

Global EPOS and Self-Checkout 2020

Report and Database



June 2020

The information and data within this document are strictly confidential and must not be disclosed to a third party.

www.rbrlondon.com/retail

Global EPOS and Self-Checkout 2020 provides suppliers with data, insights and understanding that are not available from any other source

Who should purchase?

- ▶ Suppliers of EPOS and self-checkout (SCO) terminals, and related products/services

Why should they purchase?

- ▶ *Global EPOS and Self-Checkout 2020* is the industry's highest-quality research, used by leading suppliers because it provides:
 - Profiles of the EPOS and SCO markets in 53 countries across six regions, with commentary on key developments
 - Reliable vendor shares in each market
 - Data for three retail/hospitality verticals, with forecasts to 2025

How will they benefit?

- ▶ *Global EPOS and Self-Checkout 2020* lets suppliers:
 - Identify growth markets and segments, and set sales targets
 - Benchmark performance versus competitors
 - Evaluate and refine strategy to grow revenues, margins and market share

The study provides detailed, country-by-country data on the market for programmable EPOS and self-checkout hardware

Objective: Describe current and future market for advanced hardware at point of sale/service

Scope	<ul style="list-style-type: none"> ▶ Products: Programmable EPOS and self-checkout (SCO) hardware ▶ Geographies: Global coverage with data for 53 country markets across 6 regions ▶ Segments: Data provided for Grocery+, General Merchandise and Hospitality+ ▶ Measures: Units (shipments / installed base) and value (expenditure on hardware / maintenance) ▶ Vendors: Country-level shipment figures (including data per segment) and installed base, for 40+ vendors
--------------	---

Methodology	<ul style="list-style-type: none"> ▶ RBR has developed a model of the market, segmenting by product, geography and customer ▶ Primary and secondary research builds on RBR's in-house data, market understanding and industry expertise 	
	Primary Research	Secondary Research
	<ul style="list-style-type: none"> ▶ Speak with vendors face-to-face and via email/telephone <ul style="list-style-type: none"> – Own position: shipments, installed base etc. – Competitors' positions – Hardware and services pricing, plus future trends – Trends e.g. growth prospects, replacement cycles 	<ul style="list-style-type: none"> ▶ Vendors: press releases, annual reports etc. ▶ Industry sources: websites, journals, associations etc. ▶ Stock exchange filings and analysts' stock reports ▶ Government: accounting submissions, tax authorities ▶ Cross-checks: historical data, penetration (e.g. outlets)

In addition to the study report and database, clients receive access to RBR's senior researchers; a presentation of the key findings can also be arranged

Timing and Deliverables

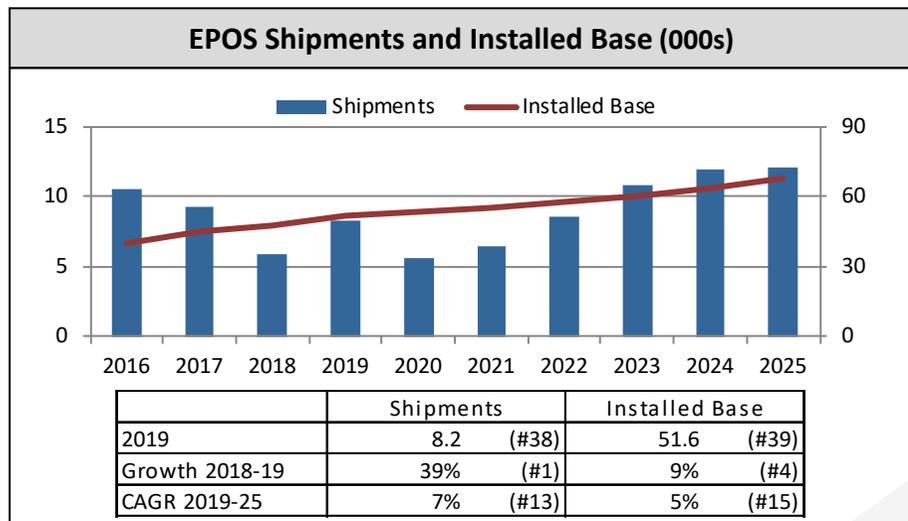
- ▶ Research conducted on an ongoing basis, with report issued annually in early June
- ▶ Printed and electronic (multi-user licence) copies of research findings
 - Executive report in PowerPoint containing key market statistics, trends and commentary by country and region
 - Comprehensive market database provided in Excel
- ▶ A conference call presentation of the study results can be organised if desired
- ▶ Privileged access to RBR's senior research analysts

