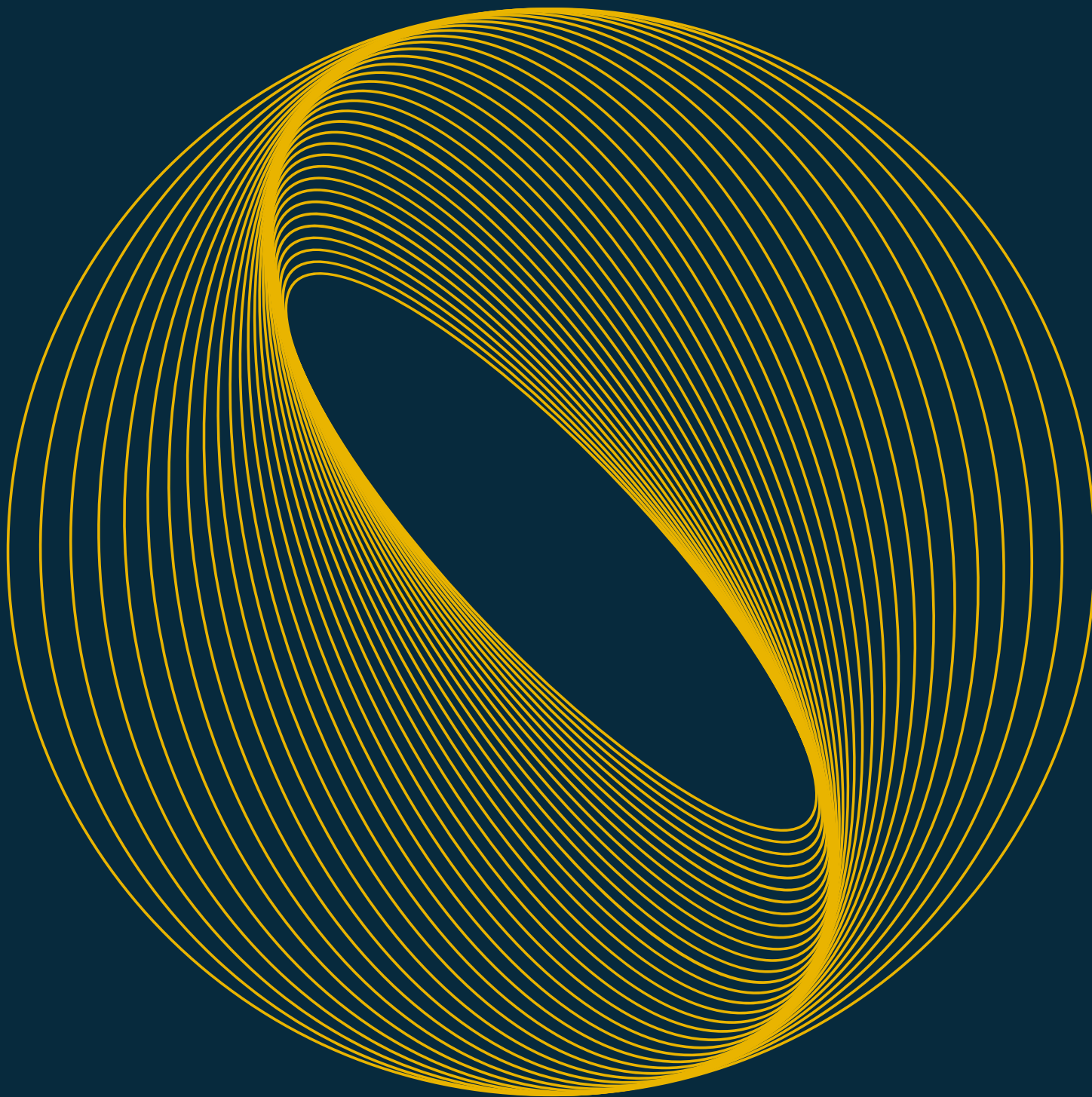


planet



RETAIL REPORT

The best of online in-store:
Retail's next big prize

Get some more Tinngggg

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Foreword.



by Peter Daly,
President of Retail Europe at Planet

When a shopper enters your store, there should be just one thought in your mind – to make that moment count.

