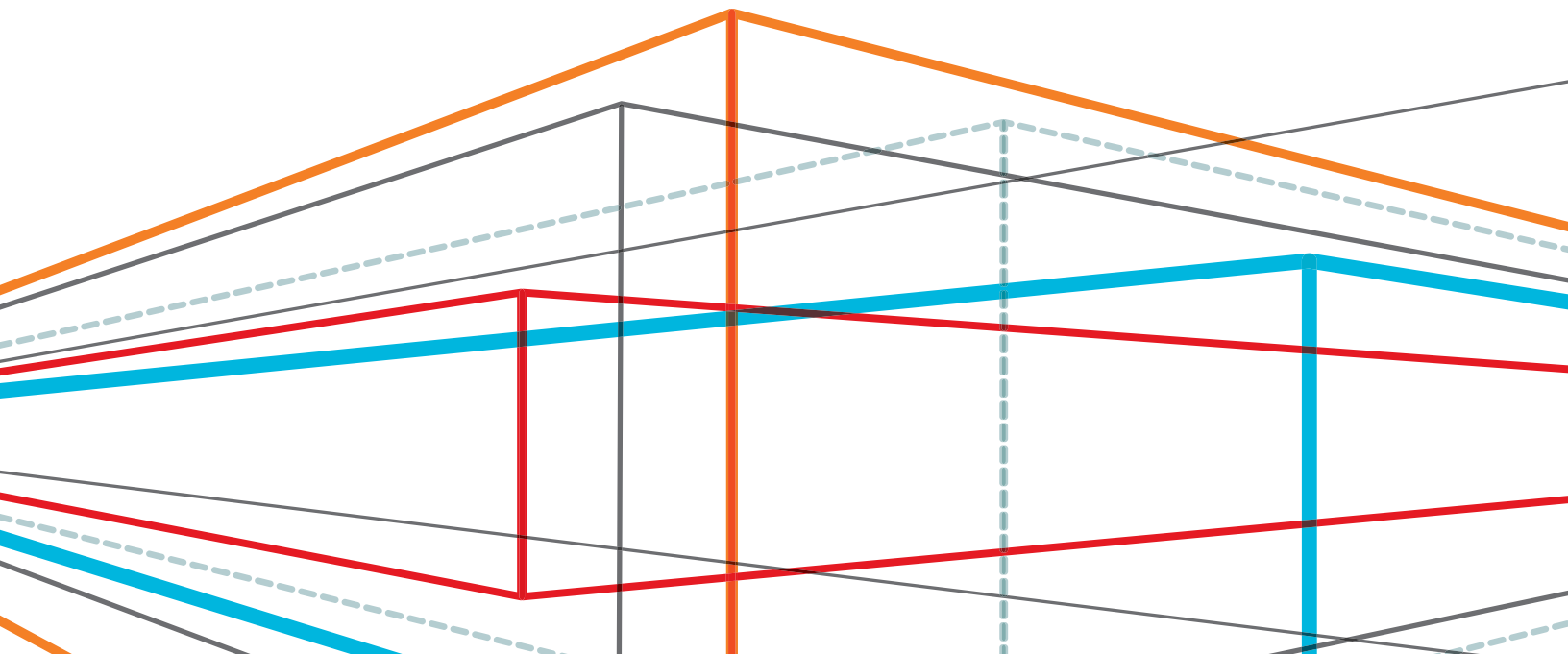


LIFT SALES WHILE CREATING
MULTI-CHANNEL OPPORTUNITIES:
How Printing from iPad®
Enhances the Shopping Experience



SEE MORE. DO MORE.



EXECUTIVE SUMMARY

Apple's iPad® mobile digital device is taking personal mobility to the next level and beyond. Analysts project that by the end of 2011, Apple will command 83 percent of the tablet computing market in the United States. Recognizing this trend, retailers are rapidly adopting the iPad and printing applications to enhance the customer shopping experience, and add unique branding to propel them ahead of the competition. For instance, counter-based iPad kiosks provide a portal for shoppers to customize product selection, while the retailer gains opportunities for cross-selling and other sales-building opportunities.

