What is Web3 and
How Will It Impact My Retail Business?

For every new technological development, a world of opportunities becomes available to businesses around the world. The age of the internet has profoundly changed the retail environment. And with every new development, businesses have the chance to gain an edge over the competition. Web3 for retail business may have that impact on your company.

But what is Web3 for retail? How does Web3 work? And will it change the outcome for my business?

What is Web3?

Advertised as a turning point for how business is conducted on the internet, Web3 is the successor to Web2.0 which is the current standard.

Put simply, Web3 is a blockchain-type of internet that is decentralized. In other words, the blockchain runs in a contrary way compared to the centralized structure of standard internet. The main advantage of Web3 for retail businesses is the security it provides. As of 2021, 81 of the top 100 companies use blockchain technology.

Because blockchain technology is decentralized, it enhances security in terms of protecting information for businesses and especially the customer.

By keeping the data stored in crypto wallets instead of with central organizations, it improves data protection to a far greater degree. The result is that a blockchain solves one of the most concerning issues that the standard internet suffers from, a breakdown in security.

Advantages

Currently, Web3 for retail companies is still in development. But the potential benefits are still considerable once it goes online. This includes the following advantages.

More Robust Supply Chain: For business owners, fully understanding their supply chain issues can be quite challenging. In fact, 57% have serious issues with seeing across their supply chain.

No Third Party: It can be quite difficult for business owners to find the time to collect their own data. It is why data-mining companies have become quite popular despite being rather expensive. In addition, even the best data mining companies are not all that accurate.

The blockchain approach of Web3 forgoes the need for any third parties to be involved. With P2P connections available and systems that are decentralized being the focal point of how Web3 operates, this means that customers come into direct contact with businesses that operate with We3 for retail.

Consumer Trust: Perhaps the strongest benefit is the trust that comes with using blockchain technology. With no third parties mining their data and using it to earn money, customers will have fewer reasons not to trust a business that operates using Web3 for retail.

This means greater transparency for how the business operates which in turn builds trust among its customers. And loyal customers mean more repeat business. Of course, the business that uses Web3 will still have to engage with its customers and provide good products and services, but the removal of third parties will enhance the trust factor.

Greater Cyber Security: As mentioned before, the blockchain structure enhances security. For business owners, the fear of having the private information they store about customers being hacked is considerable. Especially with the fines that are involved when that occurs.

Better Overall Transactions: Put simply, the better the experience for the customer, the better for the business. When you consider that [63% of digital marketers](#) face difficulties with creating a good experience for their customers using conventional transaction methods, Web3 offers a way around that hurdle.

Another important statistic is that [nearly half of customers](#) respond to businesses that focus on personal communication. And that means greater profit in the long term which sustains the business.

Disadvantages

There are relatively few issues with Web3 for retail. Blockchain technology is not new, but it is still growing which means that most of the concerns that business owners have are founded in unfamiliarity and not their personal experience.

Uncertainty: Perhaps the biggest drawback is the lack of knowledge of how Web3 works. And not knowing means that many business owners will be hesitant to jump on this opportunity.

That is understandable, but as with any new technology or approach, that all changes once someone of note takes a chance. In other words, when someone does take the plunge and succeeds, others will follow.

Decentralization: Because blockchain technology operates on a decentralized platform, this means less overall control compared to traditional centralized versions. This may cause some concern for business owners, but this is really a strong advantage in disguise.

By using blockchain technology, you are creating more transparency for the transaction which builds trust with the customer. Plus, you do not need to expend efforts on data mining.

How Web3 for Retail Changes the Dynamic

For business owners, blockchain technology has been on the radar for quite some time. The advent of cyber currency made many aware of the technology, but now it is expanding and being employed in different areas of the internet.

Perhaps it's not surprising that many businesses will continue to run their retail efforts in the same way. Especially given the uncertain economic times which makes change a more concerning proposition. But change is the key to growth and without embracing change that has far more positive benefits than issues, many businesses will be left behind.

Web3 for retail business represents the future of customer interaction. The security and trust that is built by using this system translates into greater sales for businesses and a better experience for consumers.

However, there is a learning curve with blockchain technology as many business owners are still not familiar with how it operates. But this does not require a heavy investment of time or effort to master what is a user-friendly system for consumers. This does mean that business owners will have to keep up with the latest trends and employ new methods that work best for themselves and their customers.

And that means the speed of innovation in terms of the internet is growing faster. Today, the large companies which have the resources to invest in future technologies are doing so at a faster pace. To keep up, business owners will have to become informed of what new options are becoming available, such as Web3 for retail, and employ what is needed for them to survive and thrive.

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About the Author:

Elias Amash, President of GRIP, is an industry veteran with more than 30 years of experience in global sourcing, manufacturing, distribution, retail merchandising, fulfillment, marketing, technology, and operations. He is a trusted partner to hundreds of retailers and has "leveled up" the industry with GRIP's undying commitment to offering only the highest levels of service to its customers. Amash has published several books: 8 Skills That Pay Off Forever, The Top 10 Most Important Lessons, The Retail Advantage: How to Win the War with Amazon, Retail Survival: Who Lives, Who Dies and Why, The 50 Most Important Lessons in Life, The Future of Retail, Importing from

China: The Good, The Bad, and The Ugly, and 101 Bright Ideas: Winning Tactics to Increase Retail Sales.

About GRIP:

GRIP was incorporated by Charles Amash in 1980 and has grown into one of the nation's top suppliers of innovative products to the retail industry. Located just south of Grand Rapids, Michigan, GRIP features a 200,000 sq ft state of the art warehouse facility including a 2,000 sq ft product showroom. GRIP carries a product line of over 1,000 specialty tools, tarps, automotive, cargo control, cleaning, LED lighting, magnetics, outdoors, household items, impulse and general merchandise. GRIP has a proven track record of excellence in supplying retail clients with innovative products, timely fulfillment, and world-class customer support. At GRIP, everything is about earning your business...one customer at a time. It's about building relationships and fostering business partnerships that will last long into the future. Our goal is to have Customers for Life. The future at GRIP is exciting and we're hoping that you can be a part of it as one of our many Customers for Life.

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