

POS TRANSFORMATION HELPS AMERICAN BEAUTY RETAILER GROW REVENUE AND CUSTOMER LOYALTY

About the Client

The client is one of the largest beauty retailers in the US with a portfolio of cosmetics, fragrances, skin and hair care products, and salon services. The retailer won acclaim for redefining the beauty retail industry nearly 30 years ago by unifying various beauty-related products, allowing customers to explore a comprehensive product range in-store. At present, the retailer operates over a thousand stores across all 50 US states.

Background

Customer service has always been a key focus area for the beauty retailer. Even as the product portfolio grew, its stores were struggling with an outdated point-of-sale (POS) system that could not perform certain business tasks. This affected operational speed and customer service. Due to the rigidity of the existing POS, customers had to wait in long queues, particularly during festive seasons. Instances of slow checkouts and the inability to claim deals and rewards was leading to growing customer dissatisfaction. Further, while the retailer wanted to increase the pool of 'loyalty customers', store associates were unable to effectively connect with customers and demonstrate the benefits of a loyalty program. Another major challenge was inventory management where stores lost sales opportunities since the products customers wanted were often out of stock.



Solution Objectives

The retailer decided to transform their POS system to a more modern and flexible application. The goal was to implement a system that would:

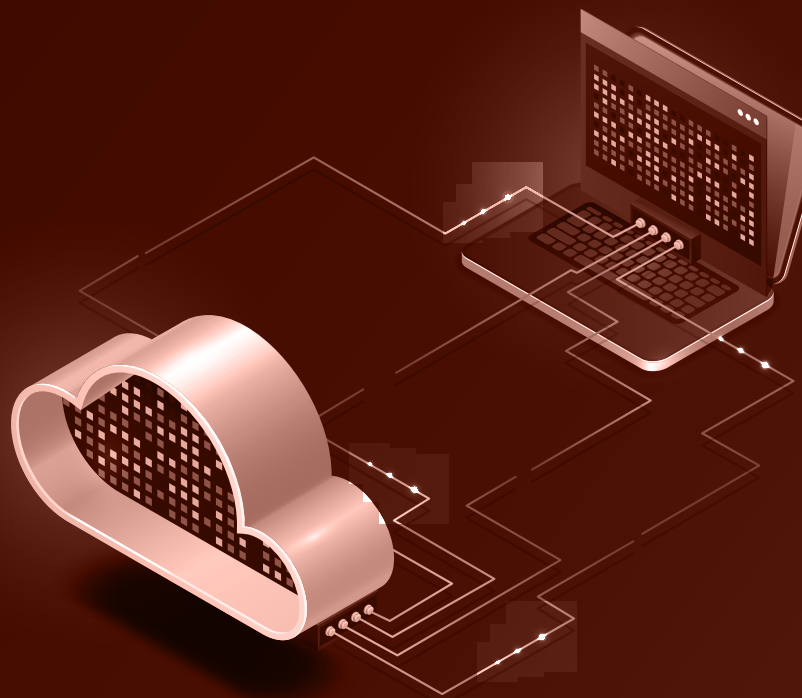
- Offer a range of functionalities beyond simple transaction processing
- Enable flexible payment options for customers during peak time
- Establish a loyalty program with wide customer reach and signup during checkout
- Improve the operational efficiency of stores
- Drive sales by elevating customer experience

Infosys Solution

The client chose Infosys to implement the POS transformation program. Infosys migrated the old system to a modern version of Oracle Retail Xstore Point of Service application and provided critical business customizations. When designing the customization, we focused on optimizing performance, enhancing customer experience, and ensuring cost-effectiveness as well as user-friendliness.

The key solutions developed by Infosys and rolled out across more than a thousand stores of the retailer in North America are given below:

- **Designed 'endless aisle' for omnichannel shopping** – Infosys implemented 'enhanced endless aisle', an omnichannel retail solution. With this, customers can browse and shop from a vast catalog of over 25,000 products from established and new brands without stores having to stock the inventory. Customers can now order items online from store POS with the orders conveniently delivered to their doorstep. Store associates can leverage this feature to help customers buy items which is out-of-stock in the store. This was achieved through real-time integration of Oracle Retail XStore Fixed and Mobile POS with ECommerce system.
- **Enhanced the loyalty program sign-up process** – Infosys used Oracle Xstore to integrate the fixed POS with Verifone PIN pads and complex algorithms to bring visibility into the loyalty program. The retailer can now offer customers the option of signing up for customized co-branded credit cards (CBCC) and private label credit cards (PLCC) in a few quick steps and view the benefits of the program/card. We also embedded the sign-up process natively in the mobile POS, enabling store associates to convert in-shop customer interactions into loyalty sign-ups anywhere in the store floor.
- **Simplified loyalty points redemption** – Infosys developed a feature in Oracle Xstore POS that reduces transaction TAT and protects confidential customer data like mobile number, email addresses, etc. Customers can directly enter their loyalty details on the Verifone PIN pad and view loyalty points earned along with how many points are available for redemption against their ongoing purchases. Customers can choose to burn loyalty points directly from the PIN pad, maximizing the value from their loyalty program. They can also enroll for different loyalty tiers (based on their purchase history) and view the benefits and deals available for each tier.
- **Enabled flexible payment methods** – Infosys integrated Oracle XStore POS with AfterPay payments and configured it to create an additional layer of flexibility. Customers can register their credit cards on the AfterPay app and complete payments on the Xstore POS using AfterPay tenders. This capability supports interest-free installments, a customer-friendly feature for high-value purchases.



Business Benefits

Infosys executed a successful POS transformation with critical value-addition that is helping the beauty retailer achieve benefits such as:

- Over 10% increase in revenue and reduced lost sales opportunities
- 20% increase in loyalty program signups, thereby expanding their customer base and boosting revenue
- Higher sales generation thanks to flexible payment modes and self-service method for customers to manage their installments

Further Insights

Continuous efforts are being taken up to make key information visible on pinpads for Loyalty members enticing them to signup or use their exclusive beauty Credit Cards to get better offers/ discounts. This ensures significant revenue jump across all stores as well. Technology modernization is also a focal point ensuring lower maintenance costs and a scalable centralized systems that every store POS application would connect to. To reduce labor intensive tasks, multiple automations are being developed and deployed along with monitoring which enables every store running with optimal performance with near-zero downtimes.

Infosys Cobalt is a set of services, solutions and platforms for enterprises to accelerate their cloud journey. It offers over 35,000 cloud assets, over 300 industry cloud solution blueprints and a thriving community of cloud business and technology practitioners to drive increased business value. With Infosys Cobalt, regulatory and security compliance, along with technical and financial governance come baked into every solution delivered.

For more information, contact askus@infosys.com



© 2024 Infosys Limited, Bengaluru, India. All Rights Reserved. Infosys believes the information in this document is accurate as of its publication date; such information is subject to change without notice. Infosys acknowledges the proprietary rights of other companies to the trademarks, product names and such other intellectual property rights mentioned in this document. Except as expressly permitted, neither this documentation nor any part of it may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, printing, photocopying, recording or otherwise, without the prior permission of Infosys Limited and/ or any named intellectual property rights holders under this document.

[Infosys.com](https://www.infosys.com) | NYSE: INFY

Stay Connected