

Transforming the Store Experience with Cisco Retail Solutions



A key goal for today's retailer is to become a true omnichannel business. Crossing the boundaries of digital and physical retail environments, stores are seeking new ways to serve the customer while maximizing profitability and competitiveness.

But shoppers don't think in terms of channels: They simply want to make a purchase by whatever means is most convenient to them. To do so, they may visit your website, visit your nearest outlet, check online reviews, or talk to friends on social media—or they may do all of the above. It is up to you to unite these channels into a single powerful customer experience, one that builds a long-lasting, trustful, and personalized relationship with your shoppers.

Becoming an omnichannel retailer requires opening your store, products, and services to shoppers in an immersive, interactive environment that drives customer interaction across any point of access, at any time. It is not just about connecting existing systems—rather, it is a transformational way of looking at how you do business. To succeed, IT and the business must work together to enable the customer experience and brand promises for the organization as a whole.

Cisco® Connected Retail solutions help you to achieve the omnichannel retail environment, allowing you to:

- Engage today's mobile, omnichannel consumer to build long-term connections
- Collaborate effectively with employees and store managers to improve productivity
- Gather and assess data to achieve accurate metrics on shopper behavior and operations

- Provide new options for delivery and returns that support how your customers want to shop
- Maintain security and PCI compliance to protect your shoppers
- Lower operating costs by reducing complexity and increasing efficiency

Cisco's solutions build on the power of the Internet of Everything (IoE)—the emerging combination of people, processes, data, and devices that is enabling the next generation of interconnectivity. IoE provides a flexible, integrated approach to supporting the customer journey as well as streamlining operations.

Challenges Facing Today's Retailer

Retailers face a number of critical challenges in our rapidly changing business environment. Stores need to deliver the right information at the right time, in the right place, at the right point in the shopper's journey, whether online, through a mobile device, or in the store. You also need to provide more ways for consumers to access information on their own, from the initial point of decision-making to checkout as well as after-purchase service and support.

At the same time, retailers need to reduce costs with a greater focus on operational effectiveness. Stores are being required to deliver faster service with lower overhead. This may be accomplished



by reducing the complexity of the IT infrastructure, focusing on the maintenance of key SKU stock levels and fast checkout, and leveraging subject matter expertise to increase the value of in-store customer engagements while building basket.

The Omnichannel Consumer

Research shows that omnichannel consumers generally spend two to four times more money than single-channel consumers, and typically collapse their spend down to a handful of key retailers. By engaging with this focused shopper population, retailers can create a lasting competitive advantage while increasing loyalty, traffic, sales, and margin. However, this requires finding ways to connect intimately with shoppers at every level—spanning mobile devices, computers, brick-and-mortar stores, social media, TV, friends, and family.

Analyzing Customer and Store Information

To support omnichannel strategies, stores are looking for new ways to gather metrics such as customer traffic, behavior, dwell times, social media behavior, and other interactions. However, most are still learning how to track and analyze actionable customer and operations data. A powerful approach is to combine multiple data streams to find the right metrics without becoming completely overwhelmed by the sheer amount of information. The merged potential of these metrics

makes data a powerful tool to drive efficiencies and support omnichannel strategies, also referred to as “omnianalytics.”

Increasing Productivity

By simplifying administrative processes and operational flows, stores can free associates to spend more time with customers, learn about products, and improve sales capabilities to drive better service and increase productivity. Today’s tech-savvy consumers have already done their research before they enter the store, and may know even more about the product than the employee. Sales staff must be equipped with the technology that gives them access to the information to support the customer, such as inventory availability, delivery dates, alternative merchandise options, or video-based access to a subject matter expert. As well, especially for today’s millennials, employee training needs to include video and other interactive features to be effective and retain top talent.

Assuring Security and PCI Compliance

Security breaches at major retailers seem to be headlining the news all too regularly. Issues with stolen cardholder data, identity theft, and “sniffing” at the point of sale are all major concerns. Employee use of personal devices at work (bring your own device, or BYOD) presents its own set of





security concerns, and requires a proven approach for managing access to the corporate network. Stores also need to assure physical security to prevent theft, enable today's alternative payment methods, minimize product loss, and protect customers and employees. To resolve all these issues, stores need to meet the challenges of the Payment Card Industry Data Security Standard (PCI DSS) compliance. To achieve true confidentiality for customer and transaction data, you need best practice protection measures and a security-conscious culture throughout the store.

Overly Complex IT Infrastructures

Many retail organizations maintain separate voice, data, and wireless networks that have developed over time to meet specific needs. Each network and system is usually managed individually, creating an increasingly complex IT infrastructure. As a result, today's need to support cross-channel functionality, including a dynamic mix of eCommerce, social media, wireless, video, and other applications, makes it difficult—and sometimes impossible—to cost-effectively implement new strategies and applications. The old approach—buy a piece of equipment and use it for 20 years—is now making retailers less competitive against other stores using technologies that are faster and more flexible.

