

RTG Newsletter

Published quarterly by The Retail Technology Group

May, 2001

FROM THE PRINCIPAL'S OFFICE

PDA technology

A great deal of print space is being given to the use of the PDA (Personal Digital Assistant) in retail. RetailTech Magazine published an article on the very topic in its last issue and Internet Week published one this month. Why are retail industry publications spending time covering this technology? Because the technology is taking us where retailers have wanted to be but couldn't be for the last 10 years. That is, to the floor of the store, doing all the things retailers previously could only do only in the back office of the store or worse yet, only in the home office.

Functions such as price checking, signature capture, check-out line busting, inventory ordering; everything from price label printing in typical retail stores to table management and order management in restaurants. This was functionally not available at all ten years ago except on larger devices mounted on rolling carts. The new mobile handheld devices are much easy to port from one place to another (recall their predecessors which weighed 6-8 lbs. and took up an entire human arm to carry them), allowing a store manager to spend time on the floor most of his or her productive day, overseeing the work of others, auditing, or helping a customer. Weight and size are no longer a detriment to their use and portability. And their lower cost is the factor that will enable more and more retailers to acquire and employ the technology. The ever-decreasing price/performance ratio of such devices will make them attractive to medium and small-size retailers.

Able to use widely implemented operating systems like Palm OS and Windows CE, industry application developers can concentrate on developing applications that have to run on relatively few (and soon hopefully only one) operating system. These devices boast wireless communications capability using standard protocols, magnetic

stripe readers, attachable belt printers, laser scanners, infrared ports handwriting recognition, and ever-increasing memory size. They can transfer information in a variety of environments; short range via infrared, mid-range via 802.11 LANs, and long range via cellular, CDPD, etc.

Many retailers use handheld devices (such as PDAs) from Symbol Technologies. These devices satisfy the retailer's desire to have the device and the related information in front of the product. "[It enables the retail associate] to bring the computer to the activity rather than the other way around", says Kevin Sternecker, CIO of Big V Supermarkets, Florida, NY.

Speaking about the direction of the evolution of these portable devices, Sternecker says: "you don't want to end up with technology that is dependent on the device. If you do, the functionality is then limited by the size of display, or the battery weight and duration. Home Depot, for example, still uses a cart to lug around the "portable" tablet batteries.

As Sternecker aptly points out, an early adopter of such technology was Avis rent-a-car. Software is now available for PDAs that provides POS register functionality as well as other mobile worker functions.

Symbol and Compaq are two companies developing devices around the basic PDA. Regardless of whether these devices come with integrated components or attachable components, the fact is that one would expect them to be successful in the retail marketplace because of their small size, their price, and their technical functionality.

One company developing the applications that run on the mobile devices targeted at the retail industry is Planet Technology Solutions, Parsippany, NJ. Matt Lombardi, President of

RTG Newsletter

Published quarterly by The Retail Technology Group

May, 2001

Planet talks about the potential of these devices with passion. As Lombardi states: "put all of these characteristics together and you have a mobile and wireless handheld that allows retailers from restaurants to specialty apparel to employ their solutions at the Point of Activity." Planet has software solutions for standard retail applications such as: shelf price audits, verification of shelf plan-o-grams, line-busting portable POS, receiving, on-the-floor e-mail, receiving, transfers, PLU, and more. In a restaurant, the handheld can act as a customer pager with access to the Internet and advertising while the customer waits or even as a mobile waiter for order taking. Planet Technology Solutions is developing these, and more applications for their retail customers.

Adding to the potential for increased functionality, we are also seeing the convergence of telephones, PDAs and pagers. In a recent television broadcast of a tennis tournament, Ericsson advertised a mobile telephone that looks like a cellular telephone, but also acts as a wireless PDA, with a longer screen than a telephone and a stylus for driving the PDA. I understand Symbol will have a product later this year that will provide

similar functionality in the LAN space. In another example of the almost endless possibilities, RetailTech magazine recently wrote that Verifone is developing a PIN Pad terminal with the capability to receive infrared signals. "Palm is developing mechanisms for transferring credit card information from a card to a PDA." The result would enable credit card customers at a supermarket, for example, to *beam* their credit card number to the Verifone terminal. Extrapolate the possibilities of such devices and you have what Sterneckert calls "more information and more mobility to more people."

For additional information you can contact:

Kevin Sterneckert
Big V Supermarkets
845-651-4411 X. 2479
KSterneckert@bigvsupermarkets.com

Matt Lombardi
Planet Technology Solutions
973-439-9005 X. 6789
M.Lombardi@planettechs.com

Bob Amster



Principal

RTG Newsletter

Published quarterly by The Retail Technology Group

May, 2001

WHAT'S NEW

Visit our Web site!

You can read about us at
www.RetailTechnologyGroup.com.

Stride Rite

RTG, in conjunction with strategic partner Retail Systems & Services, were selected to assist Stride Rite, Lexington, MA with software package acquisition.

In this, our first engagement with this upscale retailer of children's and women's footwear, a small expert team of consultants will work with Stride Rite's project team to review the package evaluation and selection process, lending its expertise on requirements definition, RFI development, and proposal evaluation. Stride Rite personnel are doing the detailed development.

Big V Supermarkets

We have been working with this privately owned 32-store regional supermarket chain to assist them in the implementation of numerous mission critical applications.

Acting in the capacity of Overall Implementation Managers, we are coordinating the activities of more than ten information-systems related service and product providers.

The project involves the implementation of store systems, merchandise management, LANs and WANs and various outsourced functions. Big V Supermarkets is located in Florida, NY and currently operates its stores under the Shop Rite name.

The Retail Technology Group:
www.RetailTechnologyGroup.com
is located at:
761 Rock Rimmon Road
Stamford, CT 06903-1216
Telephone 203 329-2621
BAmster@RetailTechGroup.com