





If it's not KWI, it's not SaaS.



News from The Big Show ... more

You focus on retailing.



eTailing On the Menu at KWI Client Dinner ... more



Who's Who at KWI? ... more



Rite Aid Joins the Roster ... more



Short Cuts - Fast, Helpful Hints ... more



Thanks for partnering with KWI. Your comments mean a lot to us. Please email us – we love to respond!

KWI is concerned about your privacy. We do not rent, sell or exchange email addresses. © 2011 Kliger Weiss Infosystems. All other trademarks contained herein are the property of their respective holders.





You focus on retailing.

We focus on technology.



Big Success at NRF Big Show



KWI was out in full force for NRF's Big Show, where we showcased our latest advances in retailing and eTailing.

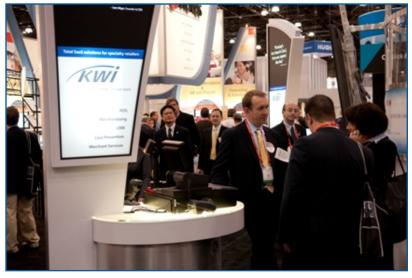
The big buzz at the KWI booth this year was about the new Mobile POS offering unveiled at the Show by our POS partner, Epicor. This long-awaited state-of-the-art solution gives retailers the ability to process sales via Apple's incredibly popular and versatile iPad and iTouch products.

Soon to be available from KWI following its release later this year, Epicor's new Mobile POS is destined to transform the way our customers process in-store sales. And if that's not enough to get retailers excited, then how about the other hot trend where customers are increasingly submitting sales via their personal mobile devices. Don't blink ... we're witnessing the entire end-to-end retail experience being turned on its head! (See this month's article on Mobile eTailing for more on the subject.)



Whether it was our great booth location or the look of our high-tech display, we were pleased to welcome more than the usual high flow of traffic. Judging by the buzz on the floor, all signs indicate that the worst of a slow economy is behind us and the engines of commerce are picking up.

KWI's executive team was on hand to greet our valued customers, and make some promising new connections. President Sam Kliger observed that "The unique SaaS model we pioneered for retailers 26 years ago continues to gain



traction as technology moves to the Cloud. From Google to Facebook and Twitter, corporations and consumers alike are adopting this new technology in record numbers."

While many companies today are hurrying to migrate their technology to the cloud, it takes a track record to get it right, says Kliger. "It's like building the fastest and most reliable race car in the world and then assuming

anyone can drive it. We've been cloud-based since 1985 and what we've learned is that in order to properly leverage this great technology you need to invest in the people and processes around it."

For more information about KWI's full spectrum of retail solutions, including leading-edge mobile technology, please contact Gary Brill, Vice President, Business Development, at <u>gary@kwi.com</u> or (516) 621-2400, ext. 325.

🔇 back to page 1



Mobile Technology Featured at 5th Annual KWI Client Dinner



We enjoy connecting with our clients at NRF's Big Show, and we use it as an occasion to celebrate our relationships at the Annual KWI Client Dinner. This year's dinner took place on January 10th at the famed restaurant Daniel, which features the exceptional gourmet creations of chef/ owner Daniel Boulud. Along with a spectacular array of delectable food and fine wine, our esteemed guests viewed a presentation on Mobile eTailing.

The future of retailing is a future of multi-channel shopping. As President Sam Kliger affirmed in his opening comments, "KWI has been quietly laying the foundation for our clients to benefit from the proliferation of mobile devices. Our hugely popular flash sales app released this past summer was just the start of innovations to come."



Kliger then introduced guest speaker Ken Claflin of Capgemini, a consulting firm with expertise in emerging mobile trends. As Claflin explained to KWI's guests, 79% of consumers already expect seamless purchase and delivery options across channels. Online purchases via mobile devices is forecasted to exceed \$40 billion by 2014 - in the U.S. alone! eTailing will become ever more sophisticated, allowing many of the current storeonly activities to be done online. Virtual clothes fitting, links to personal online shopping profiles and try-before-you-buy capabilities are already out there, and advancing. New technologies are enabling 3D online retailing, customized online shopping trips, mobile product search, price comparison and mobile Touch and Go



payment. Even the in-store experience will be enriched by digital communications, virtual personal shopping agents, customized in-store offers and RFID-based self-check out.

