**PAY AND GO CUSTOMER INTERVIEWS**

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**OBJECTIVE**

To talk to potential early adopters on the customer end of a retail store to help confirm or deny our assumptions and to find patterns that may aid us in our qualitative research.

**ASSUMPTIONS**

1. **Who will our target customer be?**

Students and young urban professionals (twenties-thirties)

Critical partners: Large chains/Small stores

1. **The problem our customer wants to solve is?**Avoid long wait times at checkout counters
2. **How can our customer’s needs be solved?**

An automated scan and pay check out solution that allows customers to manage their end to end in store shopping experience without the need to wait at checkout counters Receipts will be inventoried and extended to personal expense and business expense tracking.

1. **Why can’t our customer solve this today?**

There are three separate solutions for the problems - self-checkout counters, tap and pay, Amazon go. However these solutions do not completely remove the need to wait at checkout counters. Amazon go on the other hand is for a specific store only and is not widely used/not scalable.

1. **What is the measurable outcome our customer wants to achieve?**

The amount of time my customer can save by not waiting in line

Installation costs of counters, training costs for cashiers and potentially salaries for the businesses

1. **What will our primary customer acquisition tactic be?**

Target stores around college areas (High density of our target demographic)

Getuniversity students to sign up through an incentive program and referrals

1. **Who is our earliest adopter?**

Young professionals and university students

1. **How will we make money(revenue)?**

Initially the application will be free, but as we gain traction we will charge the stores for a portion of their sales via the app. In the long term we hope to make revenue by ads, data and a subscription model for users for added benefits.

1. **What is our primary competition?**

Amazon go, self-checkout counters, online delivery platforms

1. **Why will we beat our competitors?**

We will completely eliminate the wait times at low to no extra cost for both the stores and retailers.

1. **What is our biggest risk to financial viability?**

Retailers not willing to cooperate.

1. **What is our biggest technical or engineering risk?**

Keeping a real-time inventory.

**APPROACH**

There are 2 kinds of retail stores we targeted - large chains and smaller independent retailers. We set our target demographic to be young students and urban professionals(tech savvy). We interviewed 2 kinds of people at the stores, our target demographic and supervisors at the billing sections. Our goal was to ask open ended questions to identify the pain points of a shopping experience without suggesting our idea as a solution. We interviewed at Wholefoods, Riteaid, Independent italian grocery store, and Westside market.

**SUMMARY OF INTERVIEWS**

**WHOLEFOODS:**

1. **Charles - Mid 20s Male in the self-checkout queue**

Charles falls into our target demographic for an early adopter (early 20s, young professional who is tech savvy). They decided to walk into the self-checkout queue mainly to save time as they viewed this option to be the faster option. They use Apple pay frequently, and would be comfortable if they had to handle the end to end shopping experience just from their phone. Their reason to shop from in store is also driven by the time factor - that they can get the groceries they need immediately as opposed to waiting for the delivery. They also seem to be price conscious since they mentioned the delivery cost when ordering online.

The problems they pointed out in their in-store shopping and billing experience were selecting individual produce on the screen while billing instead of being able to scan like the other items, and not knowing in advance the availability of certain items in store.

1. **2 Girls - Ms students at Columbia after self-checkout (They faced an issue that needed assistance)**

These customers are also within the target demographic. They are masters students. We decided to question them post their self-checkout experience where they had an issue that needed assistance from the store manager. They said that they decided to self-checkout due to the convenience of it, and the longer lines at the regular checkout counter. They also mentioned that if there was a long queue and if their need was not urgent, they would prefer to come back at a later time to shop. They regularly use apple pay, and would be willing to download and pay for an application that would reduce the time spent at billing. Another problem faced by them is the lack of clarity as to where items are placed in store, for which they suggested a map of sorts that allows easy navigation through the store.

1. **Supervisor Alieyah**

Alieyah has been with Wholefoods for four years and is a supervisor for their billing section. She said that the section during rush hours requires the manpower of about 4-5 people to assist the buyers. About 4-5 in 10 people require assistance when using the self-checkout counters. She specified that the younger people (our target demographic) prefer using the self-checkout counters as they find it better than waiting in line. However, the older folks preferred to use the register as they did not want to go through the hassle of figuring it out. She states that it is usually because first-time customers make mistakes while entering the right code and end up requiring verification. She also stated that people require assistance if their IDs have to be verified for a particular purchase. But despite this, Aliyeah said people like figuring it out on their own and self-checking out as it is faster and more efficient. She also mentioned that the regular registers are slower when the cashiers are still new to the job.