The gap between online and in-store is closing dramatically, with digital engagement at levels forecasters had predicted would only be reached years in the future.

Shoppers are now used to endless stock rooms, fast deliveries and one click checkouts.

How do you deliver a better than ever experience across online and in-store? And how can you improve conversion rates and make every payment moment count?

In this report we'll look at how you can unleash all the theatre, sensory experiences and immediacy of being in-store, with the unlimited inventories, safety and speed of online shopping.

The result is an exceptional personalised shopping experience from start to finish. One that delivers a consistent customer journey, generates more revenue, reduces complexity and cost and makes each moment count, every time.

Read on to see how you can put more Tinngggg in your payments.



A true unified commerce platform



Learning from the pandemic

Lockdown drove many people online. It led to an unprecedented shift in the way we shop; consumer habits and behaviours have changed like never before.

Our job is to make shopping memorable, exciting and worth repeating. It's a time to be creative and deliver a new Retail experience; one which captures the imagination, and wins the loyalty of consumers across online channels and in-store.



Putting customers first in a fast-changing world

Most consumers are looking for a personal touch however they choose to shop.

Nearly half of consumers will spend more if their experience is personalised, while three quarters feel frustrated if something has nothing to do with them¹.

Shoppers expect a fluid omni-channel experience. Whether consumers begin their journey in-store and buy online, browse in-store and ship to home, or start their journey on their mobile device and complete their purchase in-store, they expect it to be fast and simple.

The lesson is clear. Making the effort to know your customers, predicting their wants and needs and then fulfilling them, is essential.

"It's a time to be creative and deliver a new Retail experience; one which captures the imagination, and wins the loyalty of consumers across online channels and in-store."

David Perrotta,
Head of Customer Experience, Planet

¹ www.forbes.com





Bringing the best of online in-store

Consumers make no distinction between channels, they're only interested in their overall shopping experience.

Online stores make it easy to compare items and will often deliver in a day, if not hours, drawing on almost unlimited stockrooms.

With lockdown restrictions in place, it's no surprise that global eCommerce grew by 25% in 2020; it's expected to grow by 17% in 2021¹. Although people are happy to shop online, almost 75% of shoppers have missed the in-store experience². In fact, there are very few people who shop online exclusively.

Shoppers love to experience well designed boutiques that delight their senses from sight to touch, even smell. They value the social aspects too – sharing a coffee with friends.

Yet the online shopping experience has spoiled consumers. They've come to expect their favourite brands to always have the size or style they're looking for – and they're disappointed if they don't.

¹ www.emarketer.com

² www.retailcustomerexperience.com



The challenges retailers face with stock management

Shopping on the consumers' terms is challenging. They've come to expect total flexibility in what retailers offer.

For example, David goes into his favourite brand's store in Birmingham to browse. He then moves to their website to look at what else they offer before he finally buys what he wants in the London shop, as this is where he works. It's a fluid journey.

Retailers are busy re-thinking how best to serve increasingly mobile customers like David when they have stores in multiple markets, as well as an online presence.

As customers move between online and in-store, one of the biggest barriers is when back-end stock management systems aren't fully connected across all channels and physical locations.

Stock is often distributed from multiple locations. Items might be out on the shop floor, held in distant warehouses, or even located in different markets. Retailers may operate one network of warehouses for their physical stores and a separate set for their online channels.

Michelle tries on a €4,000 dress while visiting a luxury clothes shop in Milan. She loves the dress but it doesn't quite fit. She's told by Maria, the assistant, that they don't have her size in-store. However, Maria doesn't know the item is currently available in Michelle's size in the Venice store and for next day delivery online. Because the systems aren't linked the retailer misses out on a €4,000 sale.



