



2026 STORE OPERATIONS & EXPERIENCE BENCHMARK SURVEY

RETAILERS EMBRACE DIGITAL TOOLS TO NURTURE IN-STORE ENGAGEMENT



INTRODUCTION

When we think about retail technology, we often focus on the architecture needed to support ecommerce, or (inescapably this year) the impact that AI will have on online shopping journeys. And while brick-and-mortar stores have hardly been technology deserts, there's a newfound enthusiasm for tools to support digital engagement in the store, as well as a desire to better tell the brand's story visually.

These were the top **two** store design priorities identified by the **100+** retail decision-makers who participated in the 2026 *Retail TouchPoints Store Design & Experience Benchmark Survey*. Nearly two-thirds (**64%**) of retailer respondents already have implemented digital signage in their stores, and nearly as many (**62%**) are deploying QR codes, a key customer engagement technology.

Other key findings from the survey include:

- Over the next 12 to 24 months, **54%** of retailers will open rotating concept stores (such as shop-in-shops) and **43%** will create product-led experiential concepts as they seek to differentiate themselves and stand out in a crowded marketplace;
- AI already has made significant inroads as an in-store tool, with **43%** of retailers providing AI-powered assistants to employees and **33%** offering them to customers;
- **33%** of retailers have deployed electronic shelf labels (ESLs), with **36%** planning to do so in the next 12 to 24 months, indicating retailers are prepping both for more frequent price changes and are looking for every inch of promotional space within their stores; and
- Rising material costs were cited as the top store design and experience challenge by **67%** of respondents (compared to **57%** in the 2024 *Store Design Benchmark Survey*). While this is a perennial problem in retail operations, it's likely tariffs and other inflationary factors are giving it added urgency this year.

Which of the following store formats do you plan to open over the next 12-24 months?

(Respondents selected all that applied.)

Rotating concepts (shop-in-shops, collab drops, etc.)



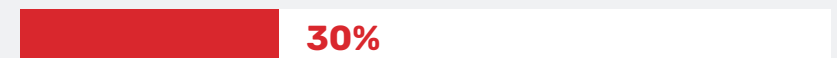
Product-led experiential concepts



Pop-ups



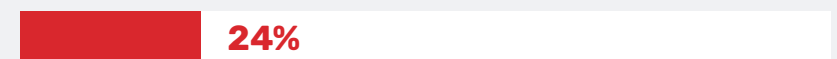
Flagships



Dark stores/fulfillment centers



Hospitality experiences



What are your brand's top store design and engagement priorities in 2026?

Respondents selected their top five choices

Create more opportunities for digital engagement in-store (via digital signage, AR, QR codes, etc.)



Experiment with new, more creative visual methods to tell our brand story



Better integrate technology into the experience for product customization, endless aisle, etc.



Integrate sustainability more into our design plans and material decisions (fixtures, lighting, etc.)



Redesign store exteriors/parking lots to support curbside pickup



Design exclusive/VIP areas to enhance store shopping experience



Create more active, community-driven store experiences via events and activations



Develop designs that support in-store pickup and returns



Find new ways to spotlight brand partners and local organizations



Roll out store designs that allow customers to get in and out quickly (contactless, self-checkout, etc.)



Test new formats such as pop-ups, shop-in-shops or "edutainment" models



Upgrade employee lounges and facilities



Create spaces specifically for services, such as consultations and classes



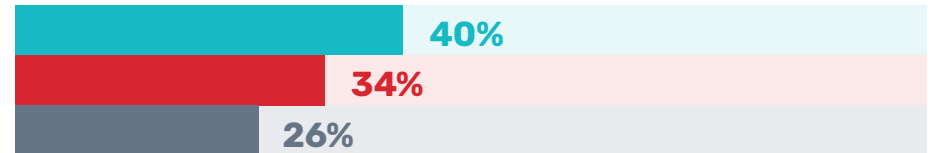
What technologies have you incorporated or plan to incorporate into your in-store experience?

