Sprint Business for Retail

The consumer is the destination

Buckle up and take a deep breath.

The speed of digital transformation is creating growing pains among retailers, and the truth is, it's only just getting started. More change — change that will significantly impact your customers' expectations and behaviors — is coming. The question is, are you prepared?

Everything about your operation, from the way your customers shop to the way they interact with your products and services, will be shaped by a dizzying wave of technological changes and demands, many of which haven't even been imagined yet. And it's all being driven by a single goal: the desire for actionable analytics.

"Five years from now," says **Nick Ismail of Information Age,** "Retailers won't talk about e-commerce; it will just be commerce. The entire retail experience, both online and in-store, will be driven by data."

As the demand grows to create unique customer experiences, embracing digital transformation that drives customer data collection becomes more imperative for retailers. Those who adopt will be the ones best poised to thrive. **According to Forbes contributor, Nikki Baird**, "innovative retailers do not define ROI in terms of optimizing processes. Instead, they look for projects that create opportunities to gather data — all kinds of data, including the expected and the unexpected."

An evolution of this magnitude can be exhilarating, but it can also be downright exhausting. You've got a retail business to run, after all. How fast you're able to pivot will make all the difference between your ability to embrace change and being left behind. The path to digital transformation can seem daunting, which is why you need to partner with a technology provider ready to welcome innovation and adapt to the rapid-fire changes to come.

Sprint understands the retail industry because *we're one of you.*

At our heart, we're just like you — a retailer focused on optimizing the customer experience. With more than 3,700 retail locations nationwide, including a presence in Walgreens and many other national retailers throughout the country, we relate strongly to your challenges because we face them as well.

From supply chain to back-of-store, from the sales floor right on up to the register, we've built our reputation on developing innovative technology solutions for the retail space that enhance every step of the retail process — and they're on full display in our own stores.

Our customers have come to expect an unparalleled shopping experience when they step into a Sprint store, and with every new innovation we put in place, our customers are benefitting from new technology that helps them move through their in-store transactions quickly and easily with or without human interaction. And busy shoppers will be quick to engage with technology that offers them enhanced speed and flexibility in their shopping experience.

Building out our digital retail isn't about replacing the familiar store experience our customers trust — it's about digitally enabling retail stores to provide the best possible customer experience.

We're also thinking well outside our own retail footprint to serve our customers right where they shop. As part of a strategic relationship with Walgreens, we launched **Sprint Express**, a pilot "store within a store" program, in several of their locations throughout the Chicago, Dallas/Ft. Worth, northern Indiana and Gainsville markets. Through this program, we offer customers the convenience of purchasing devices and post-paid cellular services. This alliance provides neighborhood convenience for service and support to customers who are just minutes away from their local Walgreens.

Responsive initiatives like our Walgreens partnership, along with first-to-market innovations like Curiosity™ IoT, the first dedicated, virtualized and distributed IoT core network and integrated operating system, reflect how Sprint Business is not only keeping tabs on the technology revolution — we're driving it in ways that directly benefit retail enterprises like yours. We're ready and willing to work with you to implement change strategically, efficiently and economically.

If it's trending in the retail industry, we're on it to keep your business miles ahead.

Knowing what threats and challenges are coming down the pike, not to mention what's "in" and what's "out," is essential in the retail environment. To gain additional insight, we reached out to Sally Lange, Vice President of Emerging Markets at Sprint.

"The things that used to work before, the small changes ... that's often all it took to 'right the ship,'" Lange says. "Today however, the **changes must be dramatic to be effective**. Retailers must be flexible and dynamic, willing to test, trial and pilot ... to try things they never had to try before ... this is the way to learn things about the market in today's changing retail climate."

