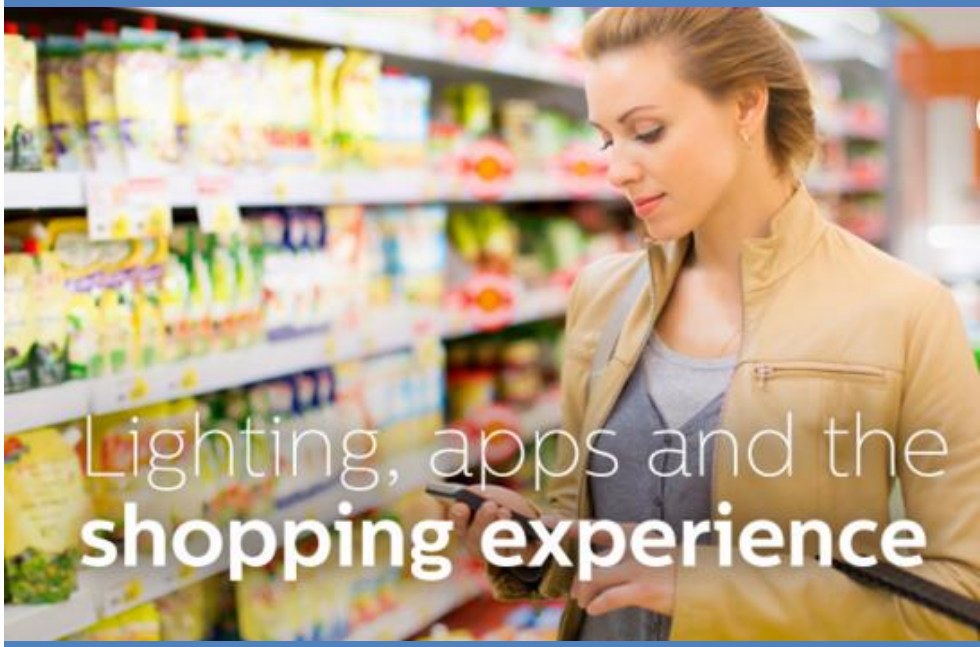
Nathan Pettyjohn

aisle411

Gerben van der Lugt

PHILIPS



Snapshot on Aisle411

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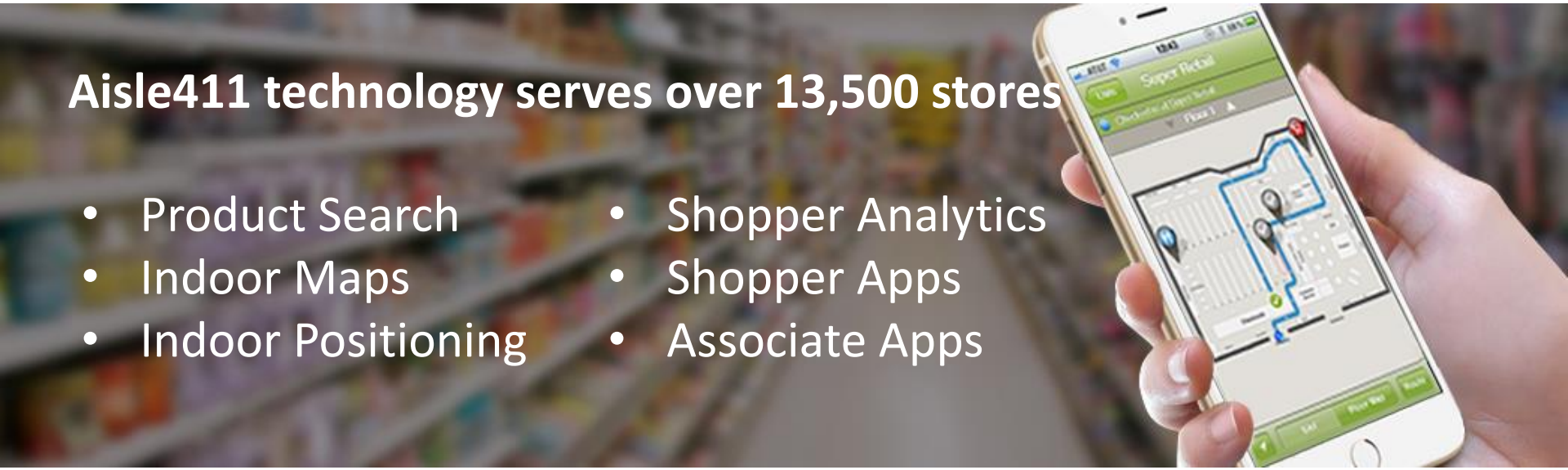
Building “The Internet of Stores”



Aisle411 technology serves over 13,500 stores

- Product Search
- Indoor Maps
- Indoor Positioning
- Shopper Analytics
- Shopper Apps
- Associate Apps

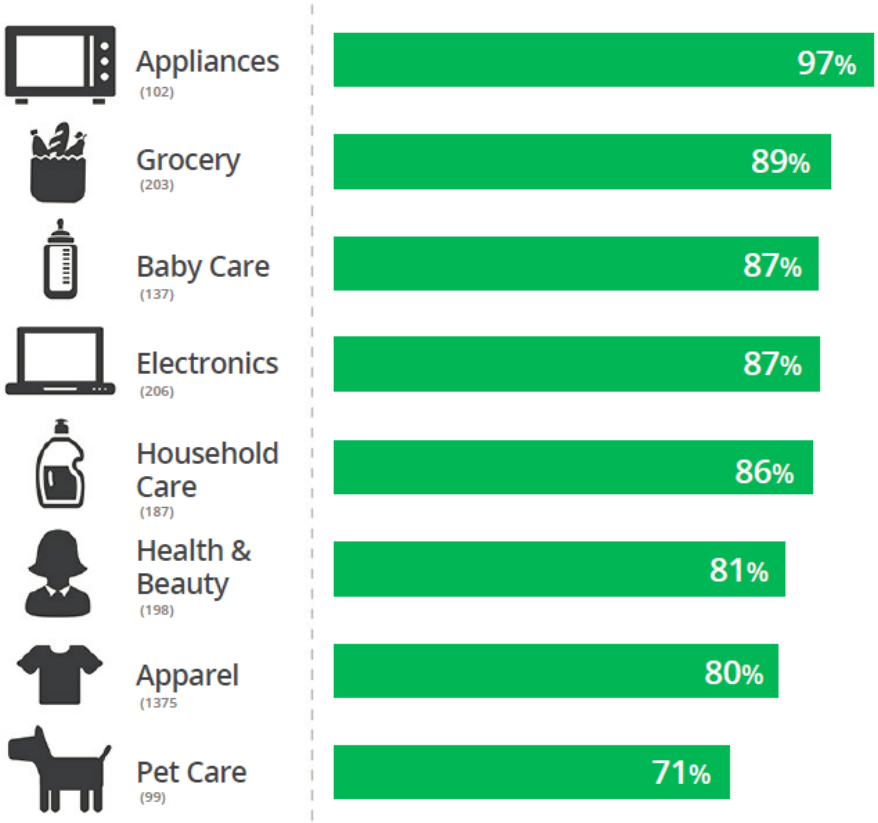
Toys R Us · Walgreens · JCPenney · SUPERVALU · HyVee · Babies R Us · Giant Eagle · WinCo Foods · Big Y · festival foods · Schnucks · marsh

