

Retail 2.0

The New Paradigm

In today's retailing ecosystem, retailers have been hard at work trying to create a customer/user experience at every retail channel that creates a higher level of satisfaction and increases the likelihood of repeat visits and purchases. It all culminates in incremental revenue velocity a holy grail in this economy. But retailers have created a tough environment for themselves. By offering consumers multiple, robust retail channels to purchase goods, merchants have heightened consumers' expectations of any given retail engagement. Now consumers expect a shopping experience that is consistent with physical stores for each digital channel whether it's a mobile storefront, an e-commerce website or a promotion via a microblog.

New York & Company, a 580 storefront women's fashion retailer, gained an intuitive sense of disenfranchisement from a significant portion of its fashion savvy consumers. In order to identify where the problems lay, MindTree conducted a digital assessment to identify gaps in customer conversion ratio and its on-line delivery performance. The effort was spearheaded in order to identify how New York & Co. could prepare to transform to today's new retail ecosystem.

The new paradigm – Retail 2.0 is characterized by an interactive shopping experience that is technology-enabled. Ideally, retailers gather consistent business intelligence about consumer buying habits across all channels, garner new insights into shoppers' habits and plan merchandising, pricing and promotional strategies designed to meet the individual needs of each of its varied customers.

Retail 2.0 culminates in optimizing the retailers' marketing efforts, and fostering loyalty through enhanced customer service. Conversely, retailers can answer consumers' needs with a level of immediacy and interactivity that fosters immense satisfaction if executed effectively.

The constant connection to technology and changing buying behaviors in Retail 2.0 has dramatically impacted how retailers interact with suppliers in this new paradigm. Now, retailers provide transparency to stakeholders in its supply chain, enabling real-time replenishment and store-based demand systems that eliminate out-of-stock situations.

The new paradigm leverages evolving digital touch points that gather real-time information on customers, analyze it and bring transparency to the whole value chain from customer to the producer. This not only helps in gathering information, but also guides retailers in their marketing investments.

Merchants must understand the evolving challenges and opportunities facing Retail 2.0 today:

- 1) **Customer expectations are increasing.** Web and mobile apps increase ease of access to retailers. At the same time, shoppers expect the same level of satisfaction from shopping on their smart phone as in the store. Having access to competitive pricing, crowdsourced reviews and location-based technologies, shoppers now demand superior shopping and merchandising and have a low tolerance for inferior service or merchandising.
- 2) **Globalization bringing new challenges.** With suppliers' manufacturing resources firmly based in Asian geographies, logistical and replenishment systems have become critical to increase real-time fulfillment.
- 3) **Technology is changing fast.** A retailer can ill-afford any delays in the development of new applications.

MindTree Retail 2.0 Approach

MindTree's Retail 2.0 team has built innovative solutions to address these new opportunities for retailers in a wide range of categories, including mass merchants, restaurants & hospitality, drug, deep discounters, e-tailers, and grocery and specialty, (including home improvement, automotive, apparel, home furnishings, health & beauty, consumer electronics, and sporting goods.) MindTree Retail 2.0 solutions are based on the OneShore model that's been proven to optimize a retailer's technology underpinnings to take advantage of the new paradigm in the consumer marketplace.

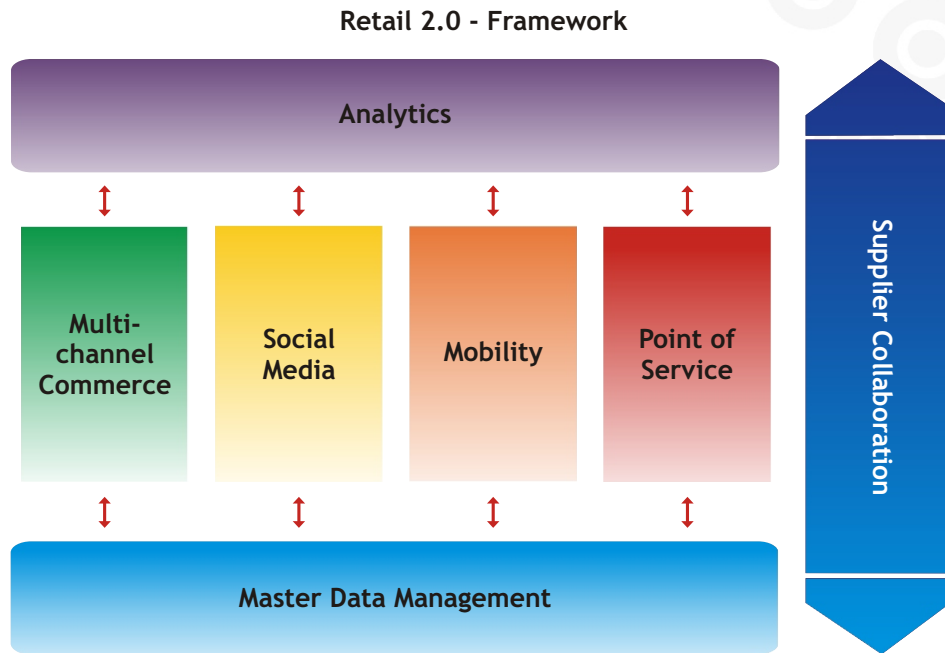
- The core of developing an effective technology strategy that produces quantifiable results is increasing the competency of a retailer to gather consumer-purchasing information so that insights are gleaned from forward-thinking algorithms. Thus, a retailer needs to have the resources to gather complete and uniform information across retail channel and operational boundaries.

At the same time, huge amounts of data are of no use without sophisticated analytics. Our analytics specialists help retailers take their quantifiable data on buyer behavior and gain insights on customer purchase habits and buying cycles and react accordingly whether its promotions, pricing, messaging or merchandising.