Her take on the industry right now is that the days of applying technology strictly to operational needs like inventory control, scanning bar codes at the checkout, and counting foot traffic are gone. "The paradigm has shifted dramatically," she says. "Retailers are intensely feeling the stretch of this retail revolution ... they must evolve or die."
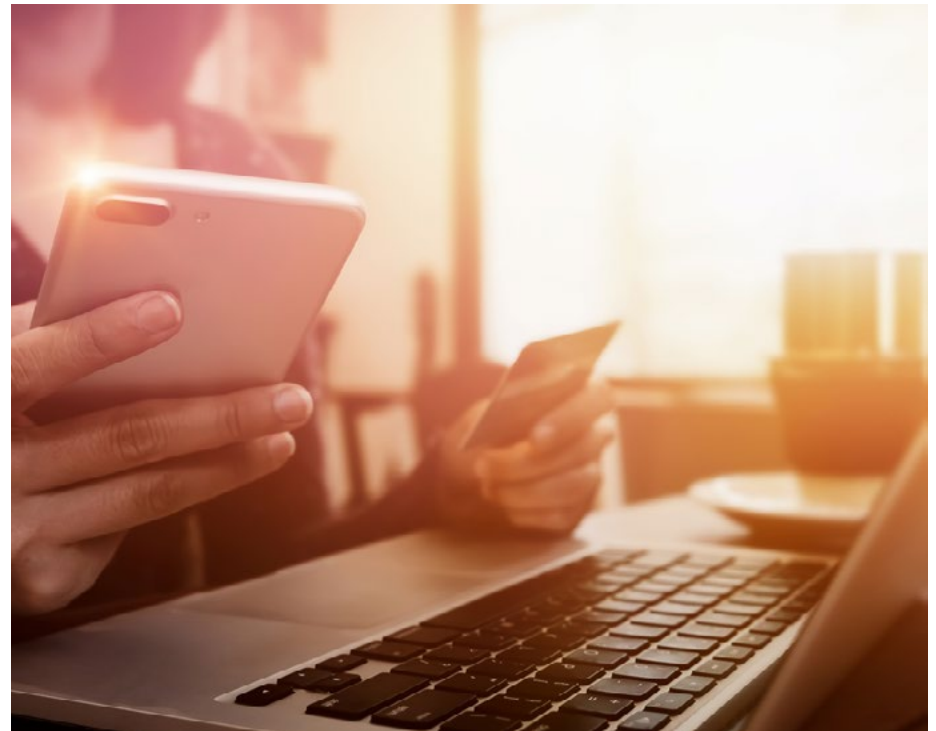
In today's retail climate, the Consumer is the Destination

Your customer behaves differently, thinks differently, and shops differently now from any other time in the history of retail — and it's going to take an open mind and bold action to address their needs.
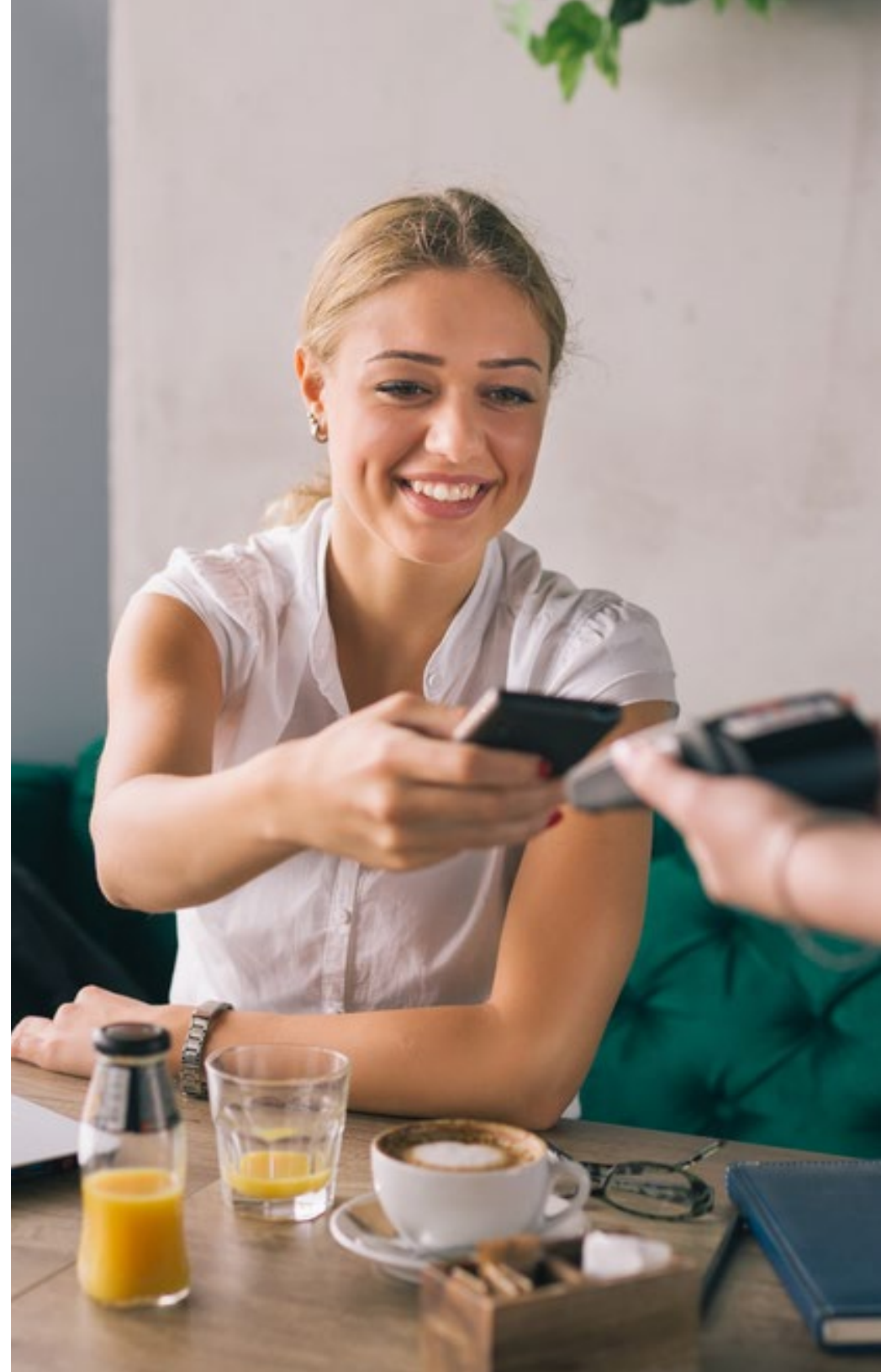
01

