

# Statement of direction



# Our vision for the future

The future of the retail, hospitality, and food service industries revolves around convenience and automation. As technology continues to evolve, it will play a pivotal role in making life easier for both businesses and consumers.

The industry leaders of tomorrow are those who can stay ahead of consumer trends, delivering the right product at the right place and time while minimizing complexity and friction. To achieve this, businesses need technology that is reliable, up to date, designed for their industry, and that keeps their and their customers' information secure.

At LS Retail we make it our mission to keep our customers competitive and successful with technology that helps them reach their goal while supporting their business strategy.

Our direction for the future is built on three pillars, which represent our commitment to our customers:

**1** **Technological innovation**

**Industry expertise**

**2**

**3** **Customer-centric approach**

# Technological innovation

Innovation is one of the core values at LS Retail. We are dedicated to understanding our customers' issues and needs, and to developing technology that solves their challenges.

At the same time, our strategy is informed by a **long-term perspective**. With consumer demand changing at exceptional pace, businesses need technology that is not only rich in functionality, but also reliable and trustworthy. **Our vision is to develop stable technology that businesses can rely on.** That's why we concentrate our investments in quality, and on innovations that we believe will have a long-term impact.

## Software as a Service (SaaS)

**Software as a service** has become the dominant software deployment model. Moving to SaaS technology is an **urgent, necessary step for businesses** – and an opportunity they cannot afford to miss. By moving to SaaS, businesses can

- Enhance **security and legal compliancy**
- Minimize **upfront costs** when purchasing new software
- **Keep their software regularly updated** with minimum effort, shortening upgrade cycles
- Accelerate **innovation**, easily adding on functionality – including AI-powered tools

As a Microsoft ISV building on the Microsoft Dynamics 365 platform, we leverage Microsoft's significant investments in the cloud, including their massive work on increasing **resilience, scalability and uptime**. We have been moving more and more of our on-premises services and workloads to SaaS to take advantage of this, and will continue to do so in the future.

**We are committed to onboarding new customers, as well as migrating existing ones, to the cloud.**

## Performance and scalability, monitoring and management

Process improvements and improved manageability, monitoring, and logging in SaaS are key themes in our roadmap, to better support the growth of our enterprise customers.

Some of the elements we will focus on, with increased resource investment, include

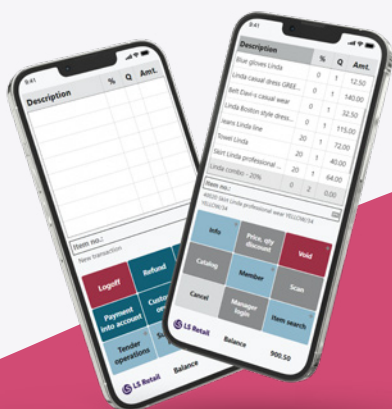
- **Aggregated Inventory**, a data consolidation tool that simplifies data management for businesses dealing with high transaction volumes
- **POS management**, including Update Service improvements
- **Telemetry**, to better monitor the systems and detect performance issues timely.

## Centralized and unified processes

LS Central stands out among other retail and hospitality solutions because it enables companies to run all their business processes, such as point of sale, mobile POS, self-checkouts, eCommerce, inventory, on **the same back-end platform**. As a result, businesses can give their customers the **same access to product information, pricing, promotion and customer service, regardless of which channel** they are shopping through.

It's not just processes that are centralized and unified: business and customer data is also collected in one central location. As retailers increasingly adopt AI-powered data analytics to make business decisions, this unified database – **a single source of truth** – becomes fundamental to obtain meaningful and reliable reports and forecasts.

A single platform also significantly **lowers total cost of ownership** for businesses. It reduces the need for integrations, which can be costly and complex to build and maintain, and it simplifies daily management, enabling retailers to work with leaner IT teams.



## AI and analytics

As the practical uses of AI in retail and hospitality continue to evolve, we are excited to explore how we can apply data science and artificial intelligence to our products and solutions to help businesses solve everyday problems.

As LS Central is built on Microsoft Dynamics 365 Business Central, our customers are well positioned to take advantage of all of **Microsoft's investment in AI-driven technology**.

Some of the strategic functionalities we will concentrate on include

- **Microsoft Copilot** integration into our solutions, to help retailers answer queries, find information, and connect data easily
- **Microsoft Power Automate**, using AI capabilities to optimize business processes
- **Analytics** enhancements, to help retailers understand important information about their customers by analyzing key drivers of buying behavior.

By integrating **AI** and **Microsoft Copilot** into our solutions in a targeted manner, we aim to provide our customers with actionable tools that help them solve complex challenges, optimize their operations, and understand their customers.

One of the platforms that we see as a key to our future AI and analytics efforts is **Microsoft Fabric**. Microsoft Dynamics 365 Business Central and LS Central unify business processes on top of a single platform. In a similar way, Microsoft Fabric **unifies processes for business intelligence, analytics, data science and AI**, providing a single version of the truth through a unified Data Lake architecture. We consider Microsoft Fabric to be the cornerstone of our strategy regarding analytics and AI, both for LS Retail and for our partners and customers.



