



## Smartphones ENERGIZE SALES

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Equipping retail workers with smartphones can benefit everything from worker productivity to customer experience. To that end, retail establishments from grocers and clothing stores to electronics superstores and department stores are equipping front-line employees with smartphones and specialty apps designed to improve customer service, enhance worker productivity and even take the place of traditional checkout equipment like cash registers and handheld scanners.

This trend has been growing for some time. In the study, "Mobility—A Gutenberg Moment for Retail, a Threat to Point-of-Sale," IHL Group analysts Lee Holman and Greg Buzek stated, "Without question, mobility is transforming retail as we know it in several segments."

Recently, in order to stay competitive, Lowe's Home Improvement issued store employees smartphones enabled for mobile calling, email and text-messaging as well as for processing credit and debit card purchases. Now when customers have a question, associates can use the devices to look up an answer, and they can also ring up orders on the device so customers don't have to wait in line.

In June 2012, the Neiman Marcus Group deployed more than 5,000 smartphones to its associates in all Neiman Marcus and Bergdorf Goodman stores. Each smartphone is equipped with a clientele-management app that alerts sales associates when preferred customers enter the store. The company is pleased with the program, and customer response has been very enthusiastic. "These mobile devices have enabled our associates to text, call and email their customers with ease as well as manage their individual businesses with impressive result," said Karen Katz, President and CEO of the Neiman Marcus Group, during a recent earnings discussion.

Despite the growing presence of smartphones on the sales floor, some companies have been reluctant to equip these customer-facing workers with such devices for fear they won't see a measurable return on their investment or that worker productivity will be hurt. In reality,

companies who make the move can experience a wide range of benefits, including:

### **MORE KNOWLEDGEABLE ASSOCIATES**

Associates can access the same information customers can access, which enables just-in-time marketing and a more nimble response to customer inquiries. The result is a seamless experience for customers, no matter where or when they interact with the company.

### **IMPROVED SOCIAL-TECHNOLOGY MANAGEMENT**

Companies are relying more and more on social-networking websites to manage customer feedback, promote sales, push coupons and engage customers. Front-line employees who use smartphones can manage that customer experience in real time, which only enhances the overall customer experience.

### **IMPROVED INVENTORY MANAGEMENT**

With a smartphone and the right custom app, a sales associate can inform customers of available inventory in real time, without having to step away to check a computer or a crowded stock room. For out-of-stock situations, associates can check product availability at other store locations or place orders to the manufacturer while still on the sales floor—increasing the likelihood of completing a sale rather than losing a customer.

### **FASTER POINT-OF-SALE (POS) TRANSACTIONS**

Many smartphones can be equipped with transaction applications that make it possible to complete a sale quickly, wherever the customer and associate happen to be. This can shave

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precious minutes off the total transaction time—minutes that can really add up over the course of an associate's shift. The IHL Group study noted that "some segments, like specialty stores, are planning to completely remove their traditional POS terminals and to go with tablets or other handhelds."

#### **MORE-EFFICIENT CUSTOMER TURNOVER**

Faster checkout via mobile POS applications mean associates can assist more customers during any given shift. Greater customer turnover can lead to greater revenue. According to the IHL Group study, "mobility is transforming the way retailers and restaurants interact with customers. Restaurants are seeing a 25% increase in table turn when mobile devices are used."