



Streamlining Retail

One of Europe's leading gas station retailers invited Capgemini to help the company re-imagine its customer experience. Using innovative and proven technologies, the goal is to make payments and shopping as frictionless as possible.

A faster, more convenient checkout

One of the challenges in retail is to offer a streamlined experience for shoppers, so they can easily find what they need, pay and leave. Nowhere more so, than in gas stations, where the process can be complicated by car movements, prepaid fuel cards for company cars, and multiple transactions in a single visit.

One of Europe's leading gas retailers called on Capgemini to help streamline its station forecourt and shop, using proven technologies to enhance the customer experience.

The company has three categories of customer:

- **Fuel, Shop and Go** – these customers browse and buy in the shop after filling the car. In the future, the revenue from gas will decline as electric cars become more popular. Shop purchases will be increasingly important for profitability. Today, approximately 60 percent of customers buy something extra in the shop. The retailer would like to encourage more people to buy additional products.

Overview

Customer: Leading European Gas Retailer

Industry: Retail

Location: Europe

Client Challenges / Business Need:

- Streamline the Fuel and Go process at gas stations
- Make shopping frictionless to encourage more customers to shop in store, and to spend more
- Increase customer satisfaction and loyalty

Results:

- Capgemini identified the main pain points for customers
- The retailer now has a model shopping experience, with a plan for technical implementation based on proven technologies

- **Fuel and Go** – these customers are in a hurry, and want to pay and leave as quickly as possible. In the current process, these customers may have to queue behind customers buying a basket of items.
- **Shop Only** – these customers only use the shop, and don't buy gas.

The retailer's focus was on speeding up the transaction for the Fuel and Go customers, and making shopping easier for the Fuel, Shop and Go guests. Streamlining these processes will help to increase customer satisfaction and customer loyalty.

Understanding the bottlenecks

Capgemini initially completed comprehensive, ethnographic research, observing customers as they went about their business at 5 gas stations in the Netherlands. The research studied all three categories of customer, and included interviews with customers to find out what they thought about the retail experience. Staff were also interviewed to get their insight into bottlenecks and possible improvements.

It became clear that a customer visit could be complicated. Most Fuel and Go customers would visit a pump, refuel, go to the shop and pay at the counter. Some, though, changed pump, browsed in the shop, returned to the car for their wallet, or changed counters to pay. The biggest complaint was about queuing.

For Fuel, Shop and Go customers, the pattern of movement is highly complex. On top of filling up with fuel and paying for it, they might use the restroom, browse the shelves, buy flowers, get hot food or drinks, visit the bakery or snack counter, use the coffee machine, and participate in a special offer at the counter. There are multiple payment points within the shop, potentially involving different pay methods. The restroom, coffee machine, and sauce machine for hot food are separate transactions requiring coins. Charges for some services can be applied as a discount for further in-store purchases.

While shopping guests appreciated contact with the enthusiastic staff, the Fuel and Go customers preferred a quicker process. In addition to checking out the purchases, the station staff ask about loyalty cards and invite customers to take up a special offer, which could be frustrating for those in a hurry.

For the retailer, manned checkout is resource intensive, and there are opportunities to streamline operations and empower customers with better self-service. These improvements could free up its employees to further concentrate on improving existing services and developing and deploying new services.

A vision for faster checkout

Capgemini designed a model shopping process that will enable transactions to be as frictionless as possible, while encouraging customers to make use of all available facilities. This process reshapes the visit to the gas station around the customer's needs.

Using a passive app on a smartphone and/or license plate recognition, customers are directed to the most suitable pump on arrival, reducing the need to change pumps or queue. Guests are identified at the pump using facial recognition as an additional layer of security, before the pump is released for use. When the customer replaces the nozzle, the fuel transaction is added to their account, which is preauthorized for payment. Fuel and Go guests can then leave without needing to queue, or even visit the shop.

Fuel, Shop and Go customers can also be helped by a personalized voice assistant (based on artificial intelligence), while they fill up. They can pre-order hot food, sandwiches or drinks, so the counter staff can prepare pre-orders in the shop for prompt collection after the customer has fueled up.

How Capgemini helped

- Carried out research into customer and staff workflows at the retailer's premises
- Designed a streamlined retail process, including hassle-free payments
- Identified partners that offer proven technologies to deliver the solution



The retailer can make other suggestions using the personalized voice assistant to further help the customer, such as asking regular coffee drinkers if they'd like the staff to prepare a cup while the customer fills up. Customers can also contact staff using the app on a smart phone to make a request, including before arriving at the gas station so a pre-order can be prepared in advance.

In the shop, transactions can be streamlined using a mobile phone app. Products such as candy bars can be scanned and added to the customer's account, and machines or restroom visits can be paid by scanning a barcode.

Augmented reality on the smartphone app can be used to help guests find the most suitable products more quickly, for example highlighting products that are safe for them to use, based on an understanding of their allergies; or helping them to find the right lubricant for their car.

The customer's bill remains open until they leave the forecourt, and then the account balance is automatically charged using their preauthorized payment method.

Realizing the benefits

The streamlined process can increase customer convenience and help to increase basket size, conversion rate, and customer loyalty. At the same time, this optimized process can increase staff productivity by making checkout quicker and less labor intensive.

As well as creating the vision and plan for a hassle-free checkout process, Capgemini identified proven suppliers who can provide the technologies for mobile and automatic payments, the smartphone app, guest identification, self-scanning in the store, pre-ordering, and augmented reality. The proposed solution also uses the retailer's existing technologies where possible, such as for license plate recognition and the smartphone app.

"Capgemini was able to bring the latest insights and the right partners to the project," said Martin van Vugt, Engagement Director / Lead for the Smart Digital Store, Capgemini. "It is one of our strengths that we did not submit a futuristic and unproven proposal based only on prototype technologies. Our solution is grounded in reality. The suppliers are proven and were chosen based on our extensive experience on previous projects that involved similar technologies."

The first phase of the project, to design the ideal customer journey and identify enabling technologies, is now complete. The next step is for the retailer and Capgemini to implement a pilot project and execute the plan.

Why Capgemini – An always evolving Smart Digital Store roadmap for the future

A partner with a breadth of retail technology experience is essential to drive forward goals to merge online and offline shopping experiences. Frictionless shopping and The Smart Digital Store bring together the customer, store employee, product and physical store itself, and uses an integrated framework of guiding principles, methodologies, assessments, reference architectures and ready-made solutions that can be used to shape, accelerate, and sustain a retailer's store transformation journey. Capgemini together with partners like Intel ensures that the underlying architecture is more than robust to meet the most demanding requirements for core elements like security and privacy. By following an integrated approach, the Smart Digital Store drives new and measurable business value and grows with the retailer's business.

Interested? Contact one of our Smart Digital Store experts

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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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