Driving Availability in a Complex Retail Environment

Surpass Consumers' Expectations with Self-Service Solutions That Are "Always On"

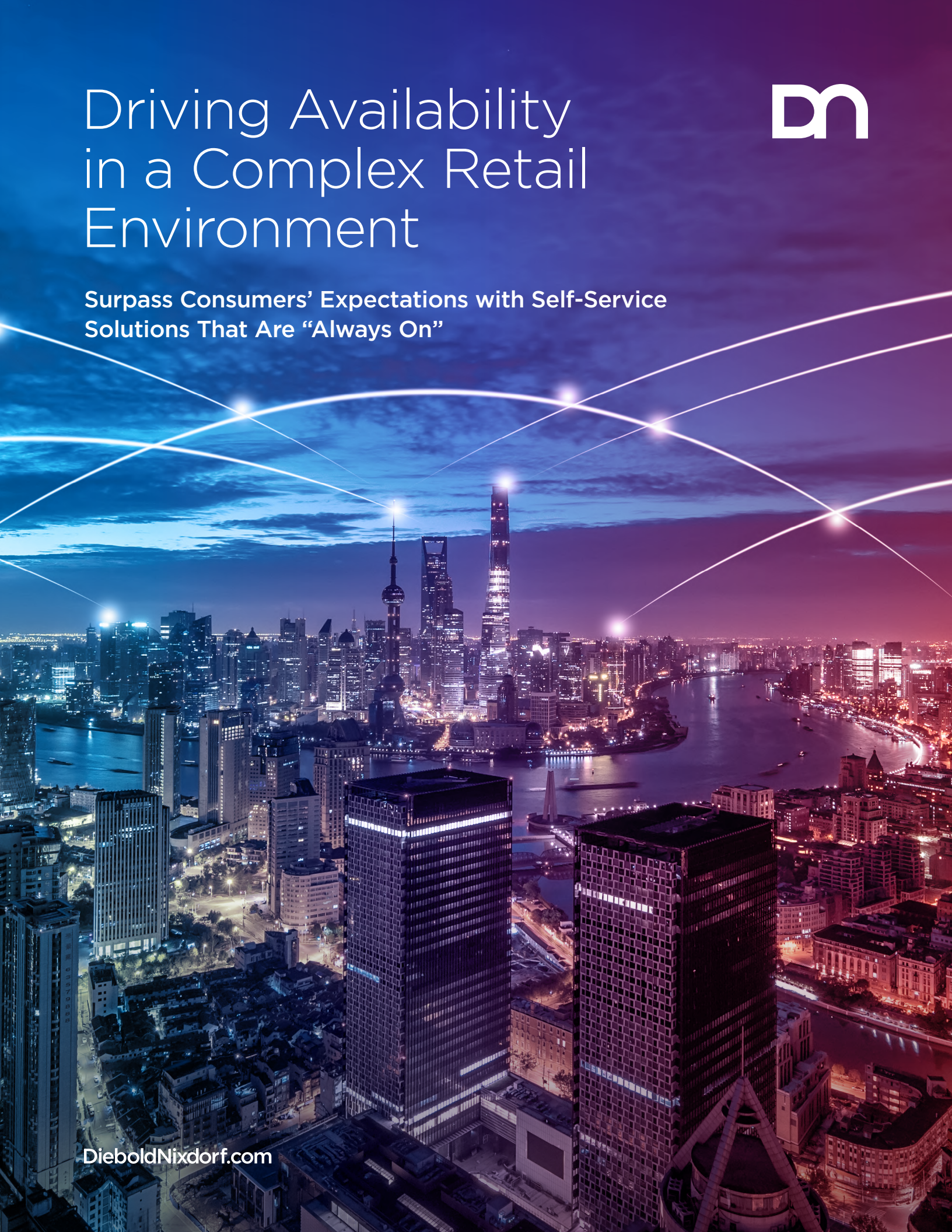

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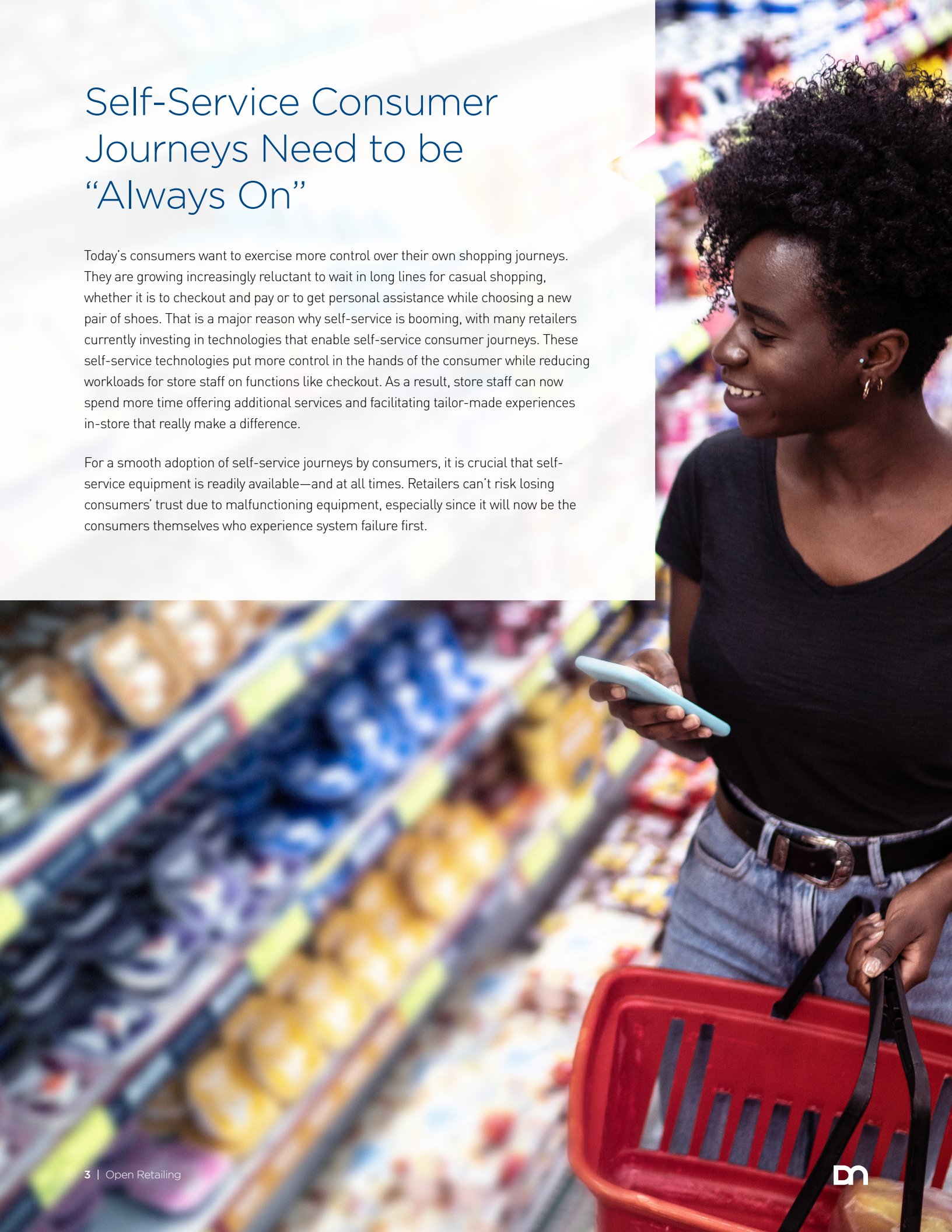
Table of Contents

Self-Service Consumer Journeys Need to be "Always On"

Today's consumers want to exercise more control over their own shopping journeys. They are growing increasingly reluctant to wait in long lines for casual shopping, whether it is to checkout and pay or to get personal assistance while choosing a new pair of shoes. That is a major reason why self-service is booming, with many retailers currently investing in technologies that enable self-service consumer journeys. These self-service technologies put more control in the hands of the consumer while reducing workloads for store staff on functions like checkout. As a result, store staff can now spend more time offering additional services and facilitating tailor-made experiences in-store that really make a difference.

For a smooth adoption of self-service journeys by consumers, it is crucial that self-service equipment is readily available—and at all times. Retailers can't risk losing consumers' trust due to malfunctioning equipment, especially since it will now be the consumers themselves who experience system failure first.

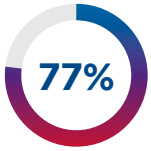


Self-Service Is Booming

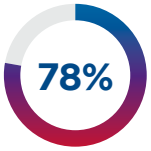
According to a survey carried out by Nielsen[1], 73% of shoppers are very interested in—or already use—some sort of solution to call a staff member directly to the shelf where they need help. When asked about annoying shopping experiences like waiting in a queue or finding an item out-of-stock, 77% of shoppers indicated they would prefer to self-scan their items, and 78% would like to be able to check item availability online before going to the store.

