

**IBM Connect 2015**

Seize the Moment

2<sup>nd</sup> June 2015

# *Engagement in a World of Empowered Individuals*

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# The Retail Big Show

**550** exhibitors  
**34 000** visitors  
**85** countries



# TAKE AWAY POINTS

# 1

**INNOVATION  
DRIVING SUCCESS**



**WARBY PARKER**  
eyewear

WARBY PARKER  
**FASHION**



Fashion landing page

Lifestyle blog

WARBY PARKER  
**ENGAGED**



Buy a pair, give a pair

WARBY PARKER  
**INNOVATIVE**



5 days to try on 5 pairs for free  
Home Trial

# TAKE AWAY POINTS

# 2

**A DISTRIBUTION STRATEGY**

**...THAT PLAYS WITH**

**COMPLEMENTARY CHANNELS**

## PLAY WITH **COMPLIMENTARY CHANNELS**



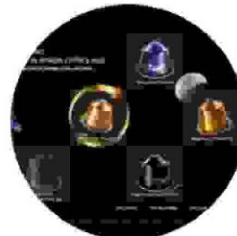
A dozen flagship stores to leave your mark



+ 1 800 corners to recruit



+ 200 high range shops to seduce & pamper



e-commerce site to shop & give info 24/7



application for quick « on the go » orders



Seasonal hotspots to follow customer flow

## TAKE AWAY POINTS

3

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**DIGITAL,  
AN OPPORTUNITY TO  
REIGNITE YOUR RETAIL**

**84%**

go online to prepare their store visit

**40%**

more conversion from users having gone online

**22%**

spend more if they'd been online

**75%**

users using social networks say they are **more loyal**

## TAKE AWAY POINTS

4

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**MOBILE,  
AGAIN & FOREVER!**

**150**

the number of times we look at our phone per day

**58%**

US retailers list mobile in their top 3 priorities

**45%**

cyber shoppers used their phone for Black Friday

**87%**

of corporation are still using MOBILE only for emailing  
& calendaring

# TAKE AWAY POINTS

# 5

FROM **TRANSACTIONS**  
 TO **RELATIONSHIPS**  
 TO **SUBSCRIPTIONS**

# BIRCHBOX

CREATE COMMITMENT

1 I receive my box

adressé à :  
« la merveilleuse Adeline »



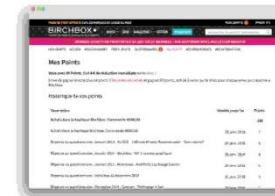
CREATE COMMITMENT

3 I give my opinion



CREATE COMMITMENT

4 I learn points



CREATE COMMITMENT

2 I am contacted



CREATE COMMITMENT

One million product reviews on the site which are visible in the store on interactive terminals

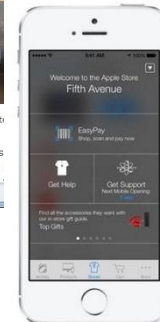
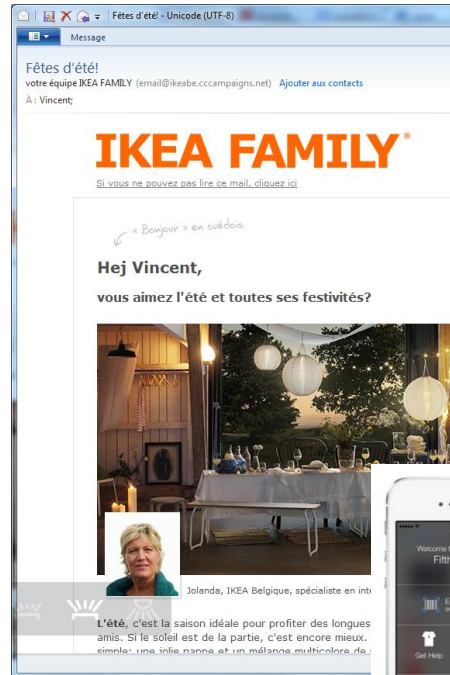