- Retailers need to integrate all of their evolving, technology-driven digital channels because customers often use them simultaneously. Channel optimization should be interactive and immediate for individual customers. More importantly, each channel must be transformed to be transactional for a revenue generating impact. **MindTree's retail group is on the forefront of ecommerce and web optimization - that thought leadership is built into its Retail 2.0 business model.**

- Retailers feel the pressure to bring multiple channels together, and enable them to generate revenues as quickly as possible so that no sales are lost to competitors. Our flexible OneShore model and our efficient mid-level size means that we are nimble and can increase your speed to market.

MindTree's Retail 2.0 Suite is comprised of seven solution frameworks:



We support our frameworks with technology centers of excellence tailored for the retail value chain, including: Oracle Retail, IBM WebSphere, Sterling Commerce, ATG, SharePoint, and SAP-IS-Retail.

MultiChannel Commerce Framework provides a single view of customers and a single view of operations that retailers can use to focus on customer-centric initiatives and optimize operational efficiency. We also can develop channels to interface with other retail touch points. Among the multichannel services we offer are:

- Integration of disparate channels including web, e-mail, call centers, and mobile platforms.
- Multichannel maturity assessment and IT integration roadmap.
- Multichannel order management handles sourcing inventory from multiple locations, cross-channel inventory visibility, order brokering, order status and cross-channel returns.

Social Media Solution Frameworks. YouTube and Facebook are having a dramatic impact on shoppers because the venues are so compelling. Yet, few retailers know how Tweets or Facebook engage customers. Our Social Web Listening allows retailers to identify opinion-leaders and to plan how to influence them. The tools analyze comment volume, timing, and platforms of origin, specific author comments & sentiment trends.

Mobility Solution Frameworks help retailers take orders on smart phones. Many retailers have non-transactional mobile apps for coupon promotions, messaging, browsing and store locators. Our framework makes a mobile storefront “transaction-capable” with retail mobile payment technology.

- Our mobility framework integrates and functions between e-commerce and mobile applications.
- MindTree's solution enables mobile commerce for most key business functions.

Supplier Collaboration Tools optimize the efficiency of supply chains by centralizing retail planning of distribution logistics, and transportation execution. Real-time multichannel replenishment systems predict store demand and maintain lean supply inventories. Now retailers get faster order fulfillment.

- Our RFID applications enable real-time integration with the enterprise, ensuring immediate inventory tracking and loss prevention.

Analytics Frameworks provide stakeholders with a 360-degree view of inventory, sales, and consumer behavior to optimize merchandising efforts. Our real-time analytics engines drive development of assortment planning, price, markdowns, shelf location, and traffic flow that result in higher customer satisfaction with the shopping experience and increased basket values. In Analytics, we have reviewed pricing, promotion, supply chain, merchandising, customer loyalty, sales and profitability scenarios.

- Our Rubic framework provides reusable components of KPI catalogues, data models, and business scenarios.

Point of Sale Solution Frameworks are focused on optimizing new customer-enabled in-store applications that enhance shopping experiences and increase customer satisfaction. We enhance self-check-outs, and in-store wireless kiosks that have either informational or transactional capabilities.

Master Data Management (MDM) Frameworks are the lynchpin in an effective Retail 2.0 strategy, tying together all other elements of these innovative evolutions. MDM enables multiple business units and the IT organization to integrate, cleanse, and deliver, master data enterprise-wide, with consistency, accuracy, and accountability.

- 3-tier framework with an intuitive GUI layer, business logic layer and a business data model.
- Metadata-driven solutions ensure easy scalability and extension to new master data entities.

Taken together, MindTree's Retail 2.0 offerings heighten consumer satisfaction emanating from individualized merchandising and increased convenience. Another end result--reinforced, consistent brand recognition across all channels. The retailer's single view of operations produces better service, decreased costs, and increased revenue optimization.

New technology-enabled retail channels such as social media and mobile platforms mean consumers want information and the opportunity to shop at a retailers' many touch points irrespective of where the storefront or the consumer is located.

MindTree is helping many clients embark on a multi channel integration journey; New York & Company, Crate & Barrel, and NTUC, are just a few we work with. We take the journey with our clients in helping them gain a single view of operations and deliver seamless integration of services to their consumers.

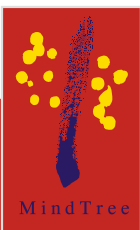
The most dramatic changes fueled by the new paradigm of Retail 2.0 is that technology is empowering both the shopper and the retailer. Now, every aspect of the retail experience can be tailored; maximizing all promotions and merchandising efforts for the highest likelihood of a purchase with each individual customer. Its this level of tailored merchandising that produces a higher basket value, increased revenues and in the end greater profits.

About MindTree

MindTree Ltd. is a global Information Technology Solutions company co-headquartered in the U.S. and India. MindTree partners with its clients to create a transparent, value-based relationship. We build innovative solutions in a wide range of technology domains that enable our customers to succeed in their business goals.

MindTree's Retail group comprises 600+ consultants offering solutions spanning the entire spectrum of retail value chain. MindTree's framework based approach allows customers gain delivery excellence, faster time to market, and significant cost savings. We are focused on making the retail organization customer centric by bringing together our expertise in the areas of multi-channel commerce, analytics, mobility, social media, supplier collaboration, master data management & point of service.

Having partnered with retail leaders across US, Europe, Middle East, Australia and Asia, MindTree further strengthens its retail expertise with dedicated Centers of Excellence (CoEs) for Oracle Retail, IBM WebSphere, Sterling Commerce, ATG, SharePoint, and SAP-IS-Retail. The CoEs allows customers leverage best practices, processes, and re-usable components across different client engagements.



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