In order to meet their clientele's requirements, retailers need to support and implement solutions that put the consumer in control. In this respect it is worthwhile to mention that, in response to the COVID-19 pandemic many store owners have—almost overnight—implemented various self-service measures to reduce interactions between shoppers and staff. Think about contactless payments, self-scanning items in store, online ordering, or curb-side pickups; all are examples of low-touch ways to conduct shopping that are suddenly being used by large groups of consumers. It is likely that many of these measures were originally meant for temporary use, but will actually remain in place, because they are more efficient, and because they increase the shoppers' overall in-store experience. Low-touch shopping is becoming the new normal[2].

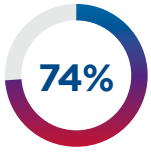
Consumers Want to Stay in Control



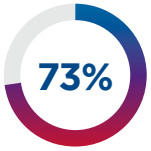
Scan my items myself to be able to leave the store more quickly



Being able to check availability online before I go to the store



Get notifications when my preferred items are back in stock



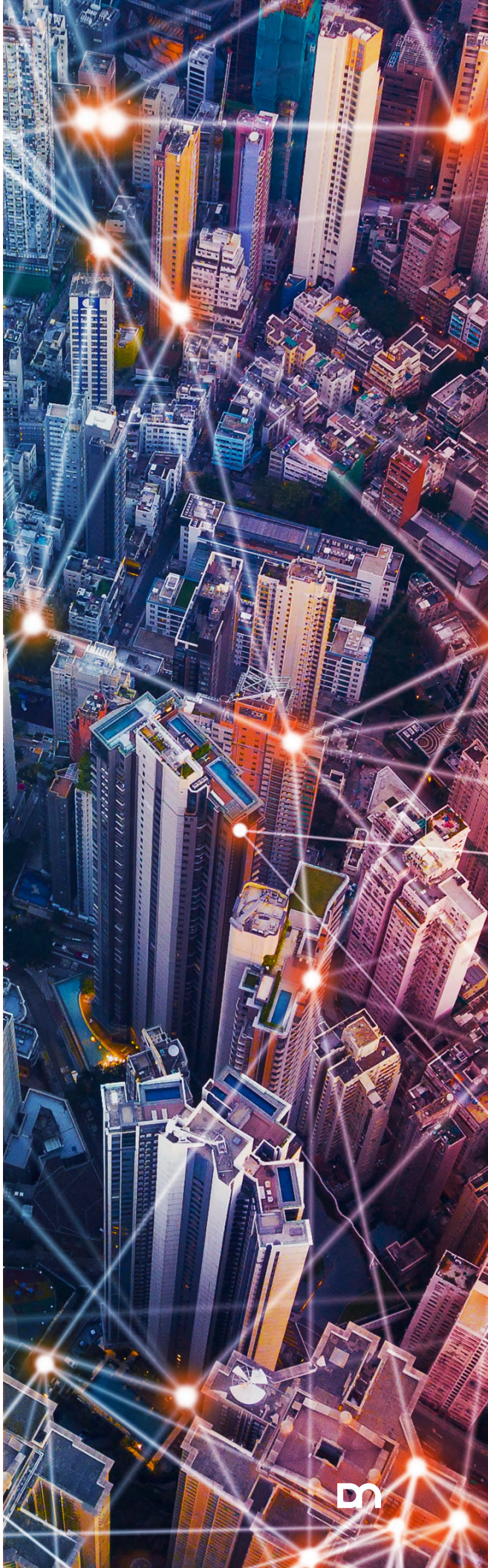
Call an assistant to come directly to the shelf where I need help

Source:

[1] Nielsen, Grocery Shopping Consumer Survey, December 2019, Online Survey, n=15,004. Commissioned by Diebold Nixdorf. Countries included: Germany, UK, France, Italy, Spain, Sweden, US, Canada, China, Singapore, Australia, Brazil, Mexico, Malaysia, Thailand Statements in this document do not necessarily reflect the opinion of Nielsen.

