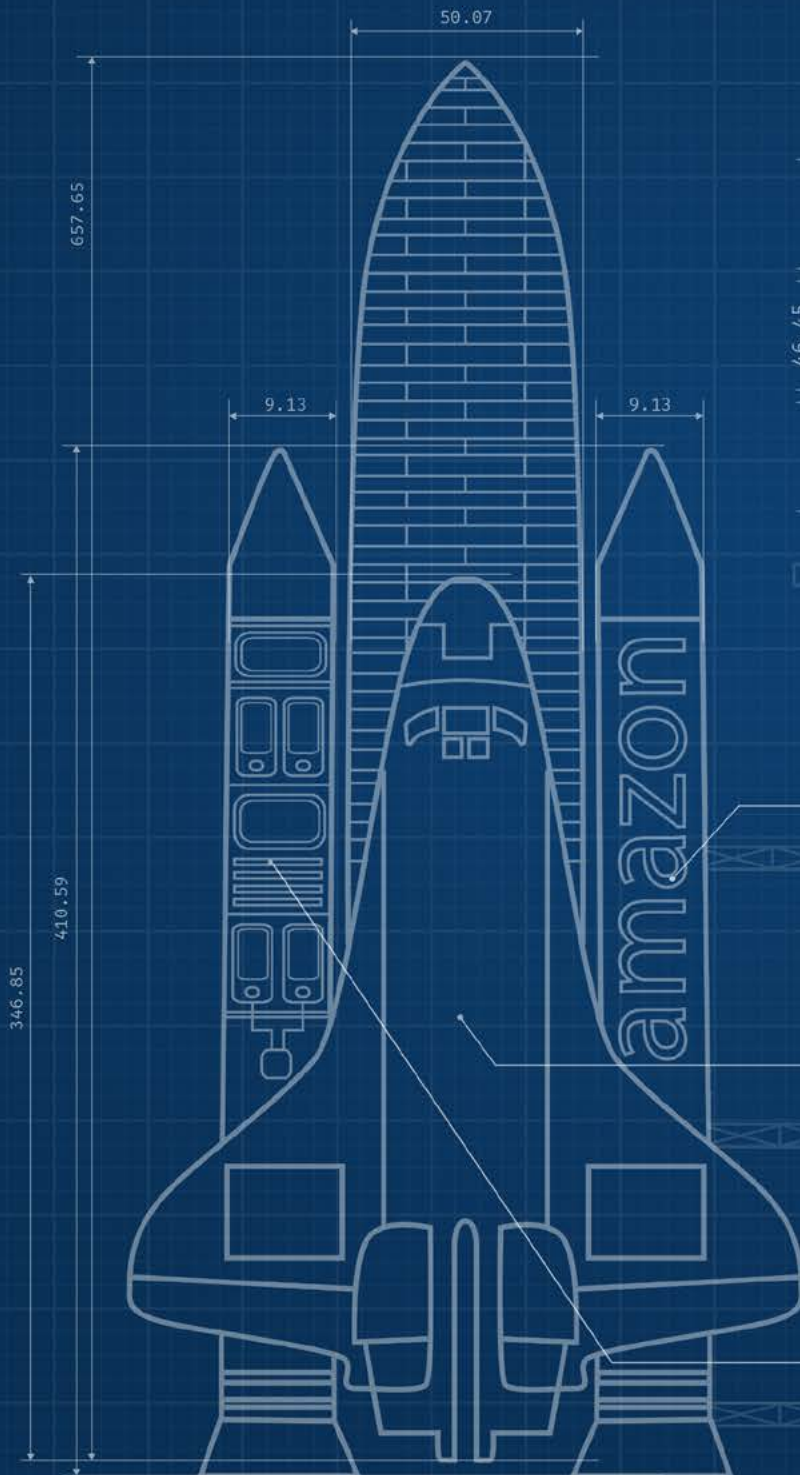


THE RETAILER

Issue 58 – August 2017



THE MARKETPLACE RACE

FIGURE 1

BLURRING BORDERS

Australian retailers taking local lessons from the global giants

FIGURE 2

DOMAIN DISRUPTORS

Online marketplaces are shifting platform paradigms

FIGURE 3

SMARTPHONE SUPERPOWERS

Persuasive devices and mobile shopping behaviour

Ask your customers to press **CHQ** or **SAV** to get cash out and avoid ATM fees.

eftpos is a great way to give your customers added value with their everyday purchases. The more cash they get out from your store, the less cash you will have on the premises, helping to reduce the cost and risk of doing business.



eftpos[®]

Helping with everyday

CHQ

SAV



Australian
Retailers
Association

CONTENTS

Issue #58

Features

10 THE IMPACT OF GLOBAL GIANTS ON AUSTRALIAN RETAIL

Amazon may have an impact on the local retail market, but it doesn't spell the end of the industry

18 ONLINE MARKETPLACES DISRUPT GLOBAL RETAIL THINKING

The power of the online marketplace is completely disrupting the global retail space, giving merchants the power to sell anything, to anyone, from anywhere

24 THE THREE SUPERPOWERS OF MOBILE ADVERTISING

In the increasingly mobile environment, it is critical for retailers to tailor their advertising strategy to successfully target today's consumers

REGULARS

- 04 From the Executive Director
- 06 Retail news from across Australia
- 08 Preserving Consumer and Merchant Choice
- 12 Recent Modern Award Changes: Are you across your obligations?
- 16 Defending Australia's Retail Talent

CUSTOMER EXPERIENCE

- 20 Australia: the First Cashless Country?
- 28 Unlocking the Retail Advantage
- 34 Aligning Your Brand Experience
- 44 Online Retail Trends: Click and Collect Starts to Pay off

LOGISTICS

- 22 Are Retailers Ready to Take the \$3.5 Trillion Bull by the Horns?
- 30 Global Giants to Improve Australia's Delivery Operations
- 48 Shipping Beyond our Shores

TECHNOLOGY

- 32 Personalisation with a Tech Edge Drives Increased Customer Loyalty
- 38 How Retailers Can Improve Their Mobile Experience Platforms
- 40 Better, Cheaper and Faster is Here to Stay
- 42 How to Outsmart the Competition Using HR Technology
- 50 Using New Technology to Generate ROI
- 52 All for One and One for All: How the Future of Retail lies in Employee Engagement

ARA PRODUCTION TEAM

Editors

Katherine Mechanicos
Benjamin Staley
media@retail.org.au
araretailer@retail.org.au

Advertising Account Manager

Hussein Hamka
1300 368 041
Hussein.hamka@retail.org.au

Graphic Design

Damien Dunstan
damien.paul.dunstan@gmail.com

External Contributors

FCB, SAP Hybris, Marketplacer, Mastercard, Manhattan Associates, Celtra, Tableau, CouriersPlease, Stocard, Fresh Eye Solutions, Kalido, Paul Broadfoot, WorkPro, JDA Software, Temando, Suez Technology, Kronos

Australian Retailers Association

Phone (toll free): 1300 368 041
Fax: (03) 8660 3399

Melbourne Office

Level 1, 112 Wellington Parade
East Melbourne VIC 3002

Sydney Office

Suite 104, 40-48 Atchinson Street
St Leonards NSW 2065

Follow ARA

@retailaustralia
 @austretailers
 australiansellersassociation
 australiansellersassociation

Copyright

Contents may not be reproduced in any form without permission from the Australian Retailers Association and then only with suitable acknowledgments.
2017 Australian Retailers Association
ISSN: 183404720

The Retailer is printed on FSC paper stock using vegetable based inks by a printer with ISO14001 Environmental Management System Accreditation

FROM THE EXECUTIVE DIRECTOR

Over the last few months, we have seen Australian retailers continue to face a difficult operating environment, characterised by significant cost pressures and global retailers entering the Australian market. A number of industry issues and legislative changes have been addressed this quarter, including the Fair Work Commission's (FWC) decision to increase the National Minimum Wage to 3.3 per cent and implement a four-stage transitional arrangement for penalty rates.

The ARA believes the reduction in penalty rates will alleviate some of the strain Australian retailers are facing and we look forward to seeing the industry benefits in the coming quarter as further legislative changes are implemented. However, we are disappointed that the FWC did not take into account the weak economic trading conditions when making their decision on the transitional arrangements. The ARA believes these sluggish arrangements will unnecessarily slow down the creation of new jobs within the sector.

Another significant issue raising the continual pressure in the industry is the 12 month de-

lay in implementing GST to low-value imported goods. Our members - and the wider Australian industry - are extremely tired of the constant delays in implementing this tax equality issue and believe this legislation should be implemented as soon as possible to provide a level playing field for local retailers.

You'll notice this edition of The Retailer has two covers, as the ARA hosted the 2017 eftpos ARA Australian Retail Awards on Thursday 3rd of August, at the National Gallery of Victoria. This prestigious event highlighted outstanding achievements in the Australian retail industry, giving local retailers an opportunity to come together and celebrate the success of their peers, network and learn from leaders in the sector.

I would like to thank all those retailers who entered this year's awards and took the time to share their successes on a national stage. The ARA looks forward to following the winners of this year's awards as they continue to prosper. To those who were unsuccessful with their entries this year, we thank you for entering and hope to see you back again in 2018!



Russell Zimmerman
Executive Director
Australian Retailers Association

THE AUSTRALIAN RETAILERS ASSOCIATION COUNCIL

President

Roger Gillespie AM – Bakers Delight

National Councillors

Robyn Batson – Sussan Group

Graham Dear – Leading Edge Group

Ralph Edwards – Bright Eyes

Mhairi Holway – Pandora Jewellery

Steve Plarre – Ferguson Plarre Bakehouses

Mary Poulakis – Harrolds

Liz Siminsky – Angus & Coote

Gerry Gerrard – Bakers Delight

Mark Daynes – Jeanswest

Anthony Wilson – Wilson Retail

Rowan Hodge – Battery World

Toby Darvall – Ishka



No.1 in the long run



• REST Industry Super Core Strategy •
Surveyed monthly with similar options over rolling 10 year periods.

REST's Core Strategy has been ranked No.1 for long-term performance more times than all other super funds put together.

Compare your super with a complimentary comparison report.
Call Caroline Andrivon on (03) 8601 6902.



SuperRatings doesn't issue, sell, guarantee or underwrite this product. Go to superratings.com.au for ratings criteria. Ratings are only one factor to consider. Past performance may not be repeated. Product issued by REST. Contact us for a PDS to consider before deciding. Current as at June 2016

THE DIFFERENCE BETWEEN SHOPPING ONLINE & ONLINE SHOPPING

Since the 90's, e-commerce has promised a new ease with which customers can shop online. Today that promise still remains, yet despite most retail businesses now being online, the share of online purchases is less than 10 percent of overall sales. Everyone is shopping online, but only a small percentage actually purchase online.

The key distinction to understand this '10 percent' online figure needs to be split into one of two purchase categories; 'high-touch' and 'low-touch' items.

Low-touch purchases are those purchases in which the customer knows and understands the quality of the experience before going into the transaction. For example, a hotel is based on its star rating and reputation, therefore purchasing online is a no-brainer.

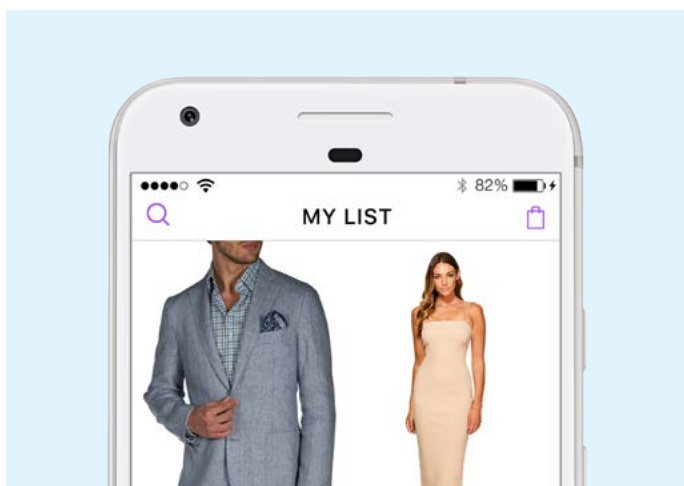
High-touch purchases are items we want to touch or try-on, and although many consumers will browse online between different retail sites, the purchase will ultimately be made in-store. Therefore, the traditional window shopping experience is now carried out through a glass screen on your chosen device.

From these examples, we can see the significant impact mobile technology has on the omni-channel shopping experience. As a result, mobile apps with the power of integration, deeper analytics and more robust technology will be central in powering retailers to use mobile to drive consumers in-store.

With mobile users actually spending close to 20 times more time on mobile apps compared to mobile websites, retailers should be looking to integrate this technology to increase sales.

Integrating online and offline channels to create a frictionless experience is key to easing the path to purchase, driving customer loyalty, and catering to the increasingly mobile shopper.

RainCheck is an online to offline retail platform that bridges the gap between online browsing into offline (in-store) shopping and purchase. For more information visit getraincheck.com



MAKE UP, DON'T BREAK UP WITH YOUR CROSS-CHANNEL SUPPLY CHAIN

We live in a pretty incredible world. A world where you can order fresh produce in the morning and have it delivered to your door by that afternoon, spot an outfit you like in Paris and have it hanging in your wardrobe in a matter of days and restyle your entire home without leaving the comfort of it.

As consumers, we love the ease and convenience of being able to shop for anything, at anytime from anywhere. We are omni-channel crusaders, discovering, purchasing and even returning across a variety of digital and offline channels. And while this is wonderful when you are the customer, it puts a huge amount of behind the scenes pressure on retailers to keep operations running smoothly so consumers can shop in the luxury they are accustomed to.

One of the biggest challenges retailers face in today's omni-channel purchasing journey lies around inventory management. With most brands selling across social, e-commerce platforms and their brick-and-mortar stores, it can be tricky to maintain a clear picture of what stock is needed where.

Too much stock can lead to mounting storage costs, an increased possibility of theft and the chance you'll be left out of pocket with the goods if they don't sell. While, too little stock might mean missing a potential sale period or not being able to deliver to your customer. It's important to find the sweet spot with a system that lets you keep track of stock movement so you can adjust inventory levels accordingly.

Unfortunately, many businesses still manually count their stock. This is not only time consuming, but there is a higher possibility of human error occurring. An automated solution will let you set a minimum and maximum level of stock and allow you to replace it as soon as levels are low.

Further, a lot of small businesses don't pair their ordering systems with inventory management. An all-in-one solution takes the guess work out of stock levels and also helps paint a picture of what products are popular at certain times of the year.

And finally, as many retailers are multi-tasking across desktop, mobile and tablets it's important you find a cross platform system that allows you to access inventory information safely and securely on the fly - from anywhere, anytime.

Neto is the only Australian founded retail and wholesale management platform providing a complete solution for e-commerce, point of sale (POS), inventory and fulfilment. For more information visit neto.com.au



Started Online, Purchased In-store,
AND WAS AMAZING
THE WHOLE WAY

CREATE A SEAMLESS CUSTOMER JOURNEY
WITH A **SINGLE COMMERCE PLATFORM.**

Deliver innovative brand experiences with a unified commerce platform – SuiteCommerce. SuiteCommerce unifies point-of-sale, call centre, ecommerce, inventory and order management to create a seamless commerce experience. With one unified system, you will empower your sales associates, exceed customer expectations and inspire loyalty.