Different inventory management systems might not be linked. A fragmented network of sales channels and back-office systems also makes it difficult for a retailer to have a single view of all shoppers - putting them at a competitive disadvantage.

There's a need for a better way to offer a full single view of all stock across every channel, location and in real-time. However this is addressed, it needs to be supported by a fully linked payments infrastructure for both purchases and returns.



Peter bought a number of items online and wants to return some to his local store in Berlin. Paul, the assistant, doesn't have access to the card details from the online sale to process the refund, so all he can do is offer Peter a store card or gift card.

It's a poor customer experience for Peter because he wanted his refund paid immediately to his card.

Joining payments together across all channels avoids this.



The benefits of true unified commerce

How do you add more Whoosshh to your stores?

A true unified commerce platform puts customers at the very heart of your business; it simply delivers a better shopping experience.

Online and offline stores are like one, with unlimited inventories and integrated payment systems to meet every customer's needs 24/7.

Some of the benefits for retailers include:

 360 view bringing all the shopper elements together

 Real-time data is captured and shared across all channels which increases knowledge of shoppers

 Optimises inventory and conversion, improving accessibility across all sales channels

 Harmonises domestic and international shopper journeys into one brand experience

 Integrates the full range of Click+ services

 Easy omni-channel payment experience across the full range of payments methods

 Full integration with the international shopper journey

"Retailers benefit from a true unified commerce platform across online and in-store that connects all stock management systems. It provides a full view of their order inventory and a single customer view across all channels and transactions."

It also needs to link to all the payments systems in use for both purchases and returns."

Tim Goodwin,
Chief Product & Technology Officer, Planet





Allow shoppers to pay how they want

Retailers want the payment moment to be slick and hassle free.

Customers are used to the ease and efficiency of paying online – one click and you're done. So as a minimum, payments must be safe, quick and effortless.

What steps can you take to get some Tinngggg in your payments?

There's been an explosion of payment methods. It's important to offer customers as much choice as possible or you risk losing a sale. But while this helps you better personalise your service, it can come at the cost of efficiency.

By simplifying their payment methods with one provider, retailers can be more efficient, and at the same time reduce costs and grow revenue.

Planet accommodates all-in-one payments using the latest mobile and static payment terminals. This provides a better in-store experience for shoppers and staff alike. We're currently the only provider that offers acquiring and processing across cards and digital wallets, currency conversion and VAT refunds from a single fully integrated terminal.

"For us at Le Coq Sportif it's vital to accept all the payment options and to process transactions rapidly. Planet's all-in-one solution allows us to do that".

Albert B,
Spanish Retail Coordinator, Le Coq Sportif

Our technology gives your staff the ability to roam the shop floor and process payments. This saves precious time queuing and generates more revenue as it increases average basket size. For example, a shopper can try on a pair of shoes and pay for them immediately rather than wait in a queue where they might change their mind.

We expect to see retailers using this technology to offer customers a wider range of payments services away from the till, including currency conversion and immediate refunds.



Growth of contactless payment methods

There's been a dramatic rise in the use of contactless payments which is now the 'go to' payment method for many people, and with it a fall in the use of cash.

With maximum amounts now much higher, this is a trend that is bound to increase. Chip and PIN is starting to feel old fashioned.

Digital wallets are increasingly popular across all generations; not just Millennials and Gen Z. Countries in Asia Pacific are dominating the global uptake of digital wallets and mobile POS payments.

In China digital wallets are so ingrained it's a novelty when people pay with cash.

Pay by Link is becoming more widespread. Customers pay using a simple secure payment link sent online, by text or email, regardless of where they're based. Shoppers value these flexible payment options.

In just seven months one of our first French Retail brand partners to use our Pay by Link service benefited from more than £11 million in sales.



In France, the contactless limit has increased from €30 to €50 while in the UK, the contactless limit has gone from £45 to £100 in October 2021.





