



What's in this guide?

Disrupt 2.0: Therapy for the retail sector / 1

Big challenges, bigger solutions / 9

Omnichannel strategies / 37

Shopping in Tomorrowland / 42

Advice from the veterans / 45

Help wanted / 48



DISRUPT 2.0: THERAPY FOR THE RETAIL SECTOR

It is not a fun time to be a retailer in Singapore. One commonly heard piece of advice from industry veterans to newcomers to the scene is: "Don't do it!"



An Overview of the Singapore Retail scene

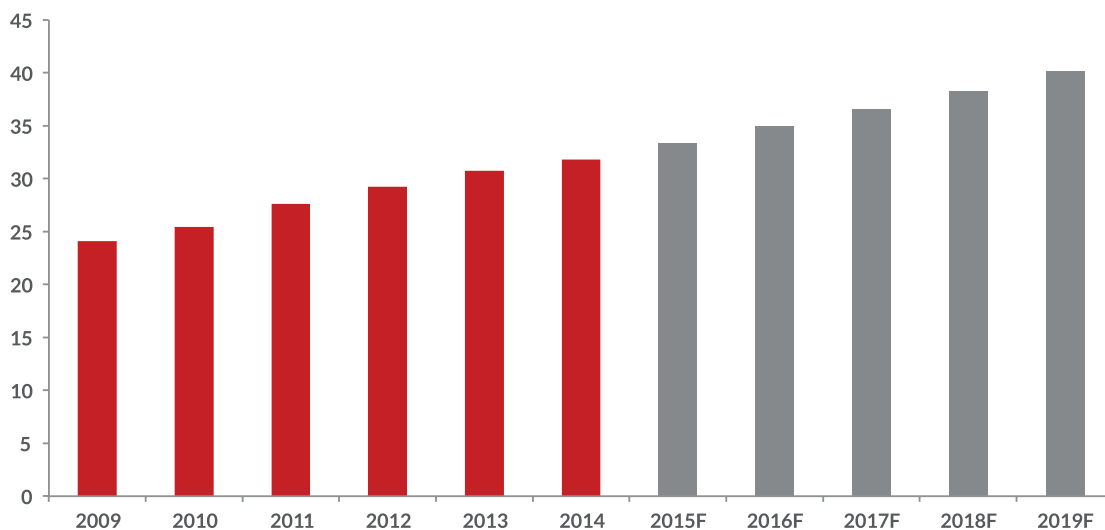
Unforgiving rentals coupled with a tight labour market are squeezing many smaller players, even as intense competition from international chains eats into their market share. Then, there is the e-commerce juggernaut, which threatens to steamroll over anyone who fails to jump (with the right strategy) on to the online bandwagon.

Despite the gloomy landscape, there is help at hand for the beleaguered small and medium enterprises (SMEs) in the sector. Technology companies from Singapore and abroad have come up with a host of innovative solutions to many of the problems faced by local retailers.

Some are already being used in the industry to great effect, while others seem to have come out of the imagination of science fiction writers.

Chart 1: Retail Sales Value (Current prices, historical & forecasts), 2009-2019F

Retail value (excl sales tax, current prices)



Source: Euromonitor, DBS Bank

According to Euromonitor, retail sales in Singapore stood at \$31.8bn in 2014, and this is projected to grow at a CAGR (2014-2019F) of 4.7% to S\$40.1bn by 2019, compared to 5.7% in the preceding 5-year period (2009-2014). While store-based retailing is projected to still show growth, non-store based retailing is projected to grow at a faster CAGR of 10.2% (2014-2019F) as retail continues to gain traction.

Table 1: Historical and forecast growth rates for Retail Industry in Singapore

	CAGR 2009-14	CAGR 2014-2019
Store based	5.6%	4.4%
Non-store based	7.7%	10.2%
Total retail growth	5.7%	4.7%

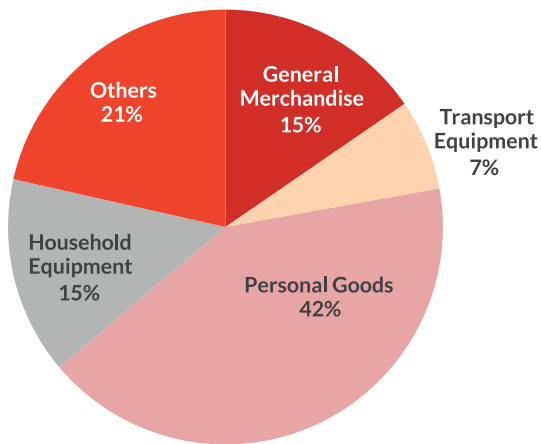
Source: Euromonitor, DBS Bank



Of these, 78% of have less than S\$1m in annual receipts. This group collectively contributed only 17% of the industry’s operating receipts, while larger establishments accounted for 59% of the total. There were only 730 retail establishments, or 3.4% of the total, with over S\$10m in annual receipts.

While we foresee near-term challenges on the horizon on the back of the macro economic uncertainties, coupled with cost challenges, we believe the retail industry will continue to see growth in the longer term.

Chart 2: Retail sales outlet, breakdown by Industry type (2013)



Source: Singstat, Services Survey Series 2013, DBS Bank estimates

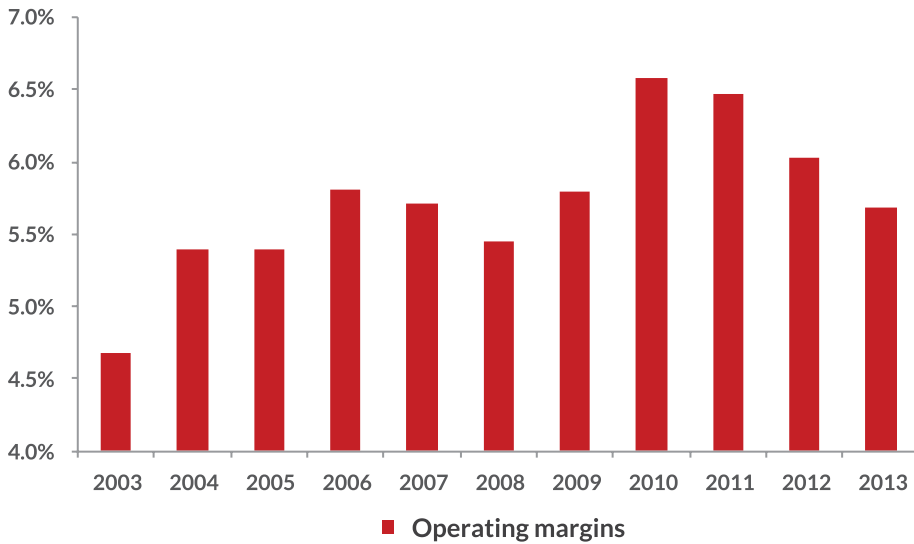
Profitability and operating margins

Retailing in Singapore has not been a bed of roses. Although retail operating receipts have grown, costs have grown at a faster pace, resulting in declining operating margins and surpluses. According to data provided by Singstat’s Services Survey Series 2013, operating margins declined from a high of 6.5% in 2011 to 5.7% in 2013. The three key expenditure items are: (a) goods purchase, (b) remuneration, and (c) rents. The cost of goods as a percentage of operating receipts has declined steadily since 2010, which we believe could be attributed to a stronger Singapore dollar.

The labour tightening policies and property asset inflation have increased labour costs and rents, respectively. Rent and remuneration as percentages of operating receipts have crept up at a quicker clip, eroding savings gained from lower cost of goods purchase. In fact, we noted that retail sales psf has not kept pace with rents when indexed at 2003 levels (chart 5).

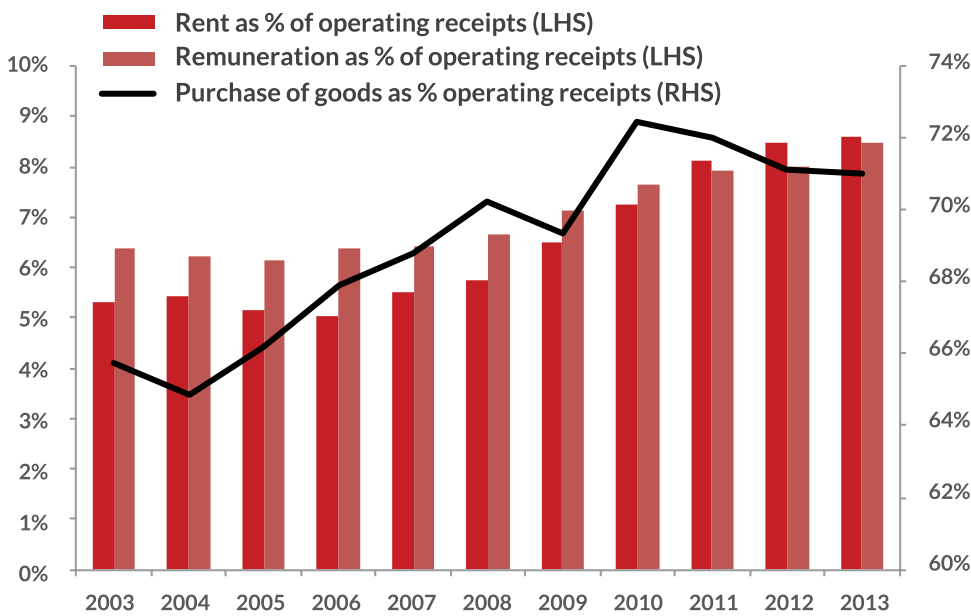


Chart 3: Historical retail operating margins (defined as operating surpluses divided by operating receipts)



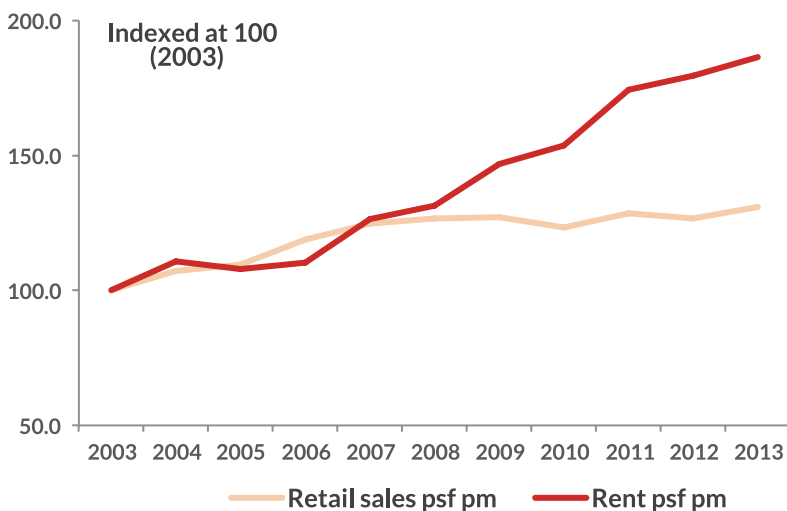
Source: Singstat, Services Survey Series 2013, DBS Bank estimates

Chart 4: Major cost items as a percentage of total operating receipts



Source: Singstat, Services Survey Series 2013, DBS Bank estimates

Chart 5: Retail sales per sqf & Rents psf (indexed, 2003=100)



Source: Singstat, Services Survey Series 2013, DBS Bank estimates

The government has put its weight behind the sector, stating that a vibrant retail industry is important for Singapore to remain attractive as a leading tourist and retail destination.

Based on our observation of the retail scene, we have identified several trends going forward.

