

Point of Sale is not just the checkout line – it’s whenever and wherever a shopper decides to buy

The Smart Digital Store



Pursuing the omnichannel journey

The market for PoS solutions has changed dramatically. Retailers seek an optimized customer experience across multiple channels and touchpoints, and test new technologies to find the best fit. But is trial and error working?

Likewise, acquisitions, omni-channel strategy, TCO demands, introduction of Cloud-based PoS solutions and requests for real time analytics capabilities are further transforming the industry. And in the process retailers are getting more and more confused about the route to take in selecting a new PoS solution. Just taking the most recent “Forrester Wave™: Point Of Service” report or Gartner Magic Quadrant can provide a starting point with some insight, but does the list identify the solution that fully meets your requirements? Do you have the time and resources to compare solutions against your retailer requirements? Since most retailers perform a PoS evaluation only once every 10 to 15 years, there is limited knowledge and experience available to complete an internal evaluation.

A proven vendor evaluation methodology and tool

Because retailers are increasingly confused about selecting new vendors and many lack the knowledge and experience to carry out internal

evaluations, Capgemini has developed a tool and proven evaluation methodology to help accelerate the selection process.

The Capgemini PoS tool, supported by Intel, is a crucial part of this process. For more than over ten years, Capgemini has refreshed tool vendor, technology and requirements data, and, as an objective, agnostic integrator, polls all global and select regional PoS vendors regularly for extensive and up-to-date information about their offerings, their capabilities and maturity. Capgemini integrates this data within the tool and exploits this information to provide retailers with a ranked shortlist of PoS vendors that best meet their requirements in weeks rather than months. The tool can also be tailored to retail sub-segments such as Quick Service Retail (QSR) /Fast Food or Grocery.

To provide expertise and best-in-class insights, Capgemini’s proven approach for the evaluation process assesses customer requirements against the world’s leading PoS solutions. The combination of this information, along with our extensive experience in PoS evaluation processes and key requirements documentation, make it possible to provide a ranked shortlist in just about five weeks. In this timeframe, there’s even time to add additional PoS solutions from

the local market if requested by the retailer at the start of the process. Since Capgemini has developed its proven evaluation methodology over many years, it uses a huge library of resources, templates and best practices to accelerate PoS vendor selection decisions.

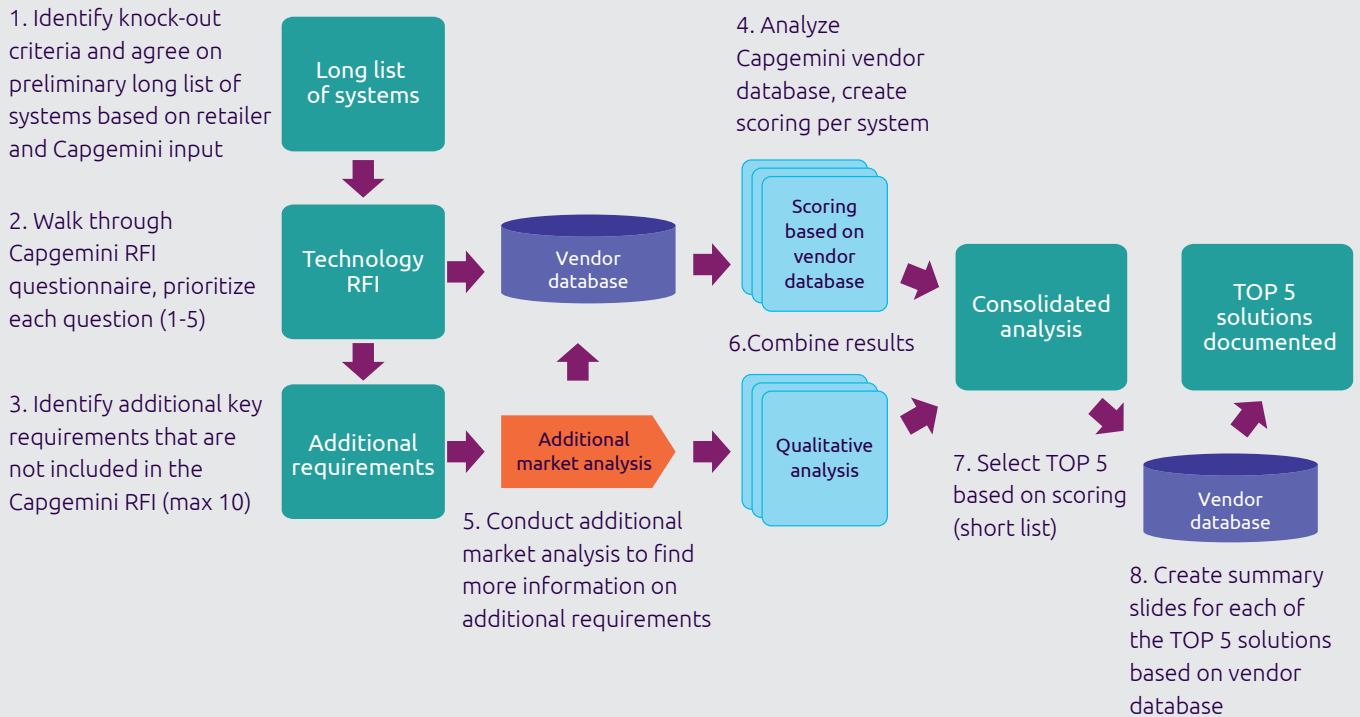
The first part of the evaluation process focuses on functionality. Using a combination of more than 250 questions and priorities set by the retailer, we provide a weighted list showing the score per vendor. Since we receive detailed information from targeted vendors based on questionnaire responses, we compare the solutions from these vendors against functional areas like tender, discounts, promotions, security, and financial management in our PoS tool.

