

Retail in the Era of the Connected Customer

Perspectives on how Indian retailers can win in today's world of connected customers



A.T. Kearney is a leading global management consulting firm with offices in more than 40 countries. Since 1926, we have been trusted advisors to the world's foremost organizations. A.T. Kearney is a partner-owned firm, committed to helping clients achieve immediate impact and growing advantage on their most mission-critical issues. We have 61 offices in major business centers in more than 40 countries.

Retailers Association of India (RAI) is the unified voice of Indian retailers. RAI works with all the stakeholders for creating the right environment for the growth of the modern retail industry in India. It is a strong advocate for retailing in India and works with all levels of government and stakeholders with the aim to support employment growth and career opportunities in retail, to promote and sustain retail investments in communities from coast-to-coast, and to enhance consumer choice and industry competitiveness. For further information, please visit <http://www.rai.net.in>.

Instituted by Retailers Association of India, Retail Leadership Summit (better known as RLS) is India's largest gathering of more than 1000 retail leaders, service providers and other stakeholders from the industry, globally. The aim of RLS is to bring the best brains of the industry together for deliberating and discussing on the ways to take modern retail in India to the next level. A hallmark of RLS is the release of reports by globally-known consultancies. Due to its focus on insights and ideas, over the years, RLS has earned the reputation of being the ultimate knowledge-sharing platform, where those in attendance learn about the best practices and trends that they can apply for improving business efficiency. The theme for RLS 2016 is 'Connected Retail: The New World Order'.

Foreword

Consumers are connected.

Smartphones, internet penetration, social media and media worldwide have created new expectations and new shopping experience benchmarks in the minds of consumers.

Retailers are trying to re-calibrate themselves to make their offerings more relevant to the connected consumers. The RAI - A.T. Kearney Report on *Retail in the Era of the Connected Customer* is a wonderful way of understanding key customer trends and how retailers can quickly reinvent their offerings to create winning strategies.

We thank our members for their time and views and the A.T. Kearney team for their efforts and insights.

Kumar Rajagopalan

Chief Executive Officer

Retailers Association of India

In today's age of technology and exploding internet penetration, Indian customers are rapidly moving towards continuous connectivity across every facet of their lives. This new age 'connected customer' is increasingly tech-savvy and is more open to trying out new experiences enabled by unfettered digital access. This digital transformation is resulting in a profound shift in the way customers interact with retailers during their purchase decision process. Indian retailers must consciously take note of these changes and prepare their businesses effectively to win customers in this connected retail environment.

A.T. Kearney's report is aimed at retailers and business leaders who want to put their fingers on the pulse of today's increasingly connected customer and understand the key trends that will shape the future of Indian retail around his / her needs. Through global best practices, consumer and retailers surveys, in-depth CXO interviews, and cutting-edge analysis of the nation's consumer retail market – we have defined 7 key trends that will shape the face of customer engagement in the coming years.

Our report covers all aspects of the customer purchase life cycle – from product discovery till post-purchase service – to list out the steps that retailers will need to take to achieve success in the rapidly transforming landscape of the Indian retail market. We hope this report is of use to you as you look to take key strategic calls on format strategy, omni-channel integration, and customer engagement among other things over the next 1-2 years.

Abhishek Malhotra

Partner, Consumer Products & Retail
A.T. Kearney India

Neelesh Hundekari

Partner, Consumer Products & Retail
A.T. Kearney India

Indian customers have entered an era of unprecedented technology pervasiveness

Increasing Internet Penetration	Increasing Smartphone Usage	Increasing Social Media Presence
<p>402 million internet users in India today – expected to reach 462 million in the next 6 months</p>	<p>385 million smartphone users by FY17</p>	<p>>50% Internet users in India today use Facebook and WhatsApp on a daily basis</p>
<p>306 million mobile internet users in India today – estimated to become 371 million in the next 6 months</p>	<p>50% of Google searches on mobile today</p>	<p>132 million on Facebook as of today</p>
<p>50 million online customers in 2015 to grow to 160 million in 2017</p>	<p>Prices of smartphone devices in India today begin from <\$50</p>	<p>65 million subscribers on WhatsApp in 2015</p>
<p>58% of railway bookings done on IRCTC today</p>	<p>Indian smartphone users spend an average of 169 minutes per day on their devices</p>	<p>60 million unique users on YouTube every month as of today</p>

The proliferation of technology has given rise to increasingly 'connected customers'

‘Connected customers’ are those who connect to the internet at least once a week

Connected customers – key motivations



Interpersonal Connection

People crave connection with each other. 94% of Indians in A.T. Kearney's Connected Consumer Survey cite this as a key reason for going online



Self-expression

Connectivity allows customers to express themselves and share their creativity



Exploration

Customers are inherently curious and the Internet empowers them to discover, find, and learn new things. This desire to explore is a primary motivator for going online



Convenience

Connected customers find convenience central to their desires to go online. Customers use the Internet to discover and access products and services from the convenience of their homes

Shopping patterns are changing rapidly as customers become more connected

Connected customer – purchase behaviour trends



Indian retailers need to define their digital strategy to cater to the needs of the connected customer

- A.T. Kearney's 2015 white paper '*Sleepless in India*' highlights strategies that traditional retailers can adopt to participate in the e-commerce growth story
- A.T. Kearney's framework highlights four options for traditional retailers based on their value proposition in the market and economic potential of e-commerce in their category:
 - **Go omni-channel:** Investing in an e-commerce platform to supplement physical stores
 - **Enter the pure-play marketplace:** Entering into strategic tie-ups with online marketplaces to access online customers
 - **Develop a unique product / sales proposition:** Creating a differentiated value proposition to attract and retain customers
 - **Wait and watch:** Focusing on core retail value proposition until the market conditions are more feasible to the retailer's value proposition

Four e-commerce strategies for traditional retailers



There are **7** steps to win in Connected Retail...

