



4 Stages For Rolling Out Endless Aisle: How to launch a successful pilot

Introduction

As consumers continue to demand a seamless, channel agnostic shopping experience, savvy retailers are opening up their entire inventory array at the store level to meet rising demand. Learn the key tenets of endless aisle and how to best design an in-store pilot.

Retailers are feeling increased pressure to have an omnichannel presence. Selling product must now be in the blink of an eye or as fast as a smartphone swipe — shoppers want what they want, when they want it. Online, mobile and in-store are quickly merging into a single identity for retailers, and endless aisle has emerged as an important key to meeting fluctuating shopper demand.

Endless aisle capabilities, or the ability to display, access and sell inventory enterprise wide, allow retailers to meet in-store shopper wants by “stocking” stores with a never-ending supply of SKUs. Mobile-equipped associates, kiosks and smart screens are fast becoming essential for stores of all sizes that want to compete with the online disruptors. A retailer’s store footprint is no longer paramount, all that matters is seamlessly meeting consumer demand, by any means necessary. Endless aisle gives customers an online experience of choices, unlimited by the sales floor or backroom, helping retailers redefine the path to purchase.



Testing the Waters

While the benefits of adopting an endless aisle solution are clear — increased sales, satisfied customers, less safety stock in stores, etc. — implementing the technology requires a well thought out and detailed implementation plan. Before diving into endless aisle, retailers should run a pilot in conjunction with their solution provider to fine-tune their omnichannel strategy. Goals for the typical pilot include:



Increasing in-store sales with an expanded selection of online SKUs



Moving store operations into omnichannel territory



Testing the solution provider and its product

An adequate pilot size, generally from five to 200 physical stores, is necessary to measure key performance indicators accurately. Pilots can, however, be run in as many stores as the retailer believes necessary. Merchants with different store formats may want to run pilots in various types of locations, and should consider locations with differing customer mixes.

For the pilot, the platform (iOS, Android or Windows) that fits a retailer's format is selected, and the endless aisle mode chosen. "Some clients want full self-service kiosks while others want 'hip to hip' customer contact with the sales rep, possibly using a tablet," said Anne Forkutza, user experience officer for iQmetrix.

Sales associates can be armed with complete product information on endless aisle-equipped tablets to limit the "I don't know. I'll ask" waits. No longer trapped behind the POS counter, associates can move around the store and interact with customers, answering questions and grabbing cross-selling opportunities. Transactions can be completed at the POS or kiosk, or via mobile takeaway to be completed when the customer is ready to finalize the sale.

