

State of the Industry Research Series :

2015

2015 Retail Point-of-Sale Blueprint

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EXECUTIVE SUMMARY

The Aging POS Platform Paves Way for a Makeover

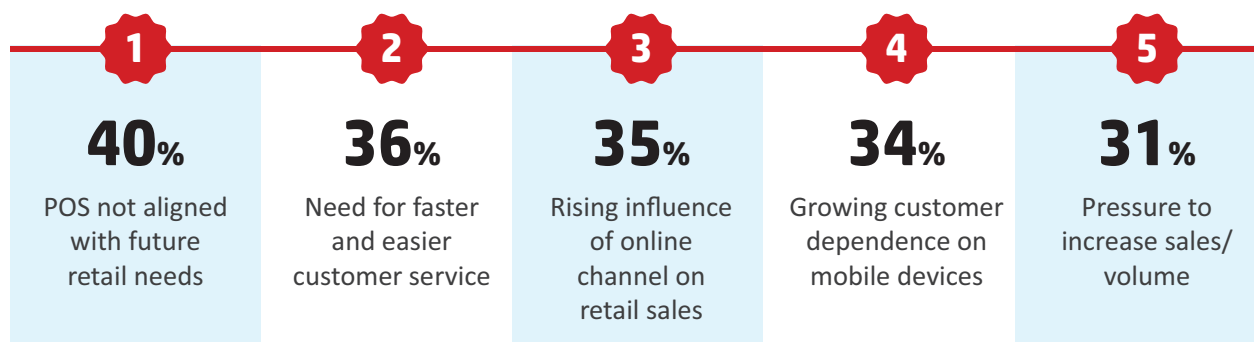
With the average age of POS platform being 6.9 years, the retail industry needs to address aging and outdated POS systems or face compliance penalties, security risks and limited ability to meet growing business needs. As a result, a majority of the surveyed retailers (6 in 10) are planning to replace their POS platform over the next 24 months. This shift is primarily driven by 4 key factors including EuroPay, MasterCard, and Visa (EMV)-liability shift, growing need for mobility, Omni-channel POS integration and the introduction of new payment methods.

6 IN 10 RETAILERS PLAN TO REPLACE THEIR POS PLATFORM OVER THE NEXT 24 MONTHS

Traditionally, POS systems have been used by retailers to scan merchandise and generate basic transactions for customers - reducing customer engagement to the transactional level. However, a transformational change in retail, fueled by empowered consumers, is redefining POS as the "Omni-Channel Point-of-Service" - more than just a cash register or aggregator of transactional data, where retailers engage customers to build long-term relationships and loyalty, irrespective of sales channels. These systems now allow retail associates to support multiple operations and comprehensive Omni-channel process flows such as sales tracking, inventory management, promotion management, strategic planning and budgeting, accounting, and loyalty management, to name a few. The main objective behind having an Omni-channel POS is to have a uniform user experience between eCommerce and store POS to enable ease of use for integrated business processes such as different order types. Another reason for Omni-channel POS to thrive in retail is to possess a common code-base to execute future upgradation and extensibility of the system.

However, current POS systems are unable to meet future retail needs (buoyant customer/technology growth) according to 4 in 10 surveyed retailers. Other key business challenges related to POS include the need for faster and easier customer service (36%), rising influence of online channel on retail sales (35%) and growing customer dependence on mobile devices (34%).

Top 5 Point-of-Service Related Business Challenges



(Figures are cumulative percentage of total respondents)

Source: EKN 2015 Retail Point-of-Sale Blueprint Study

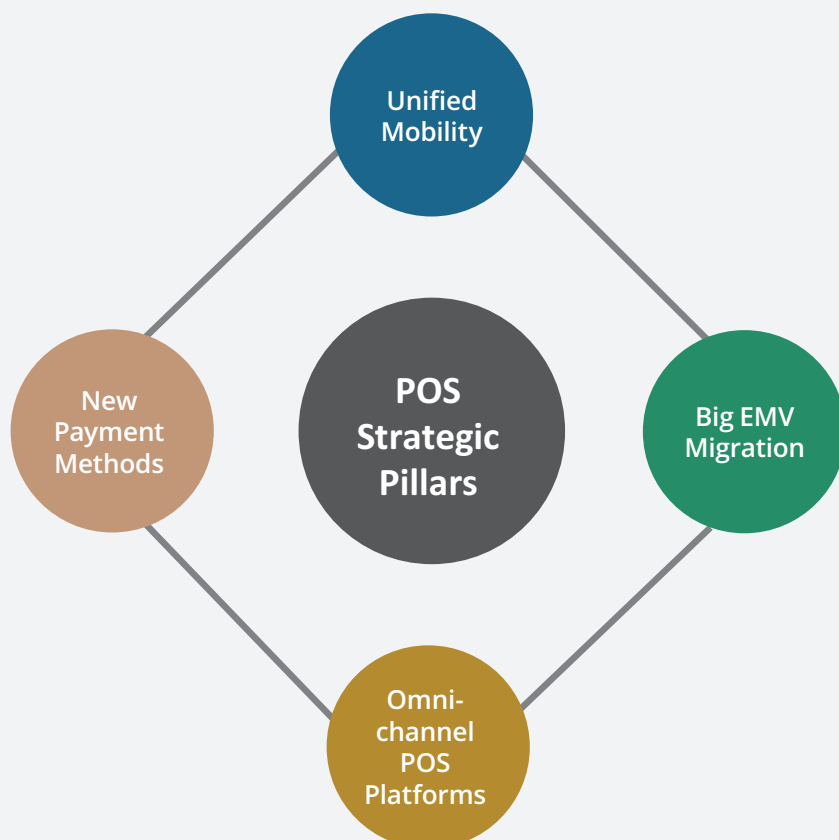
On the one hand, most existing retail store infrastructure and systems, including POS, have not been designed to natively handle multi-directional data communication and synchronization from multiple channels. As a result, retailers are now feeling the burden of inferior systems in the Omni-channel retail environment and their related business changes. The disconnect between POS and other Omni-channel systems has not only negatively impacted retailers' ability to capture sales across all channels but also adversely affected 360-degree customer service.