Inform

1

Communicate authentic value proposition consistently across all channels (digital/physical)

2

Design highly personalized and interactive marketing campaigns

Browse

3

Customize assortment and promotions based on customer needs and shopping history

Buy

4

Enhance customers' end-to-end shopping experience through use of technology

5

Deliver seamless shopping experience across channels

Fulfill

6

Expand ecosystem partnerships to interact with 'connected' customers

Service

7

Increase two-way engagement with customers through digital channels

...along with **3** key capabilities

Big Data Analytics

Ability to collate and process data spanning every element of the purchase process to take more intelligent business decisions

Organization Flexibility

Ability to manage rapid changes in business environment, technologies, customer expectations & competitive threats

Agile Systems

Ability to connect multiple formats, channels and points of sale, while providing a unified view of the customer

1

Have an authentic value proposition communicated consistently across channels – digital and physical

- Connected customers have access to more information, are more discerning and seamlessly switch between retail formats
- Retailers need to ensure an authentic and unified value proposition across channels to connect better with their customers
 - Value proposition is easily verifiable in today’s digital world
 - Purchase decision is increasingly dispersed across channels
 - Customers seek consistency in the brand across all their interactions (digital/physical)
- Retailers can leverage technology to improve authenticity and consistency of their value proposition
 - Transparent assortment, pricing, promotion comparison with e-retailers
 - Social Media observatories to tap into real-time customer perceptions
 - Advanced retail IT systems to seamlessly connect different channels

Customers increasingly expect consistency across channels

> 70%

>70% of customers expect **complete alignment in pricing across all channels**

> 60%

>60% of customers rate **pricing consistency an important factor** in their decision making

> 60%

>60% of customers expect **similar promotions across all channels**

“It is of utmost importance for the customers to have clarity on brand communications. I personally feel, maintaining consistency in reinforcing the value proposition and actually delivering it increases the credibility score of the brand.”

Manish Mandhana
Joint MD, Mandhana Industries

“Consistency is very important across brands – we can no longer have model stores. All stores are now critical to the retailer. The customer does not differentiate.”

Vasanth Kumar
Executive Director, Lifestyle International – Max Retail

1

Select case studies

Croma

- Croma, one of India's leading consumer durables chains, views the **online-offline synergy as key** to increase reach and sales and improve customer experience
- Launched **smartphone compatible website** – Croma Online – that is designed to provide a consistent experience across offline and online channels
- The website offers '**store pickup**' option for users to view store-wise inventory, order it online, and pick it up later from the store
- The company has also launched portable kiosks in public spots for users to check out and **order products**

Croma

Over 50% of Croma's sales came from its website during the 2015 holiday season

Best Buy

- **Consistency in experience across channels** enabling omni-channel capability was the cornerstone of Best Buy's turnaround strategy in 2013
- With consistency, Best Buy ensures **overall parity of experience** across all touch points
- Best Buy's Price Match Guarantee focuses on **maintaining pricing consistency** across all channels

Best Buy

Best Buy has been rated the best brand in ensuring cross-channel consistency

Domino's Pizza

- Domino's Pizza in India has **integrated their online and offline selling platforms** by standardizing customer incentives across all their platforms
- Orders, **prices, choices, offers and services remain the same** across stores, online site and mobile app
- Customers receive **seamless user experience** across Domino's multiple touch points

**Domino's
Pizza**

Was awarded 'India's Most Exciting Brand 2015' for its omni-channel efforts

Key implications for Indian retailers

- **Redefine your value proposition** to stand up to customer scrutiny and be impactful across channels
- **Maintain consistency** in communicating your value proposition across all media
- Actively **manage the perception of your value proposition** amongst connected customers

2

Design personalized and interactive marketing campaigns

- Connected customers with short attention spans and dispersed media consumption expect tailored and relevant communication
- Retailers will need to transition from one-size-fits-all to personalized and interactive marketing with higher use of digital media
 - Media consumption shifts from mass-media (TV, Radio, newspapers) to customized media (news feeds, social media, video streaming sites)
 - Force multiplier effect in the digital world for viral marketing campaigns
 - Increasing ask for immediate fulfilment from connected customers
- Personalized marketing is relevant (and possible) today with advancements in customer data analytics; quality of data remains a challenge in India
- Digital tools like targeted Google Ads, interactive end-cap displays, QR-product-coding, and virtual retail walls enable personalization and more interaction with customers

Personalization of marketing campaigns benefit retailers immensely

20%

Marketers see an average **increase of 20%** in sales when using personalized marketing campaigns

90%

90% of customers find custom content useful

35%

35% of Amazon's revenues generated are by its user-specific recommendation engine

"25-45 year olds are living in the 4th dimension – the digital space. Marketing must go digital. Technology must be leveraged to enable. Retailers must have a clear advertising strategy."

