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Rise of the robots: How retailers are planning on using cutting-edge technology to get customers into stores

HOLLIE SHAW | March 18, 2016 | Last Updated: Mar 21 11:30 AM ET
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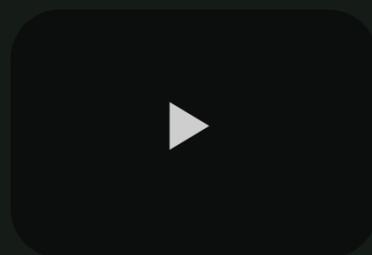
People show seven clear emotions on their faces: joy, surprise, disgust, sadness, fear, anger and neutrality. You might run through all of them waiting in a long line at Walmart on a Saturday morning.

And there's a distinct possibility Walmart and other retailers might one day be looking at what your face is saying while you shop.

Silicon Valley-based Eyeris has developed software called Emovu that purports to track and analyze people's emotions and engagement levels using cameras to capture shoppers as they make their way through a store.

"It would give (a store owner) ideas about why product A is moving faster than product B on a shelf, for example," says JR Alaoui, the company's founder and chief executive.

Canada's first shopping apartment offers real-life retail in a tiny downtown Toronto condo

Alaoui's software was one of multiple emerging retail technologies showcased at the recent DX3 conference in Toronto, an annual event that shows off new products designed to improve people's shopping experiences through technology.

Toronto interior designer Nike Onile has taken experiential retail to a whole new level with Canada's first shopping apartment, housed inside a tiny downtown condo where people can purchase au courant décor.

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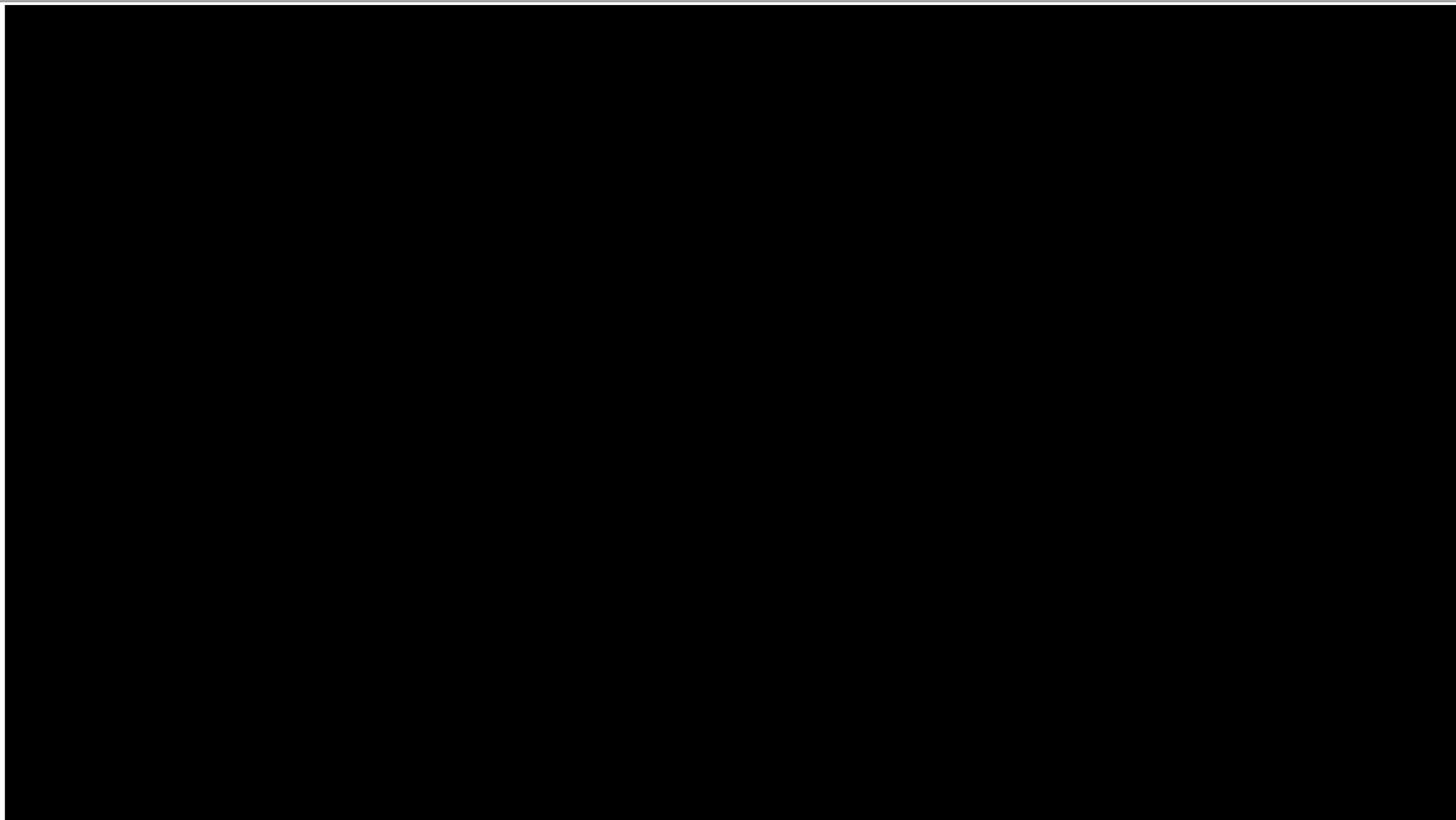
Making stores more engaging is a keen area of interest for bricks-and-mortar retailers at a time when consumers can be easily enticed to shop from a phone or a laptop in their living rooms. The solutions can range from using old-school theatrics — an in-store chef demonstration at a housewares store, for example — to deploying technologies that make store visits seem more essential, pleasurable or memorable for customers.

