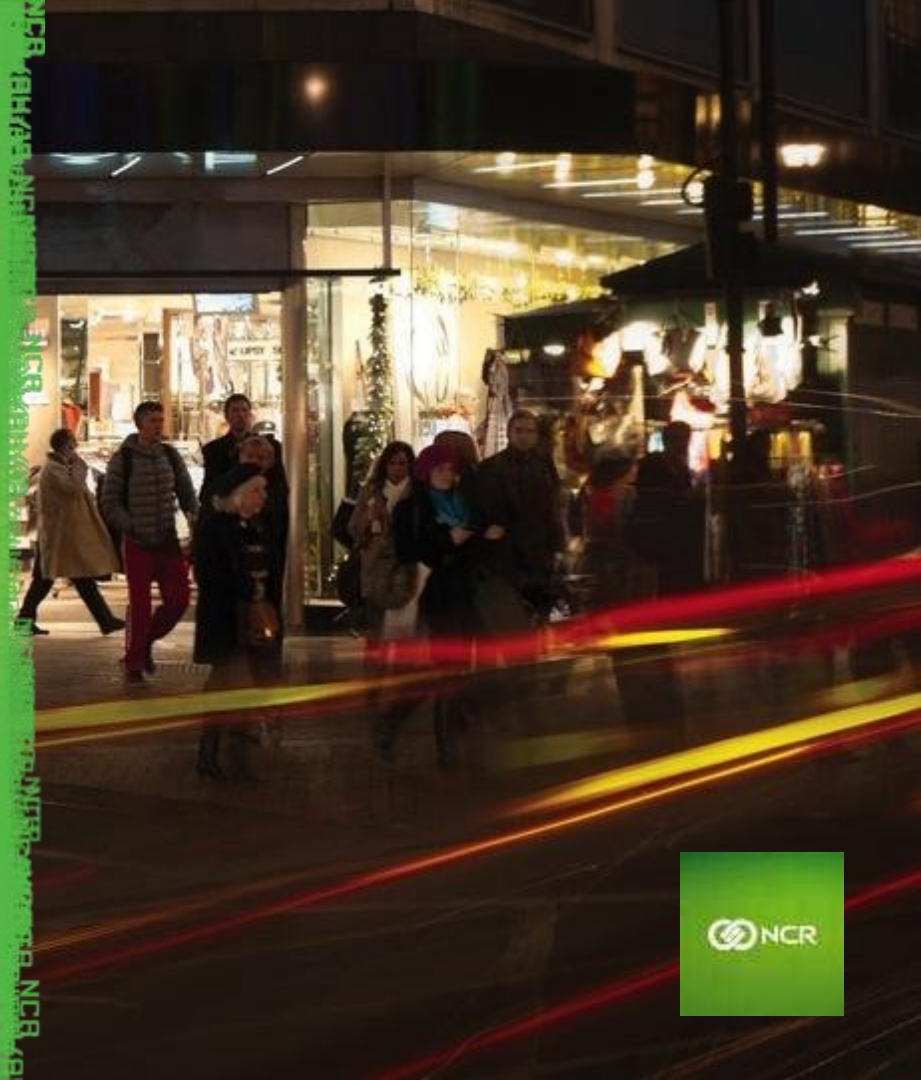# WHEN DIGITAL AGE REACHES THE BRICK AND MORTAR

Gil Roth,
VP Innovation & Portfolio Strategy,
NCR Retail

Agenda

- **About NCR**

- **New Challenges of the Digital Era**

- **Retailers' Response**

- **What Comes Next**

ABOUT NCR

We Are NCR

FINANCE

#1
provider
of ATMs
worldwide

RETAIL

#1
Globally in
self checkout
technology

HOSPITALITY

38%
of the top US-
based chain
restaurants
use NCR

…across more industries and countries than anyone else in our market

TRAVEL

80%

TELECOM & TECHNOLOGY

----

8 of 10
top telecoms and
OEMs use NCR

9/10

Strong, Stable and Growing

$6.1B
2013 revenue
(up 7% on 2012 revenue)

485M
transactions **every day** around the world

13,000
Services Professionals in **90 countries**

TOP 25 MOST INNOVATIVE USER OF INFORMATION TECHNOLOGY
2013 InformationWeek 500

TOP 50 SOFTWARE COMPANY
TECH RESEARCH INTERNATIONAL

NCR is . . . . radically transforming the way business is transacted

New Challenges
of the Digital Era
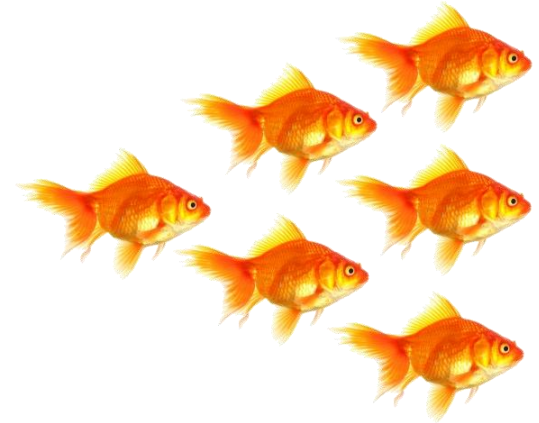
We Live in a Digital Age. We Are…

