

HOW TO SELECT A TABLET FOR THE DIGITAL RETAIL STORE

JAVELIN GROUP WHITE PAPER

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INTRODUCTION

Just five years ago, the retail store technology landscape was stable. Every store had an EPoS system with Chip and PIN, and a number of back office applications to support the business.

However, with the massive growth in smart phones, tablets and 4G telecoms, as well as consumer expectations, the simple store technology landscape is changing rapidly.

Many large retailers now offer free customer WiFi in-store, and digital signage is present in just about every retail store. New innovations such as beacon technology, which allow retailers to send location-based, targeted offers to customers via apps, are coming into use.

In recent years, retailers have tried many different in-store ordering devices, such as order desks with PCs, kiosks (in lots of different shapes and sizes) and tablets. Some have been self-service devices and others have required assistance from a sales person.

One device proving popular with retailers is the tablet. Since Apple launched the first iPad in 2010, retailers have recognised that tablets are a great way to introduce the digital world into their stores.

This White Paper looks at how retailers are using tablets and what retailers need to consider when selecting a tablet.



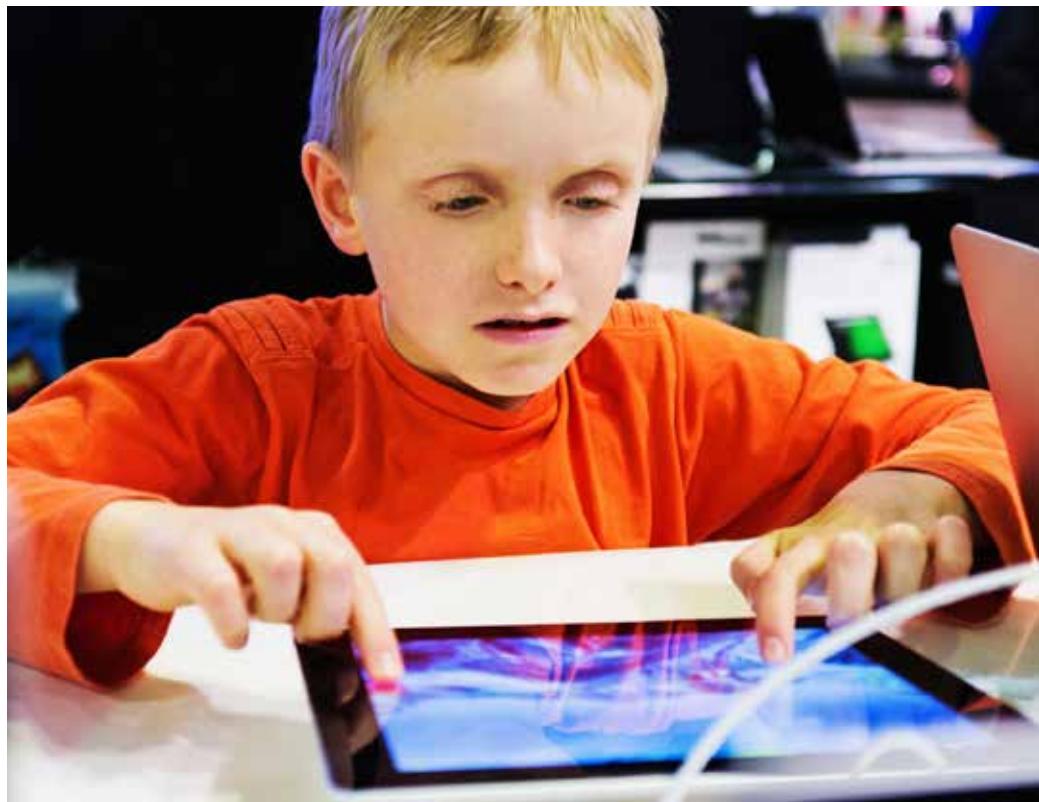
USING TABLETS

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One of the main reasons a retailer introduces tablet devices into store is to make its ecommerce stock available to the store team.

If a customer is interested in a product that is out of stock in the store, the retailer can check to see if it is available online and order it for delivery to the store or the customer's home. This saves the sale and improves service levels for customers.

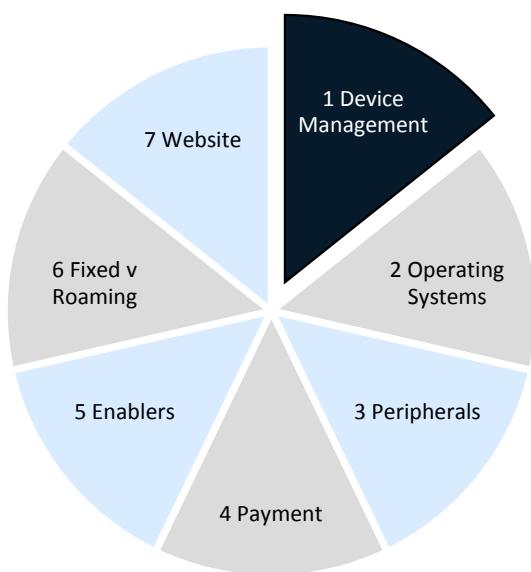
Other in-store uses include shoe measurement (Clarks), games to keep children engaged (Vodafone), assisted selling (Carphone Warehouse) and website browsing to raise brand awareness (Waitrose).



