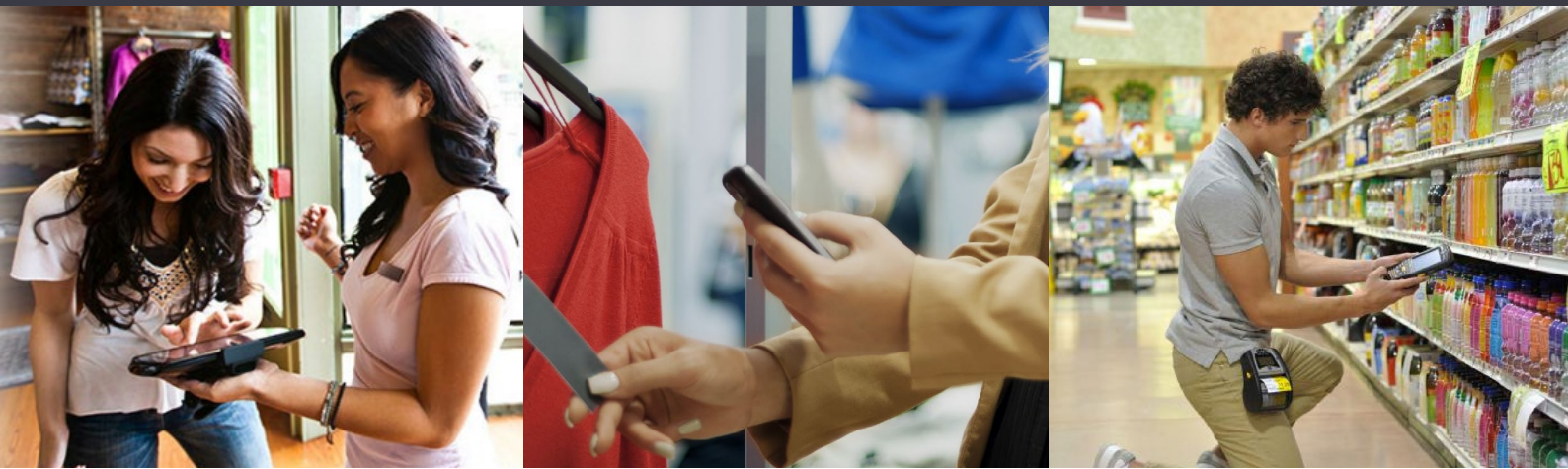
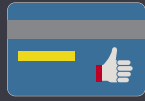


RETAIL IN 2020

HOW RETAILERS CAN MEET CHANGING CUSTOMER EXPECTATIONS AS THE RETAIL LANDSCAPE SHIFTS TOWARDS DIGITISATION



The retail landscape is set to change more in the next five years than it has in the last 50. Retailers need to meet the expectations of a new generation of fully digitally enabled customers who shop and engage with brands in a new way:



Timing is critical – individuals know when they want to shop, and how, and will pay more to get the right product at the right time.



Expectations are high – consumer technologies such as price checking and merchandise comparison have changed purchasing habits; consumers are brand shopping on price per quality or price per volume.



Loyalty is low – online shopping and price comparison has undermined traditional loyalty methods, availability and convenience are now king.

At the same time, the complexity of retailing across multiple channels has to be addressed – retailers cannot continue with the same cost model. Reducing wastage and improving logistics to enable click & collect and home delivery are essential if retailers are to profitably meet the demands of the 2020 consumers.

RETAILERS NEED TO MAKE SIGNIFICANT CHANGES AT EVERY STAGE OF THE PROCESS, FROM MERCHANDISING AND LOGISTICS, TO THE IN-STORE EXPERIENCE IF THEY WISH TO RETAIN AND ENGAGE THIS NEW CUSTOMER BASE.



RETAIL IN 2020



BUSINESS TRANSFORMATION HIGHLIGHTS

There is a raft of technology now available that can improve every aspect of the retail process, from efficiency to customer experience.