Unfussy returns and refunds

Online shoppers often buy products in different sizes and colours to try on at home, knowing they'll return some.

It can be a challenge to provide a consistent returns and refund process when there are different inventory management and payments systems for online and in-store purchases. But customers don't care. They want a simple returns process across all channels.

A true unified commerce platform makes it easy for customers to return a product through the channel of their choice and to receive their refund using their preferred payment method.

Doing this protects your valuable customer relationships. Customers keep coming back for more when you simplify the process. You can also retain revenue by encouraging customers who've returned unwanted items to spend the refund with you there and then.

"Refunds have become much more important for customers with the move to online shopping. Lockdown placed restrictions on being able to return items to physical stores.

This is becoming a hot topic when competing for customer preference and retaining loyalty, so it's important for retailers to get the process right.

Retailers need to make it quick and easy to return items the way customers want to."

Craig Borrett,
Senior Vice President, Product, Planet



Giving customers more flexible options



Many retailers introduced more flexible mobile services during the pandemic. These helped customers overcome lockdown restrictions and remain popular.

These Click+ services include Click & Reserve, Click & Collect, Click & Deliver, as well as Click & Meet which offers customers the opportunity to shop by appointment.

Click & Collect and Click & Reserve encourage more people into your stores. Many customers will go on to buy something else, especially when they're tempted with an offer or discount.

Click & Meet is increasingly popular as a way to enhance the VIP customer journey with a safe shopping experience which increases average transaction values and spend.

These are opportunities to treat shoppers like royalty. Let them skip the queues because they've already committed.



Click & Deliver adds more flexibility for customers who would rather not visit the store.

For consumers who want to make the most of every minute of their time abroad, the uptake of a Click & Collect offering could be even higher, especially with more flexibility around where they can collect their purchases.

By blending Tax Free shopping with eCommerce, retailers can convert international browsers into customers attracting them with discounted prices shown in their own currency.

¹ www.edgardunn.com

² www.ecommercenews.eu

Back in 2018, Click & Collect sales across Europe were around €27 billion¹ with 42% of consumers from France, Germany, the UK and Sweden using this service².

Sales volumes are likely to accelerate as retailers increasingly see the benefits in offering these services.



