Head of Middle East for Adyen and Mark Thomson, Retail Industry Director at Zebra Technologies gave their opinions on the subject.

Know your customer:

Customer data and insights are essential when shaping retail strategies, but sometimes decisions can also be based on speculation through latest trends, simulating the competition or implementing a new solution aligned with customer behaviour.

"Whatever we build has to start with the customer in mind, especially with the particular market we are working on. We mostly operate in Saudi Arabia so we have a very digitally native young population. They easily interact with any digital platform but then we also have populations from distant locations who are very new to this and are really concerned about the experience. These people need support from the customer service team," said Daniel Gomez, Chief Digital Officer of Al Malki Group.

The retailers should have the right technology to understand who is calling and have all this information about the customer. "For that we use our CRM, our courier-integration partners, develop training materials that are interactive and field train people to deliver the best experience", he added.

However, the bigger question here is how is technology really helping retail? Piyush Kumar Chowhan, Group CIO of Lulu Group International elaborates "I believe that only technology is not going to solve all problems. If I had to paint a picture of how I see things, experience is valued more than the product. But the big challenge is, retailers don't know how to price experience, while the consumer is clearly saying that they like experience more than the product. That is one problem. The second shift that has happened is, the consumer is now in control of what he/she wants rather than the retailer being in control of what they are going to offer. This is a big shift of power and I think digital is enabling that power in the hands of the consumer who is calling the shots. Although Covid-19 brought a



(L-R) Majed M Al Tahan (Top on screen), Thomas Prom, Leena Khalil, Kunal Kapoor & Shruithi Nair

GETTING THE GOLDEN RULES OF E-COMMERCE RIGHT

Story: Zubina Ahmed

The UAE is expected to surpass the UK in e-commerce penetration as more businesses in the Gulf country take steps to expand their online presence, according to a recent insight by Google MENA. Another survey by Visa Middle East highlights significant changes in attitude towards e-commerce following the impact of Covid-19 with 64% of those surveyed in this region reporting an increase in their online spending and 87% saying that this will continue for good. While consumers are increasingly preferring online channels for shopping, payments, and even experiences, businesses in the region too are slowly but surely unleashing their technological strengths to make the digital shifts.

Now, starting an e-commerce website may be easy but getting it right, making it successful and ensuring its profitability is a challenge than many pure-play e-tailers and retailers diversifying their online channels are still struggling with. A report by Zebra Technologies mentions that more than half of decision makers (retailers) surveyed believe that they are completely trusted to fulfill online orders as promised but only 38% of shoppers indicate complete trust in retailers. That is, there are only 1 in 4 shoppers who trust their retailers when it comes to fulfillment.

In the panel discussion titled 'Getting the Rules of E-commerce Right', Leena Khalil, Co-founder of Mumzworld, Kunal Kapoor, Founder of The Luxury Closet, Thomas Prom,

Head of E-commerce at Virgin Megastore, Majed M Al Tahan, Founder and CEO of Danube Online, KSA, shared insights on their e-commerce journeys and challenges.

E-commerce is the future for the GCC. The world has shifted to a customer-centric model with consumer behaviours, trends and data having become the new gold. Players in the space need to understand what their customers want, and adapt to their changing needs. Mumzworld, the largest mother, baby and child e-commerce platform in the Middle East, was recently acquired by Saudi Arabia's Tamer Group. "Mumzworld coming together as a team has given us tremendous insight into how to cater to our customer needs better, how to provide better content to them,



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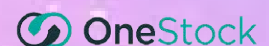
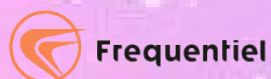


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**Khaled Soliman**

While customization and local sourcing has been in the radar, we are not in a place with a lot of such options. With the speed of change we are facing with technology and tools, many retailers will not make it. If key decision makers are solely focused on profits and not on the trends of tomorrow, they will not make it. The agility of the people in businesses to adapt to these changes and to have an ecosystem that supports it will be paramount. We are in a digital world with multiple sub-channels and each of these sub-channels with need specialised focus and management.”