Moving to the outskirts

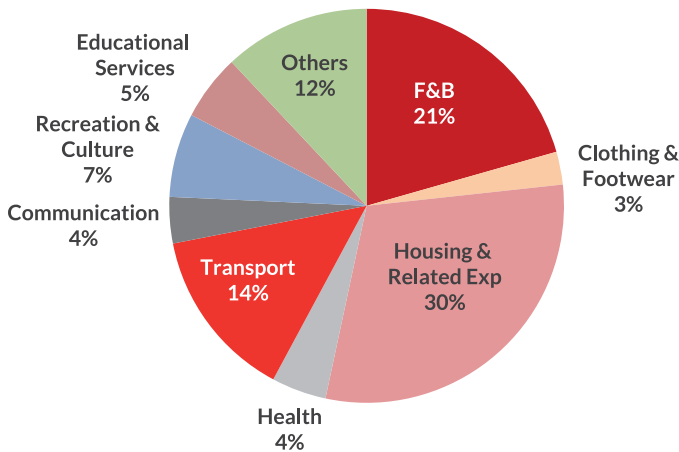
First, the retail experience for locals will be an increasingly suburban affair. The majority of shopping mall completions in the past year have been located in the suburbs, such as One KM in Tanjong Katong, Big Box in Jurong East, Paya Lebar Square in Paya Lebar, and Seletar Mall in Seletar, for example. Looking ahead, new retail space will still be largely focused in the suburbs, with Waterway Point in Punggol (2015), Northpoint City in Yishun (2017) and Changi Jewel (2018) being the largest suburban developments in the pipeline. Just as we have seen in Jurong East, the government has been actively encouraging the continued development of regional centres in decentralised areas, as a means of relieving the congestion on the CBD and Orchard Road as key working and leisure destinations. As a result, we have seen many retailers (such as Zara, Coach, Kate Spade, and Isetan) that were previously only in the Orchard Road area, moving into suburban shopping malls, in order to directly cater to residents living in the area.

Demand for quality, lifestyle

Second, households are increasingly consuming better quality and higher-end products and services. Based on the 2012/13 Household Expenditure Survey (which is conducted once every five years), higher expenditure on food compared with 2007/2008 was due to an increased tendency for households to eat out, particularly at restaurants, cafes and pubs, where their share of total spending on food rose to 27% from 22% in 2007/2008. More households are choosing to purchase higher-value electrical/AV equipment such as LCD/Plasma/LED TV sets; in addition, the ownership of mobile phones, personal computers, and air-conditioners has grown strongly among lower and middle-income families, not just in higher-income ones. As more and more households opt for higher quality goods and services, so too spending on these will increase. We believe retailers that are successful in moving up the value chain and adapting to households' lifestyle changes will be best placed to benefit from the changing consumption patterns.



Chart 6: Distribution of monthly household expenditure

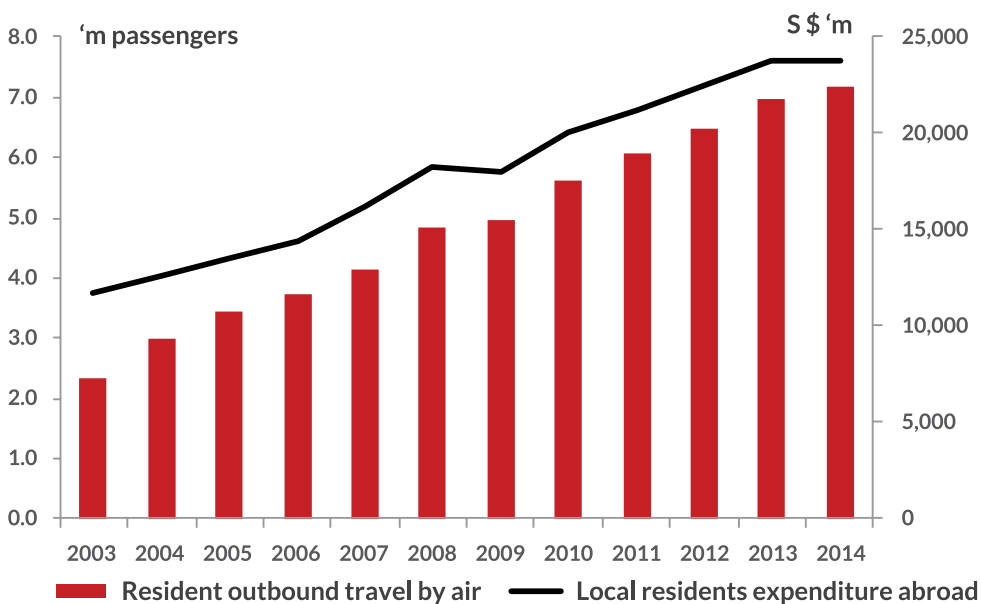


Source: Singstat, 2012/2013 Household Expenditure Survey

Competition from regional countries with proliferation of budget air travel

Third, cheap air travel and a strong currency will continue to act as a drag on retail sales growth, as consumers choose to spend money outside of Singapore. Over the past decade, local residents' expenditure abroad has grown at a CAGR of 6.5% p.a., from S\$13bn in 2004 to S\$24bn in 2014 (roughly 60% of Singapore's retail operating receipts). Strong growth in overseas spending has coincided with the proliferation of low cost carriers (LCC's) and a strong SGD, which has made travelling to nearby countries such as Thailand, Japan and Australia, more affordable and therefore accessible for the general population. This is negative for retailers because consumers are able to arbitrage on currency-driven price differences to purchase similar items at better prices overseas. Although controlling cost base would be a key way to combat lost sales from overseas leakage, rising labour costs and high fixed rents however give retailers very little room to price goods and sales competitively in a sustainable manner. On the contrary, weak economic sentiment could instead boost sales for local retailers, as residents scale back on larger ticket expenses such as travel. This could result in higher domestic retail spending as overseas spending and imports are reduced.

Chart 7: Residents' air travel and overseas spending



Source: Singstat, World Bank, DBS Bank estimates

Rise and rise of e-commerce

Fourth, e-commerce will be a mainstay in consumers' shopping habits going forward, as the price transparency offered by the internet empowers consumers to assess the relative value of goods and services. Brick-and-mortar retailers find themselves losing out to online retailers in terms of price, due to higher manpower and rental costs. Furthermore, customers often visit physical stores to test out various products before going online to purchase them, creating an unintentional free-riding effect.

The impact of e-commerce is mainly felt by the consumer electronics, household appliances, fashion, and books industries, which we estimate make up some 30% of all retail establishments in Singapore. While omnichannel retailing has been touted as the future of shopping, such as offline-to-online solutions, high costs incurred in setting up online platforms can often outweigh the benefits of incremental sales.

Although SPRING Singapore offers financial assistance such as the Capability Development Grant (CDG) or Productivity Innovation Credit (PIC) schemes, many retailers lack the technical expertise to effectively run online platforms and restructure their procurement supply chains to tap into the benefits offered by omnichannel retailing.

Retailers must adapt to the new reality of how shoppers buy products, and this involves tapping on online platforms to boost sales. More importantly, retailers must double down on their qualitative advantages, such as close physical proximity to residents, providing excellent customer service, and offering hassle-free warranty and product exchange policies. These require a major shift in mindset, but these changes are necessary if retailers are to remain relevant in the internet age.



“Ultimately, in order for Singapore’s retail scene to flourish, all stakeholders must be willing to go outside of their comfort zones. On the one hand, retailers must actively embrace technological changes and be more proactive in engaging in labour productivity and upgrading; on the other, we believe that more flexible labour policies will provide retailers relief to rising wages.”

– Andy Sim, Senior Vice President of DBS Group Research.

On that front, Minister of State for Trade and Industry Teo Ser Luck indicated in October a willingness to engage with various industry representatives to discuss the impact of foreign worker levies on profitability, and to explore the feasibility of fine-tuning the manpower policies.

Finally, we believe that landlords may have to eventually shift their leasing structures away from the traditional fixed-base rent model, to leases that take into account retail sales and retailers' health.

Innovation to the rescue

The wave of tech startups offering solutions to businesses around the world has also washed over the troubled retail sector. Many of these solutions are now commercially

available to Singapore-based businesses. Indeed, several were developed right here in their backyard.

Whether it is a robot that takes in-store inventory more efficiently or data analytics tools that allow for pinpoint targeting of customers, these innovations are helping businesses cut costs, streamline processes and boost sales.

However, these tools are just a starting point. Retailers also need to find ways to optimise the resources at their disposal. While many have gone the online route, they also recognise that the brick-and-mortar outlet will remain a key channel to reach customers, especially in a small market like Singapore.

As such, they need to put in place a strategy that plays on the strengths of both channels to create a greater whole.



“ To compete effectively, traditional retailers must reimagine the way they create value. This involves finding the best uses for their assets in order to maximise their sales and optimise their cash flow.”

- Lim Chu Chong,
Regional Head of SME Banking, DBS Bank

A Guide for Retail Businesses

This report aims to guide Retail SMEs looking to cut through the obstacles facing them, and find a clear path to doing what they do best: selling great products and services. DBS BusinessClass has interviewed several DBS retail customers in Singapore to uncover the issues facing the sector as a whole, and more importantly, explore the various disruptive solutions that are being employed to help operators here thrive.

DBS BusinessClass has also facilitated partnerships between top retail technology providers globally, devising integrated solutions that can address the top issues faced by retailers in Singapore in an initiative we call the Disrupt Challenge.

To do so, we spoke to scores of retailers from different segments to determine the problems they were facing – whether it was coping with rising costs or managing inventory. We then approached technology firms in Singapore and abroad who were able and willing to craft customised solutions for the retailers.

The hope is that armed with these solutions, smaller players will be able to overcome their challenges and capitalise on the exciting opportunities that the fast-changing retail scene presents. There will be many disappointments and a lot of hard work involved, but like a determined shopper at a sale who finds that perfect pair of shoes after hours spent fighting off bargain hunters, it will be all worth it at the end of the day.

We hope that content presented in the following pages will provide troubled SMEs with a generous dose of retail therapy to help ease their worries about the future of their businesses.



CHALLENGES

Big Challenges, Bigger Solutions

In the following pages, you will find five of the toughest problems facing retailers in Singapore. We speak to local SMEs on how these challenges are impacting their businesses and what they are doing about it, and present some of the more cutting-edge solutions out there to help them turn things around.

Challenge #1: Lack of Manpower

Labour shortages, rising manpower costs and restrictions on hiring additional foreign labour are enough to make any entrepreneur in Singapore wave the white flag and surrender. But retailers are using creative solutions to fight back.



For most retailers in Singapore, the battle with labour pressures remains. Retail, after all, is a customer-centric business and dependent on manpower. Staff – let alone good employees – are hard to come by. The country’s low unemployment rate and tight foreign labour policies also mean higher labour costs that badly affect the bottom-line as well as manpower shortages.

Many retailers in Singapore are finding it a struggle to keep their heads above water, let alone turn a profit or expand stores. Yet some are going the distance, and using technology to help. Government agencies such as SPRING Singapore have been supportive, encouraging retailers to use technology and boost their operational efficiency with a variety of schemes and grants.

Mr. Lee Yi Shyan, the former Senior Minister of State, Ministry of Trade and Industry and Ministry of National Development, said at the Singapore Retail Industry Conference in September: “The use of RFID (Radio Frequency Identification) for inventory management, automated retail services and cashier-less stores are proven ways to help retailers improve efficiency and save costs. Experience in the past suggests that such technologies could save more than 20% in manpower costs.”

Scoring an 'A' for analytics

Smaller, independent retailers can turn to big data for help. With in-store analytics technologies becoming cheaper and more accessible, retailers can use these to measure human traffic in their stores – and to help with staff scheduling.