It is clear the iPad mobile digital device is making an enormous impact on retail. According to *RIS (Retail Info Systems News)* research, 44.4 percent of retail respondents use Apple® products, making Apple the top choice when it comes to mobile retail point of sale

(POS)¹. Momentum is growing for mobile POS to penetrate deeply into mainstream retailing within the next 18 months. Brands such as Clinique, with its new iPad Skin Diagnostic Tool, have experienced significant sales lift after rolling out iPad-based sales aids. In-store kiosks and mobile devices like the iPad can save shoppers time while they are in the store, so they can ultimately spend more.

This white paper provides an overview of iPad-based retail self-service kiosk and mobile printing applications, and shows the significant benefits the technology delivers. The paper also shows how retailers can use the ZebraLink™ Multiplatform Software Development Kit (SDK) to create applications that can print coupons, loyalty aids, and sales aids from the iPad and other smartphone platforms.

INTRODUCTION—THE PARADIGM SHIFT IN RETAIL IS FINALLY HERE

According to the *RIS* research, point of sale is the heart of the retail shopping experience. In many ways, the shopping experience has not changed since the 1950s. When shoppers arrive at a store, they shop the same way and encounter a similar environment as their parents and grandparents. But times are changing. Today, online information influences 50 percent of in-store purchases. Forward-thinking retailers are looking to leverage mobile devices to improve the customer experience and lift sales through multi-channel sales opportunities. At the center of this momentum is Apple's revolutionary iPad, coupled with mobile and self-service kiosk printing solutions.

An increasing number of retailers are adding iPad units into store operations as point-of-sale (POS) devices and interactive mobile catalogs, which is also providing shoppers a unique brand experience. Gartner research points out that customers want instant information—access to the latest product details, customer reviews, and options—without having to print out details from their home computer.² Shoppers want an online-like experience when they enter the store. And they expect

retailers to deliver the technology. Retailers who do not embrace this trend will simply lose ground to competitors that do.

Another vital point is that retailers are looking for ways to create consistency and leverage assets across sales channels. The fact is, cross-channel shoppers tend to be the best customers. Jon Stine, director of Cisco's Internet business solutions group, makes it clear that "Retailers need the ability to provide the best of the virtual shopping experience in a physical environment."³ Creating channels through technology is a key way to meet this goal.

With loyalty at a premium, retailers must deliver superior customer service in the form of instantaneous knowledge. There is a direct correlation between the time a manager spends on the selling floor and the success of a retailer. Adding mobile devices like iPad tablets to self-service kiosks or coupling the device with a mobile printer frees up the sales manager to focus on customer touch time—which helps drive loyalty.

FROM THE STORE FRONT DOOR TO THE RETAIL FLOOR

With improved customer service as the main goal, retailers are using the iPad mobile device and related technology to boost customer “touch time” and promote a multi-channel presence in the store. Large retailers like J. C. Penney, Nordstrom, and others use the iPad as a virtual sales assistant. Sales staff in the apparel department can show customers matching accessories from the jewelry or shoe department—in or out of season. On the spot, customers can print out product recommendations, which help sales staff complete the sale. Doing so also eliminates the need for customers to wait at the checkout line.

Retailers see the mobility revolution as a way to change business, from the minute the customer walks in the door, to while the customer is on the retail floor, and beyond. A recent study of four retailers by David Selinger and Paco Underhill found that 26 percent of shoppers continue shopping on a store’s website after they leave the store.⁴ In-store kiosks and devices like the iPad empower shoppers to get the job done while they are in the store. Shoppers that spend time in stores always spend more, especially if the experience is convenient and engaging.