Ahmed Ragab**Group CEO, Baraka Retail Group**

“For us, transformation isn't about moving from one way of selling

**Ahmed Ragab**

products to another. It is about making sense to the customers. After Covid-19 our customers weren't after products, they were after stories. When it comes to convenience, it isn't about being online or offline, it is about being present in their lives. When it comes to people, we started looking at them as ambassadors that could inspire customers to buy from them.

By nature humans are here to interact. The ones who survive are ones who find solutions to the problems. For supply chain issues, you find manufacturing hubs closer to your home market. For changing customers, you need to be where your customers want you to be. Regardless of any back-end problems or transformations going on, retailers should be able to make sense and engage with the customer.

I also believe, a major transformation taking place is that brands are willing to tell stories through media to people, to emotionally connect with their customers. For example, after Squid Game, people's interest in South Korea has piqued, brands like Versace and Gucci are connecting with younger audiences through their presence in games.”

**Carl Masterman****Carl Masterman****Senior VP - Retail Sports, GMG**

“As GMG, we had to cement our responsibilities across the different communities we serve across GMG Sports, GMG Consumer Goods, GMG

Health. We've seen that in the last two years where we have had enormous demand for people's wellbeing from the homes. I believe that although we are proud to partner with the international brands, we have been successful in creating homegrown brand concepts. And we have been able to take these Middle Eastern concepts to Asia and North Africa. We represent 500 physical stores but that has to be complimented with a robust omnichannel strategy.

For us, there will be a focus on acquiring the right talent as well as retaining that talent. There also needs to be consistency. We currently operate in 12 countries and plan on expanding more. If we can't sustain that consistency in these countries, that would slow us down. We are going through an organisational restructuring to not just challenge our talent, but also make examples of them.”

Muna Al Gurg**Retail Director,
Easa saleh Al Gurg**

“It's been a transformative journey in the past two year. There has traditionally been a reluctance from managers to invest in e-commerce digitisation. The pandemic catalyzed the change in their way of thinking. Once we really invested in our e-commerce capabilities we saw a huge surge in people buying our products and home appliances. Tailor making content to cater to our customers, who were now spending

**Muna Al Gurg**



(L-R) Phil McArthur, Jerome Georges-Vivien, Amina Flaifel, Avijit Yadav & Fahad Kazim

BUILDING THE MALL OF THE FUTURE

Story: *Shruthi Nair*

What would the mall of the future look like? Is it going to be this futuristic space manned by robots and drones? Is it going to be bigger in scale or smaller? Would retail stores be the sole driving force or would it be a combination of many other elements?

Shopping malls have been through multiple layers of evolution over the last few decades, becoming the ultimate destination catering to the ever-changing needs of the consumers. The Middle East has especially come a long way from its harbour-side souks to cornershops to housing some of the world's biggest and most popular malls today.

Mall-retailer relationships have also undergone tremendous changes in the past years. Traditionally, malls relied on department stores and anchor tenants to draw footfall, but that model is slowly being challenged.

"We used to get four departments store, 200 shops, three restaurants and call them a mall. But today, department stores aren't as relevant. What's more relevant is an H&M or Nike, or an Apple store, which are the drivers," said Phil McArthur, Founder and Chairman of McARTHUR Retail Development Specialists.

The growth of e-commerce sales and reduction in in-store traffic are creating new challenges for malls, forcing them to adapt to a more modern approach of retail real estate. With experience being the name of the game for both retailers and developers alike, the purpose of real estate for consumers would need to be rethought.

"As we start linking e-commerce in retail, maybe we don't need as much physical space (for shopping). We may need more hotels, residential towers, medical centres etc." he added.