Current customer mood: "I want it when I want it."

Not long ago, customers would plan their day shopping at the mall or driving from store to store. Today however, they can search for products and services and make purchases at their convenience right from their smartphones. They can schedule delivery, allowing them to get products when they want, where they want, including the same day.

Even grocery shopping has gotten more convenient, apps allow customers to reserve groceries on the way home and have someone load them into their car as they drive up. Getting to the consumer easily, quickly, and hassle-free is the new challenge for retailers who need to integrate into customers' lifestyles to stay relevant.

Customers are feeling more empowered than ever. They know they have options and aren't afraid to say, "I want it when I want it," because **if you can't give it to them, they'll find it somewhere else**.

They expect employees on the sales floor equipped with robust mobile devices and digital technology to fulfill purchase requests, access product information, and solve out-of-stock issues on the spot.

63%

of shoppers said they would be more likely to buy in-store if sales associates outfitted with tablets were available for product information, availability, or ordering.[1]

02
Do you have a digital transformation strategy?

Rob Roy, our Chief Digital Officer, says in order to build a successful digital transformation that is accepted within a company, it's important to ask two questions:

• What is the direction of your company, and how does digital transformation align with those goals?

• What is your customer saying? What are their main pain points?

That acceptance from the customer service department to the C-Suite is what Roy calls "**the secret sauce**," because it's so critical to have an entire organization invested in the direction that the new technology takes. It's equally important to ensure the changes are what the customers want and need.

"Our whole job is really to take and rebuild processes and experiences internally … but we do it in working shoulder to shoulder … flying our teams in … sitting side by side, listening to calls and understanding the types of responses they have, what they need, what a typical day looks like. When we roll out the new technology, it's very familiar to them because they helped build it."

The same goes for your customers. Your customers will embrace the new technology — and therefore, choose your retail brand — when they feel their attitudes and needs helped inspire the evolution.

Roy's **vision** of what it takes to embark on a digital transformation within a company is one of the many reasons we are so successful at helping other retailers adopt new technology and thrive from it. Whether through the spirit of cross-department collaboration or the hiring of what **Roy calls** "people born swiping right" who've never known anything other than a digital life, we practice what we preach and we're ready to share our wealth of retail experience with you.

