



Streamlined Service

WORKING WITH RETAILERS, KIOSK SUPPLIERS ARE GROWING THEIR SUPERMARKET PRESENCE.

By Bob Ingram

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ith speed and convenience increasingly demanded by time-pressed grocery shoppers, kiosks are becoming ubiquitous in the supermarket space.

"The increased popularity within the grocery channels is just the latest use case for kiosk acceptance for in-store product experience and transactions," says David Anzia, SVP of sales at Grafton, Wis.-based Frank Mayer and Associates.

Anzia's firm teamed with The Kroger Co. to introduce Scan-Bag-Go kiosks in 400 of the Cincinnati-based grocer's stores this year. This technology lets consumers scan barcodes using handheld scanners or smartphone apps before heading to the self-checkout kiosks.

"We are a strategic partner who understands retail channels," Anzia says. "We design customer-centric kiosks that elicit interaction. With technology moving at warp speed, we see projects from retailers and brands accelerating in 2018."

Frank Mayer sees a more technology-driven experience for consumers in the

Key Takeaways

- ▶ Supermarkets are beginning to offer a more technology-driven experience for consumers, including additional touchscreens and consumer engagement points within the environment.
- ▶ More kiosks will be tied to mobile apps to offer even greater flexibility and convenience for consumers.
- ▶ Retailers must be able to provide streamlined, user-friendly systems and processes, with customization and personalization as important features.
- ▶ Footprints must be reduced whenever possible to free up space on the selling floor.

“Grocery store kiosks have to be about making customers’ shopping experiences better and more pleasant — a differentiating factor — and not just about the store’s bottom line.”

—William Pymm, Redyref International



supermarket arena that will include additional touch-screens and consumer engagement points within the environment, Anzia says.

“The engagement will not just occur when the consumer enters the store or checks out,” he emphasizes. “It will be immersive throughout the space.”

On the Money

Eden Prairie, Minn.-based grocery retailer/wholesaler Supervalu Inc. has selected Cummins Allison’s Money Machine 2 self-service coin counter and its associated coin redemption programs because of the flexibility, highly responsive sales and support, and opportunities to increase coin redemption revenue without increasing user fees.

Additionally, U.K. food retailer Tesco has installed 160 Money Machine 2 self-service coin machines in its smaller-format Tesco Metro outlets, notes Jim Weaks, VP of Mount Prospect, Ill.-based Cummins Allison’s self-service coin business unit, “increasing the profitability of their self-service coin program.”

Further, according to Weaks, Reasor’s, a grocer based in Tulsa, Okla., has experienced double-digit growth in its coin volume since installing Cummins Allison machines in its 19 stores. “This increase is a direct result of a decrease in downtime with the Money Machine 2 machines, as compared to Reasor’s previous coin-counting equipment,” he says.

Coin redemption kiosks keep cash in stores, Weaks notes, and grocers can further tap into this by promoting store specials or high-margin items through on-screen advertising on the coin machines.

Also, Cummins Allison has four flexible procurement options through which grocers can buy, lease, rent or place a machine free of charge, offering more choices for up to 8 percent profitability potential.

Another benefit to retailers Weaks points out is that while the costs of purchasing coins from a bank can run up to \$500 a month, by using recycled coins from their self-service machines, grocers can eliminate these costs.

By offering differentiated and convenient self-service options, he adds, grocers can make up for revenue

lost from DVD sales and rentals, which are services that many retailers believe are becoming obsolete.

Coin of the Realm

Meanwhile, Bellevue, Wash.-based Coinstar has kiosks installed at most national grocery retailers, owning and operating 20,000 kiosks worldwide, with about 17,000 in the United States.

“Today, there’s a Coinstar kiosk within five miles of 90 percent of the U.S. population,” according to Thien Truong, chief revenue officer at Coinstar. “Multiple products are available on most Coinstar kiosks that include coin-to-cash, no-fee gift cards and a charity donation option.”

Truong says that Coinstar recently modernized its technology platform to an agile cloud-based system, and that the company has also launched a program, through a partnership with ProVizion, to deliver 3D hologram advertising and consumer product coupons via its existing kiosk.

“Coinstar has done pilot-testing with third-party partners to provide cash-out capabilities at the Coinstar kiosk,” he says. “Coinstar will also be launching cash-in capabilities. This gives online retailers, digital financial services vendors, bill pay companies and others a means to deliver or accept cash. Consumers want convenient locations to perform financial services without long wait times. We believe that we can provide a great customer experience by moving these transactions to a self-service-based system.”

Truong sees self-service kiosks as an important and growing component of the supermarket landscape, observing that in other countries such as Japan, there’s a proliferation of kiosks offering a vast number of products and services, and that one might see an entire row of kiosks at the front of a Japanese retail store. In addition, with the explosion of mobile computing, Coinstar expects more and more kiosks will be tied to mobile apps to offer even greater flexibility and convenience for consumers.

Custom Kiosks

Peerless-AV offers a self-ordering/checkout kiosk for mounting to a countertop or floor, and floor-standing landscape kiosks for education and wayfinding.