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SELECTING TABLETS

From operating system, to payments and peripherals, retailers have many factors to consider when selecting tablets for use in-store. Here are seven essential ones.



1 Device Management

In the same way that personal desktop and laptop computers need to be managed and maintained centrally, tablets also need to be supported. Required functions include an internal “app store” to add and maintain applications, security management, asset register and removal of unwanted features. With many retailers now having thousands of devices (e.g. Marks & Spencer has 1500, Carphone Warehouse has 5000) tablets cannot be maintained on an adhoc basis.

Vendors offering device management solutions include Airwatch, MobileIron, Citrix, and Mobile Technology, and they can mostly support all types of tablet (Apple iOS, Google Android and Windows 8).

2 Operating Systems and Devices

Deciding on the device and operating system is an important part of the selection process. Early adopters used the Apple iPad as the tablet of choice and it is still popular with fashion retailers such as Burberry, Oasis and Coast.

The three main operating systems are Windows 8 tablet, Google Android and Apple iOS.

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	Operating System Management	Security	Own App Store	Hardware
Windows	Yes	Yes	Yes	Various
Android	Partial	Yes	Yes	Various
Apple iOS	Partial	Yes	Yes	iPad only

Windows



Windows 8 tablet provides the new Windows 8 user interface on a tablet.

The benefits of Windows devices are strong inbuilt security and regular updates, which can be managed using the Windows Server Update Services (WSUS) that manage the normal corporate Windows estate. Retailers can use the Windows 8 app store, or create their own using device management software.

Because of the strong legacy of Windows devices running EPoS, these devices are well suited to a retail environment. There are hardware manufacturers (e.g. HP, Dell) providing tablets for Windows 8 and ruggedized versions are available. There is also a good range of screen sizes and space capacities.

Android



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Android is generally a more open operating system than Windows, and unlike the Apple iOS, it is not hardware specific. Hardware manufacturers for Android include Samsung, Asus, Google, Amazon, LG, Sony and even the Tesco Hudl which gives a large variety of screen sizes and space capacities.

Carphone Warehouse has deployed 5000 devices to their staff in the UK using the Android operating system and has developed its own app (PINPoint) to run on it. The operating system is managed directly with Google and auto updates can be enabled. Each update is given a name (alphabetically) e.g. Ice Cream Sandwich for I, Kit-Kat for K.

Apple

In 2010, Apple launched the first tablet and its initiative led the market until other providers caught up. Each year brings a new generation of iPad, which is now available in two screen sizes and with capacities ranging from 16GB to 128GB.

Apple releases a new version of its iOS operating system each year (it is released in Beta to developers in June and is usually launched to the public in September), which can cause problems for retailers who have adopted the iPad. Existing applications may not work on the new version of the operating system, and much like the Android system, it is not possible to centrally manage updates. Automatic updates can be disabled on individual iPads but there is nothing to stop staff manually updating. When iOS7 was released in September 2013, significant changes to the operating system meant developers had to re-write parts of their applications to ensure they continued to work.



3 Peripherals versus inbuilt functions

A popular requirement for tablets used in retail stores is the ability to scan the barcode of a product and find it on the retailer's website. There are two different approaches to this. Some retailers have adopted wireless barcode scanner hardware (e.g. Monsoon) and others have developed functionality which uses a device's camera to read the barcode. It makes sense to utilise the functions built into the tablet if possible, although this can extend the development time and needs to be considered alongside the hardware and support costs saved.

While there are no wide scale rollouts yet, many retailers are looking at ways in which each in-store tablet can view both store and online inventory.