■ Have implemented
 ■ Plan to implement in the next 12-24 months
 ■ No plans to implement

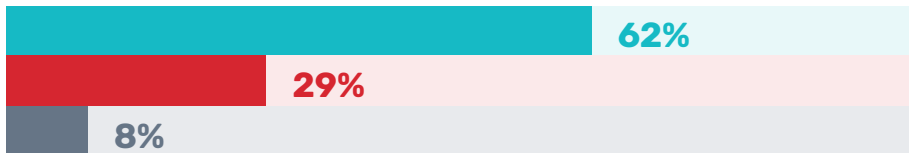
Digital Signage



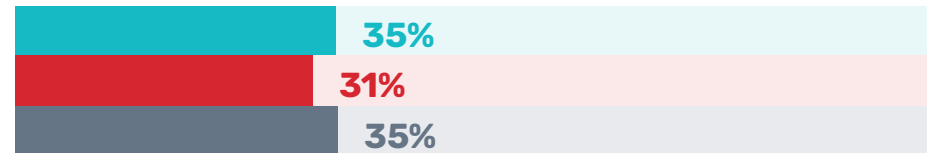
Customer-facing interactive kiosks or devices



QR codes



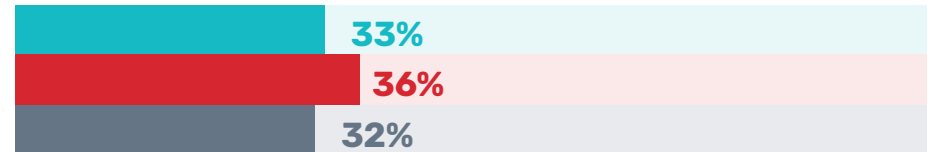
Contactless or "just walk out" checkout



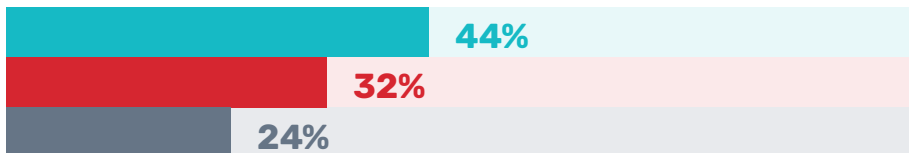
Mobile POS



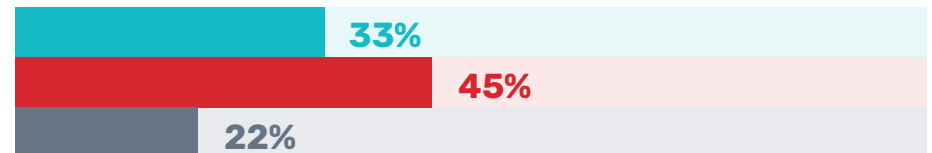
Electronic shelf labels



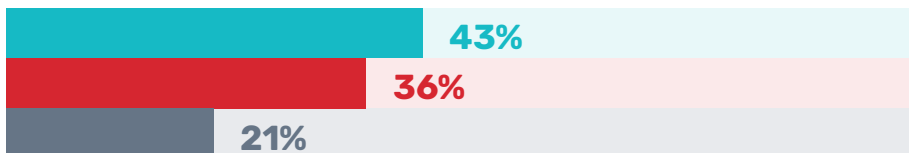
Self-checkout stations



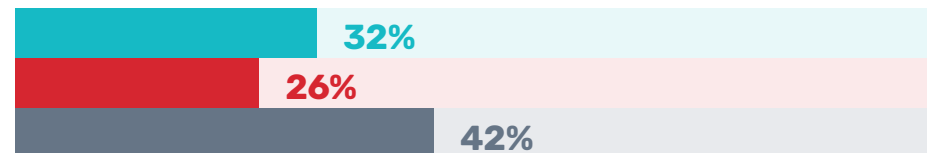
AI assistant for customers



AI assistant for employees



In-store livestreaming/content studios



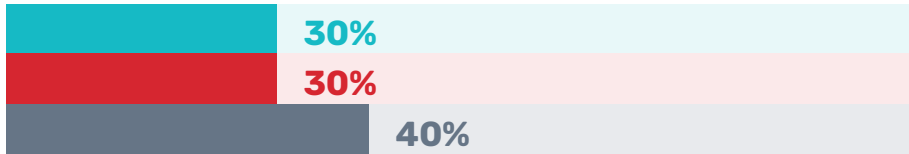
What technologies have you incorporated or plan to incorporate into your in-store experience?

