IPSOS RETAIL PERFORMANCE

Measure, Manage and Improve

Proprietary information

December 2019

Presenter:
Kelly Fairchild

GAME CHANGERS

Ipsos

AGENDA

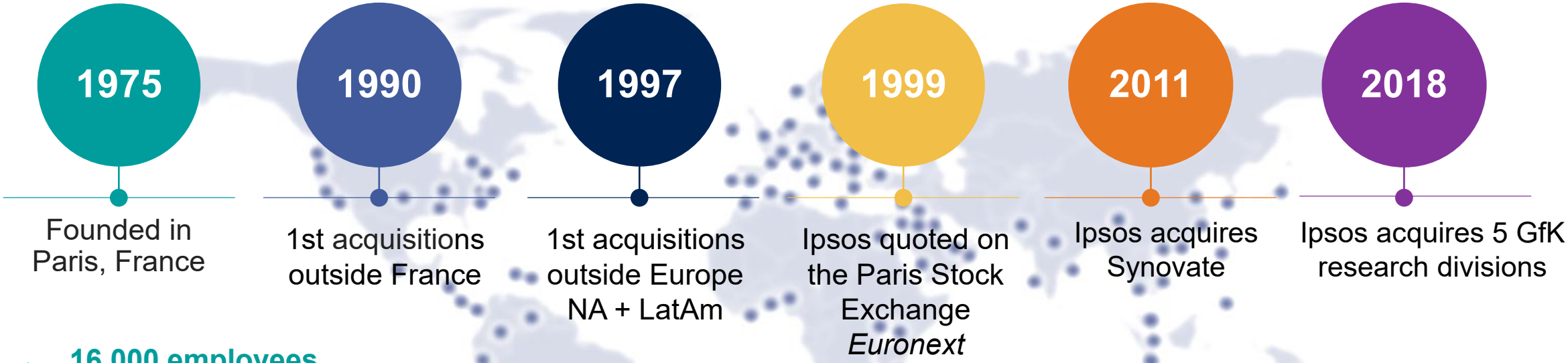
INTRODUCTION
IRP and our history

1. SHOPPER COUNT
Our Process, Technology & Reporting
Case Study

2. ADVANCED KNOWLEDGE
Customer Behavior Analysis
Case Study

3. Q&A

IPSOS – A STRONG PRESENCE IN 89 COUNTRIES



- **16,000 employees**
- **4th largest Market Research firm worldwide – over 40 years' experience**
- **Over 5000+ clients worldwide**
- **Research in 100+ countries**

RETAIL PERFORMANCE ABOUT US

1.5 BILLION
VISITS

7000+
LOCATIONS

50+
GLOBAL LOCATIONS

30
YEARS EXPERIENCE

>95%
FOOTFALL ACCURACY

The foremost name in retail monitoring technology, an essential part of improving the customer experience and providing essential insights that are key to informing a successful strategy.

RETAIL INSIGHTS

State of the Industry

October 2019: United States

Retail Sales: Sales rose by +2.5% to $355.5 billion in October

Consumer Price Index: A slight rise on last month up to +1.6%

Earnings: 2nd Quarter of Growth

Consumer Sentiment: A rise compared to Sept, but still below the levels of 2018

Overall Conclusion: Sales rose in the non-food sector & earnings saw the second rise in a row. However economic confidence fell again with consumers uncertain about international trade policies.