# Industry expertise

Our expertise comes from a tight cooperation with retail and hospitality companies. We regularly collaborate with leading businesses, retailers with a global footprint as well as local businesses with specific requirements. We help them modernize their processes and bring digital transformation, and in return, we use the knowledge of their needs, operations, and objectives to build innovation in our solutions.

Our in-depth industry knowledge comes from years of direct collaboration with businesses in several verticals. We plan to continue investing in delivering solutions that can support multiple functions and industries within a single platform.



## Increased vertical focus

We started the concept of a unified platform with centralized processes within retail. We then extended it to industries outside of traditional retail, where this approach was unheard of.

We plan to continue expanding our system's capabilities across

- **Hotels, resorts, and hospitality venues**, which unites the property management system (PMS), restaurant management, bookings, rentals, and retail under the same umbrella. The main focus will be on strengthening our hospitality-specific functionalities based on customer requirements.
- **Entertainment venues**, with a focus on enhancing the capabilities of our Bookings add-on.
- **Pharmacies**, with a focus on localizations and upgrading to the latest version.
- **Forecourt and gas stations**, an industry which is undergoing extensive transformation and which is increasingly suitable for our solutions that combine c-store, retail sales, restaurant management and fuel sales.

We will also continue strengthening our capabilities for our core industries, including but not limited to restaurants, fashion, furniture, grocery, and specialty retail.



## Global POS

With companies using LS Retail software in 157 countries, a global approach is a crucial part of our success. Our aim is to be the preferred provider of retail software with global distribution. In the future, we will continue to expand and strengthen our worldwide footprint with special focus on

- **More localizations and fiscalizations**, to ensure compliance with legal frameworks in the countries where our customers operate
- **Closing gaps** for functionalities required in specific regions
- Expansion to **markets** where LS Retail software currently has a limited presence.

We also plan to maintain our tight **collaboration with other global technology players** whose solutions complement and enhance our offerings. In recent years, these partnerships have included

- **A long-standing collaboration with Microsoft**. As one of the biggest Microsoft Dynamics ISVs we have a fruitful cooperation with them for years.
- **A partnership with Google**, whereby

retailers using LS Retail software can be showcased on local inventory ads, and use these to attract customers who are ready to buy.

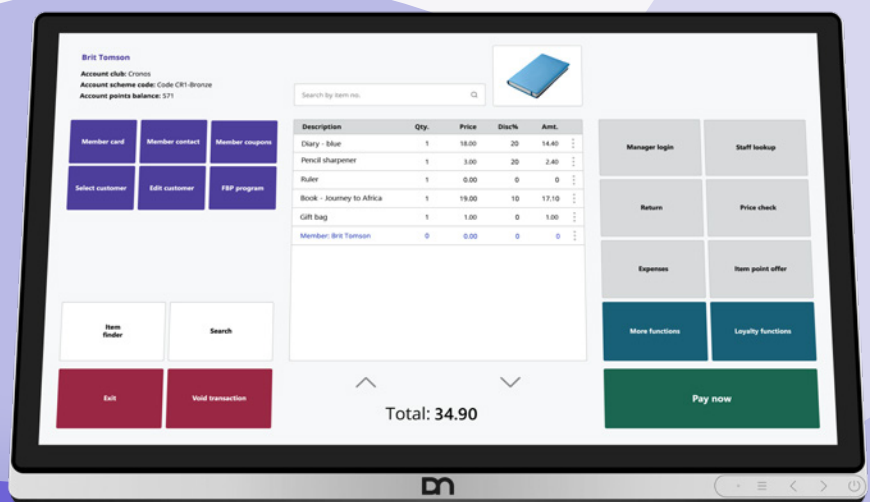
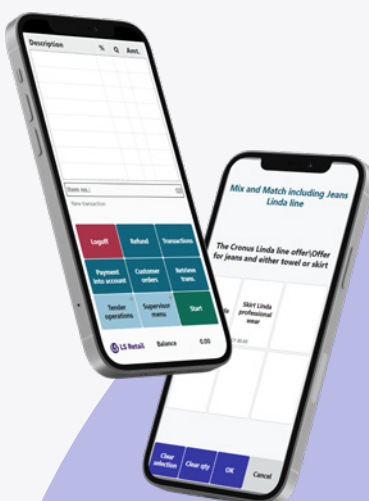
- Partnerships with several global and regional **payment service providers** (PSPs).
- Collaborations with hardware vendors.

## Industry acknowledgements from global analysts

LS Retail's role on the global stage has been highlighted by research firms including globally recognized names **Gartner** and **IDC**, which mentioned our company and solutions in multiple reports.

Gartner has recognized LS Central for its capabilities for both retail businesses\* and restaurants.\*\*

IDC has positioned LS Retail as a major player in technology for [hotels](#), [full service restaurants](#), [quick service restaurants](#), [fuel retailers](#), and [grocery retailers](#).