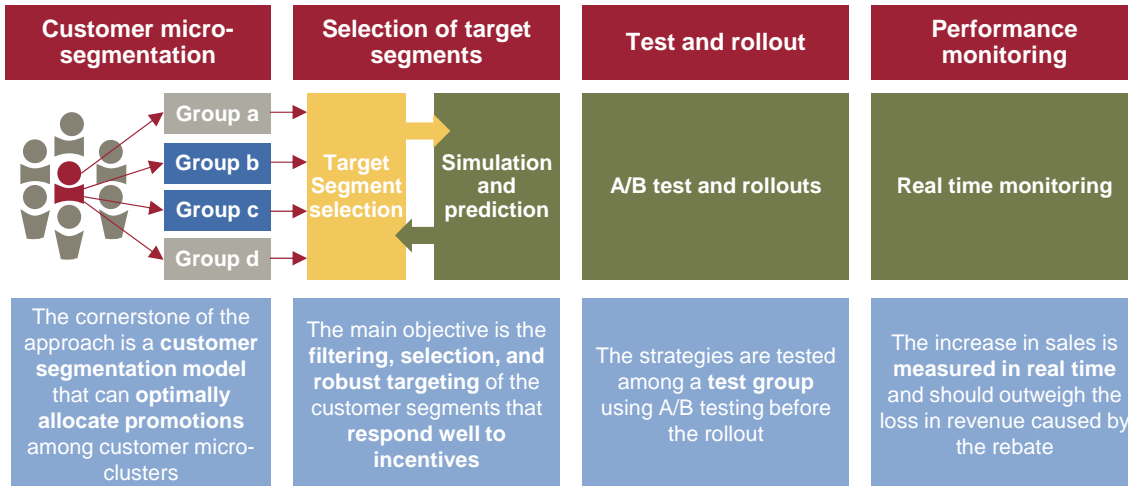
K Radhakrishnan
Co-Founder, Grocer Max

"Marketing is moving from a dumb-pipe to a two-way dialogue. There's a lot more focus on design and collaboration now...marketing doesn't involve sudden bursts of information anymore – it's gone to the always-on model."

Vasanth Kumar
Executive Director, Lifestyle International – Max Retail

2

Adaptive promotions will enrich customer acquisition and retention



Select case studies

<p>HomeShop 18</p> <ul style="list-style-type: none"> HomeShop 18 launched India's first virtual shopping wall 'Scan and Shop' at Delhi airport in 2013, primarily focusing on premium merchandise The wall enabled flyers to shop by scanning the unique QR code from the virtual wall with scanned products delivered to customer's preferred locations 	<p>Home Shop 18</p>
<p>SNCF</p> <ul style="list-style-type: none"> French Railway Company SNCF placed brightly coloured doors in public places around Paris, letting people get a flavour of European cities The doors opened up to special digital flat screens broadcasting live streams from different European cities. Passers-by interacted in real-time with people across different cities at the 'other end of the door' 	<p>SNCF</p>

Key implications for Indian retailers

- **Define granular customer micro-segments** through catchment mapping, PoS and loyalty data mining
- **Constantly analyse media consumption** patterns and trends for connected customers
- Reallocate **higher marketing budgets towards more localized and personalized** channels (e.g. BTL – door-to-door, digital – social media)
- **Partner with new-age media agencies** and technology providers to enable customized communication

Customize product portfolio and promotions based on customer needs and shopping history

- Connected customers have higher expectations of personalization driven by increased exposure to e-commerce
- Connected customers leave more traces of their shopping behaviour (digital data trail)
- Retailers can improve the relevance of assortment and promotions through:
 - Customized assortment based on catchment profile (socio-economic, demographic and ethnographic profile)
 - Iterative assortment selection based on previews for loyalty customers
 - Use of IoT and mobile phones to passively activate customized promotions
 - PoS discounts based on shopping history
- Limited customization done today amongst Indian retailers in assortment and promotions:
 - Lack of good quality data
 - Limited technology capabilities
- Technology is a key enabler for customization, both for design and delivery:
 - Integrated customer tracking across channels
 - Greater digital data mining
 - Mass customization through digital feedback

Most Indian retailers strongly believe in the need for greater customization of assortment and promotions

70%

70% of Indian retailers consider **customer catchment analysis** as an important factor in product assortment choice

83%

83% of Indian retailers rate **customer preview** as an important factor in their product assortment decisions

100%

100% of Indian retailers review customer **past shopping history** when making product assortment decisions

"It's tough to get good and reliable consumer data in India...and there is a high cost in acquiring it. Still, we need to work with partners to tailor-make promotions for each individual customer...this is one place where technology solutions could help streamline the data collection process."

Nissan Joseph
Managing Director, Crocs India

"Customers are happy to share more information – across mediums / channels – but want this to be used for some benefit, and not irritation."

Bijou Kurien
Board Member, L Capital Asia

Select case studies

<p>Burberry</p> <ul style="list-style-type: none"> Burberry's flagship store in London offers 'me-tailing' – highly personalized interactions by pushing product promotions and discounts on customers' mobile devices and digital screens based on their in-store location In addition, Burberry customers can place orders online for bespoke garments and perfumes. Each bespoke garment piece triggers RFID-enabled 'smart mirrors' placed in the flagship store that describe the journey behind the making of that piece 	<p>Burberry</p>
<p>Rebecca Minkoff</p> <ul style="list-style-type: none"> Rebecca Minkoff stores personalize the fitting room experience for each customer with the use of smart mirrors in their in-store dressing rooms RFID tags on clothing items allow shoppers to pull up product screens on the smart mirrors to show the item styled with different looks, as well as other sizes and color options The mirror lets customers search and try out other products, receive additional items from a store associate, try different lighting and then store items for later reference – all without ever having to leave the fitting room 	<p>Rebecca Minkoff</p>
<p>Tesco</p> <ul style="list-style-type: none"> Tesco maps data from its loyalty card program 'Tesco Clubcard' to analyse and segment customer behaviour Tesco's website recommends product offerings based on customers' Clubcard data, shopping history, and their wealth Clubcard data is also used to push product suggestions and customised offers to customers' mobile phones (via the store's free Wi-Fi) when they're shopping in-store Loyalty customers can also use Tesco's mobile app – which prompts users about the in-store location of products on their shopping lists – when shopping in-store 	<p>Tesco</p>