By shedding light on metrics such as the areas with the most – and least – visitors, store owners can better understand the behaviour of shoppers and improve operations such as staffing.

For instance, installing tiny mobile beacons at exit and entry points can track real-time customer traffic through individual phone signals. In the United States, experts estimate that beacons will directly influence more than US\$4 billion in retail sales this year, and increase 10 times that next year, according to Business Insider.

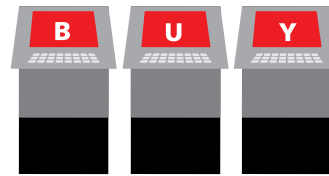
Then there is biometrics, which includes technologies such as facial recognition and voice identification. Local startups such as KAI Square offer shoppers' analytics solutions – via video analytics and accurate data capture – that help retailers and malls to increase customer conversion. These can monitor data such as crowd density and path tracking through facial recognition.



Other than video analytics, KAI Square also has a wide range of video analytics in the market as well as security intelligence to stop warehouse theft. For instance, when someone loiters around a particular area for too long or enters a restricted boundary, the system can send an auto trigger to the security department of a video of the warehouse in real time.

Self-service now, robots later?

One way to cut down on manpower costs and make do with less is to offer point-of-sale (POS) technologies, such as self-checkout and self-service kiosks, that save on labour.



Local companies are experimenting with automation and self-service technologies to reduce the need for labour. In Singapore, all the major supermarket operators – Cold Storage, Giant, NTUC FairPrice and Sheng Siong – now have self-checkout facilities.

Live video-support kiosks in stores are also starting to be seen, and are a boon for customers who want knowledgeable sales staff to help them. These kiosks offer assistance and guidance to customers. Guardian Pharmacy has a free in-store webcam pharmacy in its stores for customers who want to buy their medicine even when the resident pharmacist is off duty.

In the not too distant future, retailers could also stock their stores with robots cleverly disguised as sales staff. Already, the robot known as Pepper created by Japanese mobile carrier SoftBank is starting work as a sales clerk next year at electronics retailer Yamada Denki.

Pepper, which has already helped to sell smartphones and coffee makers, will be using IBM Watson's artificial intelligence platform to interact with customers. It will also be able to identify customers, answer their questions on products, and, it is hoped, make a sale.



Photo credit:
www.aldebaran.com

The humanoid robot can be programmed with several goals, such as grabbing inventory from the storeroom, and uses a dialogue manager, a question-and-answer engine and speech-text interfaces, reported Computerworld.

Although teething issues still have to be resolved – Pepper was unable to tell the difference between candy and a bar of soap, for instance – researchers say that over time, its knowledge and performance will improve. After all, as SoftBank CEO Masayoshi Son said: “Pepper can work 24 hours a day, it won’t complain and it will never be late.”

Being human

Of course, other retailers are turning manpower problems to their advantage by thinking outside of the proverbial box. In many cases, this means focusing on actual human beings, not robots, instead.

Some retailers are finding potential staff by turning to the very core of their business – their customer base. Bosses such as Mr. Michael Binger, CEO of Triple, which distributes the high-performance sportswear apparel brand Under Armour in South-east Asia, told DBS BusinessClass that the company takes “an innovative approach” when it comes to staffing.



It hires people who have a passion for sports, such as fitness instructors, and uses these “brand ambassadors” as part-time sales staff. Once on board, they are trained in retail store operations. He added: “Having these brand ambassadors who have a passion for the brand works with the customers and translates into better customer service.”

The moral of the story? Retailers are likely to find great people among those who already have a passion for the brand and the category.

Retailers can also look to improve how they train their staff. Apart from formal training methods, there are other newer options.

In the United States, eXperts offers a huge community of influential experts to drive retail sales and create great customer experiences via an expert knowledge platform called 3point5.com and an expert incentive platform, ProMotive.com. Targeting retail sales staff from more than 700 brands, these two platforms offer online training and access to these experts.

Then there is Australian startup arcade, which helps retailers from the start, by using game science to train retail staff. Launched just this past July, its platform gets retailers to engage employees in virtual challenges, battles and quests to meet company goals, such as sales targets.

Said Mr. David Cherrie, arcade’s Head of Sales: “We’ve come from the shop floor and seen first-hand the impact that engaged employees have in their organisation because they work harder, innovate more and stay longer. Arcade solves this problem by challenging employees every day, rewarding and recognising them, streamlining the company’s communication and connecting them with the culture and heart of the company.”

Regardless of the solution, you can bet that retailers are doing all they can to chip away at the labour problem.

CASE STUDY**Triple Pte Ltd, South-east Asia distributor of Under Armour**

Fitness enthusiasts are more than familiar with the American athletic-wear brand Under Armour, which offers innovative products that can absorb sweat as well as aid muscle recovery and fatigue. The business is encouraging: Triple Pte Ltd, which distributes the high-performance brand in South-east Asia, began as a startup in 2014 and expects revenues of S\$40 million in 2015.



Mr. Michael Binger, CEO of Triple Pte Ltd, added that high double-digit growth is planned for 2016 and 2017 on continued expansion. Under Armour now has 15 dedicated brand houses in South-east Asia, including three in Singapore. Over the next year or so, it will focus on brand expansion with new stores opening in Vietnam and Brunei, said Mr. Binger.

He said: “We are not a fashion item. We are a high-performance sports brand. Our customers go beyond the average gym goer to those who excel in their sport. Our point of difference is people who are serious about sports.”

So the brand has leveraged this unique factor when it comes to tackling one of its biggest challenges – tight staffing issues – as a retailer in Singapore. It takes an “innovative approach” by getting people who are passionate about the brand to work part-time as sales staff in its stores and be “brand ambassadors”. Out of 100 staff, it has about 20 part-timers who are also fitness instructors.

“As a smaller brand, it forces you to be creative, for example, we have a smaller marketing budget but we use it in a more aggressive way,” added Mr. Binger, pointing to how it works with credible local brand ambassadors – such as sportsmen and physically fit actors – who are also active and have a following on social media.

These marketing activities also help to resolve the difficult manpower issues, and ultimately resonate well with customers. he said.



“ As a smaller brand, it forces you to be creative, for example, we have a smaller marketing budget but we use it in a more aggressive way.”

- Mr. Michael Binger, CEO of Triple Pte Ltd

MANPOWER CHALLENGE

How can retailers attract and inspire staff to be good brand ambassadors and to work more productively in store operations, while ensuring a consistent store experience and high-quality service across all stores and distributor outlets in different countries?

DBS Solution:

Besides the foreign manpower levy that makes recruitment burdensome here, various retail customers told us that companies find it difficult to provide adequate training as they expand rapidly outside of Singapore, and to ensure consistent service standards across the region. It is also not easy to find staff who are both trained in retail operations and passionate about the brand and products; many tend to fall into one of these two categories.

DBS scouted the globe and found that Australian startup arcade's platform is suitable for the Manpower Challenge because it cleverly keeps retail staff motivated by gamifying team engagement. After DBS brainstormed with the arcade team, arcade can now customise its platform to include a staff training module. Here, Singapore retailers with existing training videos or product information can upload them onto the platform. Arcade will also design quizzes with the retailers and make these mandatory as part of the staff orientation programme. Pass the quiz, and an employee can start working; fail it, and the employee has to retake it until he or she makes the grade.

Second, DBS has identified the potential for social selling in arcade's platform. Social sellers are those who act as value-added "enthusiastic boosters" for a specific category of merchandise they know and love. Retailers can create a separate account on arcade, and let their brand ambassadors use it to earn the "expert" badge and to unlock rewards and promotions. Other than redeeming rewards, retailers can also explore peer-to-peer selling – the more sales referrals an individual makes, the more he or she earns in monetary commissions. Social selling can be a potential weapon to tackle the manpower crunch issue as retailers convert their brand ambassadors into sales staff without directly affecting payroll.



SPOTLIGHT ON:
ARCADE

Interview with David Cherrie, Head of Sales

arcade is an Australian-founded technology company that develops thrilling new software to spark and retain team engagement for a variety of different organisations. The company was initially funded by the renowned Melbourne based Accelerator Fund, Angelcube. The company was founded in 2014 with the vision statement of Respawning Retail and has since impacted some of the largest retail companies in the world with its unique flagship software arcade Enterprise. With the company's fervour for employee engagement, arcade continues to develop and define what it means to harness an engaged workforce through the power of game science.

How did the idea for using the technology come about?

We (the founders) used to work together in a retail store, which at the time was struggling to find motivation and reach targets. In order to make the days go by faster we began challenging each other to achieve particular goals in our work, and before long we found that we were really excelling as a store as well as synching better as a team. We soon became the highest performing store in the country and it became clear that the more engaged we were in our job, the more we achieved and the happier we became.

Arcade is from retail, for retail. It is purposefully designed to be flexible for suiting different store, sales and customer service environments. Arcade was launched in July 2015 into a couple of retailers within Australia.

Our most notable launch to date has been within SingTel Optus, where we have received amazing feedback from both managers and retail employees alike. We saw a 55% sales increase with arcade Focus Fury and have over 95% of employees interacting with arcade every day.

What kind of capabilities does the technology have?

Arcade's SaaS framework makes it completely scalable for any size workforce. It's also very flexible as a product, and easy to implement into different types of organisations, on top of retailers we also have multi-level marketing, telesales (and) HR companies using arcade.

Capabilities of arcade include: Intelligent workplace gamification, social enterprise tools, employee recognition elements, reporting and performance insights, and multi-platform (mobile, tablet, desktop).

What retail problems does this technology solve? What are the benefits to retailers?

One of the biggest problems for companies in general are disengaged employees. In the retail space, this problem is often more obvious, as the position is usually 'entry-level', meaning employees are paid less, work weekends and are geographically disconnected from the headquarters of the company.

We've come from the shop floor and seen first-hand the impact that engaged employees have in their organisation because they work harder, innovate more and stay longer.

Arcade solves this problem by challenging employees every day, rewarding and recognising them, streamlining the company's communication and connecting them with the culture and heart of the company. The benefits for retailers have proven to be increased productivity and sales, deeper insights into workforce dynamics and most of all, engaged employees.

How will this technology evolve in the future?

We have already launched the world first adaptive gamification engine called ADAM, who adjusts, in real-time, the objectives, rewards and recognition elements in the game to align with achieving the company goals.

On top of this, we are currently developing a world-first engagement software, which will allow companies to attain a live and accurate engagement index of their workforce and corresponding insights, straight from their arcade dashboard.

Special DBS - arcade Package:

Exclusively to DBS SME Banking & BusinessClass members: arcade is offering a 3-month trial period with rates at half-price for all medium-sized retailers (50 or more employees.)

Challenge #2: High Rentals

With unyielding landlords and intense competition for prime space, retailers are looking to squeeze more value out of their existing outlets.



Persistently high rental costs in Singapore are adding another layer of pressure on local retailers already battling with sluggish consumer spending and intense competition from foreign players.

Those hoping for some respite this year as a result of a lacklustre economy have so far been disappointed. For the whole of 2014, the average monthly gross rents of prime retail space in Orchard Road slipped by 0.8% year-on-year, while those in the regional centres edged up by 1.1%, according to property consultancy Colliers. The firm expects rates to be roughly the same in 2015.

“There are too many shopping centres around but rentals have not come down. We will see a lot of shops closing when their lease ends,” said Mr. R. Dhinakaran, Managing Director at Jay Gee Melwani Group. Indeed, Jay Gee – which distributes a host of lifestyle brands including Levis and Dockers – will be closing more than 10 stores this year, he revealed.

Many have turned to e-commerce as a way out of the rental squeeze, but local retailers DBS Business Class spoke to say that there is a limit to how much an online presence can mitigate the need for physical outlets. Firstly, for local retailers that distribute international brands, online sales will accrue to the brand owner, not the distributor.

