MISHI PAY

CASE STUDY:
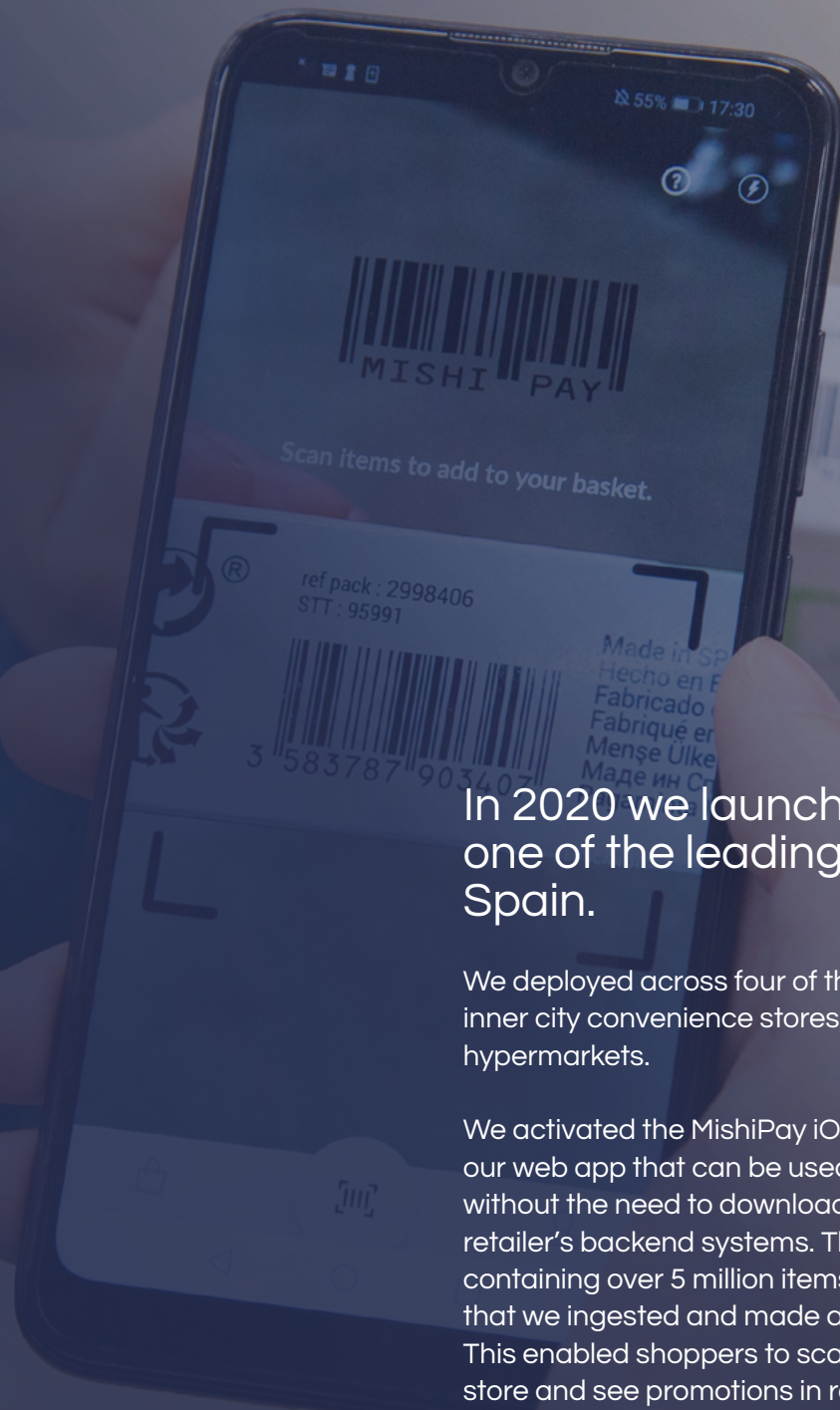## LEADING GROCERY RETAILER

PROJECT CONTEXT

In 2020 we launched our technology with one of the leading grocery retailers in Spain.

