

Technology Perspectives

Keeping You In The Know



C&S Wholesale Grocers Upcoming Customer Events

August 2015

MID-ATLANTIC – August 11 and 12

The C&S Mid-Atlantic Customer Buying Show will be held this year at the Utz Arena at the York Fairgrounds in York, PA on August 11 & 12. This year the perishable and non-perishable shows will be held together over the two days. The Tuesday show will commence at 8:30am and last until 3:00pm. The Tuesday evening events will start with hors d'oeuvres at 6:00pm and a dinner starting at 7:00pm. On Wednesday the show will resume at 9:00am and last until 2:00pm.

This year the Retail Technology Services booth will feature the RORC POS system as well as many of the vendor partners that support our retailers. Those partners include FMS, Fetch Rewards, Vox-Pop, Blackhawk, DVD Now, ShoptoCook, Millennium Digital, First Data and Schmitt Fuel. As well as the C&S Marketing department.



NEW ENGLAND – August 18 and 19

This year the C&S New England Customer Buying Show will take place on August 18 & 19 in the Convention Center/Premier Ballroom of the Fox Towers at the Foxwoods Resort & Casino in Mashantucket, CT. The show will run from 9:00am to 3:00pm on Tuesday and 8:00am to 2:00pm on Wednesday. A reception will be held on Tuesday evening from 6:00pm to 10:00pm.

This year Retail Technology Services will create a 5,000 sq ft store. Complete with POS systems from Dumac, STCR and RORC installed in check stands. Also featured will be an NCR Self-Checkout. Fetch Rewards will also be presenting a LIVE demo of their system working with one of the POS systems. Other vendor partners that will appear in the store are; Vox-Pop, InsigniaPOPS Signs, ShoptoCook, Millennium Digital, Blackhawk and World Pay.

WEST – Hawaii, August 18

C&S Retail Technology Services and the Hansen Distribution Group will hold a Technology Expo and Customer Buying Show on August 18 from 10:00am to 6:00pm at the Hawaii Convention Center in Honolulu, HI. This show will feature our vendor partners as well as seminars and training sessions on software used at the retail locations.

Two valuable seminars based on today's current technology environment are "PCI Compliance, Data Breaches and Firewalls" and "Payment Processing for Restaurants or Retail Grocery". Vendor partners appearing in our booth at the show include; Aloha POS, Truno RTS, TimeForge Scheduling, World Pay, ShoptoCook, Millennium Digital, BRdata, InsigniaPOPS Signs, Retail Systems Solutions and Lone Peak Labeling.

WEST – August 24 and 25

The C&S West Customer Buying Show will be held this year at the Peppermill Resort Spa and Casino in Reno, NV on August 24 & 25. The show opens on Monday at 12:30pm to 5:30pm. Then resumes again on Tuesday from 8:00am to 3:30pm. There will be a reception Sunday evening featuring guest speaker Jim Plunkett, Heisman award winner, 2 time Super Bowl Champion, Super Bowl MVP. Monday evening will include a cocktail reception from 6:00 – 7:30pm

Vendor partners appearing in our booth at this year's show include Truno, RMS (Retail Management Systems), QBM (Quality Business Machines) and World Pay.

WEST – September 17

We will be holding a BRdata software training and education seminar on Thursday, September 17 at the RTS offices at 3771 Channel Drive, West Sacramento, CA from 8:30am to 3:00pm. For more information contact Lori Castro at lucastro@cswg.com. Mark Your Calendars !!!

EMV Timer

61

Days

Until Liability Shift
Calculated from August 1

Eight Things Retailers Need To Know About EMV In The US

If you've received a new card from your bank in the last six months, it's likely an EMV card with a chip. Banks are issuing EMV cards, and retailers are installing EMV-capable terminals to accept those EMV cards. Both are working toward the October 2015 deadline whereby the liability shift occurs. Today, when a counterfeit card is used in a store, the bank takes the loss. But after the liability shift, if the bank has issued an EMV card, but the retailer has not upgraded to an EMV terminal, then the retailer takes the loss resulting from counterfeit cards.

In that scenario the bank has done its part but the retailer hasn't – so the retailer is the weakest link and takes on the risk. If the retailer has an EMV terminal, but the card is not an EMV card, then the risk goes back to the bank since it's the weakest link.

