

RSR's Post-NRF Big Show Debrief

JANUARY 2013

What We Saw, What it Means
#RSRNRF13



About RSR



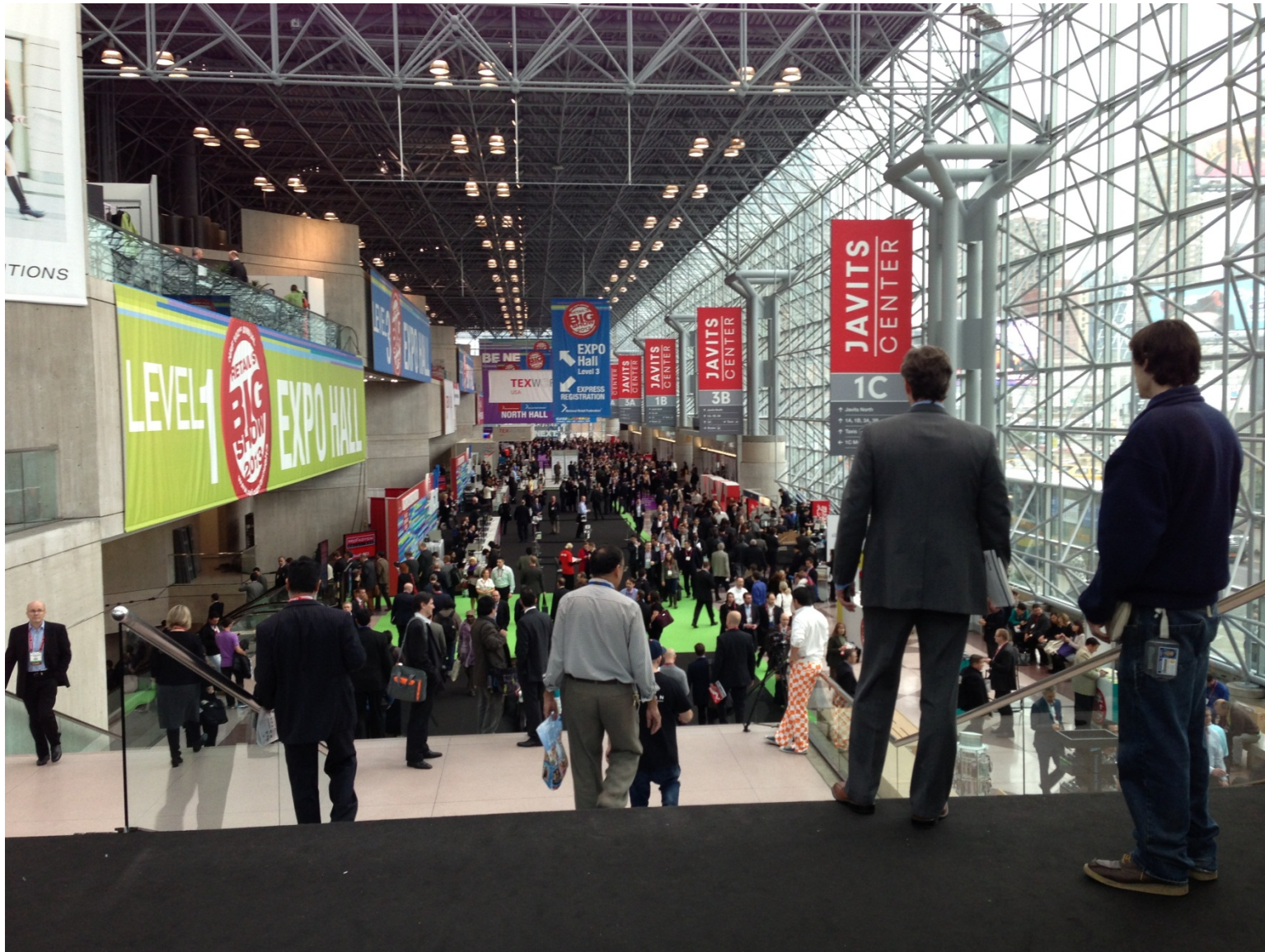
Founded in 2007 to quickly become the leading source of insights for trends in retail technology, and retail in general

Mission: To elevate the conversation about retail technology to a strategic level within the retail enterprise by:

- Providing **objective, pragmatic advice** to both *retailers* and *solution providers*
- Leveraging our **extensive retail industry experience (75+ years)**
- Providing a **deep bed of research** into retailers' technology investment plans and the business opportunities and challenges that drive those investments.