Topics I Will Cover

- **Why product and shopper location matters; the lost sales opportunity**
- **How Mobile phones have become THE shopping companion**
- **How to build a meaningful solution**
- **Why LED based indoor location is a game changer**
- **Real and significant benefits**

Shoppers Use Mobile No Matter What They Buy

In-Store Smartphone Use Across Categories



Google 2013

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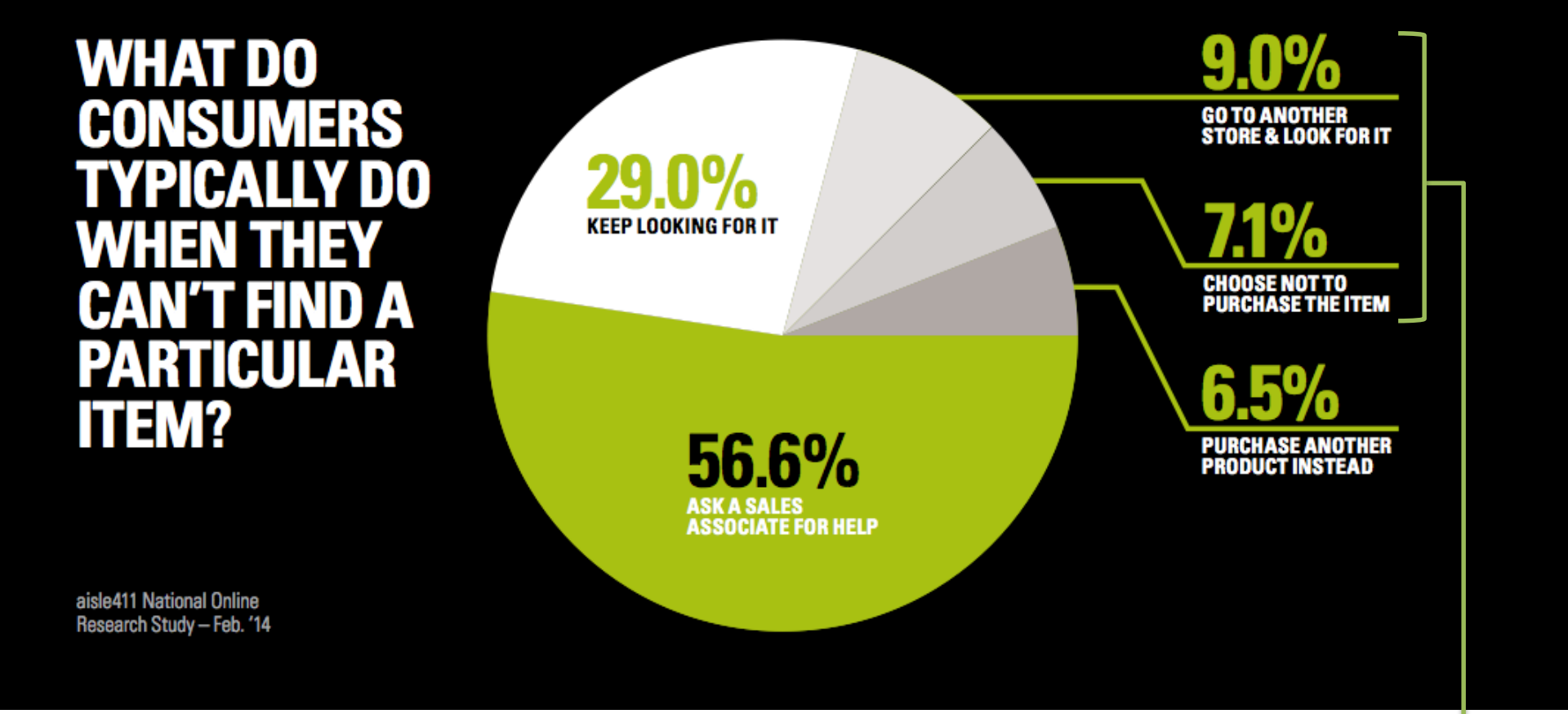


16% Loss of Sales = $608 Billion Globally

Top 250 Retailers do $3.8 Trillion of In-Store Sales

Delloite, 2014

aisle411

Why is an in-store mobile strategy important?

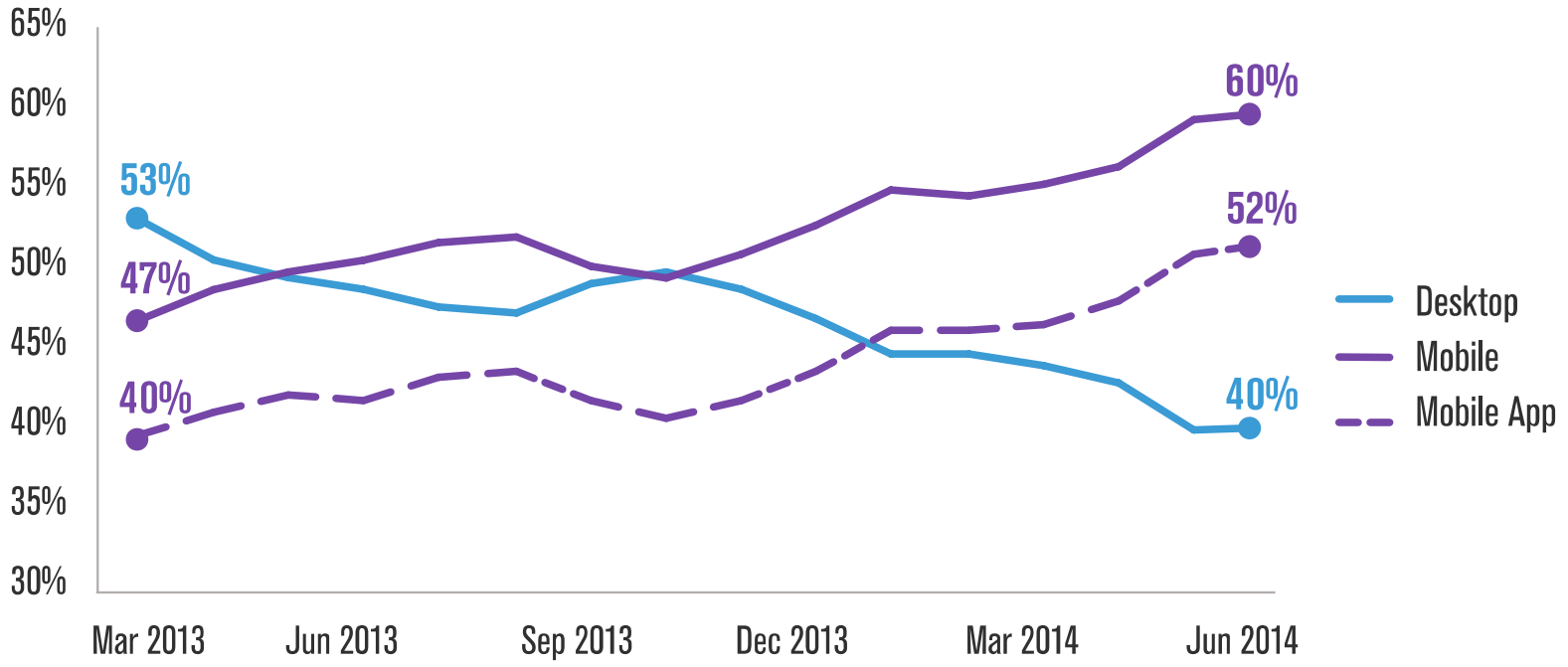
Mobile Engaged Shoppers In-Store Drives More Visits and Bigger Baskets

Key Market Drivers for Indoor Location

Mobile Overtakes Desktop

Share of U.S. Digital Media Time Spent by Platform

Source: comScore Media Metrix Multi-Platform & Mobile Metrix, U.S., March 2013 - June 2014



Grocery Shopping

- 42% review shopping lists
- 37% search for discounts/promos
- 27% get competitor pricing

Source: Ninth Decimal 4th Quarter 2014

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Audience Poll:

“I prefer to use my mobile phone for assistance while shopping than to ask a store associate for help.”

