



POWERING UP THE IN-STORE SHOPPING EXPERIENCE WITH THE CLOUD

Retail today is all about enhancing the customer experience. That means ensuring in-demand products are in stock, and that customers can find those products and complete transactions quickly. That takes efficiency.

The key to attaining nimble, efficient and customer-centric store operations is cloud architecture. By embracing the cloud, retailers can collect critical data in powerful back-end repositories, and then deliver it across the organization in real time. Cloud architecture often does more, while costing less.

Aberdeen reports that up to 22% of retailers use cloud services today, with another 23% planning to implement it within two years.

Cloud architecture benefits retailers in both customer-facing activities, as well as in back-end operations. Some of the most significant benefits are in the following three areas:

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– Aberdeen Group

1

REAL-TIME DATA ACCESS

Satisfying today's demanding consumers — who are accustomed to instant fingertip access to nearly everything via smartphone — means providing access to up-to-the-minute information and seamless transactions. Putting retail data in the cloud enables both in-store and home office associates to access everything they need to fulfill those expectations, including current demand, accurate inventory and product data and store-level performance reports. Order fulfillment is faster and more accurate since cloud enables end-to-end visibility into inventory location and demand data.

Cloud architecture also enables rapid deployment and timely updates to software, so retailers can quickly implement new capabilities. With this more efficient management infrastructure, all critical services are centralized. As a result, retailers can experience high reliability and near real-time responses, while still providing rich functionality to multiple client applications and platforms.



2

LOWER COSTS

Cloud infrastructure is becoming the popular choice across industries because it is more cost-efficient than traditional on-premise systems. Cloud enables retailers to reduce or eliminate the cost of procuring hardware, managing systems and purchasing software licenses. Instead, retailers typically pay a monthly fee based on actual usage, or the computing capacity they need today, rather than investing now for future capacity. The monthly fee model also shifts costs from capital to operating budgets.

Another benefit of going beyond the in-house data center is avoiding the cost of downtime and the impact of data loss, including lost sales. Cloud providers typically can invest in highly redundant, secure technology with extremely low downtime rates.

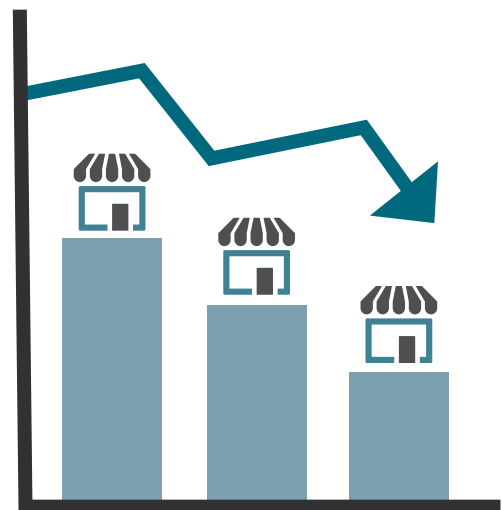
When software is hosted in the cloud and maintained by those who develop it, retailers often can gain access to more sophisticated functionality than they could afford through a traditional software license. That levels the playing field for retailers competing against chains with larger technology budgets.



3

SCALABILITY

Cloud infrastructure also makes for a more flexible IT environment. As needs of the business grows or shifts, it is easy to add or contract additional stores to the solution based on business trends and demands. For example, if demand increases, new stores can get up and running quickly, without the delays and costs of setting up in-store servers. Conversely, if demand decreases, stores can be removed.





CONCLUSION

Finally, the cloud can offer retailers the IT savings they need, while also satisfying their concerns around data security. Cloud-based data centers can operate with large economies of scale, offering a level of security far beyond what many retailers can achieve on their own.

Retailers are embracing cloud as an ideal model to support their businesses, offering the ideal combination of real-time data access, lower costs and scalability. Powered by the cloud, retailers across verticals will have the resources they need to meet consumers' needs as they continue to evolve.

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