# TAKE AWAY POINTS

# 6

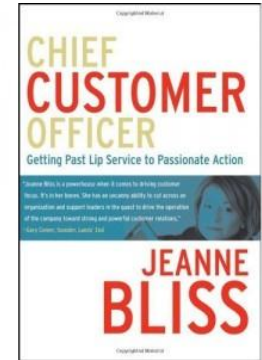
## PERSONALIZE



## Get In-Store Notifications



# B2C & B2B are dead: long life Business to Customer !



1

**INNOVATION  
DRIVING SUCCESS**

5

**FROM TRANSACTIONS  
TO RELATIONSHIPS  
TO SUBSCRIPTIONS**

2

**A DISTRIBUTION STRATEGY  
...THAT PLAYS WITH  
COMPLEMENTARY CHANNELS**

6

**PERSONALIZE**

3

**DIGITAL,  
AN OPPORTUNITY TO  
REIGNITE YOUR RETAIL**

4

**MOBILE,  
AGAIN & FOREVER!**



# GroceryMart

86% of grocery consumers are willing to use one or more technologies to shop

48% of consumers want personalised promotions in store based on what they scan

58% of grocery customers want to get product information in store

Consumers willingness to use mobile technologies has increased 200% in Grocery in the last 12 months

The #1 reason shoppers abandon items, both in store and online, is that they think the item may go on sale and decide to wait

The #1 way to influence a purchase is to offer a discount on an item which a customer regularly purchases

## We have entered the age of the Chief Executive Customer

Today's empowered consumers are in control. They connect and collaborate to find out almost anything about products, brands and retailers themselves. They are influenced by their family, friends and even strangers. And they bring attitudes and expectations, shaped by experiences across a broad spectrum of industries, to every interaction with retailers. For retailers, it is no longer sufficient just to cater to the growing use of technology. Instead, retailers must anticipate consumer behavior and preferences, engaging with them on their terms and execute flawlessly. Retailers who master 'Smarter Commerce' will earn the trust of consumers and rewrite the rules of retail.

This mural represents one way in which GroceryMart could evolve its capabilities and offerings to enable a Smarter customer experience.

**Persona: Christine**

34, Female, Married, 2 young children, Homeowner, Lives in Ohio

**Goals:** Make her morning for every day, maximize time, maximize value with an offer, be able to make money

**Context:** Christine lives in Ohio with her husband and two girls, aged 4 and 8. She used to work as a receptionist in law. She quit because she needed a different challenge for a promotion. She is now a stay-at-home mom. Christine is a mom who is always on the go for her family. She is always looking for ways to save time and money. She is always looking for ways to save time and money. She is always looking for ways to save time and money.

Customer Journey

Promotions just for me | Save my time | Help me choose | Inspire me | Reward me | Share my experience | Help me live better



Enabling Capabilities

<p><b>Christine is Aware</b></p> <ul style="list-style-type: none"> <li>Location awareness</li> <li>Contextual awareness</li> <li>Personalized offers</li> <li>Product recommendations</li> </ul>	<p><b>Christine is Engaged</b></p> <ul style="list-style-type: none"> <li>Mobile app</li> <li>QR codes</li> <li>Personalized offers</li> <li>Product recommendations</li> </ul>	<p><b>Christine is Transacting</b></p> <ul style="list-style-type: none"> <li>Mobile coupon wallet</li> <li>Barcode scanning</li> <li>Personalized offers</li> <li>Product recommendations</li> </ul>	<p><b>Christine is Interacting</b></p> <ul style="list-style-type: none"> <li>Mobile app</li> <li>QR codes</li> <li>Personalized offers</li> <li>Product recommendations</li> </ul>	<p><b>Christine is Involved</b></p> <ul style="list-style-type: none"> <li>Mobile app</li> <li>QR codes</li> <li>Personalized offers</li> <li>Product recommendations</li> </ul>	<p><b>Christine is Delighted</b></p> <ul style="list-style-type: none"> <li>Mobile app</li> <li>QR codes</li> <li>Personalized offers</li> <li>Product recommendations</li> </ul>	<p><b>Christine is Loyal</b></p> <ul style="list-style-type: none"> <li>Mobile app</li> <li>QR codes</li> <li>Personalized offers</li> <li>Product recommendations</li> </ul>
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KPIs / Benefits: Analytics, Personalization, Mobile, Social, Location, Context, Product, Offer, Recommendation, Engagement, Transaction, Interaction, Involvement, Satisfaction, Loyalty

Christine pulls into GroceryMart petrol station. When she pays for her fuel, her receipt has a QR code offering a 1p off her next fuel visit. She has the GroceryMart app which she uses to scan the QR code. Based on her location, she is also presented with a targeted offer just for her.