We deployed across four of their stores in multiple formats including inner city convenience stores, larger supermarkets and big box hypermarkets.

We activated the MishiPay iOS and Android native apps alongside our web app that can be used straight from the user's browser, without the need to download the app. We also integrated with the retailer's backend systems. This included their Product Catalog, containing over 5 million items, and 720 promotion combinations that we ingested and made available through our promotion engine. This enabled shoppers to scan the barcodes of the items inside the store and see promotions in real time in their in-app basket, before checking out. We also integrated flows for age verification and basket transfer onto the existing cash register or self-checkout kiosk. The entire integration was completed in just 6 weeks.

This case study details some of the key metrics achieved during the first phase of the project. Stay tuned to our website and social channels for updates about the next steps.

KEY RESULTS AT A GLANCE

14%
NET INCREASE IN SALES PER USER

4.4
HOURS OF CHECKOUT STAFF TIME
SAVED PER STORE, PER WEEK

4.53/5
AVERAGE USER RATING

INCREASING SALES & STICKINESS

Grocery stores are visited regularly by shoppers. Whether it's a large shop once a week or a smaller "top up" visit, the visit frequency of supermarkets means that solutions that save shoppers time and improve their in-store experience have huge value.

Our technology enables shoppers to scan their chosen items on their own mobile phone and track their total spending in real time as they browse the store. This keeps the customer fully informed about their spending as they shop, rather than requiring them to complete their shopping and proceed to a checkout in order to find out exactly how much they have spent.

What's more, MishiPay automatically alerts the shopper to any applicable promotions on the items they have scanned. We then calculate and display the savings that they have made from these promotions.

These capabilities have contributed to our technology driving a net 14% increase in store sales and achieving market-leading retention figures during the deployment: 83% of our users make purchases with MishiPay twice or more per month and 28% of our users make purchases twice or more per week.

The value that our technology brings for shoppers is also evident in our in-app rating from our users. Since launch, we have seen an average user rating of 4.53 stars out of 5. These ratings come from a wide range of age categories, illustrating that our technology is enjoyed by a broad range of store customers.

14%
NET INCREASE IN SALES ATTRIBUTED TO MISHIPAY

83%
RETENTION RATE - +50% HIGHER THAN INDUSTRY AVERAGE

28%
OF USERS USE MISHIPAY TWICE OR MORE PER WEEK

RETAILER-LED A/B TESTING RESULTS

In order to measure the impact of MishiPay on overall sales, the following analysis was conducted by our client:

Their analysis consisted of three cohorts of their shoppers:

- Group A: MishiPay users, shopping in the retailer's stores in which MishiPay was enabled
- Group B: Non-MishiPay users, shopping in the retailer's stores in which MishiPay was enabled
- Group C: Non-MishiPay users, shopping in the retailer's stores in which MishiPay was not enabled (mirror stores of the MishiPay enabled stores)

The "store visits" and "total spend" of user groups A, B, C were then compared between Q4 2019 and Q4 2020, using the loyalty card number of the shopper. This gave a robust A/B testing scenario, enabling our client to accurately assess the value that MishiPay generates for their business.

The analysis concluded that:

- Group A (MishiPay users) increased their store visits by +33% (vs Q4 2020) compared to a drop of 4% for Groups B and C

- Group A (MishiPay users) spent +27% more compared to Q4 2020, compared to an increase of +11% for Groups B and C.

- This therefore created an overall +14% net increase in sales attributed to MishiPay

OCT-DEC 2019 vs OCT-DEC 2020

4x MISHIPAY-ENABLED GROCERY STORES

4x MIRROR GROCERY STORES

USER GROUP	MISHIPAY USERS?	STORE VISITS	TOTAL SPEND
GROUP A	✅	+33%	+27%
GROUP B	🔴	-4%	+11%
GROUP C	🔴	-4%	+11%

+14% NET INCREASE IN SALES PER USER

"Me gusta mucho el nuevo servicio de Escaner y Listo. No lo quiten por favor!