4 Payment

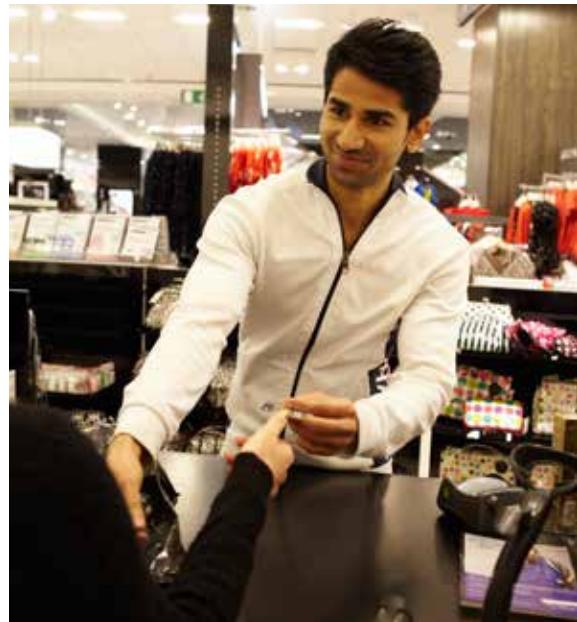
Chip and PIN

If a tablet is used in-store for active selling via an ecommerce site or mobile PoS solution, the transaction is seen by both Mastercard and Visa as a customer present transaction, which means the transaction must be Chip and PIN enabled. This is usually achieved by connecting a PIN pad to a tablet wirelessly by Bluetooth. To maintain customer and staff confidence, it is important that the overall user experience is simple and easy.

Marks & Spencer has adopted this approach by rolling out Chip and PIN to its estate of 1500 iPads. The PIN pad is attached to the iPad using Bluetooth and allows the customer to enter the PIN. The transaction takes place on the ecommerce platform.

Mobile EPoS

Many retailers are starting to understand that ecommerce tablets and EPoS devices can be combined. While there are no wide scale rollouts yet, many are looking at ways in which each in-store tablet can view both store and online inventory. One approach is to have both the EPoS software and the website on a single tablet, another is to have a single application that can sell to customers regardless of from where the order is fulfilled. An example includes the mobile POS capability within PCMS. Most EPoS providers are working on this and so these approaches will continue to evolve.



5 Enablers

It may sound obvious but tablet devices need to connect to a wireless network to access corporate information and the internet, which means retailers need to install wireless technology into stores.

The wireless network needs to have good coverage and sufficient bandwidth. Slow response times on tablets are often linked to poor connectivity and low bandwidth, which will always disappoint the customer and embarrass the staff member. This in turn leads to a reduction in adoption of the technology.

In addition, it is important that a wireless network is properly secured so that others cannot join the network or access transmitted data.



6 Fixed versus roaming

Different retailers install their tablets in different ways. Some have the tablet fixed within the store environment (e.g. Argos for their digital catalogue, Apple for product information, Waitrose to allow website browsing in their café) and others allow staff to carry the device around the store (e.g. Marks & Spencer, Carphone Warehouse, Monsoon, Burberry).

If the item is fixed, security, power, WiFi connectivity and the ergonomics (e.g. positioning height, screen glare from lighting) all need to be considered. If the item is carried around, a suitable case is required. The case might also double up as a place to hold peripherals (e.g. barcode scanner and Chip and PIN device); Monsoon is an example of a retailer doing this.

To ensure the most suitable approach is adopted, retailers may want to run a pilot before rolling out a solution across the store estate.

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7 Website Development

If a retailer chooses to present its website via a tablet, the website needs to be tablet optimised or at least able to operate within the tablet environment. Simple changes that support the touch screen interface, such as larger buttons that are easy to press with a finger, or redesigned filters that work with touch, can be really helpful.

Website builders also need to consider how much code they have on each page. Some retailers using the iPad 2 are already seeing problems with the most modern of websites, as the processor is unable to process all of the content fast enough. However the same website on a brand new iPad performs well. It is important to ensure that code is reviewed for performance purposes on a regular basis.



Conclusion

Although there are many factors to consider when assessing the role of tablets in a digital retail store, the simple principles have changed very little. The technology needs to firstly meet the requirements of the customer, and then retail operations and retail technology. Without considering all of these areas, adoption of the technology may be limited.

ABOUT JAVELIN GROUP

Javelin Group is Europe's leading – and largest – specialist firm of retail strategy consultants.

Javelin Group is Europe's leading specialist retail consultancy focussed on strategic transformation. From offices in London and Paris, we employ over 200 experts and advise retailers and brands all over the world including John Lewis, Sainsbury's, Marks & Spencer, Jumbo Supermarkten, Metro Group, Carrefour, SFR, Leclerc, Richemont, Unilever, Dixons Retail, Kering and many others on their retail and brand strategies, operations and technologies, with particular focus on digital transformation and omni-channel retail.

Our **Technology Consulting** practice supports retailers who are looking to develop retail digital stores. In recent weeks, we have helped a number of retailers understand the in-store technology landscape, we have selected the best technology for them and designed the architecture and integration with EPoS, ecommerce and CRM.

As a digital store operates very differently to a traditional store, we also help retailers to review their current operating model and establish the best way of working to support the digital store. This includes store team organisation, reporting and KPIs, process development, procedure design, and shared best practice. By working with retailers in this way, we help to ensure that stores embrace the technology and realise the benefit.

Contact us

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