Operationalize Retail Shopper Experiences

The benefits and transformational possibilities of self-checkout solutions

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[Following our September 25 webinar](#), Diebold Nixdorf asked guest speaker George Lawrie to respond to three key questions retailers should be laser focused on to stay ahead of the competition and prepared to offer unsurpassed consumer experiences:

How can grocery retailers leverage POS data to profile shopper needs and define the right mix of checkout solutions?

Forrester sees point of sale data as a kind of treasure map. Why? Well if you analyze your basket data and track the locations (and days and times) in which customers tend more credit cards and tend more to buy smaller baskets, well that's where X marks the spot on your treasure map. It's right then and there that your customers will most value self-service.

But the simplest and most obvious is to conduct basket analysis that – assuming the customer uses the same credit card number shows patterns in recency frequency and monetary amount. In most cases this will show that grocery customers tend to make more frequent trips to smaller stores. It will show that the baskets tend to have fewer items, but a greater proportion of fresh and peripheral items (rather than center store. This data helps retailers to make decisions about installing SCO in the smaller convenience stores catering to more frequent shoppers.

Contactless SCO Cash Assisted Check Out

Self-Checkout Items per Basket Assisted Checkout

**Preventing shelf checkout theft is a major concern. What steps do you recommend, to help prevent shrink?**

Forrester found that that deployment of smart scales is the most common check against SCO theft. Smart scales check the aggregate basket weight against the sum of weights held on file for each scanned item, and flag exceptions for associate intervention. Forrester found that shoppers in countries like Russia accept random checks as a precaution against fraud. In China facial recognition software helps top deter fraud. Customers justify theft to themselves when the SCO fails for example if the retailer fails to maintain accurate item weight records, if the barcodes are unreadable or if for example the receipt printer fails.

Forrester found the proper layout that helps reduce theft is the "pen" style. Having defined self-checkout area minimizes entry and exit points, provides a high level of visibility to all lanes for associates and supervisors, and provide customer with the quickest access to all lanes.


What self-service innovations enable the most powerful store transformation, with regards to shopper expectations, time-to-market and business impact?

According to Forrester, PoS is a top investment priority because the store / basket is a critical customer touch point, offering opportunities to sell services as well as goods and to bridge online and offline shopping with click and collect or in store returns of online purchases:
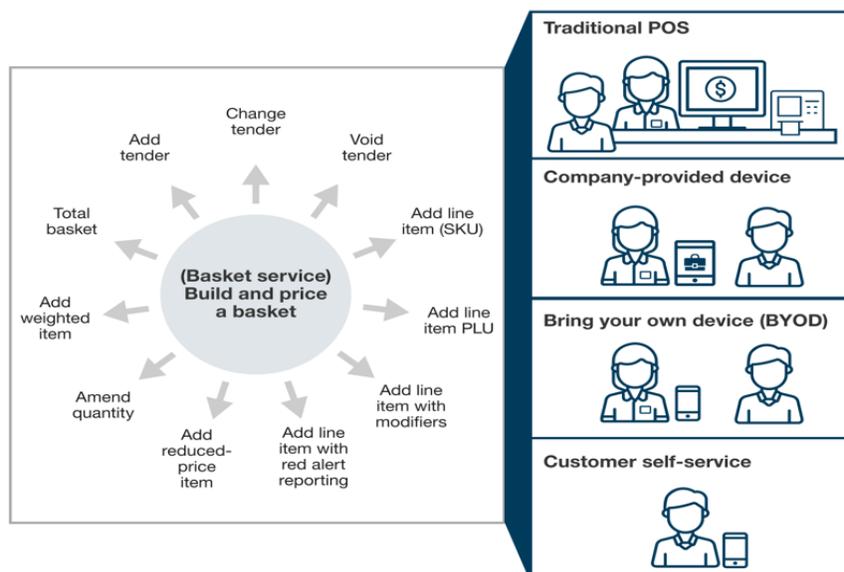
Source: "Omnichannel Requires Scoring A Trifecta With Technology Solutions", Forrester, January 8, 2019

Retail is evolving towards a much more digitally empowered store experience, but to reach the destination they must pass through four stages of digital maturity, which relies on interconnected systems that power a robust platform:
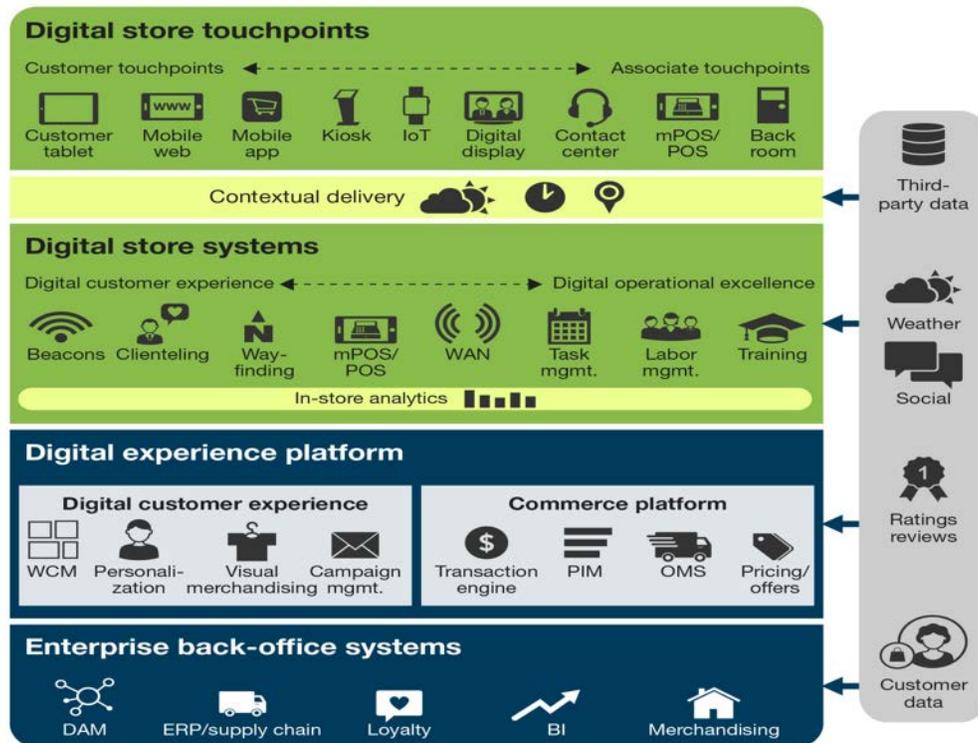
Source: "Construct The Business Case For Digital Store Transformation", Forrester, April 25, 2019

Additional considerations include:
- Shoppers's preferences for fresh means more frequent shopping trips but smaller number of items in the basket. This is why convenience retail is growing so fast.
- Supermarkets offer a mix of PoS and SCO to serve customers in both regular grocery shopping and convenience.
- Multi-format stores also offer hospitality. For example, Denver's Choice Market, which combines in a single location, c-store, grocery, a fast-casual restaurant, and also generates one third revenue fulfilling online sales.

For more on this topic, we invite you to listen to the on-demand webinar with guest speaker George Lawrie, VP & principal analyst, Forrester, and Matt Redwood, global head of self-service, for an expert analysis of the new appeal of discounters and an exploration into how technologies such as self-checkout can help you deliver a frictionless customer experience.

ON-DEMAND WEBINAR