“All of Peerless-AV’s kiosks have the ability to be modified with components



Redyref Interactive’s T series, top, is for grocery pharmacies, while the Money Machine 2, from Allison Cummins, counts coins.





like printers, barcode scanners, credit card readers and stereo systems, as well as branded in a color or decorated with vinyl graphics,” explains Rob Meiner, kiosk business unit manager of the Aurora, Ill.-based company.

The increased popularity of supermarket kiosks can be largely attributed to the role of Millennials in today’s society, Meiner asserts.

“Millennials are perceptive and more educated,” he says. “They use their hand-held devices to meet all their needs. Whether it’s using the Uber app for a ride or ordering a meal through a foodservice app like Seamless, technology is how they get things done. They are plugged into their devices and are disrupting traditional purchasing patterns.”

To appeal to this generation, according to Meiner, retailers are continuously looking to create a seamless customer-facing retail experience, and one way they’ve accomplished this is by improving the payment experience through self-checkout kiosks and advanced digital payment technologies. “To retain this audience,” he says, “retailers must be able to provide streamlined, user-friendly systems and processes.”

Peerless-AV designs its kiosks to be complementary to the brand in any space where they’re implemented, Meiner notes, to save space and not be intrusive in the retail location, to be easily installed in a few hours so as not to affect shoppers, to meet public-safety requirements by passing dynamic tip tests, and to require minimal to no maintenance from supermarket staff.

In the future, Meiner says, interactive kiosk solutions will allow retailers to offer a three-dimensional experience to customers, rather than a simple self-serve.

“While more expensive than mobile apps,” he explains, “kiosks will serve the dual purpose of advertising, alerting the busy consumer to overlooked or immediate needs at home. A kiosk can promote a special on bakery goods, fruit or fully cooked meals. They also could mimic the shopping experience, projecting specific items on a wall or through virtual reality, so commuters see them as if in the store.”

Less is More

Redyref Interactive, in Riverdale, N.J., offers kiosk hardware/enclosures for telemedicine that are used in grocery pharmacies, allowing customers to speak to health care providers; kiosks that can be used with software for recipe suggestions and can print grocery lists to match; and kiosks that can be programmed to allow customized orders in different departments.

Redyref has added kiosks with smaller footprints with the same functionality as larger units, because, as William Pymm, SVP and managing partner, notes, “it’s imperative that footprints be reduced whenever possible to free up space on the selling floor.”

Redyref envisions the future of supermarket kiosks as having more to do with customization and personalization, Pymm says, than their current primary use for checkout.

“Grocery store kiosks have to be about making customers’ shopping experiences better and more pleasant – a differentiating factor – and not just about the store’s bottom line,” he concludes.

Card Sharp

Supermarket kiosks are popular particularly for convenience of adjunct nongrocery services that can be handled under one roof, like coin-counting and lottery ticket sales.

Cheryl Madeson, marketing and communications VP at Louisville, Colo.-based Kiosk Information Systems, says that her company

works with retailers that invest in kiosks to streamline store operations related to productivity, flow and overhead reduction. Job application kiosks and deli-ordering kiosks are two examples she gives.

“Our remote-monitoring capabilities enable us to receive real-time alerts on the system connectivity [and] software application status, as well as component-level status,” she says, permitting the retail platforms to run at 98.5 percent uptime or better.

Kiosk Information Systems recently unveiled a kiosk for gift cards on demand that might be found at the supermarket front end.

The company “manufactures the Ideas & Innovations gift card Buy-Sell-Trade platform, which helps consumers buy, activate, personalize, reload, exchange/consolidate print cards on demand, while watching a targeted advertising screen with customized promotions,” Madeson says.

The screen format will scan a customer’s characteristics and age and then play targeted advertising specifically for them, which will allow the stores to gain valuable insights into their customers’ shopping habits, according to Madeson.

“The screens will also help the customers learn more about the store’s promotions and receive valuable coupons and discounts from a variety of their brands,” she adds.

In the future, Madeson says, retailers will more aggressively integrate self-service options into their deli and bakery services, and “we would also not be surprised to see more Department of Motor Vehicle kiosks in supermarkets, enabling shoppers to perform common transactions such as fine payment and registration and tag renewal. Kiosk Information Systems has clients where these state DMV services are offered in nontraditional locations like supermarkets. It provides a valued service for the shopper while increasing in-store foot traffic for the retailer.”

Cut to the Capers

Mike James, president of Kiosk Group Inc., in Frederick, Md., observes, “Since the Apple iPhone burst onto the scene in 2010, consumers have gotten very comfortable interacting with touchscreens; plus users are increasingly using kiosks for quick-service restaurants and customer service in retail.”

His company has provided kiosk software and hardware for Whole Foods Market, Kroger and Publix Super Markets, among others, and “we concentrate on providing low-cost tablet kiosks housed in heavy-duty enclosures.”

Kiosk Group is currently developing a new line of ADA-friendly kiosks, according to James, who, when asked about the future, quips: “Wow – I certainly hope somebody comes out with grocery item locators. These are sorely needed! Where are the capers?” **PG**

