TATA COMMUNICATIONS

TATA

REIMAGINE RETAIL INNOVATION FOR DELIVERING CONNECTED CUSTOMER EXPERIENCES

MAKING EVERY DAY, A SPECIAL SHOPPING DAY

TABLE OF CONTENTS

INTRODUCTION

The world has changed, and so have consumer expectations and behaviours. Consumers today expect seamless and connected retail experiences, irrespective of whether they are shopping online, in-store, or picking up an online purchase. They want to move between channels and devices effortlessly and favour brands that deliver experiences that are personalised, relevant, convenient, and fast. In a highly competitive retail business, a retailer's success depends on its ability to meet these rapidly changing consumer demands and expectations. If one fails to compete effectively, its business could be adversely affected.

ACCORDING TO A RECENT IDC REPORT,[1] THE MAIN BUSINESS DRIVERS SHAPING RETAIL IN 2023 ARE:
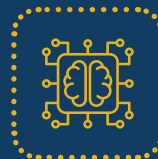
Customer experience redefined

Connected store operations

Smart omni-inventory

AI-reshaping retail

Immersive retail

[1]IDC Retail Market Trends 2023

Retailers worldwide continually seek to deliver to their shoppers an exciting and rapidly evolving range of products and services, even in times of uncertainty. However, for retailers to remain a preferred shopping destination, they need to stay ahead of customer expectations both in terms of inventory and experience.

Responding to changes in consumer needs requires a connected retail experience beyond the limitations of channels or touchpoints. By leveraging emerging technologies, retailers can enable a seamless link between physical and online retail. Initiatives like automation, personalisation, harnessing customer behaviours and preferences, and targeted promotions can help retailers enrich their overall CX and drive growth.

KEY FACTORS DRIVING THE CONNECTED RETAIL EXPERIENCE:

Convenience of Buy Online, Pick Up In-Store (BOPIS)

Ease of making Scan and Go payments

Relevance of personalised engagements and interactions

Richness of interacting and customising products with AR experiences

BUILDING BLOCKS OF THE CONNECTED RETAIL EXPERIENCE

Reliable WiFi

- Provide real-time information on products, promos, specs, reviews, price comparison and more

Embrace AI

- Deliver stunning CX by combining customer intent with the retailers products and promotions
- Craft personalised customer journeys
- Deliver immersive tools like Virtual try-on
- Elevate in-store experience

Location Services

- Deliver personlised promos and shopping recommendations
- Respond to changing footfall patterns
- Provide on-the-spot information like digital coupons or accident alerts

Omnichannel Communications

- Provide cohesive and convenient interaction on the platforms of the customers' choice
- Analyse and create tailored offers and experiences for individual customers
- Follow-up, remind and drive conversions

Simplified Infrastructure

- Streamline digital infrastructure
- Optimise employee time and capability
- Deliver richer customer experiences

01 INTRODUCTION
02 KEY FACTORS DRIVING RETAIL
03 BUILDING BLOCKS
04 TATA COMMUNICATIONS' CX PROPOSITIONS
05 WHAT ARE OTHER INDUSTRY LEADERS DOING
06 THE TATA COMMUNICATIONS ADVANTAGE

03

HOW CAN TATA COMMUNICATIONS' CX TRANSFORMATION HELP RETAILERS TO ENHANCE CUSTOMER EXPERIENCE?

2/3rd of Customer Loyalty is driven by CX

95% of business leaders believe their customer engagement should deliver a superior customer experience, most CX leaders doubt their current project selection strategy can accomplish these goals

Source: Gartner[2]

CX and technology leaders should deploy their attention and resources effectively by leveraging the experience of their technology partners.

Tata Communications connects the entire retail ecosystem comprising connected customers, workforce, solutions, and infrastructure. Based on our experience of working with retail leaders across different categories, we have created a portfolio of connected customer solutions that can help retailers drive tremendous value for your customers. By leveraging these solutions, retail leaders can generate excitement and urgency for customers and encourage frequent customer visits.