Yes – or – NO

Use polling tool on the right

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Shoppers Trust their Mobile Devices

73%

of smartphone shoppers prefer to use their mobile for assistance in-store vs. an associate!!

Delloite Digital, 2014

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In-Store Buying Is Here to Stay

90%

of retail purchases take place in-store

Google Shopper Marketing Council, April 2013

©aisle411 2014

Indoor Location

Indoor Location is an ecosystem of product location data optimization, positioning technology and contextual content management

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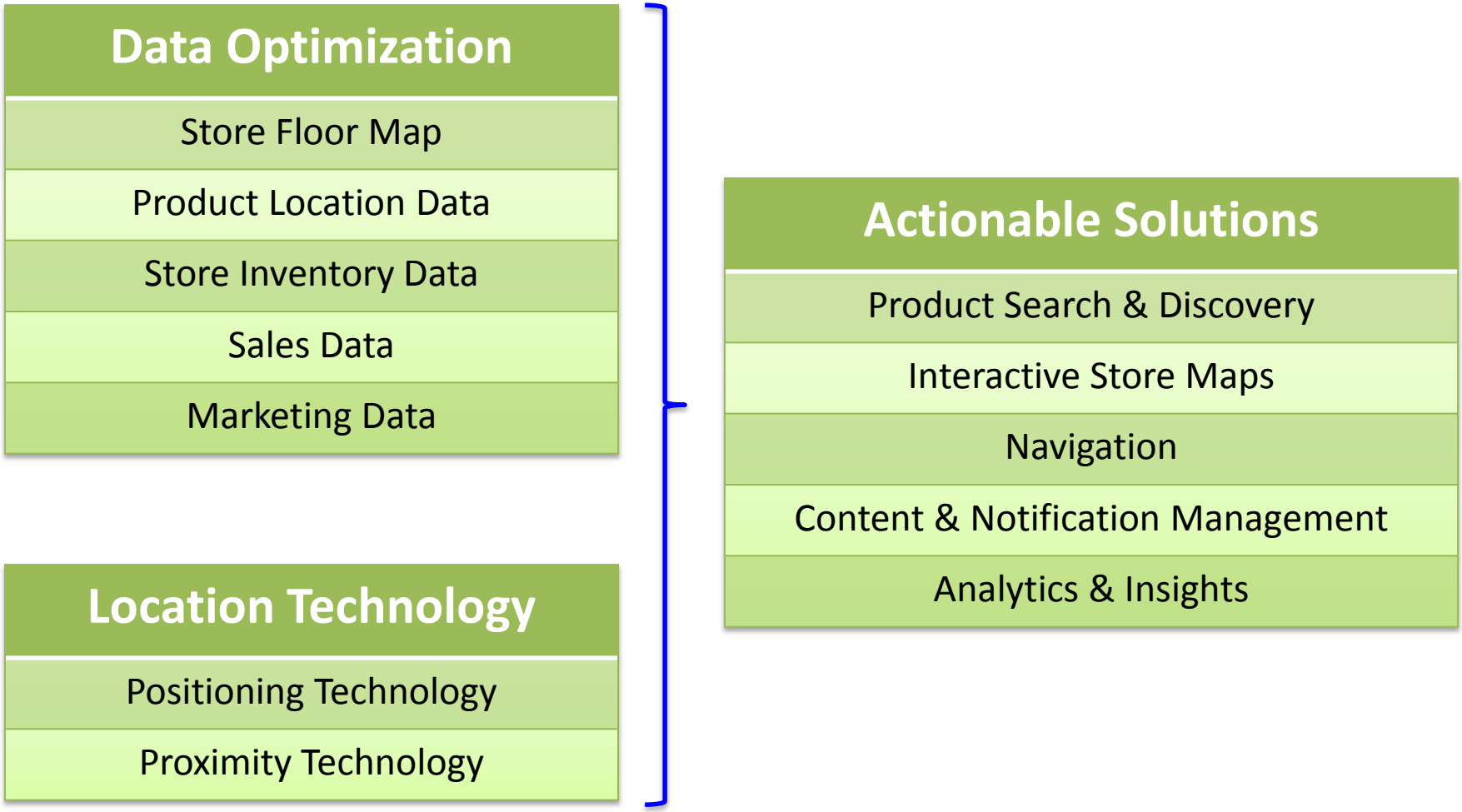
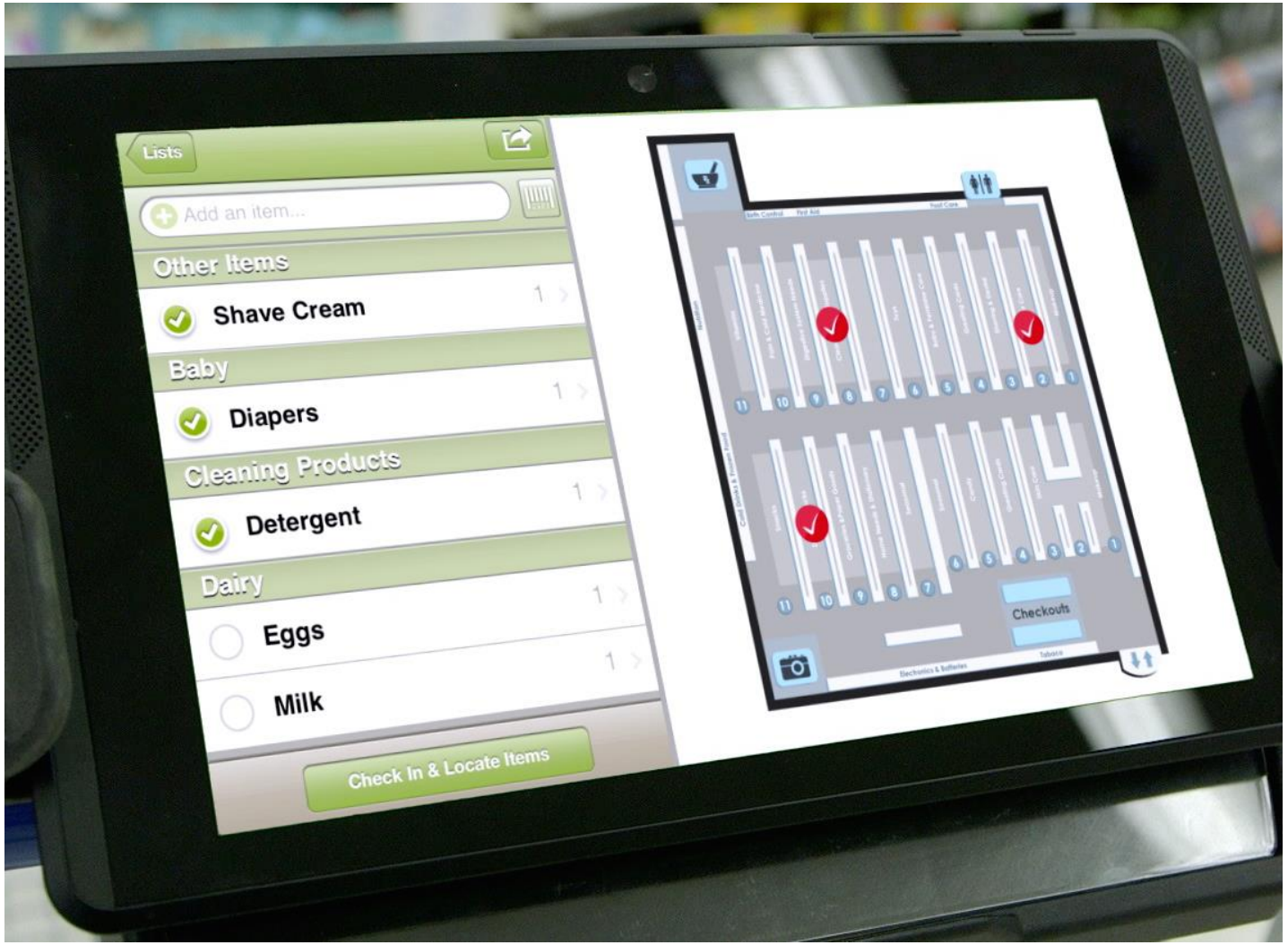
Indoor Location Key Elements