**RITEAID:**

1. **Woman - Mid 20s female in the self-checkout queue**

We spoke to a woman in her late twenties who worked as a physician’s assistant. She falls within our target demographic. She was in line at the self-checkout counters at Rite-Aid. She stated that she was motivated by the reduced waiting times at self-checkout counters to choose that option. She was comfortable walking into a store with no counters and completing her own billing. Her biggest pain point of a shopping experience was the waiting time while holding your intended purchases. She preferred an ordering ahead and pick up facility or immediate checkout. She prefers ordering online if the items are too bulky or heavy to carry. She preferred not waiting more than a few minutes (2-5) at a checkout line. She was willing to pay a few dollars for an experience that would eliminate waiting in line at stores.

**ITALIAN GROCERY STORE:**

1. **Jane - Mid 30s female, after traditional checkout (no self checkout in the grocery store)**

Jane mostly shops in big shops, but sometimes goes to smaller ones if she is in a rush or if she needs something really specific. She does not shop online that much, she prefers to shop in person. Also, she has all her cards on Apple Pay and often uses self counter checks, and she loves it. It makes “her life easier” and her shopping experience better. However, when she makes big purchases with a lot of different products, she prefers to go to a traditional counter, for practical reasons (sometimes it's hard to find the right products on the screen, so it can be a loss of time).

Also, self checkout counters are sometimes too small to put all the products she buys. She was interested in having a solution that would enable her not to go to any kind of counters, and make her shopping experience faster and easier. She would not be ready to pay for that solution, but she would be willing to go to a more expensive shop, if the user experience is better.

**WESTSIDE MARKET:**

1. **Antony - Early 50s male, after traditional checkout (no self checkout in the grocery store)**

We spoke to Antony at Westside market, who happens to be a Columbia Library staffer. He prefers cash and would rather not deal with the trouble of making arrangements over the phone. Self-checkout, he believes, is currently technologically rudimentary. He also claims that a broad investigation is required to determine the shortcomings and develop an effective retail strategy, as everything is based on a traditional inherited model from the past. A chip that is not linked to an individual's identification in order to avoid data/privacy protection! Take the chip, go shopping, pay online, and no one can access your information. He is fine with self-checkouts on the day that all of the above prerequisites are met.

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1. **Ian - Early 40s male, the store manager**

We met Ian, the store manager at the Westside grocery, to learn more about the improvements they're willing to make. He agreed that "removing frustration" from payments would be a lifesaver when we reviewed the checkout procedure. Especially when eight out of every twenty-four hours at the counter are busy, and it's not cost-effective to keep ten cashiers running around the clock during non-peak hours. He claims to have tested self-checkouts, however is not a fan since people had stolen before and goes on to claim solutions depending on trust might not work in New York City. They want technology that allows customers to just pick up their belongings and exit the store, and it will charge a card immediately.

**H-MART:**

1. **Columbia MS student - Mid 20s male, at traditional checkout (no self checkout in the grocery store)**

At a Korean supermarket, We met a mid-twenties student who precisely fits our first target demographic. He prefers to shop at these supermarkets for fresh vegetables and regional foods. During busy periods, he frequently waits 5-10 minutes at the counter and would appreciate a means to speed up the procedure. Sometimes he only purchases one or two products, yet he still has to wait in line for a long time. He believes that something even better than self-checkout, such as scan-and-go, would be fantastic.

**NOTEWORTHY METRICS**

**Number of counters at the stores -**

| Store | Self-checkout counters | Regular Registers |
| --- | --- | --- |
| Whole Foods | 15 | 6 |
| Rite Aid | 4 | 2 |
| Westside market | 0 | 6 |
| UES | 0 | 3 |

**Rush hour throughput -**

| Counter | Number of people | Average Waiting Time (min) | Average Billing time (min) |
| --- | --- | --- | --- |
| Self-checkout | 6 | 2.5 | 3.6 |
| Regular register | 4 | 5.2 | 5 |

1. In one minute, the self-checkout counters saw 5 about 5 people completing their billings, but the regular register only completed 1 billing.
2. Students and young urban professionals were enthusiastic about improving the in-store shopping experience and reducing wait times.
3. The early 40s and 50s customers we interviewed were hesitant about new solutions for automated checkout, which confirmed our assumptions about who our early adopters should be.