Video Analytics

Managed **Wifi**

IOT

EDGE

360°

Security

Customer Interaction Suite (CIS)

| **Dynamic Sales Planning** | **Theft Detection** | **POS Security** | **High Speed WIFI** | **Dwell Time Analysis** |
| **Way Finding** | **Demographic Analysis** | **Inventory Tracking** | **Promotional Offers** | **Automated Checkout** |

01 INTRODUCTION   **02** KEY FACTORS DRIVING RETAIL   **03** BUILDING BLOCKS   **04** TATA COMMUNICATIONS' CX PROPOSITIONS   **05** WHAT ARE OTHER INDUSTRY LEADERS DOING?   **06** THE TATA COMMUNICATIONS ADVANTAGE

² Gartner Research - Creating a High-Impact Customer Experience Strategy

04

TATA COMMUNICATIONS

RETAIL

IN-STORE EXPERIENCE

DIGITAL EXPERIENCE

VIDEO ANALYTICS AND SURVEILLANCE

VIRTUAL TRY OUT

SMART DIGITAL SIGNAGE

QUEUE AND CUSTOMER ANALYTICS

AGILE, SECURE NETWORKS FOR DYNAMIC SALES AND FESTIVE OFFERS

DIGITAL SECURITY ACROSS ONLINE AND OFFLINE COMMERCE

OMNI-CHANNEL CUSTOMER ENGAGEMENT

05

E-COMMERCE SERVICE INNOVATION:
CUSTOMER INTERACTION SUITE (CIS)

Targeted Transformation: **Integration of the online and in-store shopping experience** by creating a seamless, unified customer journey. Customers can start shopping on one channel and continue on another without disruption, with personlised recommendations and considtent branding thought.

ENHANCED BUSINESS CAPABILITY

Elevate customer journeys with a unified, seamless omnichannel experience across online and in-store interactions.

BUSINESS BENEFITS

15% incremental rise in the conversion rate.

Improve cross-selling and upselling opportunities though personalised recommendations.

Increase customer loyalty and retention due to a frictionless shoping journey.

Enhance marketing effectiveness with unified customer data for targeted campaigns.

01 INTRODUCTION

02 KEY FACTORS DRIVING RETAIL

03 BUILDING BLOCKS

04 TATA COMMUNICATIONS' CX PROPOSITIONS

05 WHAT ARE OTHER INDUSTRY LEADERS DOING?

06 THE TATA COMMUNICATIONS ADVANTAGE

06

AGILE SECURE NETWORK FOR SEAMLESS EXPERIENCE:
DYNAMIC SALES AND FESTIVAL OFFERS

Targeted Transformation: **Establish a robust network infrastructure that can dynamically handle increased online traffic during peak sales periods and promotions.** Implement Distributed Denial of Service (DDoS) protection to ensure continuous service availability.

ENHANCED BUSINESS CAPABILITY

Expand your presence by adding new stores across existing and new regions.

BUSINESS BENEFITS

Maximise sales and revenue during high-demand periods.

Reduce risk of revenue loss from website downtime or crashes.

Increase speed to respond by 25%, leading to enhanced customer satisfaction.

Positive brand perception and increased customer trust.

DIGITAL TRUST ACROSS ONLINE AND OFFLINE COMMERCE

Targeted Transformation: **Implement advanced security measures to protect customer data and build digital trust.** Multi-factor authentication (MFA), end-to-end encryption, and compliance with data protection regulations ensure secure transactions and interactions.

ENHANCED BUSINESS CAPABILITY

Create smoother, more reliable online buying experiences and build trust in your brand.

BUSINESS BENEFITS

Strengthen customer confidence in sharing personal and payment information.

Stay compliant with regulatory requirements, avoiding potential penalties or sanctions.

Enhance brand reputation and positive customer perception.

Mitigate financial and reputational risks associated with data breaches. Improve MTTD* and MTTR** by 99%.

*MTTD - Mean Time To Detect.
**MTTR - Mean Time To Remediate.

VIDEO ANALYTICS: SURVEILLANCE + VIDEO AND WIFI FOR THEFT PREVENTION

Targeted Transformation: **Utilise a network of intelligent cameras and WiFi-enabled devices to prevent theft and enhance security.** Real-time monitoring, facial recognition, and WiFi-based location tracking identify suspicious behaviour.

ENHANCED BUSINESS CAPABILITY

Prepare a retail theft prevention plan to reduce revenue leakage.