ORACLE®
NetSuite

SuiteCommerce.com.au

PRESERVING CONSUMER AND MERCHANT CHOICE

RETAILERS SHOULD BE ABLE TO COMPETE ON A LEVEL PLAYING FIELD WITH CONTACTLESS AND MOBILE PAYMENTS

BY **HEATH MICHAEL** [ARA]



A

As we move into the digital age, maintaining consumer and merchant choice across all payment channels and environments is critical as we encourage new forms of innovative technology such as mobile wallets and contactless payments.

For consumers, it's important to know what system your tap payment goes through, and for merchants it's crucial to have a choice in routeing. Currently Point of Sale (POS) terminals only read the first contactless application on the chip, and automatically route the transaction according to this priority, which may be at a higher cost.

These contactless transactions on Dual Network Cards currently take this choice away from consumers and merchants and makes it more difficult to manage the costs associated with different payment products and networks.

Further, mobile payments will significantly impact the ability of merchants to choose the payment network that best suits their needs. In a mobile world, only one scheme application will be observable to the consumer or merchant for any given transaction, eliminating any existing network choice that they may have. These technology lockouts remove the consumer's preference in seeing low cost payment providers such as eftpos as an available choice in mobile payments which does not currently occur.

Since the rollout of contactless payments, the ARA are aware that consumers are unable to determine how that transaction will be routed if they use a contactless card, and there has been very little option for retailers to channel payments through a less costly route. Currently if a Dual Network Card is presented and used as a contactless transaction the system will route via the card presented, and does not allow the customer the choice of re-routeing the transaction.

On behalf of Australia's retail merchants, the ARA runs the Australian Merchant Payments Forum (AMPF) to advocate competitive, innovative and consumer friendly payment options for the retail sector. Without open consumer payments and competitive domestic payment networks, merchant fees and consumer costs may rise.


The ARA does not believe the current process is effective, and has recommended creating further regulation to facilitate choice and avoid technological lockouts.

An ARA member has forwarded information to the Reserve Bank of Australia (RBA) showing that these extra costs to one merchant was in excess of \$400,000 compared to pre-contactless transactions. As this data was presented some time ago, we have since heard of many more examples at far higher costs. The ARA and our members are concerned that as we move toward third party mobile wallets the choice of routeing will be taken away, increasing cost to merchants.

The ARA does not consider that the costs would exponentially increase from compliance if standards were introduced. Having no regulation or ineffective undertakings will have a far greater impact on the long term competitive environment for retail payments in Australia.

The ARA believes that unless Dual Network Card provisioning is made simple to understand, unbiased and easy for the consumer to execute, the only networks represented within consumer wallets will be the more expensive networks.

Our preference is to provide open mobile payments to both consumers and merchants. In addition the ARA seeks the branding of multiple payment providers to be displayed within the mobile wallet.

As part of our work we continue to meet with the Government to lower costs for both the merchant and consumer through advocating for the acceptance of any payment system at a low cost. 



For consumers, it's important to know what system your tap payment goes through, and for merchants it's crucial to have a choice in routing



THE IMPACT OF GLOBAL GIANTS ON AUSTRALIAN RETAIL

Amazon may have an impact on the local retail market, but it doesn't spell the end of the industry.

BY **STUART O'NEILL** [SAP HYBRIS]

Morgan Stanley, leading global financial services firm, predicts Australia's largest retail chains stand to lose \$800 million dollars when Amazon launches in the country later this year. Whether this number comes to fruition or not, there's no doubt Amazon's entry into the local market is going to have a profound impact. Why? Because Amazon competes in the arena of customer experience; not just product.

In truth, much of what Amazon sells can be bought elsewhere. However, what it has in spades is a brand synonymous with convenience, fast delivery and choice. These attributes are why Amazon may be a success in the Australian market, but it doesn't spell the end of the local retail industry. In other markets where Amazon has launched, brands have responded by looking to go toe-to-toe with it by delivering customer experiences that delight their consumers.

Until now, the Australian market has been sheltered by its distance, and regaled by the status quo. No matter how large they are, overseas competitors are not the greatest threat to local retailers – complacency is. And Australian retailers – big or small – have an opportunity to get on the front foot and improve their customer experience. This will make them competitive in a global retail market, and allow them to combat new players vying for their market share.

WHAT DO CUSTOMERS WANT?

Retailers might think they're delivering great

customer experiences, but the SAP Hybris Consumer Insights survey – based on responses from 1,000 Australians – found the standards for excellence have narrowed considerably.

Brands spend millions each year on marketing to try to woo customers and build loyalty, but our research shows how fickle these relationships can be. It is far cheaper to defend existing market share than try and gain it elsewhere. It's why customer experience should be a continuing priority within businesses.

The SAP Hybris survey also revealed how in today's increasingly connected and digital society Australian consumers expect a rapid-fire response from brands with 92 percent of respondents wanting an answer to inbound queries within 24 hours. This tapers even further to a three hour reply window for a staggering 45 percent.

Critically, consumers also won't forgive too easily if businesses don't meet these levels of service. In fact, three-quarters of Australians would move to a competitor if the retailer was unresponsive.

DEFINING A 'DELIGHTFUL' CUSTOMER EXPERIENCE

Businesses have more data at their disposal than ever before. But rather than simply capturing it, this data needs to be used to build a cohesive customer experience. Retailers have the opportunity to learn more about their customers, and contextualise the shopping experience to what the customer wants.

Customers don't see channels, they see a brand.



To create this perception data needs to flow freely across organisational channels and customer touch-points. If these contact points are inconsistent, consumers will seek a better experience elsewhere.

Experiences also need to be personalised. Living in the digital age has shaped the way consumers expect to be treated by brands. Our research showed those brands using data to inform communications, allowing it to be tailored, personalised and helpful, were those delivering the experiences consumers valued most. This intelligent process differentiates the customer experience, and therefore the brand.

Australian retailers have a head start when it comes to customer experience – they know their local customers best. But too many are giving up this advantage by not utilising the data at their fingertips.

Amazon might be a challenge on the horizon, but it simply serves to exacerbate the larger threat of poor customer experience. Retailers who know what good customer experience looks like and deliver on that promise will be futureproofing their businesses, no matter what global competitor lands on our shores. 🛒

Stuart O'Neill is Head of SAP Hybris Australia and New Zealand. SAP Hybris is a digital commerce software, creating relationships between businesses and their customers. For more information visit [hybris.com](https://www.hybris.com)

Grow your business with Commonwealth Bank's finance options



The Commonwealth Bank offers Australian Retailers Association members flexible, competitive finance options for your business needs, including:

- **Business Overdrafts** – Provide coverage for seasonal or unexpected expenses with flexible lines of credit
- **Better Business loan** – Fund your business growth with a loan that offers the flexibility of fixed or variable interest rates
- **Market rate loan** – Manage your cash flow and take advantage of current interest rates, with flexible finance linked to transparent market rates
- **Business line of credit** – Ensure funds are always available to finance your business expansion or investment

Commonwealth Bank has a range of finance options to suit your needs and help keep your business moving.



To find out how the Commonwealth Bank can help your business, contact **ARA** on **1300 368 041** today.



Australian
Retailers
Association

CommonwealthBank 

Important Information: Full conditions of use will be included in our Letter of Offer. Applications for finance are subject to credit approval and the suitability of the asset. Commonwealth Bank of Australia reserves the right to require finance arrangements to be made with any Commonwealth Bank of Australia subsidiary. Bank fees and government charges may apply. Australian Retailers Association may receive a fee from the Commonwealth Bank of Australia for each successful referral. Referral Fees are not payable on referrals from existing relationship managed Commonwealth Bank customers. This has been prepared without considering your objectives, financial situation or needs, so you should consider its appropriateness to your circumstances before you act on it. Commonwealth Bank of Australia ABN 48 123 123 124, AFSL and Australian credit licence 234945.

RECENT MODERN AWARD CHANGES: ARE YOU ACROSS YOUR OBLIGATIONS?

AUSTRALIAN RETAILERS SHOULD REVIEW THEIR EMPLOYER OBLIGATIONS
AND MINIMUM AWARD ENTITLEMENTS FROM 1 JULY 2017

BY NICK TINDLEY [FCB]



We have only just passed the half way mark of 2017, and yet we have already experienced a historic change this year in the employment relations field for retailers. With a number of important policy changes to wages, penalties and public holidays being implemented, it's time to take a step back and remind ourselves of where we currently stand with our employment obligations.

1. 3.3 PERCENT MINIMUM WAGE INCREASE

By now, retailers should have already implemented the 3.3 percent minimum wage increase handed down by the Fair Work Commission (FWC) in June. Now is a good time to do a quick review of your wage rates to ensure you are paying at least the minimum specified in the Modern Award, and confirm that are not behind in your obligations. Every year, the ARA produces wage guides for the five Modern Awards most commonly used by retailers: the *General Retail Industry Award 2010*, the *Clerks – Private Sector Award 2010*, the *Fast Food Industry Award 2010*, the *Restaurant Industry Award 2010* and the *Storage Services and Wholesale Award 2010*. If you have not already seen these guides, or would like information on wage rates from any

other Modern Award, don't hesitate to contact the ARA Employment Relations Team for assistance.

Members with employees on annualised salaries are reminded to review or audit the salary amounts against employee work patterns to ensure that each salary compensates for the new Award entitlements.

If you were already paying your employees above the relevant minimum Award wages before July, you were not obliged to pass on the 3.3 percent increase. However, all wages and salaries must be equal to, if not above, the new Minimum Wage under the Award.

2. INCREASES TO ALLOWANCES

As many of the allowances under the Modern Award are based on a percentage of the 'standard rate' (defined within each Award as the wage rate of a specific classification), the 3.3 percent increase to the Minimum Wage means we have also seen increases to employee allowances. For example, the first aid allowance in the *General Retail Industry Award 2010* is 1.3 percent of the standard rate. With a 3.3 percent increase to the standard rate, this means the first aid allowance increased by approximately 34 cents per week, as of the first

“it's time to take a step back and remind ourselves of where we currently stand with our employment obligations”

full pay period on or after 1 July 2017.

Additionally, employers are reminded that expense related allowances in the Award may have also increased with Determinations made by the Commission in June. By way of example, the *General Retail Industry Award 2010* saw an increase in the meal allowances from \$17.73 to \$17.92 for more than one hour of overtime without 24 hours' notice and an increase from \$16.05 to \$16.23 for a further four hours of overtime.

For more information about allowances, ARA members should access the Employment Relations Management System (ERMS).

3. SUNDAY PENALTY RATES TRANSITION

As you are likely aware, the ARA dedicated significant time and resources toward the Modern Award Review in 2016, and we were successful in achieving a historic reduction in Sunday penalty and public holiday rates across the Retail, Fast Food, Hospitality and Pharmacy Awards. >

A retail cloud ERP that ticks every box on your shopping list.

- ✓ Australian made, local support
- ✓ Integrated POS, CRM and back office
- ✓ Powerful promotions engine
- ✓ eCommerce and digital marketing
- ✓ Built in reporting and analytics



The successful reduction to Sunday penalty rates generated much media attention, and in June we were relieved to hear that the Commission had implemented its decision, setting out the transitional arrangements that will apply. The phased reductions have already commenced as of 1 July 2017, and by now some retailers will have already felt the benefits of the slight reduction in penalty rates.

As a reminder, the transitional arrangements will apply as follows: [see left](#) →

4. PUBLIC HOLIDAY CHANGES

In addition to reductions to Sunday rates, as of 1 July 2017 we also saw reductions to public holiday rates across the Retail, Fast Food, Hospitality and Pharmacy Awards. These changes were not subject to transitional arrangements, but occurred in full, from 1 July 2017.

For more information on the new public holiday rates, members can access the relevant wage tables through the ERMS.

5. OTHER RELEVANT CHANGES

If your employees are covered by the *Restaurant Industry Award 2010*, remember that a change was also made to the ‘after midnight’ penalty, which now applies to hours worked between midnight and 6:00am (instead of the previous 7:00am).

6. THE VULNERABLE WORKERS BILL

Recent articles by the ARA have touched on the new *Fair Work Amendment (Protecting Vulnerable Workers) Bill 2017* and the accompanying tenfold increases in civil penalties for individuals and corporations for deliberate breaches that form part of a systematic pattern of conduct.

With these changes now more than likely to go ahead, owners and individuals involved in employment contraventions are reminded of the substantial penalties they will face should they find themselves in breach of their employer obligations under the Modern Award, the National Employment Standards or their record-keeping and payslip obligations.



AWARD RATE TRANSITION SCHEDULE

For the **Retail Award** the transition will occur over four years for permanent staff and three years for casuals.

Full-time and part time employees

1 July 2017	200% → 195%
1 July 2018	195% → 180%
1 July 2019	180% → 165%
1 July 2020	165% → 150%

Casual employees

1 July 2017	200% → 195%
1 July 2018	195% → 185%
1 July 2019	185% → 175%



For the **Fast Food Award** the transition will occur over three years as follows:

Full-time and part time employees

1 July 2017	150% → 145%
1 July 2018	145% → 135%
1 July 2019	135% → 125%

Casual employees

1 July 2017	175% → 170%
1 July 2018	170% → 160%
1 July 2019	160% → 150%



For the **Hospitality Award** the transition will occur over three years as follows:

Full-time and part time employees

1 July 2017	175% → 170%
1 July 2018	170% → 160%
1 July 2019	160% → 150%



Finally, for the **Pharmacy Award** Sunday rates will be transitioned over four years as follows:

Full-time and part time employees

1 July 2017	200% → 195%
1 July 2018	195% → 180%
1 July 2019	180% → 165%
1 July 2020	165% → 150%

Casual employees

1 July 2017	225% → 220%
1 July 2018	220% → 205%
1 July 2019	205% → 190%
1 July 2020	190% → 175%

ARE YOU UP-TO-DATE?

If you are already aware of all six changes listed above, and have prepared or reacted accordingly, then give yourself a pat on the back! Well done, now you just need to keep your records up to date, issue your payslips on time, and pay all entitlements correctly, all while still managing to run a business! We understand how exhausting and difficult it can be. If you ever need a hand with your obligations, or would like to check you are operating at best-practice, give the ARA Employment Relations Team a call on 1300 368 041.

If this article reminded you of something you had forgotten, or completely surprised you, then there may be a risk for your business in terms of your employment obligations. Call the ARA Employment Relations Team today to ensure you aren't placing your business, and yourself, at risk of substantial penalties and brand damage. 📞



Inspired learning.

Get the competitive advantage by having knowledgeable and skilled staff

Reduce training time & costs while increasing staff skills and knowledge retention

Sign up for a 12-month plan
Receive a Free Training Package valued at \$1500

One online training platform to do it all



Reduce training time by up to

↓ 75%



Boost content retention by up to

↑ 60%



Reduce cost to train by up to

↓ 70%

Try Velpic for Free!
pages.velpic.com/retail

Call Now
FREE Consultation
1300 835 742



DEFENDING AUSTRALIA'S RETAIL TALENT

The ARA are leading the charge in protecting local skills required to keep Australian retailers globally competitive.