Not surprisingly, mobile eTailing is being driven largely by younger consumers. During Holiday 2009, 64% of Gen-Y shoppers used their mobile devices *while shopping*. Mobile will continue on the fast track from an informational and

transactional tool to a distinct shopping channel. Along with that growth will come heightened usage of social media, and mobile apps enabling product buzz and brand building.

Among the Mobile advantages for retailers, Claflin cited:

- Expanding sales and customer base from new multi-channel synergies
- · Leveraging product appeal based on positive customer reviews
- Real-time insights into consumer behaviors that impact strategic decisions
- More relevant and timely interactions between retailer and customer

If you're looking to improve your eTailing strategy, don't wait a moment to contact KWI. We have the resources to develop your connection with today's, and tomorrow's, mobile shoppers.

For more information about KWI's mobile technology resources, please contact Gary Brill, Vice President, Business Development, at <u>gary@kwi.com</u> or (516) 621-2400, ext. 325.

South to page 1





You focus on retailing.

We focus on technology.

If it's not KWI, it's not SaaS.

Meet the Application Support Team



From left: Matt Turino, Frank Martano, Elizabeth Nebgen, Rob Schaffer. Every day, KWI clients have reasons to appreciate our Application Support team. Maybe you're new to your company's back office and have questions about how the system works. Or maybe you're trying to get the technology to do something a little bit different, a little bit customized, and you're not sure how. Thank goodness App Support is just a call or a click away!

Our App Support staff helps clients make the best, most productive use of the KWI Merchandising system. Their ultimate goal is to answer all your questions and resolve all your needs as quickly as possible. Training, data, problematic reports and applications are all within their realm of support. They'll help you navigate menus, select the types of reports that will best meet your business needs, and provide follow-up on training questions for your new staff members.

Highly responsive, the team aims to answer nearly all questions virtually instantly. For more complicated issues, they'll consult with KWI programmers or operations staff. Either way, you can expect timely turnaround to keep your

operation running smoothly.

"Live" Application Support is available every weekday from 9:00am to 6:00pm (EST). Call (516) 621-2400, or toll-free (800) 873-5944, and press "7". Tickets can also be opened automatically by emailing questions or issues to appsupport@kwi.com.

To learn more, please contact Rob Schaffer, Vice President, Client Services, at <u>robs@kwi.com</u> or (516) 621-2400, ext. 310.







We focus on technology.

You focus on retailing.



Rite Aid Finds the Right Solution



The Zellman Group, KWI's Loss Prevention (LP) division, is very pleased to welcome Rite Aid as one of our newest LP clients. With nearly 4,800 stores throughout 31 states and the District of Columbia, this major drugstore chain is one of the leading names in health and beauty.

It's also a long-standing brand, having opened its first store in 1962. Publicly traded on the NYSE, Rite Aid declares its mission to be "a successful chain of friendly, neighborhood drugstores. Our knowledgeable, caring associates work together to provide a superior pharmacy experience, and offer everyday products and services that help our valued customers lead healthier, happier lives."

As with any successful retail operation, Rite Aid stores attract their share of unwanted attention in the form of shoplifting and internal theft. Now, to better deal with this problem, they've engaged with The Zellman Group's seasoned experts to provide Recovery Services for the processing and collection of Civil Claim, Restitution and Court Ordered Restitution cases.

LP programs are individually configured to each client's unique operational needs. The complete range of services includes:

- Loss Prevention
- Recovery Services
- Audit Services
- Employment Screening
- Customer Service Shopping

The Zellman Group completed the implementation process for Rite Aid on December 6, 2010 and started receiving cases from them on that day. We look forward to helping them redress this area of loss and put the profits "Rite" where they belong.

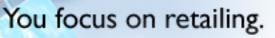
For more information on Loss Prevention services, please contact Kimberly Bloomston, Vice President, Loss Prevention Operations, at

kbloomston@zellmangroup.com or (516) 625-0006, ext. 406.