BUSINESS BENEFITS

Reduce inventory shrinkage and financial losses due to theft incidents.
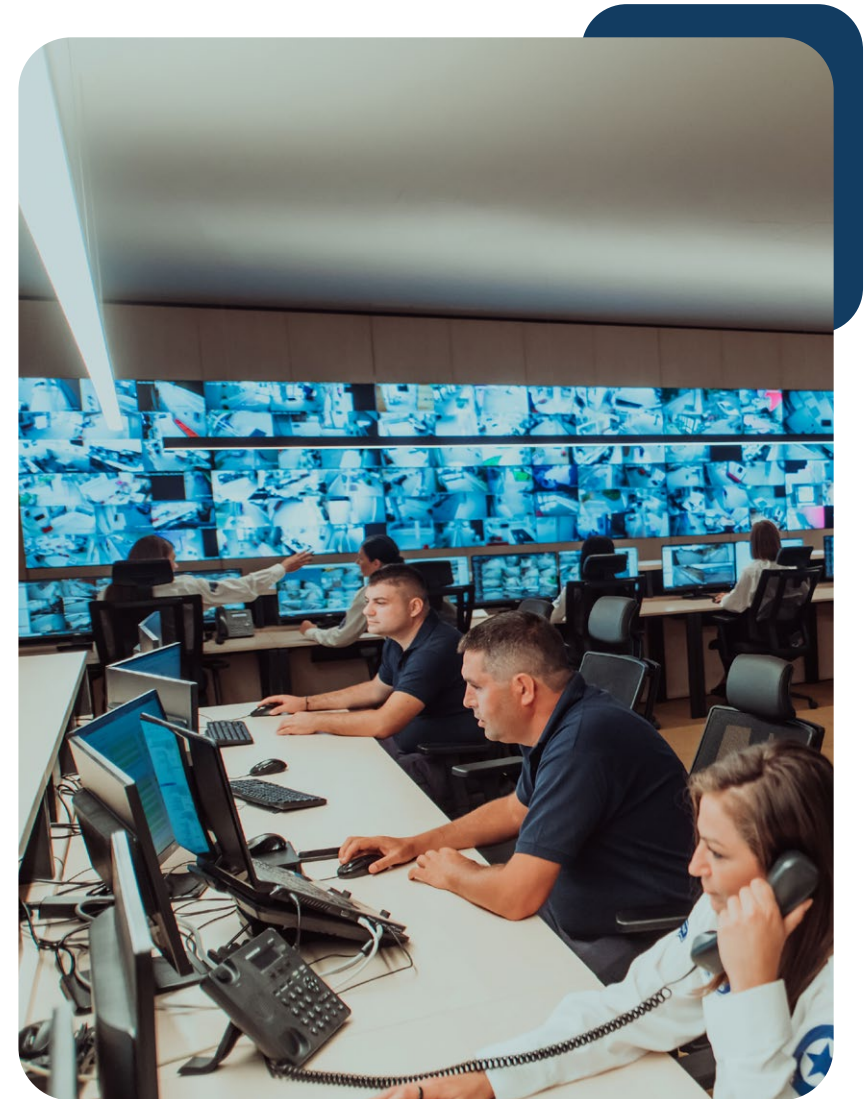
Leverage data-driven insights to optimise security strategies and store layouts.

Enhance store safety, contributing to a positive customer experience.

Improve operational efficiency and allocation of security resources.

01 INTRODUCTION   02 KEY FACTORS DRIVING RETAIL   03 BUILDING BLOCKS   04 TATA COMMUNICATIONS' CX PROPOSITIONS   05 WHAT ARE OTHER INDUSTRY LEADERS DOING?   06 THE TATA COMMUNICATIONS ADVANTAGE

09

QUEUE ANALYTICS AND CUSTOMER JOURNEY ANALYTICS

Targeted Transformation: **Employ data analytics to gain insights into customer behaviour, flow patterns, and wait times** within stores. Real-time analysis will guide decision-making to enhance the customer journey.

ENHANCED BUSINESS CAPABILITY

Utilise data for informed product decisions, pricing, marketing strategies, and personalised customer experiences.

BUSINESS BENEFITS

Minimise customer frustration through optimised queue management.

Increase conversion rates by eliminating bottlenecks and enhancing customer flow.

Elevate customer satisfaction resulting from an efficient and enjoyable shopping experience.

Improve staff allocation and resource optimisation for enhanced operational efficiency.

01 INTRODUCTION
02 KEY FACTORS DRIVING RETAIL
03 BUILDING BLOCKS
04 TATA COMMUNICATIONS' CX PROPOSITIONS
05 WHAT ARE OTHER INDUSTRY LEADERS DOING?
06 THE TATA COMMUNICATIONS ADVANTAGE
10

VIRTUAL TRY-OUT USING SMART MIRRORS

Targeted Transformation: **Smart mirrors use AR** to overlay virtual clothing, accessories, and makeup onto customer reflections. These mirrors allows customers to see how products look on them in real-time without entering a dressing room. How can customers use them?

- Customers can twirl, turn and look at the fit from different angles
- They can also change the colour and sizes till they are satisfied

ENHANCED BUSINESS CAPABILITY

- Elevate customer experience by allowing them to interact and customise products
- Allow a richer, more extensive buying experience

BUSINESS BENEFITS

Increase customer engagement and satisfaction: Customers can try on multiple products quickly and easily without waiting for a dressing room.