Pricing

Options	Full Report (EPOS and SCO)	EPOS Only	Self-Checkout Only
Full Report	£51,500	£31,000	£31,000
EMEA	£25,750	£15,500	£15,500
Americas	£15,500	£9,250	£9,250
Asia-Pacific	£20,500	£12,250	£12,250
International Overview <i>[World and regional market coverage]</i>	£13,000	£7,750	£7,750

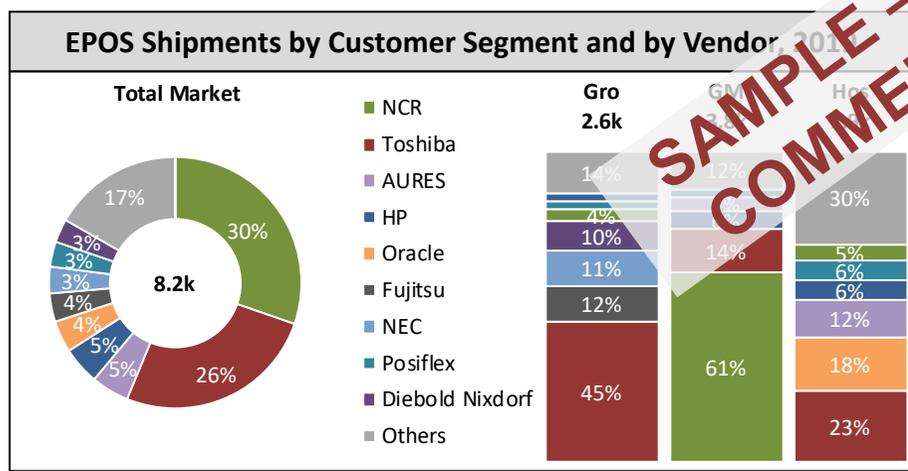
To discuss your requirements or place an order, please contact RBR on +44 20 8831 7300 or rbr@rbrlondon.com