It was a “Really, Really Big Show”



How Big Was It?

- **More than 27,000 attendees**
- **More than 500 booths, with a waiting list for more**
- **Multi-level**
- **Next year, taking the entire facility**
- **A dizzying array of banners, signs and ads**
- **Strong sessions, well attended**
 - Conscious Capitalism
 - Kofi Annan
- **Logistical improvements**
 - Faster registration
 - More buses
 - Mobile app (how could we not?)

RetailROI SuperSaturday a Must-go Event



Retail Orphan Initiative
Helping Vulnerable Children Worldwide
www.RetailROI.org

- **A full day of analyst and retailer presentations and panels**
- **Retailers attend free**
- **A very worthy cause**
 - 3 Primary Goals of the Retail Orphan Initiative
 - Raise awareness of the needs of 400 Million Vulnerable Children worldwide
 - Work with and encourage retailers, vendors and manufacturers to create internal programs to help with orphan/foster care
 - Fund existing charities that are on the forefront of orphan/foster care worldwide
 - In 4 years has raised \$1,142,700, 64 projects in 13 countries, more than 123,000 children served
- **Plus, it's a very cool event**
- **ARTS sub-committee to set standard for charitable giving at POS**



The “Reset Moment”

ALMOST EVERYTHING CHANGES

Supply Chain Morphs to Commerce Chain



Manhattan Associates

Strong recognition that the store is now a node on the supply chain – with in-store and cross channel order and fulfillment management.

IBM with Toshiba TCxGravity and TCxWave (see recent on-line activity)
Microsoft Dynamics (omni-channel commerce engine)

The Delivery Revolution



While it is likely a niche play (except in grocery), same day delivery definitely has its place. When reps from ebay local mentioned they could have things delivered direct to my hotel room, it suddenly started to make some sense.

Improving the In-store Experience



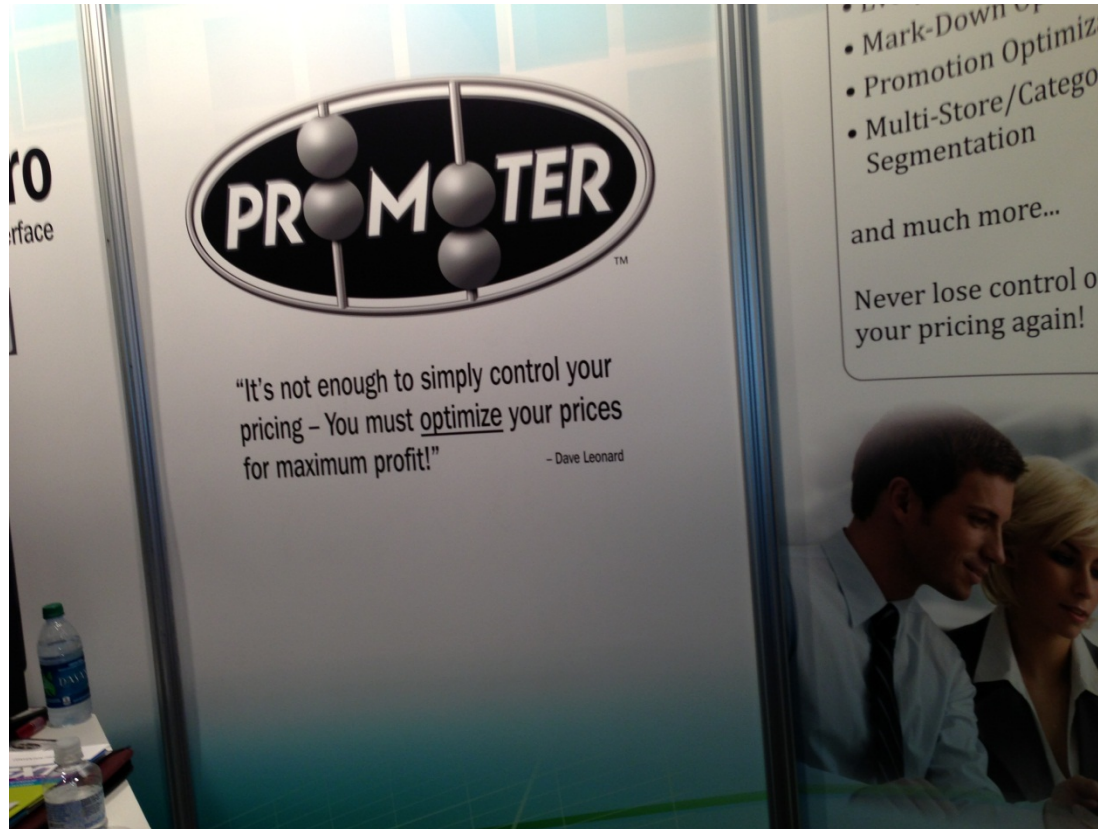
Example 1: Coca Cola's relationship with specialty retailers is intriguing