**INTERVIEW SCRIPT**

1. **Charles - Mid 20s Male in the self-checkout queue**

* ***What factors influenced your decision to pick this counter?(self checkout)***

Speed

* ***Would you be comfortable to walk into a store with no counters?***

Another way to bill without queues or counters - yes willing to download an app to scan and go

* ***When you need 1 item and walk into a store and see long queues what do you do? (Wait or come back or find alternate store)***

Did not ask

* ***Do you use Apple Pay or a similar service?***

Use Apple pay

* ***Tell us about your shopping experiences, what did you like about the experience, what was frustrating about the process?***

Inputting individual produce on the screen and not being able to scan the item directly is frustrating

Also not knowing available items before hand, not finding what you want is a problem too

* ***What would you like to change about it?***

Somehow know beforehand if the items are available

* ***What is the average amount of time you usually spend at a store and billing section, what do you do then?***
* ***Would you pay to reduce the amount of time you spend in a supermarket? - if it extended to other benefits ?***

Yeah if it was a significant amount of time save

***Follow up - What is a significant amount of time save?***

About half of what we normally spend

* ***When do you choose to buy it online vs when do you come to the supermarket?***

Choose to come because online has delivery time, more convenient to come in based on time available and immediately get things.

Cost savings also in terms of delivery

1. **2 Girls - Ms students at Columbia after self-checkout (They faced an issue that needed assistance)**

* ***What factors influenced their decision to pick this counter?(Self-checkout counter vs regular)***

Line is longer in regular, and it’s very convenient to just self-checkout

* ***Would you be comfortable to walk into a store with no counters?***

Would be really convenient, sometimes need some help but largely very convenient

* ***When you need 1 item and walk into a store and see long queues what do you do? (Wait or come back or find alternate store)***

Depends on how urgent the item is, otherwise find an alternate store. There are no similar stores in the area so probably will come back won’t wait

* ***Do you use Apple Pay or a similar service?***

Yes use apple pay a lot

* ***Had an issue with billing, what was it?***

Just random pop-up maybe scanned an item twice needed assistance to clear pop-up

* ***Tell us about a time you had a huge shopping basket, what did you like about the experience, what was frustrating about the process?***

Not sure

* ***What would you like to change about it?***
* ***What is the average amount of time you usually spend at a store and billing section, what do you do then?***

3 minutes approximately

* ***Would you pay to reduce the amount of time you spend in a supermarket? - if it extended to other benefits ?***

Yes

* ***When do you choose to buy it online vs when do you come to the supermarket?***

We live close by, and so if we want something immediately, especially fruits, vegetables and milk,we would come into the store. However, if items are large or heavier, then we are okay with online ordering.

* ***What should I have asked you that I didn't?***
* ***If you could wave a wand and solve any problem in this place, what would it be?***

Sometimes looking for items is difficult, so an inventory or a map with where the item is located would be great

1. **Supervisor Alieyah - Whole Foods:**

* ***Do you usually have to assist customers at the checkout?***

Yes, I’m a supervisor for the billing section, so this is my area.

* **As per your observation what do customers prefer, the regular registers or the self-checkout?**

A lot of people prefer the self-checkout because its faster, more efficient. We have a couple of new cashiers so it's not as fast as we would like it to be.

* **Does the size of their purchase affect their decision? Are there any other factors that influence it?**

Old people usually prefer to go to the register as they don’t want to waste their time trying to figure it out. Younger people prefer the self-checkout as they don’t want to wait in line.But a lot of people prefer the self-checkout as they’d really like to go about it themselves. We prefer that, as they learn how it works.

* ***Have you noticed anything that can be changed to improve the billing experience for the customers?***

I think if the codes at the checkout were right that would fix it, that is the only issue.

* ***At rush hour, how many people are there to assist at the self-checkout counter?***

Usually at rush hour, about 4 people or more.

* ***Follow up - If 10 people are at a self-checkout counter, how many would need assistance?***

About 4-5 people would need help

* ***For what issue do you most commonly assist?***

We usually help out first time customers because they enter the wrong code and this may require extra verification. Customers may also require ID verification for certain purchases, for which we would then need to provide assistance.

1. **Woman - Mid 20s female in the self-checkout queue**

* ***What factors influenced your decision to pick this counter?(self checkout)***

Waiting time.

* ***Would you be comfortable to walk into a store with no counters?***

Yeah, I’m comfortable with that.

* ***Do you use Apple Pay or a similar service?***

Yes I use tap and pay.

* ***Tell us about a time you had a huge shopping basket, what was frustrating about the process?***

I would say holding everything and waiting in line.

* ***What would you like to change about it?***

Ordering ahead so it’s ready to pick up as opposed to holding everything in the store.

* ***When do you choose to buy it online vs when do you come to the supermarket?***

If I’m living in the city, if it’s really heavy I prefer ordering online.