Always Connected

Transforming

Communicating differently…

A New Consumer in Born – "I'm Unique"

"It's all about ME"

Shoppers are asking retailers:

- Know *me*

- Offer promotions that are relevant to *me*

- Allow *me* to shop the way *I* want to

A Paradigm Shift from Selling to the Masses

A New Consumer is Born – Technology Savvy

Technology in the Consumer's Hands

The Knowledge Gap is Gone:

- Price, Promotions & Location transparency

- What are the ingredients / specs?

- What are other consumers saying?

Leveling the Playground

A New Consumer is Born – Realizes His Options

My Loyalty Depends on the Value I Get

I Can Shop With Multiple Retailers:

- Getting the best prices & promotions from each one

- Staying loyal only if loyalty carries real value for me

Basic Loyalty Program Will Not Work Anymore

Competition is Getting More Divers

E-retail rolls in 2013

BY THAD RUETER | Senior Editor

E-commerce spending increases nearly 17% in 2013, and 16% in the fourth quarter of last year, the U.S. Commerce Department says.

55 minutes to work
Light traffic on 101

Embarcadero
Train station

San Francisco

80°

And the "Old" Challenges Are Here to Stay

Business environment

- Ongoing weak economy

- Price conscious consumers

Accommodating the New Consumer While "Staying in Business"

In Summary - Interesting Times for B&M Retailers

Practical

New Competition

Technology Savvy

Tough as Usual

Unique

Retailers

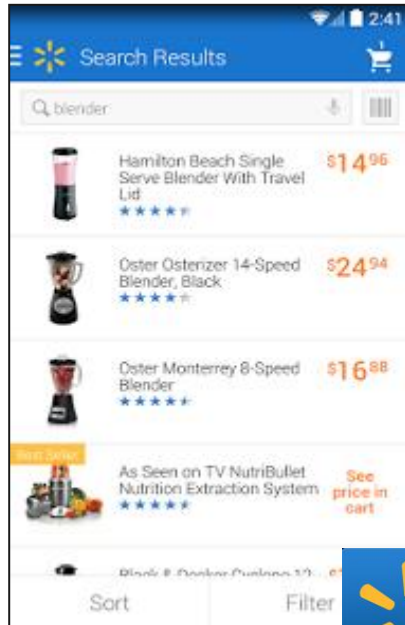# Response

The Move to Omni Channel Retailing

In the Store and Outside

- Inside – from managing the POS to managing multiple touch points

- Outside – engaging the consumer throughout the shopping cycle

In the store

Online

What's next??

Mobile

Technology Implications - From siloed applications to a comprehensive commerce platform