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I really like the new Scan and Go service. Please don't take it away!"

MishiPay User
Bilbao, Spain

ADVANCED FEATURE SETS DEPLOYED

As the global leaders in delivering Scan & Go technology to retailers, we have deployed our solutions across a wide range of sectors in more than 20 different markets across the globe. This experience enables us to deliver product functionality that can handle any task or retailer requirement. Deploying in large grocery stores with tens of thousands of products put our expertise to the test.

In order to create the optimal journey for shoppers, it was vital that we ensured all items in the store were in scope for MishiPay users. This led to us creating a system that enabled shoppers to scan non-barcoded items such as weighable fruit and vegetables, bringing a key category into scope without requiring any work or alterations in store operations/ infrastructure from the retailer's side.

Age-restricted items were another category that required us to deploy a tailored solution for our client. Shoppers that purchase age-restricted items via the conventional checkout verify their identifcation with a cashier, and our Product team worked to create a solution that would enable MishiPay users to buy items in this category. For this, we utilised the MishiPay Dashboard:

Users that scan an age-restricted item (eg alcohol) using MishiPay are served a unique 4 digit code along with a message informing them that they are required to have their identification verified by a member of store staff before they can proceed with their transaction. Our system then sends an instant alert to the MishiPay Dashboard, informing the store staff that a verification is required and displaying the same 4 digit code and the item(s) involved. Then, the store staff are able to simply verify the user's identification and approve the purchase on the Dashboard to allow the user to continue to the payment stage.

Loyalty programs are an increasingly vital component of a retailer's offer to shoppers, and nowhere is this more important that in the grocery sector. In order to maximise our transaction potential, we have built our own Loyalty Engine which enables us to integrate quickly with our clients' loyalty program, enabling users to connect their loyalty cards to MishiPay and automatically earn points.

We deployed our Loyalty Engine during this project and have enabled hundreds of users to earn rewards as they shop using MishiPay.

DATA CAPTURED & USER ENGAGEMENT

113
UNIQUE DATA POINTS CAPTURED DURING EACH USER SESSION

16MINS
AVERAGE MISHIPAY SHOPPING SESSION IN LARGER FORMAT STORES

22%
INCREASE IN RETURN VISITS FOLLOWING PUSH NOTIFICATIONS

Retailers have had access to lakes of data about their online shoppers for over two decades, but exactly what is happening in their brick and mortar stores is much more of an unknown. Our technology generates priceless data insights for retailers to fill this void and to create opportunities for future marketing and conversion.

During this deployment, from the moment a user began interacting with MishiPay, we are able to capture 113 unique data points; from the user's movement around the store to tracking the engagement generated by different promotion types.

A key metric that our technology helped our client understand was the average length of a user's shopping session, and how this varied across their different store formats. In their supermarket and hypermarket stores this averaged 16 minutes, but was markedly lower in their smaller stores.

But generating data is only part of the puzzle. What can then be done with this data? How can a retailer act upon it and deliver tangible value?

MishiPay enables retailers to communicate directly with their in-store shoppers. We can segment audiences based upon their preferences and previous buying habits, and deliver tailored push notifications to them at just the right moment. We can geo-target shoppers based on their location and optimise the conversion potential by delivering personalised, bespoke content. Our push notification campaigns during this deployment have led to a 22% increase in return visits to the store.

ABOUT MISHIPAY:

MishiPay brings the best of the online checkout experience to physical stores, enabling shoppers to scan and pay for their shopping using their own mobile phones.

Founded in 2015, MishiPay has grown quickly and now serves its Scan, Pay, Go technology to some of the largest retailers in the world including MUJI, Flying Tiger Copenhagen, SPAR and Eroski.

Thanks to the skills of their technical team and their carefully curated list of partners, MishiPay are able to integrate cost-effectively into retailers' existing systems in as little as two weeks without the need for any changes in their infrastructure, making it possible for both shops and shoppers across the globe to benefit from the best of the online and offline worlds.

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