* ***Would you pay to reduce the amount of time you spend in a supermarket? - if it extended to other benefits ?***

Yeah, I would be okay spending a dollar to a couple of dollars

1. **Jane - Mid 30s female, after traditional checkout (no self checkout in the grocery store)**

* ***Why do you come to independent stores rather than big ones?***

2 different reasons:

It’s close to where I live and I just need to do a really small shopping session (juste buy some pasta/oil) and I’d rather go to bigger stores for major shopping.

I want to get some better products/fruits/vegetables, though they are more expensive in the independent stores

* ***Would you be ready to pay more to shop in a store where the customer experience is better?***

I would not pay to go into such a store, but I might go into one of those even if prices are a bit higher. For instance, I often go to Wholefoods rather than Trader Joe’s mostly because I enjoy my user experience there. So yes, basically, I would be ready to pay more for a better user experience.

* ***Do you often use self out counters? Why? Why not?***

I don’t often see some in small shops, but rather in bigger stores. But, when there are some, I almost always use them.***Why?***

It goes faster, and I don’t know why but the line is always much smaller at those counters than at regular ones. The only time I don’t go to one of them is when I wanna pay with cash, but that doesn’t happen that much

* ***Does the size of your basket affect this?***
* Yes, the bigger my basket is, the more I go to a traditional counter
* ***Do you use Apple pay or something similar?***

Yes, I use Apple Pay and I have all my cards on it. (Not sure to trust Apple but considers that Apple can have her data anyway if they want)

* ***Would you be interested in a solution enabling you not to go to a counter at the end of your shopping session?***
* If it is safe and easy to use. (We then had a quick chat about the solution, and she told us that she would definitely use it)
* ***When do you choose to buy it online vs when do you come to the supermarket?***

I shop at a proper supermarket most of the time (prefers to choose the product herself, and to see them). I only shop online on Amazon, for expensive or hard to find products.

* ***Do you see any ways to reduce the time you spend in a supermarket / improve the user experience?***

She did not have any precise idea, so we kind of told her about what we were planning to work on and she was pretty interested. She had the same questions as those we had ourselves (mostly safety), but she was pretty curious about the project and she would be willing to use it.

1. **Westside Early 50’s Antony - Columbia Library Staffer**

* **What factors influenced their decision to pick this counter?**

Sometimes I use self checkout, but not always as it sucks at some places. Prefers having someone at the counter.

* **Would you be comfortable to walk into a store with no counters?**

No. Possibly, if the concept works, it makes it better(like amazon) and 100% efficient(different countries experiments different ideas already)

* **When you need 1 item and walk into a store and see long queues, what do you do? (Wait or come back or find alternate store)**

Leave

* **Do you use Apple Pay or a similar service?**

Mostly Cash. Don't use anything on the phone as it needs setup

* **Tell us about a time you had a huge shopping basket, what did you like about the experience, what was frustrating about the process?**

Always go for regular

* **What would you like to change about it?**
* **What is the average amount of time you usually spend at a store and billing section, what do you do then?**
* **Would you pay to reduce the amount of time you spend in a supermarket? - if it extended to other benefits ?**
* **When do you choose to buy it online vs when do you come to the supermarket?**

Speciality items online.

* **What should I have asked you that I didn't?**
* **If you could wave a wand and solve any problem in this place, what would it be?**

1. **Westside Store - An American Manager, IAN**

* **Are you considering / Would you consider installing new ways of payments in your store?**

Yes

* **How often does the inventory change/ pricing change in the system?**

Every hour, realtime manual update for modifications

* **Trust factor in the self-checkout system, how often do incidents occur and how do you try and avoid them?**

Don't trust self checkout at all. Robbing was really huge when they implemented it sometime back

1. **H Mart - Early 20’s Columbia Student (after traditional checkout)**

* **What factors influenced their decision to pick this counter?**

Depends on what they have if there's any need to weight certain items

* **Would you be comfortable to walk into a store with no counters?**

Yes, Of Course

* **When you need 1 item and walk into a store and see long queues what do you do? (Wait or come back or find alternate store)**

Wait. Not waiting for one item could be awesome

* **Do you use Apple Pay or a similar service?**

Didn't use that before, only card

* **Tell us about a time you had a huge shopping basket, what did you like about the experience, what was frustrating about the process?**
* What would you like to change about it?
* **What is the average amount of time you usually spend at a store and billing section, what do you do then?**

5 -10 mins. More at peak hours

* **Would you pay to reduce the amount of time you spend in a supermarket? - if it extended to other benefits ?**

Not actually, but may be

* **When do you choose to buy it online vs when do you come to the supermarket?**

Online - as needed for households. Supermarket - Fresh produce

* What should I have asked you that I didn't?
* If you could wave a wand and solve any problem in this place, what would it be?