With Specific Focus on Mobile

Becoming Shopper Centric

New Retailer ⬌ Consumer Interaction

- From Mass to Personalized communication

- Targeted campaigns and promotions

- New multiple communication channels

Technology implications – rising need for Big Data based Analytics

And Changing Traditional Loyalty Programs

Emphasizing continuity

Social

Tailored

Digital

Flexible identification

Utilizing Big Data
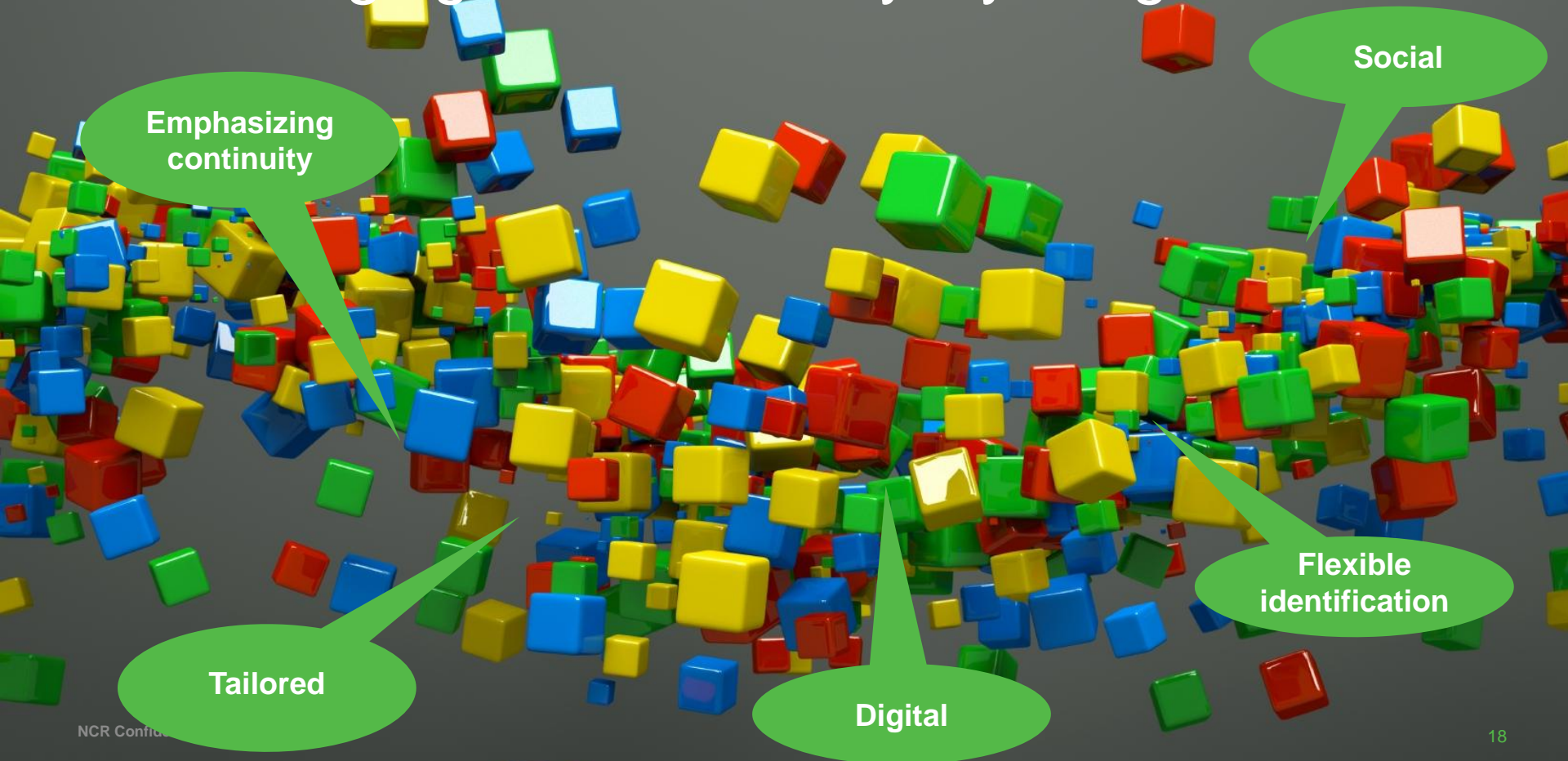
Multiple Usage Scenarios

- Consumer Interactions

- Merchandizing

- Supply Chain planning & executio

Technology implications – building new capabilities to drive Actionable Insight out of Big Data

Selecting Friends and Foes

What Comes Next?

Better Consumer's Need Definition

Our lesson from Mobile Payments – cool technology alone is not enough

What is the real problem that this technology is solving?

Consumer Experience Driven Decisions

- What will drive shoppers to my stores?
- What will differentiate me from traditional and online competitors?

- What do I need to change in my store to support the experience?
- Do I need an App for that?
- Will the experience be engaging enough to support using the app?

- Team
- Store
- Technology

Open Systems

- Retailers can't do it all alone!!!
- Working with a cloud based eco system for areas like –

Digital Ads Networks

Rich Content

Big Data

Social Networks

Coupons / Offers

New Payments options

- Eventually – open retailers' systems to the independent developers community

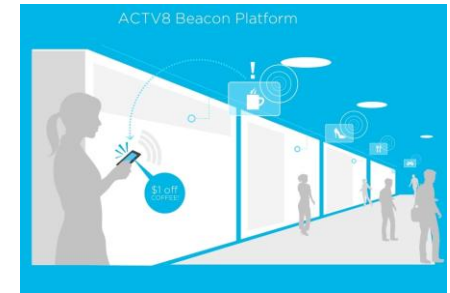# Digital Store Experience

Wearable Devices

New Store Layout

Location Based Services
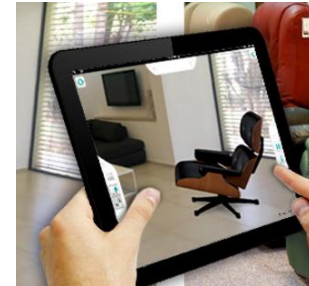
Augmented Reality

2nd Screen Interaction

Thank You