03

Get inside their heads and hearts.

Customers have relationship goals: they want you to know their buying habits and behaviors, because they want every retail experience, regardless of the channel, to feel like you created it just for them. What's more, they expect their devices — and yours — to be integral to that optimal retail experience.

That said, in today's retail climate, those with the vision and the tools to turn data into revenue will succeed. But first, that data needs to be successfully collected and sliced and diced to actionable analytics. "The challenge for retailers is how to put themselves in the path of their customers and to make every interaction a worthwhile experience (for the customer and for the retailer)," says Sally Lange.

> 63% percent of consumers surveyed indicated that they were interested in personalized recommendations, while 64% revealed they were willing to share personal data in exchange for benefits like loyalty points and automatic credits for coupons.[2]

04

Sophistication and expectations.

The pool of shoppers born into a digital world is growing every day. Every aspect of their lives involves devices, whether they're ordering pizza or buying bed linens. They rely on the digital world for their social interactions, research, work life, purchasing, banking, everything. And they expect the same from the retailers they frequent.

"Consumers operate in multiple mediums. For them it's not about loyalty to a device type or a physical store. It's about convenience, cost and quality. In consumers' minds, online and offline are already linked," **says** Danielle Roberts, senior product manager at Kibo, a leading omnichannel commerce platform for retailers.

> If you're not future-proofing to meet the needs of this massive target market, if you're not poised to pivot and turn on new technology on a dime, you risk losing the sale.

2. https://www.retaildive.com/news/more-consumers-than-ever-want-retailers-to-personalize-service/531809

05
What's in it for me?

Customer contentment is a fickle thing. One day, they expect to be couponed for exactly what's on their shopping list. The next day, they're demanding free returns and clicking off your site if you don't offer them. Retailers have to work harder and harder to plan for and respond to today's tech-savvy consumers (let alone gain their loyalty) and to do that requires high-level behavior and purchase tracking (think Internet of Things-level tracking) and deep dive analytics capabilities.

"Consumers now expect delivery to be fast, reliable and free. Click and collect has become a prerequisite and shoppers have come to expect free returns. The customer has never had it so good – but this has added a lot of cost and complexity for retailers," NBK Retail analyst Natalie Berg said in an interview with **RetailDive**.

06
Future-proofing is the new rapid innovation.

Evolving consumer demands require retailers to come up with new and innovative ways to future-proof their investments. Everything from 24/7 automated lockers allowing customers to pick up and/or return items at their convenience to capturing and leveraging data to automate processes and decisions is under consideration.

Retailers must not only be focused on strengthening their technology infrastructure but must also be ready to embrace speed and agility to meet consumer demands.

But taking leaps in technology requires much more than faith. **Dramatic climate change requires an agile technology provider at your side;** one that enables you to see the challenges coming down the road before they even come around the bend. By giving you genuine freedom to meet those challenges, without requiring you to rip and replace your existing investments — or even to make big new capital outlays.

That's what it means to future-proof with the right vendor. That's what it takes to be prepared for perpetual change.

Create your future:

You can wait for your future to get here, or you can help create it with the right technology provider ready to guide you every step of the way.

When you align with Sprint, you gain the strength of a technology powerhouse built around a team of the most innovative, forward-thinking minds in the business. Working together, we will optimize your legacy technology and lay the foundation that allows you to seamlessly pivot to meet changing needs. Most important, we'll give you the opportunity to leverage the most complete converged solutions to connect people, places and things at every level of your retail enterprise.

Perpetual change is real. With Sprint as your technology provider, your retail enterprise will be ready to meet the future head-on.

Here's how we do it:

Our pool of technology geniuses is one of the largest on the planet and they're all yours.

No single company will be able to make it happen on its own. To realize the full potential of the future, it will take expertise at the device level, the software level and the network level. The Softbank family is one of the most powerful technology families on the planet and, as part of this family, we are ideally positioned to help our customers exploit that power.

When you work with us, you enjoy access to Softbank's impressive ecosystem of capability, a talent pool made up of hundreds of cutting-edge global technology companies featuring the top technology minds, products and solutions in the business. This singular relationship allows us to pick and choose from a tremendous portfolio of solutions (ours and theirs) to determine what works best for your specific needs — even down to the device level and the software that drives the application. That means we work with you as a strategic vendor.