[2] https://hbr.org/2020/06/what-will-the-retail-experience-of-the-future-look-like

Nielsen, Grocery Shopping Consumer Survey, December 2019, Online Survey, n=15,004. Commissioned by Diebold Nixdorf. Online Survey carried out across 15 countries including USA, Canada, Mexico, Brazil, France, Spain, Italy, Germany, Sweden, China, Singapore, Malaysia, Thailand, Australia. *We asked: Thinking back over the last 12 months, did you have experiences that annoyed you while shopping a brick and mortar store? Base: All respondents, top 5 responses. How interested would you be in the following services to get such problems solved? Base: Respondents with an annoying experience, Responses: Very interested / Already doing this today*



Self-Service Raises the Bar

Self-service is quickly turning into a mission-critical process for consumers and retailers alike. This places much higher demands on self-service uptime and availability. By removing the buffer of the store associate, when a system failure occurs it will be first discovered by the consumer, which creates a tremendous loss of trust in the solution itself.

So, self-service consumer journeys must be always available non-stop, full stop. That's easier said than done, since retailers are usually working with a diverse set of hardware and software solutions—typically provided by a wide array of disparate technology vendors. This leads to complexities in managing the end-to-end solution. For larger retailers with international operations, the puzzle is even more complicated: How to create operational standards on a multi-national scale while ensuring the swift delivery of local support services that truly understand the solutions?

Consumers increasingly expect a seamless, personalized and hassle-free shopping trip. Having the right self-service devices readily available in store significantly contributes to positive consumer experiences. Device availability has become a KPI for success. This means retailers no longer want to hold their service providers accountable for individual time-to-fix SLAs, as the technology should simply be up and running at all times!

Service: The Fundamental Choice for Retailers

The fewer the number of business interruptions, the better. That, essentially, is the whole premise behind managed self-service—**moving from an SLA-based 'break-fix' model to a proactive, end-to-end managed solution.** To do this efficiently, retailers must carefully consider exactly how they want their self-service equipment to be maintained and supported, in order to be able to guarantee 'always-on' availability. This not only is a prerequisite for **positive consumer experiences**, it also **improves store staff efficiency** as they can now spend time helping shoppers rather than solving break-downs of store equipment

To achieve a state of 'always on' for self-service equipment, there are several things to take into account. Basically, a retailer has to make a fundamental choice regarding how they want to structure and manage support for the self-service equipment in their stores. This relates to the level of remote support services and the level of proactive support services being deployed in the stores.

Remote Support Services

Whether or not retailers want the ability to resolve incidents remotely is the first choice to make. Remote monitoring and support significantly increases system availability. It enables issues to be fixed earlier in the process, as issues are identified at an earlier stage. It also reduces the time needed to fix issues by eliminating travel time for field service engineers. As such, remote monitoring and resolution of issues increases overall system availability.

By itself, **remote** monitoring and support will not eliminate each and every interruption caused by malfunctioning devices, as it is still a responsive model. However, it will lower expenses on time and material (T&M) for the retailer, because most on-site interventions by field service engineers can now be prevented, reducing both fix times and travel costs. In addition, it also improves the consumer adoption rate of the self-service solution, as incidents can be fixed much faster, thus increasing overall availability.

Proactive Support Services

Another consideration is whether the service model allows for **proactive and preventative** interventions by the service provider. If it does, retailers can greatly improve the overall availability of their self-service solution—to over 99%—as proactive capabilities basically prevent interruptions of the service. It also boosts store efficiency, not only by resolving issues before they even occur, but also by eliminating time-consuming support tasks for store staff that otherwise may have had to help consumers who experienced problems with malfunctioning devices. This way, consumers will find their self-service equipment 'always on' whenever they need it, without any interruptions.

Both approaches—remote and proactive support—can also be combined, to get the best of both worlds.

Use Case

Two years ago, a large European retailer introduced a new service model into nearly 1,400 stores. In those stores, over 4,200 self-service checkout touchpoints were deployed. To optimize TCO for maintaining and servicing all these touchpoints, the retailer chose Diebold Nixdorf AllConnect Services℠ for Retail, opting for our proactive, remote service model. The results were phenomenal: having adopted Diebold Nixdorf's Managed Services approach, the retailer experienced an 80% reduction in inbound calls to the service desk. In addition, due to the sophisticated correlation engine and better quality of incident-related information, the retailer witnessed a reduction of 30% in chargeable calls and an improvement in engineer first-time-fix rates to 80%, leading to an overall availability of all checkout solutions of more than 99%.