ENGAGEMENT

- > Near field technologies such as Bluetooth beaconing can transform in-store engagement, enabling store associates to prioritise sales activity, such as focusing on those customers looking at high value items.
- > Mobile technology and end to end supply chain visibility can empower store associates to deliver new levels of customer service and engagement, from increased personalisation to improved convenience.
- > Consistent promotion management can be achieved across every channel – linking merchandise availability with promotions will be key in delivering a coherent brand experience and avoiding customer disappointment.
- > Membership style loyalty schemes can enable retailers to immediately create a personalised, tailored in-store experience. Value-added perks and discounts can be used to encourage customers to buy into their brand or links to self-scanners can be leveraged to flag allergens to consumers as they load their basket.
- > Shelf management is becoming critical to engagement; on demand data and print outputs have transformed the ease and efficiency of edge labelling improving merchandising detail, promotions and stocking levels.

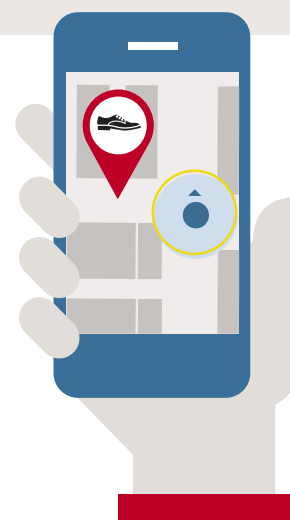
EFFICIENCY

Barcode and RFID tracking and warehouse management will deliver the flawless fulfilment required to meet customer demands while remaining profitable.

Internet of Things (IoT) technology will help retailers better understand and manage individual stores by tracking customers through the browse and purchase process.

Reducing wastage through improved inventory management will drive down costs whilst also improving stock availability to customers.

Smart retailing is enabling retailers with brick and mortar store estates to make each store's inventory available to all, further enabling the click and collect experience.





RETAIL IN 2020



TOMORROW'S STORE

In order to succeed in 2020, brands will have to find a way of engaging Generations X, Y and Z. These digitally enabled consumers prioritise availability and experience over price; they are well informed and expect stores and store associates to offer a far more engaging experience.

By 2020:

- Analytics will be used in-store to track footfall, optimise store layout and closely align online and in-store promotions.
- Visibility will become the 2020 watch word of retail strategy. Stage and gate strategies with barcode, RFID and other locationing technologies enabling incremental asset and merchandise tracking.
- Sensory technology will be used to influence shoppers and manage merchandise.
- Stores will embrace showrooming by offering innovative in-store experiences plus real-time, any place fulfilment.

At the heart of the new in-store experience will be a store associate empowered and enabled to become a brand advocate – akin to Apples Geniuses or O2 Gurus. Automated sales processes, mobile payments and real time access to the entire merchandise range will enable associates to build strong customer relationships.

TECHNOLOGY OPPORTUNITIES FOR RETAILERS

Empowering associates to answer customer queries quickly and accurately with access to real-time information will improve efficiency, enhance fulfilment and deliver better customer service.

- Deploy a staff communications solution, like [Zebra's Workforce Connect](#) software, that can connect stores and distribution centres with integrated voice and data across devices and networks.
- [Enterprise-grade handheld devices](#) will ensure staff have access to product information, real-time inventory status and be able to take payment anywhere in-store.
- Empower customers to access this information in-store with [interactive kiosks](#) and guest WiFi via a secure, stable [wireless network](#).



STAFF COMMUNICATIONS
SOLUTION



ENTERPRISE-GRADE
HANDHELD DEVICES



STABLE WIRELESS NETWORK



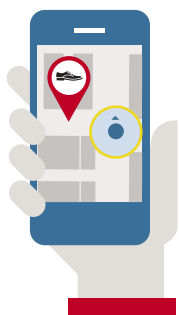
RETAIL IN 2020



PERSONALISATION SYNERGY

Generations X, Y and Z expect both value and convenience from every retailer. Differentiation increasingly demands a new level of highly personal, highly relevant engagement. These consumers are focused on brand not channel – they expect the same experience in-store, online and via mobile.

- By 2020 analytics will have delivered new levels of customer insight and understanding to drive more relevant, targeted and timely messaging.
- Beacon and mobile technology will transform the in-store experience, enabling retailers to capture vital customer behaviour insight that can be used to deliver a truly personalised experience and encourage customers to buy into the brand.
- IoT will help to make stores smarter and more connected. Sharing this data with customers creates openness and a sense of ownership/belonging.



