

ONE STORE

ZEBRA EUROPEAN SHOPPER SURVEY 2015 TOWARDS THE ONE STORE VISION – SUMMARY FINDINGS –



RESEARCH OVERVIEW

Zebra Technologies conducted research among shoppers across Europe to understand how well retailers are blending in-store, online and mobile channels to build a convenient shopping experience: an experience that people feel is personalised to them. Zebra describes this vision of a seamless – and a highly personalised – shopping experience as One Store. One Store comprises the pillars below, with this paper moving on to summarise how shoppers view the progress being made by retailers in these areas.



STORE MOBILITY: Providing mobile devices to staff to help them better answer queries and view a customer's preferences to help them find, try and buy what they want



DELIVERY: Allowing people to mix and match how they buy and return across once separate channels



LOYALTY: Creating loyalty schemes tailored to people's preferences



BRAND EXPERIENCE: Offering a familiar and consistent brand experience across channels. For instance, on a simple level, a price a shopper sees online is identical in-store



BIG DATA: The use of big data to improve business performance – such as tracking sales to optimise performance and reduce out-of-stocks



ONE STORE – TOWARDS THE ONE STORE VISION – SUMMARY RESULTS

1.0 STORE MOBILITY – A BETTER IN-STORE SERVICE

Store mobility involves giving staff mobile devices to help them improve the in-store experience for shoppers. For example, mobile computers can help staff to check inventory without having to leave the customer's side, access product information to better answer questions and take payments to bust queues. Supporting staff in this way is important – previous Zebra research from 2012 revealed that 83% of shoppers have researched online before coming in to store and that 63% feel they're better informed than staff.¹ Retailers can counteract these perceptions with mobile devices:

42.1% of shoppers agree they have a better experience when staff use the latest technology to assist them

More than six in ten (60.1%) shoppers are willing to buy more merchandise with a retailer that they believe provides better customer service

20% of shoppers will buy 50% more merchandise when retailers provide a good customer experience

Helpful sales staff are second to product availability (52.9%) in terms of what influences the level of spend in-store

And, more specifically, in relation to mobile computers used by staff, the survey found that:



55.6% believe that mobile computers used by staff to check stock availability improve their experience



46.5% agree that mobile devices to take payments anywhere in-store improve their experience



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SELF-SERVICE SHOPPING: KIOSKS, SELF-CHECKOUT AND SMART CARTS

Retailers have been introducing other technologies to improve the in-store shopping experience. Shoppers were asked 'how does this device or technology improve my shopping experience?':

62.1% completely or somewhat agree that handheld scanning devices to get the correct price of items improve their shopping experience

52.8% completely or somewhat agree that kiosks to check price, stock and product information improve their experience

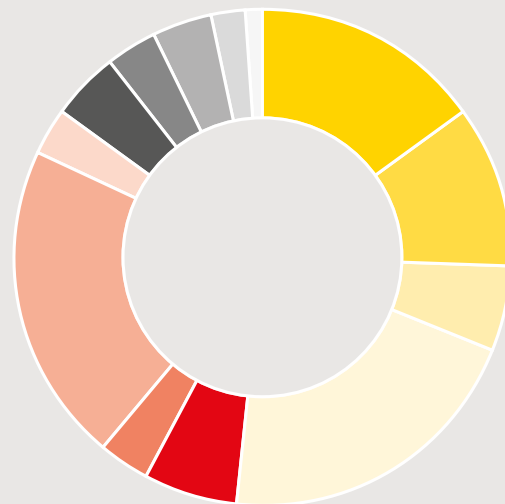
52.2% completely or somewhat agree that self-checkouts improve their shopping experience

49.6% completely or somewhat agree that a smart cart – with built-in scanner and display – completely or somewhat improves their shopping experience

37.6% feel self-help kiosks in the store are more helpful than using a smartphone

NEW TECHNOLOGIES TO ENHANCE THE IN-STORE EXPERIENCE

Respondents were presented with a list of new technologies and then asked to rate the ones that would most improve their shopping experience:





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2.0 DELIVERING CONVENIENCE

Delivery offers a way for retailers to differentiate their service. And a big push is under way to provide people with dedicated delivery slots, offer same-day delivery, and allow shoppers to mix and match delivery and return channels to optimise convenience (e.g. buying online and returning in-store).

FASTER DELIVERY TIMES

The research suggests that shoppers would welcome the move to faster delivery times with just 10.2% describing themselves as 'very satisfied' with the speed of deliveries. The vast majority of shoppers – 78.6% – said they were 'somewhat' or in-between 'very satisfied' and 'somewhat' satisfied.

Similar results were found for delivery charges:

The data indicates that offering faster deliveries, low or no cost delivery and dedicated time windows could help retailers make delivery a differentiator.

Delivery charges

9.2% are satisfied with the level of delivery charges

38.8% somewhat satisfied

32.7% in-between

Dedicated delivery times

Where shoppers arrange a home delivery, the promise of an approximate delivery time is important to them:



77.7% say a delivery window is 'extremely' or 'somewhat' important



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3.0 LOYALTY SCHEMES WILL CHANGE

Today's loyalty programmes are mainly based around paper coupons, with some retailers also pushing loyalty offers to customers' smartphones. Engagement with programmes is relatively low, with those who aren't enrolled in a scheme outnumbering those that are.

