

# An eye to the future

The Retail Solutions exhibition gives retailers the opportunity to view cutting edge technology and hear from a range of industry experts. Duncan Jefferies reviews the hot topics from this year's show

Environmental initiatives, such as the WEEE Directive, the ongoing growth of the online sector, and rapid technological developments mean predicting what the retail landscape will look like in the years to come is a tricky business.

This year's Retail Solutions exhibition at the Birmingham NEC allowed retailers to view technology that can benefit their business both now, and in the future. The show, and in particular the Store of the Future exhibit, (see boxout on pg.51) drew the attention of both national and local press. The Magic Mirror, part of the Store of the Future, features both RFID bar code scanning and multimedia functions, and was featured in the *Daily Telegraph*, *Daily Mail*, *Birmingham Post* and other international publications.

The seminar theatres offered delegates the chance to hear some of the industry's top figures debating pressing issues facing retailers today. Representatives from Tesco, McDonalds, Dixons DSGi, Boots

Alliance and Poundstretcher offered their thoughts on PCI:DSS, multi-channel retailing, fraud and loss prevention and international growth strategy.

On the morning of the first day of the show, Gareth Wokes, chairman of The Logic Group, delivered an overview of PCI:DSS; including advice on avoiding costly mistakes and security breaches. Wokes also reflected on the importance of securely managing a variety of types of confidential data as part of protecting a retailer's customer trading experience.

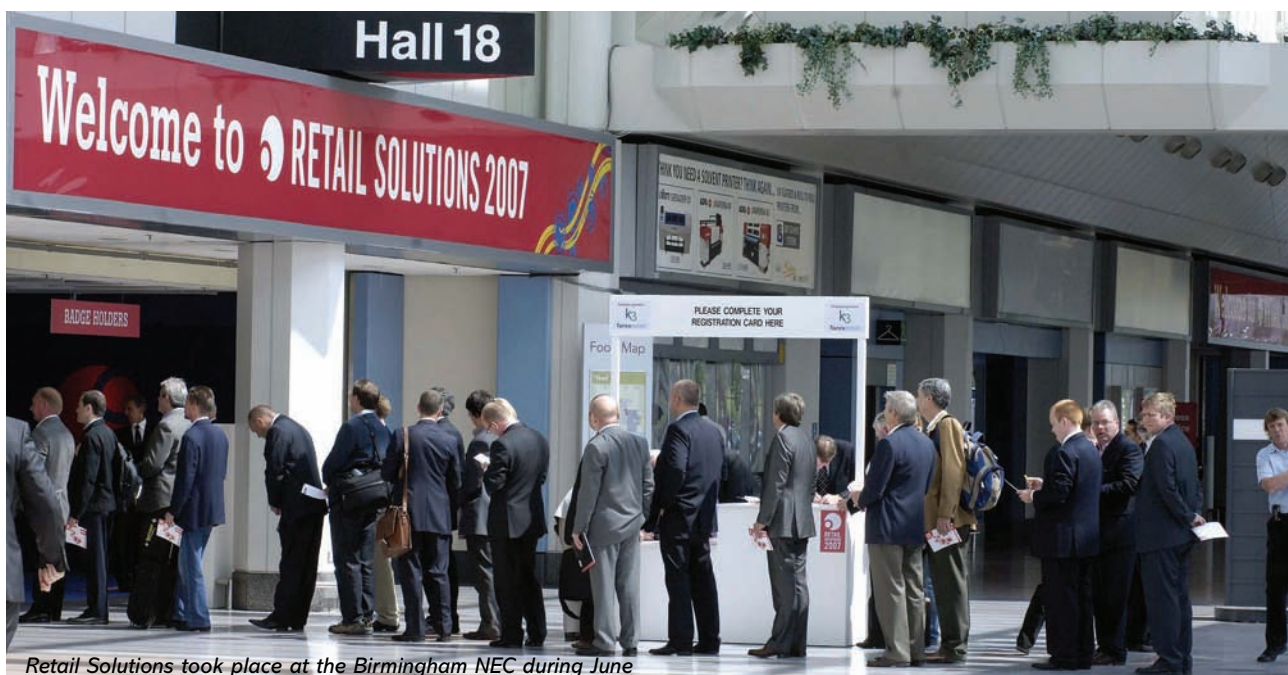
Security breaches such as the one experienced by TK Maxx have been hitting the headlines with increasing frequency, with severe repercussions for brand value, share price and customer trust. As such, compliance with the PCI:DSS standard was a critical topic under discussion at the show.