United States Central Bureau, Trading Economics- University of Michigan, Ipsos

PEOPLE COUNT

1

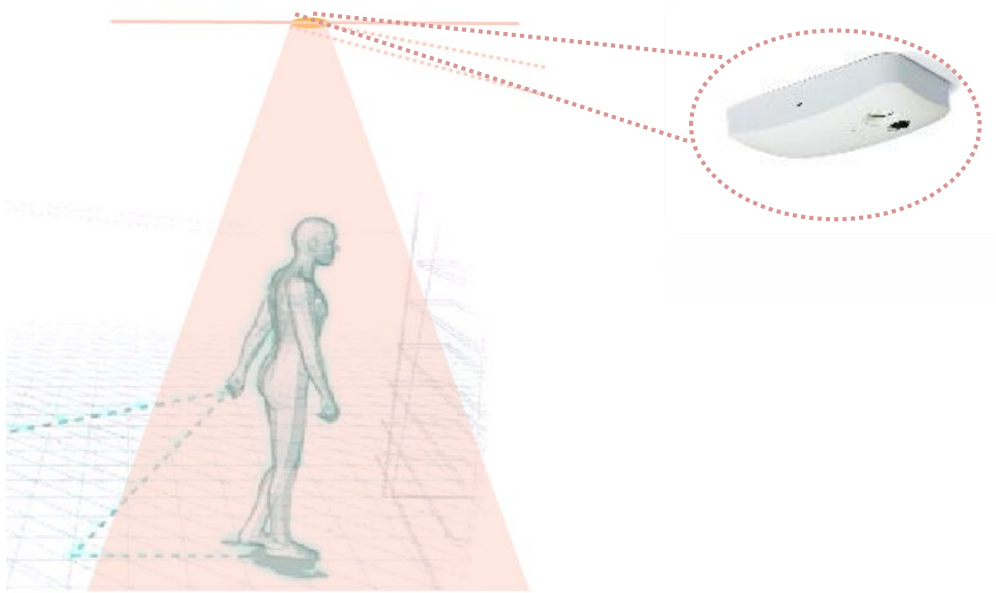
PEOPLE COUNTING

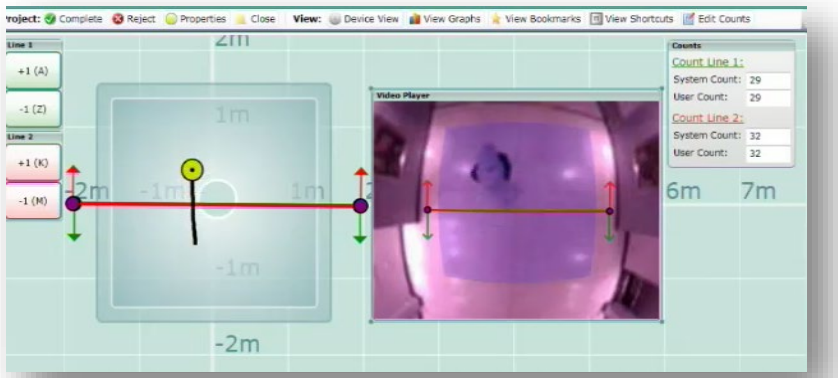
Count **customer volumes**, track **movement** and **shopping habits** to help measure, manage and improve store performance.

- Measure shopper behavior & trends globally