On the other hand, there is an empowered consumer who is equipped with the latest technologies (smartphones and tablets) and platforms such as social media that has led to unparalleled access to information. Put simply, the consumer expects more than a simple transaction from their retail experience.

For retailers, managing fragmented channels and assuring seamless synchronization of data and business processes at POS is no easy task, but is the key to customer-centricity. Keeping pace with rapidly changing technology, business and customer needs requires time, money and a strategic roadmap to get it right. For instance, every year in retail there are new developments related to devices and payment methods, forcing retailers to integrate new features and functionalities into their aging POS systems. However, following the patch work approach is not a long-term solution to enable POS systems to drive sales uplift, customer traffic and manage increased transaction size.

In order to usher continued refinement of a dynamic POS strategy, EKN Research has identified four key areas of focus for retailers as they look to build their POS upgrade plans:

EKN's 4 Pillars of Future POS Strategy[®]



Unified Mobility: This pillar focuses on explaining how POS integrated mobility systems are the way forward for new store POS improvements. Both mobile POS (handheld/tablets) as well as consumer mobility (i.e. apps) systems help retailers keep up not only with the competition, but also with their customers – one of the key challenges identified by the surveyed retailers.

EuroPay, MasterCard, and Visa (EMV) Migration: In October 2015, the much discussed payment networks' shift associated with EMV is due to take effect in the US. This pillar focuses on the current state of retailers' preparedness and the key drivers for the shift towards secure EMV payments at POS.

Omni-channel POS Platform: Creating a single point of commerce to better serve customers through the entire Omni-channel order process and encourage loyalty by consolidating all customer order information within a unified repository along with a universal cart. This pillar helps explain the features, adoption and impact of Omni-channel POS systems.

New Payment Methods: This pillar focuses on the adoption of new payment methods by retailers at POS and the current/future state of mobile payments.

In this report:

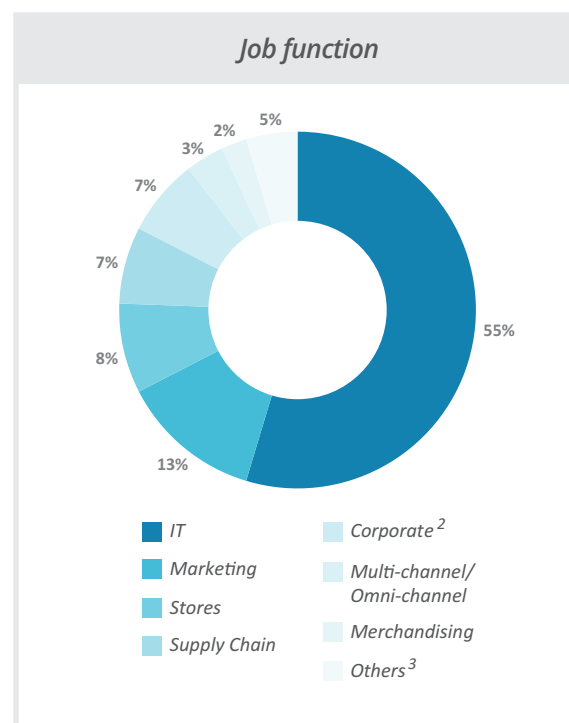
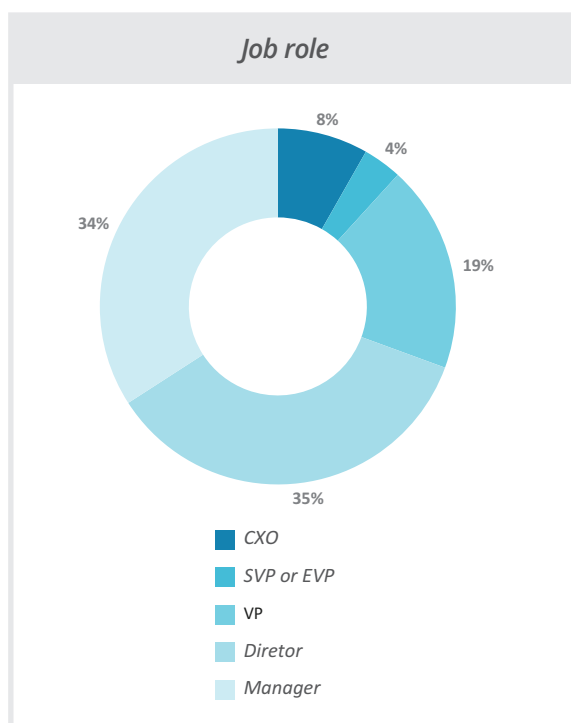
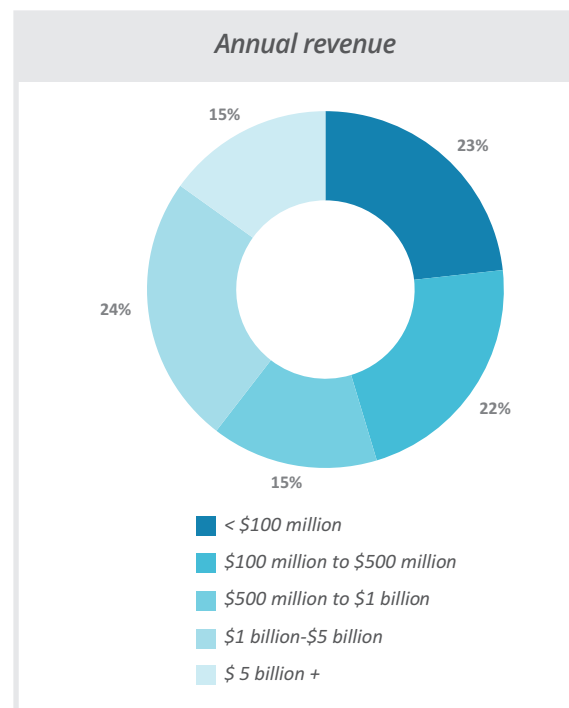
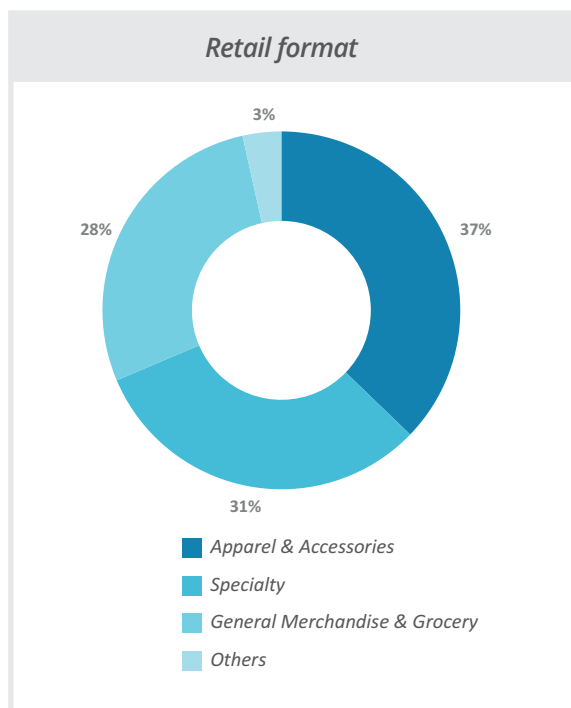
- The 4 pillars of POS strategy
- Key actionable recommendations across each strategic pillar
- Retail case studies

EKN'S 2015 RETAIL POS BENCHMARK
STUDY IS BASED ON A SURVEY OF 85+
RETAILERS IN NORTH AMERICA

¹ Defined as retailer operated mobile handheld devices and consumer owned mobile phone-based retailer mobile apps, wallet and payments activities working in a fully-integrated and inter-operable POS environment

SURVEY DEMOGRAPHICS

(Figures are percentage of total respondents)



Source: EKN 2015 Retail Point-of-Sale Blueprint Study

² Corporate includes finance, operations, HR and business development

³ Others include call center, procurement, compliance, etc.

UNIFIED MOBILITY



Retailer-owned and operated mobile POS is at a tipping point in terms of adoption. The success of store-based consumer mobility depends on loyalty tools, NFC and mobile wallet.



1 in 2

surveyed retailers will deploy mobile NFC over the next 24 months



4 in 10



retailers will replace existing POS with tablet or mobile or hybrid of fixed/mobile POS over the next 24 months



3 in 4

retailers will increase spending on in-store mobile solutions over the next 12 months

(Figures are percentage of total respondents)

Source: EKN 2015 Retail Point-of-Sale Blueprint Study

Build deeper mobile POS use cases: EKN's [2nd Annual Future of Stores](#) study shows that currently less than 2 in 10 retailers are using mobile POS in their stores. The low adoption can be attributed to doubts prevailing around the utility of these systems in specific retail settings and time to ROI. However, data from multiple EKN surveys shows that by overcoming these challenges, fixed-POS will have to ultimately either combine or pave way for mobile/tablet-based POS in coming years. The retailer-owned and operated mobile handheld device and/or a tablet POS system essentially acts as a leaner and more portable form factor that augments or even replaces fixed PC-based POS systems. However, a mere replication of fixed POS workflow on mobile POS is not sufficient as retailers strive to empower store associates beyond just mere line-busting, which is also known as the interactive 1x1 check-out that can take place anywhere in the store.