The Logic Group also highlighted the importance of compliance with the global Payer Authentication standard Verified by Visa and MasterCard SecureCode. Despite



*Hearing from a range of industry experts*

the 30 June deadline set by MasterCard for those who wish to continue accepting Maestro cards, many retailers have been slow to implement the standard. Merchants who are not compliant by the time the deadline passes will face fines of \$25,000 as well as higher transaction costs. They will also miss out on liability protection for fraudulent transactions.



*Retail Solutions took place at the Birmingham NEC during June*

Loss prevention is a subject that's become increasingly important for retailers as they seek to cut shrinkage. According to the *European Retail Theft Barometer*, last year staff theft amounted to £1, 487million. Axis Communications were on hand to discuss how their range of network video-based solutions can help cut theft. The Axis 211M Network Camera uses megapixel resolution to achieve improved image quality for close up surveillance. Axis have teamed up with IBM in order to utilise its smart surveillance system (S3) suite, which offers advanced indexing and analytics to support loss prevention. During a demonstration for *Retail Systems*, Axis showed how network-video can be integrated with the PoS and used for functions such as heat mapping, zone monitoring, flow control, logistics and store management, slip and fall analysis, fraud detection and Electronic Article Surveillance (EAS) incident handling.

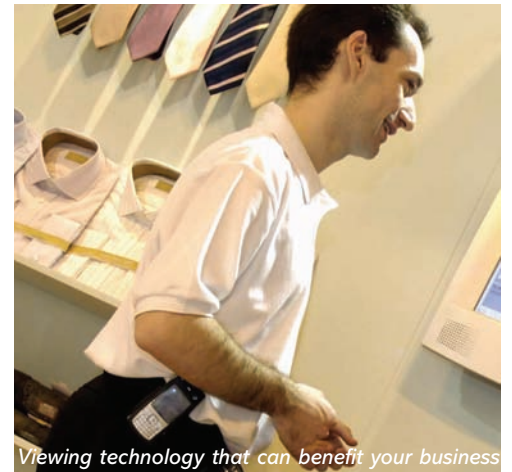
Panasonic were also demonstrating their range of network video solutions. Their Winics Retail software monitors transaction data from EPOS systems and integrates it with Panasonic's digital recording equipment. The software can also

demonstrate where, when and by whom fraud is being committed, synchronising data from the EPOS system with the relevant CCTV imagery.

John Davidson, retail industries advisory at Gartner, delivered a seminar on the latest statistics, trend analysis and research into retail technology developments on the afternoon of the first day. Understanding and satisfying customer expectations is essential in today's competitive market, and Davidson discussed which emerging solutions, such as digital signage, contactless payments, store task management and CRM, were likely to have the greatest long-term impact on the sector.

Contactless cards also generated interest throughout the show. Barclaycard Business recently announced that it is launching the UK's first contactless card terminals to retailers in London in September. The technology, which was demonstrated on Barclaycard Business stand, was trialed successfully at Barclaycard's Northampton office and Canary Wharf headquarters earlier in the year.

Tim Carlier, sales and marketing director, Barclaycard Business, said: "The roll out of



Viewing technology that can benefit your business

this new way of accepting card payments is an exciting step for us and our customers. It is important that retailers, especially in London, are ready to accept this new technology.

"We expect to deploy thousands of terminals this year and this number will significantly increase during 2008 and beyond as the technology spreads across the UK."

Visa Europe were also displaying their Visa payWave technology, which will be launched in the autumn. Omar Rifaat, business development manager at Visa Contactless, presented a seminar entitled *How contactless can make everyday low-value purchases quick, convenient and secure* on the morning of the final day. Rifaat discussed what can be learnt from US and Asia-Pacific launches, as well as what the future holds for the technology.

Fujitsu Services unveiled new research at the show which revealed that retailers are not meeting high customer expectations for automated services – despite the technology being readily available.

The research, which consisted of 12 focus groups and questionnaires completed by 2,400 people, illustrated a strong willingness among consumers to try new self-service technologies. Over two-thirds of those questioned felt that automated services improve the efficiency and convenience of their lives. However, to ensure customer satisfaction, retailers need to shift from an operational model focused on generating cost savings and reducing headcount, to a more customer-centric approach.

