

Biometrics Technologies Have Retailers 'Facing' a New Dynamic

by MATT WORLEY

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Until recently, facial recognition, finger and palm print matching, voice identification and iris recognition were most likely found in government labs, law enforcement agencies or on a television show rather than in a shopping mall or other public places.

But that is all changing: For retailers, biometrics are being used to provide increased levels of customer satisfaction and security.

Biometrics offer a range of potential benefits and strong return on investment for retailers, ranging from point of sale payment authentication and VIP loyalty identification to identifying known shoplifters or perpetrators of financial crimes such as check fraud. From a marketing and operations perspective, retailers can use anonymous facial analytics to enhance interior and merchandising layout, plan staffing resources and display consumer-specific content on digital signage.

With fierce competition from online outlets, bricks-and-mortar retailers are challenged to know more about the shopping and buying habits of consumers entering the store. In the past, the goal for retailers was to get the consumer in the store and then hope that the layout and presentation was enough to ignite a sale. Today, they are looking for analytics to help provide a tailored shopping experience and track buying and spending habits along with merchandise purchases.

Biometric technology — and facial analytics in particular — can help level the playing field by providing marketers with valuable insights about the demographic of store customers and what areas of the store interest them, linked to a POS to see what products were purchased. Much the way e-commerce retailers customize offers to their clients, biometrics can help raise a retailer's awareness of all activity



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Facial analytics, delivered with digital signage systems, can provide real-time demographic information to retailers including age, gender, dwell time and product engagement. This information clearly demonstrates who is looking at promotional materials and can even offer messaging targeted to the appropriate demographic.

Utilized for security, facial recognition can offer real-time alerts of known shoplifters entering the store, or in the case of financial or return fraud, prompt notification at the POS. Customer or staff authentication can offer positive confirmation of identity while minimizing any inconvenience. For instance, authentication of staff at the POS can insure positive identity and authorized access to the POS and customer data.

Retailers can also use biometrics to automatically recognize VIP guests and deliver personalized customer service. Capturing opt-in information in loyalty programs from customers allows retailers to learn more about their wants and needs to provide the best customer service.

It is essential that any implementation of biometrics first addresses the potential privacy impacts and promotes the responsible use of biometrics, adhering to industry best practices. There have been numerous initiatives over the years by the industry to create standards for the use of biometrics in the private sector, most notably for the retail sector.

NEC will be showcasing its retail systems along with its integrated retail biometrics systems at NRF's Annual Convention and EXPO, January 17-20, in New York City. Stop by booth #4143 to learn more about NEC's retail and biometrics technologies.