Making an ROI push: In order to justify greater mobile and tablet POS investments, additional new store execution use cases are needed by retailers including advanced guided selling features via in-depth product information, check-in, price comparison, product reviews, order history and customer wish-list look-up. The empowerment of store teams also need access to enterprise inventory and loyalty data, so that they are able to fulfill inventory replenishment as well as conduct seamless store and online transactions, ship from store and transfer functions, among others.

Consumer mobile developments: Besides factoring in for retailer-owned and operated mobile POS, consumer mobile phone-based retailers' apps are becoming pivotal to in-store mobility. A study by MasterCard International showed that 79 out of the top 100 retailers have developed a mobile app. According to our data, half of retailers are steadfastly working towards empowering more consumers with added mobile app features. These features include store check-in, digital loyalty, digital coupons, product information, wish-list, pre-loaded credit card, near-field communication (NFC) payments among other capabilities. This will essentially mean that in the coming months, the retail industry will experience increased integration between POS, mobile apps and digital wallets for greater customer convenience.

Recommendations:

ST Short Term (0-6 months)

MT Medium Term (6-12 months)

LT Long Term (1-2 years)

ST For a new roll-out or any POS upgradation, select stores that have a low staff to customer ratio and high sales/customer satisfaction variability. Evaluate all stores for non-performing fixed and aging POS replacement or burning platforms before doing a full-scale deployment.

ST MT After completing a detailed store workflow audit and customer service gap analysis, consider deploying at least one mobile POS handheld for every register replaced so that associates can prioritize customer service and operations in a balanced way while being on the floor at all times.

ST Train and re-train both staff and customers on the benefits of using mobile POS through web-based and simulated store execution training sessions.

MT Select mobile POS handhelds/tablets that are ruggedized, light-weight and possess convenient battery management. Evaluate several types of screen-sizes and take associate feedback on the ideal screen size and form factor.

MT The functional software in the handheld must enable complete POS, loyalty, CRM and all or most Omni-channel order use cases in the store (including payments) without making it time consuming for the associate to complete a transaction. Ideal transaction time should be less or equal to the average time it takes to complete a transaction on a present generation fixed POS.

**IDEAL TRANSACTION TIME SHOULD BE
LESS OR EQUAL TO THE AVERAGE TIME
IT TAKES TO COMPLETE A TRANSACTION
ON A PRESENT GENERATION FIXED POS**

MT Enable consumer mobility use cases such as a branded or 3rd party shopping app that enable store check-in, store proximity messaging, real-time offers, QR-code scanning, digital loyalty, digital receipts and pre-loaded payment card or NFC payment capabilities.

MT Evaluate in-store network for mobile POS bandwidth connectivity, secure data transfer and expand network bandwidth to include IP and WAN connectivity.

MT LT Capture and combine secure mobile POS and opted-in consumer mobility data to identify customer service and operational performance gaps. Conduct predictive customer behavioral analysis and identify unique store/Omni-channel customers. Share the usable data with marketing, merchandising, Omni-channel and operations teams for store localization programs.

RETAIL CASE STUDY:

Macy's is testing mobile POS devices and tablets at various stores in Georgia and New Jersey that will allow store associates to engage with customers and assist with transactions. It has also launched new shopping apps for iOS and Android, streamlining the user experience and offering gift registry management as an enhancement. The new mobile wallet named Macy's Wallet houses various offers and coupons digitally for those enrolled in the loyalty programs.

THE BIG EMV MIGRATION



Key Takeaway

The US retail industry won't make the October 2015 deadline.

Liability shift: With the rest of world moving to EMV global standard using chip and pin technology, the US payment card industry remains the last developed country still relying on magnetic stripe technology. The clock is ticking down to the October 2015 EMV liability shift as EKN data shows that 8 in 10 US retailers won't be in compliant in time for the deadline and will need more time to make the migration.

EMV Readiness Timeline



(Figures are cumulative percentage of total respondents)

Source: EKN 2015 Retail Point-of-Sale Blueprint Study

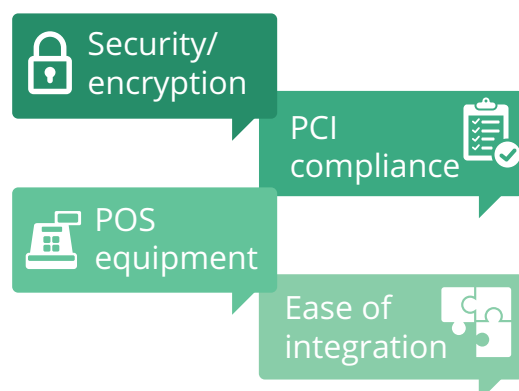
The EMV Migration Forum estimates that by the end of 2015, the US will have 600 million chip cards (50% of paycards) in circulation and 7 million EMV-compliant POS (58.3% of terminals) terminals in operation – a large gap that needs to be quickly shored up. This migration rate is similar to PCI compliance, further highlighting the complexities in retail compliance for new payment and security standards.