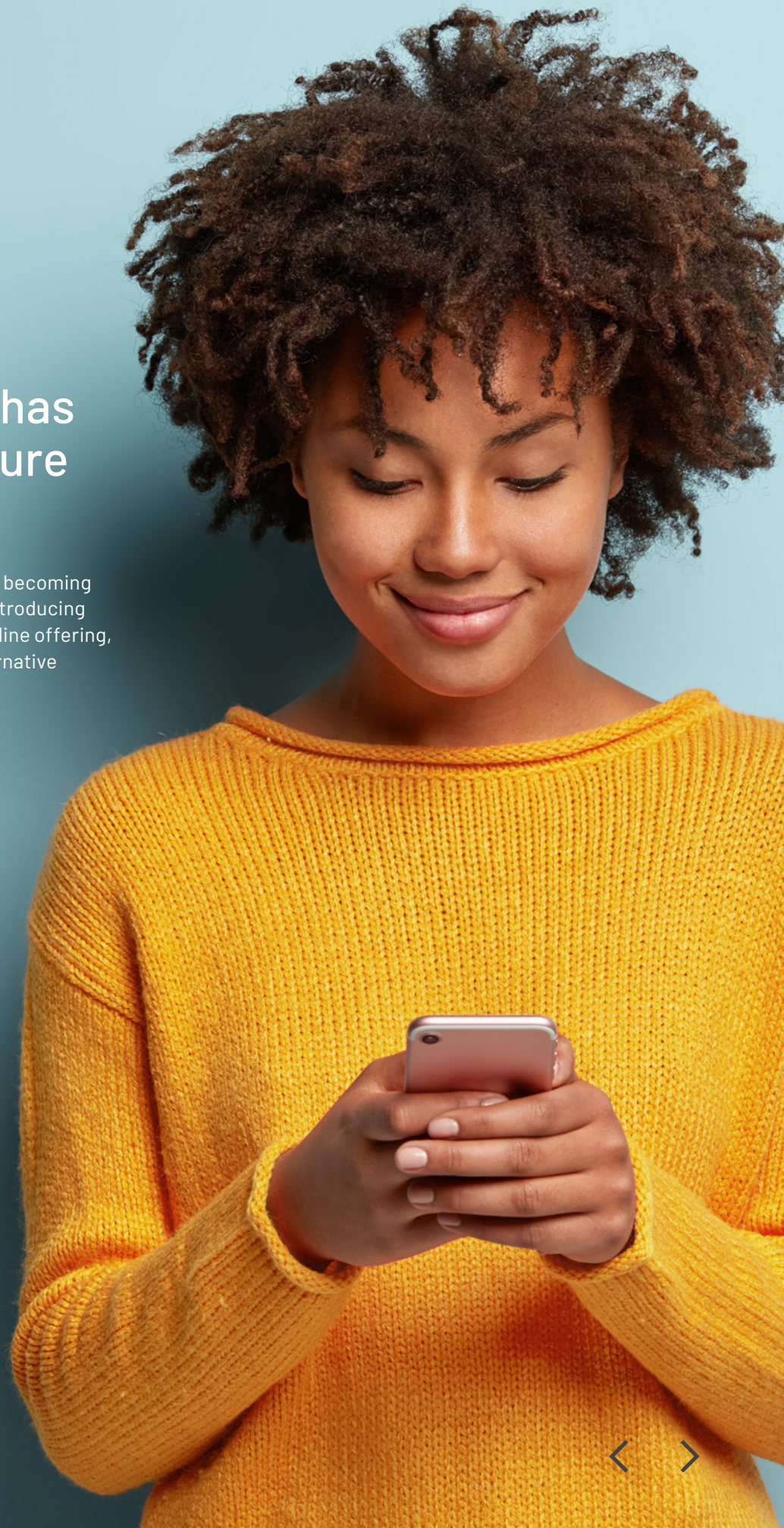
Buy now pay later

Buy now pay later has emerged as a feature in online stores.

It's well established in Latin America and is becoming more popular globally. Many retailers are introducing this service at POS to complement their online offering, either as payment by instalment or via alternative payment methods.

Retailers can up-sell, increasing basket sizes and driving more revenue from payments.

A true unified commerce platform integrates buy now pay later across both online and physical stores.



Currency Conversion adds value



It's important to offer international shoppers the option to pay and browse in their own currency.

This is often a deciding factor for customers shopping online, which is why many online retailers build currency conversion into their websites. Multi-currency pricing goes a step further allowing retailers to display prices based on where the customer is located.

As travel opens up and more tourists venture abroad, currency conversion services will help retailers offer a better payments experience in-store.

Retailers enjoy an additional income stream while reducing costs from foreign card processing.

Offering currency conversion in-store through a single all-in-one terminal will be a valuable benefit for internationally focused retailers, especially when combined with VAT refunds and acquiring across cards and digital wallets.



Generate more revenue from VAT refunds



From January 2021, shoppers from England, Scotland and Wales are eligible to claim a VAT refund payment when shopping in Europe.

Figures from Planet Intelligence show they're already travelling to countries such as Portugal to do their luxury shopping.

Tax Free sales are recovering across Europe with France and Spain seeing more US tourists, while French and Italian retailers are benefiting from Swiss cross-border shopping.

International shoppers (many are already in domestic markets – Chinese students in London and Paris for example) will want to reclaim VAT on their shopping.

When retailers refund immediately, there's a good chance customers will spend that refund in-store driving higher conversion rates, share of wallet and delivering a better experience.

By processing the refunds, Planet offers an important value-added Retail payments service for retailers that generates more revenue.

