Revolutionizing the Customer—and Retailer—Experience with Rich and Connected Digital Displays

Frost & Sullivan Case Study for Verizon: Cooler Screens
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Introduction

In an age of real-time interactions and increasingly customized solutions, the customer experience (CX) is becoming a make-or-break competitive differentiator—as important as value, price, and quality. From retail to medicine, new CX trends and technologies accelerated rapidly in 2020, as businesses had to recreate consumer experiences as virtual ones.

In the retail space, merchants are trying to find ways to merge the advantages of the digital realm, such as better product information and engaging user displays, with the convenience and experience of being in-store. This physical and digital hybrid—the “phygital” experience—is difficult to execute because it may require extensive overhauling of product displays across the retail outlet. However, one company has made strides in creating a distinctively engaging customer experience that is also profitable to the retailer and its brands.
Enlightening the Food and Beverage Customer Experience with Phygital Solutions

Cooler Screens came to market in 2019 with a unique solution bringing digital retail media into brick-and-mortar stores by merging in-store physical convenience with the superiority of a digital interface. Cooler Screens’ interactive commercial refrigerator doors provide an expansive upgrade for retailers with large refrigerated sections, such as grocers, drug stores and convenience stores. The screens on these refrigerator doors drive retailer traffic to any desired section, helping better monetize in-store assets through a “last best chance” message to the consumer at the point of decision-making. Along with creating new revenue sources for the retailer, the doors’ internet of things (IoT)-based features help manage inventory and can lead to lower labor costs. Since the Cooler Screens doors cover a wide area of indoor space, they rapidly modernize the overall look and feel of the store. They provide useful information for the consumer and a significant sales lift for the retailer and its brands.

Originally rolled out in 50 Walgreens stores in the Chicago area, Cooler Screens is now being installed across 2,500 additional Walgreens locations nationwide as well as many other retailers, including a top US grocery chain. Its swift success as the first mass performance medium can be credited to numerous facets of the business and solution: media-rich, interactive and visually arresting displays; inventory management coupled with usage analytics; and intelligent market partnerships, most notably its relationship with Verizon.

That's why it was important to have a strong partner like Verizon, one who is willing to invest early on and go through the learning process with us and help demonstrate the value proposition. —Rob Dravenstott, Cooler Screens CTO
Verizon Partnership Brings a Win-Win-Win-Win-Win Scenario for the Value Chain

Five “wins” may seem improbable, but the strategic relationship between Cooler Screens and Verizon provides benefits across the value chain: customers, retailers, the brands sold at the retailer, Cooler Screens and Verizon all “win” from an innovative technology and business model.

Cooler Screens doors provide numerous advantages to its three customer categories:

- **Consumers have unprecedented visibility to products and prices**, and the rich digital experience is preferred over traditional cooler doors by 90% of users.² The screens also provide rolling advertisement space that switches to showing the cooler’s contents upon sensing a person moving toward the cooler. While Cooler Screens can sense people, they cannot record any personal information, which, the company points out, is not necessary to capture usage trends.

- **Retailers can quickly see a rise in sales** by using the Cooler Screens doors—even 50 to 100% increase in growth rate of their refrigerated foods.³ The attractive displays boost sales by drawing customers to high-value brands and increasing traffic to less-visited parts of the store, such as center aisles. In addition, they can track sales more accurately, receiving trend data on sales by time of day, season, and location. The solution links to inventory, further enabling merchants to quickly respond to—and eventually predict—sales trends, and to better manage on-shelf product availability, preventing out-of-stock events. Because the doors leverage 5G or 4G LTE fixed wireless access technology, they can be installed, activated, and operated unobtrusively and securely without using the merchant’s private network and at no cost to the retailer.

- **Brands also leverage this new level of sales trends and insights**, creating targeted and dynamic advertising that plays directly on the doors. The Verizon Media Group (VMG) advertising stack enables advanced ad metrics and insights tied to innovative content delivery. Cooler Screens revenues come from the advertising that brands run on the IoT-enabled doors.
Cooler Screens and Verizon: Relationship Built on Advanced Capabilities and Trust