Managing the customer experience



Another busy show



**Fujitsu Services exhibits 'Store of the Future'**

Fujitsu Services showcased its 'Store of the Future' at Retail Solutions, a purpose-built shop showcasing the technologies (provided by the company) that they believe will be deployed across the high-street over the next few years.

The future food area in the store focused on 'empowering the consumer' and featured technologies such as self-checkout, electronic shelf-edge labelling, digital media networks and contactless payment solutions. The future department store area took visitors through a new concept in personal assisted shopping, showcasing devices such as palm vein technology, smart changing room technologies (e.g. automatically requesting complementary items or alternative sizes) and RFID tags. The focus was on enabling retailers to improve the customer experience by offering enhanced service in-store and thereby increasing basket size and brand loyalty.

The Retail Solutions seminar programme, meanwhile, gave Sarah Kellett, retail industry consultant at Fujitsu Services, the opportunity to talk about retailers focusing on the customers' needs and how technology can help retailers provide a personalised service. Under the heading '*Responsive Retailing*', she ran through several considerations that influence where a consumer shops – e.g. price, range, customer friendly – outlining that the proportion of each consideration will vary from person-to-person and will depend on what they are shopping for. Kellett then detailed the challenges that retailers face regarding each of these points. Finally, she looked at the innovations in retail technology and how they will help retailers meet the challenges she raised.

across multiple channels is another challenge facing retailers today. Fujitsu and several other exhibitors were offering services aimed at helping retailers manage a multi-channel operation effectively. Consumers today view a retail brand as one business and expect the same experience no matter which channel they are using.

"Multi-channel technologies, both inside and outside the store, are available and consumers are willing and eager to explore the benefits," says Dr Mark Dorgan, European retail partner at Fujitsu Services. "Retailers know they need to catch up in this rapidly evolving area – the time to act is now, because consumers demand it."

The European Retail Solutions awards ceremony, held after the second day of the show this year, provided a welcome distraction from the serious business of the show itself. Triangle, Toshiba and Fujitsu each came away with wins in two categories and the presentations themselves were followed by a fun casino and disco. The final day saw presentations on supply chain planning from DSC International (Dixons) and implementing PCI:DSS for online retailers from Deloitte, as well as a last change to walk round and get up to speed on the latest technology solutions.

Next year's show will be held on 24-26 June at the ExCel Centre in London's Docklands, and sees the launch of a paid-for multi-stream conference. In addition to hardware, software & EPoS, other areas of focus will be supply chain, loss prevention, in-store technology, and e-tail. The organisers hope the move will attract a greater European audience to the show.

**European Retail Solutions Awards 2007 Winners**

<b>Award Category:</b>	Best use of Technology for Employee Development
<b>Winner:</b>	Working Links for Virtual shop Middlesbrough
<b>Award Category:</b>	Best use of Technology in an Emerging Business
<b>Winner:</b>	Postcode Anywhere
<b>Award Category:</b>	Supply Chain Excellence Award
<b>Winner:</b>	Boots with JDA software for JDA Intactix
<b>Award Category:</b>	Best use of E-Commerce in a Retail Environment
<b>Winner:</b>	Rubicon Retail with Merret and Fresca for web home shopping
<b>Award Category:</b>	EPoS Initiative of the Year
<b>Winner:</b>	Celebrations Group with Toshiba and ITIM for its EPoS Implementation
<b>Award Category:</b>	Most Innovative use of In-Store Technology
<b>Winner:</b>	Vodafone with Fujitsu Services for Q-Matic
<b>Award Category:</b>	Project Implementation of the Year
<b>Winner:</b>	Home Retail Group with DHL Exel supply chain for Manhattan Associates Warehouse Management solution implementation
<b>Award Category:</b>	Best use of Technology in a Hospitality and Leisure Environment
<b>Winner:</b>	Manchester United with Triangle for its integrated hospitality and foodservice system
<b>Award Category:</b>	Back Office Implementation
<b>Winner:</b>	Mothercare with Triangle for InSite
<b>Award Category:</b>	Payment Solution Award
<b>Winner:</b>	Atos Worldwide, formally Banksys, for Pay2Me
<b>Award Category:</b>	Retail IT Professional of the Year
<b>Winner:</b>	Roy Ford, IT Controller, Spar
<b>Award Category:</b>	European Retail Technology Solution of the Year
<b>Winner:</b>	Celebrations Group with Toshiba and ITIM for its EPoS implementation
<b>Award Category:</b>	Supplier of the Year
<b>Winner:</b>	Fujitsu Services