We're helping retailers gear-up to welcome back international shoppers, delivering acquiring and processing, VAT refunds and currency conversion all through one fully integrated all-in-one payment moment. We're currently the only provider to offer this all-in-one Retail payments capability.

"At the end of 2020, we decided to transfer our payments business to Planet. This puts all of our payments services, including VAT refunds, in their capable hands, helping us achieve valuable savings.

I would highly recommend Planet's services without hesitation to any business in need of an efficient payment service provider."

Sophie Styles,
Manager, Boodles, Dublin





A flexible hybrid approach

Tailored for the needs of each business

In the same way that a true unified commerce platform reflects the uniqueness of each customer, a flexible hybrid model delivers each business a fully tailored payments solution.

There's no such thing as a 'one size fits all' approach. After all, every business is unique.

Global retailers manage multiple supplier arrangements across different markets to meet specific customer needs and to best suit their businesses. The Retail market is fragmented when it comes to technology partnerships, integrations and connections.

The headache for many retailers is how best to balance the cost efficiencies standardisation brings with the need for local market adaptation, which often comes at additional cost.



Keep it simple and save money with one platform

Simplifying complex payments operations helps you achieve cost savings and efficiencies. This is often best achieved through a single payments partnership.

Over time it's likely that you'll have built-up a series of relationships with different payment platform providers, often with different partners for digital and in-store and across various markets.

Managing this in several markets takes up valuable time and energy.

By putting all your payments on a true unified single commerce platform, covered by one provider, you can free-up significant time and save money.

While a flexible hybrid model allows retailers to 'pick and mix' the things that work for them, the real value-add from the retailer's point-of-view is being able to work with a payments partner that deeply understands what they need.

One which has the experience in helping retailers build fully bespoke solutions based on their specific requirements, globally and locally.

"We've entered a world where the level of technological aggregation and unification is becoming a deciding factor for retailers looking to operate efficiently.

Retailers can unlock valuable cost savings where this can be achieved across a single payments platform covering acquiring and processing, gateway, VAT refunds and currency conversion, through just the one partnership."

Tim Goodwin,
Chief Product & Technology Officer, Planet



Retailers are increasingly looking for a single partner that can provide:

- Global reach and scope – with scalability to support retailers as they enter new markets and open new stores
- A single payments solution that brings online and physical channels together onto one true unified commerce platform, with unlimited access to inventories across all channels
- Full suite of Retail payments services including acquiring and processing, payments gateway and eCommerce – covering the range of payments methods
- All-in-one capability for in-store payments to drive a superior customer experience
- Additional value added services to generate more revenue – including currency conversion and multi-currency pricing, VAT refunds, marketing and sales consultancy, along with rich data and insight
- Multiple flexible integrations, connections and partnerships with their technology partners – including terminals and hardware, stock management systems, shopping carts and CRM systems
- Ability to work with each retailers' strategic and local partners to cater for the particular needs of each business
- Deep sector knowledge, for example within the luxury sector or in specific Retail segments like Watches & Jewellery
- Strong local support – with experienced people on the ground who understand the market, speak the language and can provide local expertise
- Advanced data, reporting and reconciliation capabilities – offering a full single customer view and operational efficiencies across all channels and markets
- Leading fraud and risk management tools

"Many global retailers have preferential relationships in local markets so there is a need for payments partners to localise acquiring and processing and gateway services to cater for this."

This is why a flexible hybrid approach is so important for the brands we work with".

Craig Borrett,
Senior Vice President, Product, Planet

"The only things that matter in our luxury watch and jewellery business are service and excellence. We pride ourselves on always being available to deliver our VIP clients a premium service at all points in their journey. The team at Planet understands this".

Daniel Moberg,
CEO of ROB. ENGSTRÖM AB, Stockholm





Total data

A single customer view

When it comes to driving acquisition and retention for retailers, data is the new oil.

Today there's no shortage of this valuable commodity and data scientists can provide ever deeper and richer levels of insight into consumer behaviour and customers.