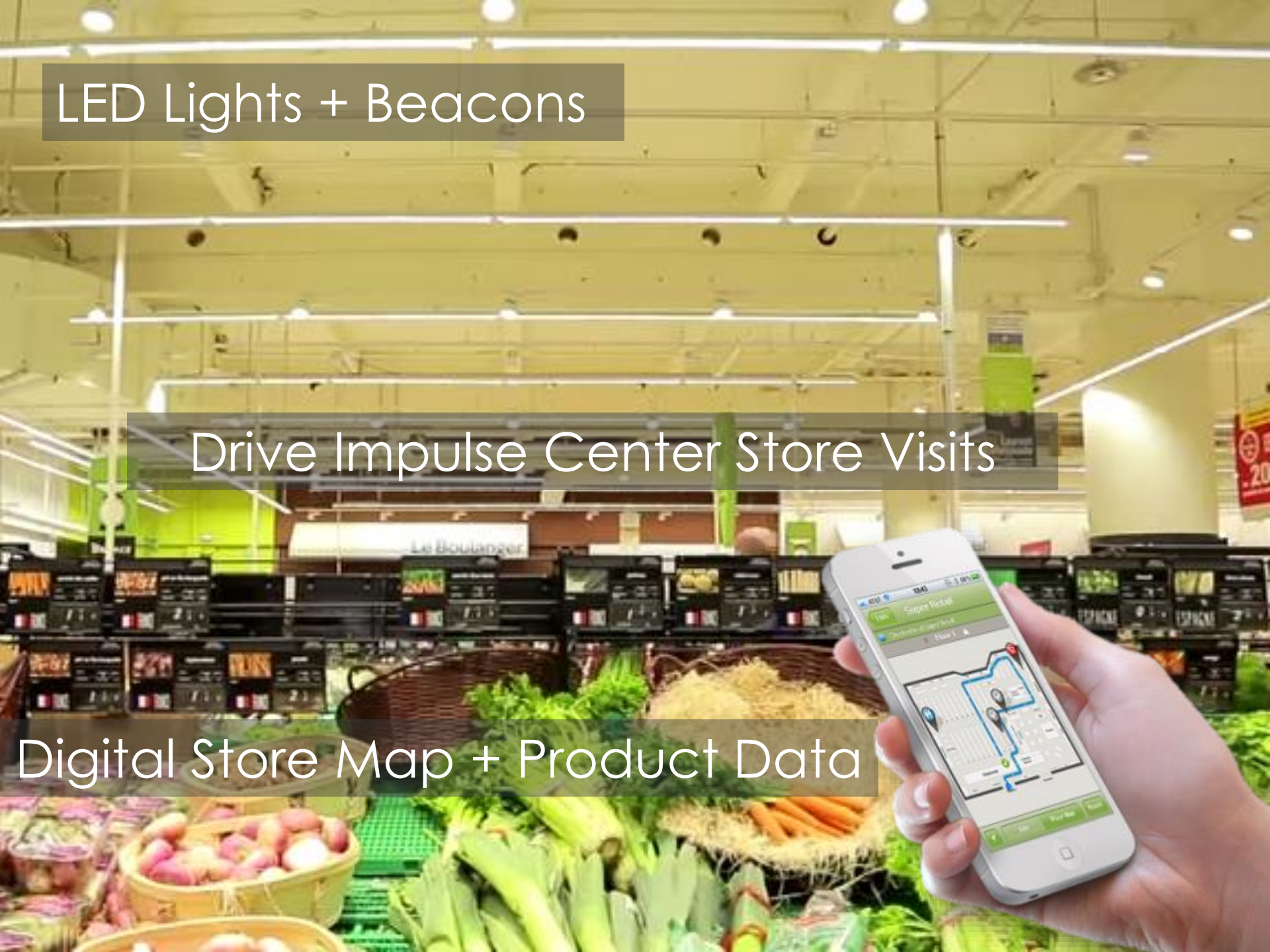
Map Lists and Offers In-Store



Proximity Creates Mobile Attribution

Proximity and Indoor Location Technology Overview

Type of Positioning Technology	Accuracy
Computer Vision	10 cm accuracy (beta stage)
Magnetic	2 meter accuracy
Inertial Sensors	1 meter accuracy
Wi-Fi	5 meter accuracy
Wi-Fi + Sensors	2-5 meter accuracy
Beacon	2 meter proximity
LED	5 centimeter meter accuracy


LED Lights + Beacons
Drive Impulse Center Store Visits
Digital Store Map + Product Data

Use Case: Walgreens “Store Mode”