Cisco Solutions for Retail

Cisco Connected Retail solutions help you meet all these challenges by using the strength of the network to provide a comprehensive, integrated set of services. They allow you to give your customers the information they need, let your employees access the network with their own devices, make more efficient use of scarce resources, and do it all in a network environment that is secure, robust, and able to expand to meet business need. Today's networks connect across channels to support the consumer, improve employee productivity, maintain security, and improve operational efficiency.

Transform the Customer Experience

Cisco customer experience solutions are designed to create an interactive environment that provides information and services when and where customers want:

- **Enhancing customer service:** Instant call connection, efficient call routing, mobile voice, and customer contact centers help you provide

immediate, consistent response. These solutions intelligently connect the call to the appropriate resource.

- **Providing immediate access to information or remote assistance:** Make it fast and easy for customers to find the answers to questions through the use of interactive kiosks and wireless services, or initiate a face-to-face conversation with a subject matter expert via videoconference.
- **Delivering personalized service:** Contact customers directly, using their mobile phones, to promote special offers, new merchandise, or product comparisons. You can also solicit interactive customer feedback to assess satisfaction levels.
- **Reinforcing advertising or promotions:** Display promotional videos, tutorials, and other visual information, using interactive features that encourage participation to enhance shopping experience.
- **Adding video to the network:** Support a range of video applications from live chats with remote personnel to in-store surveillance and theft prevention.

Gather and Analyze Customer Data

Cisco helps you gather and analyze data to reveal previously hidden patterns of behavior and new insights based on SoLoMo (social-local-mobile) business intelligence solutions. These provide a 360-degree understanding of operations and experience across a customer's brand touchpoints, including visibility into shopper insights (including path, activity, demographics, etc.), customer service improvements, on-shelf availability, and promotion effectiveness. Access to these metrics helps to enable improved traffic, upsell, and



conversion metrics, as well as reduced marketing costs with centralized management of multiple branch locations.

Optimize Employee Productivity

Empowered employees can become highly productive, trusted advisors with access to Cisco productivity tools and information. You can:

- **Improve employees' product knowledge, sales skills, and responsiveness to customers:** Intelligent call routing, interactive displays, and digital media create a communication framework for applications that help serve customers better.
- **Manage labor and tasks:** Retail managers can continuously monitor store operations with visibility into daily task management and productivity measurement, and employees clock in and receive task assignments right on the store floor.
- **Train and motivate employees:** Deliver employee training and communication materials over the Cisco network economically and with optimized application performance. As well, sales training and employee messages are more interactive and engaging when delivered using digital signage.

Secure Customer Data

Securing customer data, especially in the wireless environment, is one of the most important goals for many retail organizations because breaches represent a devastating blow to a brand and its value. Cisco offers:



- PCI-compliant network architectures and a portfolio of products that can be customized for your specific store and application needs.
- The solution provides the Cisco architecture, validated designs, and validated devices, services, and applications to protect customer points of sale and transaction data.
- Cisco also works with a wide range of vendors who provide retail-specific solutions for antivirus, POS software, wireless POS, scan, audit, remediation services, and best practices.

Lower Operational Costs

Increasing the efficiency of the store and the data center can lead to substantial savings. This reduces the complexity of in-store technology and makes use of cloud services to streamline the overall infrastructure:

- **Implement new initiatives more quickly:** Centralized or cloud-based applications allow you to introduce new initiatives quickly, with the confidence that they will be launched on time and within budget. Stores also respond easily to consumer trends and competition, and refresh the customer experience more often to maintain shopper loyalty.
- **Simplify management:** Centralized software patches and upgrades eliminate the need to dispatch technicians to each store, reducing costs and mitigating risk.
- **Improve application performance and availability:** Data center-based applications can now be delivered to stores with network performance accelerated to LAN speeds, using WAN acceleration, load-balanced servers, and virtualization techniques. Even during peak holiday or sale periods, customers can quickly obtain assistance, employees can immediately access information, and transactions can flow unimpeded.
- **Reduce operational and capital costs:** By consolidating, virtualizing, and load balancing servers and storage in the data center, you reduce capital, maintenance, upgrade, and patching costs for hundreds of in-store applications and servers. This reduction is multiplied when you simultaneously eliminate the need to travel to each store to provide support services.
- **Gain management flexibility:** You choose which applications to centralize while still maintaining LAN performance.

