

CASE STUDY

Improving Store Operations by Better Understanding Traffic

One of the world's largest apparel companies and a global leader in jeans, this iconic brand operates over 2,600 store locations and sells its products in over 100 countries around the world.

BUSINESS CHALLENGE

Lack of traffic counting solutions. Unreliable data.

The brand was restricted in its efforts to optimize store operations and the shopper experience. Over 60 percent of its stores lacked any type of traffic counting solutions, even in the most fundamental form.

What pre-existing traffic counting solutions the brand did have were inaccurate and unreliable. The solutions were standardized within regions, much less globally.

The retailer wanted to improve its ability to calculate basic managerial metrics like conversion.

RETAILNEXT SOLUTION

Advanced analytics. Enriched metrics and data.

First, RetailNext piloted advanced analytics in a newly relocated store. This delivered an accurate front door traffic counting solution to empower the calculation of conversion and other operational key performance indicators (KPIs).

Secondly, RetailNext deployed sensors to include dwell zones and fitting room analytics, providing rich data on the effectiveness of product displays and the efficiencies of service areas at a very low incremental capital expenditure.

RetailNext worked with the brand to establish baseline metrics on:

- › Pass-by traffic
- › Pass-by capture rate
- › Store traffic
- › Average store traffic per day
- › Conversion
- › Average Transaction Value (ATV)
- › Exposure (display traffic/store traffic)
- › Dwell
- › Engagement (# of dwell/display)

5%
increase in
weekly sales

The RetailNext solution helped the retailer lift sales during low-converting times.



RESULTS

Conversion opportunities, captured.

With the new metrics, the brand was able to identify clear opportunities to optimize store performance and shopper engagement, such as:

- › Staff fitting rooms to match traffic demand by day of week and hour of day
- › On the three lowest-converting days (Sunday, Thursday, Saturday), improve conversion from 7.2% to 8% — result in a 5% increase in weekly sales
- › Improve conversion for the three lowest hours of the day (1-2 p.m. and 6-8 p.m. during lunch and dinner times). An increase of just 0.3 points generated a 4.4% increase in sales during those hours.
- › Through effective signage and associate referrals, drive traffic and engagement with the men’s display wall

RETAILNEXT AT A GLANCE

250+
customers globally

50+
countries

500+
new sites per month

\$100M+
invested in R&D

200%
YOY growth

2007
year founded