Have implemented

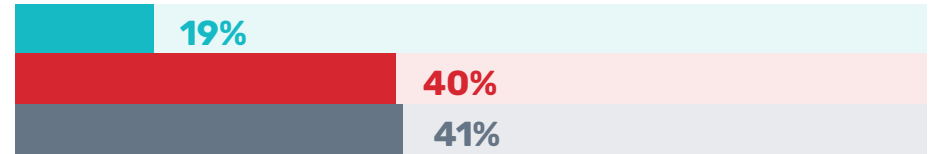
Plan to implement in the next 12-24 months

No plans to implement

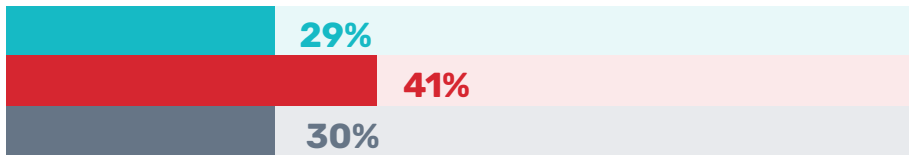
Voice-activated technology



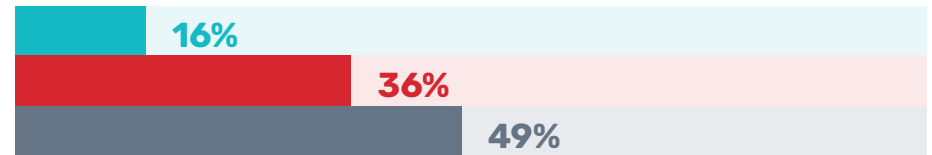
Smart shopping carts



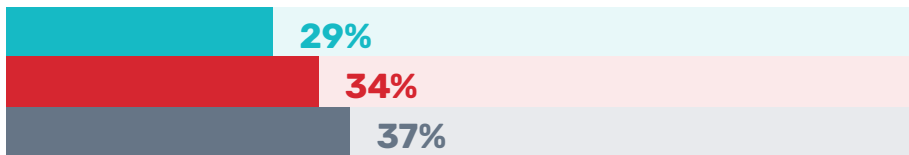
Hands-free/voice-activated communications devices



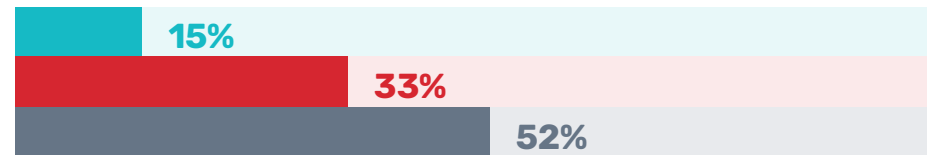
AR/VR



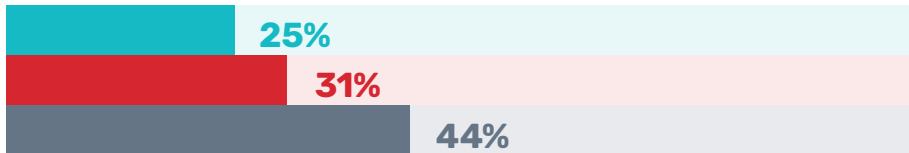
RFID



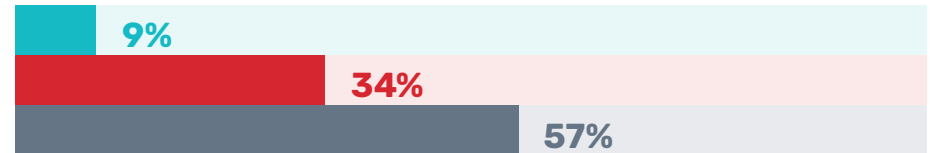
Smart mirrors



Fit technology



Robotics



DIGITAL MEDIA GROWTH CREATES TECH INTEGRATION CHALLENGES

Retail media networks have blossomed over the past several years as merchants sought to leverage their access to consumers, bringing newfound attention to in-store digital signage and other communication vehicles. In fact, digital signage was the top in-store technology choice among survey respondents: **64%** already have implemented it in-store, with **26%** planning to do so in the next 12-24 months. Customer-facing interactive kiosks also have been deployed by **40%** of retailers, with **34%** planning to do so within two years.