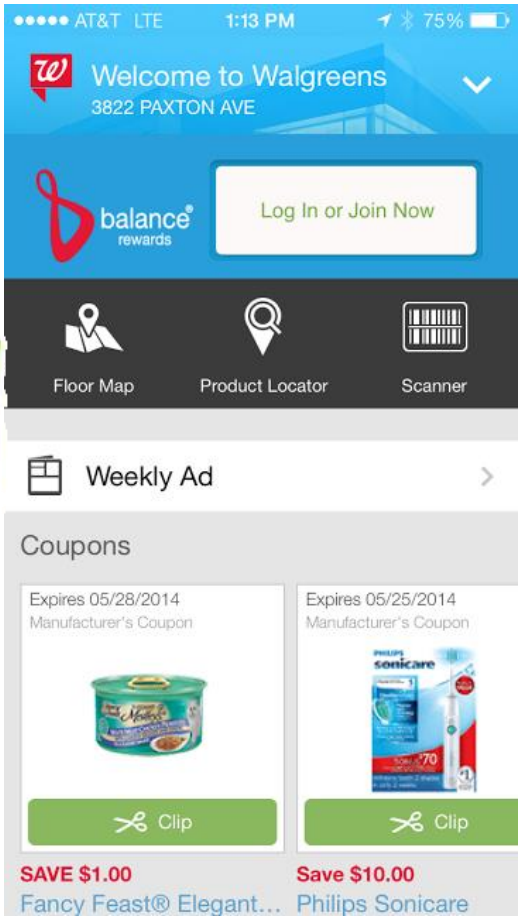
Stores + Online **+ Mobile**

Shop Stores, Online and **MOBILE**

4-6X

“If customers engage across the stores, online AND **mobile**, they are **four to six times more valuable.**”

Walgreens app in “Store Mode”



Floor Maps & Product Search collect immediate shopper intent

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Retailer Spotlight

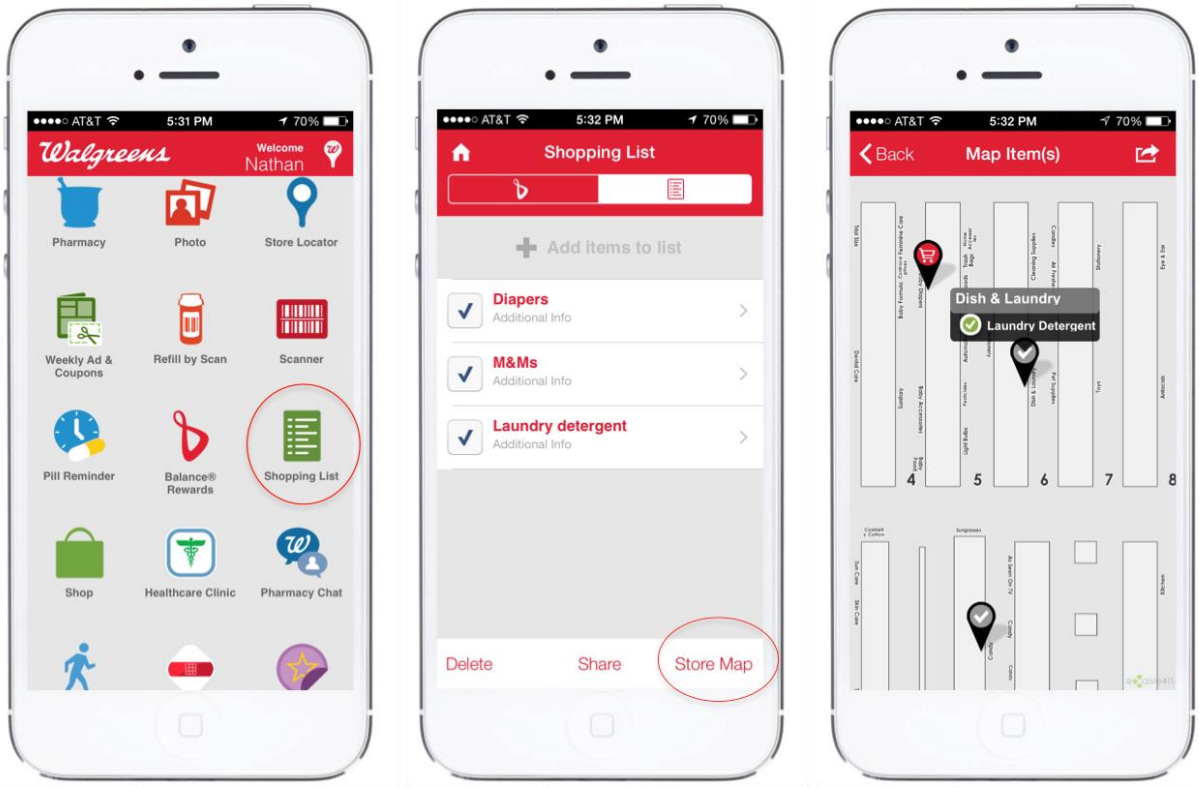
Walgreens

Strategy:
Make shopping more convenient in-store

Benefits:
Increase store trips, conversion and loyalty

Deployment:
Walgreens mobile apps, & Aisle411 app network
8,000 + stores in U.S.

Functionality:
Map products, lists and offers to the aisle and shelf



5-10% increase in profit from an Aisle411 user

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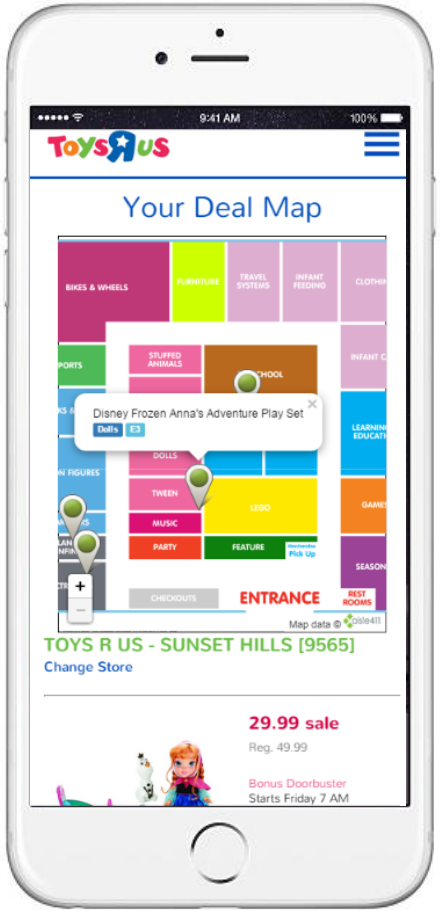
Retailer Spotlight

Strategy:
Make shopping easy with store specific digital store guides

Benefits:
Increase store trips and conversion

Deployment:
Mobile web and web
590 + stores in U.S.

Functionality:
Map products and deals to the aisle and shelf



Over 10% increase in basket size from "deal mapper shoppers"

Store Mapping Value

Increase Store Trips

28%

Shoppers are 28% more likely to make a trip to the store knowing in-store mapping is available.

Increase Conversion In-Store

2X

Products recommended in-store, with location are 2X more likely to be purchased than products recommended out of store with no location.

