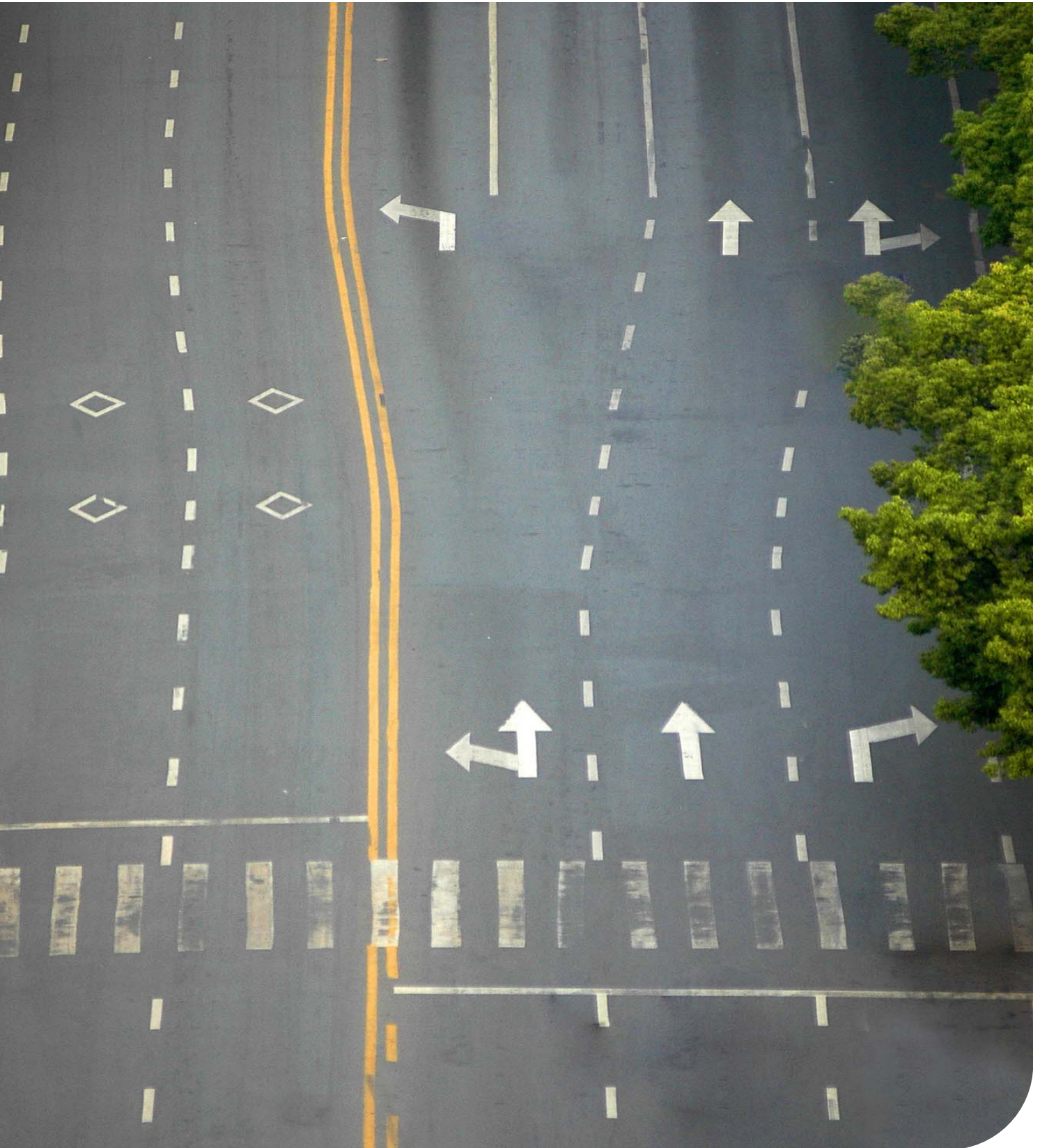


Retail 2020: Australia and New Zealand

The 2009 Retail Thought Leadership Project



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Retail 2020: The Future and Strategy for Australian and New Zealand Retailers

We are pleased to introduce to you this year's Retail Thought Leadership report.

In this report, we investigate the future and strategy for retailers in Australia and New Zealand through primary and secondary research. The future and strategy for retailers over the next decade is a critical issue to address, particularly given the current economic downturn.