## Specific Capabilities

Mobile Services

Location Awareness

Next Best Offer



Both Sainsbury's and Tesco's in the UK are advanced at tracking customer behaviour and using the data to determine what offers will appeal to customers.

Sainsbury's print targeted vouchers at tills, but have recently started to integrate this into their mobile app.





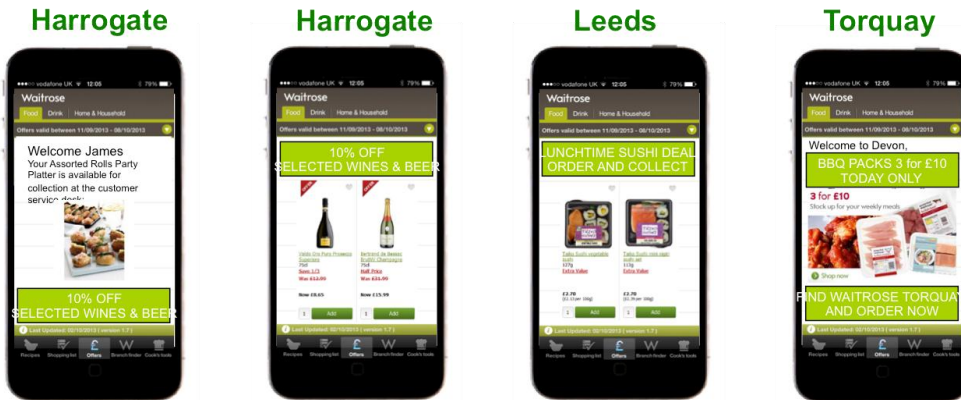
Built in location awareness and context recognition enables GroceryMart to recognize that Christine is on holiday. Wisdom of the crowds and advanced analytics has identified that shoppers on vacation represent prime opportunities for category expansion promotions and upsells. A customised e-flyer is generated for Christine that is based on her preferences, local assortment, and context. Christine sees offers for her favourite products and is thrilled at the level of personalised service. She also sees a few new products that are interesting. Inspired by the offer Christine goes into the store.

## Specific Capabilities

Mobile Services	Location Awareness	Next Best Offer
Price Optimization	Inventory Optimization	Product Recommendations

- Live in Harrogate, work in central Leeds, Holiday in South Devon
- Just ordered a party platter to collect at the Harrogate store for wife's birthday party later that day.

Geo-targeting has not been widely adopted yet by grocers, however this is what it could look like.



- Bought a party platter
- Might need some bubbly to with it
- Buys some Prosecco and collects with platter

- Know I am receptive to offers
- Open app at work in Leeds
- Lunchtime offer for Sushi
- Ordered using app to arrange collection and avoid queue's

- On holiday in Devon
- Open app whilst visiting Torquay
- See an offer on BBQ meats
- Ordered and shown store location