- Manage conversion rates
- Optimize staffing levels based on traffic trends
- Improve chain-wide performance
- Use insights to plan redesign and space allocations

HOW DO WE COUNT YOUR CUSTOMERS?

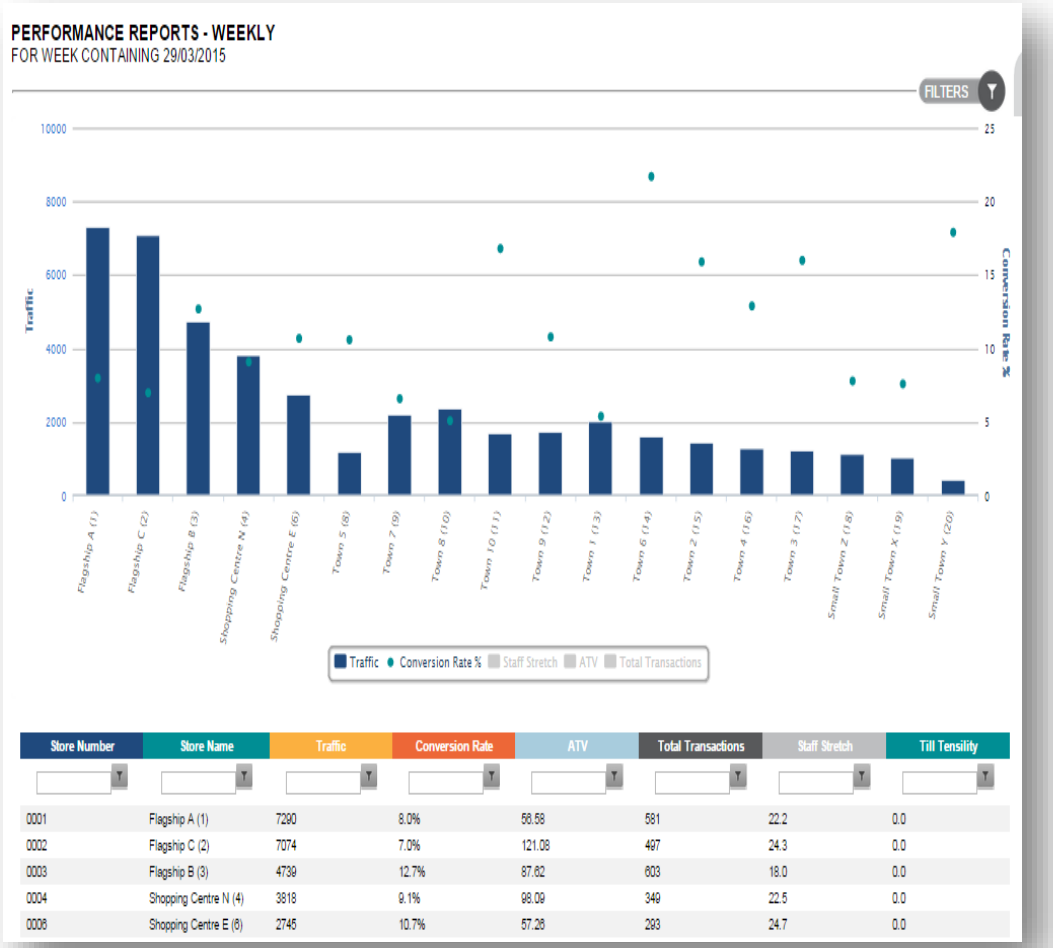
- Design
- Installation
- Audit
- 1st Pass Validation
- 2nd Pass Validation
- Reporting
- Support