Key implications for Indian retailers

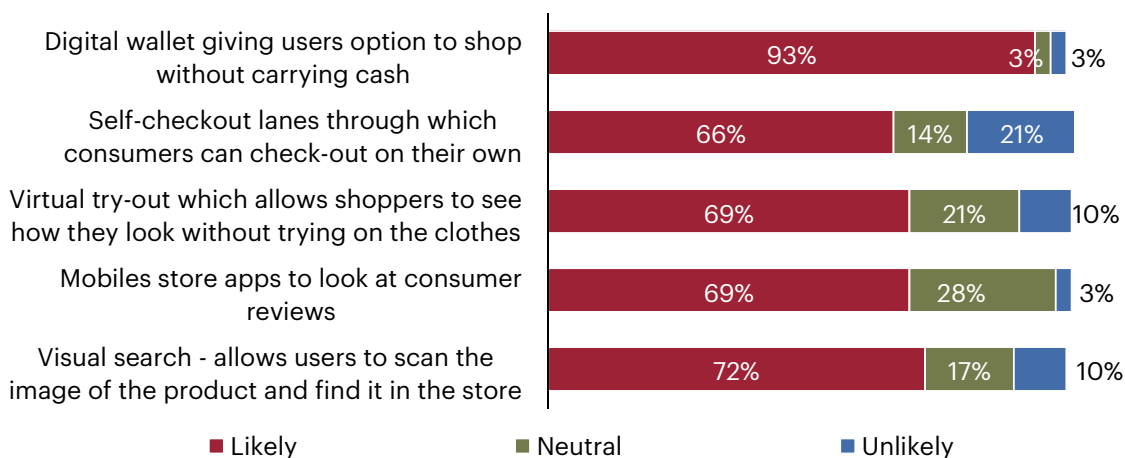
- **Define level of customization** that is relevant and necessary to your target customer needs (not everyone wants customization)
- **Simplify delivery mechanism** of customized promotions to make it as passive as possible (connected customers value simplicity)
- Existing data may often be sufficient to **introduce relevant customization** (make the most of what you have)
- **Enable sharing of customer experiences** with their social circle – social collaboration is a powerful marketing tool
- **Be** prepared to **take risks** – customization is an iterative process till you strike the right balance

Enhance customers' end-to-end shopping experience using technology

- Our research into connected customers shows that 60% cite lack of convenience as a key reason for shift from offline to online, while 30% cite lack of product information and comparison shopping
- Global retailers have invested in self-checkouts, digital displays, shopping cart interactive maps, mobile app synchronization with in-store shopping and special service lounges to improve shopping experience
- Indian retailers have made limited progress in truly providing a differentiated customer experience due to key challenges:
 - Lack of space (and high rentals)
 - High capex costs of technology
- Retailers can explore customized low-cost solutions to meet evolving connected customer expectations:
 - Leverage low cost IoT technologies for customer tracking within the store
 - Leverage smartphone penetration for real-time customer communication within the store

Indian retailers are optimistic about increased adoption of several new technologies

On asked **how likely Indian retailers would be** to adopt new technologies



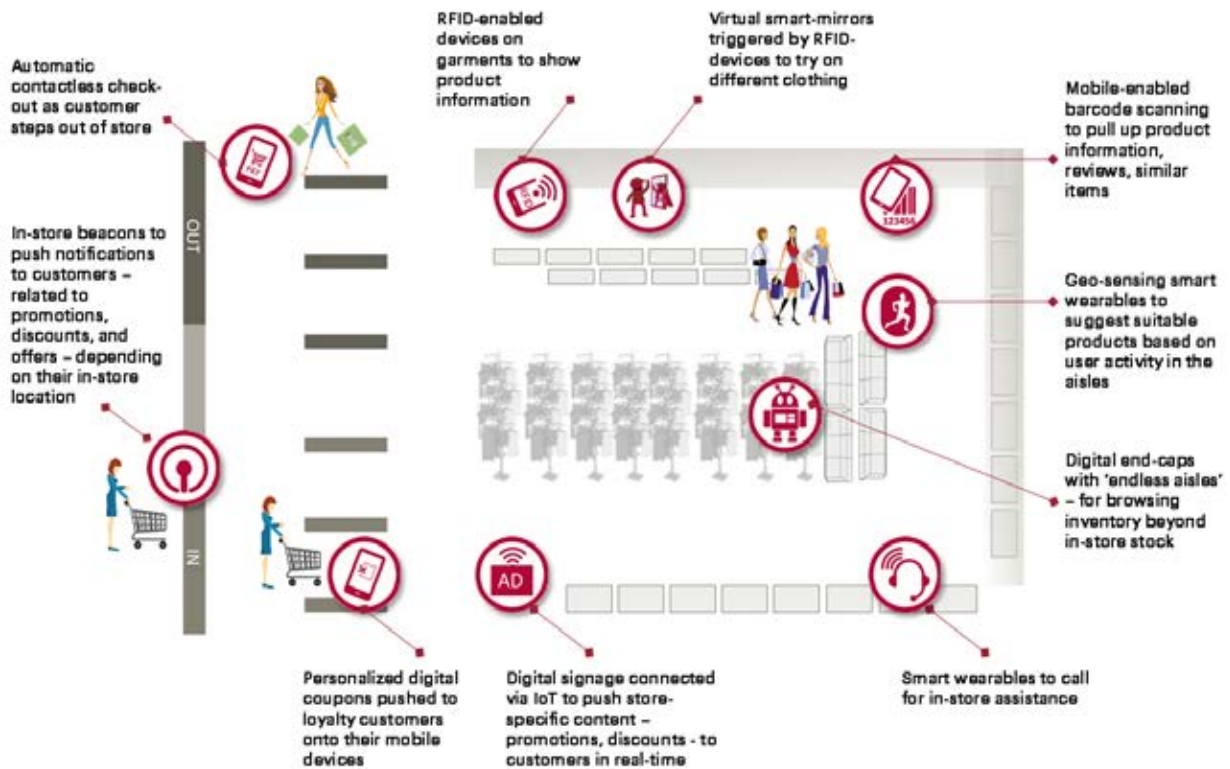
"I feel self-checkout is becoming a requisite tech trend that should venture in India soon. Other than that, digital windows and exploration into sensory technology will do the retail sector good."

