

IN-STORE

Facial recognition software can create personalized retail experiences

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By JEN KING

A new facial recognition software could help give affluent consumers a personalized shopping service while taking the guesswork out of identifying VIP customers for retail employees.

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The Facial Recognition software, developed by NEC IT Solutions, will help boutique employees better cater to their customers, even if they do not recognize them at first glance. On the brand side, it will also help ensure that retailers never miss out on a potentially lucrative sale.

"A luxury retailer would include a wall mount display or kiosk that would allow customers to preregister themselves, and opt-in either at time of purchase or online," said Allan Ganz, account development manager for [NEC Corporation of America](#), Irving, TX.

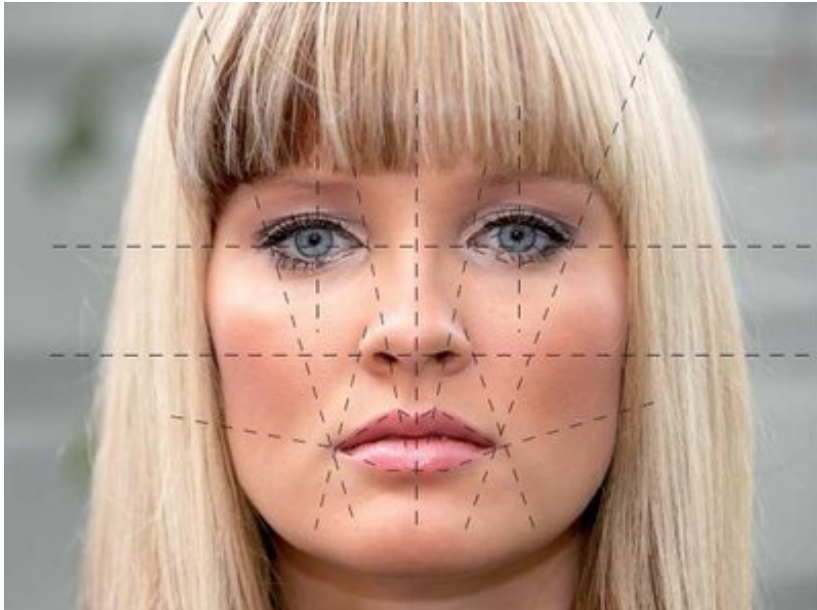
"The kiosk would have two potential locations," he said. "The first at the sales counter and second at the service counter for instance at alterations. The key is to allow for an enhanced customer experience.

"Face recognition allows for the storage and real-time analysis of this vast amount of data to gauge and modify the effectiveness of brand promotions."

Face time

NEC IT Solutions has created similar software with security, rather than retail, in mind.

Similar to the software that helps to identify criminals and terrorists, the facial recognition software is checked against an opt-in database of shoppers.



Face recognition software scans costumers' faces

The software will scan customer' faces as they enter the boutique. If the software recognizes a face in the database, an alert will be sent to the employees via computer, tablet or smartphone.

Once alerted of the shopper, the boutique employees will be able to access the customer's clothing sizes, favorites and spending history.

NEC IT Solutions has been conducting software trials in designer boutiques and hotels in the United States, England and Asia. The company has not disclosed the retailers and hotels used in the trial.

Although privacy is a big concern of affluent consumers, NEC IT Solutions found that many high-profile customers did not mind sharing their private information if it meant a more personalized and quicker shopping experience as per NEC IT Solutions.

"I can see an issue with privacy being a concern for most shoppers," said Brittany Mills, vice president of client solutions at **B Culture Media**, Atlanta.

"Even though NEC IT Solutions addressed the privacy concern, I am not sure that most shoppers would want to be identified before a purchase.

"If a customer is a frequent shopper, the store associates should already have a relationship with the shoppers and can determine the amount of attention to give," she said.

To track or not to track

Although many affluent shoppers are looking for an easier, more personal shopping

experience there is some degree of hesitation in providing their personal information to luxury retailers.

For instance, sixty-three percent of affluent consumers would choose to keep their online history and Internet activities private through an opt-out tracking policy, according to a survey from the Luxury Institute.

Affluent consumers do not want their personal information used for other purposes and many consumers do not trust the safety of their information when giving it to a brand. This means that luxury marketers need to earn the trust of their consumers before asking for their participation in online tracking ([see story](#)).

Other mobile tracking technologies have been used to draw consumers into stores.

For instance, luxury retailers can benefit from using geo-targeting mobile technologies to keep affluent consumers coming into their stores and not their competitors' locations.

Retailers can use geo-targeting in a variety of ways, which include targeting consumers in a store, outside a store or in specific neighborhoods. By using these technologies along with consumer data and research, retailers can access their target consumers and drive them into store locations ([see story](#)).

Facial recognition is not the only way to identify affluent consumers.

"A more discrete and practical way of identifying these affluent shoppers is with an NFC signal from a personal device that can transmit their presence as well as personal shopping preferences," said Dave Rodgerson, senior management consultant of retail strategy and change at [IBM Canada](#), Toronto.

"Companies like iSign Media in Toronto are making great strides in this area," he said.

Final take

Jen King, editorial assistant on Luxury Daily, New York

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