To this end, the ACRS research team set out to conduct a series of interviews with retail thought leaders, executives and retail operators in Australia and New Zealand. This interview data was combined with a review of various secondary sources in order to develop a comprehensive picture of the retail landscape and key trends likely to impact the industry between today and 2020. The report provides valuable insight into the key trends likely to impact retailers in the coming years and provides the implications as well as subsequent recommendations and likely scenarios for retailers in the years ahead.

The team that worked on this report trust that you will find the information insightful, thought provoking, and helpful in shaping your future strategies.

If you have any questions in relation to this report, please do not hesitate to contact us.

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Retail is a dynamic and diverse sector and, given the recent turbulence in the global economy, the purpose of this thought-leadership research report is to investigate the future of the retail industry in Australia and New Zealand.

Through a series of interviews with retail leaders and strategic consultants across a wide range of retail categories, and in conjunction with a review of secondary research sources, the ACRS has developed a comprehensive picture of the future of retail in Australia and New Zealand. Primary interview data and secondary publication data were combined to explore the key trends impacting the retail industry now and in the lead up to 2020. The results provide insight to retailers regarding how they can navigate the current economic downturn and in preparing for the major trends likely to impact the retail industry over the next decade.

In the first phase of data analysis we distinguish between the short and long term trends that are likely to develop between 2009 and 2020. In the short term, our findings suggest that there are growth opportunities for retailers during times of an economic downturn. Specifically, this research provides insight into how retailers can best engage their customers, understand what customers need and want in this time, and target marketing and promotional offers in a more precise manner. Whilst there are opportunities for retailers to develop and grow, our findings lend support to the notion that the retail environment is currently in a fragile position and may appear substantially different in coming years. In particular, respondents believed that retail consolidation will continue in the short term, as we have seen in recent years, with established and trusted brands folding or announcing cut backs in staff numbers and/or operations.

In the long term, we find that there are a number of trends likely to develop and impact the retail sector. Our respondents discussed the continued trans-Tasman retail trend with retailers increasingly moving between Australia and New Zealand. Differentiation, particularly through premium services, was seen as a continued strategy which would shape the retail environment in 2020. By 2020, we will see a very different consumer – one who co-creates, and seeks personalised products and services. Virtual networks will link these consumers and this technology will change the way in which consumers communicate with each other and retailers. Another major trend, which is perceived to continue toward 2020, is that of ‘green’ and sustainability, with an increased emphasis on local sourcing and production.

In our second phase of data analysis, the issue of green and sustainability is further developed into a 2020 future scenario, where it is argued that going green may well aid the recovery of the recession and beyond. This 'greentailing' scenario is one of two developed through use of the comprehensive scenario planning approach. The second scenario proposes that consumer intelligence is key for the 2020 retailer and provides a discussion of the implications and strategies likely to develop in this regard.

Corporate Partners

Platinum partner



The Foundry is an advertising agency formed in 2006 under a simple, but defining vision to create an agency that would transform brands into powerful, engaging business entities. Managing Partner, Simon Burrett, notes that “partnering as Platinum sponsor for the ACRS Retail 2020 project provides an opportunity for us to give back to our key clients – Australian retailers – by supporting the industry and aiding in the development of a future vision”.

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About the Australian Centre for Retail Studies

The Australian Centre for Retail Studies provides knowledge leadership to those involved in the retail sector through broad based research and information generation, management education programs and the promotion of retailing as a career.

As a commercial centre within Monash University's Faculty of Business and Economics and Department of Marketing, the ACRS is a bridge between the academic and the commercial retail worlds, enabling clients to access resources and knowledge that may not be otherwise available to them.

The centre engages in the following areas of activity throughout Australia, New Zealand, South East Asia, and Asia.

- Management development programs;
- Presentations, conferences and seminars;
- Retail research, reports and publications;
- Study tours.

Given its unique retail focus, the ACRS imparts knowledge, skill, and understanding to all levels of management from first line recruits to CEOs; offering invaluable expertise over other general management training providers.

The ACRS Research Report Series

The ACRS series of research reports addresses relevant topics and issues surrounding the Australian retail industry. Published throughout the year, these reports are intended to provide retailers with information to evaluate and address critical issues. The reports also serve to help gain an insight into key trends and activities taking place within the industry.

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