WHEN DIGITAL AGE REACHES THE BRICK AND MORTAR

Gil Roth,
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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

TRAVEL

80%

TELECOM & TECHNOLOGY

8 of 10 top telecoms and OEMs use NCR

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

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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.
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

- New Competition
- Practical
- 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

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
- Flexible identification
- Tailored
- Digital
Utilizing Big Data

Multiple Usage Scenarios

- Consumer Interactions
- Merchandizing
- Supply Chain planning & execution

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
  - Social Networks
  - Coupons / Offers
  - Big Data
  - New Payments options

- Eventually – open retailers’ systems to the independent developers community
Digital Store Experience

New Store Layout

Location Based Services

Augmented Reality

2nd Screen Interaction

Wearable Devices
Thank You