

NCR and IHL Group Research Report Reveals High-Growth Retailers Spend 69% More on IT

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Report found three key strategic areas of attention: seamless shopping experience, personalization and store transformation

DULUTH, Ga.--(BUSINESS WIRE)--Jan. 14, 2017-- Retailers who spend more on technology are more likely to enjoy high sales growth, according to a recent survey that IHL Group and NCR Corporation (NYSE: NCR), a global leader in omni-channel solutions, today revealed.

The Unified Commerce Landscape Report from NCR, in partnership with research and analyst firm IHL Group, found that retailers who invest in technologies designed to create seamless shopping experiences, personalization and store transformation enjoy sales boosts of up to 100 percent and more.

The report split retailers into two categories according to their sales growth, and correlated these groups with adoption of 30 different unified commerce functionalities. The research found that retailers using these technologies enjoyed a huge sales boost over rival retailers that did not use the commerce functionalities. These include:

- Store transformation: retailers that provide mobile sales tools for staff saw 77 percent higher sales growth, those that
 deployed mobile POS saw 92 percent higher sales, while stores that offer in-store Wi-Fi saw a mammoth 663 percent
 increase in sales compared to those that do not
- Personalization: 110 percent higher sales growth for retailers that actively market their cross-channel services; 107
 percent higher average increase for those using customer preference across channels, and 84 percent more sales growth
 for retailers who employ loyalty programs in real time
- Seamless experience: 102 percent higher sales growth for those using cross-channel demand planning, and 18
 percent more for retailers that use order management systems the foundation of Unified Commerce

90 large retail chains in the USA and UK were surveyed across two main categories: *general merchandisers*, such as department stores, specialty hard and soft goods, and food, drug, convenience, and *mass merchants*. The most successful general merchandisers also focused on an additional area, providing actionable analytics for store associates. More than half (56 percent) in this category are using analytics to empower in-store staff to make the best decision at the point of customer interaction.

"The last few years has seen brick & mortar retailers fighting back against the online giants, as retailers realize that bricks-and-mortar shops can provide a unique experience that you can't get on the web," said Mark Benjamin, president and COO, NCR Corporation. "Our research shows the enormous value that can be gained from striking the right balance of investment in technologies that create a seamless shopping experience – whether online or in store – and thus, increased customer loyalty."

Retail leaders spend on average 69 percent more on IT than other respondents in the survey, but the secret is not just in the total spent: "Successful retailers understand that they need to focus on every area simultaneously, and align these systems in a balanced and strategic way, if they are to unlock all the transformational benefits that technology can bring," said Benjamin.

"Retailers can no longer view IT as only a cost center but a strategic resource to grow the business. The IT spending commitment from retail leaders is having a dramatic impact on their ability to balance the top strategic priorities: creating a seamless shopping experience, creating a 'WOW' in-store experience, and improving customer loyalty," said Greg Buzek, President of IHL Group. "Without the relevant budget available, others simply cannot keep up and are most at risk."

More information on the report can be found at: www.ncr.com/howgreenisyourgrass.

NCR is leading transformational change across the entire retail ecosystem through its omni-channel software platform, channel integration & transformation and digital enablement. See its portfolios at the National Retail Federation Show (NRF) January 15-17, 2017, Jacob K. Javits Convention Center, New York City Booth #3405.

About NCR Corporation

NCR Corporation (NYSE: NCR) is a leader in omni-channel solutions, turning everyday interactions with businesses into exceptional experiences. With its software, hardware and portfolio of services, NCR enables more than 550 million transactions daily across retail, financial, travel, hospitality, telecom and technology, and small business. NCR solutions run the everyday transactions that make your life easier. NCR is headquartered in Duluth, Ga., USA, with over 30,000 employees and does business in 180 countries.

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