However, the rapid growth of retail media has created complexities for store designers: **44%** identified integrating new digital media and technology components as a challenge, second only to rising materials costs (a perennial problem likely exacerbated by tariff turbulence) at **67%**.

Some retailers use partnerships with technology providers to help tackle these integration issues. When supermarket **Hy-Vee** launched its **RedMedia** network, it partnered with Samsung to bring dynamic ads and content into stores through Samsung Connected TVs and Direct Out-of-Home advertising channels.

Kroger has expanded its use of in-store screens to the wine and spirits departments of nearly **600** stores, offering more than just promotions. The displays from Looma deliver storytelling, education and personalized recommendations to customers and delivered category sales growth and improved endcap execution, providing a **2X** to **4X** return on ad spend.

There's also been a decline in the percentage of retailers planning redesigns to areas dedicated to services and appointments: in 2024 they were a priority for **36%** of respondents, but this year that figure has dropped to **29%**. Shopping by appointment became a trend during the COVID epidemic, and while these spaces weren't a fit for all types of retailers, they remain a design priority for a sizeable minority, particularly in high-end retail settings.

What are the top challenges impacting your store design and experience strategies?

(Respondents selected their top three choices.)

Rising cost of materials



Integrating new digital media and technology components



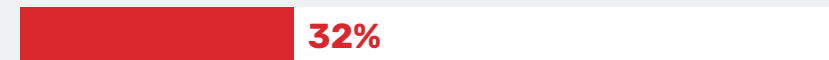
Adapting store experiences to new shopper expectations



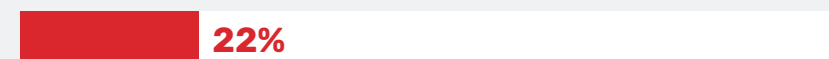
Supply chain delays impacting material deliveries



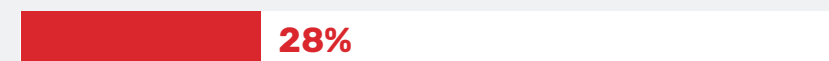
Tighter store design budgets



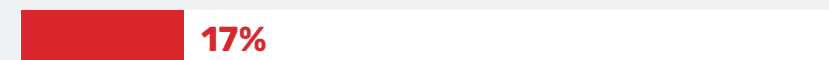
Keeping pace with new corporate sustainability goals and mandates



Collaborating with new/more team members across the business to support new models (in-store retail media, etc.)



Getting executive buy-in for new concepts and investments



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What areas of the store have you focused on rethinking and redesigning over the past year?

(Respondents selected all that applied.)

Front of house (checkout, BOPIS pickup area, etc.)



Store floor/product display area



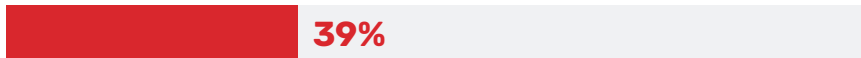
Fixtures/merchandising strategy



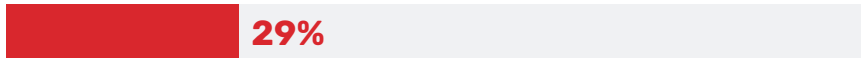
Exterior (including parking lots and curbside stations)



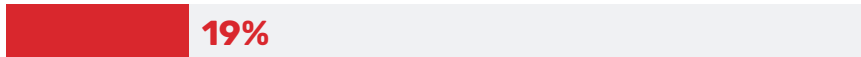
Stock room/back-of-house space



Areas dedicated to services and appointments

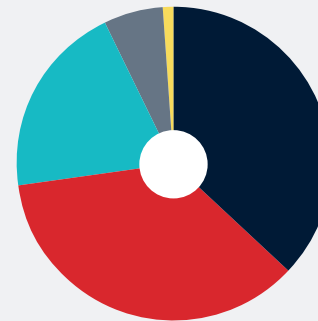


Fitting rooms



Fortunately, retailers seem to have enough budgetary support for their store design and operations mandates, if past trends continue. Between 2024 and 2025, **37%** of respondents' store operations budgets increased slightly, and nearly as many, **36%**, said it increased significantly.