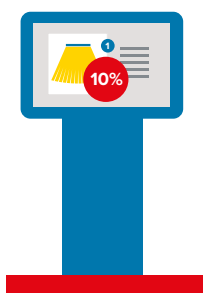
MOBILE MARKETING SOLUTION



LOYALTY TECHNOLOGY



STABLE WIRELESS NETWORK



SELF-SERVICE KIOSKS

TECHNOLOGY OPPORTUNITIES FOR RETAILERS

With technology like beacons, Bluetooth and WiFi, retailers can market directly to customers in-store.

- Using an app to link the home and store journey and guest WiFi, retailers can personalise the in-store service, identifying what a particular customer is looking for and then helping them find exactly what they need, perhaps even sending a one-off deal for that product direct to their phone. A solution like the [MPact Platform for Mobile Marketing](#) will enable you to tailor the shopping experience to your customer while also giving you access to detailed analytics and insight.
- Empowering customers to find their way around the store, look-up product information, call an associate and [print coupons using self-service kiosks](#), store-provided [mobile devices](#) and [printers](#).
- A [stable guest WiFi network](#) will enable customers to post reviews and promote the brand on social channels while still in-store, thereby engaging customers wanting to create their own content about the brand.
- Truly engaging brand experiences can even be delivered by linking loyalty cards to self-scanners to flag allergens to consumers as they shop.



RETAIL IN 2020

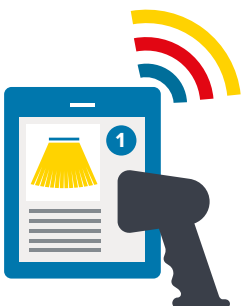


FLAWLESS FULFILMENT

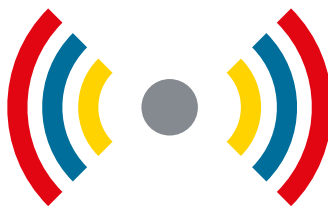
Choice of delivery location is becoming ever more important to customers. As the Zebra 2015 European Shopper Survey revealed, customers also want to know immediately whether a product is available - with 77.7% saying a designated delivery time is important.

This demand for more accessible delivery options offers great opportunities for retailers but only if the current disconnect between customer expectations and retailers' capabilities is addressed.

- Customers increasingly expect delivery to be quick, reliable and free - although they will pay for premium services such as Amazon Prime Now, one-hour delivery or the Instacart shopping service.
- Click and collect options need to improve and offer customers more choice – from retailers joining forces to offer new delivery locations to better, faster in-store fulfilment.
- One-click to no-click – IoT will enable at-home replenishment to become commonplace, extending the 'standard' grocery list model towards the automated creation of orders by intelligent household devices and the use of in-home self-scanning technologies.
- New methods of fulfilment for click and collect will evolve, from pick up inside store, to pick up in the carpark, to pick up at an external location such as a railway station. While fulfilment method is often influenced by merchandise type, the primary objective is always consumer convenience.