As a result of the 80% reduction in inbound calls, staff interventions (e.g. to fix a broken device) were nearly eliminated. This resulted in **staff efficiency increasing by five hours per store per week**, which meant not only direct labor cost savings, but also more staff time available for helping consumers, doing shelf replenishments and so on, in order to further improve the overall consumer experience in these stores. Seeing these positive results, the retailer decided to take the next step toward a managed mobility and full managed services model, based on a fully connected store. In addition to partnering with DN for management of their self-service checkout devices, they're harnessing our services support for all fixed POS and mobile store devices.

Prerequisites for "Always-On" Store Operations

Both remote and proactive service models have a number of prerequisites. For remote services models, these are connectivity and limited data sharing. For proactive service models, next to connectivity, more extensive data sharing and an intelligent correlation engine are needed. Typically, proactive support is combined with remote support to gain the maximum benefits of both models.

Connectivity

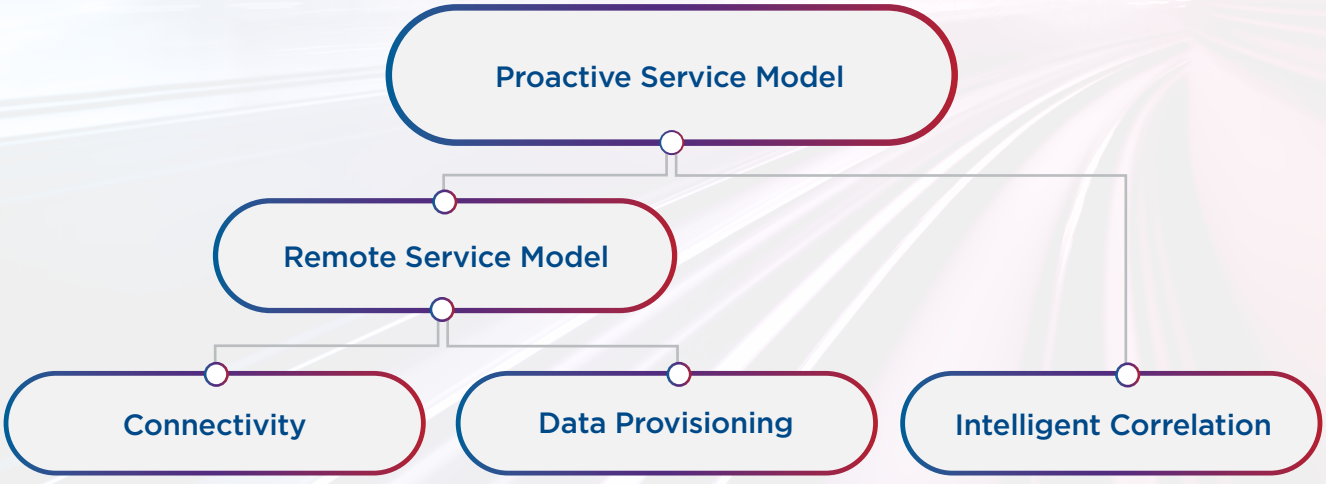
By connecting all staff and consumer 'touchpoints' together and making them accessible from outside the store, a managed service provider can remotely access and monitor self-service devices and gather device status information. This information can be used to make informed decisions about the current (and sometimes also near-future) state of a specific device. This can either be responsive, e.g. triggered by a service call made by store staff that something is not functioning well, or proactive, by real-time monitoring alerts sent by the correlation engine (more on this below).

Remote connectivity allows service engineers to accurately diagnose the root cause and resolve incidents remotely whenever possible. For example, if there is a software-related issue, often updating the software and/or rebooting the system can solve the issue. In case a hardware device needs to be fixed, a field service engineer will visit the store and swap devices or replace the malfunctioning part with a new spare part.

Data Provisioning

Better information drives better business decisions. The ability to resolve issues remotely depends on the accuracy of data provisioning on all hardware and software solutions deployed in the stores. Data provisioning, i.e. the process of making data available in an orderly and secure way to other systems or to users, can be done on various levels of granularity.

Having connected all staff and consumer devices together, a managed service provider can remotely gather information in real time on a range of status indicators: e.g. the CPU temperature inside the POS system, the power supply, jams in printer paper, amount of coins in the coin recycler, any devices switched on or off, issues with the bank note recycler, and so on and so forth. This data can then be plotted on dashboards with historical incident data, and be used to recognize incident patterns at an early stage. Typically, one will see that for proactive and preventative support services, more elaborate and more granular data provisioning will be required, as this is useful input for the intelligent correlation engine.