Reduce product returns: Customers are less likely to return products they have already tried virtually.

Drive sales: Customers who can try on products virtually are more likely to make a purchase.

Improve brand image: Businesses that offer virtual shopping and try-outs using smart mirrors are seen as more innovative and customer-centric.

SPECIAL OFFER
Long Sleeve Blue Satin Dress $79

01 INTRODUCTION **02** KEY FACTORS DRIVING RETAIL **03** BUILDING BLOCKS **04** TATA COMMUNICATIONS' CX PROPOSITIONS **05** WHAT ARE OTHER INDUSTRY LEADERS DOING? **06** THE TATA COMMUNICATIONS ADVANTAGE

11

Male
Caucasian
185 cm
78 kg
Age 28

889

SAVE
20%

3D
Virtual
Fitting room
Simulation

SMART DIGITAL SIGNAGE

Targeted Transformation: **Change advertisements in real-time to match customer demographics, interests, and behaviour.** Stores can deliver more relevant and engaging ads to individual customers, driving sales and brand awareness. Here are some examples:

- Change ads based on demographics like gender and age
- Ads can be changed for time/geo-specific promotions
- Use analytics to display ads related to previous purchases or enquiries

ENHANCED BUSINESS CAPABILITY

- Improve promotional relevance
- Drive enhanced sales and brand visibility

BUSINESS BENEFITS

Increase sales: Encourage them to buy more products through ad relevance.

Enhance customer experience: Deliver more personalised and interactive shopping experiences.

Improve brand awareness: Display positive, relevant messages and engaging content.

Reduce marketing costs: By using video analytics to target ads more effectively, retailers can reduce their overall marketing costs.

01 INTRODUCTION **02** KEY FACTORS DRIVING RETAIL **03** BUILDING BLOCKS **04** TATA COMMUNICATIONS' CX PROPOSITIONS **05** WHAT ARE OTHER INDUSTRY LEADERS DOING? **06** THE TATA COMMUNICATIONS ADVANTAGE

12

WHAT ARE OTHER INDUSTRY LEADERS DOING?

Extensive experience in the retail industry has given us insights into how leading retailers deploy digital technologies to improve their customers' experience. here are some examples:

Croma: An Indian retail giant meets its customers virtually, at home or on the go using Tata Communications Customer Interaction Suite (VX Integrated) allows Croma's customers to connect with sales representatives in real-time. Croma gained a unique competitive advantage, improved customer satisfaction, and enhanced its brand perception.

Zara is using robots for BOPIS: Zara is using robots to automate the pickup process for its 'buy online, pick up in-store' (BOPIS) service. This allows customers to order online and pick up their items at a designated pickup point in the store without waiting in line.

Uniqlo's In-Store Neuroscience Stylist: Uniqlo is using neuroscience to create a more personalised shopping experience for its customers. The company has developed a system that uses sensors to track customers' eye movements and heart rates as they browse the store. This data is used to recommend products that the customer is more likely to be interested in.

Walmart: Walmart is using WhatsApp Commerce to provide customer service, track orders, and send personalised product recommendations. This allows customers to get help with their orders, ask questions about products, and resolve issues quickly and easily.
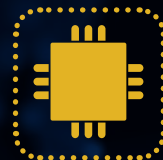
As technology continues to evolve, we can expect to see even more innovative ways retailers use technology to improve the customer experience and boost sales. With a flexible business model, it is easier for retailers to adopt these new ways of working to deliver a compelling value proposition to their customers daily.

01 INTRODUCTION   **02** KEY FACTORS DRIVING RETAIL   **03** BUILDING BLOCKS   **04** TATA COMMUNICATIONS' CX PROPOSITIONS   **05** WHAT ARE OTHER INDUSTRY LEADERS DOING?   **06** THE TATA COMMUNICATIONS ADVANTAGE

13

THE TATA COMMUNICATIONS ADVANTAGE

Today's fast-paced, complex retail businesses demand a hyperconnected ecosystem to fuel sales, innovate CX, boost efficiency, and build resilience. This approach to CX transformation would need to go beyond hyperconnectivity to hyper-connectedness of the entire value chain. It must be real-time, seamless, intelligent, and collaborative, driven by the following:

A Digital Fabric that integrates the physical with digital - Recreate the immersive brick-and-mortar experience by combining the convenience of online with the personalisation of in-store shopping for superior digital engagement.

Conversational AI and Omnichannel Engagement - Create omnichannel customer experiences by communicating, engaging, and collaborating anytime, anywhere through hyper-personalised interactions across the customer journey.