Throughout the retail industry and at all levels of operations, executives are realizing the power of the iPad to engage, inform, and sell to their customers—while boosting the brand. Key applications include:

- Interacting with intuitive digital catalog displays
- Linking to accessories or complementary items from other departments and channels
- Browsing product options, creating customized products, and printing out wish lists
- Viewing availability of products at each store location and pre-arranging pickup
- Creating wish lists and gift reminders for seasonal or special occasions
- Surfing product information and reviews
- Watching product demonstration and multimedia content
- Booking and managing travel, and printing out itineraries
- Printing receipts and coupons through mobile POS cash registers or self-service kiosks.

Some retailers are using the iPad as a mobile, content-rich catalog, equipping sales associates with the device to gather customer information. Then, associates use it as a portable cash register to complete the transaction

and print receipts. Britain-based retailer Burberry uses iPad devices in select stores as a portal for customers to view its London runway shows and place orders. J. C. Penney recently announced that it would deploy iPad mobile devices in 50 of its fine jewelry departments, allowing shoppers to easily compare ring features side by side, and look at ring styles, cuts, sizes, and metals not offered in the store. Sports shoe retailers Converse and Puma provide iPad devices that give shoppers a powerful way to design their own shoes. Looking to improve the in-store shopping experience, Sears Holdings announced it would roll out iPad devices to its stores nationwide, enabling associates to help customers check available inventory, order products online, access product information and videos, and utilize enhanced purchasing tools to buy products without leaving the store aisle.

Boost the Brand While Enhancing the Customer Experience

Customers want to be dazzled. Mobile “wow” technology like the iPad delivers an improved customer interaction that helps make a statement. When a retailer rolls out new technology, it sends a message that the brand is innovative, and the business remains focused on customer service. Shoppers look for retailers who make it easy to find the product they want, precisely when they want it. Consumers want to know if the store has an item in their preferred color, style, or size. They also want to know about complementary or similar items, customer reviews, and even product origin and creation.

Whether a store mounts the iPad on a counter or wall, or installs it within a self-service kiosk, the iPad becomes a consumer-activated device that captivates shoppers while driving the retail marketing goals. Shoppers can quickly print out wish lists that they can refer to on the spot, or the next time they visit the store.

When placed in the hands of sales staff, the iPad serves as an assisted-sales enabler, allowing employees to influence and add value through quality touch time. Packed with high-resolution graphics and rich, persuasive multimedia, the iPad accelerates cross-selling and upselling of items. For example, the shopper could purchase a complete outfit, a full jewelry set, or matching seasonal items instead of a single product.

IPAD IN ACTION—HOW CLINIQUE IS ACCELERATING COSMETIC SALES

Regardless of the economy, the beauty product market continues to expand. The U.S. market alone is a \$58.9 billion per year industry, with department stores accounting for \$8.1 billion of that segment. Today, the consumer is changing—younger customers want control over the buying process, and they demand more options for self-service. Mobile technology brings excitement into the in-store shopping experience for servicing and engaging the consumer.

Recognizing the changing market dynamics, Estée Lauder selected the iPad after an extensive evaluation in 2010 for a new on-counter self-service station. The new device, called the iPad Skin Diagnostic Tool, is a central part of a revamped look and feel for Clinique counters. The new iPad includes an intuitive application to guide customers during the foundation and color cosmetics selection process. In addition, customers can quickly print out all the specific cosmetic and color options without having to worry about remembering complex product matching details.

More Choices at the Consumer's Fingertips

By answering questions about individual skin conditions, the iPad application produces a personal analysis for the shopper—with up to 180,000 possible product recommendations. Customers view the iPad as an unbiased assistant, providing them information without the pressure of a sales pitch. Sales consultants see the new tool as an assistant that helps close the sale by reinforcing what they are telling the customer. The iPad also frees up the consultant's time to attend to additional customers, while reducing customer lines and wait times.

For Clinique, the whole purpose of the iPad application is to draw the customer to the kiosk, attracted by the excitement that surrounds the iPad. In practice, the Skin Diagnostic Tool walks the customer through the same questions that the retail staff asks the consumer, but in a highly guided, interactive fashion. For example, cosmetic consultants ask about skin tone, skin type, age, etc. The Clinique iPad does this and much more.