Enhanced security: Annual costs of card fraud in the US are estimated at US\$ 8.6 billion per year and it is expected to rise to US\$ 10 billion or higher by 2015⁴. If the US does not make significant progress with chip card adoption, it could be higher. Security and compliance is ranked as the #1 driver for deploying EMV-compatible payment terminals by retailers.

When asked to rank key factors that retailers consider while deploying EMV-compatible payment terminals, more than 9 in 10 retailers rated security and encryption and PCI compliance as the top 2 factors followed by POS equipment changes (POS unit, pin-pad, etc.) and ease of integration. POS equipment changes are considered the most cumbersome and cost-sensitive as EKN survey data shows that 8 in 10 retailers possess 10 or less POS units per store.

⁴ EMV Compliance in the U.S., Capgemini

Key factors considered while deploying EMV - compatible payment terminals



Implementing EMV chip technology should speed up mobile and contactless payments adoption as it will make them more secure. The payment terminals that accept EMV chip cards also accept dual contact/contactless payments. By installing these devices to accept EMV, merchants are also readying themselves to accept mobile and contactless payments as well.

Source: EKN 2015 Retail Point-of-Sale Blueprint Study

Internationalization: With market penetration of EMV technology deployment growing around the world, magnetic stripe technology becomes more and more archaic. Tens of millions of US cardholders have been inconvenienced abroad over the last few years by attendants at POS refusing their cards or not being served at unattended terminals.

Recommendations:

ST Short Term (0-6 months)

MT Medium Term (6-12 months)

LT Long Term (1-2 years)

- ST** Consider phased-EMV migration that takes into account the least amount of disruption to daily business in stores and ease of integration on the front and back-end. Select a combination of low and high-volume stores for deployment to measure and test results.
- ST** Consult payment ecosystem partners including issuers, acquirers and 3rd party solution/service providers for process and technical best practices and knowledge resources.
- ST MT** Evaluate migration and change management risks through an audit of existing store POS payment terminals, lane management, payment tender types, ECR software, PCI security standards and integration governance/protocols.
- ST MT** Consider all migration costs related to not just POS equipment upgrades but also to internal training of associates, testing, new security protocols, inter-change fees to banks/credit associations, any other network/infrastructure changes, future upgrades and PCI compliance needs.
- ST MT** Measure, analyze and document EMV testing and roll-out results for best practices sharing enterprise-wide and payment ecosystem partners in the industry⁵.

⁵ For more information on EMV migration, retailers can contact <http://www.electran.org/>

AN OMNI-CHANNEL POS PLATFORM

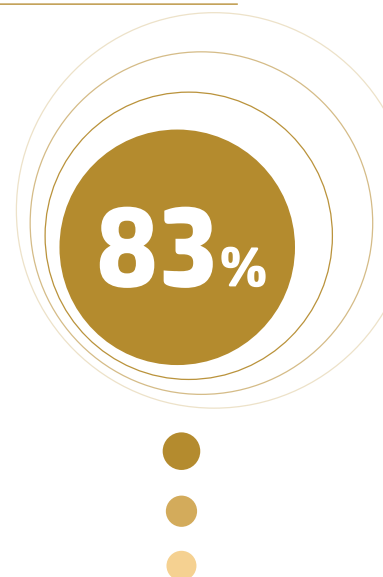


Migration to Omni-channel POS platform is on the horizon.

According to 2014 **RIS-EKN Customer Engagement** study, Omni-channel customers are 23% more profitable than store customers. Through EKN Advisory Board discussions, that percentage is low. With an average of 75% of retail sales volume still being generated from stores, the POS must now serve as the in-store nucleus powering an expanding array of Omni-channel activities.

It is common knowledge that retailers are being rated by a customer's overall experience, not just one channel or contact point. Customers expect seamless shopping experiences and easy-to-use, tailored solutions across channels. Traditional POS systems have limited order, fulfillment, returns and Omni-channel loyalty-related functionalities. They offer a fragmented and unrealistic picture of customer-centricity.