For example, one startup trying to eliminate frustrations that arise during the average buying experience is Stefanka, a company based in Montreal. Its software conducts a 3D body scan of customers in store change rooms in order to help sales clerks find the best-fitting apparel in stock, particularly useful for the tricky fit category of brassieres.

"Eighty per cent of ladies do not wear the correct bra size," explained Elizabeth Stefanka, company co-founder and chief executive, likely because bra measurements are not standardized. Many observers at the conference asked Stefanka if and when a home-shopping application of her software will be ready. "We are working on a solution for smartphones," she said.

Another startup at DX3, Sunnyvale, Calif.-based VizeraLabs, used its technology to mimic a living room setup, with a neutral-coloured couch backed by a plain wall transforming every few seconds into a bold new colour scheme and faux-fabric pattern using a ceiling-mounted projector.

The Vizera product could help retailers with a deep catalogue of items — furniture styles with multiple fabric or colour options, for example — but not a lot of space.

"If you are a retailer and want to show 100 different items, you need a huge store and real estate is really expensive," said chief executive Ali Cevik. "The alternative is tiny swatches," which are difficult for some people to extrapolate for an entire room.

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He added that the software could also be used to create dynamic retail storefront windows. "Retail storefronts are one of the only outlets customers use to decide whether or not to walk in," he said.

Not all the technology at DX3 was software. One crowd-pleaser with a somewhat dubious retail application was Pepper, a four-foot tall white robot — with large eyes and a smile to boot — that rolled around asking people questions and giving them simple answers and high fives.

"She" is currently used in some stores in Japan and could be in North American retail stores by the end of this year or early next, said Brady Watkins, director of business development at Paris-based Aldebaran, Pepper's creator, but she's not intended to replace real people.

That's probably a good thing: the noise of a large retailer might stymie the petite humanoid. The din of the convention caused Pepper to miss multiple direct cues from humans trying to engage her in a conversation or make a request.

Still, the rise of the robots might not be far off.

Doug Stephens, a retail consultant and futurist, noted a pair of Oxford University researchers predicts robots could replace 92 per cent of retail sales clerks by 2023.

"Amazon is using robots in its warehouse, and in Japan they use them in retail spaces," he said. "I don't think retail employees should be running scared from this, but it is a really great merchandising device."

Stephens said robots could also handle a lot of the routine functions that retail employees find themselves bogged down with, such as measuring inventory levels, to free them up to have more dynamic retail interactions with customers. "And, hey, no lunch breaks, no sick days," he said and then laughed.

No one disputes that something has to be done to lure people to the mall. Online sales keep growing 12 to 15 per cent a year while physical store sales are growing at only two to three per cent.

"If a smartphone is now a store, what is the role of the store?" Stephens said. "Store is becoming media. Nobody wants another box in the suburbs filled with products. People will get off the couch to go to the store when there is a remarkable experience there, and retail is exciting again."

Toronto marketing executive Adrian Capobianco believes technology can work well in retail if consumers are able to use it easily.

"If you are a physical store, it's about how you make yourself purchasable and give customers an experience, because we don't only shop because we need stuff — we also do it for inspiration, entertainment, diversion," he said. "I always ask, how do you remove friction from the experience to make it as seamless as possible for the consumer? Technologies that need me to do something make it less likely for me to stick around. As a consumer, I don't need to work for it."

Chad Arthur, director of development at Toronto-based Radiant Group, a digital technology and media company, agreed that "removing barriers" is important for customers when it comes to using technology in stores.

One Radiant Group program on display at DX3 enables consumers to swipe their smartphones to opt in to coupons, samples, contests, or give their email address when they enter retail stores and restaurants.

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"Asking a consumer to download an app to get a free sample is not going to happen," Arthur said. Radiant Group's software has been used at some Walmart Canada stores and a Toronto McDonald's for product giveaways. "The retailer wants to be able to create an environment where this is easy."

The most passive technology on display at DX3, or at least the most discreet, was the emotion-tracking EmoVu. Crucially, the technology doesn't trigger any privacy concerns, chief executive Alaoui said, because it does not record or collect images or videos, but merely provides feedback data on customers' reactions.

But how accurate can it be? What about people with co-called "resting bitch face?"

Alaoui said the technology, developed after the company scanned and analyzed 2.5 million images culled from hundreds of different men and women from five different ethnic groups, four age cohorts, 10 different lighting conditions and 13 different head poses, finds a baseline resting look for each individual by lingering on his or her face for several seconds and registers minute shifts in appearance.

"It might see that the neutral face of this person is anger," Alaoui said.

So resting bitch-faces can rest easy: this technology knows you're probably just bored.

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