The Cisco Retail Solutions Portfolio

Store in a Box

Streamline your store operation with Cisco Store in a Box, which allows you to run your entire retail site from a single compute platform. Studies show that stores can save up to 50% to 80% with this proven technology, which supports mobility services; PCI compliance; point of sale (POS) back office services; and video, analytics, and content caching all on a single server. Store in a Box is especially designed to support branch locations, new store setups, and temporary shopping environments, without expensive truck rolls and additional compute services cost. You grow topline revenue while evaluating new store concepts, capturing seasonal as well as transitional markets.



Remote Expert and Mobile Advisor

Cisco Remote Expert offers a superior, on-demand video collaboration experience, available as a Mobile Advisor, self-service kiosk, or immersive experience. Shoppers browse without being limited to on-site product selections; and those looking for product advice can use real-time video capabilities to seamlessly connect to a company’s expert for immediate assistance. The result is immediate access to highly relevant content and expertise that enhances the shopper’s experience. Companies increase average basket/transaction size while maintaining virtual teams of experts instead of hiring for each location, driving savings and employee productivity. Based on powerful Cisco video technologies, Remote Expert is highly scalable to speed deployment of apps and information.

Digital Media Store Experience

The Cisco Digital Media Store Experience is a comprehensive suite of signage technology and

applications that help you increase sales, enhance customer experience, and facilitate learning. It is based on the Cisco Digital Media Suite (DMS), a flexible and comprehensive solution for digital signage and desktop video that makes it easy to create, manage, publish, and access high-quality digital media for compelling communications. You can use the Cisco Digital Signage solution to offer dynamic content such as promotional videos, advertising, training, and branding. As a result, your store can reduce operational costs, drive revenue growth, and improve personalized, omnichannel engagement.

Consumer Mobile Connect

Cisco Connected Mobile Experiences (CMX) personalizes the shopping journey for consumers, engaging shoppers with relevant mobile content offered in real time, based on in-store location. This powerful solution also captures location analytics to give visibility into shopper movements and behavior patterns. Your store can also provide ready access to Facebook over Wi-Fi, connecting users to the store and boosting brand recognition with social media check-ins. Cisco’s CMX-enabled apps also use Wi-Fi location to create a personalized loyalty experience with shopping history, zone-based advertisements, indoor navigation to products, and more.

Cisco SmartLocker

Cisco SmartLocker solutions allow your customers to pick up online orders in the store at their

convenience, without taking store associates off the selling floor. Customers simply use a touchscreen to enter or scan an authorization code that automatically opens the right locker, without waiting in line. If your customer has a question or problem, they can also start a video call on the same screen for assistance. Cisco video technology creates a more engaging experience by integrating marketing, advertising, and cross- and up-sell to drive repeat orders and store visits. Customers are more satisfied with flexible pickup schedules, and overall foot traffic within the store is increased.

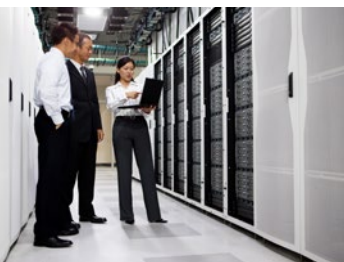
Cisco PCI Solution for Retail

The Cisco PCI Solution for Retail delivers a holistic approach for meeting the compliance requirements of the Payment Card Industry (PCI) standard. The solution provides the Cisco architecture, validated designs, and validated devices, services, and applications to protect customer points of sale and transaction data. The Cisco PCI Solution for Retail

creates a foundation for ongoing compliance while enhancing overall security and risk management.

Store Operations Analytics

By deploying a variety of sensors, cameras, and wireless access points within the physical store, retailers can tap valuable new sources of information which—when fused with operational, social, hyperlocal, and mobile data by predictive analytics—reveal previously hidden patterns of behavior and new insights. You can optimize checkout service levels without overstaffing, monitor out of stocks for better restock efficiency, track possible shoplifters in real time to minimize loss, and assess supply chain performance. Based on the same powerful platform, your store can also promote products and provide service to mobile customers. As a result, you can drive conversion rates, improve customer loyalty, and increase average basket size.



Why Cisco?

Cisco is a leader in working with retailers to accelerate business operations, reduce capital and operating expenses, and increase business agility. Based on the Cisco network, retailers deliver a superior consumer experience, optimize productively, invest in innovative delivery systems, enforce data and physical security, and maintain a cost-effective technology infrastructure.

Cisco Consulting and Advanced Services

Cisco Consulting and Advanced Services help make networks, applications, and the people who use them work better together. As well as strategic roadmaps and assessments, Cisco provides fixed-price planning, design, and optimization services to help increase business value and return on investment.

Learn More Today

Cisco Retail solutions can help you achieve your business goals while enabling new strategic business initiatives. Call your local Cisco account executive to learn how Cisco Retail solutions can help you. For more information, visit www.cisco.com/go/retail.



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