And for certain segments such as fashion, having a significant physical presence is still a must-have, especially in a small market like Singapore’s. To mitigate rentals costs, some innovative retailers are looking to use their stores for multiple functions, or turning to temporary or lower-end alternatives.

Getting more out of a store

Star360, a Singapore-based distributor for brands such as Birkenstocks, Cole Haan, American Eagles Outfitters and MBT in the region, is using their outlets as a fulfilment centre and to handle returns for its recently launched e-commerce platform.

Shoppers who order from the retailer's online store will get their purchases delivered from one of Star360's outlets, rather than a warehouse. Customers who choose to come to the store for collections and returns are given a pair of compression socks as an incentive.

According to Star360 founder Andy Chaw, this is part of a broader "O2O" (online to offline) strategy to integrate his digital and physical channels into a seamless experience for his customers. He expects online sales for this group to reach 30% of total revenue in a few years time. However, he still believes that brick-and-mortar outlets will remain the key channel to reach customers.

A tool for storytelling

Some industry players are also using their brick-and-mortar stores as tools for brand building and engagement, and not merely to generate sales. These "concept stores" reimagine the physical space they inhabit, populating it with both innovative features that tell a brand's story, rather than hawk its products.

One radical example of this concept is a 2,000 sq foot retail space in Manhattan called STORY that "takes the point of view of a magazine, changes like a gallery and sells things like a store". Every four to eight weeks, STORY will completely change everything from its design to the merchandise it sells based on a theme.

Major sponsors like American Express and General Electric (GE) have paid tens of thousands of dollars to take part in one of the store's singular themes. GE recently partnered with STORY for a "Making Things" theme. Products for sales included a build-it-yourself robot that draws, and 3D printed jewellery. Much of the floor space was also devoted to GE machines that customers could play with, such as 3D printers and laser cutters.

Popping up

To keep rental costs at bay, some players in Singapore are also opting to open temporary, or pop-up stores in prime areas in order to reach their target audience, albeit for a limited period.

Online retailer Naiise, for instance, opened the second edition of its popular pop-up, The Design Supermarket, at Orchard Central earlier this year. The space housed some 350 brands in home decor, fashion and food, among other segments. And at Liang Court, the BE Movement Pop-up space offers a wide range of globally sourced, artisanal products, created by social or independent enterprises. These include origami jewellery, Japanese eco-friendly fashion and handmade pet collars.

In the UK, the temporary store concept has been taken a step further. A novel online platform called Appear Hear provides short-term retail spaces that can be rented for a day, a week or a month. Retailers can book spaces that are listed by their owners through this service.





Going the discount route

Other retailers are going to the end of the spectrum, and looking to generate sales by opening bare bones discount or factory outlets in less prime locations.

Home-grown electronics retailer Gain City, for instance, opened a warehouse retail outlet in the industrial estate of Sungei Kadut in June. It built an 11-storey building with a total floor area of about 50,000 square metres, of which 10,000 square metres will be used for retail. It has 11 stores in Singapore.

Said its executive chairman Mr. Danny Teo: “Rental costs can be offset in this manner. If I can attract customers from all over Singapore with one shop, then that will be enough. If that is not possible, then I will consider opening two, three, four or five more stores.”

Contrary to popular perception, Star360’s Mr Chaw said that factory outlets are no longer a platform to unload ageing stock, but a front line sales channel for many brands. “Factory outlets are the ones generating good sales for brands like Cole Haan,” he said.

Indeed, even luxury fashion retailer Club 21 opened such a store at IMM in Jurong East, called Outlet by Club 21. Fashion bargain hunters can find clothes from premium brands such as Calvin Klein, DKNY and Marc Jacobs here at significant discounts.

The discount store has even taken hold online, with e-commerce players like Reebonz and Zalora in Singapore, and JD.com in China, opening digital versions of this retail concept.

RENTAL CHALLENGE

With the brick-and-mortar store still a vital channel to generate sales, how do we maximise value from physical retail space in light of prohibitively high rental rates?

DBS-STARHUB Data Analytics Solution:

StarHub’s SmartHub has a whole host of retail insights that can help you create unforgettable retail experiences that matter to your customers, based on demographic and behavioural data. For example, SmartHub Business Landscape Analysis is able to estimate potential retail traffic at prospective locations of your new outlets. For retailers who are looking to set up a retail store, they are able to get a complimentary SmartHub footfall analysis. The first 50 DBS BusinessClass members and DBS SME Customers can request for a free consultation session with StarHub, simply drop an e-mail to businessclass@db.com.

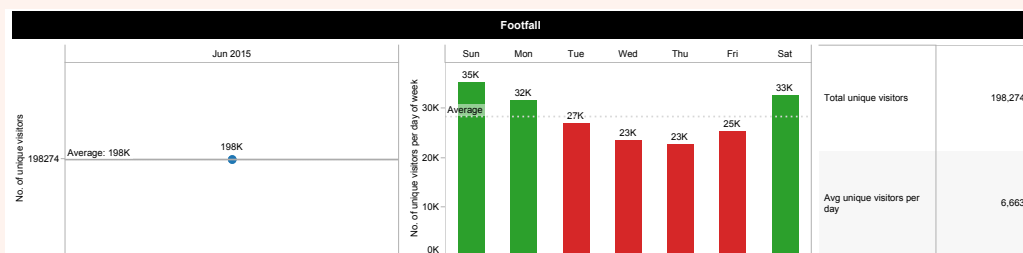


Image Credit: Starhub Mall Analysis

Challenge #3: Ensuring A Great Customer Experience

Shoppers are getting more discerning and fickle. The challenge for retailers is to offer an unforgettable customer experience, online and in real life.



How many times have you walked into a store and been met with bored, inattentive or worse, surly sales staff?

Combine bad customer service with today's savvy shopper and it is no wonder that retailers are hurting at the sales till. These days, customers have no qualms about walking out the door if they feel that service is not up to par.

In a 2014 survey by American Express, nearly 70% of 1,000 respondents in Singapore said that they would avoid businesses with bad service, while about 80% would pay more for excellent service.

But the mantra of good customer service is often easier said than done. How exactly do retailers offer a great shopping experience if shoppers aren't biting? Here are some ways to give a boost.





Start from scratch

One way is to start from the bottom with training. New ways of training promise to be more than the expensive, old-fashioned programmes of old in dull classroom settings. These new training methods are becoming more interactive, cheaper and offer fun learning for retail staff – especially important when staff are expected to be much more responsive and better informed about products.

Take the startup Myagi, which offers an online training platform for the retail industry. Retailers create their own shareable videos on customer service for sales staff, who in turn are rewarded and given incentives for their engagement.

The subscription-only platform, which can be accessed on mobile, also integrates training data with a retailer’s existing system as well as analyses data from the measuring and giving of feedback.

As mentioned previously, the Australian startup, arcade, goes a step further by “gamifying” the retail sales process to boost staff engagement – and increase sales. Said arcade’s Mr. Cherrie: “The benefits for retailers have proven to be increased productivity and sales, deeper insights into workforce dynamics and most of all, engaged employees!”

Re-invigorating customer loyalty

Conventional customer loyalty programmes may not be working as well as before. With multiple plastic loyalty cards in their wallets, shoppers find it difficult to claim or track their loyalty points and are inundated with points-for-purchases models.



So, retailers would do well to think of new, innovative ways to reward and incentivise shoppers for their actions and engagement, and not simply for their purchases. Some possibilities include value-added perks, personalised offers and relevant discounts (such as customised welcome discounts), VIP member checkouts and free snacks in-store.

For instance, members of American online pharmacy Walgreens earn points each time they track healthy activities, such as walking or testing blood pressure, and set health goals.

Another method to encourage customer loyalty is subscription-based online retail, which makes shoppers feel they belong to a membership group and other value-added benefits in return for paying a regular fee. Retailers that have an edge on this approach are those that can offer exclusive offers or samples, free delivery and lowest prices.

Taking the high-tech route is American loyalty startup PunchTab, which was recently acquired by Wal-Mart Stores’ tech arm @WalmartLabs. PunchTab’s platform allows retailers to create loyalty and engagement programmes. For example, retailers can offer a reward every time users show a receipt that they bought a product while collecting this data at the same time.

Loyalty apps for smartphones are also on the rise, with more retailers setting up these programmes. Apps such as Loyalive that helps shoppers keep track of their points balance. This digital loyalty wallet lets users manage, track, add and redeem points from just one platform, even allowing them



Photo Credit: <http://loyalive.com>

to scan new cards with their barcodes – thrusting aside their physical cards.

Experience sells

Experience-based selling is one way to boost the customer experience and help improve loyalty and conversion. And brick-and-mortar stores can be a showpiece that surprises and delights shoppers.

The clearest example of this today is of e-commerce sites setting up stores offline. Besides giving shoppers a chance to see and touch the merchandise in real life, these brick-and-mortar stores also give a more seamless experience from the digital to the physical realm. Online retailers can engage with shoppers and get face-to-face feedback, too.

American beauty retailer Birchbox opened its first offline store in July 2014 in New York, and has stood out from traditional retailers by offering in-store experiences such as makeup and skincare lessons that are free to online subscribers. Amazon opened its first brick-and-mortar store in Purdue University in Indiana, offering click-and-collect services and online-order terminals and lockers.

Then there are the pop-up stores, such as Keepers in Singapore and Diesel's 101 in New York, that target savvy shoppers with niche and curated products. In a world where attention spans are getting shorter, this “magazine format” stores keep shoppers interested with concepts and merchandise that are continually refreshed.

Retailers are also experimenting with other ways to create a novel and memorable experience is by using digital technologies such as RFID tags.

Fast fashion chain Uniqlo, upmarket American department store Neiman Marcus and shoe brand Ugg Australia have all used augmented reality and magic or memory mirror technologies to create virtual fitting rooms. American fashion brand Rebecca Minkoff has interactive touch screens on which shoppers can order drinks, browse its catalogue and engage with virtual assistants. Adventure brand North Face has in-store kiosks that let shoppers browse product information and customer reviews online.

American startup Prizmiq has also stepped into the future by offering interactive 3D imaging for e-commerce sites. It is starting with shoes then moving on to other products, and aiming to build the world's largest 3D library. Beauty retail giant Sephora teamed up with virtual reality company ModiFace to create a 3D augmented reality mirror at its Milan store. Sephora customers use it to test different makeup colours and textures in real time and in 3D – just by turning their faces and tapping on the screen.

For curiosity value, some merchants are even using 3D printing to hook their shoppers. Jewellery e-tailer Brilliance.com lets shoppers determine the size, shape and design of their rings using 3D-printed mock-ups.

In Singapore, the startup Medialogy Lab uses pre-existing NFC technology to transmit interactive, dynamic content on existing digital signage – from coupons to catalogues – to smartphones. It is also working with NETS to integrate payment on these displays. Its co-founder Sabrina Tan said: “A handshake between two digital platforms – Digital Signage (offline) and Smartphone (online) – gives rise to many opportunities. But most importantly, it gives a new lease of life to Digital OOH (DOOH) and, finally, gives accountability by means of live data to stakeholders' investment.”



Scan to watch video



CASE STUDY

Medialogy Lab

Medialogy Lab is now working with GrabTaxi on a “Grab Convenience” campaign until early December this year. It is using 10 of MediaCorp’s Digital Optiprime screens at key bus-shelter locations across Orchard Road and in the CBD with the highest human traffic and the highest taxi call rates “to allow bus commuters who can now grab convenience by choosing to grab a taxi instead of waiting for the bus,” said co-founder Sabrina Tan.