Example 2: Saw something similar at FMI Conference with Hershey's



Price Remains a Hot Item

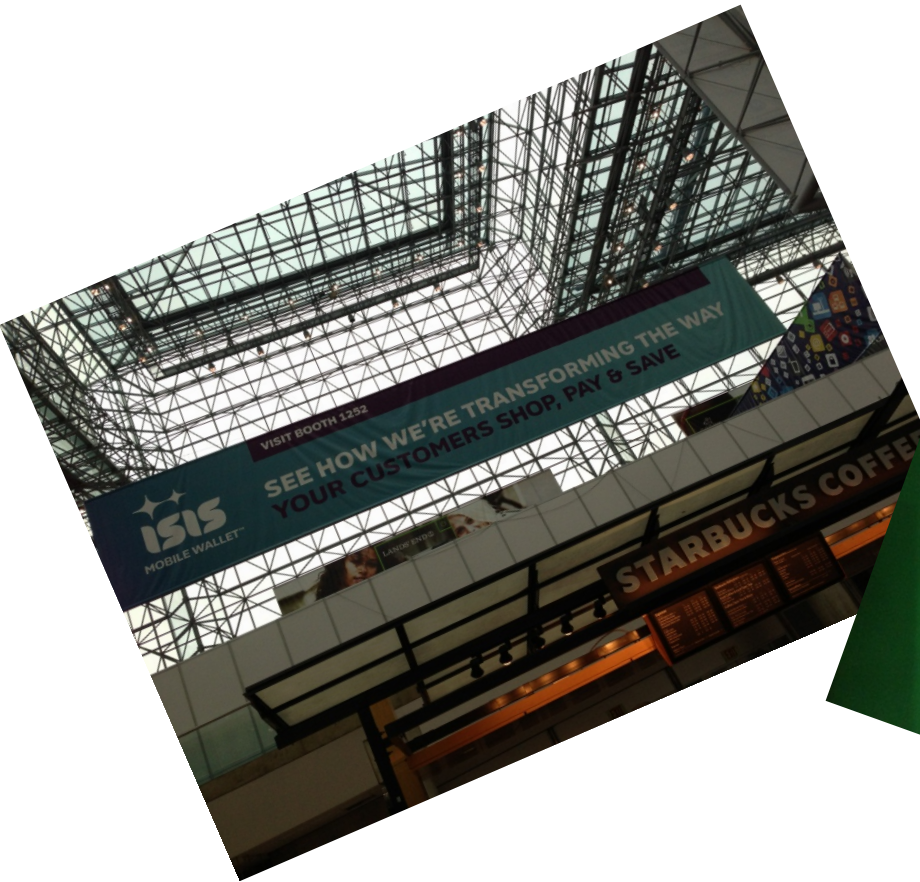


We continue to see a proliferation of price optimization vendors across the entire pricing lifecycle.

The Innovations Around Price Aren't Over

- **New algorithms & approaches (a new look at some old rules)**
- **New demand signals**
 - Formalized social
 - Informal “listening”
- **Old school vs. new school**
 - Static vs. dynamic
 - Product-based vs. customer/value-based
- **Is the customer sensitivity a cycle? A trend? Permanent?**
 - Some debate still exists about the health of a promo strategy long-term for the brand

Payments and Point of Sale



Payment Infrastructures

- Genius (Merchant Warehouse)
- ISIS
- PushCoin
- PayPal
- Servicing the Independent Retailer

Mobile POS
EVERYWHERE!

The Complex Made Simple

The Challenge: Even “not so big” data is really “big”



The solution: Visual tools, delivered to any device, that summarize performance in easy to read formats.

