Mobile Technology

The future of shopping is in the palms of customers’ hands

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Executive Summary

Over the last few years, major retailers around the world have kick-started a revival of mobile self-scanning. In the landscape of these self-service checkouts, shoppers armed with handheld devices scan items as they pick them from the shelves. Although the first tests in the 1980s were discontinued and the technology considered a failure by some, it has been experiencing a renaissance since the mid-2000s. Not only the convenience factor but also a number of proven benefits have prompted leading players across the globe to try mobile self-scanning again.

The technology can give retailers a number of advantages. Most importantly, it is one of the few means by which they can communicate with shoppers directly at the point of purchase, providing them with cross-selling offers, coupons and discounts, thus driving up sales. Except for mobile scanning, only a new wave of electronic shelf labels (ESL) can perform a similar function. However, through self-scanning, retailers know that a shopper has not only scanned a barcode to receive information about a product and is actually interested in buying it.

A new generation of technology has changed the game and ended the drought for mobile self-scanning. Both hardware and software have improved significantly from a technological as well as a usability perspective. Besides this, it was Carrefour’s large-scale venture in particular that served as a catalyst for mobile scanning. The company has been rolling out the technology in France, Spain and Belgium - under the strap line ‘ScanLib' - in addition to stationary self-checkouts in the same stores. While French peer Auchan has followed a similar approach, retailers such as Ahold, Delhaize Group and Casino have based their self-service checkout strategy predominantly on self-scanning with mobile devices.

Ahold especially has always been at the forefront of mobile self-scanning. The grocer was not only the pioneer in the 1980s with its Dutch operation Albert Heijn, but has been working continuously with the technology across different banners. Stop & Shop, for instance, is now one of the most advanced retailers when it comes to mobile self-scanning. Indeed, the US arm of Ahold is already rolling out the facility with shoppers’ smartphones.

Are smartphones the game-changer for mobile scanning?

The increasing popularity of smartphones like the iPhone and marked improvements in both hardware and software have also goaded other international players, such as Metro Group and Tesco, to test self-scanning with shoppers’ mobiles. However, while there are several benefits associated with this technology - some similar to those of scanning with traditional handhelds and some particular to smartphones - there are also certain drawbacks retailers have to consider when opting for the shoppers’ own devices route.

Looking ahead, arguably the most interesting question will be whether self-scanning with smartphones can be a standalone technology or whether it will only complement scanning with handheld devices. Nevertheless, shoppers’ smartphones are also a good choice particularly if retailers want to move into mobile payment.