# Customer- centric approach

Our customers operate in very diverse industries and geographies. They range from startups to enterprises. They have very different goals when it comes to their business and customer experience. To support all these diverse requirements, the LS Retail modular solutions have flexibility at their heart, enabling businesses to select the format that works best for them.

Companies using LS Retail software have the freedom to decide how they prefer to manage their operations and what brand experience they want to offer their customers.

## Modular solutions

While there are other technology providers that develop point of sale software, inventory management, food ordering, or software to manage reservations in a spa, hardly any of them can offer **all these functionalities in one system**.

Our deep industry expertise, combined with a modular approach, enables LS Central users **to tailor the system to their needs**. And if their requirements change, they can easily **expand their business to add new industries, concepts, or add-ons** at any time.

Since LS Central is built on Microsoft Dynamics 365 Business Central, our customers can also easily **extend their system** with the add-ons for Business Central available in **Microsoft AppSource**, Microsoft's business app marketplace.

⊕ Add more

⊕ Add more

⊕ Add more

⊕ Add more



## Integrations to third-party technology

Sometimes our customers need to connect external solutions to the LS Retail tech stack. To make the communication between LS Central and these external solutions as effective and easy to maintain as possible, we have developed some integrations and frameworks.

Some of the elements we have developed, and which we will continue to invest in, include:

- **CentralConnect**, which enables large chains and enterprise businesses to use LS Central as their retail or point of sale solution, and seamlessly connect it to an enterprise ERP or head office platform. This option has been strongly requested by LS Retail customers, and we will further extend the framework in upcoming months.
- **LS Pay for LS Central**, which allows businesses using LS Central to offer safe transactions while giving them the freedom to select among several Payment Service Providers (PSP). We will continue expanding on the number of supported PSPs.
- **LS Pay for Business Central**, which enables businesses using Microsoft Dynamics 365 Business Central to offer secure transactions using their preferred PSP. We will continue expanding on the number of supported PSPs.
- **eCommerce for LS Central**, which lets businesses connect LS Central to their preferred eCommerce provider and manage their sales in a unified way across channels. The latest addition is a collaboration with Google on an initiative called **Google Local Inventory**, which allows retailers who use LS Retail software to share the stock levels of their products with Google. Google then prioritizes showing items that are actually in stock when customers are shopping for products online. We will continue to invest in this initiative and expand its scope.



## Store automation

The point of sale stands at the heart of retail, and of our software. As consumer behavior changes, we have been experiencing constantly growing interest from our customers for unattended POS solutions, which move some of the functionality of the POS from the sales associate to the consumer.

Here's where we have been focusing our efforts:

- Our POS software is designed so that retailers can decide to use it as a **"classic" retail POS or a self-checkout** with a simple configuration. This way our customers don't have to buy separate software to run self-checkouts, and can easily add self-checkout machines later if they want.
- We have built **integrations with self-checkout machines (SCO)** from various well-known hardware vendors.
- For restaurants and food service businesses, we have built a **self-ordering kiosk software** that is part of our kitchen management and workflow processes. This ensures there are the same processes, same data, and no mistakes between ordering machine, production in the kitchen, and payments. The kiosk is going through several enhancements.
- Our **ScanPayGo app** allows customers to do shopping on their own mobile device. The customer downloads the app on their mobile phone, scans the items using the device camera, finalizes payment through the app and can leave the store without needing a cashier. The app is going through several enhancements.
- We have integrated **RFID readers** into our solution, not only on the item receiving side but also on the POS. The POS can now read RFID tags and process the data as a part of the sales process. We are continuing to work on the solution with several enhancements.



## Support designed on customer needs

Our partners and global customers have been increasingly demanding customized support. To respond to these requests, we launched **LS Retail MaxAttention**, a dedicated technical support initiative aimed at delivering 2nd and 3rd level support to LS Retail partners and customers worldwide.

This service includes ad-hoc to advanced 24/7 assistance, customer-specific support tailored to individual client needs, and skilled regional professionals ready to assist with topics outside of standard modules and verticals.



# Committed to supporting our customers with reliable, innovative technology

With consumer demand changing at exceptional pace, businesses need technology that is not only rich in functionality, but also **reliable and trustworthy**. At LS Retail, we are committed to understanding our customers' challenges and needs, and to helping them overcome their daily hurdles with technology that works with them and for them.

At the same time, our strategy is informed by a long-term perspective. Our vision is to **develop stable technology that businesses can rely on**. We concentrate our investments in quality, and on innovations that we believe will have a long-term impact. This way we can help companies achieve and surpass their goals as regards customer experience, consumer engagement, reliability, and staff empowerment.



LS Retail is a world-leading provider of unified business management software solutions for retail, hospitality, F&B, and forecourt businesses of all sizes. Our all-in-one management systems power tens of thousands of restaurants, cafes, bakeries, coffeehouses, food courts, fine-dining establishments, food service businesses, and more.

**For further information on the company and the products, visit**

**[www.LSRetail.com](http://www.LSRetail.com)**