In addition to ranking functionality solutions, the tool provides information about comparing architecture and connectivity, references, and omni-channel and solution design capabilities. We provide a transparent process that best helps determine a desired shortlist and gives retailers added confidence in their decisions. This shortlist then becomes the basis for the next step Request for Proposal (RFP) process.

Capgemini Point-Of-Sale Experience & Service Offering

- Global Retail Competence Center (including POS capabilities) in Netherlands with over 80 professionals
- POS Selection Tool containing over 20 solutions from both regional and international POS vendors
- Industrialized POS selection process (RFI and RFP)
- Capgemini POS Implementation Framework
- Retailer testimonials from companies who have already benefited from our capabilities
- Global Capgemini community of Retail experts

Figure 1: Our industrialized process for the RFI phase: Building the shortlist



Accelerate the vendor selection decision

A PoS solution must not only adapt to new retail trends but should also be a real change driver. Offering mobile PoS and self-service checkout is no longer a unique differentiator. To be the leader

in the sector, continuous innovation is required where store automation is an important element. The PoS solution is considered the heart of operations and is seen as a single point of information by both store employees and customers. Trends we spot in our PoS

tool become actionable real-time data insights, integrating customer loyalty programs with omni-channel solutions and offering solutions based on cloud technology.

Implementation

PoS implementation can have significant impact on the business. Business processes should be evaluated to adapt to a new business model or the PoS solution should be tailored to the existing business model, or a combination of both. This contradicts the trend of staying with minimal changes using out of the box systems. Regardless, the implementation may be complex and should not be underestimated. Most of reviewed vendors offer end-to-end support services during roll-out and accompany the roll-out with their expertise and experience. Others rely on customer capabilities, with or without external resources from an experienced system integrator. The lead time is another important consideration. Adapting to the business needs and the chosen vendor, roll-out can vary from 4 to 12 months. Capgemini offers over 20 years of implementation experience and often serves as integration partner on behalf of retailers or vendors using our standardized multi-phased approach.

Customer Success – Pan Asian Retailer

An omnichannel approach offers many benefits. Common central databases spanning products, prices, customer purchases, stock and offers create process and cost efficiencies for retailers. They also make it easier to track customer interactions and tailor offers appropriately, boosting revenue and encouraging customer loyalty. One of Asia's leading retailers launched an initiative to transform its entire business to meet these needs. Working closely with Capgemini, the retailer prioritized four non-negotiable and six best-fit requirements for the new PoS and CM vendors.

Capgemini created a comprehensive Request for Information (RFI) inquiry outlining the retailer's requirements. Using the PoS tool, Capgemini together with the retailer identified a long list of 13 vendors for the RFI process across three areas: 1. PoS

software, 2. PoS hardware and 3. Cash Management (CM). Some vendors offered solutions across all three.

