



Retail Systems
2017
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COOP DENMARK | CASE STUDY

coop

COOP DENMARK PLACES CUSTOMERS AT THE HEART OF ITS TECHNOLOGY VISION

A MOBILE LOYALTY AND SELF-SCAN SOLUTION WAS DEVELOPED AFTER COOP STAFF SPENT TIME LIVING WITH LOCAL CUSTOMERS

“Understanding the customer” rings in every retailer’s ears, as store chains grapple with changing consumer habits and how to adapt to them.

Yet few go as far as sending their staff to live with customers. It is a radical approach, but one adopted by Denmark’s largest retailer of consumer goods – Coop Denmark – which even involved its Chief Technology Officer, Kraen Nielsen Østergård. Kraen lived, shopped and cooked with a local family, together with an anthropologist, talking about the daily problems and challenges they face as consumers.

REAL-LIFE FAMILY LIVING

In order to better understand their customers, many internal Coop staff spent time living with 28 different families in the suburbs of Denmark.

“It’s been claimed by others that this type of research was quite revolutionary, but to us it was common sense. To understand our customers, we have to talk to them and see what their lives are like,” said Kraen.

As well as the retailers unusually direct and immersive method of customer research, they also employed advanced software to understand customers’ product preferences, purchasing histories, preferred channels and how they interact with different promotions, to form a complete picture.

Following his time spent living with the family, Kraen has a new understanding of their customers and the technology required to engage with them today.

“We relate to our customers in a very different way now, they’re not only numbers on a spreadsheet.”

Those customers that took part in the live-in research expressed a requirement for relevance and convenience and Kraen stresses that convenience very much drives the decisions behind their innovations, providing customers with various options to browse their stores, receive promotions and pay.

“IF CUSTOMERS DON’T KNOW WHAT THEY WANT TO COOK, WE NEED TO INSPIRE THEM, AND MAKE THE SHOPPING EXPERIENCE MORE EFFICIENT FOR THEM IN PURCHASING THE RIGHT INGREDIENTS, PAYING VIA THE DEVICE OF THEIR CHOICE, SKIPPING THE TILL QUEUES, AND PROVIDING THEM WITH REWARDS IN REAL-TIME.”
KRAEN NIELSEN ØSTERGÅRD,
CHIEF TECHNOLOGY OFFICER, COOP DENMARK

A LOYAL COMBINATION

A key outcome of the research was Coop Denmark’s mobile loyalty app, which was launched across the entire chain of 1,200 stores in October 2016. The app has enabled the retailer to provide fulfilment, convenience and personalisation at every touch-point to meet their customers’ fast-changing requirements. It has steadily grown in popularity, enticing customers with inspirational recipes and cookery videos. Out of the 1.7 million members of Coop Denmark, those who have downloaded the app receive 25 tailored offers and the freedom to pick five bespoke offers, and can use the app’s mobile payment functionality to pay at the register, and see their bonus grow in real time.

Omnico’s software solution, omniEngage, sits behind the Coop developed app, enabling real-time customer bonus point calculations and personalised promotional activity. Discounts are delivered direct to the customer via the mobile solution, which is hosted in the Omnicloud.

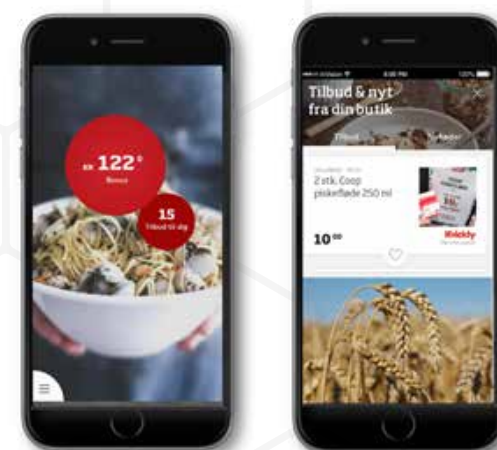
This mobile loyalty solution won Best Engagement & Loyalty Scheme at the Retail Systems Awards 2017!

LOCALISED SHOPPING EXPERIENCES

While many retailers offer a variety of discounted items and promotions, Coop Denmark has taken this one step further by ensuring each of their loyalty schemes are as personalised and localised as possible.

“We use historical purchase data to understand what we need to provide to our customers that is both personal to them and localised to their store. Our store managers, for example, take photos of local produce like fresh strawberries hand-picked from local farmers, and share this directly in the app and on social media with their customers. Shoppers are guaranteed that produce hasn’t been shipped for miles and they build a relationship with their local store manager.”