For many customers, having a conversation about their skin—such as is it oily, is it dry, do they have redness, etc.—may be an uncomfortable subject. Assisted, kiosk-based shopping eliminates the need for sales staff to look closely at or touch a shopper's skin. The new technology promotes a sense of privacy during the customer experience. This allows customers to be more open to personal questions so that they can be matched with the optimal product line. Another benefit is that shoppers receive immediate feedback on their choices, making them feel more confident that they made the right choice.

An Integrated, Flexible Tool for Driving Sales

Once the guided question process ends, the iPad Skin Diagnostic Tool gives the customer a choice of either emailing a list of recommendations based upon her lifestyle, makeup choices, and activity level, or printing out the information. The application prints out a glossy 3.5-inch wide strip that tells them what they should buy. At that point, the sales staff can assist and provide the customer the selected products.

When customers arrive with a concise printed list of what they should purchase, sales staff can process the transactions much faster, meaning more face time to create sales. In fact, the new Clinique iPad application has already generated sales increases of 30 percent during the initial rollout. Even though the iPad kiosk is a standalone system, it maintains either wireless or wired connectivity to the store's information management infrastructure. During promotions, departments can simply push down specials to all the kiosks, automatically. When new products, prices, or options roll out, the store can easily update the iPad application.

"By integrating digital technologies into the shopping experience, we are offering the consumer a stimulating and socially modern way to connect with the brand."

Lynne Greene, Global Brand President of Clinique, Estée Lauder Cos. Inc.

MOBILE PRINTING SOLUTIONS FOR SMART DEVICES

Zebra makes printing from iPad-based self-service kiosk stations intuitive and fast, which helps enhance the shopping experience. Customers can print coupons, gift registry lists, receipts, recipes, nutrition information, and more. Zebra manufactures high-quality kiosk printers to withstand the rigors of retail environments, but perhaps more importantly, also provides the software solutions necessary to enable printing from Apple iPad mobile devices to a Zebra kiosk or mobile printer. Whatever the solution, the fact remains smart devices and kiosk or mobile printers can cut customer wait times and improve revenue—while boosting the brand.

ZebraLink™ Multiplatform Software Development Kit (SDK)

Seamless mobility is a key enabler to business productivity. Industries from manufacturing, to transportation and logistics, to retail rely on tablets, smartphones, mobile terminals, and handheld devices. Zebra's ZebraLink Multiplatform Software Development

Kit (SDK) allows users to create new applications that enable printing from various Apple® iPhone®, iPad®, and iPod touch® mobile digital devices, Android™ and iOS-based systems, BlackBerry® smartphone models or Windows® Mobile or Windows CE® devices to Zebra® mobile or stationary printers. The SDK includes source code samples, documentation, and on-device demonstration modules that simplify the design of custom applications with embedded support for Zebra printers.

With ZebraLink-driven on-demand printing, businesses can now offer their workers the flexibility and efficiency that mobile devices provide. Workers no longer need to carry multiple devices to complete their printing tasks, including service and sales receipts, direct store delivery documentation, retail point-of-sale receipts, mobile online coupon printing, and other loyalty incentives. For more information, see the ZebraLink Smartphone Utility and SDK Web page at www.zebra.com/sdk.

SUMMARY AND CONCLUSION

Today's retail shopper is looking for an enhanced shopping experience that includes rich multimedia, self-service, and faster access to information. iPad-based self-service kiosks and mobile POS solutions take shoppers into the media-rich world they enjoy online, while providing an increasing range of options for on-the-spot product selection.

When a customer reaches the store, they deserve the best experience, easy access to information, and the fastest checkout the retailer can provide. Achieving optimal results from kiosks and mobile printing demands tailored solutions that fit each retailer's unique applications and market requirements. As a trusted partner, Zebra goes to the next level in understanding the needs of the retailer by providing fully customizable printing applications, software development kits, and mobile and self-service kiosk printing solutions. The result is an improved shopping experience that keeps the customer returning to the store—again and again.