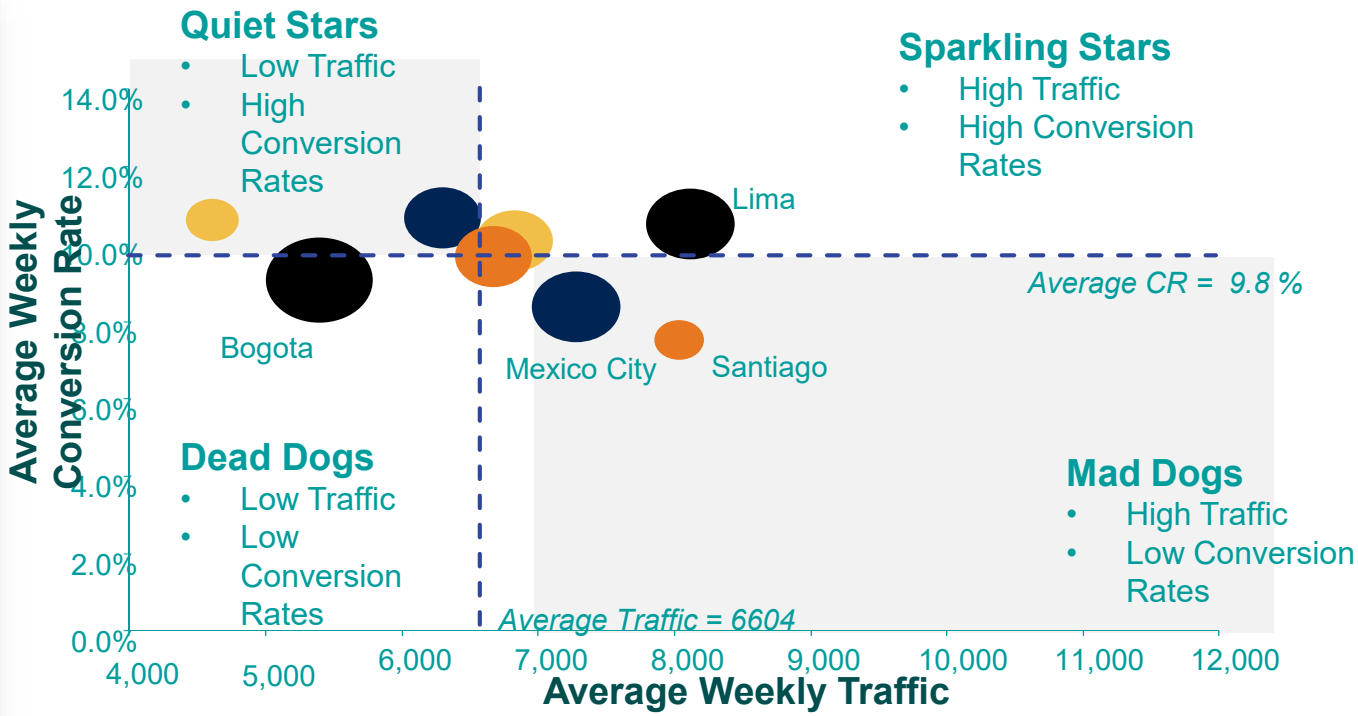


STORE PERFORMANCE COMPARISONS

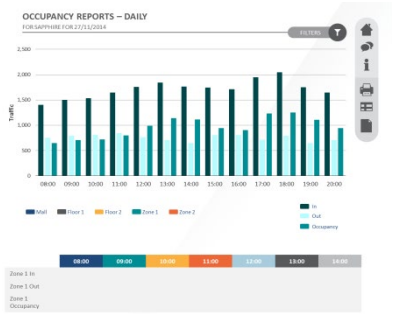
TRACKING OVERALL CHAIN-WIDE TRAFFIC



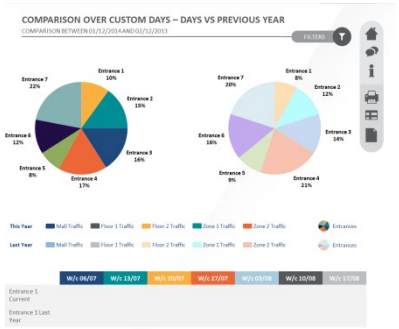
Store Number	Store Name	Traffic	Conversion Rate	ATV	Total Transactions	Staff Stretch	Till Tensility
0001	Flagship A (1)	7290	8.0%	56.58	581	22.2	0.0
0002	Flagship C (2)	7074	7.0%	121.08	497	24.3	0.0
0003	Flagship B (3)	4739	12.7%	87.62	603	18.0	0.0
0004	Shopping Centre N (4)	3818	9.1%	98.09	349	22.5	0.0
0006	Shopping Centre E (6)	2745	10.7%	57.26	293	24.7	0.0