Most retailers understand the situation and have carefully weighed the risk versus the cost of upgrading terminals. But there are many other nuances with the EMV migration. Below are eight things every retailer should know:



- 1. If you're not already testing EMV-capable terminals, you're behind.** But you're not alone as many retailers are questioning the cost of upgrading terminals. The rollout in the UK and Canada took several years, so don't expect anything special to happen on October 1 when the liability shift occurs. It will be just like any other day.
- 2. The EMV specifications allow several methods for cardholder validation: online PIN, offline PIN, signature, and none (for low value transactions like vending machines).** The issuing bank decides which method to use when the card is programmed. Then when the card is inserted into the terminal, the terminal will request a PIN or signature to verify the cardholder's identity.
- 3. The chip in the EMV cards is really aimed at preventing counterfeit cards, but it does nothing to help with other types of fraud.** Creating a counterfeit card, which is relatively easy with mag-stripe cards, is nearly impossible with chip cards. The liability shift only impacts counterfeit cards; retailers are still not responsible for stolen card usage.
- 4. The EMV specification supports both contact and contactless (NFC) cards with some cards supporting both.** As mobile payments mature, it's likely that contactless gains popularity so it's probably worth the investment in terminals that support NFC.
- 5. New EMV cards will continue to have a mag-stripe for several years as terminals are upgraded.** If a consumer tries to swipe an EMV card in an EMV-capable terminal, the terminal will ask them to insert instead. If the card's chip or the chip reader malfunction, the consumer will be told to fall-back to mag-stripe. And if the mag-stripe doesn't work, merchants will call for a manual authorization.
- 6. When a card is inserted, it must be left until the transaction completes.** The chip is a tiny microprocessor that must communicate with the terminal, verifying each other's authenticity. Often consumers remove the card prematurely and the transaction must be restarted. Or worse they forget to take the card with them when the transaction completes. Cashiers will need to be diligent as consumers are educated.
- 7. Initially fraud won't decrease.** Instead, card-present fraud in stores will migrate to card-not-present fraud online. Thieves can still steal account numbers off the front of the cards or the cards' mag-stripe, but they won't be able to create counterfeit EMV cards. That will drive them online where EMV doesn't help (yet).
- 8. Account numbers are not encrypted.** Each transaction gets a unique cryptogram that ensures the card is not counterfeit, but otherwise the account number and associated data travel the same path we're used to. Put another way, EMV cards and terminals would not have prevented recent thefts at large retailers. But it does make it harder to use the stolen account numbers, because EMV cards can't be counterfeited and used in stores.

Retailers still need to follow PCI recommendations to encrypt card numbers in transit and at rest, as well as protect point-of-sale systems from malware. The worst mistake retailers can make is not knowing the facts about EMV.

Commerce Anywhere Blog - Oracle

Using In-store Music to Influence your Shoppers

No matter the business you're in, if you have a physical location, your music should be a carefully selected part of the store environment. Jamming out to the radio is fine for a party, but when you're trying to evoke a mood, the airwaves can be jarring – this is why successful retail locations utilize in-store music providers. Music affects shoppers in many ways, both obvious and subtle.



It's hard to deny people's universal LOVE for music.

Music Sets the Tone

Different groups of people like different music, that's a given. Younger people may shy away from the music of their parents' generation, trying instead to find a sound that defines them; older shoppers might want to hear something that evokes fond memories. Stores and restaurants that want to cater to particular groups can't survive by simply selling the newest, most innovative items, they have to play the music that their demographic prefers. Whether that sound is fast and hard, funky and fresh or smooth and familiar, in-store music services mix up stations for every type of shopper.

Beyond just setting a tone, music that matches the ambiance you've created results in higher customer satisfaction. Customers love to be enveloped by a store's atmosphere – wrapped in the experience of your location, they can imagine themselves using your products or trying your newest, most exotic dish. Consistent store atmospheres encourage more positive customer experiences, resulting in repeat patronage and better sales.

Manipulating the Passage of Time

Music changes the way we see time, as well as the way we react to our environment. Sitting in a quiet dentist office can feel like an eternity, and gives us too much time to think about the evil drill that awaits us just behind a too-thin door. Adding familiar music to a waiting room can calm those nerves and help time fly, since the brain is too busy with the ambient music to pick up on other clues that indicate time passage.

Retail locations with a large number of items can benefit from this same effect, encouraging shoppers to linger longer in aisles and take more time comparison shopping. As they spend time in your store, they remember an upcoming birthday or something they forgot elsewhere and pop into other aisles to fill their baskets. On the other hand, busy restaurants may want to turn their in-store music to a slightly faster station, to encourage customers to eat faster and vacate tables more quickly.

An Easy Way to Change Perceptions

Changing the perception of your store starts with changing the music. Studies have demonstrated that humans are highly influenced by music – those things that move us can also move us in or out of a business. Along with using music to build a complete specialty atmosphere, music is good for building consumer confidence. The right music can make your employees appear friendlier and more knowledgeable, increasing customer satisfaction, but the wrong music irritates customers and sends them packing.