How did your store operations budgets change between 2024 and 2025?



- 37%** Increased slightly
- 36%** Increased significantly
- 20%** Stayed the same
- 6%** Decreased slightly
- 1%** Decreased significantly



4 WAYS TO LOWER YOUR RETAIL SUPPLIES BUDGET

By **Jordan Sallusti**, VP, Business Development & Marketing, Bunzl Retail Services

As any retail finance or operations expert knows, a sound strategic plan and budget is imperative to success. These four tips below help illuminate inefficiencies and common mistakes in the retail budgeting process.

1. Account for Human Error

One area that can impact your budget is incorrect estimates by your team. Are your budgets relying too heavily on goals that may be unrealistic? Is the most reliable historical data being referenced?

There are also instances where operations or purchasing teams don't fully trust software estimates and may favor their own intuition. If the majority of your team is rounding up and overestimating, your company could end up with wasted product and lost revenue. Talk openly with your broader teams for insight into issues like this and work together to make a realistic budget that everyone feels good about.

2. Cut Down on Waste and Unused Materials

Start by conducting a waste audit and then review where you may have unused materials and excess inventory. Perhaps there are redundancies among products and situations where one inclusive product could do the job in place of two.

Packaging waste can often be a large drain on budgets. Consider if your operations team could use less filler or no filler, smaller boxes, or recycle or reuse boxes.

Gathering intel to order the correct quantities to avoid overage or waste requires input from broad teams from different departments.





3. Accurately Track all Costs

Unused or duplicated services are another common budget suck, especially at large companies that analyze costs separately or that are working in a silo. Look at whether your retail operations budget includes services, products, subscriptions or software that aren't used or if you are paying for unnecessary users, etc.

Another common error in retail budgeting is not fully capturing the cost of damaged goods and the full-cycle implications: disposing of broken goods, reshipping, repackaging, customer service time, insurance, etc.

It's been reported that the cost to reship a damaged item is **17X** more than the original cost, according to PMMI.org.

4. Consolidate Your Services

Make a comprehensive list of your vendors and services and see where there is overlap.

Creating consistencies among all stores to reel in wildcat spending from management is another important area in cost savings for retail.

Look into consolidating your vendors, your services, your operations supplies and/or your shipping. Can you get your retail signage from the same company as your janitorial supplies? Could you order larger quantities and receive fewer shipments at a lower cost?

A partner like Bunzl Retail Services can manage all your retail supplies along with packaging, visual merchandising and even distribution.

Check out our [Spend Audit Calculator](#) here.



SCHEDULING, TRAINING AND MANAGING EMPLOYEES REMAIN KEY OPERATIONAL CHALLENGES

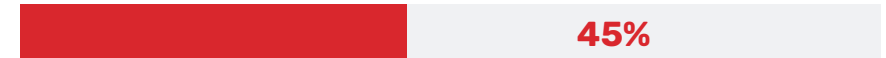
High employee turnover rates have presented a challenge to retailers for decades, but the multiplicity of tasks retail employees are asked to perform today is ratcheting up the pressure. Hiring and retaining associates is a major concern for **42%** of retailers, second only to inventory management, at **45%**. Employee training and engagement is an issue for **38%** of retailers, while employee scheduling presents a problem for only **25%** of retailers.

A growing number of retailers recognize the vital importance of employee training, engagement and encouragement, notably **Zumiez**, which uses a combination of education, incentives, recognition and company events to motivate and support associates.

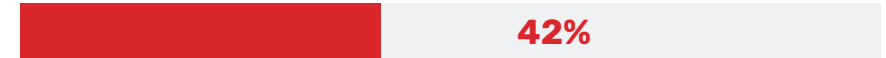
What are your top store operations challenges?

(Respondents selected their top three choices.)

