

How Covid-19 and new technologies are changing the face of retail

In the text below, [Ondřej Párpel](#), CEO of OPT OnDemand, one of the largest European providers of on-demand print and fulfilment services to wholesale and retail merchandising firms worldwide, outlines his predictions for changes and expected developments in the print on demand and e-commerce fulfillment/retail sectors in the coming years.

Below are a few top trends he feels will be critical to how the market evolves.

Covid will shake up the labor market

During the past few years in the Czech Republic and neighboring countries it has been difficult to find skilled labor thanks to low unemployment levels. Now, during the pandemic when certain industries have been hit hard by different restrictions and drops in consumer demand, some people have lost (or will lose) their jobs in those sectors. But they also have the opportunity to find work in other fields. While industries like gastronomy (restaurants), tourism, culture, services and traditional retail have lost revenues due to limited demand and restrictions, e-commerce (online retail) is experiencing a boom in almost all segments and categories. That is why this year, I expect a big shift of workers from the hardest-hit fields to online service and e-commerce. Alongside that, you will see more companies invest in employee development and requalification. I have seen that our government through its labor and other ministries, through associations and civic groups, is already offering various support programs for re-training employees with the aim of boosting their qualifications and adaptability. The role of technology in work processes will grow dramatically and workers who are not able to adapt to digitalization and new work procedures will have a tough time in the future securing highly-qualified roles.

Will people run machines or vice versa?

In our business of print on demand and fulfillment, we anticipate big investments into automation and information technologies in general. Everything that can be automated, run or controlled using machines or online applications will be managed in that way. At present, this is already the case for production process planning and warehouse and inventory management. Today, a typical case is the pickers systems used by companies like Amazon. Thanks to robots, when you are in warehouses using this type of system, the goods come to you, as opposed to you going after them. On one hand more and more routine, manual labor previously done by humans will now be done using technologies, while on the other hand, companies will have a huge demand for people who can program and run those systems and technologies. They will be looking for coders, developers, system architects, etc. and also for people who can work with the newly-designed systems.

The biggest impact in this area will come from the increased adoption of the Direct to Consumer (D2C) sales principle, where businesses sell directly to the customer (while circumventing traditional retail channels like stores). Our business will move to a hybrid

production model and systems will launch to handle pre-made orders, where at our production sites we will know in advance (or at least have an idea) and predict what consumers want. Customers will be able to choose goods via an online e-shop, their social media, or any other online channel and we will then just tailor the goods to their needs and send them directly to the customer. On the back-end this, we will have a set-up where we keep goods on-site in our warehouses and react to demand in real-time. So, under one roof, we will operate a printshop, warehouse and logistics center.

Throughout this process, we will increasingly rely on artificial intelligence (AI) that will tell us how to plan and manage production as efficiently as possible (i.e. what print method to use for a given order, how to package it, which shipping partner to use, etc.).

The War on Returned Goods

In the next two years, we will see major shifts in production processes for textile printing (or working with textiles). Market players will begin to use more technologies that help design products tailor-made for customers. For example, using lasers as part of cut-and-saw production, we will be able to better cut and model t-shirts, shirts, any type of clothing so that it better fits the customer's body. You can also achieve a similar result using textile welding processes which will possibly, within two or three years, replace traditional sewing processes thanks to new types of fabrics available. Our technological partners have also invested in technologies for body scanning. This works such that a customer takes a snapshot (scan) of their body prior to ordering a particular good online. They then get feedback on how the product will fit them. The application creates a personal avatar that will tell and show you how the sleeves fall or fit, whether they end at your wrist or hang down to your fingers. Or it will tell you if a t-shirt fits too snugly when you lift your arms. All these technological aides will lead to better-run production processes and significant drops in the amount or share of clothing returns to online stores (currently, businesses in this segment estimate that return rates are around 50%). If customers know prior to purchasing clothing online how the article of clothing will fit and look on them, then they will not have to return so many goods and businesses will not have to send or re-deliver replacement goods to customers. This means massive savings for the clothing e-tail industry.

The move to online, on demand services will create new work and opportunities for artists and creatives

Even prior to Covid, collaboration between online retail (e-shops) and creative or artistic communities was growing. I see a lot of new opportunities here for artists, influencers, hobbyists and other creative people who have interesting skills and talents and are looking for ways to earn money in these uncertain times. A number of online businesses and platforms like Teespring, Red Bubble, Motefe or Threadless have global operations where creative artists and individuals have the option to make their own designs, images, motifs or ideas for t-shirts and other garments. Then, thanks to on demand production, platforms like those mentioned can produce, and those artists can then sell, their unique goods to customers from all over the world either directly or through e-shops run by those businesses and platforms. In this model, the artist or influencer acts more or less as a creative element (a person with a specific creative design or idea) that they submit (upload online) to the platform run by the

given business partner who produces/prints the end product. Then "all" the artists/creatives have to do is use their network of contacts and their communications channels to carry out subsequent marketing. The business partner (who runs the online/virtual e-shop) will produce and distribute the goods to their customers: but only after an actual order has been sent to the given e-shop, after which the designer/artist gets their share of earnings from the sale(s). In roughly 5 minutes, anyone can literally become a global online entrepreneur.

Links:

Teespring (video):

[Teespring | Discover. Create. Spring. - YouTube](#)

Merch video: [Teespring na Instagramu: „Welcome to Teespring's digital revolution...🔥📱 Incorporate the world of digital products and content into your merch line with our brand...“](#)

Insta: [Teespring \(@teespring\) • Fotky a videa na Instagramu](#)

Red Bubble

Blog: [Redbubble Blog » Uncommon Designs by Independent Artists Everywhere](#)

Insta: [Redbubble \(@redbubble\) • Fotky a videa na Instagramu](#)

Threadless:

Company profile: [We're awesome people from all over the world who make mind-blowing art. \(threadless.com\)](#)

Blog: [Tragic Girls: A Spotlight on Tragic Girls Artwork | Threadless Threadless 20th Anniversary Design Challenge Winners](#)

Moteefe:

Insta: [Moteefe \(@moteefe\) • Fotky a videa na Instagramu](#)

[Moteefe na Instagramu: „In this episode of the 'Meet The Team' series, we'll meet Olivier Stapylton-Smith, COO at Moteefe.“](#)

About OPT OnDemand

The Czech company OPT OnDemand is a leading European provider of on-demand print fulfilment services for partners and markets around the globe. The company of almost 200 employees provides print fulfilment services to direct clients and partners from the United States, the UK, Germany, France, and the Czech Republic. The company provides full service logistics for the entire print production process; including supply of materials, design, printing, transport and distribution logistics, as well as warehousing services. OPT OnDemand partners with some of the world's most renowned fulfilment companies such as Gooten, Moteefe, Printify and Zazzle, and through other companies it has supplied merchandise for global brand franchises such as Marvel, Disney, Star Wars, and Warner Bros. or commercial product brands like Harley Davidson and Jack Daniel's. It has also supplied promo merchandise for the world's most famous bands: KISS, Iron Maiden, Rolling Stones, etc. and pop singers or online influencers: Justin Bieber, Selena Gomez, and PewDiePie. For more information visit: www.optondemand.com.

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Press contacts:

Brady Clough, Southpaw Productions s.r.o., email: clough@southpawpro.cz; mobile: +420 777 723 599; Ondřej Hampl, Southpaw Productions s.r.o., email: ondrej.hampl@accedogroup.com, mobile: +420 775 132 199