BY KATHERINE MECHANICOS [ARA]

T

he Australian retail sector contributes close to \$310 billion to the Australian economy, and is the largest single private employer by industry sector, providing work for more than 1.2 million people. However, with the entrance and influence of international brands Australian retailers are continuing to face a complex operating environment. Furthermore, Australian retailers have long been challenged by the availability of local talent to fill buying, planning and online roles in the industry. These issues along with the rapid advancements of digital technology are constantly creating competitive pressures within the fast-paced industry.

As the retail industry's peak representative body, the Australian Retailers Association (ARA) has been advocating for its members for almost 115 years on issues that invariably include skills shortages in the local labour market and the costly flow-on effect of doing business in a competitive global market. In fact, the ARA have spent two years consulting both industry stakeholders

and the Government in relation to an increasingly apparent skills-shortage in key areas of retail buying, merchandise planning and digital commerce. These highly sought-after skill sets allow retailers to streamline business operations, obtain international perspectives on retail operations and deliver advanced analytical and reporting expertise. As the leading voice for retail, the ARA have also been consulting the Government and advocating for formal training and professional development options for retail employees to support future careers in Australian retail.

Unfortunately, the recent changes to the 457 visa program has restricted Australian retailers in accessing specific roles required in the modern retail environment, further hindering the growth and development of local retail talent. The significant amendments to the 457 visa scheme have included removing 216 occupations from the program, and placing 268 occupations on the Short-Term Skills Occupations List (STSOL), restricting the holder to a two-year stay, one renewal, and no pathway to permanent residency. Unfortunately, the retail sector was not consulted on these changes and the Government's decision to remove Retail Buyer from the 457 visa program has created



Restricting access to specialised talent inexorably hampers the ability for Australian retailers to compete in a dynamic global market and correlates negatively with the employment of Australian workers.

a war on Australia's retail talent. Restricting access to specialised talent inexorably hampers the ability for Australian retailers to compete in a dynamic global market and correlates negatively with the employment of Australian workers. Therefore, the ARA are concerned that limiting the industry's access to these required skill sets from global markets will only create additional challenges for Australian retailers already struggling to manage the pressures of international competition.

Working with the Australian Chamber of Commerce and Industry (ACCI), the ARA sought additional advice from members to safeguard the future of Australian retail talent. A survey was sent out to ARA members seeking responses in relation to the difficulties in securing local talent across key occupational groupings. This survey identified how the 457 visa changes will have a major impact on future business growth, securing retail talent, promoting local employees and international competitiveness. ARA members were able to identify Retail Buyers, Merchandise Planners, Merchandise Designers and

Digital Commerce as four critical roles required in contemporary retailing. Closely related to these emerging skill sets and of great importance to many ARA members includes Fashion Designers, Web Designers and General Managers which have all been consigned to the STSOL, creating a strong disincentive for highly skilled retail talent to relocate to Australia. The survey also highlighted that although ARA members look at the local market for qualified candidates first, the short-supply of experienced retail talent remains one of the most frustrating realities for Australian retailers.

This industry-wide survey assisted the ARA in formulating an accurate response to the Department of Immigration and Border Protection (DIBP) on the proposed 457 visa changes to ensure current and future applicants for these particular roles are not affected. As skilled retail employees are an enormous asset to the industry, the ARA's submission recommended a pathway for highly skilled visa holders in key retail categories to be offered permanent residency. The ARA's submission also highlighted the adverse effects on the sector caused by the removal of certain retail occupations, subsequently asking the Department to re-instate the Retail Buyer role to the STSOL and add further critical roles required in contemporary retailing to the list. Taking a longer-term view, the ARA's submission also proposed the development and implementation of HECS-HELP for tertiary qualifications to support careers in Australian retail, ensuring the longevity of Australians future retail talent.

In July, the ARA welcomed the Government's decision to re-instate Retail Buyer to the STSOL, however were disappointed that Merchandise Planners, Merchandise Designers and Digital Commerce were not added to this list as well.

As the ARA has long been advocating for its members on skills shortages in the local labour market, the industry association will continue to seek a more sophisticated and inclusive approach in identifying strategic retail occupations prior to any further reforms being implemented. The ARA also look forward to working with the Department to develop local retail talent through relevant tertiary studies which will in turn guide the future of Australian retail. 🇺🇸

ARA Retail Institute is the leading national body providing for the education, consulting and professional development needs of the Australian retail industry. To view the ARA's full submission to the DIBP visit retail.org.au/policy-advocacy

ONLINE MARKETPLACES DISRUPT GLOBAL RETAIL THINKING

The power of the online marketplace is completely disrupting the global retail space, giving merchants the power to sell anything, to anyone, from anywhere.

BY JASON WYATT [MARKETPLACER]

Today we are increasingly seeing the huge value placed on understanding a brand's ethos, values and expertise. Every time we spend cash as customers, we are making an active choice about the companies we support and the practices we endorse.

This is the point at which the retail industry now finds itself as it gazes into the kaleidoscope of new opportunities and possibilities being brought about by e-commerce. Super-powerful mobile devices connected to super-fast mobile networks, limitless choice, lower prices, fast and free shipping have empowered consumers like never before.

But something that's discussed far less is how the internet is totally disrupting how retailers and the retail industry see themselves in the world. In the same way that consumers are now able to search for and buy anything from anywhere at any time, so too are merchants now able to sell anything to anyone, in any volume, from anywhere and at any time. Of course, like every game-changing concept that's come before, this probably sounds too good to be true; fanciful even.

With the power of an online marketplace, a small regional business that started out selling one product or service to a small group of local buyers, can now morph into a global powerhouse selling multiple product lines to customers on multiple continents. These small businesses can scale in spite of prior limitations including capital requirements, inventory and supply chain logistics.

These powerful new online 'marketplaces' are completely disrupting the global retail space. Just as traditional marketplaces have operated for centuries, the globalised online version is designed to make it as easy as possible for sellers of particular goods and services to connect with customers wanting to buy them.

What makes these online marketplaces so remarkable is the way in which they allow merchants to quickly build and grow communities, or 'tribes' of buyers united by their shared interests and passions. This unique property allows retailers to then market, sell and ship products to the members of their tribes regardless of where in the world they might be.

This is because marketplace platforms take care of all the costs and other considerations a retail business would ordinarily have to contend with. For example, the e-commerce platform is already up and running, providing



product categorisation and secure payments for retailers. Data analytics, SEO and sales reporting is all taken care of too.

However, it seems the most powerful thing about marketplace platforms is that merchants don't need to carry stock. This has profound implications for retail businesses, not least of which is their ability to provide 'endless aisles' with limitless volume, but also limitless variety, without any of the cost, risk and worry of having to keep physical inventories that may or may not sell, go out of style or perish.

Merchants selling a fairly narrow category of products can move into adjacent – or completely new – markets dependent on their community or tribes, needs and desires. Meanwhile, these tribes grow and reinforce themselves through constant engagement and sharing of information. This in turn allows merchants to develop more authentic and personalised products, further hone their brand message and retain the agility to move wherever the 'marketplace' takes them. 🛒

Jason Wyatt is the Co-Founder and Managing Director of Marketplacer, a leading technology and business platform used globally by people and businesses that want to create successful online marketplaces. For more information visit marketplacer.com



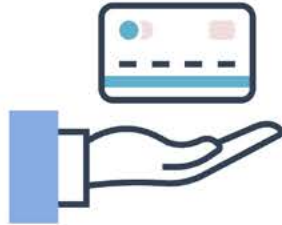
sage One

EMBRACE THE BIG PICTURE

While keeping an eye on the detail.

Sage One online accounting.
Your world, balanced.

[sageone.com.au](https://www.sageone.com.au)



CUSTOMER SERVICE | TECHNOLOGY

AUSTRALIA: THE FIRST CASHLESS COUNTRY?

WITH CONSUMERS QUICKLY EMBRACING NEW PAYMENT TECHNOLOGIES,
RETAILERS NEED TO PREPARE FOR A POTENTIALLY CASHLESS FUTURE

BY ANDREW CARTWRIGHT [MASTERCARD]




Andrew Cartwright is Country Manager for Mastercard Australia, a leader in global payments connecting billions of consumers, financial institutions, merchants, governments and businesses. For more information visit mastercard.com

In December 2016, Amazon showed the world its new cashless store concept in a video that went viral. It starts off with a customer entering a store, through what looks like modern terminal gates at a railway station. He pulls out his phone and scans the top of the terminal before putting his phone back in his pocket. The video ends with another shopper receiving an electronic receipt on her phone as she exits the store with a handful of goods. There's not a single cashier in sight.

A few years ago, Amazon started to wonder - what would shopping look like if you could walk into a store, grab what you like and just go? Amazon Go is the shop that has no checkout. This digitally-enabled bricks-and-mortar store allows consumers to log into the Amazon Go app as they enter the store. The store's technology can then identify what item the customer has taken off the shelf and put into a virtual cart. This frictionless store is currently in the beta-testing stage and only open to Amazon employees, but is expected to launch to the general public sometime next year.

Due to this innovative store, Amazon now leads the global race of retailers moving towards cashless future. Retailers and banks have been working towards this moment for years and it took a pure online player to show them how it is done. Self-serve registers, RFID (Radio-Frequency Identification) technology, wearable technology and contactless card transaction terminals are developments towards improving speed and convenience during the payment process.

Currently, in the Netherlands, there are cafes and supermarkets that no longer accept cash. In fact, the Finns are regarded as the most enthusiastic adopters of non-cash payments. While, in Denmark, nearly

one in three citizens choose to pay through the mobile app of just one bank, with further plans to make the entire country cash free. The ABBA museum in Stockholm, Sweden, requires all visitors to use electronic payments. This was due to one-time ABBA member, Björn Ulvaeus,  whose son's house being burgled. Ulvaeus assumed that the stolen goods would be traded for cash on the black market. Therefore, electronic payments were seen as the safer transaction process.

Seeing the decline in cash transactions, six of Sweden's largest banks collaborated to create Swish, a mobile payments application. Swish now has more than half the population using the app, with 90 percent engagement amongst 20 to 22 year olds.

Closer to home, Sydney's Kensington St, Chippendale has permanently banned all cash payments with many merchants citing the reasoning behind this decision was to speed up queues, stop serving staff from handling cash and reduce the amount of banking administration.


In fact, a recent study by the Reserve Bank of Australia (RBA) listed Australia is a global leader in contactless transactions. This study found that the use of banknotes and coins fell from 69 percent in 2007 to just 37 percent in 2016. Furthermore, a study on Australian consumers reveals that businesses who restrict customers from making electronic payments are putting themselves at a disadvantage,

with 44 percent of respondents avoiding retailers that do not allow the use of cards for small transactions. Mastercard's Galaxy research found that two-thirds of Australians have reduced the amount of cash they carry, with 53 percent carrying less than \$50 in cash at any time. Equally, the

RBA research indicated about 20 percent were not holding any cash in their wallets at all.

While Australian consumers have been quick to embrace this technology, many retailers are still resisting, citing transactional costs being the reason for requiring minimum spend for card purchases. Mastercard's online study on payment choice for low-value transactions (i.e. purchases under \$10), uncov-

ered Australian card holders aged between 18-64 years old felt increasingly agitated when retailers required them to pay cash for smaller purchases or had a minimum spend. Up to 84 percent of consumers resent paying a fee, while over 60 percent find it frustrating when they cannot use cards for small transactions. As Australian consumers move towards a cashless future, what they want from retailers is the ability to choose the type of payment for any purchases made.

To compete in what is shaping up to be crowded, innovative marketplace, retailers big and small need to consider the customer experience, making the consumer's interaction with their business as seamless as possible. 

“businesses who restrict customers from making electronic payments are putting themselves at a disadvantage, with 44 percent of respondents avoiding retailers that do not allow the use of cards for small transactions”

ARE RETAILERS READY TO TAKE THE \$3.5 TRILLION BULL BY THE HORNS?

Distribution strategies for taking advantage of global omni-channel growth with next generation technology.

BY RAGHAV SIBAL [MANHATTAN ASSOCIATES]

Today, just about anything - from books and software to groceries and medication - can be purchased without ever entering a store. E-commerce is not just a market opportunity for businesses; it is a phenomenon that defines a customer's experience with a brand.

With global e-commerce retail sales projected to reach \$3.5 trillion by 2019, there is a lot more at stake than just fulfilling orders. Globally, brands and shippers are rethinking how they organise and structure their distribution centre (DC) operations, inventory management systems, ordering and store-based fulfillment processes. Further, they are looking to add many new elements that are purpose-built for speed, customer experience, mobility and the unique requirements of e-commerce fulfillment.

DITCHING THE DESK AND OPTIMISING FOR OMNI-CHANNEL

The multi-brand mega DCs of today require warehouse managers to be on the floor most of the day. Managers must have the ability to address any operational issues, including inventory, slotting, order processing and warehouse workflow, directly from the DC floor using their tablets or mobile devices. This increased mobility drives real-time engagement with DC operations, as well as productivity and efficiency.

Traditionally, warehouses were optimised based on seasonality or periodic inventory resets. As global brands introduce and promote new products

on a near-constant basis, warehouse inventory is changing much more regularly. Re-slotting schedules have increased dramatically, thereby straining warehouse operations. This is why warehouse managers need to be able to execute re-slotting requests directly from the warehouse floor using their mobile devices, as opposed to returning to their desktop computers.

DRIVING WORKFORCE PRODUCTIVITY

During peak seasons, a retailer can ship up to 20 times its normal volume, which often requires a significant uptick in temporary workers. Ensuring that the legions of temporary staff are productive and efficient, with minimal onboarding time, is imperative in e-commerce centric DCs defined by high volume orders.

Further, training this influx of seasonal employees takes considerable time. Picking tech-based solutions that offer touchscreens and rich graphical interfaces can reduce training periods, alleviate major bottlenecks in DCs and enable inexperienced personnel to achieve high levels of productivity immediately.

Many e-commerce DCs utilise a put-wall system to efficiently sort inventory for specific consumer order needs. Distribution Centre Managers need to employ an operations-based approach that is intuitive and guides associates through the inventory sorting process rapidly through seamlessly interfacing the warehouse control system with the put-wall feature light systems.

Accurately packaging products for shipment is the final step in effective e-commerce order fulfill-



Raghav Sibal is the Australia and New Zealand Managing Director of Manhattan Associates, a technology leader in supply chain and omni-channel commerce, converging front-end sales with back-end supply chains. For more information visit manh.com.au

ment, and it is critical that temporary workers fill orders correctly. Visual cues and pictures of objects are necessary components of the system known to help people process information faster. Enhancements to the packing stations, including full item images and touchscreens, ensure order accuracy and intuitive interaction to facilitate easy order completion and shipping.