What's more, we never forget the pressure you feel to protect your investment. And this is where our agility and innovative mindset are our best asset. In our world, the notions of "customizing," "plugging into existing," and being "responsive to change as market conditions evolve" are always top-of-mind as we explore best solutions for your needs. There's nothing cookie-cutter about what we do for you. For that reason, every Sprint Business client is assigned an Implementation Team that works with you throughout the implementation process ensuring that if change happens, we can respond to it, amend it and keep moving forward.

Our 5G experience is hyper-fast, highly-scalable, and mobile.
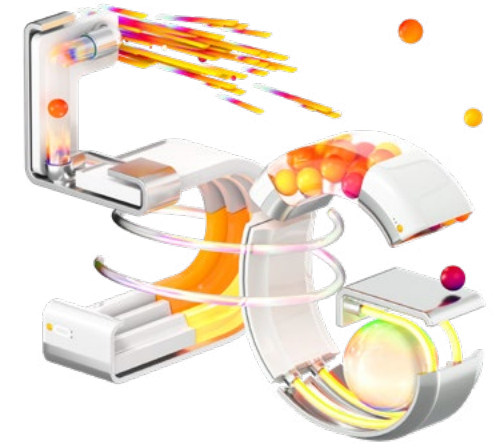
5G is the next big leap in mobile networks, a leap that is already changing the way retailers work, collaborate, innovate and service customers.

5G will allow the Internet of Things to fly and to flourish, and retailers will be one of the biggest beneficiaries.

Of course, the initial excitement about 5G centers around download speed. At up to 10x faster downloads than 4G, 5G data doesn't just fly, it hurtles. 5G can deliver dramatic improvement in latency, coverage, capacity and density.

New technologies like immersive augmented reality (AR) will be huge game changers. According to **Analytics Insight contributor Vivek Kumar**, "5G has the potential to bring to the best of in-store and digital retail experiences together."

"5G's high speeds, gigantic bandwidth, and low latency empower extremely fast AR object recognition on quite a lot of products at once so buyers can compare products at real-time and get product reviews based on the star ratings across manifold items in a single screenshot."

These are important reminders that 5G isn't just about faster data speeds; it's about faster, more effective ways of doing business.

For retailers specifically, 5G opens up new opportunities to create the most personalized customer experiences. From creating customizable merchandise, to offering virtual dressing rooms to "try on" clothing from virtually anywhere, to allowing for quick-change, attention-grabbing digital signage, 5G opens the door to limitless retail marketing, operational and sales opportunities.

68%
of customers note that digital signage would make them more likely to buy advertised products[3]

44%
of customers stated it would influence them to buy the advertised product instead of a product they already planned to purchase[4]

3. https://us.moodmedia.com/industry/data-behind-digital-signage/
4. https://www.shopify.com/retail/digital-signage-is-it-worth-the-investment-and-how-can-retailers-use-it

The key to our 5G advantage is summed up in one word—mobile.

Our 5G network — **a true mobile 5G network** — is already out in select markets helping transform the way retailers do business. And it's the "mobile" part that's making all the difference. **Your employees, customers, vendors and products — the key elements of your business — are in constant motion, and we've created a 5G network that helps allow them to maintain their connection to your brand.**