Manish Mandhana
Joint MD, Mandhana Industries

"In-store experience needs to become a mix of digital and physical...this is a time-consuming process and requires heavy investment...but it must be done."

Vasanth Kumar
Executive Director, Lifestyle International – Max Retail

Retailers can use digital media to change every aspect of the shopping experience



Select case studies

<p>Alfa</p> <ul style="list-style-type: none"> Alfa, a large home goods store in Mumbai, handles high volume of customer transactions daily by streamlining the purchase process for customers using tokens Customers are tagged with a token number upon entering the store - every product selected by the customer at each section of the store is tagged with that number At the billing counter, the customer needs to only show her token to make a purchase against all the tagged items which are then brought over to the billing counter 	<p>Alfa</p>
<p>Chitale Bandhu</p> <ul style="list-style-type: none"> Chitale Bandhu, one of India's leading snack chains, was one of the early adopters of RFID tagging for billing and inventory control in India Customers entering a Chitale Bandhu store are given RFID-enabled cards which can be used at individual counters to store purchase details At the billing counter, the customer only needs to show his / her coupon to then pay for and collect all the tagged items 	<p>Chitale Bandhu</p>

Key implications for Indian retailers

- **Standardize shopping experience** within your network by transplanting best practices
- **Engage actively with regular customers** to develop an on-going viewpoint on key gaps in shopping experience within stores
- **Selectively invest in technology interventions** based on applicability, customer acceptance and benefits (RoI needs to makes sense)
- **Adopt simple, interchangeable and modular technologies** while avoiding niche, elaborate and unproven technologies

Deliver seamless shopping experience across channels

- Evolving expectations from connected customers as they rapidly switch across channels during the purchase decision process necessitates:
 - Consistency in branding
 - Consistency in shopping experience
 - Consistency in product/service offering
- Retailers will need to focus on delivering a seamless shopping experience spanning:
 - Common personalized experience
 - Cross-channel promotions
 - Integrated reward systems
 - Interchangeable delivery & payment modes
- Need of the hour is for enterprise-wide IT systems linking both back-end and front-end operations
 - Provide real-time information on stock levels, in-transit inventory
 - Track customer across channels
 - Link product transactions across channels

Retailers are merging offline and online experiences



“Retailers need to use their digital catalog / presence more effectively to offer the long tail to customers ... they must provide a seamless customer experience across channels – the customer does not care about how the back-end works as long as his experience is consistent.”

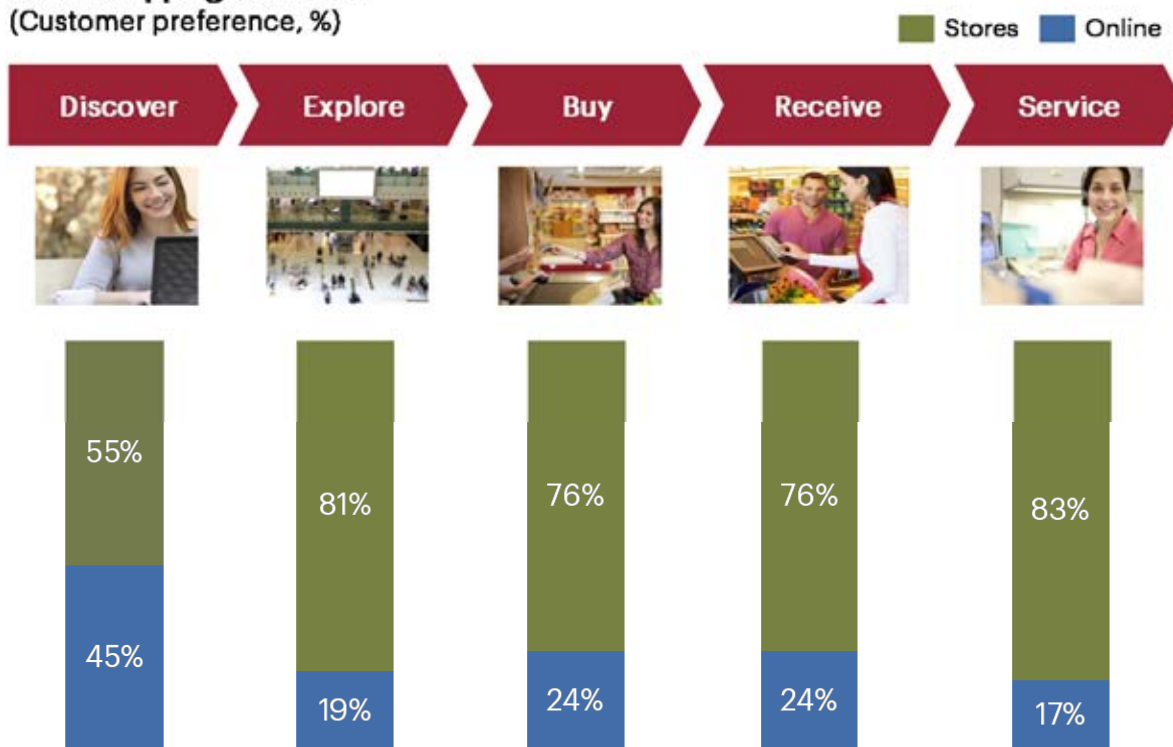
Bijou Kurien
Board Member, L Capital Asia

“Customers are very comfortable with dual channels – discover / search / shop – and are able to seamlessly move from one to the other...this is a key driver of retail growth in India today.”