STREAMLINING ORDER FULFILLMENT

E-commerce order fulfillment presents unique challenges, including peaks and valleys in labour, changing priorities and constant order acceptance. Order streaming optimises the entire fulfillment process for each individual order, enabling proactive inventory replenishment, more consistent labour utilisation and optimal individual order throughput. By adopting order streaming, warehouse operations teams can ensure smoother labour curves throughout the entire replenishment process, enabling managers to easily refocus order prioritisation as needed.

STEPPING INTO 21ST CENTURY OMNI-CHANNEL COMMERCE

As global omni-channel continues to grow in prominence, today's brands are confronted with the challenge of fulfilling numerous, generally small e-commerce orders at a speed that meets consumer demands. The next generation of DC operations, inventory management systems, ordering and store-based fulfillment solutions enable warehouse managers to scale distribution quickly and easily to take on the \$3.5 trillion market opportunity. 📦

Omnichannel Fatigue: What Australian retailers can learn to rise above it.

The physical store remains the heart and focus of consumer commerce. To elevate that experience, many retailers look to Omnichannel to provide new innovative ways to reach out and engage with their customers. No longer just a mere fashionable new phrase or slogan, Omnichannel has become the business model for success in retailing today.

With the right technology powering the retail eco-system, simultaneous channels aren't a struggle, but rather work together as one, seamless experience that enables consumers to hop between sales channels. Recent research findings by iVend Retail of CitiXsys offers insight that can guide investment for retail technology that improves traffic, conversion, engagement and loyalty.

iVend Retail Research Findings:

- 92% of consumers shop multiple channels of a retailer
- 52% of consumers shop mostly in-store
- 37% say their in-store experiences can be improved
- 43% say it is okay for retailers to collect personal data
- 27% say retail sales associates using tablets to provide info can improve in-store shopping
- 34% say their experience could be improved with offers sent directly to their phone/email when they enter a store



Our research reveals that the majority of shoppers use both online and physical channels to gather information and make purchases, regardless if they buy from a physical location or through the online store.

At iVend Retail, we understand the importance of implementing the right business model and for retailers, when the goal is to sell product ... it shouldn't matter where or how that product is sold.

Retailers continue to struggle to integrate their systems and processes to ensure that the customer experience is a seamless one. The performance curve of the pure play

retailer (those that stick to one channel) is now seriously questionable. Retailers that grasp Omnichannel as a business model will be the ones that succeed.

Join us for a webinar exploring how retailers can overcome Omnichannel fatigue and drive success with retail technology that focuses on customer experience.

Scan QR to Register



After all, it's all about rising above Omnichannel fatigue and delivering that great customer experience!



THE THREE SUPERPOWERS OF MOBILE ADVERTISING

In the increasingly mobile environment, it is critical for retailers to tailor their advertising strategy to successfully target today's consumers.

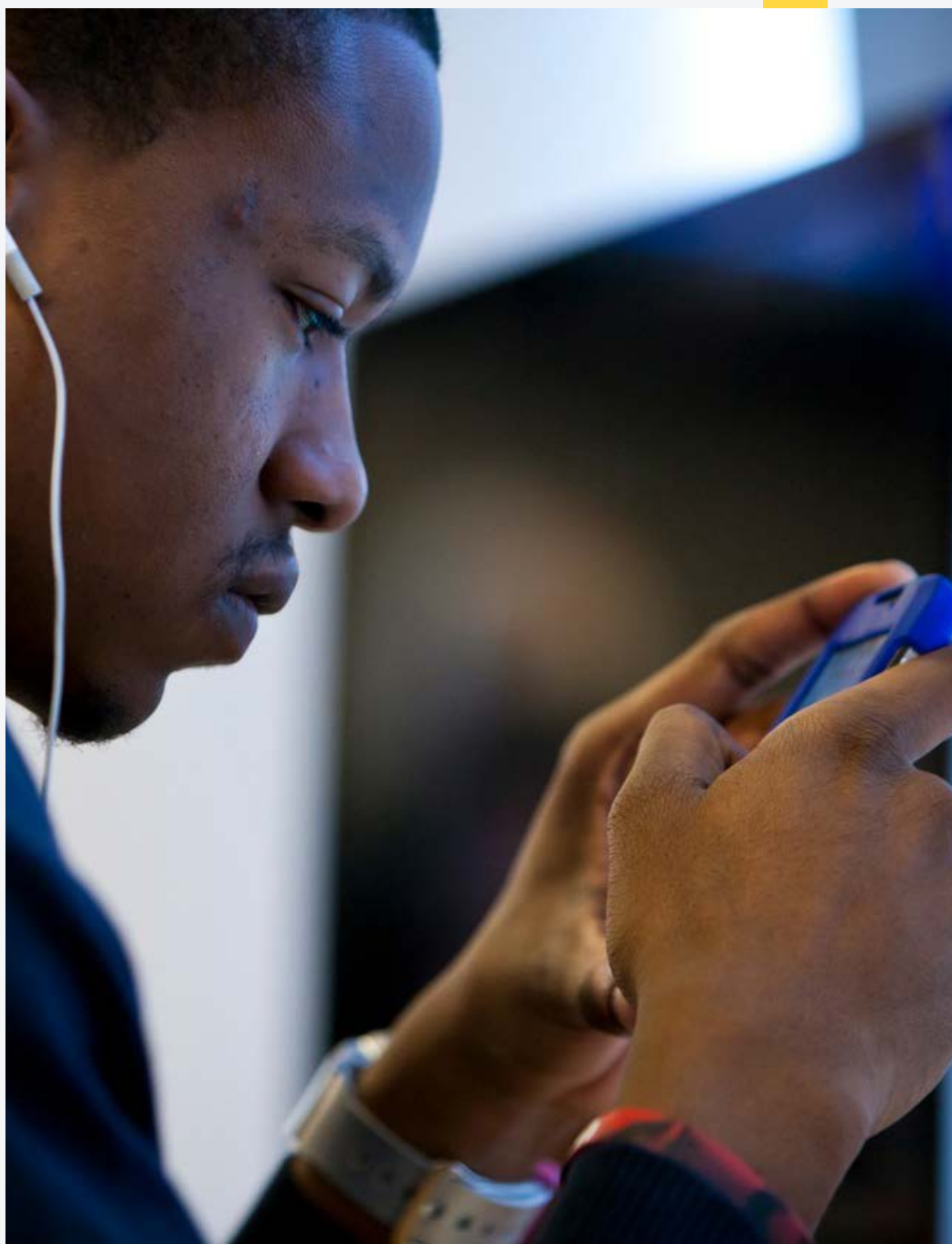
BY RICHARD KNOTT [CELTRA]

While the 1990s and 2000s may have been dominated by the dawn of e-commerce, the 2010s have witnessed a larger shift towards mobile transactions. However, many of those early consumer habits and behaviours are still underpinned by traditional advertising tactics on the retailers' part.

Consumer behaviour today was unimaginable even as little as 10 years ago, as using an iPhone to pay for an item in-store was still a fantasy in 2007. Nowadays, the smartphone and its related technology has given retailers an entire suite of tools to create deeper, more personal connections. From using data to create better suggestions for customers based on their purchase histories, to even allowing them to shop and purchase in-store - using their phone - with no staff present.

However, many retailers are still coming to terms with what this dependency on mobile means for their advertising capability. While traditional advertising methods still work, they are becoming smaller pieces of an increasingly larger puzzle.

Advertisers have been hesitant to take up mobile advertising because of a confusing buying process, underwhelming ad products and a black hole in attribution. The smartphone is such a personal device, publishing an ad that offends the senses can cause a >



ECOMMERCE AND MARKETING

SOME THINGS JUST WORK BETTER TOGETHER



It's well known that milk improves the taste of cookies. Similarly, we have proven time and time again that our combination of eCommerce and Marketing improves our clients' businesses.

We are strongly client-focused, recognising that results are the key measuring stick in eCommerce and Marketing. We provide these two integrated services in a client-friendly manner to achieve outstanding outcomes. If you're serious about taking your business to the next level, then Emote Digital is the only choice for your next agency.



customer to turn away and never return – to a harsher degree than if they had seen a print ad they didn't quite agree with.

This capability for personalisation is exactly why well-constructed mobile ads can have such a large impact. Though in order to fully grasp its usefulness, retailers should understand three key superpowers of the mobile platform.

1. PHYSICAL CONNECTION

The first is the physical connection people have to their phones. It is with them all day, usually no more than an arm's length away. It is an extension of themselves.

Most people have no problem with someone borrowing their computer, yet they have a visceral, negative reaction to being asked for their smartphone. It contains our communication with closest friends and relatives, our pictures that represent treasured memories, and a gateway to people who live on the other side of the world.

Mobile devices are being used throughout a user's everyday life, and this pervasive intimacy affects how retailers reach their customers through mobile platforms.

More effort than ever needs to go into 'dazzling' your consumer which requires rethinking mobile as a creative storytelling canvas for individuals at scale, rather than a uniform, mass-reach platform. It also takes leveraging all the interactive capability available in a more tailored, contextual and personalised way.

2. PERSONAL CONNECTION

Increased physical contact with the smartphone leads to personal connections. This means mobile advertisers need to think about how technology can enhance mobile advertising and play into that behavioural ecosystem in a more personal way (especially with adblocking technology gaining prominence). Remember, mobile is the only advertising medium you physically touch and that provides clever opportunities to seduce through interactive elements within an ad.

Personalisation is particularly central to mobile and has the unique ability to serve hyper-targeted experiences to individual users with the use of key data points, making these ads even more relevant to users. There is less friction between the ad and the medium, keeping the user connected to what matters most to them, anywhere, anytime.

3. CREATIVE POTENTIAL

Mobile platforms beg for creative experiences that can utilise technology and supercharge personalisation in ways that older advertising platforms can't. Some brands are doing this with more retailers embracing video ads, but it's no good to just re-use TV ads on a mobile device. They need to be shorter (less than 10 seconds) and be cut vertically. Further, with the volume automatically turned down on video ads, retailers need to communicate their message visually, allowing a user to see an ad clearly, understand the messaging and realise the brand is respectful of how people use their mobile devices.

Technology is a part of everyday life now, and consumers recognise innovation when they see it – mobile ads that utilise 360-degree video or even augmented reality are the first step towards user-defined advertising experiences.

The monetisation of messaging apps such as Facebook's messenger or on platforms like Kik have enabled businesses to find new ways to reach their customers through everyday activities like chat-based communication.

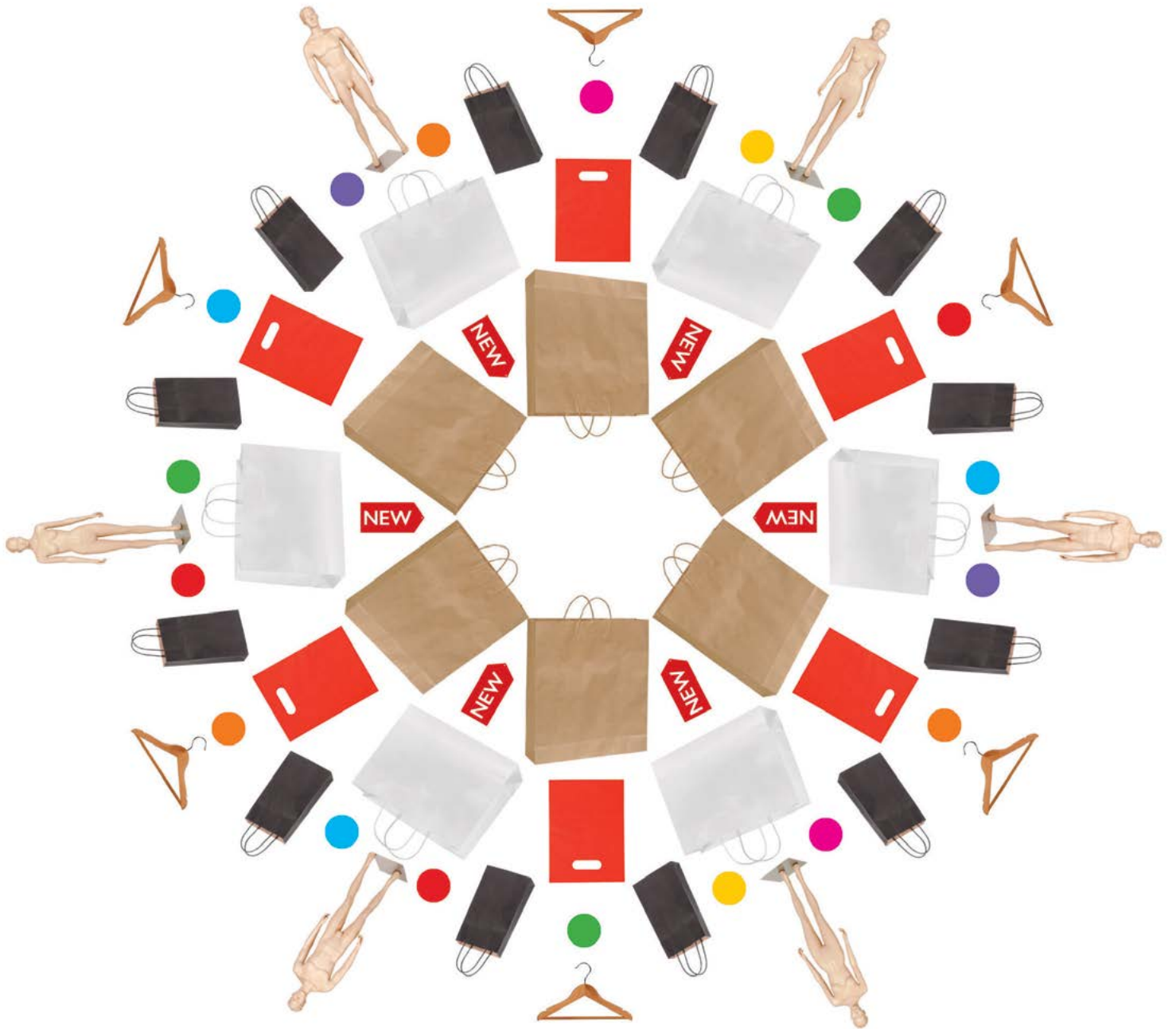
The advertising content itself will depend on each individual business, but what will matter most is that these ads utilise consumer habits around modern technology to make sure they are integrated, not dismissed. Retailers that understand this tension and embrace these superpowers will rise above it to succeed. 🍷



“mobile is the only advertising medium you physically touch and that provides clever opportunities to seduce through interactive elements within an ad”



Richard Knott is the Regional Director of APAC for Celtra. Celtra is an advanced platform for creative production, management, distribution and optimisation of display, video and native ads. For more information visit celtra.com



You'll find a kaleidoscope of retail ideas
when you shop at Shop for Shops

1300 11 7467 shopforshops.com



UNLOCKING THE RETAIL ADVANTAGE

Data-rich retailers need to be able rethink the ways in which they utilise customer information.