But the solution doesn’t stop there. The research revealed how important a seamless experience is to customers, with a need to combine the in-store experience with what is available through the app. To address this, Coop Denmark created an on- and off-line platform across the entire shopping journey; from choosing recipes, purchasing within the store and gaining loyalty points and rewards, to watching cookery videos at home. The app currently has 8,000 recipes available for customers to browse and view.



MOVE ASIDE AMAZON GO

This promising start has also encouraged the grocer to trial a mobile self-scan app in seven stores, linking to bonus wallets, promotions and credit / debit functionality.

“We are trying to help our customers through their purchase journey; from choosing a recipe, to cooking with fresh, local ingredients.”

The self-scan app allows payment via an e-wallet and utilises Omnicloud’s omniBasket software to enable payment at the till via the customer’s device, which is linked directly to the customer’s dividend, bonus wallet, or credit / debit card. The solution enables customers to scan a product once, then skip the till queue by paying automatically through their device. Electronic e-receipts are then available to the customer in near-real time within the app.

This mobile self-scan solution won the Mobile Pioneer RetailWeek TECH Award!

“We are very excited and confident in the mobile payment app. It’s a more realistic version of Amazon Go, as it provides the same core benefits, but at much lower costs,” Kraen states.

FUTURE TECHNOLOGY

To understand future technology trends and test the latest gadgets, Coop Denmark has set up a 100% mobile self-scanning store-of-the-future concept in its head office. “It’s where we can test funky stuff like robots in stores, to see if they’re compatible with our vision.” Kraen, however, stresses that the grocer doesn’t innovate for the sake of innovation.

“It’s exciting to see cool tech, but what is the customer thinking and what are their real-life problems? Do they need this cool tech to shop better? We don’t focus so much on the gadgets, but more on the customer experience.”

Kraen reinforces this by explaining that they tackle each customer friction point along the shopping journey to ensure a seamless experience. Their focus is on solving the customer’s problems for them, and ensuring that the customer is always at the centre of their technology.

“COOP DENMARK IS A RETAILER AHEAD OF ITS TIME. BY TRULY UNDERSTANDING THEIR CUSTOMERS, THEIR EVERYDAY LIVES, AND WHAT THEY WANT FROM THEIR LOCAL RETAILER, THEY HAVE BEEN ABLE TO INNOVATE BEYOND WHAT IS JUST ‘COOL’ TECH AND CREATE A MORE CONVENIENT, LOCALISED AND FRICTIONLESS CUSTOMER JOURNEY.

WE’RE PROUD THAT OMNICO WON THE RETAILWEEK MOBILE PIONEER AWARD FOR OUR WORK WITH COOP AND LOOK FORWARD TO BUILDING OUR PARTNERSHIP FURTHER TO CONTINUE TO PIONEER OMNI-CHANNEL EXCELLENCE.”

MEL TAYLOR, CEO, OMNICO GROUP

enquiries@omnicogroup.com

WHY CHOOSE OMNICO?

For 25 years Omnico has been trusted by leading global brands to drive innovations in the shopping and guest experience, uniting transactions across customer touch-points in retail, F&B, entertainment and hospitality destinations.

Our vision, innovation, agility, products and the expertise of our people all lie at the heart of our success.

- ✓ Track record of delivery to world-renowned brands
- ✓ Proven solutions that scale to meet your needs
- ✓ Unified commerce platform that operates seamlessly across all channels
- ✓ Global footprint and delivery capability
- ✓ Open systems enabling rapid integration into enterprise systems
- ✓ Significant ongoing investment in our product roadmap
- ✓ Innovative thought leadership and vision that drives product development.

To discuss the ways in which Omnico can help you to meet today's consumer expectations and develop innovative new technology solutions, please visit our website

at www.omnicogroup.com,
or contact us at enquiries@omnicogroup.com
for more information.

OMNICO COMMERCE



Omnico's Commerce solution portfolio is trusted by global retail operators and is routinely used to deal with huge volumes of critical commercial information.

Our point of sale (POS) solutions allow store environments to speak to a single transaction and engagement engine. We also enable our clients to design and deploy complex customer journeys in a transitional way, that utilises existing environments rather than ripping and replacing. Our solution makes it easy for retailers to grow their business, manage their POS, maximise their inventory utilisation, access actionable analytics, and improve customer experience and personalise loyalty programs.



MOBILE SELF-SCAN JOURNEY