“We showcased a live Google map indicating where and how many GrabTaxis are near the bus-stop where the audience is waiting for their bus.

“If they decide to give up waiting for their bus and choose to grab convenience by getting a taxi instead, they can turn on the NFC feature in their phone and tap on the screen for a free ride if it is their first ride. They can also like Grabtaxi Facebook or follow Grabtaxi Twitter. Just within the first week of the campaign, close to 300 interactions were garnered.”



Special DBS - Medialogy Lab Package:

Exclusively to DBS SME Banking & BusinessClass members: Medialogy Lab is offering 75% off rack rates!

The rise of virtual assistants

Trusted and knowledgeable sales staff are hard to come by. What is likely to happen in the future is the introduction of virtual sales assistants through the retailer’s online sales points, such as website and app.

These personalised virtual staff would have been trained and able to converse with shoppers to make customised product recommendations.

Already, in Germany, GoButler’s online virtual sales assistant service staffed by real people who respond to requests – such as travel bookings and grocery orders – by text messages. These staff select an appropriate order by searching the web, comparing prices and reading reviews, then text the customer back for confirmation.

And, over the next decade or so, artificial intelligence can also provide the next level of customer service. Shell has introduced intelligent virtual assistants developed by Artificial Solutions’ Teneo Platform. Called Emma and Ethan, these online assistants advise the energy company’s customers in the US and UK markets on 3,000 lubricant products and their 16,500 different characteristics.

The list goes on – but what matters most to retailers is to pick the best solution for their needs.

RETAIL SPACE CHALLENGE

How can retailers create a unique in-store retail experience that will drive sales in both online and offline channels?

DBS Solution:

We worked on a mini customer journey exercise with a DBS retail SME customer, and realised that there are two key in-store manpower issues:

1. Sales assistants can be considered intrusive when they ask if they can help a shopper who is just browsing.
2. When a shopper decides to purchase an item, sales assistants must be able to make recommendations and comparisons. They need to be knowledgeable and understand the competing brands. Otherwise sales assistants lose credibility and will not be able to upsell or cross-sell.

Therefore, one of the most important ingredients of a great offline retail experience is a trusted sales assistant who can quickly understand what the shopper wants.

However, in retail, the staff turnover rate can be quite high. The time and resources needed to keep training new staff can also be quite expensive, affecting the customer experience and, ultimately, the bottom line.

We believe that there is an opportunity for retailers to set up a centralised team of virtual sales assistants who can be deployed across all the touch-points, including e-commerce site and in-store. Just like in the real world, these 'virtual sales assistants' will be trained to work within specific verticals (for instance, women's fashion, air flights, skiing holidays, computer equipment etc.). This will allow the shopper to have a 'conversation' virtually and quickly be able to select the ideal product.

To have this omnichannel virtual sales assistant capability, we think that a modular solution of in-store video analytics, customer relationship management and a centralised team of virtual assistants is needed.

Imagine: A shopper walks into a store, and the video analytics capabilities of KAI Square detect that a single female, age 35, has just entered Gain City. The system quickly fetches the buying behaviour of such a profile and realises that the shopper may be looking for a specific item and that her intent to buy will be higher if it offers her a product-bundling offer.

The shopper is now standing at the ionic hair dryer section. Using iBeacon technology, KAI Square triggers an alert to the shopper: "Need help? Click on the URL to ask our virtual sales assistant."

She clicks on the link, heads on to the e-commerce e-chat site, and starts chatting with a virtual assistant, outsourced from Djenee (a personal concierge startup in Singapore). The virtual assistant recommends a ionic hair dryer based on her budget and criteria, and makes the sell by offering a free hair mask.

If the shopper is not in the store, she can also experience the same treatment via the e-commerce site, and can request for a virtual assistant (outsourced from Djenee) to deliver the goods to her at a nominal fee.

DBS SME Customers who would like to be part of this DBS + KAI Square + Djenee pilot solution, please contact businessclass@dbs.com.

SPOTLIGHT ON: **KAI SQUARE**

KAI Square offer shoppers' analytics solutions through video analytics and accurate data capture tools that help retailers and malls to increase customer conversion. These can monitor data such as crowd density and path tracking through facial recognition.

How did the idea for your technology come about?

Video analytics technology has been around for many years. We developed a proprietary video analytics for retailers as we noticed that offline retailers had little solutions and technology to enable them beat the competition. There are many solutions such as Google analytics that help e-tailers gain customer insights. We wanted to redefine that for the offline retailer with an analytics solution that also helps them gain customer insights when shoppers walk into their stores.

Who are your customers?

We have clients from various industries, including the government sector, retail industry and transportation. Some of our retail clients are Royal Selangor, Sportslink and SingTel.

What has the retailers' feedback been like?

The top three features that retailers have found to benefit them most are People Counting, Audience Profiling and Crowd Density. These features have helped them understand and measure traffic to their stores. This in turn helps them to effectively manage their resources, track their marketing efforts and increase customer engagement.

What kind of capabilities does the technology have?

Our solution tracks and measures in-store traffic, customer behaviour and customer profiles. Retailers are able to gain customer insights for better targeting and measure the effectiveness of marketing campaigns. This also enables them to calculate ROI, optimise marketing budget to increase the value every marketing dollar brings and boosts retail conversion.

The people counting analytics tracks the total walk-ins and sales conversion of customers to the store. If a retailer launches a three-day promotion via a new advertising platform, they will be able to measure the success rate of this advertising platform and with audience profiling analytics, they will be able to know the age group and gender of these customers.

What retail problems, unique to Singapore, does this technology solve?

Manpower challenges in certain industries. Our solution helps optimise manpower and resources by knowing when your peak periods are. Also, when integrated with a self-help kiosk, it helps customers obtain quick assistance.

How expensive is it to operate?

Our standard solution is priced below \$5,000.

What is the resistance to using such technology?

Retailers are afraid to invest in new technologies that do not give a direct, tangible result. This is partly due to slower retail sales and manpower shortage for retail stores.

How will this technology evolve in the future?

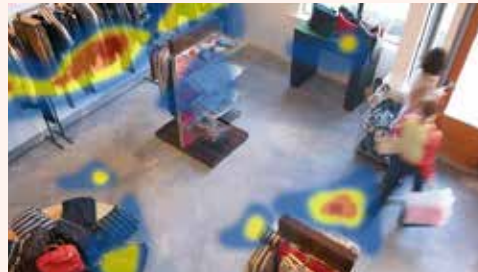
The evolution of video analytics is boundless. Currently, some of our standard analytics features are state-of-the-art. The ultimate goal is to create a platform to converge the various video analytics features into a marketplace, just like an app store, making it easy for end users to pick and choose based on their requirements. KAI Square Unified Platform has the capability to do so, and we are confident that it will be that marketplace.

Special DBS - KAI Square Package:

Node 1 Package -

\$399 for 1 Year (Including installations) and \$600 per year (2nd year onwards)

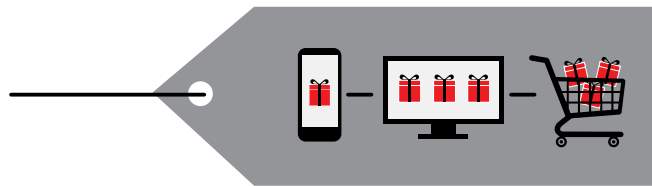
Usual Price: \$1,320/24 months + \$350 installation.



Challenge #4: How to Increase Sales

One big factor that is preventing e-commerce stores from becoming the next big thing in retail? Their online sales conversion rate.

In the quest for customers, many retailers would have already embarked on an e-commerce strategy and set up a new online store. Their e-commerce site would be intuitive and SEO-ready, with a host of snazzy functions such as built-in social media and an online shopping cart that's simple to update.



But while the e-commerce website is seeing increased traffic after launch, sales numbers are dismal. No one is buying, preferring to window-shop online instead.

So what can retailers do to boost their flagging conversion rate? Besides old-school marketing techniques, they can turn to technology.

Up close and hyper-personal

One tactic that drives conversion rates is “hyper-personalised retail”, with the customer having a completely customised and targeted shopping experience in real time. VentureBeat research showed that the simple act of adding personal data – such as the customer’s name – in the e-mail subject line bumped up the open rate by 41%.

Retailers are using a slew of technological tools to bring consumers closer to one-to-one personalised shopping across all touch points. They are now better able to offer powerful, real-time hyper-personalisation, thanks to Big Data, using a combination of transactional, search, profile, social, contextual, device location and other data.

How does this benefit retailers? With this information, they can make incredibly targeted adjustments to staffing, product placement, prices, promotions and inventory – which ultimately lead to getting customers to make a purchase.

In March this year, beauty brand Lancôme partnered with omnichannel personalisation company RichRelevance to create a hyper-personalised experience online. Instead of an in-store makeover, makeup looks were suggested on the website based on a shopper’s personal style and taste as well as regional trends and shopping behaviour. Also in the beauty realm is UK supermarket chain Tesco, which earlier this year launched one-on-one beauty consultations with beauty bloggers and experts via Google Hangouts.

Elsewhere, an American online electronics retailer called Enjoy Technology uses hyper-personalisation to their advantage. It offers shoppers free hand-delivery of products and a personal one-hour set-up session with an Enjoy Technology expert. And UK online retailer Very.co.uk uses algorithms and artificial intelligence capabilities to customise its homepage and offer targeted products and deals to shoppers.

The key is that hyper-personalisation must be done in real time. If not, retailers could lose a sale. “It’s important to capitalise on shoppers’ interest while it’s hot – not the next time they visit or an hour later – otherwise a sale could easily be lost,” Mr. Andy Zimmerman, CMO at software provider Evergage, told CIO.com.

Optimise your website

Another strategy to lift your conversion rate is to make sure your website is optimised for sales. This means using your website to generate sales or improve your sales leads. As they say, build it and they will come. Useful tips include making your website optimised for mobile, offering live chat with customer service or adding testimonials and reviews.



There are other high-tech methods to help you optimise sales, too. An American e-mail intelligence startup called Voxa offers software that is integrated with customer relationship management solutions like Salesforce.com. The software mines, measures and monitors company e-mails, alerting staff to activity such as potential sales leads and customer service problems.

Co-founder David Cummings told Atlanta Business Chronicle: “A huge amount of corporate e-mail is sent and delivered and there’s very little intelligence and analytics around the e-mails. Responding to e-mails in a timely manner is one of the best ways to make a good impression with a (sales) prospect.”

In Singapore, retailers can take advantage of a culture of bargain hunting by offering an online store that also gives discounts and coupons to shoppers.

Cashback website ShopBack was launched in last September to help retailers with conversion. When a shopper buys from an online store linked from ShopBack’s platform, the merchant that gains from the purchase gives a commission to ShopBack, which in turn returns a cut of its commission to the shopper as cashback.

Said Mr. Henry Chan, Co-Founder of ShopBack, whose 500 merchant partners include Zalora, Taobao and Expedia: “For merchants, we ensure that they earn before we do. With the pure commission-based model in place, it is pertinent for ShopBack to not just drive traffic, but also deliver sales to sustain the business flow.

“Apart from online marketing, ShopBack goes offline to cast the net far and wide to bring in new converts as well. Best of all, merchants get to nail the final amount of commission to peg to each successful transaction secured through ShopBack.”

Grab it before it’s gone

Like the superhero The Flash, flash sales are a blink-and-miss-it experience. Retailers use this sales tactic by offering discounts on products for a limited time, usually for 24 hours or three days.

The most famous of them all is Gilt Groupe from France, which lets its members shop for discounted designer fashion brands on its website, sometimes, even offering up to 70% off retail prices. The Chinese equivalent is Mei.com or Glamour Sales in English, China’s biggest flash sales site focusing on luxury goods.