Inventory management



Hiring and retaining associates



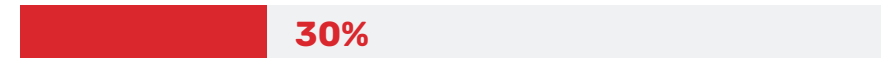
Product merchandising



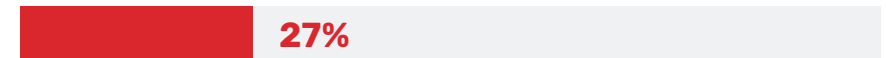
Employee training/engagement



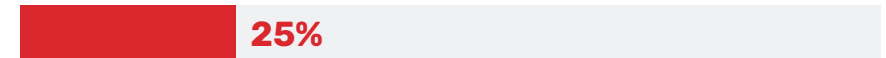
Minimizing theft/shrink



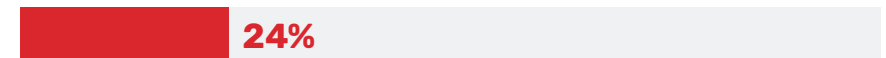
Managing product returns



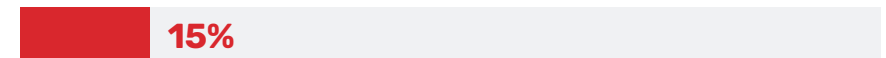
Managing buy online, pick up in-store (BOPIS) operations



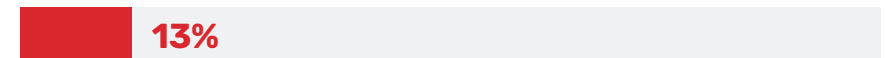
Employee scheduling



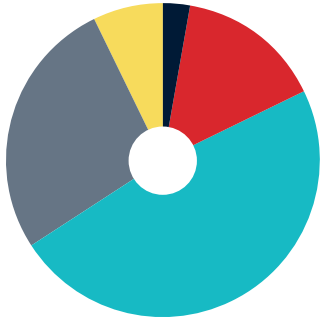
Managing curbside pickup operations



Maintaining safety protocols



How has your employee turnover rate changed over the past 18 months?



- 3% Decreased significantly
- 15% Decreased slightly
- 48% Stayed about the same
- 27% Increased slightly
- 7% Increased significantly

The survey indicates that while employee turnover for the bulk (**48%**) of retailer respondents remained the same over the past 18 months, more than one-quarter (**27%**) reported a slight increase, compared to **15%** who said turnover decreased slightly. Retailers that want to maintain smooth operations in today's tech-heavy stores should make every effort to retain their best employees, offering career paths that encourage them to stay with the company.

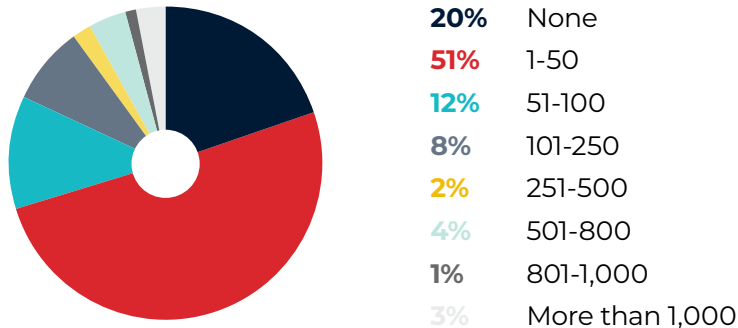


RETAILERS BULLISH ON BUILDING UP THEIR FLEETS

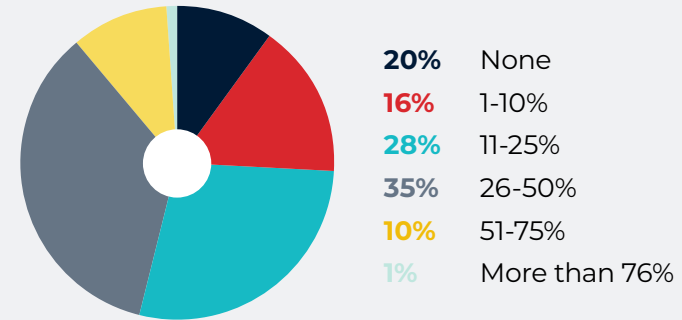
Looking at the coming **two** years, retailers seem to be in a brick-and-mortar expansion mode: **51%** are planning to add up to **50** stores to their fleet by the end of 2028, with another **12%** adding **51** to **100** new sites.