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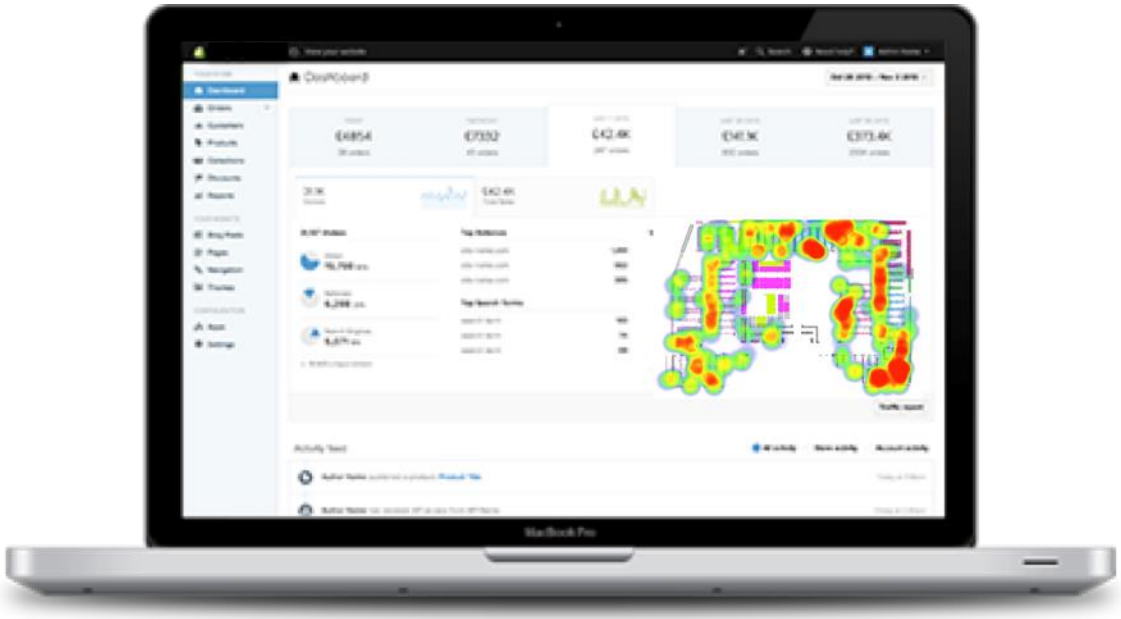
In-Store Analytics

Sales, Product and Shopper Location



Make informed decisions about the physical store just like you do for your ecommerce site and drive shopper traffic to key areas of the store

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Topics

I will cover

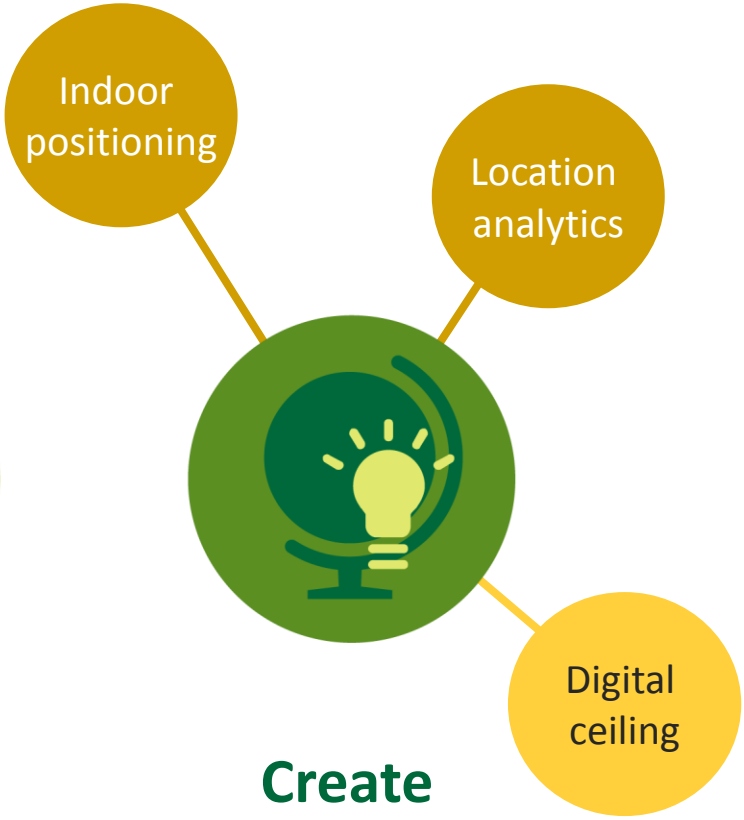
- Vision for retail lighting
- The power of location aware mobile apps
- Shopper survey results
- How light ends the indoor location struggle
- A game changer for Carrefour

Our vision

for retail lighting

Reduce operational costs

Enhance space and experience



Create value beyond illumination

The power

of location aware mobile apps

Shopper convenience	Shopper engagement	Staff/store efficiency	Data/Analysis
Show me where I am	Location based (personal) promotions	Location tag products or issue reports	Enriched personalized multi-channel marketing
Way finding: products, Pol	Location based information/notification - Product suggestions - Inform while queuing	Way finding: products, issues, staff	Store/staff effectiveness assessment: - Heat maps - Customer flow/dwelling
Dynamic (optimal) shopping route	Location based interaction - Trigger survey - Trigger social interaction	Dynamic routing for order picking	
Location relevant information		Location based staff instructions	Marketing impact assessment
Ask for associate to come over	Entertainment /gaming - Treasure hunt - Visit and collect points	Location based sales/service support	

Partnering with brands		
Brand-sponsored convenience and engagement	Location based compliance notification	Analytics based brand co-operation

A shopper survey

Among 3000 shoppers in US, France and Netherlands

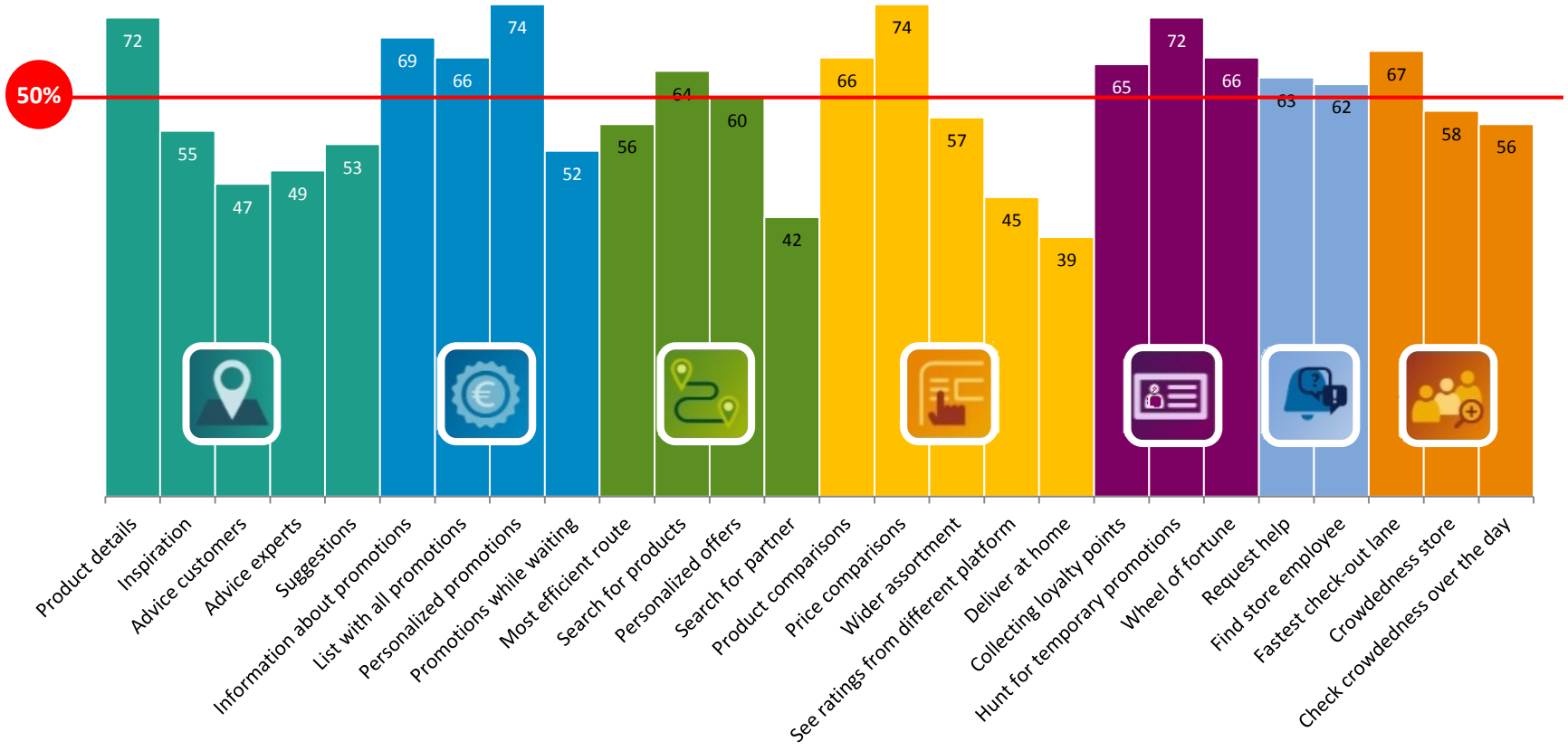
Online survey
3,000 Grocery and DIY shoppers in US, France and Netherlands.
In cooperation with Kantar/TNS