Experts say that to counter the waning popularity of flash sales sites, retailers need to focus on the product selection instead of relying on the novelty of the format, the functionality of the mobile platform, and other upcoming trends such as personalisation.



Amazon for one has tweaked this model on its head, by offering permanent daily deals on its site. Other sites such as JD.com and Rakuten have also successfully used the flash-sale method – but only as an add-on feature and an extra tool to keep shoppers keen.

DBS sellonline

DBS sellonline is a one-stop e-commerce solution offering a complete suite of services to let you take your retail business online. Just submit a consumer offer to us and you can have an eyeball reach of more than four million retail customers!



DBS sellonline offers a complete suite of services to let you take your business online rapidly. It includes:

- Customisable online store design templates
- Shopping cart hosting services
- Payment gateway solution
- Business account for online payments settlement

Visit go.dbs/sellonline to register your interest. You will be contacted by a DBS representative who will follow up with more details. The e-shop solution comes with tutorials and demo videos on how to create your online store.

We are social

In the old days, people would head to bazaars to shop and interact with their peers. These days, social commerce has taken on new meaning.

Social networks are becoming more than just a tool to connect with shoppers – they are turning into shopping platforms. And it looks like this nascent trend could have a positive impact on a retailer’s bottom-line.

Chinese online retail giant Alibaba and its Alipay payment system teamed up with microblogging platform Sina Weibo to launch Weibo payment. Weibo users are able to accept payments and arrange for payments offline.

SPRING Singapore is launching two programmes to help retail SMEs enhance their sales, among other capabilities, using WeChat mobile chat. Participating SMEs will be able to have an official WeChat merchant account and online store. Functions include an in-built customer relationship management system as well as automated customer engagement and marketing features.

Retailers can now also get their customers to shop on social networks such as Facebook, Twitter, Instagram and Pinterest. These are experimenting with added e-commerce functions and offering merchants a “Buy” button on their media feed.

Twitter offered a select group of sellers, such as Home Depot and Burberry the option of a Buy button recently and is reportedly working with e-commerce software company Shopify.





American retailers such as Nordstrom and Target are using Instagram's Like2Buy platform. A customer who spots an item she is keen on in the retailer's Instagram feed can click on the Like2Buy link, which leads directly to the product page and checkout information.

Social shopping allows customers to move seamlessly from one channel to the other, from social to online retail. It allows shoppers to interact with their peers and get user feedback and reviews, and also lets them purchase items faster, within seconds.

These are just a handful of ideas that could lift up your conversion rate. At the very least, they are a starting point to getting your e-commerce site ready for tomorrow.

Challenge #5: Poor Inventory Management

Retailers are turning to more advanced tools to better manage their supply chains.



When fashion entrepreneur Stephanie Lemaire wants to find out how much stock she has of a particular dress or a jacket, she has to look through a series of spreadsheets and handwritten notebooks to get the answer.

Using these unsophisticated tools to manage her inventory means that the founder of children's clothing brand Chateau de Sable rarely has the information she needs to make informed business decisions.

Being a small retailer with five outlets in Singapore, many of the off-the-shelf solutions they considered using were too costly and complex for their needs. These woes have limited the ability of the 10-year old brand to meet rising demand for its popular line of clothing.

“We need a system that can tell us which stocks are moving fast and which are moving slowly. Logistics is a fixed operating cost, so you have to clear your stock fast enough otherwise your cash flow will be affected,” said Ms. Lemaire.

Bogged down by the day-to-day work of marketing a brand and growing revenue, many retailers like hers have neglected the equally important task of optimising their supply chains in order to maximise sales and generate cash flow.

Bad inventory management can be costly for businesses. Many SME owners like Ms. Lemaire are wasting money holding more inventory than they require, simply as a result of not knowing what stock she has in the first place. Having a good system in place allows a retailer to meet customer demand at all times.

Thankfully, there are a growing number of innovative tools on the market that can help

smaller players manage their inventory more efficiently. Whether they are advanced cloud and app-based solutions, robots that take stock or smart shelves that can detect changes in in-store inventory, these tools will not only help boost a company's bottom line, but also free up business owners to focus on their core competencies.

For Ms. Lemaire, this means having to spend less time clicking on spreadsheets and more time at the cutting table and the shop floor.

Clarity from the cloud

One popular solution from local tech companies such as StoreHub and TradeGecko is cloud-based systems that allow business owners to keep track of their stock levels in real time. With this information readily available, a retailer will instantly know which of its popular products need to be restocked, and which ageing items need to be moved quickly. This will ensure that the firm's working capital is being managed efficiently.

Such systems also allow for easy-to-digest reports to be generated from the data gathered, giving businesses real-time insights for decision-making.

Singapore-based startup TradeGecko, for instance, offers a cloud-based app inventory management tool that enables users to track inventory and orders across multiple sales channels. The firm's solution can also be integrated into a company's accounting or sales systems to provide a seamless, holistic picture of the business at any one time.



Photo credit:
www.tradegecko.com

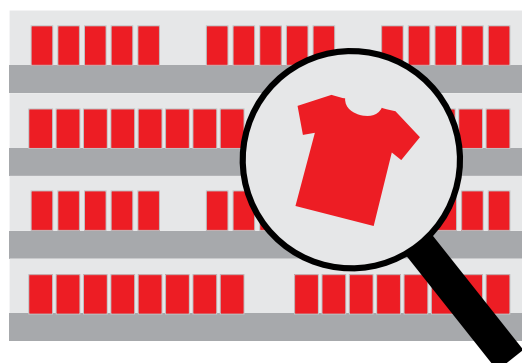
The company, which was started in 2013 by New Zealander Cameron Priest and two partners, is working to also integrate their solution into the systems of their clients' logistics providers.

"With TradeGecko, you can automate your inventory operations and manage your sales channels from one central source, freeing you up to spend more time on growing your business," said Mr. Priest. The company currently has close to 10,000 clients in over 100 markets. Subscription to their service starts at \$49 a month and goes up depending on the number of features added.

The startup is also working on a suite of apps that can plug into their core inventory management system, such as a sales application. Ultimately, TradeGecko wants their product to be the tool that customers use to "run their lives", said Mr. Priest.

Visual search

Another local tech firm, ViSenze, has developed a system that uses visual recognition technology to identify different items in a business's inventory. This visual search technology is especially useful for retailers whose products are differentiated by design – such as those in the fashion or furniture segments.



Retailers can use the tool to help them visually sort images according to categories, said Mr. Oliver Tan, CEO and Co-Founder of ViSenze.

“Cataloguing is a very important pain point, the biggest problem for retailers both online and offline. If you cannot catalogue it properly, you can’t find it and you can’t sell it. We not only make searches more efficient but enrich your catalogue tagging for you,” he said.



One of ViSenze’s clients is interior furnishings firm Goodrich Global. Rather than plough through massive sample books, the company’s salespersons can tap on ViSenze’s mobile app and search the database quickly. As a result, instead of taking up to 24 hours to respond to a customer, they can now do it in less than five minutes.

They can even do a reverse image search, by snapping a photo of wallpaper or a fabric to know immediately if they have a similar offering in their warehouse, saving them a lot of time in the process.

Said a spokesman from Goodrich: “The innovation ViSenze brings in visual search solved not just our image database retrieval problems, but also helped create a new capability that allowed us to raise our customer response time significantly and equipped our staff with simple tools to serve our customers better.”

Stock-taking bots

From manufacturing plants to restaurants, robots are popping up everywhere to make life easier for their human masters. Now they are being used to take over the tedious and time-consuming task of checking inventory.

One such solution known as StockBot wanders around the shop floor of a department store or boutique on wheels to keep track of changes in stock levels. It makes a map of the area and moves around without any help, and is able to detect obstacles and avoid them without human intervention.



Created by Barcelona-based PAL Robotics, the bot automatically keeps track of in-store inventory using a mobile and autonomous RFID system, and can be used in a retail stores or low-ceilinged warehouses. By using this system, retailers can cut down on labour costs and human errors, and speed up the process of managing inventory.

In India, a startup called GreyOrange builds robots that operate in the warehouses of retail, logistics, and e-commerce companies with the goal of enabling quicker deliveries and minimal errors. The company’s three robots are used to capture the volume, dimensions, and weight of parcels; sort the parcels as well as for storage and retrieval purposes.

Smart shelves

A recent innovation known as the Security Inventory Management System, or SIMS, makes use of sensors and mounted cameras to monitor the weights of different products in a retail store. It assigns products with a specified identity code and can calculate the weight of inventory items as they are removed from the shelf. The store's inventory records are then updated instantly. Unveiled in October 2015 by US.-based World Patent Marketing, the tool makes checking in-store inventory more accurate and less time consuming.

Said a company spokesman: "SIMS is a technological invention that will help in store management as it removes the need to manually check and balance inventory therefore avoiding costly losses."

INVENTORY CHALLENGE

“ There are two challenging areas in our business, one is Inventory management and costly warehousing, the other is drawing in the crowd to our stores online and offline. We need a customisable and affordable one stop solution for this. ”

DBS Solution:

Retail customers we spoke to often complain of the poor inventory management hampering their ability to optimise their supply chain and thus maximise sales from their physical and digital channels. Off-the-shelf solutions are designed for larger enterprises and too costly for SMEs.

As such, we searched for solutions providers who could customise inventory management tools to meet the needs of smaller players. The emergence of cloud technology meant that there were several cost-effective solutions in the market that were ideal for SMEs, such as the one from StoreHub.

StoreHub offers retailers a cloud-based system that allows its customers to keep track of their stock and sales in real-time on their mobile devices. The iPad-based solution that incorporates POS, inventory and CRM capabilities gives users a holistic view of a user's business, helping them to ensure that the right products are available in sufficient quantities to meet customer demand across all channels.

We also discovered another solutions provider, ViSenze, that uses visual recognition technology to identify different items in a business's inventory. This greatly reduces the time to locate items that may be in demand, thus also helping to maximise sales.

**SPOTLIGHT ON:**
STOREHUB**Interview with company founder
Fong Wai Hong**

Technology company StoreHub offers retailers a cloud-based point-of-sales (POS) and inventory management system that allows them to keep track of their stock in real time on their mobile devices.

How did the idea for using the technology come about and whom was it designed for?

While travelling, I met a friend in Fuzhou who was running a chain of lingerie retail stores. He had just implemented a new POS system that was horrible. I agreed to speak to his developer but got incredibly frustrated with their lack of a drive to improve the system.

This frustration led me to explore the idea of building a great POS system to solve this pain and eventually led to the birth of StoreHub. The technology is proprietary was built with retailers in mind from Day One.

What has been the response so far?

We have over 460 stores using the system. We have retailers of all shapes and sizes ranging from boutiques to cafes as well as both independent stores and franchise outlets. Some of our bigger customers include Shell, Maxis, Flexiroam and Sangkaya.

The retailers have embraced the technology and have found the convenience that comes from having everything in the cloud to be a great advantage for them.

What kind of capabilities does your solution have?

We have a beautiful POS system that runs on the iPad, as well as tools for inventory management, basic CRM and reporting.

What problems does this technology solve for retailers?

Traditionally POS systems have been complicated, ugly and expensive. We bring an incredibly intuitive and affordable solution that SME retailers can enjoy without the typically costs associated with these solutions. Also, we have a fanatical focus on great design and the finer details because we believe technology can make retail systems easy to use by anyone and not just the technically savvy.

Why have some retailers been resistant to using such this technology?