There's also a strong appetite for store renovations in this time frame: **28%** plan to renovate or remodel **11% to 25%** of their store fleet, and an even larger group, **35%**, plan to renovate or remodel **26% to 50%** of their fleet by 2028.

How many new stores does your company plan to open through 2028?



What percentage of your store fleet do you plan to remodel/renovate through 2028?



Any store construction or operations decisions will depend on accurate store performance data. Ideally, this data indicates not only how a store is doing but where it's excelling (and where it's falling short) — actionable data that can be used to either replicate good results or address poor ones. To accomplish this, retailers are relying on a wider set of metrics, moving beyond the bottom-line basics of year-over-year revenue increases (identified as effective by **53%** of respondents) and in-store conversion rates (**36%**).

Notably, **28%** are now using online-to-store conversion rates, a recognition of the many touch points consumers interact with before finally making a purchase. Additionally, retailers are using “soft” metrics such as employee satisfaction surveys (**22%**) as well as reviews and comments left on social channels or the company's website (**18%** and **17%** respectively).



What are your most effective ways to measure store performance?

(Respondents selected their top three choices.)

Increase in year-over-year store revenue



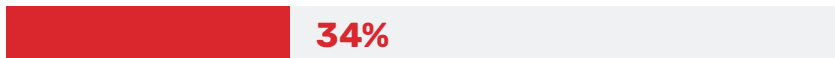
Foot traffic



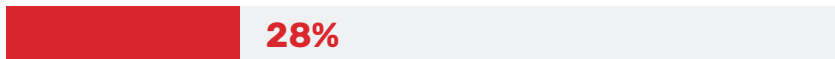
In-store conversion rates



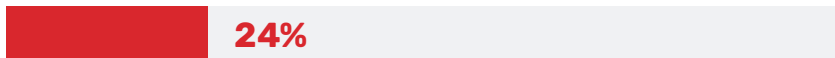
Customer satisfaction surveys



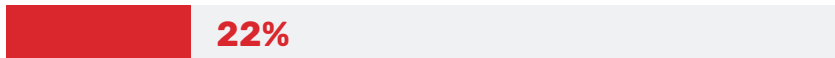
Online-to-store conversion rates



Same-store sales



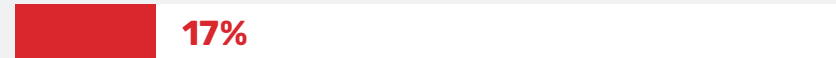
Employee satisfaction surveys



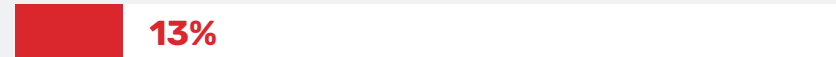
Reviews/comments on social channels



Reviews/comments on company website or via email



Amount of breakage and/or loss



Dwell time in aisles/overall store



Call center queries

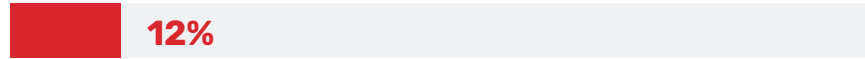


SURVEY DEMOGRAPHICS

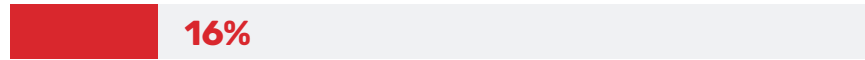
The 2026 Retail TouchPoints Store Design & Experience Benchmark Survey was conducted in February 2026, with **107** retail decision-makers responding.