EPOS activity rebounds in Colombia after slowdown in 2018



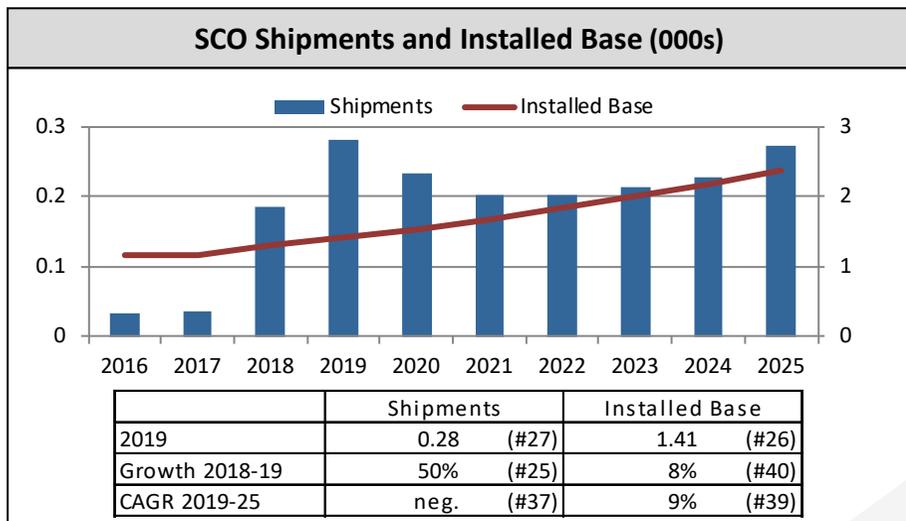
Market Commentary

- ▶ Programmable EPOS shipments to Colombia rose by 39% in 2019, with 8,200 units delivered
 - The market bounced back after a slowdown in activity in 2018
- ▶ The Colombian economy performed better than most major Latin American countries, with GDP up 3.3% in 2019
- ▶ NCR strongly increased its share of the market in 2019 to become the largest supplier by shipments, delivering 2,500 units
 - The vendor’s main customer was Koba, which operates around 1,000 D1 discount stores
 - NCR also counts grocery and drugstore retailer Colsubsidio as customer
- ▶ Toshiba accounted for a more than a quarter of the market in 2019, shipping 2,000 terminals
 - The supplier’s units are deployed by leading Chilean retailers, including Cencosud, which operates Jumbo supermarkets
 - Another customer is local retail group Grupo Éxito, which operates more than 350 stores in the country, via banners including Éxito and Carulla
- ▶ HP delivered 400 terminals to the market in 2019, down from 800 the previous year
 - The vendor’s customer are mainly small and medium-sized retailers in the GM and hospitality sectors, including burger chain El Corral
- ▶ Fujitsu’s main customer in Colombia is discount grocery chain Ara, operated by Portugal’s Jerónimo Martins
- ▶ Other vendors present in the market include AURES and Oracle, both of which are primarily present in the hospitality segment
 - AURES terminals are installed in Subway stores
- ▶ There is potential for further growth of the market during the forecast period; by 2025 the EPOS installed base is expected to reach 73,000 units



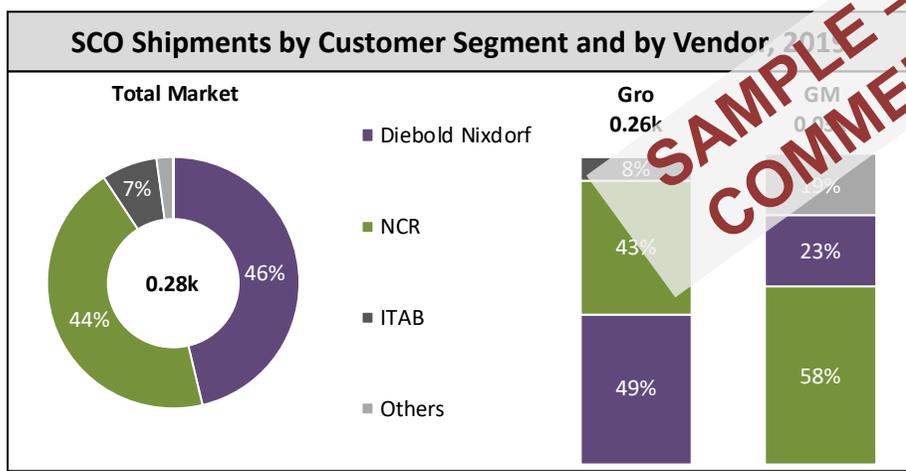
SAMPLE - NOT FOR COMMERCIAL USE

Diebold Nixdorf and NCR lead the Dutch self-checkout market with continued growth in grocery sector deployment



Market Commentary

- ▶ SCO shipments to the Netherlands increased again in 2019, with 280 units delivered, up from 190 in the previous year
- ▶ Diebold Nixdorf remains the largest supplier, with a 46% market share
 - Albert Heijn stores use the vendor’s terminals as payment towers, alongside self-scanning via Datalogic devices or via their mobile app; the retailer offers self-scanning technology in 500 of its 1,030 stores
 - Diebold Nixdorf also supplies Lidl which rolled out further units in 2019
- ▶ NCR was the second largest vendor in 2019, shipping around 130 units
 - Customers include supermarket chain Jumbo, as well as pharmacy chains Kruidvat and Etos
 - NCR delivered 130 units of EasyFlow terminals to the Netherlands
 - The vendor has installed its EasyFlow solution at Hoogvliet supermarkets, of which there are almost 70 across the country
- ▶ Other vendors present in the Dutch market are US-based suppliers Pan-Oston and Elo
 - Local retailer HEMA has installed Pan Oston units in several stores
 - Local grocery chain DekaMarkt installed its first Elo terminals in 2019
- ▶ Dutch supplier Pan Oston is also present in the market; the vendor supplies local retailer HEMA which has installed SCO units in several stores
- ▶ Albert Heijn has opened stores where self-scanning and self-checkout are the only payment option, and one store where there are no checkouts
 - Customers access the checkout-less store using a bank card; their item selections are then tracked using AI technology, supplied by AiFi
- ▶ Supermarket chain Jumbo has also introduced self-scanning, which is now available at around 350 of its 600+ stores
- ▶ SCO deployments are expected to continue at high levels during the forecast period, with the installed base reaching 2,000 units by 2025