INVENTORY MANAGEMENT
SOLUTIONS



RFID AND TRACKING

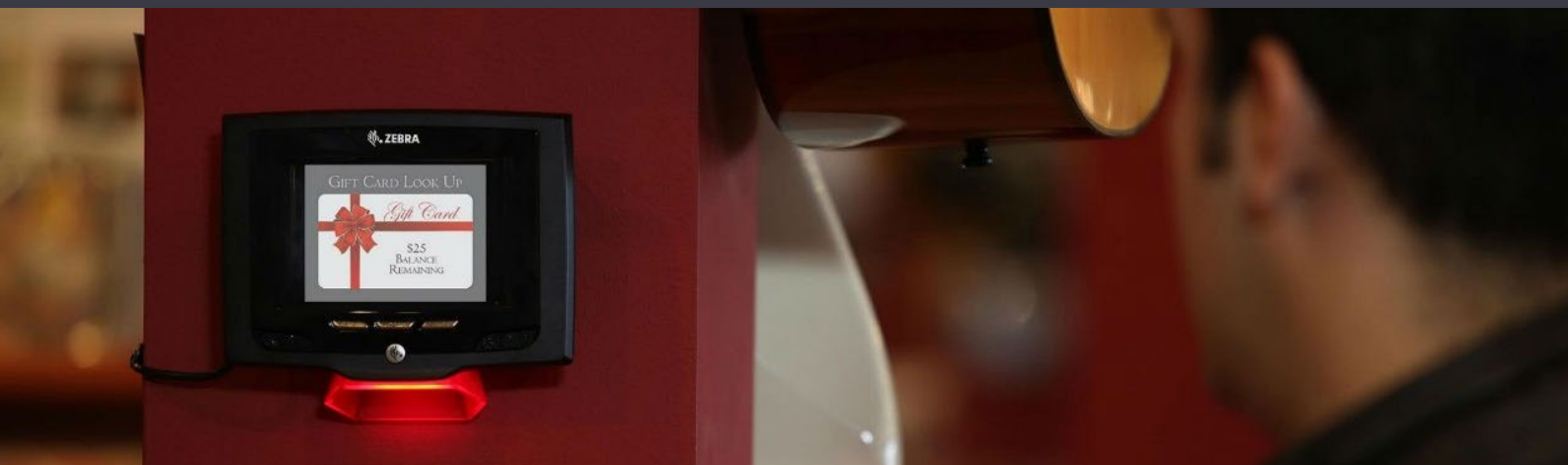
TECHNOLOGY OPPORTUNITIES FOR RETAILERS

In-store fulfilment is becoming an essential component in meeting customer expectations and retailers need to improve the visibility and accuracy of stock – both in-store and across the business – to enable both in-store fulfilment and timely order confirmation.

- Deploy an [inventory management solution](#) that combines the use of mobile computers, wireless infrastructure and printers to ensure everyone in the business has full inventory visibility.
- Optimise [warehouse management](#) with technology solutions to achieve dramatic productivity and efficiency gains, including handheld scanners, RFID, automated pick lists and end to end inventory scanning.
- Enable outside the four walls fulfilment with technology product bundles such as wifi, locationing, mobile computing and printing to deliver outstanding click and collect fulfilment.
- Ensure deliveries get to the right place at the right time by [optimising vehicle fleets, drivers and route management](#).
- Reduce wastage and improve in-store stock accuracy by using [RFID and tracking](#), plus analytics to identify potential fraud and shrinkage problems.



RETAIL IN 2020



NEW LOYALTIES

The role of loyalty programmes in a mobile enabled, digitally sophisticated consumer base is changing. Consumers are increasingly aware of the value of their personal data – and expect retailers to deliver a better, more relevant service in return. The challenge for retailers is to successfully transition customers from the traditional loyalty card (used by 42% of shoppers according to the European Shopper Survey) towards more engaging schemes, such as via smart phone, currently used by just 9.7%.

- Traditional points-based loyalty schemes will be replaced by membership style schemes that reward behaviour even as simple as entering the store. Retailers can use mobile coupons, for example, to reinforce 'good' behaviour in real-time.
- Personalisation and gamification will become increasingly important to engage Generations X, Y and Z.
- Schemes will no longer just offer discounts, but also value-added perks such as free coffee at Waitrose to reinforce the membership and 'belonging' approach to loyalty.
- To ensure every aspect of the brand experience is consistent across every channel, loyalty-driven promotions must be proactively managed in-store.