BY NIGEL MENDONCA [TABLEAU]

It is important for retail businesses to know their customers. By that, I mean retailers need to know customer buying behaviour, demographics, payment preference, and most importantly understand what impacts their purchase decisions. Retailers have been collecting this type of information for decades through survey forms, loyalty programs, etc. These days, customer information comes in the form of data – customer profiles and purchase, payment and enquiry records. This is why business intelligence (BI) and data analytics are such important tools for modern day retailers. In fact, Gartner says advanced analytic capabilities are central to retailers' strategy in competing in the increasingly digitalised marketplace.

Shopping is no longer a single-channel or single moment experience. Customers are being served from all fronts – online and physical stores – and they are expecting experiences to be just as personalised.

To be able to unlock the full potential of a data strategy, retailers need to be able to – quite simply – rethink the way data is used.

BRINGING DISPARATE DATA TOGETHER

Retail businesses are naturally data-rich organisations because transactions are very clear cut in retail. The number of customers, the purchases they make, number of visitors in-store (online or physical) and how much each customer spends is data that can be captured. Yet, data collected by retailers is often found living in silos.

For instance, retailers may be collecting and analysing data generated by customers which reveals their buying behaviour and purchase preferences. At the same time, they have been capturing in-store data, often from various sources including mobile devices, Internet of Things and sensors which track and monitor foot traffic and interaction with merchandise displays. Additionally, retailers may have collected customer service data from those who have made purchases, given feedback or made enquires. The problem for many retail businesses is that many of this data is disparate and not connected.

While many retailers want and need agile analytics, they are hindered by their disparate data strategy, preventing them from accessing it in time to get the right data sets to the right people quickly. Successful retailers must be able to see and understand different types of data, in one holistic view, in order to leverage the potential for actionable insights. As tools get more sophisticated and data sources keep increasing, retail companies need to immediately develop a strategy for integrating or combining data sets. This will assist retailers gain a multidimensional view of their business and customers.

ENCOURAGING DATA EMPOWERMENT

Analytics is no longer just for data analysts. Non-analysts working across all levels in a retail company need to become increasingly acquainted with data. It is important for retail businesses to empower their employees with data tools because

timing is everything. For instance, with data-driven information, retail assistants will be able to quickly track inventory availability and provide customers with the product or service much faster.


Sophisticated BI tools require implementation by IT teams, and some actually require IT to literally extract the data, and this analytical process can take days or months. Today's retailers operating in a competitive business environment do not have the luxury of time. They need to know their customers, and make decisions fast – often making decisions right at the frontline.

Retail staff need to have the ability to see and understand data faster in easy-to-understand and intuitive ways. Self-service BI platforms make data more accessible to employees from all levels from retail assistants to C-level executives. Self-service BI tools also replace manual reporting processes as they offer the right person access to the right data at the right time.

Furthermore, many self-service BI tools allow retail staff to generate data visualisations. That is, they allow users to automatically turn columns and rows of data into visual presentations and dashboards such as charts or graphs. This allows users to better identify outliers and trends in their data. Visual communication is now a must-have skill for all managers, because more and more often, it's the only way to make sense of the work we do.

LOOKING BEYOND "REAL-TIME"

Many retail customers have grown accustomed to knowing exactly which items are available in the region that they are in and when a product may be ready to be picked up at their nearest store. Retailers are sharing product counts on websites, mobile apps, and in paid advertisements, not only to further entice customers but to also improve



“Successful retailers must be able to see and understand different types of data, in one holistic view, in order to leverage the potential for actionable insights”


customer experience. Especially when working online at internet speed, retailers can only provide that information if they are working with real-time data.

Indeed, real-time data is essential these days as information loaded consumers have short attention spans, and many alternative options to choose from. To gain a competitive edge over others, retailers need to deliver beyond what is expected. This is where predictive analytics comes in. Predictive analytics, a branch of advanced analytics where users analyse data to make predictions of unknown future events, allows businesses to anticipate consumer needs and preferences. Making data-based projections of future trends allows retailers to truly treat customers as individuals, make informed suggestions and prepare their stores accordingly.

MAKING DATA A CORE ASSET

Today's business climate demands retailers to be data-driven. Retailers need to be able to see the overall business environment from multiple dimensions. They need to be able to respond to customer needs and market changes immediately. Retailers need to also monitor their operations and make quick adjustments effectively.

In other words, retailers need to have a holistic data strategy that blends and integrates data. They need to put data into the hands of their rank and file staff so that they can attend to customer requests and make informed decisions on the spot.

Finally, to get ahead of the curve, retailers need to look to the future. They need to tap on predictive analytics to proactively pre-empt customer wants and market trends. Most importantly, neither of these initiatives should be isolated from the other as data strategies need to be all encompassing and integrated. 



Nigel Mendonca is the Country Manager ANZ at Tableau, a business intelligence software that helps people see and understand their data. For more information visit tableau.com

GLOBAL GIANTS TO IMPROVE AUSTRALIA'S DELIVERY OPERATIONS

Amazon is arriving down under: How can retailers and logistics providers use this to their advantage?

BY HOY YEN HOOPER [COURIERSPLEASE]

Australia's e-commerce industry is growing, with the arrival of giants such as Amazon bringing new challenges for our retail and logistics sectors. As the big players descend on our shores, retailers and delivery providers alike are gearing up for the change. But it isn't all doom and gloom. Amazon will provide an opportunity for Australian logistics companies and retailers looking to benefit from the gateway Amazon will open to the global retail marketplace.

From a logistics perspective, the scale of Amazon's retail offering will provide an opportunity for companies to scale up their distribution with an increase in volume. Amazon will build relationships with multiple large and small companies – as we have seen them do overseas – that share their customer-focused model of operating. The companies they will be looking to partner with will also have a solid delivery network, a hassle-free returns system, flexible delivery such as express and after-hours, and on demand delivery tracking currently in place.

The parcel delivery industry is changing and the arrival of Amazon indicates this. Consumer expectations around prices, service, speed and consistency are dictating the new delivery experience. Rather than the traditional operational excellence model, consumer experience is now the focus for logistics companies. This challenges providers to do more to improve their capabilities as the delivery

experience now extends from the moment the consumer clicks on the retailer's website through to the final delivery of the product.

Amazon will challenge Australian logistics operators to enhance the overall performance of the network, including customer service, consistency in delivery time, and the

coverage distance reached. Local logistics suppliers may also be challenged to reduce costs, as they compete with other service providers for a slice of the Amazon pie.

On the other side, the biggest challenge for Amazon when it arrives in Australia will be offering customers widespread same-day delivery. Although same-day delivery is already offered by CouriersPlease (CP) and other couriers for ad hoc bookings, the Australian retail industry is not commercially viable in our current network to offer same-day delivery in other parts of the country. Lack of widespread infrastructure due to the geographic scale of Australia and a less concentrated population makes regional and country same-day delivery a financial challenge.

For Australian producers and manufacturers, Amazon opens an opportunity for them to reach the global retail marketplace. Sellers will automatically benefit from the millions of consumers around the world by accessing the expansive Am-



azon marketplace. Currently, millions of consumers buy from Amazon USA and items are shipped into Australia via a number of logistics partners. In Australia, this will happen in reverse. In order to ship local products to the rest of the world, Amazon will need to partner with local logistic partners who also have a global footprint.

Currently, CP offers an international service to the rest of the world through their parent company, SingPost. SingPost has access to more than 220 countries worldwide and also has a network of warehouses in 10 different countries. Amazon may look at possible freight solutions where parcels are consolidated and freighted into multiple gateways, with local delivery providers then accessed in the country of destination for the final mile.

To compete and deliver for the digital world, logistic providers need to innovate and build on their capabilities to continuously enhance the customer experience. 📦

Hoy Yen Hooper is the Chief Operating Officer at leading parcel delivery service CouriersPlease (CP). CP delivers more than 17 million parcels yearly Australia-wide and around the world. For more information visit couriersplease.com.au

THE CUSTOMER EXPERIENCE BEGINS AND ENDS WITH CUSTOMER SERVICE

Technology is assisting retailers in developing their retail team to improve the customer experience

BY **BILL ROONEY** [6ONE5]

The customer experience is increasingly becoming the key differentiator that bricks-and-mortar have in their arsenal to fight against Amazon. Often, when retailers talk about customer experience, they think about investment in new technologies including upgrading their Enterprise Resource Planning (ERP) and Point-of-Sale (POS), interactive displays, traffic counting, marketing and beacon-based analytics. In doing so, we shouldn't forget the most crucial element of the customer experience – your retail store associates and their managers.

In focusing on the customer experience, retail executives have largely ignored improving the capability of store associates and managers, with many using high costs and failed attempts as previous excuses. Apps are the future for developing the customer experience and your retail team. Training can happen on the shop floor, it is quick, fun, inexpensive, measurable and ongoing.

In conjunction with the Australian Retailers Association (ARA), 6one5 Retail has launched a Digital Retail Sales and Service Certification app to help Australian retailers improve their customer experience.

This app addresses the issues surrounding digital disruption and globalisation impacting Australian retailers and their retail teams. Currently, many retail staff are missing out on vital sales and service development skills impacting on the customer experience. It also provides retailers with regular team reports so they get a better understanding of their retail teams' capability in delivering a consistent, above average, customer experience.

Although developing retail staff is difficult and costly, as many retailers are reluctant to take team members off the shop floor, this new technology allows executives to instantly review every team members' sales capability and track improvement to retail sales. We believe the current lack of investment in store associates is due to the lack of return from past transformation and training projects.

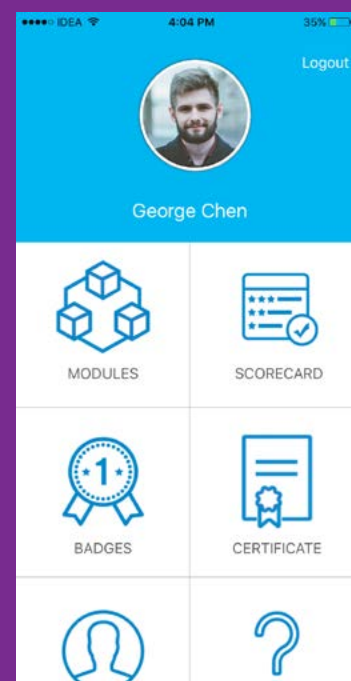
According to eMarketer's Worldwide Retail Econ-

merce Sales: The eMarketer Forecast for 2016 report, 90 percent of bricks-and-mortar sales account for total retail sales. Therefore, it is important that retail executives invest in their staff's professional development and reevaluate their in-store team roles moving forward.

It's our experience that many retailers operate at a level of average or mediocre sales and service, and therefore customers find it easy to switch to another retailer if the experience offered is a marginally better than average. The best retailers like Apple, Bunnings and Amazon try to be a little better than average, but the key to their success is consistency - they are better than average all the time.

With this affordable app available to all Australian retailers, employers will now be able to train their staff in a cost-effective way.

Bill Rooney is a Director of 6one5 Retail Consulting, a specialist retail digital education business. For more information visit 6one5.com



PERSONALISATION WITH A TECH EDGE DRIVES INCREASED CUSTOMER LOYALTY

Collecting data is one thing, but how a retailer leverages technology to enhance the consumer loyalty is key.

BY RADINCK VAN VOLLENHOVEN [STOCARD]

While consumers have more choice in the way they shop and where they spend their money, there is still the demand for further flexibility, an improved experience, better service and additional channels to engage regularly with. Whether the focus is online or bricks-and-mortar stores, Australian retailers need to increasingly compete within an ever-changing global marketplace to suit the needs of customers while enhancing their experience of the brand.

More customer options lead to more opportunities for retailers which can help drive brand loyalty. Retaining existing customers rather than acquiring new ones is easier, efficient and economical, and retailers need to be proactive about how to hold on to their customers. Essentially, retailers need to execute a strategic plan around data collection and use technology to provide a richer service through personalised offers.

Targeted and tailored offers have the potential to boost sales value, retention and loyalty. To maintain customer loyalty, shoppers need to feel like a retailer 'knows' them and today's retail environment presents exciting opportunities to engage with customers and enhance their experience across all touchpoints – both digital and physical. Many retailers are already using various touchpoints to reach customers and using this as their point of differentiation.

Through the intelligent use of data, retailers can offer customers a highly personalised experience. Websites can be individually personalised to each user based on algorithms and predictive analytics, while online data can create compel-

ling cross-channel experiences. For instance, mobile-based loyalty apps like Stocard can generate huge amounts of valuable data from shopping behaviour online and provide closed-loop attribution into store.

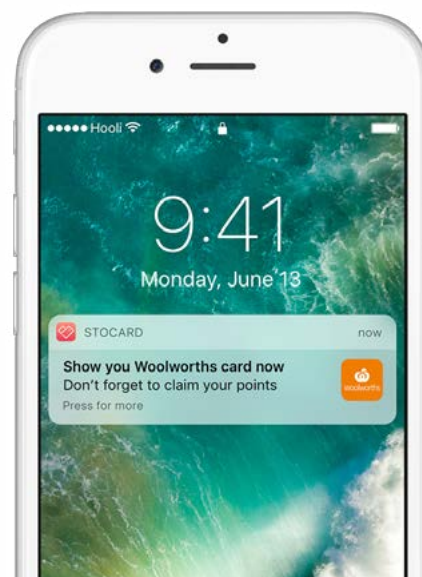
The emergence of facial recognition, as well as augmented and virtual reality (AR/VR) provide even more creative opportunities to engage with customers. Some examples include petrol stations using facial recognition to determine which ads to serve customers at the pump based on any previous purchases. With AR/VR technology, a furniture store could allow a customer to place virtual furniture in their home, or a fashion retailer might replace mannequins with a virtual fashion show.

There is a fine line though, and retailers must be wary not to step over into creepy territory. There needs to be a genuine value to the customer without invading their privacy. Some personalised offers that are time sensitive and encourage immediate action sent to shoppers nearby may fall into this category. These include personalised billboards using beacons and app data to push special offers, or a computer that instantly recognises you when you enter a store and starts inundating you with things to buy.

While we are seeing a rise in 'Head of Customer' or 'Chief Customer Officer' roles responsible for consumers and marketing, there are also direct lines between marketing and technology to ensure consistency in experience. When used skilfully, technology can increase sales value per customer, retention, brand loyalty, and free up retail staff to focus on sales and service. Retailers should always be on the lookout to leverage new technologies and tailor to customers.

Collecting meaningful customer data is an essential task for retailers – how the data is analysed is equally important and the key to effective personalisation. A deep and data-rich profile incorporating purchasing habits paves the way for retailers to provide better offerings to customers. Being innovative and ahead of the curve generates a great deal of brand loyalty and differentiates retailers from other brands in the marketplace. 🍷

Radinck van Vollenhoven is the Country Manager of Stocard Australia and New Zealand, helping retailers close the loop between mobile and offline. With more than 15 million global users, Stocard is the leading wallet app for loyalty. For more information, visit stocardapp.com



CHARGEBACKS911®

CHALLENGE THE STATUS QUO



BEST B2B PRODUCT
OF THE YEAR



BEST CHARGEBACK
MANAGEMENT SOLUTION



BEST SOFTWARE
PRODUCT OF THE YEAR

Comprehensive Chargeback Management

Guaranteed ROI.