Retail Vertical

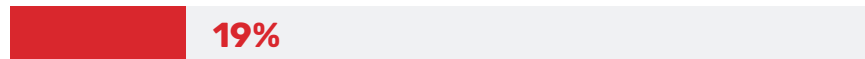
Special hardgoods



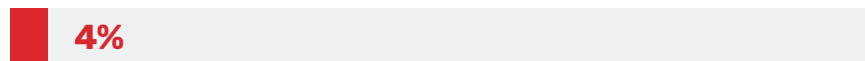
Specialty softgoods



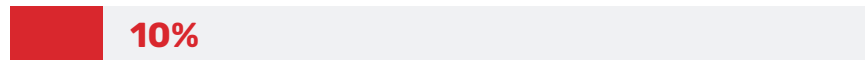
Big box



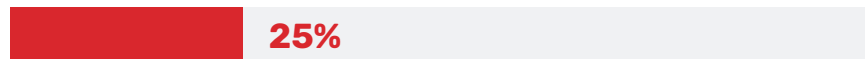
Convenience store



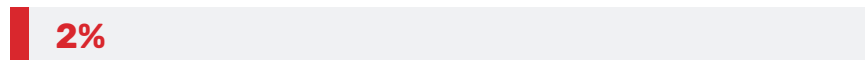
Supermarket/grocery



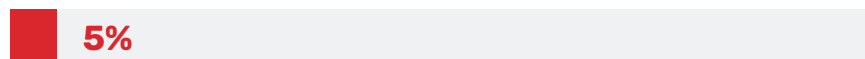
Department store



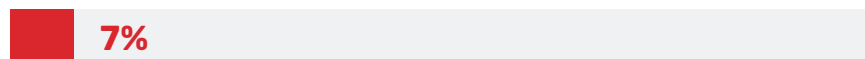
Office supplies



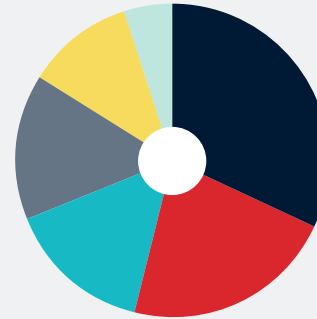
Electronics



Other

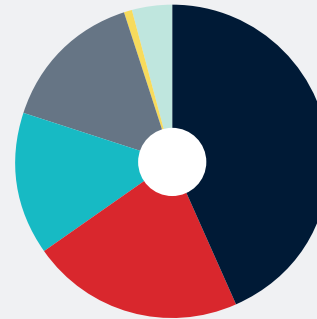


Company Revenue



- 32%** Less than \$50 million
- 22%** \$50 million-\$100 million
- 15%** \$100 million-\$500 million
- 15%** \$500 million-\$1 billion
- 11%** \$1 billion-\$5 billion
- 5%** More than \$5 billion

Store Count



- 44%** 0-20
- 22%** 21-100
- 15%** 101-1,000
- 15%** 1,001-10,000
- 1%** 10,001-15,000
- 4%** More than 15,000



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Bunzl Retail Services (BRS) brings together three trusted brands: Bunzl Retail Services, Keenpac, and CTC to serve the retail industry.

Trusted by major retailers globally, we provide sustainably sourced, competitively priced retail supplies to help optimize retail operations. Our services include store-level supply fulfillment, kitting, consolidation, new store and remodel programs, custom packaging, and visual decor.

Each distribution program is tailored to the retailer's needs, featuring a customized product catalog and an ordering portal with budget controls and reporting. Our offerings span janitorial and cleaning supplies, safety equipment, PPE, office and backroom essentials, custom packaging and visual decor. With over 100 years of experience and backed by Bunzl plc, we help retailers operate more efficiently, reduce complexity, and stay retail-ready.



Retail TouchPoints gives all members of the retail world access to a vibrant community that combines insights, inspiration and opportunities to interact with their peers. We sit at the intersection of the art and science of retail strategy, providing granular data, high-value commentary, and aspirational success stories to help readers optimize customer experiences across all channels. Touching all facets of the retail ecosystem, including store experience and design, workforce management, digital marketing and engagement, and omnichannel optimization, our editorial content, multi-media resources and events take timely news and trends and transform them into tactical takeaways that meet the unique needs and priorities of our executive readers.

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ABOUT THE AUTHOR

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Avid theater-goer, intrepid journalist and grammar nag. There's always something new to learn about retail technology.