THE FLIGHT PLAN

● GOALS FOR PILOT

● NUMBER OF PILOT LOCATIONS

● PLATFORM AND MODE

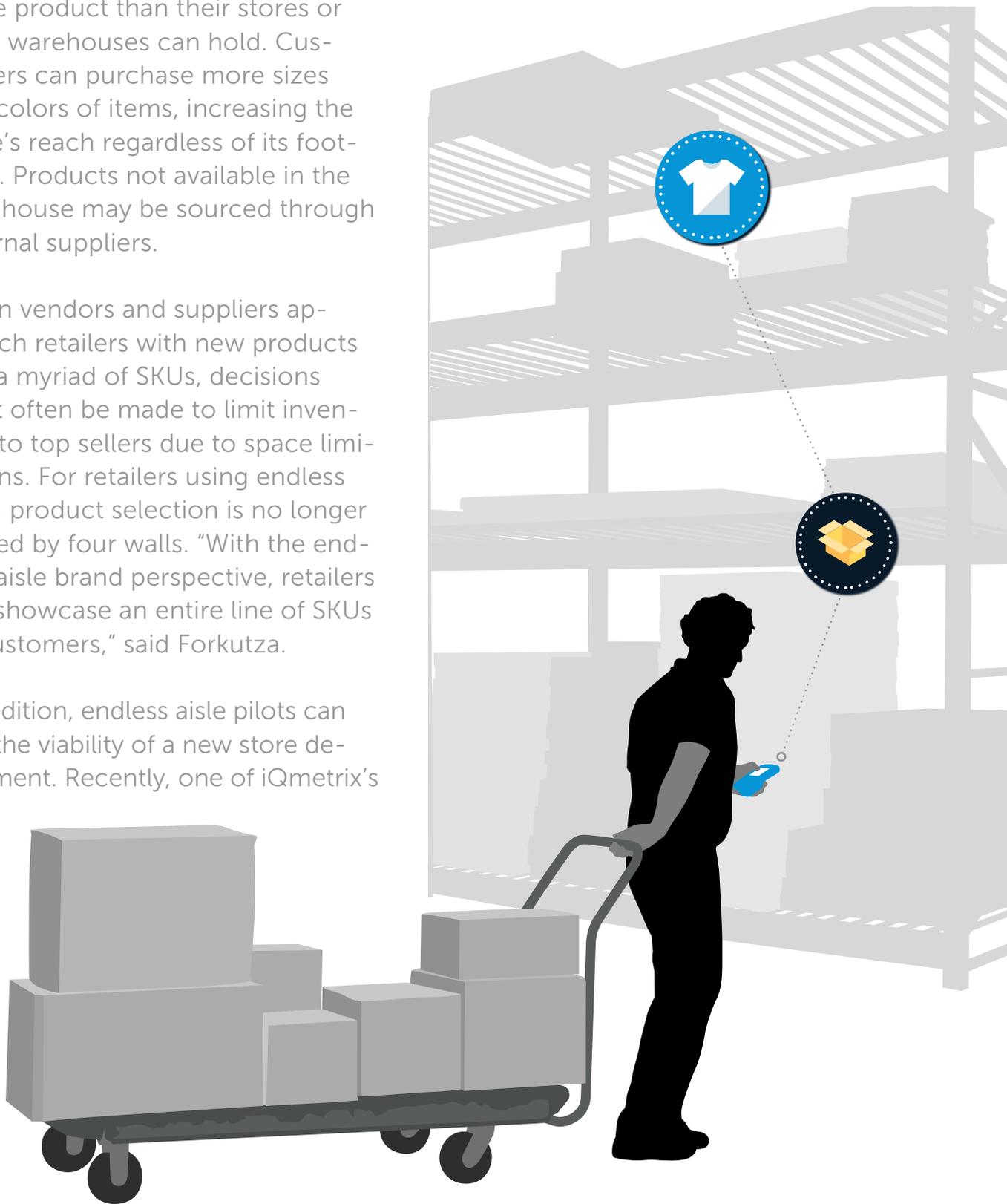
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What's in the Warehouse?

With endless aisle, retailers can offer more product than their stores or even warehouses can hold. Customers can purchase more sizes and colors of items, increasing the store's reach regardless of its footprint. Products not available in the warehouse may be sourced through external suppliers.

When vendors and suppliers approach retailers with new products and a myriad of SKUs, decisions must often be made to limit inventory to top sellers due to space limitations. For retailers using endless aisle, product selection is no longer limited by four walls. "With the endless aisle brand perspective, retailers can showcase an entire line of SKUs to customers," said Forkutza.

In addition, endless aisle pilots can test the viability of a new store department. Recently, one of iQmetrix's



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clients, a major footwear retailer, wanted to begin offering children's shoes to complement its adult shoe line. The success of a children's section was unproven and could not be squeezed into store sales space. By piloting the addition of thousands of styles, brands and sizes of children's shoes with endless aisle, the retailer found that both the new department and endless aisle were profitable propositions. "They were able to enter a new stage in the life of their customers and add a SKU line for kids," Forkutza said. "Families are bringing their kids into the store to select shoes. So, the store expanded, but online."

SUPPLIED AND READY TO SHIP

-  **STORED PRODUCT LOCATION AVAILABLE ON SPREADSHEET/ OTHER TECHNOLOGY FOR EXPORT**
-  **ALL PRODUCT ON ENDLESS AISLE IS AVAILABLE**
-  **IF WAREHOUSED, HOW EASY IS ACCESS?**
-  **SHOULD PRICING AND INVENTORY SHOW ON ENDLESS AISLE?**

For most retailers, online and physical store sales are handled separately, and the ability to seamlessly and accurately see the available inventory in each channel is a must-have ca-

pability. In addition, once inventory is located, retailers must decide how the merchandise will be put in the hands of customers. Will drop ship be used or will customers pick up purchases at physical stores or another location?

One of the largest Canadian users of endless aisle had previously used an older inventory solution that lacked true omnichannel capabilities prior to rolling out the iQmetrix solution. By moving to endless aisle and drop ship, thousands of SKUs became available to customers. "This completely revolutionizes our supply chain strategy and answers supply chain issues," a spokesperson for the Canadian retailer of mobile products and services said.

Prior to a pilot rollout, the logistics of inventory and delivery must be decided. Product information must be stored along with product location on a spreadsheet or other technology that allows export to the endless aisle solution. Critical questions must be answered such as who will fulfill stocking or access of product in the online warehouse. Integration with the retailer's current POS is a must, and for some retailers the toughest challenge is integrating with legacy systems.