Vasanth Kumar
Executive Director, Lifestyle International – Max Retail

Customers are increasingly using digital platforms across the purchase life cycle

Store Shopping vs. Online (Customer preference, %)



~25% of customers who have never shopped online prefer online channel for discovery / exploring

Select case studies

<p>Nordstrom</p> <ul style="list-style-type: none"> • Nordstrom, a top-end departmental store in the US, uses a customized PoS system to support simultaneous online and offline retail experiences • With the support of this system, Nordstrom offers in-store pickup of goods bought online, cross-channel return, and buy-anywhere-return-anywhere services • Its mobile app allows users to get personalized shopping recommendations, check inventory at a nearby store, and request 'store pick-up' 	<p>Nordstrom</p>
<p>Walt Disney</p> <ul style="list-style-type: none"> • Disney Parks operates an interactive smartphone-compatible website that allows users to plan their trips (for mapping duration, routes etc.) in advance using the 'My Disney Experience' app • The app helps users in the park to locate attractions and track their estimated wait times on their mobiles • In addition, the app also offers the 'Magic Band' tool which can be used as a Disney hotel room key, photo storage device for pictures taken in the parks, and Fast Pass wallet for swift access to the park attractions 	<p>Walt Disney</p>

Key implications for Indian retailers

- **Take an omni-channel view** to all operational decisions to ensure future compatibility
- **Prioritize stages of the purchase decision process** to first offer seamless connectivity across channels
- **Invest in technology ahead of the curve** to manage increased omni-channel transactions
- **Build a flexible and connected** organization to manage omni-channel transactions

Expand ecosystem partnerships to interact more closely with connected customers

- Even the most advanced retailers are not equipped to independently manage the technology changes needed to serve connected customers
- Cutting edge innovation in retail is increasingly happening at niche technology players in a localized manner
- Retailers need to build partnerships with technology providers across key elements of the retail ecosystem:
 - IT systems providers to enable cross-channel tracking and consistency, robust data security, and payment management
 - Social media analytics players to track customer trends and pre-empt customer actions in real-time
 - Big data analytics players to derive meaningful inferences on customer behavior based on loyalty and PoS data
 - Online marketplaces, kiraana stores and other Brick & Mortar stores to collaborate on expansion of touch points



“Retailers are experimenting with different collaborators and partners to enhance the experiences of their customers. There’s no sure-shot success formula here in these areas – it’s all trial-and-error.”

Saisudershan
COO, Omved Lifestyle

“Technology providers and start-ups should have a collaborative mind-set and work with retailers by offering flexible models and open-sourcing their offerings.”

Bijou Kurien
Board Member, L Capital Asia

Select case studies

Family Dollar

- Family Dollar Stores, Inc., a leading American discount store chain, wanted to **revamp its 16,000 checkout lanes** and legacy POS systems
- The company implemented **Microsoft Solutions** for Connecting Stores
- Today, the POS terminal provides **access to both centralized and decentralized** store applications, enabling customers to have a **connected store experience**

Family Dollar

GAP

- Gap, leading American apparel store, partnered with ComQi, a **cloud-based content management platform** supporting smart integration with in-store IoT devices
- ComQi manages the content located at all **digital in-store touch-points** – digital signage, mobile notifications, virtual mirrors etc. – on behalf of Gap
- Using ComQi’s platform, Gap **influences customer buying decisions** by providing deeper information about the products that they are browsing

GAP

Walmart

- Walmart America, analyses big data of nearly **145 million people daily** with the help of Apache Hadoop
- Walmart’s Hadoop systems **analyse ~100 million keywords daily** to optimize the bidding of each keyword
- The company observed a **10-15% increase** in online sales for \$1 billion in incremental revenue.
- Walmart uses data mining to **study customer patterns** in PoS data– Walmart has been able to **increase its conversion** rate of customers using the data

Walmart

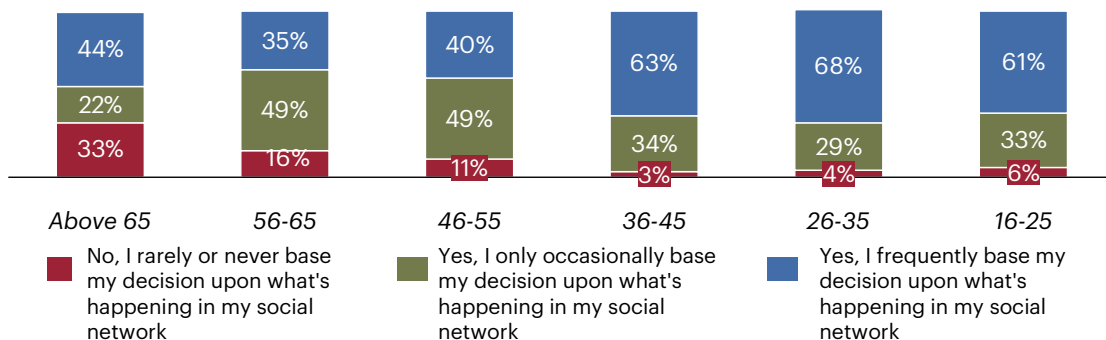
Key implications for Indian retailers

- **Evaluate customized technology solutions** rather than expensive off-the-shelf solutions
- **Expand technology partnerships** without immediate expectations of applicability or benefits in all cases (it is still trial-and-error)
- Continuously **run pilots for different technology options** to understand relevance, ease of implementation and benefits
- **Develop organizational capabilities** (CTO, technology management team) to manage multiplicity of ecosystem partnerships