Shop alongs
Observing and interviewing shoppers experiencing Philips indoor positioning in the Carrefour hypermarket in Lille, France.
In cooperation with Kantar/TNS

Interviews
In-depth interviews with shoppers in Netherlands on what location based services they like or dislike and why.

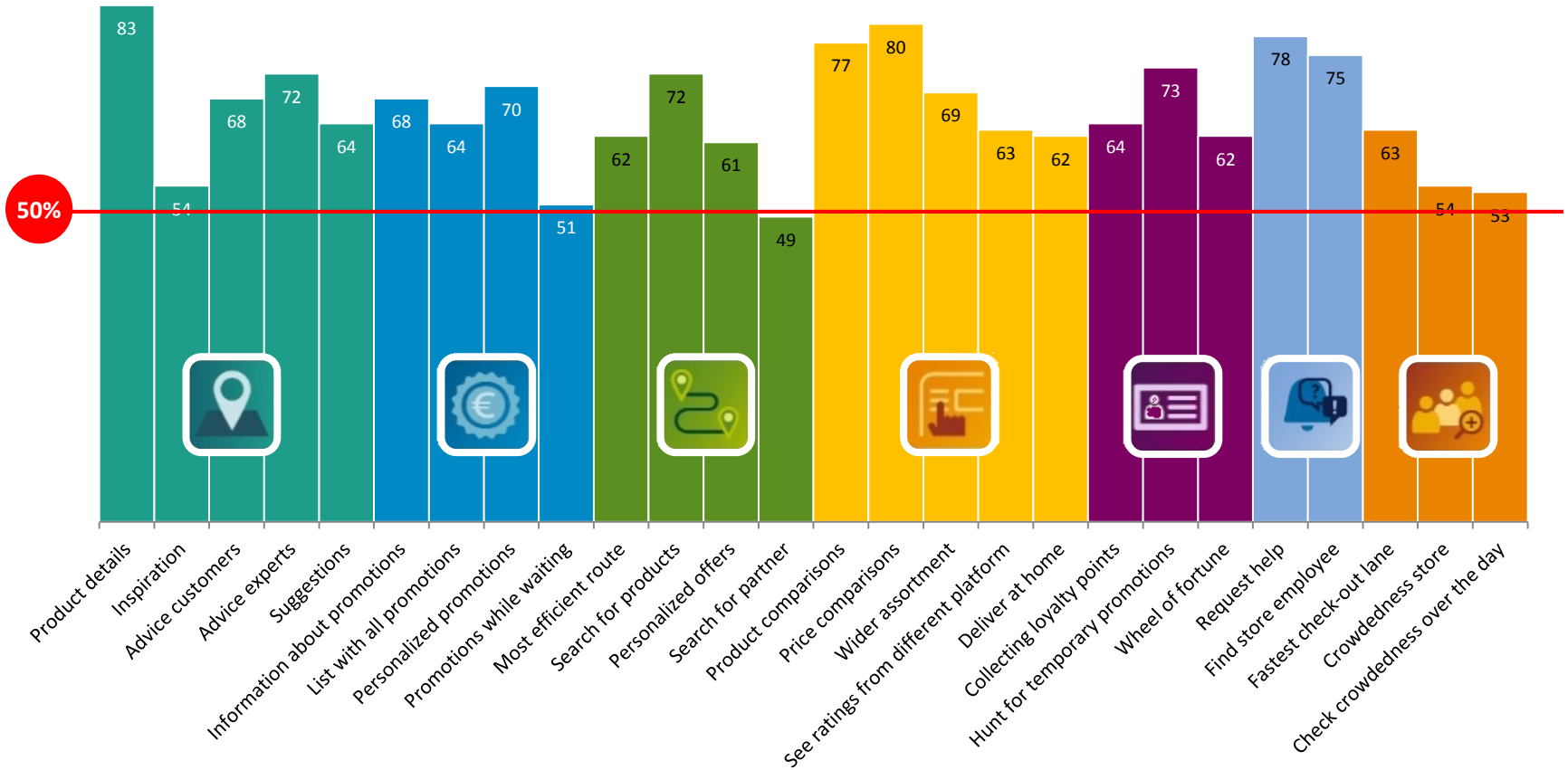
Location based services

are in demand with grocery shoppers….



Location based services

…and with DIY shoppers



Five categories

of location services stand out

Receive and find good deals..	Receive personal promotions based on location	74	70
	List promotions close to me	66	64
..and add excitement	Hunt for temporary promotions	72	73
Search for products	Search for products	64	72
Fast product and price information	Get product details	72	83
	Easy price comparison	74	80
Convenience and efficiency	Request help	63	78
	Check fastest check-out lane	67	63

Selection from top-10 global use cases

Audience Poll:

“How likely is it that you will use a retailer app that features location based services”

Likely – or – Not likely

Use polling tool on the right

Drive app usage

with location services

Country	Current app usage
	47 / 19
	28 / 16
	24 / 11

Drive app usage

with location services

Country	Current app usage	Intended app usage with location services
	47 19	54 57
	28 16	57 60
	24 11	32 35

Light

ends the struggle

- Instant, one-foot accuracy via Visible Light Communication (VLC)
- In-pocket notifications and tracking with Bluetooth Low Energy beacons
- No need for additional infrastructure
- Easy integration into mobile apps
- Pay-as-you-go pricing

&

- 50-80% energy saving
- Improved store ambiance

Light

ends the struggle

- Instant, one-foot accuracy via Visible Light Communication (VLC)
- In-pocket notifications and tracking with Bluetooth Low Energy beacons
- No need for additional infrastructure
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Perfect Light **&** **Precise Location**