Think of it. From analyzing and responding to customer data collected off the floor in real-time, to reacting immediately to outfitting employees with wearable interactive devices, to inventory and back-of-store storage sensors, to maximizing blockchain functions like instant transactions, 5G will maximize your customer relationships and operational efficiencies and allow you to use networks in ways that weren't possible before.
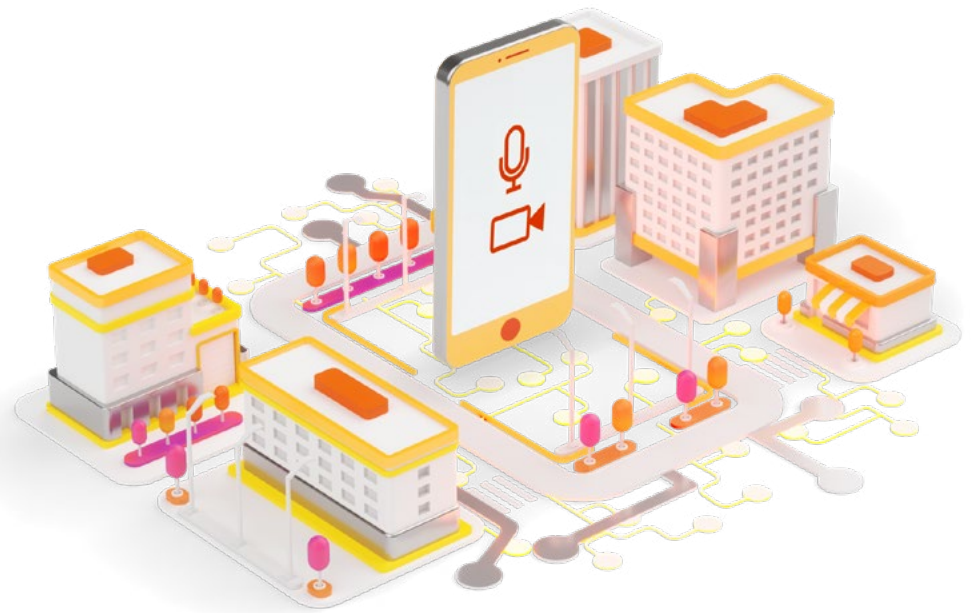
Our virtualized network approach makes it easy to scale, deploy & innovate.

Change moves at lightning speed in the retail industry. Customer tastes can shift based on a single influencer post. Their behaviors can be altered by every new device and app that hits the market. The same goes for internal operations, where change is a constant.

A critical consideration in any retailer's technology transformation is how to best keep up with changes in consumer shopping and buying behaviors, and the demands that places on employees. To that end, retailers need a robust network infrastructure in place to collect and leverage all the data gathered from the IoT. In the past, digital networks supported limited store functions such as point-of-sale systems. Today's networks must also seamlessly support Wi-Fi, which is so critical to enhancing the customer's in-store experience. Going forward, next-generation networks must be even more robust, as they are tasked with supporting mobility, digital signage, self-service kiosks, radio frequency ID (RFID) and beacons, all in an effort to create new opportunities to engage with customers.

Did you know:

- 56% of every dollar spent in-store is influenced by digital transactions[5]

- 80% of major purchases start with online research and end with in-store purchases[6]

- 73% of shoppers conduct research during their in-store visit, with 87% of respondents completing the purchase in-store[7]

- Mobile commerce now accounts for almost 30% of total e-commerce sales in the U.S.[8]

- 86% of shoppers are regularly channel-hopping across at least two channels[9]

- 73% of consumers shop on more than one channel[10]

Seeing these statistics, it's easy to see why having both strong in-store AND digital channels makes for a better customer experience. **That dual demand makes network agility essential — your business needs to be able to pivot on a dime to meet evolving customer behaviors and be ready to scale up or down quickly.** We stand alone when it comes to being nimble and responsive to our business customers' needs, and it all stems from our transformation into a "connection agnostic" technology powerhouse.

What does that mean exactly? Two words: technology freedom. Rather than having your network functions be married to a hardwired legacy operation system, we create virtualized networks that seamlessly allow for cross-platform integration (think Mac using Windows software). The result is easier, faster deployment (think days instead of months) of functions and connectivity when and where you need them — and that translates to your ability to focus on what you do best, knowing that your network is always optimally connecting all of your retail channels to the people, places and things that benefit your business most.

5. Deloitte, 2016; 6. Synchrony Financial, 2015; 7. Synchrony Financial, 2015;
8. Internet Retailer, 2015; 9. CommerceHub, 2016; 10. Harvard Business Review, 2017

The first dedicated IoT core network and operating system for turning data into actionable intelligence.

The Internet of Things (IoT) ushers in a new age of enlightenment for retailers like you, and the reason is simple: Going forward, your survival and your success depends on acquiring actionable data.

To answer the call, we've built **Curiosity™ IoT**, which opens the door to creating a robust network between internet-connected physical devices. The best part? It will do it simply and cost-effectively, with companies being far less concerned about the technology than they are about the outcomes achieved.