In today's dynamic retail environment, retailers want their POS systems to enable their sales associates to manage all Omni-channel transactions seamlessly including integrated transactions such as buy or reserve online pick-up in-store, ship online orders from store to customers and use mobile coupons, gift cards or payments in-store. When asked to select top 5 most important features in a POS system, retailers selected operational activities such as inventory management, promotion management, Omni-channel order management and returns management as important features along with sales transactions/ tenders.



of the surveyed retailers plan to adopt common POS-Commerce platform over the next 24 months

Source: EKN *Omni-channel Customer Profitability Study, 2014*

Top 5 Most Important POS Features And Functionalities



60%

Sales transactions/
tenders



52%

Inventory
management



36%

Promotions
management



29%

Omni-channel
order management



22%

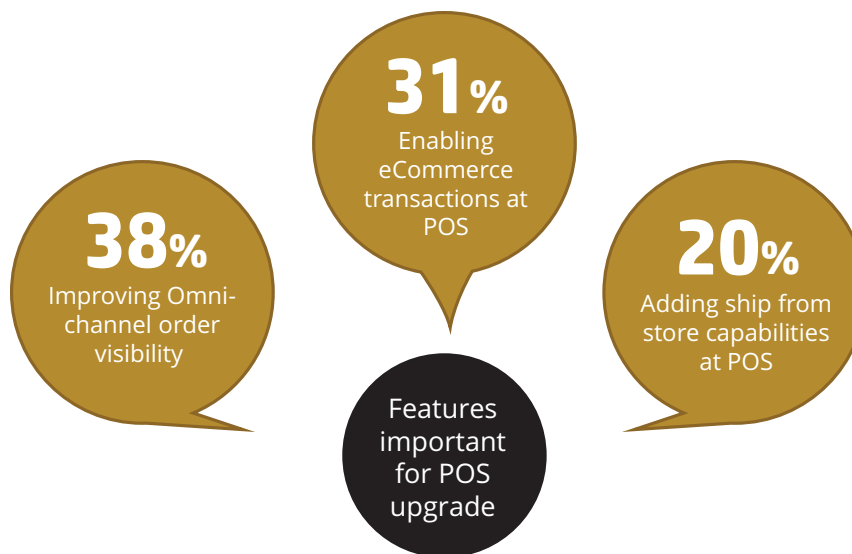
Returns
management

(Figures are percentage of total respondents)

Source: EKN 2015 Retail Point-of-Sale Blueprint Study

The Omni-channel approach requires solutions that integrate all of the functionalities of traditional fixed POS as well as mobile POS systems and empower retailers to close sales in both brick-and-mortar, online and call centers. In order to do this effectively, sales, inventory, marketing and other software functionalities need to be synced through a single POS system interface.

Improving Omni-channel order visibility (from placing an order to delivery) and enabling eCommerce transactions at POS emerged as the key factors driving a POS upgrade. Such features include but are not limited to performing change orders, integrating new orders, changing delivery dates, exchange, return, adding to an existing order, performing integrated loyalty functions, among other features.



(Figures are percentage of total respondents)




Source: EKN 2015 Retail Point-of-Sale Blueprint Study

Omni-channel POS must be able to track customer orders that were first placed online or via mobile commerce, as well as complete transactions that began in any of these channels. It must also be able to manage both in-store pick-ups and returns of items purchased via digital or social channels, as well as look-up real-time inventory movement throughout the retail enterprise - in other stores, online, distribution centers and even available for shipment or inventory back-ordered with suppliers.

RETAIL CASE STUDY:

Danier Leather Inc., a Canada-based leather apparel retailer, completely replaced its legacy in-store technology systems with an integrated solution that enhances its POS functions, automates operations, centralized data management as well as improves CRM capabilities. To date, the retailer has witnessed improved operational efficiency, enhanced data collection and reporting and increased customer relationship management.

Core Functionalities Requirements for Omni-channel POS

 Before-the-sales	 During-the-sales	 After-the-sales
<ul style="list-style-type: none"> • Omni-channel product search • Price comparison • Product catalog access • Payment tender type access • Shipping information access • Customer loyalty/rewards access 	<ul style="list-style-type: none"> • Web/mobile/Call center shopping cart • Mobile POS • Delivery/fulfillment • Inventory visibility • CRM/loyalty data access • Shopping wish-list • Mobile NFC/Digital wallet • Add modify items/channels • Promotion acceptance • Order management • Buy/exchange/return products • Multiple payment tender types • Taxes • Guided selling/recommendation engine • Employee information look-up 	<ul style="list-style-type: none"> • Exchange/returns • Refunds • Order history access • Customer feedback tools • CSAT/NPS • Inventory disposition • Credit for the sale

RETAIL CASE STUDY:

Fat Face, the UK-based active lifestyle brand, replaced its legacy POS systems with an integrated POS solution that better support the company's Omni-channel needs and smoothly integrates its online and in-store activities. The new systems was rolled out across its 200+ stores and integrated existing merchandising, logistic and warehouse systems, and eCommerce and call center solutions to support a genuine Omni-channel experience. The new system reduced till training time from 1 week to just 3 hours for each sales assistant, enabled the retailer to plan and execute a promotion in hours rather than days and provided access to real-time sales data.