From the start, Cooler Screens realized it needed a large and technologically advanced partner like Verizon to deliver optimal value to consumers and retailers. Market-leading connectivity was the initial driver for reaching out to Verizon, as it could immediately provide LTE Business Internet (LTE BI) communications infrastructure anywhere that Cooler Screens’ highly technical and interactive doors were located. LTE BI is Verizon’s fixed wireless access, providing “business-grade” internet with plug-and-play installation. Commonly used in large-scale deployments, mobile sites or as back-up against outages, LTE BI offers a fast, secure connection that can be quickly installed, allowing the Cooler Screens doors to be up and running—and generating revenues for brands and retailers—quickly. The Verizon 4G LTE BI system can be shipped, set up, and ready to use out of the box in a matter of days, which is a significant improvement over traditional connectivity solutions that may take weeks to months and require professional installation. Verizon’s connectivity solutions cover nearly the entire US population, which is another critical factor when needing connectivity across numerous sites. In addition, when multiplied across dozens or hundreds—or in Walgreens’s case, thousands—of locations, the cost and time savings are staggering, especially when coupled with the revenue generation that can begin almost immediately. LTE BI connectivity is set up as a separate “lane” from any present Wi-Fi capabilities, giving the Cooler Screens rich streaming media the dedicated connectivity it needs across the entirety of an interior space without straining any existing bandwidth. In the future, Cooler Screens may be configured to utilize 5G technology as it rolls out over time. 5G’s connectivity capabilities will connect an average of 1 million devices per square mile, making it a preferred option for IoT-enabled solutions.

Along with connectivity, the advantages of Verizon’s capabilities became apparent. As the relationship progressed, Cooler Screens found it could turn to Verizon to support four main pillars of the business: connectivity, field service, centralized support, and the ability to have advertisements flowing through the Verizon platform. Verizon Media Group provided the full advertising stack platform that enables the brands featured within the doors to connect with consumers.

The Four Pillars of Verizon’s Capabilities

CONNECTIVITY
LTE BI for wireless plug-and-play, business-grade Wi-Fi 
Far-reaching and advanced LTE and 5G

FIELD SERVICE
Existing and expansive service team always available to help

CENTRALIZED SUPPORT
Multiple services and capabilities bundled into one solution customized for the need and executed centrally

PLATFORM
Fast, secure, and flexible data storage and cloud compute power for always-on information availability and insights
Along with creating an innovative in-store digital retail media experience for the customer, VMG’s platform provides the brands with near-real-time advertising key performance indicator (KPI) measurements and reporting. As a closed-loop system, these measurements can directly correlate the attractiveness and success of a digital ad on the door with the consumer’s actions.

Verizon’s breadth and comprehensiveness of services allowed Cooler Screens to expand quickly without overextending itself. As Rob Dravenstott, chief technology officer for Cooler Screens, told Frost & Sullivan, “We were essentially looking to scale quickly and get product in place fast. As a startup, that was important to us.” Dravenstott said the company has big ambitions but wants to grow intelligently. “We could have chosen to build a big organization,” he said, “or we could have chosen to leverage partners.” Leveraging the right partner allowed Cooler Screens to scale up while controlling costs and focusing on its core competencies. It helped tremendously to have one major partner across all areas, rather than trying to cobble together and manage a mix of different suppliers. For example, while Cooler Screens had originally engaged a smaller local monitor provider, it soon found the supplier’s technical capabilities were not well aligned with Cooler Screens’ needs. Dravenstott noted that the ideal partner would provide a “cohesive, encompassing strategy,” which the company attained with Verizon.

This breadth was further emphasized by Verizon’s field service capabilities and ability to run the brand ads through the Verizon platform. Verizon’s lead account team created a broad, cohesive strategy by bringing together services from Verizon Ventures, Verizon Media Group, and Verizon Business Group.

While the IoT doors and service provide notable and timely benefits, early on, there was still some convincing that had to be done by the Cooler Screens team. “That’s why it was important to have a strong partner like Verizon,” said Dravenstott, “one who is willing to invest early on and go through the learning process with us and help demonstrate the value proposition.”

Along with business acumen, scalability, and advanced technology, when asked what truly sets the Verizon relationship apart, Dravenstott points to one other quality: “I think our overriding factor here is [a] relationship built on trust and communication, all the way from the top down ... we've gotten tremendous support.”

Trust could, arguably, be the fifth pillar of the relationship, allowing Cooler Screens the confidence to expand bullishly while still keeping costs in check. Retailers—and any supplier—that can effectively transform the customer experience ahead of the competition will gain a significant head start. Cooler Screens, powered by connectivity and technology giant Verizon, is among the first to provide retailers early adopter advantages to rapidly modernize spaces and experiences. However, these lessons can translate to players in any industry needing to upgrade customer interactions.
Endnotes

1 Frost & Sullivan’s Future of User Interfaces Shaping New Consumer Experiences, January 2021
2 Cooler Screens
3 Ibid.
4 Verizon’s cellular system covers more than 99% of the US population, https://www.verizon.com/featured/our-network/
5 Frost & Sullivan’s Future of User Interfaces Shaping New Consumer Experiences, January 2021
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