But things are changing. And as technology evolves – and providing shoppers' permissions have been sought – retailers will be able to capture more data on shoppers' activity, from what they look at online, to purchase history and their 'in-app' browsing activity. This insight will make it easier to blend the awarding and redeeming of points across in-store, mobile and online to recognise and reward every transaction. This seamless use of awards across channels is central to the vision of One Store built around the shopper. What's more, if shoppers connect in-store to a retailer's guest Wi-Fi, new marketing opportunities become available. For example, combined with Bluetooth location beacons and smartphones, retailers can identify and locate shoppers as they arrive and move through the store.

Shoppers were asked how likely they'd be to use coupons, offers and store guides sent to their smartphones based on their in-store location:

How many shoppers use loyalty programmes?



42% of shoppers use a loyalty card



9.7% use a smartphone scheme



48.3% are not enrolled in any scheme

How many shoppers use loyalty programmes?



50% would use the coupons and a further **27.7%** were between 'likely' and 'very likely' to use them



43% described themselves as extremely or somewhat comfortable in receiving a text message for an offer that matched what they were looking at and a further **26.4%** were neutral. Just **22.2%** judged that it was unlikely or very unlikely that they'd use the offers



38% of shoppers were interested in receiving interactive maps



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The relatively high potential engagement with in-store location offers is not quite matched by interest in receiving help from staff who are using location technology to see which shoppers are stopping in a particular area of the store:

The figures suggest that shoppers are curious about location-based in-store services. However, they may have doubts about privacy issues. The research looked at this issue in more detail.

HOW DO SHOPPERS VIEW PRIVACY?

The data reveals that, overall, 79.7% of shoppers are willing to give some of their data over to retailers. For example:



42% of shoppers are likely or very likely to engage with location-based assistance from staff, with **30.8%** 'in-between' likely and very likely



56% would provide their email address



40% would provide their age and gender



30.9% would share their likes and dislikes

In general, shoppers were positive about retailers who use data to tailor offers to them:

59.7% of shoppers completely or somewhat agree that they appreciate brands that customise offers to them

44% of shoppers completely or somewhat agree that they prefer to do business with brands that use information about people to make their experience more efficient



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When asked about what would motivate them to give away their data, shoppers want a quid pro quo:

Across society in general a debate is under way about privacy and how data is used by business. The research suggests that retailers need to better convey the benefits of being in a loyalty scheme. Shoppers also tell us that being open and honest about how data is applied – and asking permission to use it – will also be important, as discussed in the following sections.

57.8% of shoppers are willing to provide personal information if they get a discount

52.3% of shoppers are willing to provide personal information if they can use their points at a number of retailers

4.0 IMPORTANCE OF THE BRAND EXPERIENCE

The brand experience is a key part of the One Store vision. And to ensure a consistent brand experience, retailers must provide a common look and feel and service ethos across online, in-store and mobile channels. For example, the price of items must be the same across channels; shoppers should be able to buy and return through any way that's convenient to them (e.g. buy in-store and return to a drop box); and loyalty schemes should be redeemable at all purchase points. In addition, it will be increasingly important for retailers to offer apps to shoppers.

Apps provide new ways to send offers to people and make them feel special (e.g. flash sales for app customers only), and include technology to auto-connect to in-store Wi-Fi systems so that staff can see who is in-store and view their preferences to enhance customer service. Already a high number of shoppers – 38.9% – have downloaded apps, with a strong opportunity to target the 55.9% who have not (5.2% were unsure). An engaging app – that people are really drawn to use – can encourage perceptions of 'VIP treatment' and build strong relationships between retailers and customers.

5.0 BIG DATA

Across retail operations, brands are now collecting much more real-time data – from RFID sensors attached to items and data from delivery drivers' computers, to data from shoppers' purchases, app browsing, social media and online surfing. This constant stream of information, analysed using Big Data systems, enables retailers to make better decisions about a range of activities including inventory planning, which marketing programmes are working, how to ensure more first-time deliveries, how to attract people into store and design that store and much, much more. But across the industry we need to be mindful about how that insight is used. And the research suggests that it's not only retailers who deliver great service, but those who are open and have a trust-based relationship with their shoppers that will succeed in a data-rich world where people are more aware of the value of their data:

64.9% of shoppers completely or somewhat agree that it's important that retailers give them control over how their personal information is used

6.0 METHODOLOGY

This research was conducted by Research Now for Zebra Technologies in the first quarter of 2015. It canvassed 703 European shoppers from the UK, France, Spain, Germany and Italy using a blind survey online. The questions were designed to reveal experiences and attitudes towards the use of in-store technologies to enhance customer satisfaction.

**FOR MORE INFORMATION ON ZEBRA'S ONE STORE VISION
PLEASE VISIT: WWW.ZEBRA.COM/ONESTORE**

1 Retail Vision Survey, May 2012.

2 Intelligent Dressing Room: phone and touch screen installed for shoppers to check available sizes and styles from inside the dressing room.

3 Interactive Digital Signage: electronic signs in the store are equipped with digital readers that recognise shoppers to provide personal recommendations.

4 Mobile Concierge: an opt-in smartphone application that greets customers as they enter the store, guides them to the items and displays personalised offers.

5 Collect the Codes: an application for in-store use on tablets and smartphones that collects tokens or QR codes throughout the store. Shoppers who participate can win awards.

6 Smart cart: an in-cart solution on fixed or mobile screens that suggests projects, builds shopping lists and creates recipes based on products of interest.

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