Guaranteed Performance.

REDUCE

Threats and Chargeback
Occurrences

REPAIR

Industry Relationships and
Reputation

RECOVER

Revenue Lost to Chargebacks
and Fraud

877 634 9808 (US) ☎

+44 (0) 2037 505550 (UK) ☎

Chargebacks911.com

INTERNATIONAL SOURCING EXPO AUSTRALIA

Apparel
Accessories
Textiles

Tues 14 – Thurs 16 November 2017

International Convention Centre,
Sydney

GLOBAL SOURCING IN SYDNEY



Register to visit
internationalsourcingexpo.com

Partners

COUNCIL OF
TEXTILE & FASHION



Australian
Retailers
Association



Co located with

**FOOTWEAR
& LEATHER** 2017
SHOW - AUSTRALIA



CHINA
CLOTHING
TEXTILE
ACCESSORIES
EXPO 2017



ALIGNING YOUR BRAND EXPERIENCE

STANDING OUT IN THE RETAIL SPACE REQUIRES CONSISTENT
END-TO-END BRANDING ACROSS ALL TOUCH POINTS

BY PAUL FARINA [FRESH EYE SOLUTIONS]

How quickly is the retail landscape changing? It seems that everyone is telling us that change has never been quicker. I am not sure how true this is, but the one indisputable fact is that change is upon us. This change comes in the form of international businesses crossing borders both online, and now in our shopping malls. So, with this cycle of powerful retailers hitting Aussie shores, what is the number one defence that local retails can initiate?

To answer this question, I took inspiration from a recent trip to LA – the home of extremes. During this trip we saw big, gas guzzling monster trucks driving alongside eco-warrior electric cars, and Hollywood Celebs living next to droves of homeless in adjacent streets. But, amongst all of this I noticed one clear distinction - the culture of service among the successful retailers wherever my wife and I dined and shopped.

From a customer point of view, it starts with the overall end-to-end branding experience that

you receive. A strong identity that connects the product to the people, the location, and the entire experience. An example of this was when we visited a super-healthy café near Venice Beach. Los Angeles is the birth place of the superfood phenomenon, and I was blown away by their execution.

Calm and rejuvenation were a part of the dialogue, but they went deeper than this. Their purpose was to engage the consumer with the art of connection. They used some creative ways to instil this branding both through naming items on their menu and using 'iam-connected' as their WIFI password. However, their customer service team took this theme one step further when our server took our order and asked us if we wanted to know the 'Day's Question'. Obviously intrigued, my wife and I agreed and the waiter asked, "What is your mission?"

Before we could react, he was on his way to file our order and get on with serving the other customers. We looked at each other. Thought. Looked at each other again. Smiled. And then, something great happened. We started talking about the question. What he meant by it. What our mission

was. What our mission for the day was. What our overall mission was.

I won't bore you with our ensuing answers, yet the result of this simple strategy was genius. This café is all about health, and connecting with yourself and others. In being presented with this question, we were immediately engaged

in a thought provoking discussion in a fun way. From a branding point of view, I was left extremely excited. Brilliant! The overall experience was aligned and flawless. The delivery was spot-on. The effect was memorable. >

Having brand alignment in the customer experience across all aspects of your business adds up to a very strong brand presence.

Stylish & Compact

The ideal printing solution for the tablet POS environment

EPSON
EXCEED YOUR VISION



Introducing the **NEW EPSON TM-m30** POS printers

With their stylish omni-directional design and small footprint, they are the first versatile receipt printers truly designed to fit seamlessly in today's retail and hospitality environments. They accommodate your needs, with either top or front-loading configurations. The TM-m30 integrates with your smart, mobile devices and offers robust connectivity options.

Visit: www.epson.com.au/m30



Bluetooth



NFC



Wireless



Ethernet



USB

Compatible with iOS, Android and Windows mobile devices

EPSON TM-m30

Available in Black or White

Now, this sort of thing can sound gimmicky, but when all aspects of your retail experience are aligned, you move from gimmicks to something else - strength. Having brand alignment in the customer experience across all aspects of your business adds up to a very strong brand presence. You become memorable, and your customers become advocates. This results in real business growth.

It is on this trip that it struck me; all of the strong brands in Australia (large and small), and those internationals coming to our shores, have strength in end-to-end branding. A strong brand image leads to a strong brand experience. As business leaders, we need to be ultra-critical of every aspect of our customer touch points. Are they aligned? Do our staff understand them? Do our staff know how to deliver them? Are there any weaknesses along our customer service chain? Does our online experience match our offline? Do we stand out? Are we using the best language?

In driving this brand strength, it is vitally important to also make sure we deliver on our brand promise. With this in mind, another key question to ask is: are we style over substance? There is nothing worse than having a beautifully presented space and brand, but then the end result is a poor-quality product or poor perceived value. In an age of Instagram, photo filtering and infographics, the aesthetic of our branding is so important; but copy-and-paste the latest trend at your peril. If it does not match the overall goal or mission of your business and your people, then it may do more harm than good.

I feel that in the coming years we are going to see large international companies come to our shores and successfully navigate the tough Australian market. The local retailers that take their end-to-end branding to a memorable and sophisticated level will be the ones that push forward in the new Australian market, no matter how quickly change is occurring in the retail landscape. 📱

Paul has over 15 years of Sales, Marketing, and Management experience from small independent business all the way through to the corporate world. Working with small business leaders, Paul focuses on team dynamics, systems, and adaptability to positively impact revenue. For more information visit fresheyesolutions.com



GMG



DOWNLOAD

***“The 2017/2018
Buyers Guide to Enterprise
Search Engine Optimisation”***

VISIT WWW.GMGDIGITAL.COM.AU/BUYERS-GUIDE

OR CALL 1300 058 520 FOR A COPY

HOW RETAILERS CAN IMPROVE THEIR MOBILE EXPERIENCE PLATFORMS

Improving the mobile experience is essential to collecting useful data, building customer loyalty and increasing revenue growth.

BY AZ YOUSAF [KALIDO]

Mobile platforms, including apps or mobile sites, have traditionally been seen as a marketing tactic or an expensive way to create an online destination similar to a shop front. However, the reality is retailers can leverage both downloadable mobile apps and a customised online mobile platform to create experiences that have numerous benefits for your business.

Despite the value of collecting useful consumer data, building customer loyalty and increasing revenue growth, Australian retailers still lag behind their international counterparts in creating innovative digital mobile solutions for their customers.

Some local retailers still have a relatively basic approach when it comes to their online and mobile strategy, with most retailers taking their bricks-and-mortar experience and replicating it online. The problem with this approach is that it often results in an undeveloped mobile site that simply includes contact information, store locations, opening times and – sometimes – the ability to transact online. This singular approach is not enough to generate loyalty and drive consumers to seek you out in a very crowded global marketplace.

THE CUSTOMER EXPERIENCE

To reap the business benefits of mobile platforms, retailers need to ask themselves the following questions: What defines a mobile experience for our brand and our customers? Is it about transacting online? Is it to provide special offers? Or perhaps it provides your consumers with a completely different service like personalised wardrobe suggestions or an augmented reality experience?

Alternatively, perhaps it's not right to look at the mobile experience in isolation. Instead, mobile experiences could be used as a complimentary platform to your consumer's overall shopping journey. In this sense, the mobile experience could play a role in a much broader engagement with a customer, improving processes, efficiency and loyalty.

These combined experiences could also give retailers access to data that can help redefine the way retailers consider their bricks-and-mortar operations – what they stock, where they open new stores, and what promotions to run and when. This can then be used to further streamline the experience and potentially increase revenue and profitability.

CUSTOMER CENTRICITY AND LOYALTY

A key component to achieving successful mobile experiences is to utilise the data that is already available to retailers, including general sales data, demographic information, online behavioural data, and loyalty programs. Leveraging this data to deliver personalised mobile experiences, including relevant 'surprise and delight' offers, is an easy way to generate loyalty. Ultimately, retailers need their thinking to be much more aligned with their customers and leverage the data already available.

MOBILE APPLICATIONS

Mobile apps are quite an interesting area for retailers, as this functionality gives retailers the ability to leverage a mobile device in ways a mobile site can't. An app can access mobile phone hardware, including the GPS, camera, accelerometer and NFC (near field communication) capability. These inbuilt functions give retailers another opportunity to create engaging and rewarding experiences.

Improving the mobile experience for your customers is integral to moving forward in our technologically advancing age. Now is the time to get creative and think differently from your competitors to generate memorable mobile experiences that create loyalty and keep your brand relevant. 📱

Az Yousaf is the General Manager of Digital at Kalido, a new breed of customer experience consulting and delivery firm that uses data to drive growth and customer value through marketing automation, web and mobile experiences, and content creation. For more information visit kalido.com.au



REINVENTING RETAIL IN THE AGE OF DIGITAL DISRUPTION

Zebra Technologies provides retailers with industry knowledge, consumer insights and retail technology solutions to help them build experiences that will connect them with shoppers, enable staff associates and empower IT. For more information visit zebra.com

As e-commerce and smart-phones rewrite shopping for today's ever-connected consumers, digital disruption is transforming the retail sector. To meet increasing demands and stay competitive in a digital shopping landscape, retailers are betting big on the Internet of Things (IoT).

Digital disruption (most profoundly through online shopping and smart-phones) has birthed ever-connected, savvy shoppers who have the globe's grandest mall at their fingertips. Consumers have been trained to demand unprecedented convenience, and retailers today must be nimble enough to serve their multi-channel shopping journeys seamlessly.

As part of Zebra's 2017 Retail Vision Study, many retailers surveyed named the integration of e-commerce and in-store experiences, as well as the fulfilment and delivery of online and in-store purchases as critical strategic goals for their future. To that end, forward-looking retailers are migrating from siloed supply chain processes to unified commerce models, providing end-to-end visibility of workers, store associates, shoppers and merchandise across digital and brick-and-mortar stores. Stores are also equipped to double as distribution

centres, thereby minimising the risk of lost sales in the process.

IoT technologies are helping to enable this shopping experience, and it extends even further. According to survey respondents, 75 percent of stores will not only know when specific customers are in the store, but will also be able to customise the store visit for them by 2021. This provides considerable incentive for businesses to get ahead of the competition by starting as soon as possible.

The shift to IoT technologies is an industry imperative to keep up-to-date with the shopping habits and expectations of consumers reshaped by the tech revolution that's still unfurling day by day.



BETTER, CHEAPER AND FASTER IS HERE TO STAY

More good news for Aussie consumers, and why retailers need to adapt to a changing market.

BY PAUL BROADFOOT

[ENTREPRENEURIAL STRATEGIST AND AUTHOR OF XCELERATE]

It used to be that companies that did well would offer consumers one of the following benefits - better, cheaper or faster. We switched TVs, phones and cars when they were better. We switched to eBay, Bunnings or Aldi because they were cheaper. We switched to Express Post, flight check-ins on apps and using ATMs because it was faster.

To be a successful company, we were encouraged to focus on having (A) the best product, (B) the lowest price or (C) the best customer service. Three separate research studies from 1980 through to 1999 advised that we should focus on only being one of these benefits and to put that one on steroids, above all else, and avoid trying to be all three which would result in terminal invisibility.

Makes sense, right? It's hard to be better and cheaper - think home brands versus premium brands. It's hard to be the fastest and the cheapest - think Express Post versus regular post.

The restaurant with the best view rarely has the best service, and the restaurant that is the cheapest rarely has the best food or service.

In our lifetimes so far, there has been a strong correlation between new products and higher price points. We have always known that better or faster has always cost more. But now it's different, times have changed.

When Aldi entered Australia's marketplace it didn't have a better product and it didn't have better service, it was just the cheapest. But when Netflix arrived it was better, cheaper and faster. More movies could be watched in binge without leaving the couch to hire them at the video store. As a result, we no longer have video stores.

The rapid, and more significant advances in technology, especially the shift to digital, has enabled companies to innovate the prevailing business models of entire industries. This challenges that traditional advice that you need to double down along one of the differentiation dimensions of best product, lowest price or best service. Innovating traditional business models and altering industry operations can deliver all these benefits resulting in a marketplace shift.

Consumers were quick to change from renting and buying DVDs to streaming video on demand, with Netflix captivating 5.75 million Australians in just a little over two years. Whilst incumbents do their best to put on a brave face for Amazon's arrival, consumers will again see what better, cheaper and faster



looks like with Amazon's breadth and depth of offering makes it as big a threat to Aldi as it is to Netflix, Harvey Norman and JB Hi Fi.

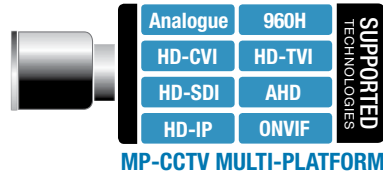
Amazon already accounts for 43 percent of online retail spending in the US where they have multiple retail offerings. Amazon.com, Amazon Prime, Prime Music, Prime Video and Amazon Fresh can all be ordered if you like by speaking to the artificially intelligent Amazon Alexa. We see innovative technology playing a key role in everything at Amazon, including Amazon Go's seamless checkout using sensor technology and number plate recognition at Amazon Fresh Pick Up. They even have a current Alexa Prize which has up to US\$2.5 million on offer to college student teams in the US to improve Alexa's conversational artificial intelligence.

And the winner in all this is... the consumer.

If you are in the market to buy, you are going to get used to a better, cheaper and faster customer experience.

If you are in the market to sell, and you aren't offering better, cheaper and faster to your customers... what are you waiting for? 🇺🇸

Paul Broadfoot is an entrepreneurial strategist and the author of Xcelerate: Innovate your Business Model, Disrupt your Market and Fast-hack into the Future. He works with enterprise executives to identify high-growth opportunities and create new business models in times of rapid market change. For more information paulbroadfoot.com



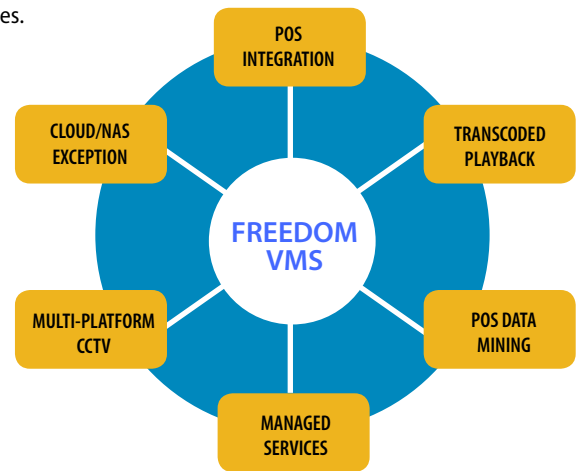
About us

Established in 1987, Camvex Video Surveillance is a fully Australian owned and managed company, which has built a reputation as the leader in the field of CCTV loss prevention applications.

Freedom VMS is an Australian developed software solution design to give you the ability to choose your CCTV technology, supporting all 7 current available CCTV technologies including SD analogue (CVBS), IP, ONVIF, HD-SDI, HD-CVI, HD-TVI and AHD. Compatible with multiple manufacturer brands with hardware choices to suit most budgets and performance criteria.