Recommendations:

ST Short Term (0-6 months)

MT Medium Term (6-12 months)

LT Long Term (1-2 years)

- ST MT** Before migrating or considering POS upgrades, ensure that the system can handle all integrated store, online, call center and mobile channel transactional workflow- before, during and after the sales experience. This includes customer-facing processes related to search, purchase, exchange or return as well as back-end functions such as product information, promotions, inventory visibility, pricing, shipping and fulfillment.
- MT** An Omni-channel POS platform strategy must include ways to embrace future sales and service innovation including functional improvements that enable acceptance and redemption of digital loyalty, coupons, receipts and new tenders such as mobile payments and EMV. This helps the retailer keep up with the expectations of the newer generation of shoppers who have grown up on embedded smart technologies, mobile, tablet and social networking rather than just PC-based commerce or dis-jointed in-store experiences.
- MT** Any Omni-channel POS platform migration has to be achieved via built-in uniform user interface, experience and functionality between store and eCommerce/mobile app or HTML 5 software. For associates and customers, the entire shopping experience from search, promotions, loyalty to payments or exchange functions should be seamless, joint and integrated using a common code-base between eCommerce and POS (if possible).
- MT** Evaluate real-time POS data batch transfer and inventory (store and online) data updates at POS using inventory data virtualization and thin-client data transfer model where possible.
- MT LT** Besides features and functionalities, give careful attention to overall governance and standards execution related to POS architecture simplification, retail enterprise integration, ongoing data analysis management and other infrastructure needs such as data security compliance, ease of future upgrades and seamless POS lifecycle management.
- MT LT** Consider standards-based integration techniques such as store service tasks and workflow, eCommerce shopping cart and order workflow and fulfillment/supply chain related workflow. Integration techniques depend on retailers' overall metadata, item-level inventory data and transaction logs related activity.



RETAIL CASE STUDY:

Hudson Group, a duty-paid travel retailer in North America, replaced traditional POS systems in its 'news café' concept-based stores with advanced systems to meet its unique needs. The systems allowed it to integrate Hudson's menu with Dunkin's menu so that a customer can pay for both their food and reading material at the same register. The system also allows Hudson to accept Dunkin' gift cards and coupons as well as incorporate national programs, giving consumers the same experience they would have at a standalone Dunkin' location. The new POS system features cloud-based management reporting and database, meaning the system can be updated without having to take the terminals offline; and configurable menu flow and intelligent upsell, meaning staff can process each transaction quickly while suggesting additional items to maximize revenue.

NEW PAYMENT METHODS



Mobile payment capabilities are now table-stakes to ensure a positive in-store customer experience.

According to **a third of US millennials⁶**, mobile payment has high influence on in-store customer service and store experience



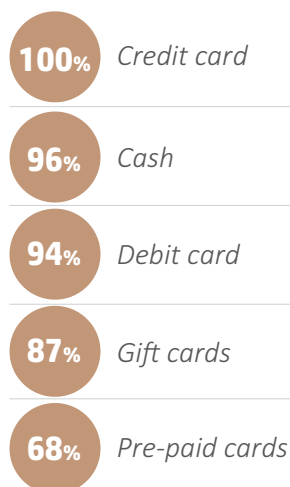
retailers will increase spending on broadening payment options accepted at POS over the next 12 months



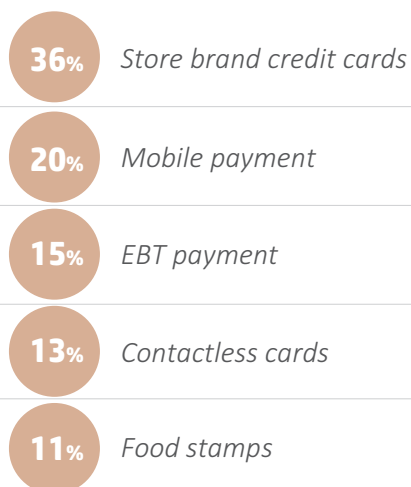
POS mobile payments is expected to grow at a compound annual growth rate of 154%, to \$189 billion in 2018⁷

Which are the following types of payments tenders does your Point of Services (POS) currently accept?
(Figures are percentage of total respondents)

Traditional Payment Tenders



Emerging Payment Tenders



Source: EKN 2015 Retail Point-of-Sale Blueprint Study

⁶ EKN Millennial Shopping Preferences Survey, 2014

⁷ BI Intelligence, October 2014

There are roughly 9 million merchants in the US accepting traditional cash and credit payment methods⁸. While for 7 in 10 retailers, mobile payment accounts for less than 1% of the total payments at POS. This low adoption is likely due to supply side factors such as lack of alignment between industry participants on technological standards and the lack of compelling business models. On the demand side, there are concerns of privacy and security.

However, these barriers are falling fast. Future growth is expected with 1 in 2 retailers planning to increase spending on broadening payment options accepted at POS over the next 12 months. Retailers' own mobile app, Apple Pay, PayPal, other Mobile NFC payments, emerged as the mobile payment methods retailers are most likely to adopt over the next 24 months. Early leaders such as Starbucks are already using mobile payments as a means to augment existing payment mechanisms. With over 100 million account holders, PayPal goes beyond just facilitating payments and recognizes the potential in providing dynamic, location-based and spending pattern promotional and loyalty offers.