The beauty of a true unified commerce platform is that payment providers can harvest data from every interaction, market and sales channel to create a single view of the customer. This drives more revenue for you as it allows you to better tailor your offers.

As Retail becomes more complex and personalised, it's imperative to follow a shopper across multiple sales channels to gain a deeper understanding of their motivations. Payments data shines the light on spending patterns, sales performance and average transaction values.

Ultimately, this 'total data' approach enhances the visibility of customers' behaviours which drives greater footfall, bigger basket sizes and higher conversion rates.

"Payments providers can help retailers better understand their customers with richer data and deeper insights by integrating across acquiring and processing, gateway, VAT refunds and currency conversion with technology connections across the entire customer journey."

Rory O'Neill,
Chief Marketing Officer, Planet



Extending luxury Retail into other verticals



A bonus for retailers is the ability to see what their high value customers are doing across multiple luxury sectors beyond Retail including Hospitality, Food & Beverage and Travel.

As more retailers extend their luxury brands across complementary verticals, such as Hospitality, this insight is invaluable for strategic planning. Some retailers we work with have more in common with hotels than other retailers. They create highly personalised VIP shopping experiences that are more like being pampered in a five-star hotel.

Payments partners with significant experience of the luxury segment can provide a deeper level of insight, delivering a single holistic view of elite customers.

Detailed spender profiles can be used for segmentation, store planning and performance benchmarking. Insights help retailers develop their brand strategies, tailor their products and services and can fuel their customer acquisition and retention programmes.



Using data to drive footfall and unlock sales

Data and insight are the keys to unlocking revenue growth.

The rich insights you gain by forming a single partnership with a payments business like Planet helps you target, attract and retain the best customers. Whether this is your most profitable, highest spending or those with the highest lifetime value.

A true unified commerce platform gives you a much greater understanding of your customers' behaviours than before. It delivers the data you need to fine-tune the shopping experience.

The deeper analysis from having a single view reveals new product opportunities. It generates more revenue, improves stock management and delivers efficiency savings.

It also benefits retailers with greater footfall. Using our Audience Hub technology, we can build an audience pool by aligning customer profiles with billions of data points including online behaviour, travel booking data and demographics. The information facilitates better planning, messaging and insights.

By overlaying this insight with a detailed understanding of the customer journey, mobile marketing campaigns can be developed which drive footfall and sales. Shoppers see these personalised ads at each stage of the shopper journey.

The data improves future campaigns and the insights can be added to your CRM system to enhance the understanding of those customers that engage.



No two customers are the same

It can be easy to assume that shoppers fall into convenient groups.

For years, shoppers have been categorised as loyal, impulse or bargain hunters, while consumers are segmented into age groups, like Baby Boomers, Gen X or Millennials.

As data analytics improves, we're learning to be more specific. We're able to prove that every consumer is unique.

This level of data analysis and marketing can make every purchase a truly personal experience and generate extra revenue for retailers.





Hank is a 23-year-old man from the USA. He's spent more than €12,000 on luxury brands in the last year and prefers to use his bank card. We know from his search history that on a trip to Europe, he's planning to visit a luxury Retail store as he needs some shoes and bought a belt there before.



Using this insight, we work with the luxury retailer to better understand Hank and his interests. We set up campaign triggers in our Audience Hub. As Hank touches down, he receives an advert on his phone including store locations. the next day he visits the store nearest to his hotel and buys a pair of shoes with his card.



The store assistant, Ines, offers Hank the chance to pay for the shoes in US dollars rather than Euros, which he happily accepts, thanks to currency conversion. As he enters his PIN, he is offered an instant VAT refund guaranteed by the PIN entry for payment. As the refund is processed, Ines has the opportunity to suggest other products and a new belt makes it into his bag.



Hank is identified as an elite customer and Ines offers to refund the payment onto his card, which he gratefully accepts.