Echoing the same sentiments, Jerome Georges-Vivien, Country Manager at AZADEA said, "While some malls understand the importance of experience, many others are ignoring it. Today, just because you have singular traction or have more restaurants than a competitor, you don't become more attractive. Malls need to be built as cities with hotels, where you can sleep, eat and drink, have concerts, art centres etc. So it isn't anymore about one single attraction," he said.

Kuwait's Tamdeen Malls, however, have been at the fore in recognizing and keeping up with the trends of providing experiential offerings, focused not just on shopping but also on an array of lifestyle extensions.

"Take an example of 360 Kuwait, which is a luxury mall with chandeliers and luxury carpets and coy fish ponds. When we did the

SOLO

stories • opinions • learnings • outcomes

This one-of-a-kind session hosted at MRF spotlighted some of the most influential retail leaders with incredible stories, powerful opinions, insightful learnings, and successful outcomes, where they shared their inspiring journeys in the form of a 10-minute talk presenting their ideas as engaging and intriguing stories.

Scan the QR code to watch the full speeches.



Sima Ganwani Ved

Chairwoman

From 1 to 1850

In this very inspirational SOLO Talk, Sima Ganwani Ved, Chairwoman of Apparel Group shares her personal life journey weaving in how she managed to establish and expand one of the most successful retail conglomerates in the region. She begins the talk by saying this will be her best speech ever, and it indeed was. So go watch it in now and get inspired by her powerful and personal story.



Raza Beig

CEO

The Big Transformation

In this heartwarming, honest and raw talk, Raza Beig, CEO of Splash opens up about his personal evolution journey, while taking the audiences through Splash's transformation parallelly over the years. His words will make you emotional, force you to introspect and encourage you to reflect – as a businessman, a leader, and a human.

PLAN OF ACTION

Story: *Zubina Ahmed*



Tom Harvey

Retail means change. Hardly any other sector is experiencing changes as strongly as the retail industry, which has undergone a significant transformation over the past decade and continues to evolve quickly. Consumer's behaviours have shifted dramatically, loyalty expectations have evolved and global sourcing and supply chains have never been this volatile. Additionally, the pandemic has pushed the industry to adapt and change faster in order to keep up with e-commerce trends and ensure operational effectiveness to retain customers.

In this ever-evolving world of retail, the role of those in-charge of operations has become crucial as well as more challenging. Changing demand driven by evolving customer behaviors and market risks, and shifting supply characterized by new service delivery models and entrants enabled by disruptive technologies are the basic themes that retail COOs and GMs are trying to nail while creating the roadmap for their businesses for the coming years.

During the 10th edition of the Middle East Retail Forum, Ashish Panjabi, COO of Jacky's Retail and Tom Harvey, GM of Spinneys came together on a podium for some thought-provoking discussions on their Plan of Action and a Q&A session with experts including Mohammad Iqbal Alawi, CEO of Real Estate Development Solutions (REDS) KSA, Anurag Bajpai, Head of Retail at KPMG, and Hozefa Saylawala, Director of Sales at Zebra Technologies.



SCAN.CLICK.SHOP!

QR Codes are all set to make a comeback in retail as long as they are implemented through the entire shopping cycle

Words by Sander Maertens, Head of Middle East at Adyen

The COVID-19 pandemic brought about a massive shift across our daily lives, from digital payments to online shopping and virtual customer experiences. Contactless payments grew dramatically when consumers pivoted to online shopping. In fact, a study shows that, the contactless payment market is set to be valued at \$4.68 trillion by 2027.

Amidst this evolution, QR codes have emerged as a versatile tool, a come-back king of sorts, whose obsolescence has been predicted for almost the past decade.

QR Codes are an easily implemented, low cost, high impact

solution for the contactless economy, where retailers do not need to invest in a check out page. As QR codes are a cost-effective way to solve multiple problems in shopper journeys, the solution is accessible to more brands.

In fact, QR codes are quickly becoming the go-to link between our physical and digital worlds. With consumer preferences continuing to shift towards touch-free interactions, this has become far more critical. QR codes are being scanned across sectors, so people don't have to touch a menu, kiosk, or even a point of sale (POS) terminal.