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Building a New Path to Purchase

Retailers must determine how they want endless aisle to “face” customers. Many solution providers are helping retailers take that visual experience to new levels with customized customer-facing technology. The online experience can be duplicated with a screen displaying products to customers or retailers can customize the in-store experience with sophisticated displays that are much more than just clones of the retailer’s e-commerce platform.

“We take the retailers through the path to purchase, how to communicate their brand story to customers,” Forkutza said. “The feel of the display must match what is in the physical environment. Very large, eye-catching photos are

preferable. During a pilot, retailers can choose to A/B test two versions of an endless aisle page to decide optimal brand presence and sales. Various technologies are available when designing the user interface. Forkutza recently advised a client to pick a technology which used a gaming engine so that items could be viewed in full 3D.



3 | Building a New Path to Purchase

When the customer's endless aisle shopping cart is full, there are several options to consider, based on store type and preference. Retailers must choose which on-screen shopping cart function is right for their environment. Will customers make purchases through the kiosk or wall-screen, similar to sales made on the Internet? How will the receipt be delivered? Is the best option directing shopping cart purchases to the POS for a printed receipt? Should mobile be involved in-store for purchasing through endless aisle?

FOLLOWING THE PATH TO CHECKOUT

-  **CREATE THE USER INTERFACE ALL PRODUCT ON ENDLESS AISLE IS AVAILABLE**
-  **DECIDE WHICH SHOPPING CART OPTION IS BEST**
-  **HOW SHOULD RECEIPTS BE DELIVERED?**
-  **IN-STORE PICKUP OR DROP SHIP**



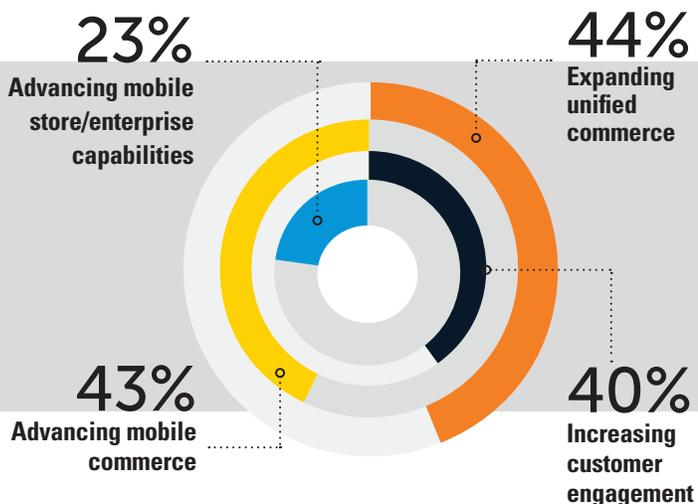
4 After the Pilot

Endless aisle has metrics at its core and the data captured during the pilot can be used to track session time on a kiosk, products viewed, and other areas of interest. Retailers can customize the specific metrics they want to track.

“Having a product like endless aisle in our store has improved our customer service experience and aligns with our vision of digital transformation,” said a spokesperson for a global interactive entertainment software company which recently piloted iQmetrix’s solution.

According to the *RIS News*’ “26th Annual Retail Technology Study” the following initiatives will be key aspects of retailers’ strategies over the next 18 months:

In addition, physical stores as becoming fulfillment depots, where merchandise is picked up and returns are made. The goal of evolving the in-store experience is not to relegate sales associates to order fulfillers, but to empower them to better serve customers. There is no replacement for human sales interaction. And many customers will still want to physically see items prior to purchase. Omnichannel reach allows retailers to accompany customers in-store, online and via mobile. As online merges with in-store, the physical store remains a key tenet of the shopping experience, but it needs to be redefined using next-gen technology including endless aisle capabilities.



AFTER THE PILOT

-  ANALYZE RESULTS
-  DECIDE WHETHER TO ROLL-OUT TO MORE LOCATIONS
-  MAKE ANY CHANGES NEEDED

About iQmetrix

At iQmetrix, we are passionate about retail. Our purpose is to create great experiences for retailers, their employees and the end consumer. Our products bridge the gap between physical and virtual retail channels, offering the latest in retail management and customer experience technology. Our interactive retail solutions, including endless aisle and digital signage, bring elements of online and mobile shopping experiences into the physical store to engage and educate shoppers during the purchase process. iQmetrix POS is a modular system for managing all aspects of a store chain operation, including POS, ERP, inventory, and HR. Based on a platform philosophy, our solutions allow users to effectively manage back-of-house operations and the in-store customer experience. In a nutshell, we give retailers what they need so customers can get what they want. Founded in 1999, iQmetrix is a privately-held software as a service (SaaS) company with offices in Canada, the U.S. and Australia.

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