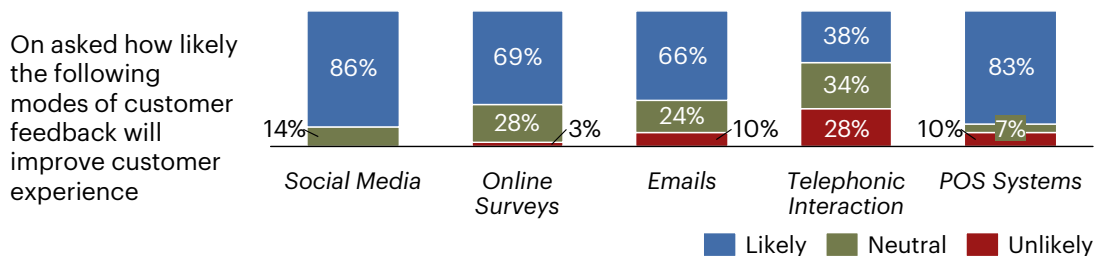
Increase two-way engagement with customers to shorten customer feedback loops

- Connected customers have short attention spans and demand instantaneous responses to feedback and service requests
- Retailers need to manage the needs of its customers swiftly and proactively
 - Develop ability to provide special service for Pivotal Customer Events (PCE)
 - Measure customer feedback across entire purchase decision process (at each stage and collective experience)
 - Meet stiff customer expectations on responsiveness using social media (40% want responses within 1 hr.)
- Significant mind-set change is required to become more responsive to connected customers:
 - Two-way interaction forums (exit experience executive, feedback kiosks, social media, loyalty customer panels)
 - Dedicated customer response cell, especially for social media
 - Demonstrated actions linked to feedback (and propagation on digital channels)

Emerging market connected customers in the 16-35 age group are highly influenced by social media...



...with Indian retailers also believing in increasing importance of social media based customer feedback



7

“Tapping into social media trends to engage with the customer target group is not an option for the brand marketers anymore, it has become a necessity.”

Manish Mandhana
Joint MD, Mandhana Industries

“Customers are adopting and getting abreast of new technologies faster than retailers are able to do so – especially in social media.”

Bijou Kurien
Board Member, L Capital Asia

Select case studies

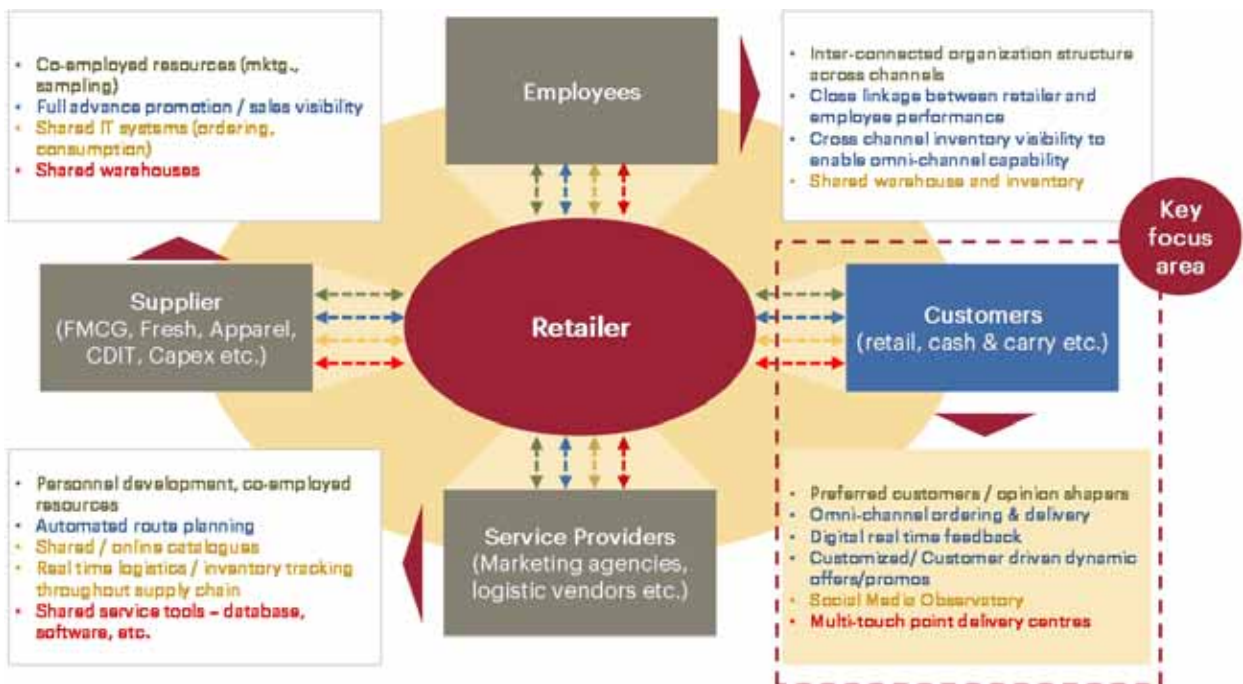
<p>Starbucks Coffee</p> <ul style="list-style-type: none"> Starbucks has a dedicated social media team which handles all the complaints sent to their media channels – the team ensures that over 90% of complaints from phone, email or social media get a human response within 2 hours Starbucks also operates a social media page ‘My Starbucks Idea’ that allows users to submit suggestions and share observations 21,000 unique ideas have been shared on the platform till date 	<p>Starbucks</p>
<p>Amazon</p> <ul style="list-style-type: none"> Amazon launched the ‘Dash Button’ – a replenishment service that allows one’s connected devices to automatically reorder from Amazon when supplies run low The Dash Button is a Wi-Fi-enabled physical button attached to consumer products (e.g. washing machines, toasters) which when pressed alerts Amazon to place an order for the depleting supply using the user’s smart-phone 	<p>Amazon</p>
<p>Waitrose</p> <ul style="list-style-type: none"> UK supermarket retailer Waitrose partnered with Toshiba to set up interactive touchscreen kiosks near every PoS-till in its stores Customers are asked to fill out a four-screen survey to rate their shopping experience right after purchase – the process takes less than 20 seconds Local store managers receive feedback data in real-time to quickly resolve customer issues Head office supervisors also receive the survey data to gain a complete picture of the Waitrose portfolio and benchmark store performance 	<p>Waitrose</p>