Capgemini then evaluated written RFI responses with the customer and produced a short list of seven solution vendors across the three areas. For each area, Capgemini assembled and distributed a more detailed Request for Proposal (RFP). The vendors were each invited to present their proposals to the retailer, along with a solution demo. By engaging Capgemini and the PoS tool, the retailer was able to reduce the time taken from identifying the long list to making its final global selection from 10-12 months to just 7-8 months. Despite covering a large number of countries and stakeholders involved, this equated to a time savings of 30-40 percent.

During the process, Capgemini quickly established that PoS hardware solutions built with the latest Intel® Architecture best met the business and technical requirements for the retailer's different business formats. To help Capgemini determine which hardware vendor solutions were built on the latest processor technology, Intel shared a database detailing the chipsets appearing in each of the PoS hardware vendor solutions. Capgemini's close partnership with Intel made this knowledge sharing possible.

Ultimately, the retailer benefited from Capgemini's extensive experience in the retail sector. Thanks to its close working relationships with many hardware and software vendors, Capgemini can easily reach out, both formally and informally, to gather the information it needs to ensure the PoS tool is always up to date and delivers the best expert industry guidance.

Future of Point of Sale (PoS)

The main purpose of checkout has hardly changed over the last century. At the start of the 20th century, prices of goods were captured and the total amount was calculated and paid. However, the technology used

for capturing transactions and making payments is dramatically changing.

Whether it is called Point of Sale, Point of Service, Point of Contact or some similar name that encompasses both online and offline purchases, it will always end in a financial transaction, and regardless of the name, the interaction with the customer is what ultimately matters most.

PoS software solution functions like registering products sold against the right prices and promotions will not change. Retailers still need basic information for stock determination, financial settlement and customer loyalty. PoS hardware using today's form factor as the edge device however will become obsolete. Information about what's bought and by who will be gathered by other edge devices like cameras, smart shelves and RFID solutions.

A good example of futuristic checkout is Amazon Go. The "Just Walk Out Shopping Experience" allows customers to collect their products and just walk out of the store when they are done. Amazon Go keeps track of all products in the shopping basket and automatically charges the customer's Amazon account after they leave the store. The technology is available, either using RFID or a combination of computer vision, sensor fusion, and deep learning, and really depends on type of business, cost, security, and seeing market acceptance of the concept.

In addition to the above, payments are also an important part of the seamless and frictionless shopper experience. That means retailers should consider an "Uber-like" ecosystem that will enable customers to pay with their preferred payment method. Considerations will include type of purchase, time of month, or what loyalty programs they want to use.

Retailers want to provide their customers with a seamless and frictionless shopping experience. A modern PoS should support full



integration with all downstream and side stream systems in order to meet today's and tomorrow's customer demands.

The Smart Digital Store

Capgemini views PoS as the beating heart of the store, both online and offline. Therefore, the PoS tool plays

a crucial role in Capgemini's Smart Digital Store proposition – a set of ready-made solutions and reference architectures that bring together the customer, store employee, product and physical store itself.

By following an integrated approach, rather than promoting discrete gadgets or one-off point solutions,

the Smart Digital Store offers operational efficiency, creates new business models, and grows the retailer's business.

About Capgemini

A global leader in consulting, technology services and digital transformation, Capgemini is at the forefront of innovation to address the entire breadth of clients' opportunities in the evolving world of cloud, digital and platforms. Building on its strong 50-year heritage and deep industry-specific expertise, Capgemini enables organizations to realize their business ambitions through an array of services from strategy to operations. Capgemini is driven by the conviction that the business value of technology comes from and through people. It is a multicultural company of 200,000 team members in over 40 countries. The Group reported 2017 global revenues of EUR 12.8 billion.

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Interested? Contact our Smart Digital Store expert

Martin van Vugt

Principal Consultant,
Consumer Products & Retail Capgemini
martin.van.vugt@capgemini.com

Revathy Rajendran

Business Development Lead
The Smart Digital Store
revathy.rajendran@capgemini.com

Genevieve Chamard

Business Development Lead
The Smart Digital Store
genevieve.chamard@capgemini.com

For more information, visit:

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