Intelligent Correlation

Access to granular and real-time data is important, but without the right 'interpretation' it remains just that: data. What is needed is to actually turn this data into actionable insights. In the case of a proactive service model, another prerequisite would be to use an **intelligent correlation engine**, which allows service providers to proactively diagnose 'suspect situations' and to correct them before they turn into real incidents.

This correlation engine typically contains hundreds of possible scenarios and associated likelihoods when a specific data pattern may eventually result into an incident. Quickly analyzing incoming data that is automatically streamed in real time from touchpoints in the store, the correlation engine is a powerful tool to improve uptimes and increase the Mean Time Between Failures (MTBF) by proactively flagging possible failures to the managed service provider. Moreover, it reduces unnecessary and preventable field service engineer calls, lowering TCO while increasing uptime of in-store equipment and overall consumer satisfaction.

Besides preventing failures, the correlation engine also reduces the average Time-To-Fix (TTF), in case a break-down was unavoidable. Using the built-in knowledge tree in the correlation engine, incoming service call requests can be analyzed and rerouted efficiently and in most cases, even be solved remotely. If an on-site resolution is needed, the correlation engine can serve the right status information and possible root causes upfront to the field service engineer. This means the service engineer can immediately start to fix the incident by skipping the time-consuming diagnostic phase. In addition, the proper diagnosis also ensures that the service engineer brings the right tools and spare parts with him before entering the store.

Self-Help App for Store Staff

Another consideration that will help retailers save on chargeable calls and increase uptime of their systems in-store is the use of a **smart service app** for store staff. Such an app, typically running on a mobile device used by store staff, provides staff with tools to aid self-help and self-resolution without contacting the technical service desk. Moreover, rather than dispatching a field service engineer, store staff can now self-resolve incidents 24/7 based on a built-in virtual assistant and by leveraging the knowledge base, FAQs and intelligent decision tree used by field service engineers. This reduces TCO while increasing availability of consumers' self-service journeys. In addition, it allows store staff to manage service tickets via the app, keeping all communication with the external service provider about incidents and resolutions centrally visible and stored in a single place.

Event	Threshold	Status	Action
SCO is running	Regular		Continue to monitor
Paper near to end at SCO	< 10 metres		Send message via AC Live app, replenish paper shortly
Application not running	Immediate		Remotely reboot device
SCO is switched off	> 5 minutes		Continue to monitor
	> 15 minutes		Outbound call to store, investigate why switched off
SCO is offline	Immediate		Outbound call to store, investigate offline status
Jam in note recycler	Immediate		Outbound call to store, talk through removal of jam
Temperature too high at POS	> X Celsius for Y minutes		Outbound call to store, take SCO out of service. Continue to monitor
Coin recycler full	Immediate		Outbound call to store, advice to empty coin recycler

Storevolution™ and Availability

Retailers should demand more from their strategic business partners. Gone are the days of 'setting up hardware' and letting the retail staff deal with implementation, adoption and running. Best-in-class partners will support retailers with the type of comprehensive solutions and managed services that keep the promise of 'always-on' availability, without expanding the number of store staff. Every single customer interaction needs to be perfect, every journey seamless, every touchpoint available—always, everywhere and under every circumstance.

At Diebold Nixdorf, we have developed an overarching program and approach to support retailers with the challenges they face while repositioning their stores for the new consumer era. We call it Storevolution. The Storevolution program[3] supports retailers in flexibly designing, enabling and operating frictionless consumer and staff journeys on a daily basis. One of the guiding principles behind Storevolution is "Store-as-a-Service".

Store-as-a-Service ensures consumer journeys are 'always on' and secured by leveraging the support of a trusted retail specialist via a service-based approach. It means that all apps and touchpoints from multiple vendors are managed by a single party and provided as a single service. We ensure all these technologies work together to provide a frictionless experience for both the consumers and the retailer's staff.

By managing all key processes and offering a globally standardized service, Store-as-a-Service provides end-to-end availability of consumer and staff journeys with a focus on maximum efficiency and lowest TCO. As such, it enables retailers to deliver consistent, reliable and 'always-on' experiences to their shoppers at all times.

Learn more at DieboldNixdorf.com/Storevolution or contact your DN representative today.

Source:

[3] https://go.snapapp.com/Retail_Storevolution

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