The effect of music is noticeably stronger in specialty retail settings and restaurants, where mood is paramount to success, but even grocery stores get a boost from pleasant music. A calm, clean atmosphere leads to happy customers no matter the type of business. Avoid heavy bass lines and loud music if you want to foster this kind of environment – music like this can elicit both anger and discomfort in the general public, increasing their stress levels. Stressed customers won't always return to give your store a second chance and they'll probably tell their friends about their experience.

Like the baker who installs a fan designed to blow a little pastry scent into the sidewalk, using in-store music providers helps your customers get a better feel for your store, restaurant or other retail location. People make decisions quickly, based on the information they have available, be it sound, sight or smell. Why not give them one more clue about the business they're about to enter? With the right music, played at the right pace for the setting, those sweet sounds may turn a visitor into a regular and increase your cash flow.

by Steve – RetailRadio.biz

C&S RTS has partnered with VoxPop. VoxPop does much more than simply providing music entertainment to the retail environment. The VoxPop team works with the retailer to customize the messaging to meet the retail partner's needs.

The VoxPop medium delivers true narrowcasting. Effective messaging cannot be achieved without focused delivery. Music and messages are carefully selected for each store according to geographic, demographic and psychographic information for targeted results.

For additional information, contact your C&S RTS regional representative.





Why SMS is still a crucial part of the marketing mix

With the recent boom in smartphone apps, it's easy to forget that the original one-to-one mobile platform, text messaging, continues to be an effective means of customer outreach.

According to an April 2015 Pew Research Center report, nearly two-thirds of Americans own a smartphone, and 97% of these users used text messaging at least once during the one-week survey period. And according to a SinglePoint whitepaper titled "Conversational Advertising," 90% of text messages are read within three minutes of them being delivered.

"Text is the world's social network," James Citron, founder and CEO of the mobile marketing vendor Mogreet, Inc., told Retail Solutions Online. "E-mail is turning into a business-to-business communication method."

Text drives conversion

While in-app push notifications and beacons have enjoyed better buzz recently as the latest technologies to target customers, text messaging remains the unsung channel of choice for engaging existing consumers and attracting new ones.

Kiehl's found that 73% of customers who elected to receive its marketing messages bought something at one of its stores, according to its marketing partner, Tatango, and 81% of those surveyed following a pilot program reported that they recalled receiving the mobile offers.

Another client, cosmetics retailer Julep, generated a 34.2% click-through rate and 17.4% conversion on an SMS campaign. And an Ace Hardware franchise offering mobile coupons reported that 49% of consumers redeemed the initial coupon at purchase and spent an average of \$72 each.

Not every message needs to be a sales pitch or offer, though. Text messages are effective at conveying big news, event reminders, and seasonal messaging. Like e-mail, text is also useful for customer service, order confirmations, and shipping reminders.

"We have found that the key to our customers SMS success is to deliver timely, valuable and possibly exclusive content to consumers," Dan Slavin, CEO of CodeBroker, told hyperlocal marketing site Street Fight. "Our customer's SMS marketing lists continue to experience steady growth."

Opt-in is essential

As with mobile apps, retailers need to get consumers' opt-in to receive text messages. The recipient must take action, and sometimes must perform a "double opt-in" if the retailer plans to send multiple messages.

"The fastest way to see your database dwindle and to put yourself at risk for legal action is to pull a bait-and-switch with your audience and have them opt in to receive one type of message and then start sending messages unrelated to what they opted in for," according to Mogreet's guide to SMS.

But SMS is hard to beat for cost and coverage. "It's really attractive in the marketing mix because it's very efficient from the cost side," Dan Swartz, Upshot's senior vice president of digital marketing, media and analytics said in a CONNECT Mobile Summit panel. "But also, it's efficient because it's very effective. We see really high read rates."

by Ian P. Murphy, Retail Dive



Providing Independent Grocery Retailers *Best in Class* applications & solutions through education, installation, training and support.

For information on the programs that C&S RTS provides, please contact the following people in your region.

New England: Chuck Wynters, cwynters@cswg.com, 781-209-2221

Mid-Atlantic: Mark Alexander, maalexan@cswg.com, 610-693-1443

Southeast: Tammy Malphrus, tmalphru@cswg.com, 843-203-1319

Southwest: Joe Fogarty, jfogarty@cswg.com, 713-746-5660

West: Retail Help Desk, www.csrts.com, 800-901-1192