IoT in stores - IOT to enable retail businesses ranging from sales analysis, loss prevention, inventory & supply chain optimisation, and store automation to improve business sales and marketing strategies.
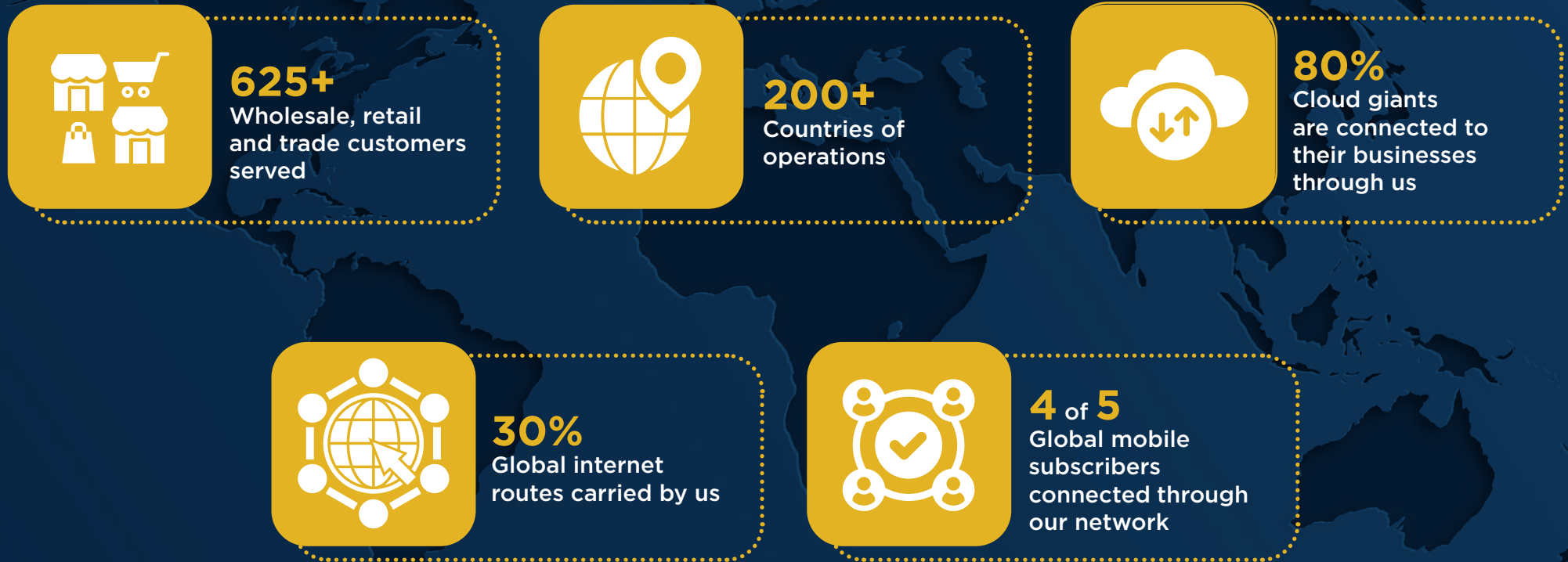
Security - Establish a Zero Trust framework to ensure robust and continuous risk assessment across users, networks, and apps by moving security controls closer to the edge – without sacrificing user experience.

Agile Digital Infrastructure – Secure customer data, leverage the power of big data and manage demand spikes during festivals and big days through an agile digital infrastructure

625+
Wholesale, retail and trade customers served

200+
Countries of operations

80%
Cloud giants are connected to their businesses through us

30%
Global internet routes carried by us

4 of **5**
Global mobile subscribers connected through our network

About Tata Communications

Tata Communications is a leading global digital ecosystem enabler that powers today's fast-growing digital economy. The company's customers represent 300 of the Fortune 500 whose digital transformation journeys are enabled by its portfolio of integrated, globally managed service that deliver local customer experiences. Though its network, cloud, mobility, Internet of Things (IoT), collaboration and security services, Tata Communications carries around 30 per cent of the world's internet routes. It connects businesses to 60 percent of the world's cloud giants and four out of four-five mobile subscribers.

Its global reach underpins the company's capabilities. It owns the world's largest wholly-owned subsea fiber backbone and operates a Tier-1 IP network connecting to more than 240 countries and territories. Tata Communications globally delivers a superior, always-on experience. We maintain a Leader position in the Gartner Magic Quadrant. Plus, reassuringly, we are a Cisco' Gold Standard UC Experience' partner globally. We have your business covered.

For more information, visit us at www.tatacommunications.com

CONTACT US