According to a recent report by Adyen, 34% of consumers

who prefer to use QR code-based payment methods would avoid shopping with merchants that did not offer them. The region has rapidly adopted QR codes - including the UAE government offices and many private establishments - and we are witnessing just how helpful this easily implemented mobile technology can be. The government of Saudi Arabia is set to implement a national QR code for payments in the Kingdom as part of its objectives to reach an e-payment target of 70% by 2030.

In restaurants, customers can scan QR Codes to view menus, order, and sometimes pay with a snap of their

The 11th Images RetailME Awards, held alongside the Middle East Retail Forum recognizes the achievements of retailers from the region who have had the courage to think out-of-the-box to bring innovative retail concepts and experiences equipped with emerging technologies and data that the world has access to today.

Those that have managed to elevate the retail offerings both individually and collectively, adopted digitisation and advanced

processes to deliver unimaginable outcomes, and have shifted their mindsets to reimagine values, goals, and orientations emerged as the ultimate awardees this year.

As Amitabh Taneja, Chairman of Images Group put it, "The awards are highlights of some of the best work that retailers have put out in the last year. So we don't have winners or losers – we have awardees because everyone who is still a part of the region's thriving industry is a winner by virtue".



Process of adjudication

After receiving over 110 nominations under 20+ categories from retailers in the UAE, Saudi, Oman, Kuwait, Egypt in the form of riveting presentations, the jury consisting of experts from the government, retail real estate business, technology conglomerate, and solution companies along

with the Images RetailME team deliberated carefully taking into account factors including and not limited to agility demonstrated, innovations introduced, and results garnered, where evidence of overall success, profitable expansion, and growth were reviewed.

The final scores were then submitted to KPMG, who audited all the scores/ranks and concluded on the awardees.

JURY



Amitabh Taneja
Chairman,
Images Group



Laila Mohammed Suhail
CEO,
Strategic Alliance and
Partnership, DTCM



Mark Thomson
Retail Industry
Director, EMEA,
Zebra Technologies



Mohammad Alawi
Partner, Chief Executive Officer,
REDS Company



deVere Forster
Chief Operating Officer,
Dubai CommerCity



Kalika Tripathi
Head of Marketing
- MENA Region,
Visa



Phil McArthur
Founder & Chairman,
McArthur Retail
Development Specialists

Most Admired **BRAND CAMPAIGN** of the Year: **FOOTWEAR**



Award presented by Mark Thomson, Retail Industry Director from Zebra Technologies received by Aldo

Most Admired **BRAND CAMPAIGN** of the Year: **HOME**



Award presented by Mark Thomson, Retail Industry Director from Zebra Technologies received by Homesrus

Most Admired **BRAND CAMPAIGN** of the Year: **FASHION**



Award presented by Justina Eitzinger, COO, Images Multimedia received by #Splashfashion Landmark Group

Most Admired **BRAND CAMPAIGN** of the Year: **EXCELLENCE**



Award presented by Justina Eitzinger, COO, Images Multimedia received by REDTAG UAE

Most Admired **COLLABORATION** of the Year



Award presented by Stéphane Pignard, General Manager, Altavant Consulting received by Baraka Retail Group

Most Admired **E-COMMERCE** Retailer of the Year



Award presented by Stéphane Pignard, General Manager, Altavant Consulting received by 6thStreet



Retail Digital Experts

**"Don't work for technology,
make it work for you".**



Most Admired Retailer of the Year **HOME & HOUSEWARES**



Award presented by Justina Eitzinger, COO, Images Multimedia
received by Danube Home

Most Admired Retailer of the Year **HOME & HOUSEWARES**



Award presented by Justina Eitzinger, COO, Images Multimedia
received by LIWA, Dwell



Most Admired **RETAIL PERSONALITY** of the Year: **SIMA GANWANI VED**



Images RetailME Awards 2021 Awardee

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YOUR EDGE

