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Maximizing Retail Sales by Moving Toward an Omni-Channel Strategy

Now, more than ever, retailers need to make the in-store experience as easy and engaging as shopping from the couch.

By Richard Slawsky
Contributing writer,
RetailCustomerExperience.com

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(hp)

Retail industry sales are projected to top $2.53 trillion in 2012, according to the National Retail Federation, up 3.4 percent compared with the previous year. Of that, about $226 billion, or about 9 percent, will be spent online.

Those numbers, barely a blip on the radar screen just three years ago, are expected to continue to grow. According to Forrester Research, online spending is projected to top $327 billion within the next four years. Consumers' average yearly online spending is projected to increase from $1,207 per person in 2011 to $1,738 per person by 2016.

Although there have been plenty of predictions on the demise of brick-and-mortar, the reality is customers still want the instant gratification and meaningful human interaction the in-store experience offers. That being said, retailers can expect to face an increasingly higher expectation for a better shopping experience from their customers. Growing same store sales and profitability will continue to be key drivers that compel retailers to improve their value proposition.

One of the ways retailers are creating a new level of value for their customers is by enabling a seamless experience across multiple customer touchpoints including the Web, mobile devices and in-store technologies such as interactive signage and the POS.

"Consumers are learning, comparing, socializing and buying across all available channels and digital touchpoints and they are doing it on their terms, when they want and how they want," said Richard Arnold, director world-wide marketing, HP Retail Solutions.

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This white paper, sponsored by HP, briefly outlines ways retailers are increasing sales through the seamless application of technology across multiple touchpoints.

A variety of interactions

When consumers visit a retail outlet, they can interact with touchpoints ranging from self-service to employee-assist devices such as tablets or other mobile devices.

Those touchpoints can not only help a retailer maximize sales, but also can enable the retailer to deliver a siginificantly better and differentiated shopping experience.

According to research conducted by Digital Signage Today, nearly 60 percent of surveyed retailers cited "customer experience" as the main driver for the growth of digital networks in their stores.

Nearly everyone, for example, has had the experience of shopping at an online retailer and being offered a number of additional options at checkout time. These suggestions can be based on the shoppers own past purchases as well as the purchases of others who bought the same item. By using seamlessly integrated technology to tap into sales and inventory databases, retailers can provide the same type of experience in a physical setting.

Many POS systems today have both employee- and customer-facing displays, offering the retailer the ability to automatically suggest add-on purchases without having to rely on employees to take the initiative.

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And imagine having the ability to integrate the point-of-sale system with the various touchpoints in a store. If POS data indicates an item is moving slowly, store managers might have the ability to promote that item via the various touchpoints, helping to reduce excess inventory.

Consumer technology continues to merge with commercial technology and this is most evident in the popularity of touch technology in mobile devices, interactive digital signage and POS systems.

HP, for example, recently introduced the RP7 all-in-one retail system, which offers retailers a flexible and powerful system that can be used as a point of sale or as an interactive customer-facing display. The aesthetically appealing design enables the RP7 to effortlessly become a part of the store. The RP7 offers a choice of projective capacitive or resistive touchscreen technologies as well as a choice of customer-facing display options including a 10" diagonal display that enables additional advertising opportunities.

Additionally, the RP7 can incorporate peripherals ranging from a fingerprint reader to provide additional security, magnetic stripe readers that enable credit card transactions or loyalty card integration and a webcam to support a personalized customer interface with online/remote customer service representatives in self-service setup.

Taking the first steps

When it comes to offering a seamless customer experience, HP's ideal store environment is one where every customer touchpoint — be it the point of sale, a digital signage display or retail-ready tablet or kiosk — engages with the customer in a consistent and integrated way.

The journey to create and implement a seamless omni-channel experience across all the touchpoints begins with a clear definition of the targeted customer segments and the desired experience the retailer wants to deliver across all channels.

Some retailers will be evolutionists in their move to seamless omni-channel and others see an opportunity to fundamentally reinvent the in-store experience with the new generation of digital touchpoint technologies. Regardless of the approach, being true to your brand promise is an essential success factor.

"It's no great mystery that retailers are moving in this direction, the question that does remain is which retailers will create sustainable differentiation with their seamless omni-channel implementation?" said Arnold. "The differentiation may be based

Seamless customer experience technology

HP offers products to help retailers create a seamless customer experience across multiple customer touchpoints, including:

➢ The HP mobile POS solution based on the HP Slate 2 tablet running the Windows operating environment, which combines a barcode scanner and magnetic stripe reader into a secure case to enable store associate applications such as mobile POS, que busting and clienteling to better serve their customers.

➢ The HP CX (customer experience) self-checkout solutions is a cost-effective, flexible, self-checkout solution available in various configurations. Industry-leading software from ECRS and Retalix power these offerings.

➢ The HP LD4730 and HP LD4730G 47-inch Micro Bezel Video Wall Displays. Both displays feature HP DreamColor and the LD4730G offers durable Corning Gorilla Glass, ideal for high traffic settings. The displays use an HP exclusive video input —simplified video over ethernet (VOE) — to manage and deploy network-attached digital signage.

Source: HP Retail Solutions

on execution and the speed and scale in which the retailer can deploy and support their environment."

The keyword when it comes to execution is partnership.

It takes a collection of like-minded technology partners who are committed and

flexible, who can work together in the best interest of the retailer to effectively implement and support the new seamless omni-channel environment. HP is focused on playing a key role in leading this collaboration and helping retailers transform their business in the emerging omni-channel environment.

About the sponsor: HP Retail Solutions enable retailers to provide an enhanced customer experience that gets results. HP, along with the company's industry leading partners, can supply and deploy a complete solution to meet a business' needs with a comprehensive retail solutions portfolio. HP works with its partners to provide certified hardware configurations optimized for smooth and reliable operation.