ON DEMAND CARD PRINTING
AND COUPONING



BEACON AND BLUETOOTH
TECHNOLOGY

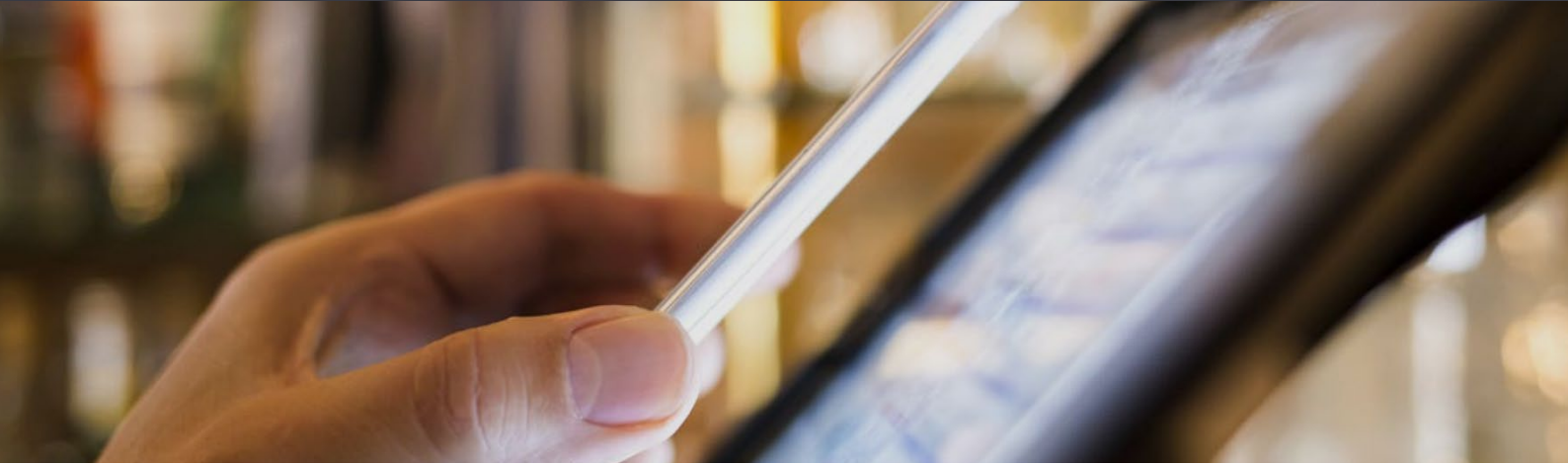
TECHNOLOGY OPPORTUNITIES FOR RETAILERS

Retailers must make the process of joining a loyalty scheme fast, simple and compelling for the customer.

- In-store technologies such as on [demand card printing and couponing](#) enable the retailer to drive customers towards the loyalty scheme with targeted benefits, such as discounts or added value perks that can be gained immediately.
- Compact desktop printers integrated with check-out registers for [point-of-sale printing or self-service kiosk printers](#) for customers throughout the store can work alone or in conjunction with a customer loyalty or rewards card. Loyalty coupons and discount vouchers will be choice-driven by the consumer, with collect at checkout or upon entry to store options.
- Offers can be pushed to a customer's mobile device via a loyalty app in response to customer behaviour which is tracked via beacons or Bluetooth.
- [Shelf-edge printing](#) can ensure offers are rapidly updated or changed to reflect promotional change or merchandise availability.








RETAIL IN 2020



NEW RETAIL LANDSCAPE

By 2020, the concept of a store will be completely different and retailers need to explore the raft of technology opportunities to reflect the demands of a changing consumer base.

	Customer needs and expectations will shape stores, transforming them into 'experience' destinations that treat everyone as an individual and allow shoppers to express themselves through customisation.
	Personalisation will reach new heights, both online and in-store, with the two finally being in perfect harmony and loyalty will be based upon a membership model that reinforces a consumer's commitment to being part of a brand.
	The role of the store associate will change – with automated sales processes, mobile devices and improved information empowering associates to become Gurus and Geniuses.
	Fulfilment will remain a key focus as retailers try to resolve the disconnect between customer expectations and retailer capabilities – with the evolution from one-click to no-click, as at-home replenishment becomes commonplace.
	As more technology is deployed to enable the One Store experience, retailers will have to look deeper at their technology estate management. With fundamental requirements including easy to connect, deploy, use and manage, technology is no longer a commodity, it's a key revenue driver.

The heart of retail success remains a positive brand experience – and that demands consistency of experience across every channel, from fulfilment to merchandising and promotions. The new style store experience must be embedded within a cohesive, consistent, end to end retail model, underpinned by extensive deployment of enabling technologies.

**FOR MORE INFORMATION ON ONE STORE,
VISIT WWW.ZEBRA.COM/ONESTORE**