Key implications for Indian retailers

- **Develop a strong customer service** mind-set within your organization
- **Make customer interactions two-way** through introduction of appropriate forums
- **Honour commitments to customers** – service response times, closure of issues and complaints, demonstrated actions in response to feedback
- **Act decisively** with right levels of escalation for issue resolution and negative feedback

A.T. Kearney's Connected Retail Framework can help retailers connect better across the retail ecosystem

A.T. Kearney Connected Retail Framework (with select examples)



A comprehensive methodology was used for the generation of this report



Further Reading

A.T. Kearney has published other reports on topics related to 'connected customers' and retailer strategies in an increasingly digital world.

Our reports offer unique, in-depth, forward-looking analysis of major issues for business leaders, helping them make the best decisions in an increasingly global world.

10 Steps to Reach Online Sales Excellence, an A.T. Kearney report published in January 2016

A guide to boosting the digital retail channel

Sleepless in India, an A.T. Kearney India report published in December 2015

How Retailers and Product Manufacturers Can Embrace E-Commerce

Connected Customers Are Not Created Equal: A Global Perspective, an A.T. Kearney report published in November 2014

Continuous connectivity is both an opportunity and a threat for brands and retailers

Capturing the Online Grocery Opportunity, an A.T. Kearney report published in November 2014

How can food retailers win in this fast-growing market?

Back to the Basics in Omni-channel Retailing: Delighting Your Customers, an A.T. Kearney report published in October 2014

Forward-thinking retailers understand the changing nature of demand and adjust to deliver a consistent experience across channels

Global Retail E-Commerce Index, an A.T. Kearney study published annually

A comprehensive ranking of countries on their online market attractiveness

Global Retail Development Index, an A.T. Kearney study published annually

A comprehensive ranking of countries on their market attractiveness, country risk, and market saturation

About the authors



Abhishek Malhotra

Partner, Consumer Products &
Retail
Mumbai



Neelesh Hundekari

Partner, Consumer Products &
Retail
Mumbai



Subhendu Roy

Principal, Consumer Products &
Retail
New Delhi



Kaushik Sriram

Manager
Mumbai

Acknowledgements

This report was undertaken by A.T. Kearney India with the support of the Retailers Association of India (RAI).

We are thankful to Kumar Rajagopalan, Surabhi Hegde, and the rest of the RAI team for their support.

We are also thankful to several leaders in Indian retail for taking the time to discuss their perspectives. Their inputs were critical in making this report insightful and relevant.

We acknowledge Sriram Ananthapadmanabhan, Shreshta Venkataramanan, and Aditya Balani for their contributions to the creation of this report.

Lastly, we would like to thank Ruchika Sodhi, Mansi Khanna, and Mandar Bhopi for their support in the design and production of this report.

For further information, contact

Abhishek Malhotra

A.T. Kearney Mumbai

+91 22 4097 0704

Abhishek.Malhotra@atkearney.com

Neelesh Hundekari

A.T. Kearney Mumbai

+91 22 4097 0765

Neelesh.Hundekari@atkearney.com

A.T. Kearney is a leading global management consulting firm with offices in more than 40 countries. Since 1926, we have been trusted advisors to the world's foremost organizations. A.T. Kearney is a partner-owned firm, committed to helping clients achieve immediate impact and growing advantage on their most mission-critical issues. For more information, visit www.atkearney.com.

For more information, permission to reprint or translate this work, and all other correspondence, please email: insight@atkearney.com

Americas	Atlanta	Detroit	San Francisco
	Bogotá	Houston	São Paulo
	Calgary	Mexico City	Toronto
	Chicago	New York	Washington, D.C.
	Dallas	Palo Alto	

Asia Pacific	Bangkok	Melbourne	Singapore
	Beijing	Mumbai	Sydney
	Hong Kong	New Delhi	Taipei
	Jakarta	Seoul	Tokyo
	Kuala Lumpur	Shanghai	

Europe	Amsterdam	Istanbul	Oslo
	Berlin	Kiev	Paris
	Brussels	Lisbon	Prague
	Bucharest	Ljubljana	Rome
	Budapest	London	Stockholm
	Copenhagen	Madrid	Stuttgart
	Düsseldorf	Milan	Vienna
	Frankfurt	Moscow	Warsaw
	Helsinki	Munich	Zurich

Middle East and Africa	Abu Dhabi	Dubai	Manama
	Doha	Johannesburg	Riyadh