STARBUCKS IS NOW PROCESSING AN AVERAGE OF SEVEN MILLION MOBILE PAYMENTS A WEEK, REPRESENTING AROUND 16% OF ALL ITS TRANSACTIONS – STARBUCKS Q4 2014 EARNINGS

Current and future adoption of mobile payment methods

(Figures are percentage of total respondents)

	<i>Currently deployed</i>	<i>Next 24 months</i>
Own Mobile App	19%	36%
PayPal	18%	34%
Apple Pay	13%	45%
Mobile NFC	11%	41%
Square	9%	12%
Google Wallet	8%	30%
Amazon Payment	5%	21%
MCX (CurrentC)	4%	19%

Source: EKN 2015 Retail Point-of-Sale Blueprint Study

⁸ Will Apple's New Payment System Be Able To Kill PayPal?, Forbes.com

Currently various combinations and partnerships exist among the mobile POS and mobile payment market participants, including a consortium of large retailers called the Merchant Customer Exchange (MCX). MCX was created to develop a mobile payment solution that offers consumers a customer-focused, versatile and seamlessly integrated mobile commerce platform. However, its current and planned adoption remains low. Similarly, the adoption of Google wallet has also remained low, according to our survey data. For the moment, Google wallet allows customers to store bank-issued cards on their phones, which they then swipe across a reader when paying for something. This may indicate that Google is following a somewhat reserved strategy for its wallet by working in partnership with the banks rather than trying to supplant them.

In the coming months and years, retailers and the entire payment ecosystem has to work very hard to convince customers that they have an adequate and fool-proof data security infrastructure so that mobile payment innovations can prosper in terms of consumer adoption. Payment data security cannot be the responsibility of the retailer alone but the entire payment ecosystem of issuers, carriers and 3rd party solution/service providers who serve the merchant payment and loyalty functions. Whether data is held in the cloud, virtualized or store server, tokenization of customer information, following data security protocols and different levels of personal pin security in the secure authentication process is key to fewer data breaches. EMV's at POS adoption can aid in this endeavor.

Recommendations:

ST Short Term (0-6 months)

MT Medium Term (6-12 months)

LT Long Term (1-2 years)

ST Besides, Apple Pay, PayPal or in some cases even CurrentC (the mobile app of Merchant Customer Exchange - a retailer owned mobile commerce network) is a great place to start a mobile payments pilot by allowing your customers to use pre-loaded payment card data or a mobile wallet application for purchases at POS terminals.

- In this case pairing of mobile wallet or stored card data API with the POS terminal software will be required as well as digital secure remote payment methods (DSRP).

ST MT Consider any software or adaptor needs as well as aggregated cost requirements for upgrading "tap and pay" mobile payment acceptance capabilities at the POS.

ST MT Evaluate adding digital loyalty, digital receipt and wallet capabilities to your existing app environment. Mobile payment is the last pillar in creating an end-to-end digital wallet capability for your store POS and customers who can leverage a seamless experience and faster transactions.

MT LT Evaluate mobile payment data security, encryption and governance needs in an in-depth manner at all customer and non-customer touchpoints. Involve all payment ecosystem partners in the process. Bring EMV, multi-level PIN authentication and data tokenization into the payment data security investment mix.

Quick Takeaways



Brick-and-mortar stores account for more than 70% of the total retail sales volume for 7 in 10 surveyed retailers

6.9yrs

Average age of POS platform

1 in 2 Two orange silhouettes of people, one slightly behind the other.

retailers are at par with their competitors in terms of Point-of-Service performance

1 in 3

retailers do not plan to add EMV-compatible terminals



6 in 10

retailers plan to replace/upgrade POS systems

Most important POS upgrade features:

- 1** Data security compliance
- 2** Ease of integration
- 3** Easy to use/user-interface
- 4** Ease of future upgrades

7 in 10

For 7 in 10 surveyed retailers, mobile payments currently accounts for less than 1% of total payment at POS

Planned adoption of mobile payment methods



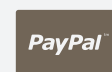
Apple pay (**58%**)



Own mobile app (**55%**)



Mobile NFC (**52%**)



PayPal (**52%**)

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About Toshiba Global Commerce Solutions

Toshiba Global Commerce Solutions is retail's first choice for integrated in-store solutions and is a global market share leader in retail store technology. With a global team of dedicated business partners, we deliver innovative commerce solutions that transform checkout, provide seamless consumer interactions and optimize retail operations that are changing the retail landscape. To learn more, visit toshibacommerce.com or engage on Twitter [@toshibagcs](https://twitter.com/toshibagcs)

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About TCS

Tata Consultancy Services is a global IT services and business solutions organization that delivers real results to 8 out of the top 10 U.S. retailers. Now, TCS has put its deep integration expertise behind OmniStore, an open POS platform that seamlessly links order management and eCommerce systems with a future-proof architecture. To learn more, visit www.tcs.com/Retail or email us at retail.solutions@tcs.com

EKN Research Team

Gaurav Pant
SVP Research and Principal Analyst
gpant@edgellmail.com

Sahir Anand
VP Research & Principal Analyst
sanand@edgellmail.com

Asheesh Kumar
Director Data Insights & Sr. Analyst
akumar@edgellmail.com

Neha Aggarwal
Director Research & Sr. Analyst
naggarwal@edgellmail.com

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Ph: (973) 607 1300