Mining Social Media for Customer Insights

Moving from squeaky wheel to true sentiment capture

- Use of celebrity and iconic brands to drive traffic

Cross-sells and up-sells

How it fits into a traditional marketing plan

Driving shoppers to the store

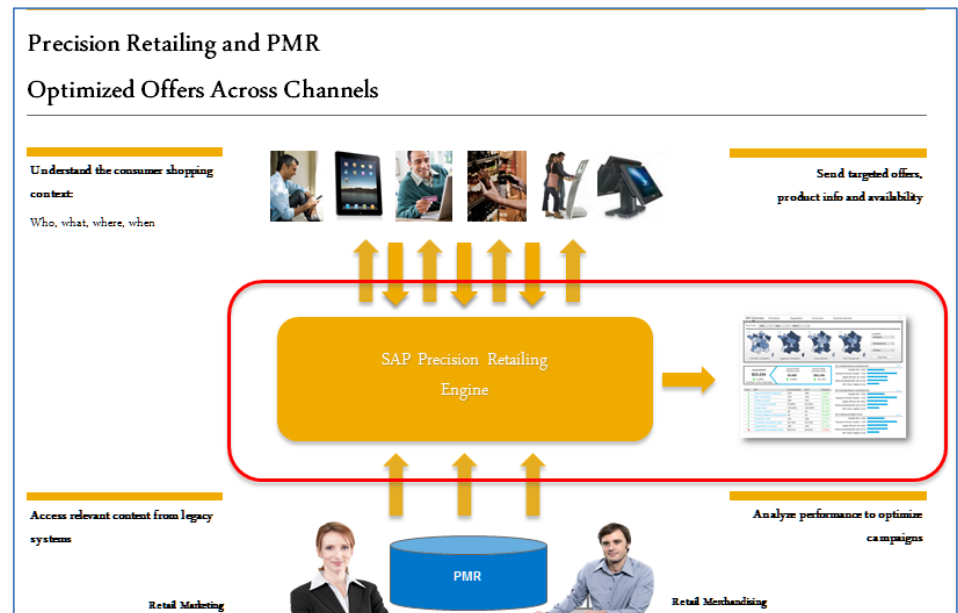
Gauging customer satisfaction

SAP takes a lead, IBM (TeaLeaf), and others

Also Visible Brands

Social Media Listening Paper:

<http://www.chainstoreage.com/holiday-shopping-online-social-media-sentiment-unwrapped>



The Cloud Emerges from the Fog

Real products in the marketplace:

- **End-to-end merchandise management systems (enfatica, Epicor, KWI)**
- **eCommerce platforms (DemandWare)**
- **Supply chain planning and execution (Blue Ridge and Logfire)**
- **JDA making huge bets on the cloud**

Getting Really Visual and Clever



IntoClip
Translook
Planar
Zensar / Myrio



New Age Marketing

Customer Engagement Management (TeaLeaf)

Marketing Agility (Monetate)

Faceted search (Oracle Endeca)

New Sources of Customer Data Drive Mobile Marketing

- **Pure mobile marketing**
- **Location-based promotions**
- **Mobile coupons**

Video Analytics Here to Stay



Lighthaus, Axper, Irisys, Scopix and others.

Video analytics for:

- Dwell time
- Line management
- Traffic counting
- Heat map
- Planogram compliance

Innovations Abound, but the Future is Today

- **“Operationalise” as the theme**
- **Last year, demos were half-real, half-imaginary.**
- **This year, 95% real, 5% imaginary – real, as in off the shelf purchase today**
 - Motorola – a store experience
 - IBM’s future of shopping
 - Manhattan – both DOM and DOF

A New RSR Tradition

An experiment for our customers and friends:

- Fewer meetings, more exploration
- Pre-briefs rather than event briefs

Exciting time for the industry: new trends, new products, new “stuff”

Our job is to learn and inform

Let us know: Valuable? What’d we miss?

We’ll follow-up in next week’s Newsletter (Retail Paradox Weekly)

Thank You!

감사합니다 Natick
Danke Ευχαριστίες Dalu
Thank You Köszönöm
Спасибо Dank Gracias
谢谢 Merci Seé
תודה רבה ありがとう

Grazie

Obrigado



Register for our research here!

www.rsresearch.com