## Specific Capabilities

Mobile Services

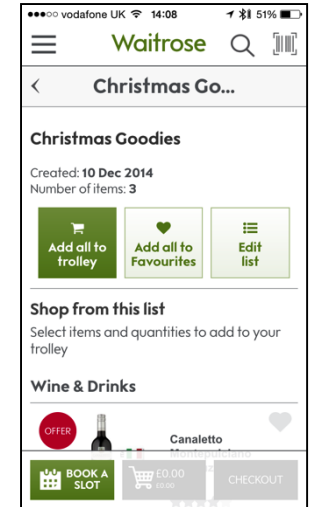
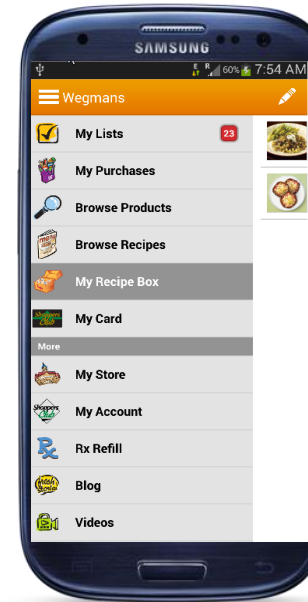
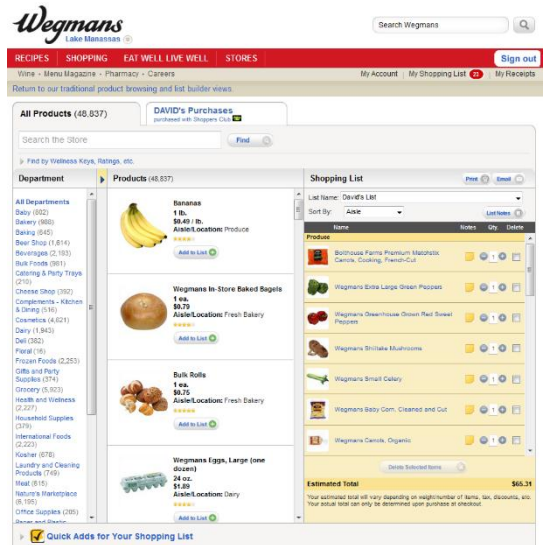
Location Awareness

Wish List



Christine pulls up her shopping list and because she has never been in this GroceryMart store selects the option to organise her list by aisle.

Both Wegmans and Waitrose offer list creators this is more of a wishlist, and does not help you “shop the store”



## Specific Capabilities

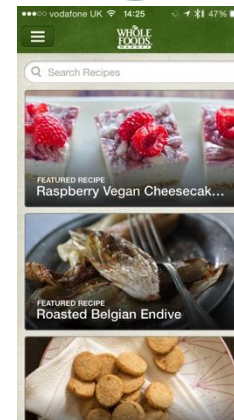
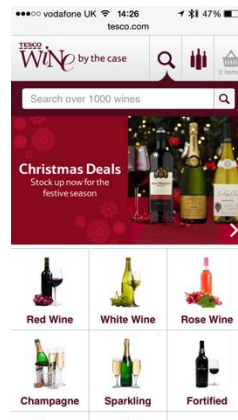
Mobile Services

Location Awareness

Next Best Offer

Product Recommendations

As Christine moves through the GroceryMart store she scans products for recipe ideas and nutritional facts. She then looks for the perfect bottle of wine to complement the evening's meal. She opens up the wine selector which makes a customised recommendation based not only on the food, but incorporates the store location and shopping pattern. The recommendation recognises she is on holiday and recommends a slightly more expensive bottle, which she places in her trolley.



Based on session context and shopping patterns, Christine's session is identified as a range expansion opportunity and she receives a discount on the new Ready Cook Meal Range. Christine normally wouldn't buy prepared food but since she is holidaying with another family, she wants to make the most of her holiday and so she customises the offer for four adults and five children and places it in her trolley.



## Specific Capabilities

Next Best Offer

Retailers are not yet pushing offers during the in-store shopping journey, but with the introduction of instore location services, this will soon happen using iBeacons and wifi services.

Sainsbury do however encourage range expansion as part of their coupons at till promotions.







At the checkout, Christine pulls out her mobile coupon wallet and the checker scans Christine's bar code which automatically loads her coupons and offers into the POS.