We find that retailers who do not look at store reports or the data very much will find it difficult to adopt the technology. Also, moving away from an existing system that is not 'broken' to a system that will drive value in other ways may prove difficult to some because of the high initial investment cost that was ploughed into the previous system before. Some retailers would find it a 'waste' to throw away their existing systems.

How will this technology evolve in the future?

Cloud-based retail solutions like StoreHub will be the new de facto standard as a platform to enable whole new retail experiences like mobile checkout, mobile payments and creating a more personalised in-store retail experience.

Special DBS - StoreHub Package:

Exclusively to DBS SME Banking & BusinessClass members: Sign up for a 30-day free trial today!



OMNICHANNEL STRATEGIES

TWO SIDES OF THE SAME COIN: THE OMNICHANNEL DILEMMA

As the lines between online and offline shops blur, retailers need to integrate their virtual and physical operations to present a single, unified storefront to the consumer.

Whether it is clicking 'buy' on a website or handing over a credit card at to a cashier, most consumers these days no longer distinguish between a physical and virtual shop when it comes to buying stuff. What matters most is that the experience of purchasing that smart phone, jacket or luxury timepiece is a delightful, hassle-free one that also offers the best deal.

The e-commerce juggernaut that has been rolling over traditional brick-and-mortar stores for more than a decade now has left a trail of destruction across the retail landscape. In the US, once popular clothing brands American Eagle and Abercrombie & Fitch have announced store closures for this year, according to the Bloomberg Intelligence 2015 Outlook for the Retail Industry.

The online retail market has grown from zero in 1993 to be worth US\$1.5 trillion worldwide in 2015, representing 6.2% of all retail expenditure. By 2020, these figures are expected to rise to US\$2.7 trillion and 8.5% respectively, according to a report by Generator Research called 'Online Retail 2015'.

However, as online shopping moves into the mainstream, the lines between physical and virtual are blurring quickly. For instance, a customer who visits an Apple store in the US can pick up a product and pay for it with his or her Apple ID via an iPhone mobile device, and not ever have to talk with a salesperson.

In response to this dynamic, many industry players are striving for what has emerged as the holy grail of retail: a truly seamless omnichannel experience for their customers.

"From the viewpoint of a typical consumer, a retailer should offer a seamless shopping experience across online and offline channels, integrating its virtual and physical operations so that, for instance, a shopper can return an item bought online at a store, or go to a store's website to find out if an item is in stock at the closest physical store location," said a report titled 'The retail transformation: Cultivating choice, experience, and trust' by the Deloitte Center for the Edge.

Traditional players are redefining the brick-and-mortar experience by incorporating digital technology into their stores that will facilitate everything from locating products to completing online purchases and virtually trying on clothes.

Some are also using their physical platforms to focus on creating memorable experience for their customers. According to the report by Deloitte, some US retailers such as Apple and Victoria's Secret command higher prices by offering exclusive in-store experiences.

Meanwhile, pure online retailers have recently been opening physical stores in an effort to plug the gap in their customers' shopping experience. E-commerce giants Amazon and Alibaba have both opened brick-and-mortar spaces, while closer to home, fashion e-tailer Zalora has experimented with temporary pop-up stores.

The market is also witnessing the emergence of a new kind of partnership where online retailers are signing distribution agreements with traditional players. These agreements allow online retailers to offer a greater variety of fulfilment options to customers while providing brick-and-mortar retailers with a new source of revenue. For instance, eBay has a click-and-collect partnership with UK retailer Argos that enables eligible new or second-hand products to be sent to a designated Argos store for in-store collection by the buyer.



Some Singapore-based retailers are already adopting omnichannel strategies such as click-and-collect and interactive billboards into their operations. Electronics giant Gain City offers a click-and-collect service to online shoppers, who can pick up their products at its 11-storey Sungei Kadut building.

Said executive chairman Mr. Danny Teo: “I feel that if customers want to self-collect, then you should make them go to a specific location. For example, at Sungei Kadut, I have arranged for two eateries on level three and a café below. So it may be attractive for customers because they can eat here as well. Both online and offline channels must complement each other.”

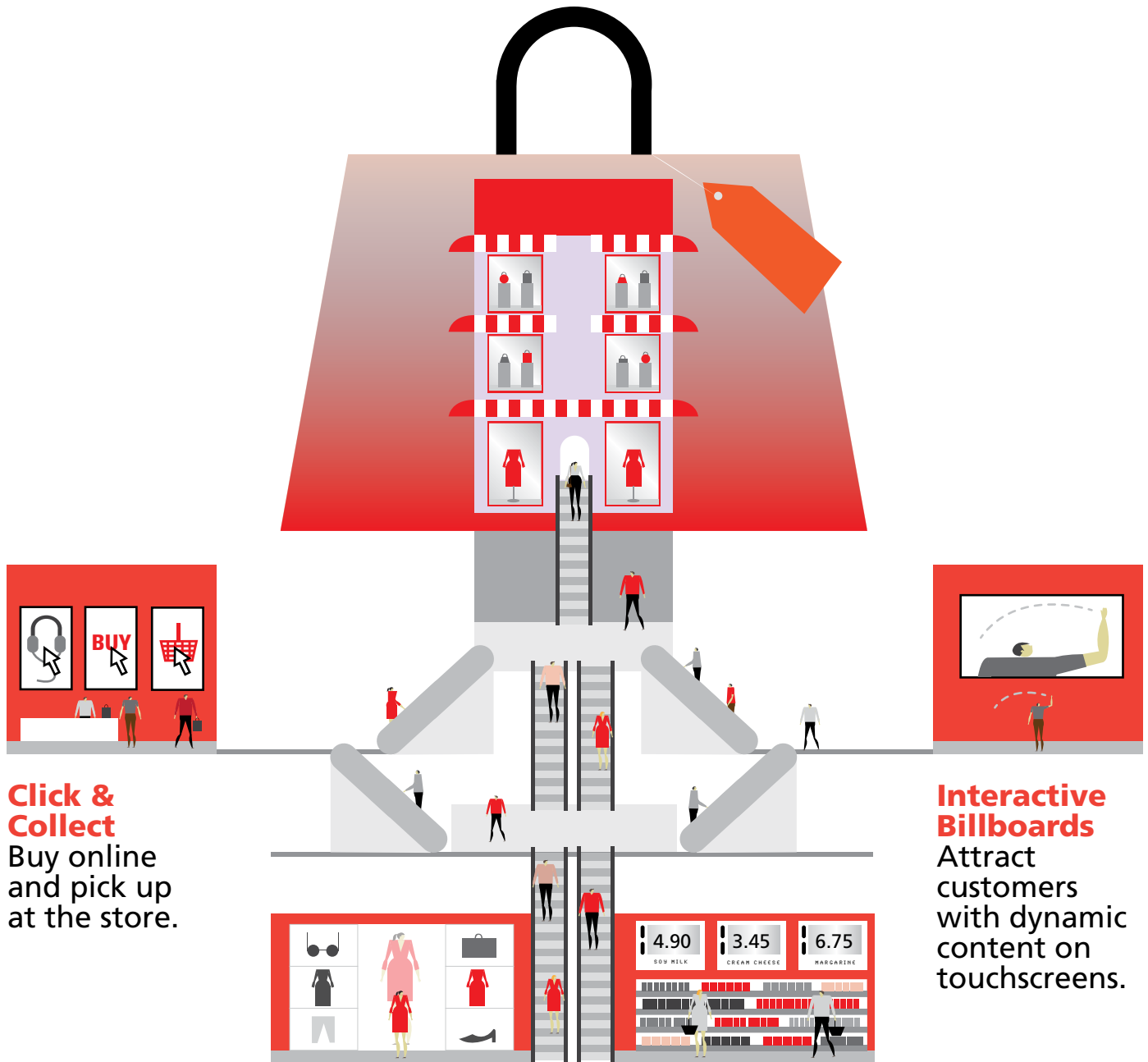
On their part, local technology companies are offering some of the solutions that will fuel this retail revolution.

Retailers have traditionally managed their online and brick-and-mortar businesses as separate entities with different cultures and even separate profit and loss statements. To survive in an increasingly complex and competitive landscape, they will have to merge the two into a single, smiling face to welcome their customers.



CONVERGENT RETAIL – AN OMNICHANNEL WORLD

Here are some of the technologies bridging the divide between the online and offline retail experience.



Click & Collect
Buy online and pick up at the store.

Interactive Billboards
Attract customers with dynamic content on touchscreens.

Virtual Changing Rooms
Use augmented reality mirrors and 3D body scanning.

Electronic Shelf Labels
Change product prices and information in seconds.

Click and Collect

As the online and offline retail experiences collide, e-commerce players are using physical spaces to handle collections and returns. Amazon opened its first physical store on the campus of Purdue University in February this year. After ordering online, customers can pick up their purchases at this location, which also houses online ordering terminals and lockers.

Micro shops

A newer trend that could emerge is known as the 'micro shop model'. Rather than a retailer's online advertisement redirecting traffic to its Facebook page or website, all functions needed for a user to make a purchase would be embedded into the ad itself. For instance, a sponsored story about making sushi could have a 'buy now' option for the knife used in the video or article.

Interactive billboards

Companies like local startup MedialogyLab offer solutions that can turn outdoor digital signboards in shopping malls and bus stops into interactive touchscreens, allowing for more dynamic content, such as videos and call-to-action "tap zones". The result: consumers get a more targeted, personalised shopping experience while retailers are better able to drive customers from the mall to the store.

Social selling

Social, or peer-to-peer, selling refers to retail transactions that happen between individuals or within a group of individuals and not between merchants and individuals. An intermediary would need to create and run a marketplace that allows such peer-to-peer transactions to take place. In this model, any individual could be a retailer and the point of sale could be anywhere.

Augmented reality in window displays

Augmented reality, or AR, has the power to bring a shop window to life. Earlier this year, British department store Harrods showcased an AR window display for Russian jeweller Fabergé. The display showed off an interactive man-sized 3D egg. Visitors were able to choose their favourite Fabergé egg pattern through an iPad inside the store and have it projected onto the egg in the window.

Virtual changing rooms

3D body scanning technology is being used by retailers to let consumers try on clothes of different styles and sizes virtually in a store's dressing room. Likewise, a virtual make up mirror allows a shopper to see how a cosmetic product will look on an image of her face.

Electronic shelf labels

Retailers can now change the prices and information displayed on their store shelves across their whole network of outlets within seconds. Solutions using Bluetooth beacons on the shelves that allow retailers to send customised messages straight to the shopper in an outlet.



SHOPPING IN TOMORROWLAND

Peek into the future of retail and get a glimpse of what the store of tomorrow could look like.



1 / Outside the store

Sarah shops on the sidewalk, thanks to shoppable windows that transform into vending machines and operate round the clock, 24/7.

2 / Stepping inside

Beacons send personalised recommendations to Sarah's smartphone and a digital shopping assistant helps to navigate her around the store.

She gets loyalty points for visiting the store.

Via facial recognition, data analysis and mobile point-of-sale technologies, sales staff recognise Sarah and her purchase history and greet her personally.

These engaged and empowered staff also offer added-value services, such as carrying her bags or serving drinks.

3 / Exploring the store

The store offers a memorable shopping experience, almost like going to the theatre. Sarah is wowed and entertained.

Smart mannequins notify Sarah's smartphone about what they have on.

Tablets, smart kiosks and interactive touchscreens showcase the retailer's entire inventory, such as the full range of sizes and colours, across different stores. A virtual sales assistant helps her with product requests.

Sarah sees how popular an item is with her friends on her smartphone.

4 / Changing room & making a purchase

Smart fitting rooms suggest matching items.

Augmented reality mirrors lets Sarah "try on" clothes virtually.