RBR is recognised for its analytically rigorous, facts-based approach, global research capabilities and high-quality products

Key Qualifications

- ▶ 30 years' experience delivering international market research to diverse blue-chip client base
- ▶ Expertise in studies of hardware, software and services
- ▶ Carrying out annual study of global market for advanced point-of-sale hardware since 2008
- ▶ Strong understanding of general and technology trends in the retail industry
- ▶ Reputation for premium, independent syndicated research studies funded by industry suppliers

Types of Client

Technology providers e.g. Diebold Nixdorf, Fujitsu, HP, Microsoft, NCR, PayPal, Toshiba, Visa

Consultancies e.g. Bain & Company, Boston Consulting Group, McKinsey & Company

Private equity firms e.g. Advent International, Bain Capital, Warburg Pincus

Investment banks e.g. Goldman Sachs, Morgan Stanley

The study covers programmable EPOS and self-checkout hardware, and defines three customer segments

Products	
▶ EPOS	An Electronic Point of Sale (“EPOS”) unit is a device which processes transaction data at the point-of-sale (or point-of-service) and which has the capability to transmit data to (and receive data from) other computers electronically, in an unrestricted manner
▶ Programmable EPOS	<p>A “programmable EPOS” unit is, in addition:</p> <ul style="list-style-type: none"> – designed in its entirety with a retail/hospitality (etc.) environment in mind, in terms of lifespan, power consumption, reliability, environmental challenges (dust, grease, heat), connectivity etc. – fully user-programmable, running an open operating system and dedicated POS application – purpose-built for transaction processing – designed to be stationary (because of peripherals, cabling, weight etc.)
▶ Self-Checkout	A “self-checkout” (SCO) unit has many of the same characteristics as a “programmable EPOS” unit, but allows the customer to handle the “checkout” process of goods already selected, rather than being served by a member of staff

Customer Segments	
Grocery+	<ul style="list-style-type: none"> ▶ Supermarkets ▶ Hypermarkets ▶ Discounters ▶ Convenience stores ▶ Drugstores/pharmacies
General Merchandise	<ul style="list-style-type: none"> ▶ Mass merchandisers ▶ Cash and carry / warehouse club ▶ Department / variety stores ▶ Speciality retail - soft goods ▶ Speciality retail - hard goods
Hospitality+	<ul style="list-style-type: none"> ▶ Hotels ▶ Restaurants ▶ Leisure ▶ Other service industry

Data are provided for 53 markets across 6 regions

Asia-Pacific	North America	Latin America	Western Europe	Central & Eastern Europe	Middle East & Africa
<ul style="list-style-type: none"> ▶ Australia ▶ China ▶ India ▶ Indonesia ▶ Japan ▶ Malaysia ▶ New Zealand ▶ Philippines ▶ South Korea ▶ Taiwan ▶ Thailand ▶ Vietnam ▶ Other 	<ul style="list-style-type: none"> ▶ Canada ▶ USA 	<ul style="list-style-type: none"> ▶ Argentina ▶ Brazil ▶ Chile ▶ Colombia ▶ Mexico ▶ Peru ▶ Other (incl. Caribbean) 	<ul style="list-style-type: none"> ▶ Austria ▶ Belgium ▶ Denmark ▶ Finland ▶ France ▶ Germany ▶ Greece ▶ Ireland ▶ Italy ▶ Netherlands ▶ Norway ▶ Portugal ▶ Spain ▶ Sweden ▶ Switzerland ▶ Turkey ▶ UK ▶ Other 	<ul style="list-style-type: none"> ▶ Czechia ▶ Hungary ▶ Poland ▶ Russia ▶ Slovakia ▶ Ukraine ▶ Other 	<ul style="list-style-type: none"> ▶ Israel ▶ Morocco ▶ Saudi Arabia ▶ South Africa ▶ UAE ▶ Other