



Q&A Shopping, dining, sleeping 2.0: Making retail and hospitality intelligent and omnipresent

How retail analytics and modern hardware will change our retail experience forever. An interview with Jessie Li, product sales manager for Europe at Advantech iRetail.

Advantech helps its customers to make the retail industry more intelligent and efficient, which is also the vision throughout the company for different sectors. The iRetail product provides retail analytics, digital signage, all-in-one touch computers and kiosk products for a range of retail and hospitality industry needs.

Jessie Li, the product sales manager in Europe gave her view of the retail industry, its challenges and future trends in the market.

What are, in your opinion, the biggest challenges in retail and hospitality?

Retailers have tremendous difficulty understanding their consumers in this industry. Usually you can only see the report of the revenue, however, they are not aware what is happening on the shopping floor. A supermarket does for instance not know why a certain product is bought and which location should be chosen to display it in the most efficient way. This is why we are heavily investing in retail analytics, which will help retailers to better understand their consumers. Strategy adjustments and marketing campaigns that are more measurable are often the results.

The hospitality industry, conversely, suffers from the challenge of efficiency. Most of the hospitality companies have goals that are connected to increasing efficiency, especially in restaurants. What Advantech is doing to support restaurants is creating mobile point of sale systems. The staff in a restaurant can then place the order immediately on the industrial tablet and improve the precision of the order input. Ordering and delivering food becomes faster and errors are reduced.

How does the retail and hospitality market differ from other markets Advantech is active in?

The difference to the embedded computing market, for example, is quite substantial. Traditionally the retail market is more challenging, as many consumer products are being used and have a wide brand recognition. Additionally, we faced problems approaching retailers and hospitality providers because of our industrial background and the available budget this industry is ready to invest. Often this is lower than in

the embedded market, so they have a hard time to accept a higher price for industrial grade computing. Nevertheless, after some successful projects, the retailers gradually understood the price difference and the benefits that come with it. The ruggedness and longevity support we offer were received positively. This means that retailers can be sure that even after several years, they can have the same product and it will not disappear from our portfolio. Together with the service provided, the price of ownership is lower. We also try to educate the market while selling our solutions.

What are the steps a retail or hospitality business should undertake to digitise itself?

This is heavily dependent on the size of the business itself. A small business, for instance, can start with digital signage and maybe even install some cameras and sensors to better understand the behavior of their consumers. Interactions between digital signage and the consumers is also possible.

Larger retailers can include camera-sensing and track how many, and where, people are walking in the shop floor, what period of time they spend where, and which items are most popular. Here the signage system can be connected to our backend system, so articles that are out of stock or are reaching their due date can be automatically be promoted on screens for example.

Three words: What does the consumer want from the retail experience?

Personalisation, innovation and astonishment.

What future trends do you see for the retail and hospitality industry?

I think artificial intelligence is going to play a major role. In the coming years people will see more and more interactions between computers in the shop. Online experiences will be expanded to the brick-and-mortar stores. This means that the consumer and their immediate settings, like the supermarket, restaurant or clothing shop, will be surrounded by the digital environment and melt into one, interwoven shopping or dining experience.