Available CCTV solutions include;

- Integration to POS with advanced automated exception flagging and search capabilities.
- Automated back up of POS exceptions files to the Google Drive™ Cloud or NAS.
- POS/Video Data Mining Services for detection of theft at cash registers
- Remote Health Diagnostics and Managed CCTV Services
- CCTV System Documentation with eMap operation
- Low cost upgrade path from SD to HD utilising existing coax cable
- HD Covert surveillance Kits with remote viewing capabilities



Why choose us?

- Australian made and supported VMS
- Managed Services, Live remote support
- Cloud based system management
- Provider of loss prevention solutions for over 30 years
- Long term commitment
- Solutions available via channel partners

Further enquires at www.freedomvms.com



CAMVEX VIDEO SURVEILLANCE

CAMVEX (VIC) PTY LTD A.B.N. 86 100 905 048, 1860 PRINCES HIGHWAY, CLAYTON VIC 3168
 SECURITY ADVISER LICENCE: 862-651-005 SECURITY INSTALLER LICENCE: 862-651-005
 PH: (03) 9543 4844 INFO@CAMVEX.COM.AU WWW.CAMVEX.COM.AU

HOW TO OUTSMART THE COMPETITION USING HR TECHNOLOGY

HR PROCESSES ARE INCREASINGLY IMPORTANT AS GLOBAL RETAIL GIANTS ENTER AUSTRALIA

BY TANIA EVANS [WORKPRO]

As more and more global retail giants enter Australia, it places a spotlight on the demand for more rigorous HR processes to ensure workforce compliance obligations are being met and the importance for niche retailers to up their HR game as a competitive strategy.

According to Deloitte's 2017 Global Powers of Retailing report, four of the top 250 global retail giants have launched in Australia in the past year, bringing the total number of such corporations in Australia to 39. Among these are powerhouses such as Costco, Apple, IKEA and Lowe's, all companies with a strong international presence that have expanded to reach the Australian market.

With this retail boom comes an increased demand for more staff and a myriad of job opportunities.

It is now more important than ever that retailers, both globally and locally understand their legal obligations and review their HR processes to ensure they are meeting legislation when it comes to factors such as the Work Health and Safety of their staff, validity of licences and checking of work rights in Australia.

There is now more demand for an efficient and streamlined solution that enables employers to easily deliver, track and manage key workforce compliance obligations. As retail typically demands swift employment and engages high rates of casual workers, there is now more emphasis on

mandated compliance that can elongate the hiring process and impact productivity.

With the retail sector growing rapidly, the Australian Government will tighten their tolerance when it comes to workforce compliance and employers must be aware of their legislative obligations. Retailers need to ensure they meet their legal requirements to avoid any penalties, all whilst maintaining operational efficiency and competitiveness.

HR - A STRATEGY FOR COMPETITIVENESS

As the demand on Australian retailers to ensure they have processes in place grows, it provides the opportunity to address key industry challenges, introduce efficiencies and enhance operations. This allows businesses to pave the way as leaders in a competitive marketplace.

One of these challenges is employee retention and turnover. The retail industry employs a large number of casual staff and experiences a high rate of turnover. One solution is to address these factors through more informed hiring decisions and tighter background screening initiatives including qualification checks, police checks or employment history checks. Effective and thorough workforce screening protects businesses and reduces the risk of 'bad hires' providing employers with transparency and the confidence to make assured staffing decisions early during the employee engagement process.

The implementation of efficient screening systems and a strong HR focus will lead to better

retention rates and will ultimately help businesses to secure their workforce and help to build the organisation's reputation as employer of choice.

Improving employee retention can have huge financial benefits for a business. With staff turnover costing Australian businesses around \$83 billion every year, a recent Insync Survey revealed reducing turnover by just 5 percent can save employers roughly \$280,000 per year.

Hiring, rehiring and training new staff can cost businesses a significant amount of time and money and disrupt operational momentum, particularly in industries with high turnover rates such as retail. Implementing a solution to streamline this process, by being able to make more informed hiring decisions and decrease the time to hire will allow businesses to focus on other influential business tactics.

As the globalisation of retail giants continues to rise, the need for efficient HR processes grows accordingly. Luckily the advancement of HR technology makes it increasingly simpler and more accessible for businesses to cost effectively meet Australian workforce compliance regulations, reduce administrative burden and provide retailers employment efficiencies to maintain a dominant presence in an evolving competitive environment. 🛒

WorkPro is fast-becoming the most powerful online employee screening, WH&S induction, compliance & information management solution available. For more information email info@workpro.com.au or call 1300 975 776



Not all eCommerce Platforms are Created Equal

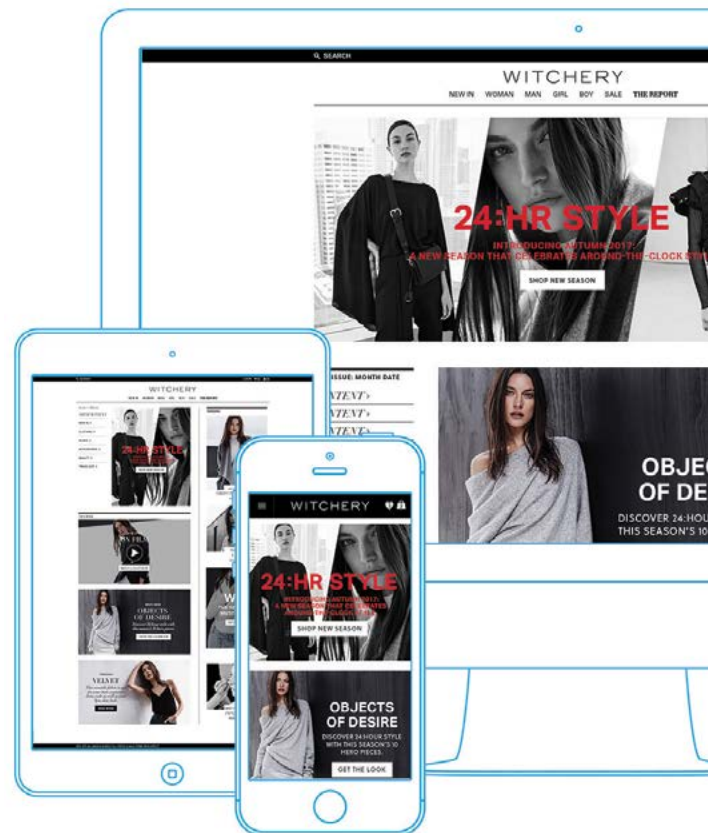
eCommerce platforms come in many shapes and sizes and is why when considering replacing your existing eCommerce platform, it is more than comparing one functionality list against another.

Other than functionality, there are three important considerations:

- 1 Strategy.** Your retail strategy defines how the eCommerce platform is meant to be treated and what functionality will be required to initially activate.
- 2 Growth and revenue expectations.** Growth expectations impact the size and complexity of a "Phase 1" implementation with a new eCommerce platform vendor.
- 3 Improving customer experiences.** Lifting experiences requires a mix of strategy, customer journey design, content, eCommerce platform treatment, and a long-term partnership with an eCommerce platform vendor.

At eStar, we consider all of the above and is why we are more than a development company.

If you are a retailer who has high growth aspirations and want to deliver amazing retail experiences, eStar can help.



Brand Experience. Delivered Together.

www.estaronline.com
sales@estaronline.com

AU 1800 503 891
NZ 0800 151 655



ONLINE RETAIL TRENDS: CLICK & COLLECT STARTS TO PAY OFF

NEW SURVEY REVEALS THE EMERGING TRENDS AND EVOLVING ONLINE EXPECTATIONS ON AUSTRALIAN SHOPPERS

BY **PATRICK VINEY** [JDA SOFTWARE]

According to the third annual JDA/Centiro Customer Pulse 2017 Report conducted by YouGov, almost three quarters (70 percent) of Australian online shoppers are likely to switch to an alternative retailer if dissatisfied with their online shopping experience.

AUSTRALIANS EMBRACE CLICK AND COLLECT

This latest research reveals that Australian shoppers have a high level of Click and Collect usage, with 45 percent of respondents wanting to avoid home delivery charges and 37 percent of respondents stating Click and Collect is more convenient than home delivery.

Despite its acceptance, as many as 68 percent of Click and Collect shoppers have encountered an issue over the past year.

For those people who encountered a problem, the major issues were long waiting times (27 percent), staff in-store unable to locate items (27 percent) and no dedicated Click and Collect area in-store (20 percent). These findings point to the fact that retailers still need to think about their

in-store processes and workforce management impact when operating online. As Click and Collect continues to grow, retailers need to consider

their store design in order to streamline the execution of their overall customer experience.

It seems smaller retailers in particular are constrained by a lack of investment in their supply chain infrastructures, which limits the accuracy and visibility of their inventory. For example, 25 percent of Click and Collect shoppers experienced issues with out of stock items at their preferred store, and another 25 percent were notified that items were no longer available after their order had been placed.

PEOPLE 'GETTING REAL' ABOUT DELIVERY CHARGES

With the cost of fulfilling orders being increasingly identified as a pain point for many retailers, some have started to introduce minimum order thresholds for free deliv-



“retailers still need to think about their in-store processes and workforce management impact when operating online.”

ery. Nearly a third of Australians would be happy to exceed minimum order values online if it resulted in them qualifying for either free same day delivery (29 percent) or next-day delivery (28 percent). Worryingly, a sizeable 27 percent of Australians would take their business to a retailer that did not have a mini-

mum order threshold for free delivery and collection, while 23 percent would choose an alternative free delivery or collection option. >



Key findings from the survey identify the following trends:

- Online home delivery and Click and Collect continue to grow in popularity in Australia.
- Retailers need to focus on reducing online fulfillment issues otherwise they risk losing customers.
- Australian consumers are more accepting of minimum online order values than consumers in other countries.
- Returns continue to be a sore point for consumers, however, if returns are necessary, they want a hassle-free experience.

Icons made by Freepik from www.flaticon.com

Energy rates just went up. Could we help yours go down?



Since 1 July, many Australian energy retailers increased their rates. Your business could now be paying too much for energy.

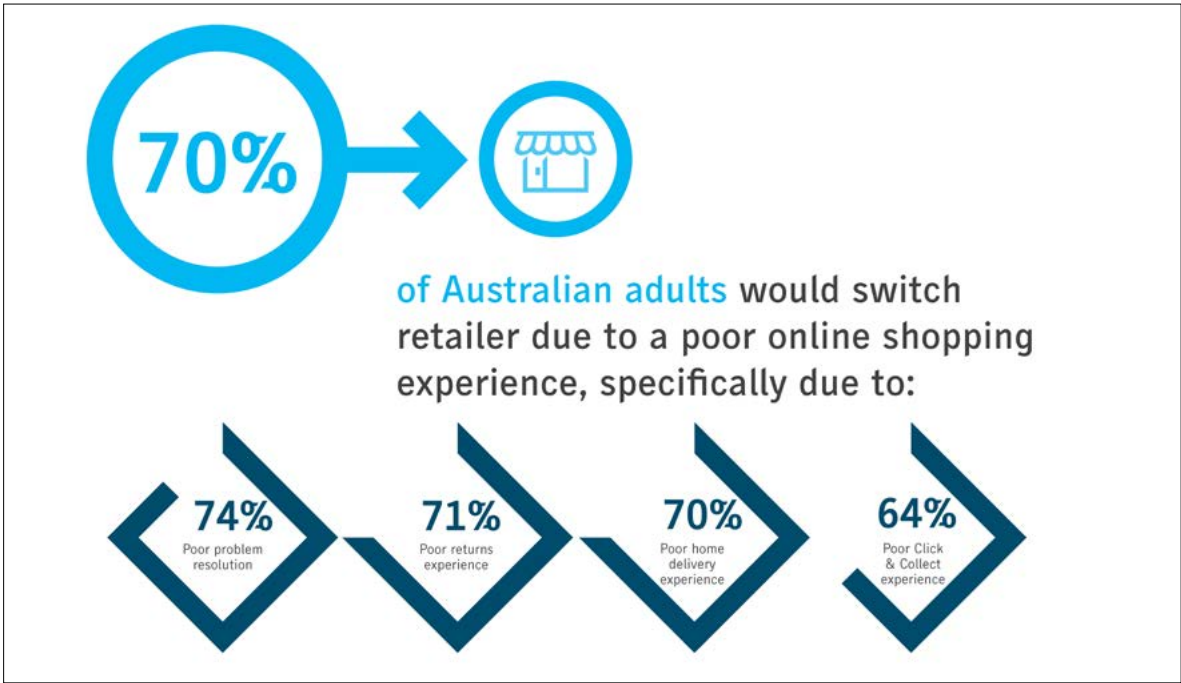
As the official energy partner of the ARA, Make It Cheaper provides a free energy comparison service. You'll either find a better deal on electricity or know for sure you're already on a great rate. Win-win.

How much could your business save?

Call the Australian Retailers Association (ARA) Members Hotline directly on **(02) 8880 1461** or

Visit the website to upload a recent energy bill
www.makeitcheaper.com.au/landing/ara





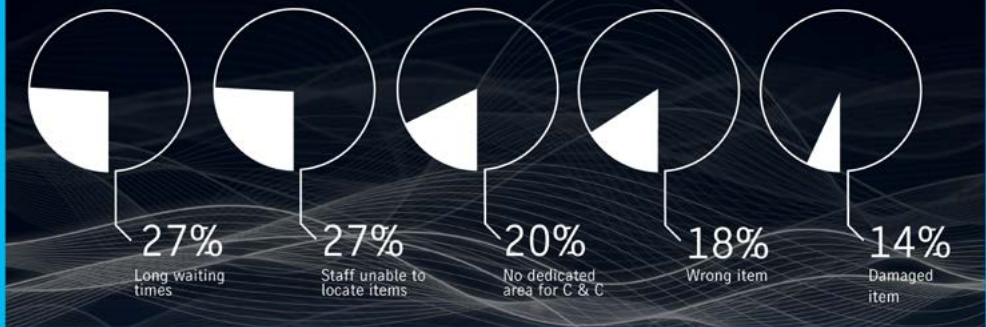
Patrick Viney is the APAC Vice President, Retail Industry Strategy at JDA Software. Patrick supports business development and strategic positioning of JDA's retail supply chain solutions. For more information visit jda.com

RETURNS STILL A HEADACHE

The JDA/PwC CEO Viewpoint 2017: *The Transformation of Retail* survey found 74 percent of leading retail executives believe the cost of customer returns is impacting on their profits to some extent. These retailers are looking very carefully at how they balance the costs of handling returns while ensuring they do not lose sales due to any onerous return policies they might introduce. This is a sensible approach given the Customer Pulse survey revealed that 57 percent of Australians send back at least one unwanted item they bought online in an average year. This ranges from the 25 percent of respondents who return an average of two items, to the two percent that return more than 10 items in a typical year. Not surprisingly, The Customer Pulse survey also found that as many as 70 percent of consumers regard the ease of being able to return items as a factor in determining which retailers they shop online with.

