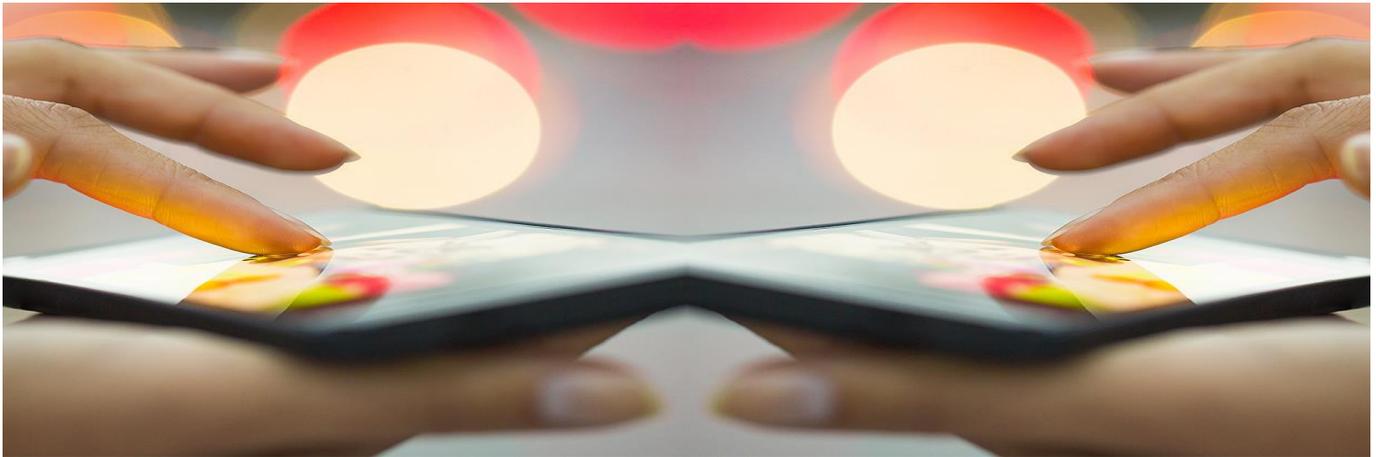




DIGITAL DISRUPTION IN RETAIL

Technology is affecting the way in which retailers operate



The continued and increasing presence of digital, social and mobile technologies in retail is putting immense pressure on businesses in the sector to ensure they can provide a fully integrated experience across online and in-store platforms. The public is increasingly digitally literate, and as such consumer adoption of these channels will continue to grow, making such an offering even more critical. Redesigning legacy operating models and diversifying traditional revenue lines can help retailers remain competitive as well as the efficient use of data, store portfolios and logistical and supply chain arrangements.

- ▶ Retailers continue to move their business and customer applications and data to the **cloud** with an **increased use of mobile technology** by customers to engage with retailers. With less flexibility to negotiate with cloud providers, risk management and protecting data remain priorities.
- ▶ Whether onsite or in the cloud, making sure that **future-proof back office and supply chain systems** are in place (including demand management, financial accounting, budgeting and HR systems) remains important in delivering an efficient service to consumers.
- ▶ Businesses need to learn how to analyse and commercialise **big data** they have obtained through omni-channel engagement with consumers, whilst protecting their rights and complying with regulation.
- ▶ The **omni-channel retail experience** is the strategic focus for many retailers, allowing customers to interact online, in-store, in-app, on-phone, in the cloud and via social media. An ongoing dialogue with customers around purchases, returns, offers and value add has become a fundamental part of the buying experience.
- ▶ **"Click and collect"** is popular for physical and online retailers alike. Many online providers have partnered with non-competitor retail outlets – such as ASOS and Boots – whereas others, like Amazon, have storage facilities you can access with a unique code.
- ▶ Management of consumer data and enabling technology is key in giving customers a **seamless and personalised retail experience**.
- ▶ Technology and financial providers continue to develop **innovative and easier ways to pay** which consumers naturally expect retailers to adopt. However, the payments landscape is not without risks for both retailers and banks (cyber security, online/card fraud etc). Preventing an attack is difficult as hackers are increasingly sophisticated but retailers can take steps to minimise the risk and respond effectively should they fall victim to a breach in payment security.
- ▶ Websites are moving away from traditional waterfall designs, using more **intuitive webpage navigation**, where website content adjusts based on a consumer's online profile and selections. This is increasing conversion rates and return on investment.

A lot of lawyers keep their distance, but these guys roll up their sleeves and pitch in as part of the team. Their commitment and availability is tremendous and there's a no-nonsense, down to earth attitude that I really like.

How we can help

MOVING BEYOND TRADITIONAL MODELS

- ▶ Strategic advice
- ▶ Bespoke commercial agreements
- ▶ Advising on legislative proposals relating to digital disruption in the industry (such as the upcoming Electronic ID and Trust Directive)

IMPLEMENTING THE RIGHT SOLUTION

- ▶ Projects to integrate technology systems into retailers' business
- ▶ Advising on the strategic direction and implementation of emerging digital payment solutions in app, online and using point of sale terminals in store
- ▶ Multi-supplier outsourcing projects

MOVING TO THE CLOUD

- ▶ Negotiating with infrastructure, platform and software cloud providers
- ▶ Analysis of cloud contract terms
- ▶ Advice to procurement and operations teams about risk mitigation practices in relation to the cloud
- ▶ Advising on data security and protection issues

REDUCING COSTS

- ▶ Competitive fee proposals
- ▶ Use of our embedded Transaction Services Team of over 100 paralegals
- ▶ Development of standard precedents and approaches
- ▶ Sharing industry knowledge

Who we've helped

Our team has helped a number of leading retail businesses with major IT agreements to support its supply chain. Clients we have helped recently include a **FTSE 100 company** on the development of its storefront on Alibaba's Tmall e-marketplace, **PZ Cussons** (the implementation of SAP ERP systems supplied by IBM), **Sainsbury's** (on its deal with Argos to trial Argos outlets in Sainsbury's stores), **several global financial services institutions** (on the negotiation and implementation of ApplePay and other digital payment methods in the UK) and **Travelodge** (outsourcing of their entire reservations, billings and property management systems).

Who to contact

PAUL BENTHAM
Partner

0161 934 6337
paul.bentham@addleshawgoddard.com



FIONA GHOSH
Partner

0207 788 5120
fiona.ghosh@addleshawgoddard.com



MARLON COHEN
Managing Associate

0207 160 3421
marlon.cohen@addleshawgoddard.com