McKinsey & Company, global management consulting firm, says "The potential economic impact of IoT in retail environments will range from $410 billion to $1.2 trillion per year by 2025." We firmly believe those will be dollars wisely spent in ways that help propel your business to greater control and greater success.

With Curiosity™ IoT, advanced analytics using artificial intelligence and machine learning become actionable at an incredible scale. Using sensors, cameras, motion detectors and other devices that generate data, you'll be able to do everything better, from creating automated POS to viewing inventory on a mobile device to optimizing customer flow through your store. These innovative technologies not only improve the in-store shopping experience but also contribute to increased revenue.

The first dedicated IoT core network and operating system for turning data into actionable intelligence.

For example

Location-based sales associate alerts serve to maximize in-store customer experiences such as ensuring a customer is attended to when he or she enters a particular zone of the store, or to alert an associate if sensors indicate the customer lingering at one spot in the store, suggesting a possible need for assistance. Customers, too, can apply their own uses while shopping; for example, by leveraging **geofencing technology**, customers can enhance their in-store experience by pulling up a map of the store and navigating to locations of the products they want. Another exciting innovation, **beacon technology**, is extremely useful for creating seamless online and in-store experiences for customers, delivering product information, tutorials, and targeted discounts and coupons directly to

customers' mobile devices while they're shopping. "61 percent of U.S. shoppers who have never tried in-store tracking before say that receiving discounts and coupons from a retailer would drive them to opt in." says Hubspot marketing blogger, **Caroline Forsey**.

IoT can also aid in-store operations by providing product visibility throughout the supply chain and **optimizing inventory management**, which is useful, for example, in triggering automated price reductions (enabled through digital shelf labels) to encourage sales of slower-moving items.

Our retail customers in the restaurant and convenience store spaces have found our temperature monitoring solution to be especially beneficial. The

24/7 automated system ensures refrigerators maintain optimal temperatures, which is critical for both food safety and compliance with health regulations.

Optimizing inventory, behavior mapping, cybersecurity fraud prevention, monitoring product sales performance, minimizing shrink — these are the analytics that will allow your retail environments, both brick-and-mortar and digital, to operate smarter and more effectively.

The result?

You not only take greater charge of operational efficiency, you also improve your customer experience in ways that allow you to go head-to-head with your online competition.

And, in keeping with our innovative spirit, our solutions have no bounds. Through our **Curiosity™ IoT Factory** and various other verticals solutions, we will provide ready-to-deploy IoT solutions or solutions customized to meet your customers' needs, all with a proven ROI to ensure your success.

Our business philosophy is the most enlightened in the industry.

Think about it … no business has experienced more dramatic changes than technology providers. We have been part of one of the most extraordinary evolutionary periods in history when it comes to how consumers and companies interact, and there's so much more ahead.

We embrace perpetual change and we're here to help your retail business do the same. We understand that the enterprises that survive and thrive in the coming years will run toward change in order to make big, measurable impacts — like delighting customers, or streamlining processes, or boosting security. To succeed in this climate is to be open to spinning up new business models, new customer experiences, new products and new services. To seize new opportunities and escape from emerging traps.

We start by asking the big question, "how would you like to connect with your partners?" rather than presenting a menu of standard solutions, because we can and will design something exactly to your needs and specifications.

We choose to earn all of your trust by earning it one amazing solution at a time. That allows us to pilot and test ideas for you that not only showcase our talent, but also solve your business challenges.

As a fellow retailer, we offer two invaluable perspectives:

1. A boots-on-the-ground understanding of how retail consumer demands are changing,
2. And a 30,000-foot view of how operational processes must change to meet those demands.

Here at Sprint, across every department, we're experiencing the impact of the technology evolution and all the associated operational questions and challenges, just as you are. The challenge for all of us as retailers, of course, is to determine how to successfully weave together what's working successfully for you, then identifying and adopting new ways to improve what's not working as well as it should.

Let's talk

We are pioneering bold, forward-facing technologies that invite change in and say, "we're more than ready for you, so bring it on."

Find out what Retail Solutions can do for you. Contact your local Sprint representative today to learn more. Call 1-877-633-1102 or see more details on businesssolutions.sprint.com/ent-retail

Works for Business®