Grocery stores go high-tech, reducing costs through innovation, while differentiating the customer experience

Ed Morche



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Just like their customers, grocery stores are battling rising costs.

Faced with razor-thin profit margins, there's also an industry-wide push among supermarkets to serve customers in new, innovative ways.

So how can they thrive when any swing in cost or supplies directly impacts the bottom line?

Smart grocery retailers are turning to technology to gain a competitive edge. It's a move that can improve inventory tracking, ensure compliance, mitigate risk, decrease costs, increase revenue and improve customer satisfaction.

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Moving data, from shelf to table

The grocery business is a unique one—starting with selling products that really do expire. Dataheavy activities like real-time temperature monitoring and transportation updates can help retailers act quickly. Grocers benefit from big data tools that help them understand customers' purchasing patterns and habits to drive sales.

More than <u>60 percent of retailers</u> are planning to invest in customer-facing tech. The goal? To deliver seamless store apps, a simplified customer experience, well-stocked shelves and quality products at the right time, like perfectly ripe avocados.

It's why grocers are turning to Lumen for innovative ways to thrive both inside the store and behind the scenes. Cloud-based services and scalable technologies like edge computing and the Internet of Things help retailers keep their inventories fresh, ping customers with updates and improve the chances that perfectly ripe avocado lands in your shopping cart.

A focus on fresh, flawless and fast customer experiences

With an eye on improving operational efficiency and the customer experience, one of the world's largest grocery retailers turned to Lumen for help creating an always-on shopping environment with speedy, seamless checkout transactions at thousands of retail locations.

Unplanned downtime is costly and leads to frustrated customers as well as lost productivity and sales. Lumen's fiber network and advanced technology portfolio provide this grocery retailer with the resiliency, speed and security needed to keep stores online and checkout lines moving.

The <u>solution bundled</u> connectivity, networking, hybrid cloud, data, edge compute and managed services with a single tech company, which resulted in significant cost savings and improved uptime and efficiency for grocers.

The benefits kept cascading: lower overhead expenses mean cost savings can be passed on to shoppers, which means the retailer can spend more of its budget and time on improving the customer experience.

Seeking scale beyond the produce aisle

Another leading retail grocery chain's plan for 'what's next' included the need to meet the evolving retail landscape. Accepting an array of digital payments online and across hundreds of brick-and-mortar stores nationwide meant installing thousands of devices and sensors.

This retailer turned to Lumen to increase their bandwidth to accommodate a more high-tech, inperson shopping experience with faster check-out and an eye on future growth.

By moving to Lumen's high-speed fiber backbone, the grocery chain was able to connect each store to a dedicated 1 gig circuit with enough capacity to support self-service features.

Benefits of the move included built-in network diversity that improves the grocery chain's resiliency and the flexibly to add or change IT services as needed. By consolidating their technology services with Lumen, the grocer also capitalized on efficiencies to find cost-savings that can be passed down to shoppers.

Innovation fuels a retail renaissance

An array of innovative technology solutions can help grocers successfully navigate today's changing retail environment and customers' heightened expectations. Grocers need a technology partner to deliver on these expectations, whether it's providing reliable Wi-Fi, managing data driven IoT devices or creating a secure shopping environment. And many are already <u>reaping the benefits</u> of these tech investments, highlighting how integrating data, network, cloud security and managed services solutions can positively impact not only a grocer's

bottom line but also customer satisfaction.

Additional Resources:

- Check out how retailers are fashioning new **in-store and online** experiences.
- Learn how to become an adaptable enterprise by adopting a digital-first strategy.
- View the latest <u>use cases for retail technology</u> and the Lumen solutions that enable these advances.
- Read the stats on **retailers' tech priorities** in the new hybrid shopping revolution.
- See which of our Flexible Retail Solutions can enhance your business.
- Read more about retail solutions and strategy at <u>Lumen.com/retail</u>.

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