A global leader respected for innovation and reliability, Zebra offers technologies that illuminate organizations' operational events involving their assets, people and transactions, allowing them to see opportunities to create new value. We call it the Visible Value Chain.

Zebra's extensive portfolio of marking and printing technologies, including barcode, RFID, GPS and sensing, turns the physical into the digital to give operational events a virtual voice. This enables organizations to know in real-time the location, condition, timing and accuracy of the events occurring throughout their value chain. Once the events are seen, organizations can create new value from what is already there.

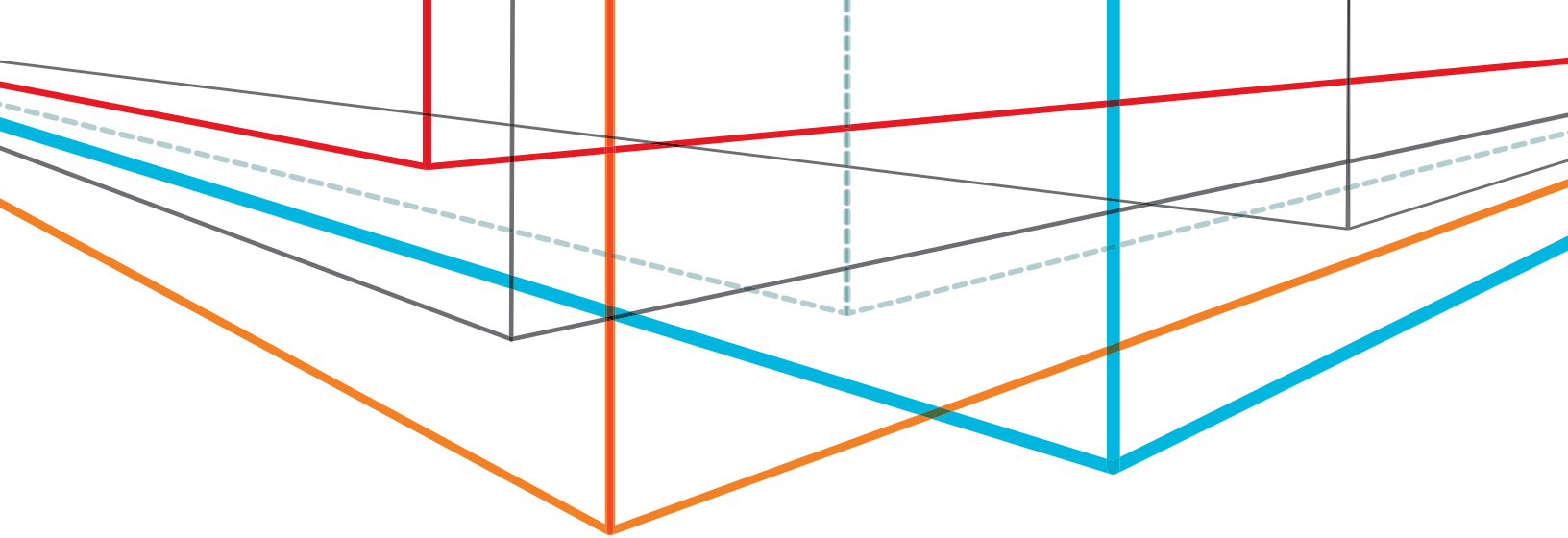
For more information about Zebra's solutions, visit www.zebra.com.

¹ "Mobile POS at the Tipping Point," RIS Research, July 2011.

² Ibid.

³ STORES Magazine, Nov. 2011, "Tablet Talisman: iPad offers the potential to transform the in-store shopping experience"

⁴ The Wall Street Journal, April 28, 2011, "Shopping Scientist Paco Underhill Tackles Online Retail"



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P1047088 Rev. 2 (02/13)