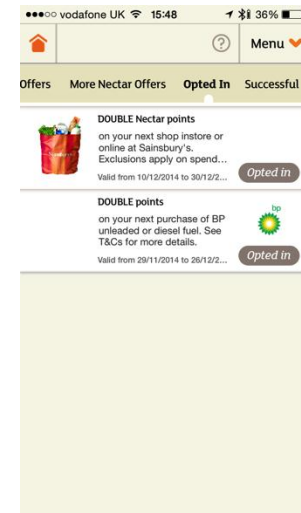
## Specific Capabilities

Mobile Services

Offer Wallet

Omni-Channel Payments

## Sainsbury's Scan & Go





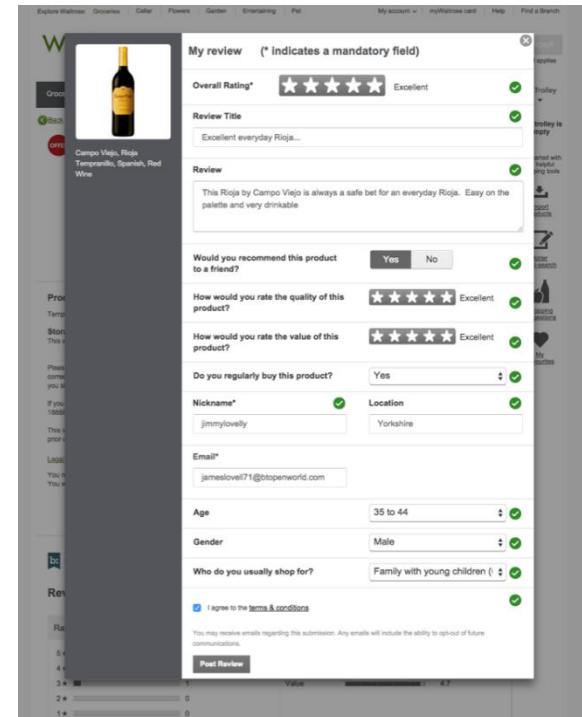
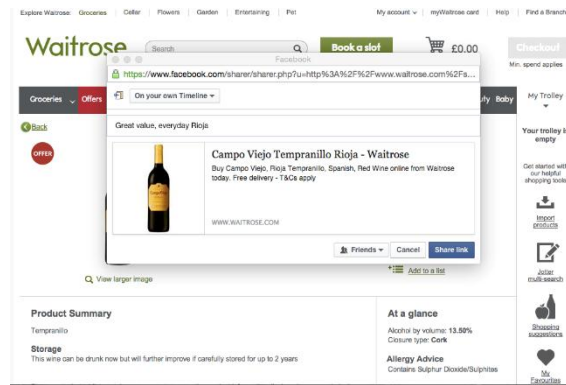
Christine enjoyed the wine so much that she decided to write a review on GroceryMart's site. She also decides to share her review directly on her Facebook page. Upon submission she received a promotion on the bottle and thank you email for her review. She stores the offer in her coupon wallet and adds the bottle to her home delivery list for when she gets home.

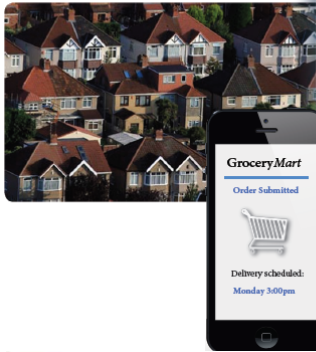
## Specific Capabilities

- Ratings & Reviews
- Wish List
- Social Services
- Next Best Offer



# Waitrose





When Christine returns home from her vacation she has to restock her house and logs into the GroceryMart site. She pulls up her usual Home Delivery list and sees some of the new products she tried on vacation listed to the side. Remembering how much she enjoyed them on vacation she smiles and adds them to her cart. She then submits her cart and schedules delivery. She is thrilled that the whole process only took 10 minutes, less time than it would have taken her to drive one way and park.

## Specific Capabilities

Fulfilment Method

Service & Delivery Scheduling

Next Best Offer

Product Recommendations

### Sainsbury's

**My substitution preferences**  
 If a product is unavailable one of our personal shoppers will choose a substitute. Remember, all substitutions are optional - if you don't want to keep a product we've chosen, simply hand it back to your driver and we'll refund you in full.  
 If you would prefer not to receive a substitute for individual products you can indicate this below, or [set a general preference](#).

