

You Can't Always Get What You Want, But If You Try Sometimes You Might Find Technology Gives You What You Need

11/10/2017 13:20

[Dmitry Bagrov](#) Managing Director UK of global technology consultancy DataArt

Whether the retail industry realises it or not, it stands at the forefront of the technology revolution.

One only needs to go to an industry show these days to see that the sheer number of tech firms in attendance trying to sell into that market is staggering. These tech firms, however, are all offering to do the same thing, provide data analytics to retailers about their customers.

This is all aimed at ensuring that people are exposed to more targeted and more effective adverts depending on past behaviour, preferences and what consumers may be interested in buying next. In effect, we have a multitude of companies who I assume make a profit as they still exist, serving up to retailers the answer to the question: "what do my customers want to buy next?"

This is in an attempt to reach what many consider the Holy Grail of retail - to know exactly what an individual wants. Leaving aside the dangers and ethical issues in collating such a huge amount of personal data on people, is this really the right direction for the tech industry to be going?

Retailers naturally want to sell. That is why they exist. On the surface, the collection of data on their customers makes perfect sense: The ability to know what the people they are targeting want should dramatically improve sales.

However, there is something wrong about the basic concept of data collection that is leading retail to a dead-end and, by extension, much of technological development. If all the focus is on giving people what they want *today*, is there any place for innovation? In other words - looking at what they will need tomorrow.

As Henry Ford said: "If I had asked people what they wanted, they would have said faster horses."

From the iPhone (more than 516 million sold) and iPad (more than 68 million sold) to the Rubik's Cube (more than 350 million sold) and the Ford Model T (more than 15 million sold) the great success stories of retail came from innovation. It is what Peter Thiel called the "zero to one" moment, the creation of something that fulfils a need we didn't know we had.

It is the fulfilment of need, not chasing wants that should be driving technology in this sector and all others. Technological development in this area is woefully lacking across all areas.

Take the example of selling 'smart' technology to the hotel industry. There is a multitude of companies offering smart doors, smart blinds, smart everything. All built around the idea of 'isn't this tech cool' while seemingly all offering *basically the same thing*. Except one firm I have come across.

This company started from a customer-centric approach and considered what the hotels they targeted *actually needed*. The answer was to end one of the biggest costs for hotels the world over, with just \$5 of technology. Their solution, an IoT system with motion sensors, timers and the like, stops the flow of water from hotel taps. This may sound like something small, but when a cup dropping into a sink and blocking the drain can lead to flooding that destroys 13 floors and costs millions to repair - as happened at one hotel - and flooding is the biggest damage cost to hotels the world over - it is a solution hotels need. Not shiny, not 'exciting', but needed.

This all poses the question, how do we get out of this blind alley of finding out wants, and get back to servicing needs?

The answer is to bring the person back in. People are not a collection of data points, no matter how much some may wish they were so. They are individuals who possess, as shown by Abraham Maslow, a hierarchy of needs. Rather than finding new and better ways to collect data on their customers, thereby allowing for them to be pushed more things they might want, retailers should find new and better ways to make their customers happy by fulfilling their actual needs.

One example comes immediately to mind: I was recently shopping for a new buggy for my daughter. As any parent will know, there is a monumental amount of choice in this area, with different qualities and price points. However, I only really ever considered one company, John Lewis. While at the more costly end for the type of buggy I wanted, I was happy to spend the extra. From start to finish in buying something and beyond the transaction itself, John Lewis cares about keeping its customers happy. To them, I am an individual that is treated as such, not just a set of data points to sell to.

Putting this kind of personal connection back in, however, does not mean retreating from technology. It means a different approach. Technology can be used to reduce us to data points, or it can be used to bring us closer to each other and as a means to actually fulfil needs all the way up Maslow's hierarchy and even into the self-transcendence that is above it. It is a matter of choice.

We can choose to continue down the path of more and more data, reducing individuals to numbers. Or we can take an approach that puts individuals at the centre and asks first what do they need. In one technologist's humble opinion, the latter is really the only way forward.

Original article can be found here: http://www.huffingtonpost.co.uk/dmitry-bagrov/you-cant-always-get-what-3_b_18229014.html