We focus on technology.

This Month's Short Cuts



Time-saving tips and ideas that are right on the money - from the staff of KWI. 1. KWI Merchant Services Tip of the Month ... from **David Drucker and Phyllis Gricco**

How to Manage Chargebacks

Credit cardholders - i.e. your customers -- have 60 days from the day they receive their statement to file a dispute. The Issuing Bank has even more time -- 120 days or more after the transaction date to file a dispute with the

Merchant.

The dispute process begins with a retrieval request to the Merchant. If you receive a retrieval request, it is in your best interest to respond as quickly as possible. Failure to do so will automatically result in the transaction being charged back. Not only will you lose the funds from that transaction; you'll also have to worry about the status of your Merchant Account. A history of chargebacks may affect your company's credit rating and relationship with the credit carrier.

Each card brand has its own guidelines regarding the Merchant's dispute process for a chargeback. The typical process is rather involved and may be escalated to a point of arbitration. That's why it's wise to stay on top of any chargebacks that come through, and deal with them immediately.

For expert consultation on chargebacks and other credit card issues, please contact David Drucker, President, KWI Merchant Services, at ddrucker@kwi.com or (516) 621-2400, ext. 720.

2. CRM Tip of the Month ... from Jubin Thomas, CRM Services Manager

Gain your customer's influence!

In a previous column we spoke about gaining your customers' confidence - by



communicating with them properly. This month we want to discuss gaining your customers' influence. Specifically: would your customers trust you with their friends? If customers are loyal to your brand, they are more than likely to refer you to their friends.

In the CRM business, we have found that word of mouth advertising is very powerful in building customer loyalty. People tend to trust their friends' opinions, especially when it comes to retail. Furthermore, research into customer databases reveal that the best customers tend to live approximate to each other. Our research has shown that the best customers typically live within a 5 to 10 mile radius of a retail store. Your prospecting efforts should target those zip codes.

So - How can I prospect to consumers who are not already my customer?

- Localize any advertising efforts in the zip codes where you have a high concentration of customers.
- Develop a program to ask your best customers to refer their friends and neighbors.
- Begin a new mover program working with a data provider who has access to new mover information.
- Work with a third party data provider to provide lists of consumers in the proper zip codes who look, demographically, like your customer. Then market to them.
- Depending upon your retail format, develop local outreach programs in the top zip codes, and partner with other groups that can increase your brand's reach.
- Be creative in your local marketing efforts! Give your customers a reason to say positive things about you.

Why not begin the new year by reviewing your prospecting strategy? To get started, please contact Jubin Thomas, Manager, CRM Services, at <u>jthomas@kwi.</u> <u>com</u> or (516) 621-2400, ext. 367.

3. LP Tip of the Month ... from Catherine Mulder, Operations Coordinator, The Zellman Group, LLC, a division of KWI

Returns Review

The holidays have come and gone once again. Ribbons and bows have been stored neatly away until next season and gifts have been opened and loved ... or returned. What are some of the trends for Holiday Returns 2010-2011?

According to the National Retail Federation, 60.7% of holiday shoppers requested gift receipts this year. What does this mean for retailers? In addition to long lines, exchanges, store credits and refunds, it offers a glimmer of hope that the return process is more likely to be a smooth one! An original or gift receipt enables

cashiers to immediately verify that the item being returned is the item originally purchased. That's a giant first step in separating true returns from fraudulent ones.

Although gift receipt usage is trending up, do not let down your guard. In a 2009 survey, the NRF estimated that a whopping \$9.6 billion in fraudulent returns were accepted by retailers! An original or gift receipt is a good place to start in identifying fraudulent returns, but ensuring that your employees know what else to look out for can save your company big bucks. Check in with us next month for specific tips to help prevent fraudulent returns as well as cash handling errors.

For more information on best Loss Prevention practices, please contact Kimberly Bloomston, Vice President, Loss Prevention Operations, at <u>kbloomston@zellmangroup.com</u> or (516) 625-0006, ext. 406.

€ back to page 1