**Substitutions**

Quantity	Product	Allow Substitute?	Price
14	Sainsbury's 100% Pure Squeezed Orange Juice Smooth, Not From Concentrate 1L £1.75/unit £0.18/100ml <b>Buy any 3 for £4.00</b>	<input checked="" type="checkbox"/>	£19.50
1	Sainsbury's Kiwi Fruit, So Organic x4 £1.00/unit £0.25/ea	<input checked="" type="checkbox"/>	£1.00
1	Sainsbury's British Semi Skimmed Milk 2.27L (4 pint) £1.39/unit £0.61/ltr	<input checked="" type="checkbox"/>	£1.39
1	Sainsbury's British Semi Skimmed Milk, So Organic 2.27L (4 pint) £1.98/unit £1.35/ltr <b>Buy any 2 for £3.00</b> <b>Missed offer</b>	<input checked="" type="checkbox"/>	£1.98

**Sign in to Create Your Shopping List**

- Sort items by your store's aisles when you print your list
- See Shoppers Club savings with one click
- Add items to your list from recipes & receipts
- Create unlimited lists and save them indefinitely

Sign in | Don't have an account? [Sign up now!](#)

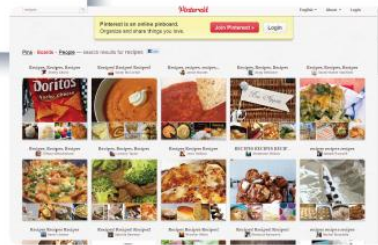
**Introducing past purchases.**  
 Browse your shopping history to build your list.

**Download Now!**

Available on the **App Store** | **ANDROID APP ON Google play**

## Specific Capabilities

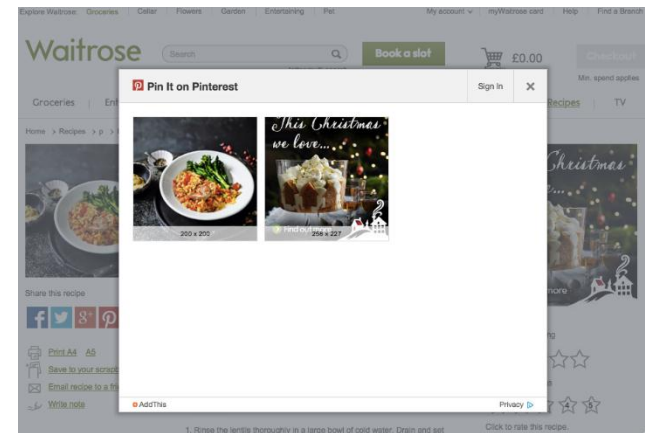
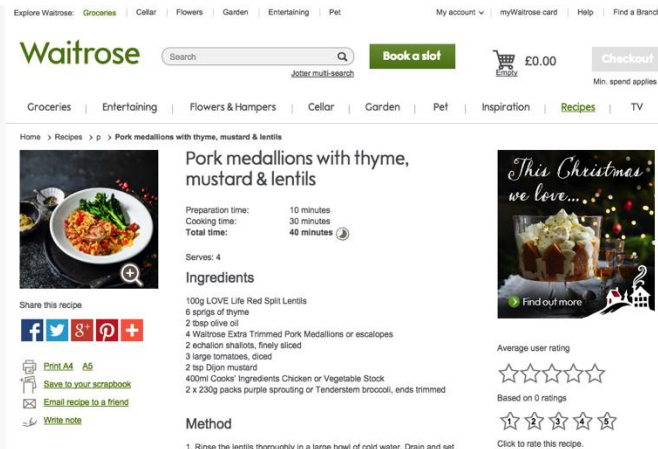
Christine receives a delivery confirmation email and sees some great recipe ideas for 'Healthy Fast Eating'. She clicks on the recipes and then posts them on Pinterest where she can access them later.



Content Recommendation

Social Services

Next Best Offer





Unfortunately, her daughter caught a bug on holiday and needs to go the doctor. Christine calls the contact centre to reschedule her delivery and when she mentions the reason, the Contact Centre associate offers to add Calpol cold medicine and tissues to the order. Christine thinks she'll need these and agrees to the changes which are automatically added to her order and charged to her account.

## Specific Capabilities

Omni-Channel  
Payments

Click to Chat

Service & Delivery  
Scheduling







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