Lin is another passionate customer. She's 29 and from China, and like Hank is a high value elite shopper. She discovered that her favourite luxury retailer is opening a new store and is planning a trip on a travel app. She browses the mobile store which serves-up prices in her own currency because the retailer uses a multi-currency pricing service.



She decides to buy some trainers but rather than buying online she reserves them to try on in-store where she'll look to claim back the VAT. At the shop, Maria the shop assistant, taps the order number into her mobile POS which calls the inventory database to retrieve the order. She's able to tell Lin the discounted price and confirms the refund will be immediately paid to her Alipay wallet.



Lin can already see the refund is in her Alipay wallet, so asks Maria for suggestions for matching products to buy there and then, helping ensure the payment is spent immediately in-store.





Shopper insights

Planet is uniquely positioned to help retailers understand shoppers.

A major benefit of a single customer view across all channels and transactions is that payments data can be used to provide reports and insight on shopping trends. You can use this essential information for planning and to generate more revenue. For example, retailers can benchmark their performance against the market or a particular sector.

Real-time dashboard reporting highlights differences in sales performance at destination, store or market level. On top of that, you benefit from an overview of the mix and profile of your customers and what they're spending, broken down into key demographics such as age groups.

Regular Planet reports on travel, Retail and Hospitality trends and forecasts are bolstered by Planet webinars with industry experts.





Upskilling staff to cater for changing customer needs

A friendly, well informed, efficient member of staff greatly enhances the store experience.

Increasingly shoppers are looking for staff to act as an educated guide who can advise them – more like a personal shopper.

With the right technology, staff can draw from almost unlimited online inventories. This helps shoppers find the products they want, arrange for delivery or collection and to process payments immediately away from the till.

Upskilling your staff to be comfortable using new technology and with improved sales techniques is an investment worth making.

As retailers become increasingly global, it's vital they adapt their approach to the needs of different cultures and groups, particularly as international travel recovers.

Planet can help you understand how you're performing and to train your staff using data and insights to tailor a programme to your needs.

"Thanks to Planet's proactive approach and value-added services, we have identified new commercial opportunities, in particular with Chinese shoppers. We've grown our revenue by providing our customers with an improved shopper experience.

This is because the cultural sales training Planet has delivered to our sales staff improves their understanding of how to best meet the needs of Chinese shoppers in-store."

David Thomas,
Management Assistant, Hirmer GmbH & Co. KG



Conclusion.

The pandemic accelerated the move to online shopping.

Retailers quickly adapted to offer customers access to endless stock rooms, fast delivery and one click checkouts, without a queue. As shoppers also head back in-store, they're demanding a better than ever shopping experience across all channels, with more convenience and value.

Having seen what's possible, the opportunity is to now take the best of online and bring it in-store, while building on all the advantages that bricks and mortar have always enjoyed.

Yet as customers move between online and in-store, one of the biggest headaches for retailers is how best to deeply integrate disparate stock management systems with payments technology across all channels and physical locations to offer a consistent Retail experience.

A true unified commerce platform synchronises all sales channels, harmonising them with stock management systems and payments across every location and channel to deliver a better way of working for retailers. One in which there's no distinction between online, in-store and mobile. It's all the same – for purchases and returns.

Retailers want their payments providers to work collaboratively with their Retail and technology partners to deliver a fully tailored shopping experience. This flexible hybrid approach needs to work globally and be easily adapted to the needs of each local market. After all there's no such thing as a 'one size fits all' solution.

Going further than an omnichannel approach, Planet's flexible unified platform delivers the tools you need to build a truly immersive personalised shopping experience for your shoppers from start to finish, powered by multiple integrations and rich customer data.

It offers consistency, saves money and more ways for you to generate revenue so that every interaction counts – both online and in-store.

Ultimately, success means more sales and happier customers.

Make sure you're ready to handle the demands of your savvy shoppers so that you get more Tinngggg in your payments.

'planet that payment moment

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