Sarah adds items to her basket, which digitally keeps track of the prices and offers personalised loyalty discounts.

Products can be customised with 3D printing technology.

Sarah uses her smartphone to pay for her shopping. She can also self-checkout if she prefers.

5 / At home

Sarah receives reminders about products she tried on at the store as well as recommendations on complementary items.

Store staff demonstrates and shows Sarah items via smart glasses, augmented reality and real-time video.

On her social network, she reads peer reviews about potential purchases and buys them with one click.

A drone delivers her online purchases to her home. For a cheaper option, Sarah heads to the store near home to collect her items – and her shopping experience begins again.

ARE YOU READY TO CHECK OUT?



“ Even as the retail scene in Singapore becomes more vibrant, smaller players are struggling with headwinds on multiple fronts. We frequently hear about these difficulties from our retail SME clients during our visits with them.

The government’s push for greater productivity as it slows the flow of foreign labour has raised operating costs and eaten into the margins of retailers at a time when the economy is expected to slow. Not helping are persistently high rental rates that have barely budged under the weight of slowing demand. As a result, players large and small are closing outlets or reducing the size of certain stores to cope.

Sluggish tourist arrivals, traditionally a pillar of strength for the sector, have also impacted retail spend. Visitor arrivals fell in 2014 for the first time since 2009 and missed official forecasts. For 2015, the Singapore Tourism Board expects 15.1 - 15.5 million travellers, a flat to a 3% rise.

Meanwhile, changing consumer behaviour – whether it is the growing popularity of e-commerce or increased travel by locals – is driving sales away from traditional “brick-and-mortar” shops.

At the enterprise level, many SMEs are unable stand out in a crowded market by creating memorable customer experiences. Nor are they able to piece together a workable omnichannel strategy that seamlessly combines their virtual and physical footprints to generate superior sales.

These problems are serious enough for the government to take action. In September,

the Ministry of Trade and Industry unveiled a plan to drive sales growth among local retail businesses. Known as the second Retail Productivity Plan, it will provide support and know-how for Singapore retailers in areas such as e-commerce, branding and concept innovation.

Despite the gloom, we believe that this isn’t the time for SMEs to cut costs, but rather to take the opportunity to build their capabilities and ramp up their efficiency in order to lower their overall cost of operating. They should also leverage digital platforms and technologies to increase their ability to cross-sell and up-sell across all their touch points

DBS has launched several initiatives to help SMEs in various sectors thrive in the current environment. DBS BusinessClass was set up over a year ago as a platform for SMEs seeking advice and networking opportunities from more established players and experts in their industry.

In conjunction with the app-based community, DBS BusinessClass also organises the Disrupt series of events that brings together SMEs from a particular sector with technology solutions providers from around the world that can help them overcome their unique challenges. Newer offerings like DBS sellonline and DBS FasTrack aim to help retail SMEs flourish in the digital age.

We are also in constant dialogue with government agencies and there are many great support schemes available to SMEs such as Capability Development Grant. DBS is going one step further by offering bridging loans to tide SMEs over until the grant is reimbursed so that they can build their capabilities as quickly as possible. If you have any suggestions on how DBS can better help your business, please download the DBS BusinessClass app and chat with our virtual assistant.”

- Lim Chu Chong,
Regional Head of SME Banking, DBS Bank.



ADVICE FROM THE VETERANS

Top tips from retail veterans & experts



“ One, go through your calculations again and again that it stacks up in terms of profitability. It is too easy to be lured by your dream location. Two, don't open a store hoping people will come in. People want more. Be very clear about that experience so you have that point of differentiation in the market. Three, is e-commerce going to save a store? No, it's not. Don't get fooled – online has a lot of hidden costs such as warehousing, payments and site.”

- Mr. Michael Binger, CEO of Triple Pte Ltd,
South-east Asia distributor of high-performance brand Under Armour



“ Make sure your concept is different from others. Find a good niche, and make sure that you think about your concept from end to end before you begin - from the design, the logo, who your manufacturers are going to be.”

- Ms. Stephanie Lemaire,
Founder of children's clothing brand Chateau de Sable



“ You need to have goods that are very niche, uniquely fashionable and differentiated. They cannot be too similar to something else in the market. Generic products are very hard to market these days.”

- Mr. R. Dhinakaran,
Managing Director of Jay Gee Group



“ Getting the right brand and the right product is key. Coming up with a refreshing retail concept is also important.”

- Mr. Andy Chaw,
Founder of Star360 Group



“ Exemplary customer service, building customer loyalty and providing value-for-money products are key competitive differentiators in the retail business. These should be seen as a long-term commitment and not a short-term tactic. One bad experience and the customer will lose confidence. Do not just adopt price slashing, but rather, focus on giving what the customers perceive as a fair deal. For startups, do your SWOT analysis. Make use of your strengths and exploit opportunities. Think about what you have that other businesses don't. Persevere, work hard and work smart.”

- Mr. Alex Cheok,
Managing Director of Far East Flora

“ My advice to young entrepreneurs is to put their heart into it and do what you are passionate about. You must have the right attitude and the right mind-set.”

- Mr. Danny Teo,
Executive Chairman of electronics chain Gain City



“ Retail is at the forefront of being disrupted by digital technologies. Omnichannel, e-commerce, and mobile shopping have now been in the mainstream for at least a decade. And in the next five years, 3D manufacturing, drone-delivery, IoT (the Internet of Things) and Big Data, augmented reality, and digital payments will come together to change the face of retail. The biggest challenge for many small and medium-sized retailers would be to lead their companies through this exponential digital change, against a backdrop of complexity caused by evolving consumer expectations and the changing nature of competition. Success would only come to those SMEs, who are able to embrace and leverage these powerful disruptive technologies, enabling them to compete on scale and speed.”

- Ms. Charu Mahajan, Director,
Management Consulting & Digital Customer, Accenture Singapore



“ The ingredients to a sustainable and profitable retail industry in Singapore should be a cautiously optimistic outlook, together with quality staff, good technologies for operational efficiencies, sharp business acumen and the right competitive retail spirit. An extremely challenging sector, in the immediate future, Singapore’s retailers need to be more enterprising about how they extend their competitive edge amid looming domestic and regional competition.”

- Mr. Anthony Gan, Executive Director,
Singapore Retailers Association



**HELP
WANTED**

I / Networking Platform

DBS BusinessClass

DBS BusinessClass is a platform for SME owners to connect with established businesses and experts from their respective industries. The mobile app gives entrepreneurs access to a wealth of expertise and business insights at their fingertips. In conjunction with the app, DBS BusinessClass also organises different events to help SMEs on their journey of growth.

1. Talent Development

ACE-NUS Businesses looking for formal training in entrepreneurship or scouting for apprentices can turn to this new tie-up between the Action Community for Entrepreneurship (ACE) and the National University of Singapore (NUS) Business School. Unveiled in April, this two-year initiative aims to conduct research on issues facing startups and facilitate apprenticeship opportunities for university students. ACE and NUS will also jointly host a range of master classes on entrepreneurship, and hold conferences between industry leaders and members of academia. ACE is a private-led entity run by entrepreneurs and investors.

2. Marketing Support

A new campaign led by Singtel and DBS aims to encourage consumers to support local SMEs in the retail and F&B sectors. Known as 99%SME, the initiative allows SMEs to list retail promotions on the campaign's website (www.99sme.sg). Singaporeans can also go to the website to pledge to shop and dine locally. Singtel, DBS and supporting partners such as MediaCorp are investing millions to provide local businesses with free technology support and promotion. For instance, retailers can tap on Singtel's Amobee Brand data analytics service to help better engage with their customers. Meanwhile, DBS Bank will encourage its customers at its branches and ATMs to support small businesses, as well as reach out to its existing SME clients to get them to join the campaign.

II / Technology Solutions

DBS sellonline

DBS sellonline is a one-stop e-commerce solution offering a complete suite of services to let retailers take their business into the digital arena. The service includes customisable online store design templates, shopping cart hosting services, payment gateway solutions and business accounts for online payments settlement.

A*Star and Singapore Productivity Centre (SPC)

Government agency A*Star and SPC recently launched a two-year programme to help businesses in the food, hotel and retail sectors become more efficient through the adoption of technology. SPC will identify industry-wide productivity gaps that can be addressed with technology, while A*Star will match companies with suitable solutions.

Some of the operational areas that can be improved with technology under this scheme include management, customer service and human resource development.

StarHub SmartHub

Big data is changing the way retailers connect with customers, creating fresh opportunities and unrivalled business benefits. StarHub is at the forefront of this data revolution, providing retail businesses with accurate and powerful customer insights through SmartHub Data Analytics solutions. SmartHub has a complete 360-degree view of customers – it collects, integrates, analyses and anonymises data on customer patterns, preferences and personality, profile and location data across platforms. These insights help define different personas which in turn help retailers better understand their customers and optimise revenue by reaching out to the right customers. With footfall analysis, SmartHub also enables retailers to plan their manpower schedule and location of new outlets more effectively.

III / Overseas Expansion

International Enterprise (IE) Singapore

For those ready to venture abroad, IE Singapore's Market Readiness Grant funds up to 70% of the costs of eligible activities – including market set-up and market promotion – capped at S\$20,000 per company per fiscal year.

The agency also supports SMEs by providing networking opportunities, overseas market knowledge and assistance with assessing market attractiveness and risks.

Access to Global Platforms

Local SMEs will find it easier to sell their products on global e-commerce sites such as US-based Amazon, China-based T-mall, and Malaysia-based Lelong through partnerships that IE Singapore has formed with these three virtual marketplaces.

Through these tie-ups, IE Singapore aims to help Singaporean companies get online by easing the listing process on these e-commerce platforms. Companies can also tap the government agency's Market Readiness Assistance (MRA) Grant and Global Company Partnership (GCP) Grant to defray related expenses such as online marketing activities.

IV / Design Innovation

DesignSingapore Council

Good design can be a key competitive advantage in a crowded market. The Design Innovation Assistance (DIA) scheme aims to support Singapore enterprises in adopting design for service innovation.

This initiative by DesignSingapore Council aims to enhance business competitiveness as well as create differentiated experiences, better products and brand retention.

V / Government Subsidies

The Singapore Government offers many forms of technical and financial assistance schemes through various agencies, many of which can be applied to the retail sector.



SPRING Singapore

The lead agency for supporting local enterprises rolled out about 12,000 projects in 2014 to help SMEs deal with rising business costs and labour constraints.

SPRING Singapore offers a multitude of assistance schemes including the Capability Development Grant, which can provide subsidies up to 70% of cost when applied to 10 areas, including brand development, service excellence and human capital development.

Inland Revenue Authority of Singapore (IRAS)

Dispensed by IRAS, the Productivity and Innovation Credit scheme (PIC) provides subsidies and cash back rebates for investing in productive or innovative business activities. An automated noodle-making kiosk, for instance, would qualify under PIC.

VI / Financing for Startups

Ranging from working capital and venture debt financing to raising funds through the capital markets, DBS offers a range of financing solutions for SMEs that is complementary to government funding and equity financing.

The bank's working capital advisory team, for instance, has helped many of its SME customers unlock cash through better working capital practices, and in the process lower their funding costs.

DBS also recently introduced Venture Debt, a first-of-its-kind product that aims to help startups navigate their next stage of growth.



Apply for a loan online and track your application status in real time

To find out more, scan here:



go.dbs.com/applyloan



Skip the branch! Apply for an account in 5mins and enjoy FREE access to DBS IDEAL™, corporate Internet banking

To find out more, scan here:



go.dbs.com/applyaccount

Download
DBS BusinessClass app
go.dbs.com/getbizclass



Available on iOS and Android



Technology Solutions Partner:

