**WEEK 2: INDEPENDENT ACTIVTIY: DRIVERS OF CHANGE**

Within the FUTURE RETAIL DISRUPTION report, the model upon which the study is based is called the STEIP framework. STEIP represents the macro environmental factors and the changes within each factor, which could potentially impact on the global retail environment.

Within the report, each STEIP factor has been explored, with an analysis of the changes (drivers) which are impacting on the future retail environment, with a focus on consumer mindsets and market trends.

For this activity, please select **ONE** of the five **STEIP factors** examine the related drivers impacting change within the report. (STEIP model below) and select at least 1 driver of change from page 3 of the report, related to the factor selected. *(i.e. Society + Responsible Consumption)*

**P**

The wildcards and disruptions

The drivers dictating the competitive environment

The drivers impacting the health of global retail

The drivers altering consumer behaviour and preferences

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**E**

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The drivers enabling new models, processes and possibilities

SOCIETY

TECHNOLOGY

ECONOMY

INDUSTRY

POLICY

Consider the following;

1. How will the drivers of change translate into the future retail environment?
2. What are the implications for a fashion retailer? How could they adapt in order to facilitate change?
3. Considering the typologies of innovation, how could the selected factor/driver impact product, process and/or business model innovation?
4. What would be the benefits for the consumer? What type of consumer would this change impact on?
5. Are there any potential ‘pain points’ or risks for the fashion retailer? (i.e. increased costs?)
6. Can you identify any fashion retailers who are already adapting to this driver of change within their retail operation? How have they adapted?

Please make notes in preparation for our LIVE online activity on Thursday at 10am

Remember, you are **not required** to analyse all five STEIP factors for the purpose of this activity (*please select 1 factor and at least 1 driver from the list on page 3 of the report*)

However, independently, you may research deeper into other drivers of change, as explored within the report, in preparation for your unit exam.

**STEIP Drivers of Change, taken from page 3 of the report.**

5G Networks Smartphone Proliferation Digital Payment

New Touchpoint Devices AI-powered Retail Blockchain

Retail Automation Smart Manufacturing

Aging Societies Urbanization

Evolution of Households Experince Focus

Health, Wellbeing & Self-care Responsible Consumption Consumer Diversity

Shifting Attention Patterns

Category Spending Shifts Middle Class Erosion City Center Evolution

Rise of New Growth Hubs Addressable Population Growth

Channel Shifts

Supply Chain Flexibility

Delivery Intermediaries as a New

Channel

Buying Group Professionalization Accelerating Innovation Cycles Social Commerce

Direct-to-Consumer Models Cross-border Ecommerce Predictive Commerce

Trade Links Reshaping Changing Regulation Health & Sustainability

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