The data leaves no doubt that Australian retailers face challenges on several fronts when it

47% used Click & Collect in the last 12 months, BUT **68%** of them experienced issues



comes to online. Fulfillment and 'last-mile' issues continue to hinder retailers' efforts at a time when consumers are becoming increasingly intolerant of poor customer service. However, encouragingly for retailers, it does appear their continuing investments in Click and Collect are starting to pay off, with 41 percent of shoppers believing physical

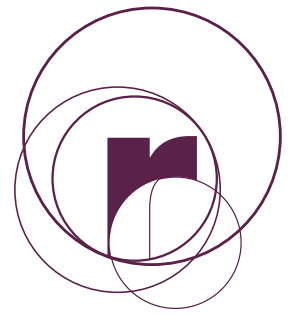
stores are their most popular channel. This reveals that bricks-and-mortar stores are not going to be disappearing any time soon. Therefore physical stores in Australia remain vitally important to domestic retailers in fighting the challenge of international retailers, provided they also address their online issues. 📦

CUSTOMER EXPERIENCE MEASUREMENT

For almost two decades we've been developing customer experience research programs designed to tell you exactly what delights and disappoints the people who give you their money. We're an Australian company, and our systems, processes and programs have been developed in Australia for the Australian market.

Our customised services include:

- | *Mystery Shopping*
- | *Voice Of The Customer*
- | *Customer Interviews*
- | *Research Analytics*
- | *Net Promoter Score®*
- | *Retail Audits*
- | *Price Checking*
- | *Competitor Benchmarking*



The Realise Group

The Realise Group | www.therealisegroup.com.au | realise@therealisegroup.com.au | +61 3 9687 2360

FIELD AGENT®

We are changing the way the world
collects business information and insights

FIELD AGENT UTILISES CROWDSOURCING FOR:

- REAL-TIME FEEDBACK
- AUDIO / VIDEO / PHOTOS
- PROMOTIONAL DISPLAY COMPLIANCE
- STORE SPECIFIC OR ANYWHERE LOCATIONS

**SPECIAL
OFFER**

FREE JOB SET-UP*
**+ 10% DATA
COLLECTION
DISCOUNT**

VIEW YOUR RESULTS IN REAL-TIME ON THE FIELD AGENT DASHBOARD

*Valued at \$150 + GST. Does not include survey design. New clients only.

WWW.FIELDAGENT.NET.AU
CLIENT@FIELDAGENT.NET.AU

SHIPPING BEYOND OUR SHORES

Exploring the global shift in how retailers tackle cart abandonment and why shipping and fulfillment is the new frontier for innovation.

BY FRANCINE EREIRA [TEMANDO]

P

rogress is impossible without change, and no one knows this better than Australian retailers who are riding the globalisation wave. As we welcome the likes of Amazon to our shores, our local retailers are pursuing riches beyond it. With supply chain optimisation being a key area of focus for retail analysts, having the right capabilities in

shipping and fulfillment is the key to global success.

In the latest State of Shipping in Commerce 2017 report we surveyed over 1,000 shoppers and 200 retailers in Australia to show the impact of shipping and fulfillment. Here's three findings that local retailers need to know before jumping across borders:

58 PERCENT OF AUSTRALIAN RETAILERS FIND INTEGRATING CARRIER SERVICES A KEY CHALLENGE

When entering a new market, retailers will want to offer a comparable range of delivery choices that customers are accustomed to - but need to keep an eye on shipping costs as it can get out of control quickly. This is especially so if retailers aren't smart about which carriers to engage with for the different zones or countries that they're shipping to. With close to 60 percent of pure play retailers admitting that carrier integration is a problem for them, any plans for global domination that don't include multi-carrier integration will be crippled.

44 PERCENT OF AUSTRALIAN RETAILERS THINK SHOPPERS PREFER 'FAST' OVER 'FREE' SHIPPING

When given the opportunity, most shoppers in developed countries such as in the United States, United Kingdom and Australia would choose free over fast shipping. A high share of local retailers think otherwise, and this misalignment can be a costly exercise for businesses. To spread the risk and avoid alienating shoppers, retailers need to marry their access to multiple carriers with the ability to use shipping rules to control what delivery choices shoppers can see, and where and when they're available. This way, retailers can experiment with both 'fast' and 'free' delivery, and determine for themselves the best delivery options to provide at checkout.

THREE PERCENT OF GLOBAL CUSTOMERS ARE NOT IMPACTED BY POOR SHIPPING EXPERIENCES

That means that 97 percent of customers are affected by poor shipping experiences, and they're not sitting back - over half won't shop with the retailer again, and over a quarter will tell their family and friends, and leave the retailer a negative review. To minimise raising the ire of new customers, set the standard for amazing shipping experiences. Why not consider real-time tracking updates via mobile and an easy returns shipping process as part of your online customer experience?

Certainly, making e-commerce work well on a global stage takes more than enabling multiple carriers, delivery choice, tracking and returns shipping - but nailing these elements with the help of technology will put your retail business in prime position. Think about the mass populations in the Asia Pacific region and beyond that you can sell to, and profit from, if you combined your knowledge of your local audience with the scalability of shipping technology. The time is ripe for you to change and make progress possible. 🛒

Access the full report, State of Shipping in Commerce 2017 from Temando's website (temando.com) to get a complete view of how shipping and fulfillment impact the Australian retail industry.



temando™

36%

of Aussie retailers found that

**OFFERING BETTER
SHIPPING CHOICE
CREATED MORE
REVENUE.**

Find out how you can hone in to winning shipping and fulfillment strategies by accessing fresh insights by local retailers and shoppers.

Download your copy of the 2017 State of Shipping in Commerce report: temando.com/research-2017



2017 eftpos ARA
Australian Retail Awards

*Proud sponsor of 2017 eftpos ARA Australian Retailer Awards
Temando Omni-Channel Retailer of the Year*

USING NEW TECHNOLOGY TO GENERATE ROI

RETAILERS SHOULD ADOPT IN-STORE RETAIL ANALYTICAL SOFTWARE TO OPTIMISE SALES

BY ELEONORA SHAPIRO [SUEZ TECHNOLOGY]

Technology is reshaping the way retail businesses and markets operate. Although many industries have already begun using such things as virtual reality and wearable devices, many bricks-and-mortar retail stores are unsure how they can benefit from these new technologies.

Facial and emotional recognition technology can help retail industry leaders to better observe and understand both current and potential buyers. By assessing customers' facial expressions and even bodily responses, retailers are able to gain better insights on their consumer behavior, even to the point where they can predict how and when a buyer might purchase their product in the future.

Facial Recognition Systems are an entire network of central management software which uses a security camera to detect facial recognition. With this information, retailers are able to create real-time targeted advertisement schemes, based on customer segmentation.

Retail managers can study pre-defined digital content on monitors with customised layout, then create their own bespoke set-up, and schedule store practices based on the customer's real-time behavior and habits.

Within this system, managers and authorised staff can access a wide variety of reports including

age, gender, impressions, dwell time, heat maps, visitor flow and more. They can then later study this valuable information and make informed business decisions based on real-time consumer habits and emotions.

With a loyalty program based on the data collected, retailers can keep track of previous orders and shopping behavior, then integrate this information with Facial Recognition technology to target particular customers who are shopping for specific products.

These insights can help industry providers and partners provide tailored products to consumers. From here, retailers can then offer further services that are focused toward the consumers personal preferences and shopping habits, especially if those shoppers are impulse buyers.

Suez Technology Facial Recognition System provides custom-made web pages that alert retailers when their shoppers' age or gender are recognised. This extremely useful tool assists retailers in marketing and selling a particular product that appeals to a certain demographic in an easy and cost-effective way. Having this essential consumer data at a retailer's fingertips, allows them to base their next advertising or marketing strategy on these valuable insights.

By using this emotion detection software, retailers can also produce advertisements and campaigns that are more effective. Retail analytics



Facial and emotional recognition technology

can help retail industry leaders to better observe and understand both current and potential buyers.

allows retailers to apply this information in their forward-thinking campaigns.

Those retailers who may have previously relied on focus groups or surveys to provide consumer data can rest assured; this new technology does not need to replace such tools, but simply enhances them in order to streamline important business operations and increase retail sales. 📈

For any questions about new products, apps available, or in-store retail analytics, contact Suez Technology today.

With an array of advanced technologies, Suez Technology has the experts in omni-channel at its disposal. For more information visit analytics.sueztechnology.com.au



Global marketplaces entry

Global marketplaces impact

Global marketplaces consideration

GLOBAL MARKETPLACES

FRIEND OR FOE?

KEY CONSIDERATIONS FOR BRANDS AND RETAILERS
TO STAY AHEAD IN THE RETAIL WORLD

SPONSORED

BY MIHIR KITTUR [UGAM]

The Australian retail industry is amid a perfect storm. Slowing growth, rapidly changing shopper behavior, and dramatic increase in competition. The emergence of global marketplaces is an opportunity and a threat that brands and retailers need to consider and tread carefully. Data, analytics and informed decision making are key, but there are several questions to consider:

What's the business case for marketplaces – Should Australian brands and retailers consider marketplaces? Many are on eBay, but should they consider Amazon and Alibaba? Or all of them? What is the driver for this – is it cross border trade and the lure of larger markets or addressing newer customers they are not addressing with their current channels? Or could it be to complement their current touchpoints and leap frog their propositions to their shopper by leveraging cutting-edge online website interfaces, analytics tools, and distribution capabilities offered by these marketplaces? What are the economics and distribution modalities? What resources and expertise is required to successfully leverage this channel?

This would be followed by questions like:

- **How does one identify the right products for the marketplace?** - Questions around whether to leverage online marketplaces as an advertising platform for new product launches or as a clearance platform. Brands may even consider selling limited collection items while retailers sell their own private labels.
- **How do we determine a competitive price?** Developing an effective pricing strategy is one of the key success factors. Customer's access to compare prices of similar products forces brands and retailers to chalk out attractive prices, while maintaining margins.
- **How to streamline the Stock Keeping Unit (SKU) onboarding process?** For those who decide to sell on marketplaces, creating a plan that facilitates smooth onboarding of products is essential. Common concerns revolve around varied price combos across marketplaces, product listings irregularities and poor content.
- **Why monitoring performance is key and how to do it effectively?** Monitoring performance across online marketplaces is key. This will reduce problems of fake and used products, un-

cover product content gaps and support price compliance decisions. It will also help counter instances of brand dilution, loss of control and limited access to customer data.

True, global marketplaces have strong customer reach and unmatched shopping experiences. However, brands and retailers must be wary of not being manipulated but rather construct a mutually beneficial partnership. Provide feedback and encourage marketplace partners to offer features and insights that will help increase sales. Like in all situations, there are examples to validate both sides of the story. The outcome may not be guaranteed, but small, calculated steps will help brands and retailers stay relevant.

The fundamental question remains - friend or foe? Or maybe frenemy? The only wise answer is make data and analytics a friend to stay abreast in this changing retail landscape.

Mihir Kittur is Co-Founder and CCO of Ugam, a global data and analytics company working with four of the leading Australian retailers. To know more about the application of data and analytics to make confident business decisions, visit ugamsolutions.com

ALL FOR ONE AND ONE FOR ALL: HOW THE FUTURE OF RETAIL LIES IN EMPLOYEE ENGAGEMENT

INVESTING IN EMPLOYEE ENGAGEMENT AS A POWERFUL TOOL FOR RETAIL GROWTH

BY PETER HARTE [KRONOS]

Like any industry, those working in retail can easily get jaded by repetitive routine. With the retail industry known for its high attrition rate, business owners and managers need to create a workplace that will attract, retain and engage employees so they aren't simply waiting for the clock to tick over.

While some might look at 'engagement' as the buzzword of today's workforce, it's as important now as it has ever been. Retailers need to create brand champions and advocates for their business so staff remain motivated and dedicated to their role. To create an engaging employee experience, leaders need to look carefully at their workplace environment and workforce management practices.

AUTOMATION DRIVING WORK SATISFACTION

Kronos' latest report, The \$56bn Question highlighted the detrimental effect of unnecessary admin work on employees, often making them feel under-appreciated in their roles. For retail workers, who are constantly customer facing, this is an important issue that needs to be addressed as they directly represent the brand. The consumer's first point of contact is the customer service team and if an employee is disengaged, the customer experience is likely to be negative, impacting on the

brand's reputation.

The research also revealed businesses are wasting billions of dollars on these unnecessary admin tasks, creating losses of \$3,900 per year, per employee. Just under three quarters (72 percent) of respondents cited loss of productivity was caused by outdated technology, with 62 percent of this group claiming that newer workplace management technology would improve employee engagement.

As technology is a key enabler to improving day-to-day working practices, retail leaders should reassess their ability to automate admin tasks, taking the weight off their workforce and allowing employees to spend more time with customers. Workforce management solutions can automate labour-heavy tasks, freeing up valuable time to reduce labour costs for the business, boost employee productivity and increase business profitability.

AVOIDING EMPLOYEE FATIGUE AND BURNOUT

Discussion around employee burnout and fatigue management typically relates to risk avoidance of an employee making a mistake, error or causing an injury or accident. Unfortunately, these discussions usually overlook employee engagement.

The reality is, employee burnout is one of the biggest threats to building an engaged workforce in 2017. The newest Kronos study in the Employ-

ee Engagement Series found 95 percent of human resource leaders admit employee burnout is sabotaging workforce retention, yet there is no obvious solution on the horizon.

We know employee burnout directly relates to workforce engagement, which drives better productivity, lower turnover and improved customer satisfaction. In the retail industry specifically, business owners should take a deeper look at the busy retail periods in the year and establish a workforce management strategy. Having a plan in place will ensure employees are not being overworked during peak periods and employers are not being caught short handed; having to find people and incurring in high overtime costs.

Strong employee engagement is vital to improving a business' bottom line, with stimulated employees much more likely to 'go the extra mile' in the workplace. Retail businesses need to remember employees are their greatest asset. As brand ambassadors and living examples of a company's culture, employees are ultimately instrumental in delivering exceptional customer experience. 🛒

Peter Harte is the Managing Director of Kronos ANZ/SEA, the global leader of workforce management software. For more information visit kronos.com.au



THE RETAIL RECRUITMENT SPECIALISTS

Need to find staff, fast? Frontline Retail is here to help.

As specialists in retail recruitment, we understand the ins and outs of your industry – and we take the time to understand your specific job requirements too. ▼

With a huge pool of talent to draw from, you can count on us to give you the best choice of quality candidates. We handle every aspect of the process, from placing advertisements to arranging interviews, reference checks and follow-ups.

At every stage we'll give you honest, realistic advice on the ever-changing talent market. Our goal is to find the person you need, when you need them. As well as looking at candidates' experience and skills, Frontline Retail is careful to match their personality and values to your company so we achieve the right cultural fit.

Visit our website for the details of your local Frontline Retail agency, the latest industry news and download our 2017 Retail Salary Guide.



CORPORATE MEMBER



Australian
Retailers
Association

GOLD PARTNER – 2017

 www.frontlineretail.com.au

 linkedin.com/company/frontline-retail-recruitment