- 50-80% energy saving
- Improved store ambiance

A game changer

for Carrefour

The world's first supermarket with Philips indoor positioning

Carrefour Hypermarket in Lille, France

- 8,000m^2
- 200-300 products on promotion/day

Philips lighting system

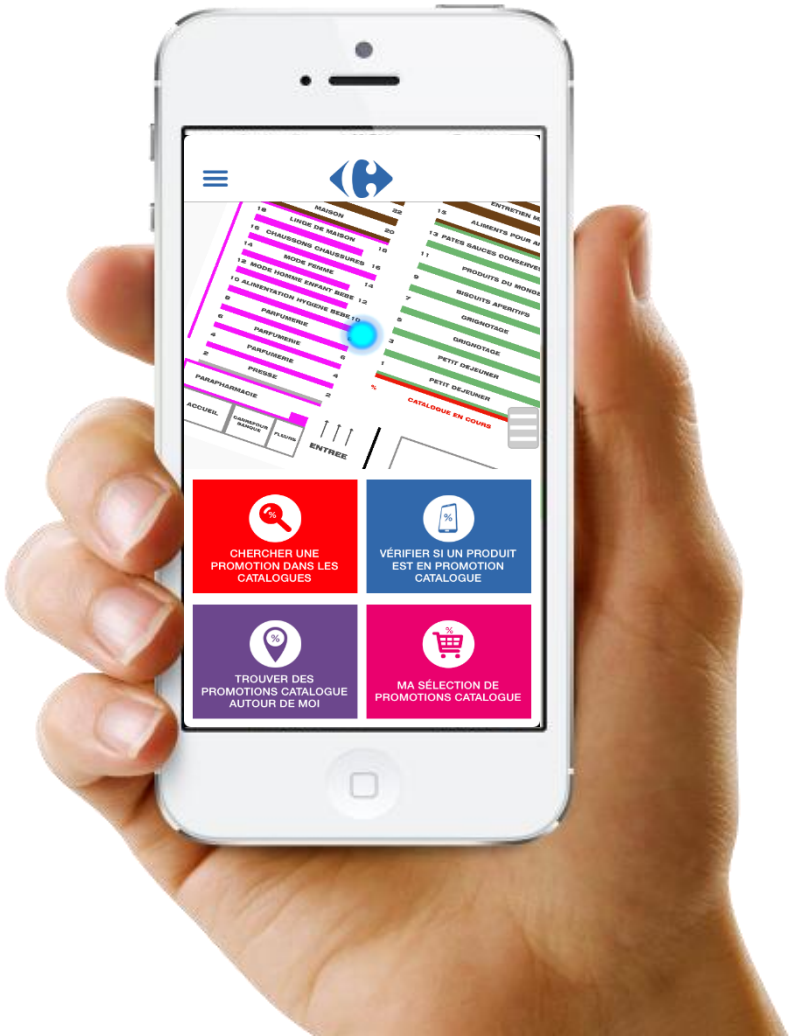
- 800 linear fixtures
- Dynalite based dimming
- 50% energy saving

Promo C’ou

Carrefour’s location aware mobile app

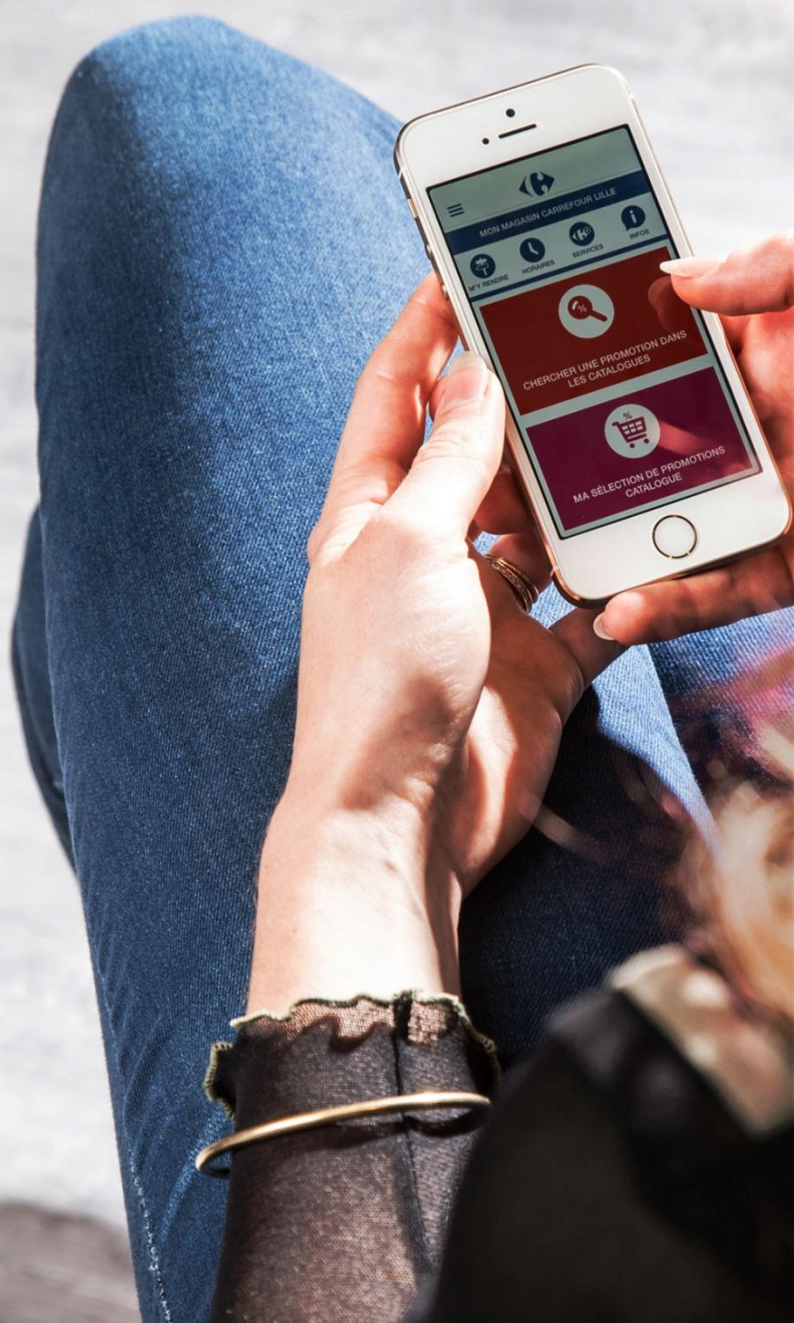
Carrefour created a mobile app called **Promo C’ou**, that allows shoppers to…

- locate themselves on store map
- select and find promotions
- see promotions “around me”
- signal out of stock items
- like a promotion



“Thanks to this new application, we are now able to provide our customers a new service, enabling them to quickly search and locate their preferred promotions or detect all the promotions around them when they are in-store.”

Céline Martin, Carrefour’s Director of Commercial Models and Innovation for French hypermarkets



Recap

Of key insights

- Stores are here to stay
- The mobile phone however becomes an increasingly important shopping companion
- In-store mobile shopper engagement drives more visits and bigger baskets
- Retailer apps have not yet unlocked this opportunity
- Location based services are wanted by shoppers and can drive app usage
- Lighting ends the indoor location struggle by offering everything a retailer needs