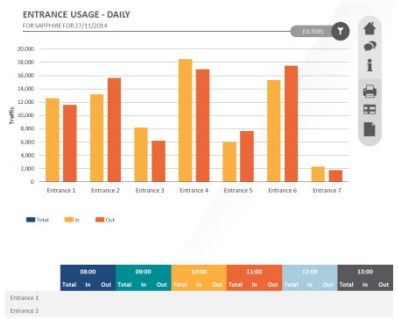
ANALYTICS AND REPORTING



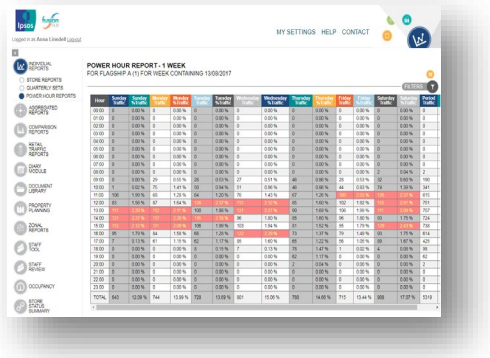
Store reports



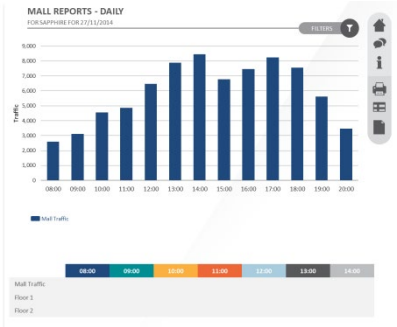
Chan-wide comparisons



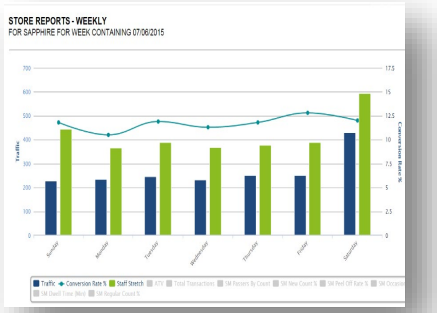
Staff Stretch



Power hour reports



Regional reports



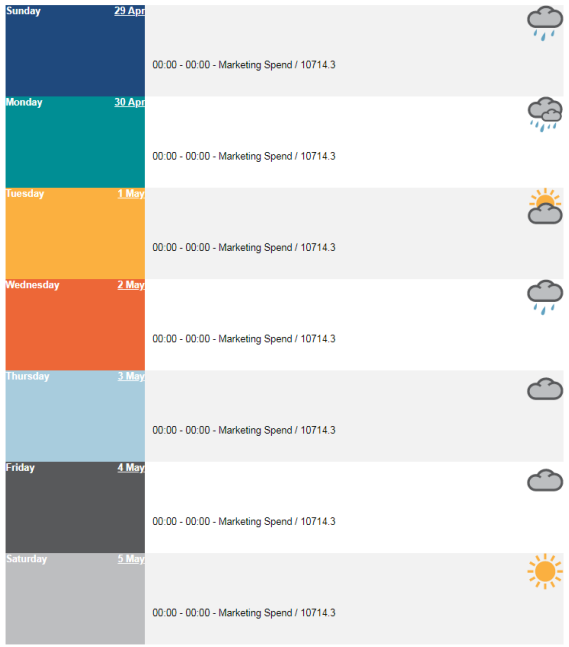
Annual traffic trends

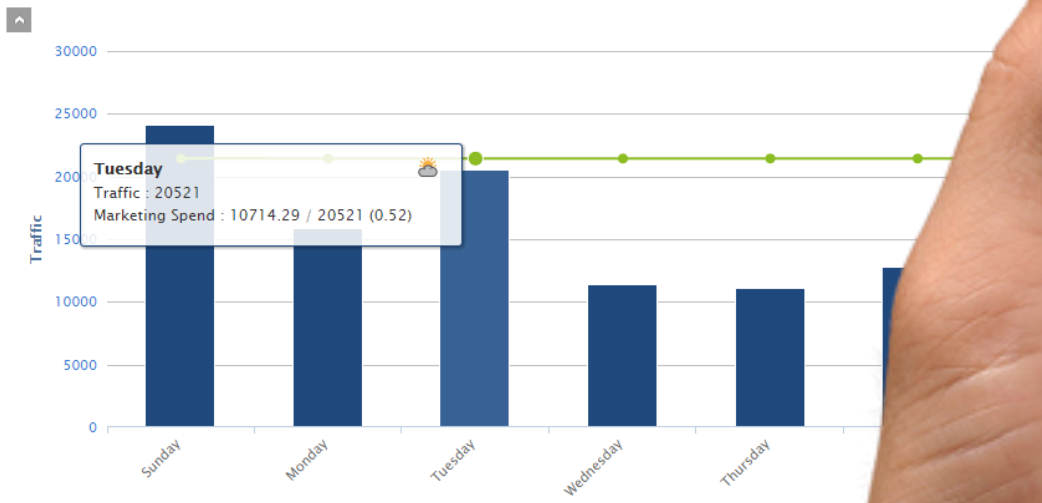
ANALYTICS AND REPORTING – APP

Available on Apple & Android

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Traffic	24118	15882	20521	11400	11113	12746	16447
Marketing Spend	10714.29	10714.29	10714.29	10714.29	10714.29	10714.29	10714.29
Car Count	1065.0	1428.0	1517.0	1016.0	914.0	11	
Traffic Per Sq Ft	375.0	190.2	284.0	137.4	140.3		

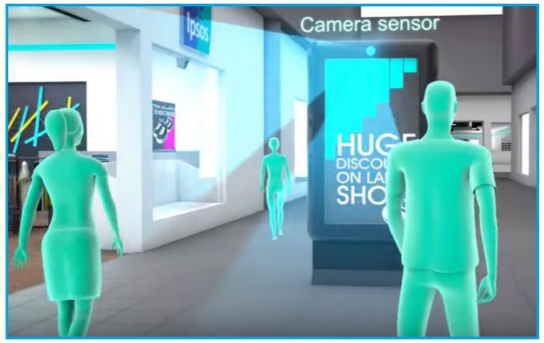
	Week	Last Week	Same Week Last Year	Improvement over last week	Improvement
Traffic	112227	91710	104341	22.4%	7.6%
Marketing Spend	75000.00	0.00	0.00	75000.00	75000.00
Car Count	8330.0	6684.0	9457.0	1646.0	-1127.0
Traffic Per Sq Ft	1502.4	1219.2	1337.0	283.2	165.

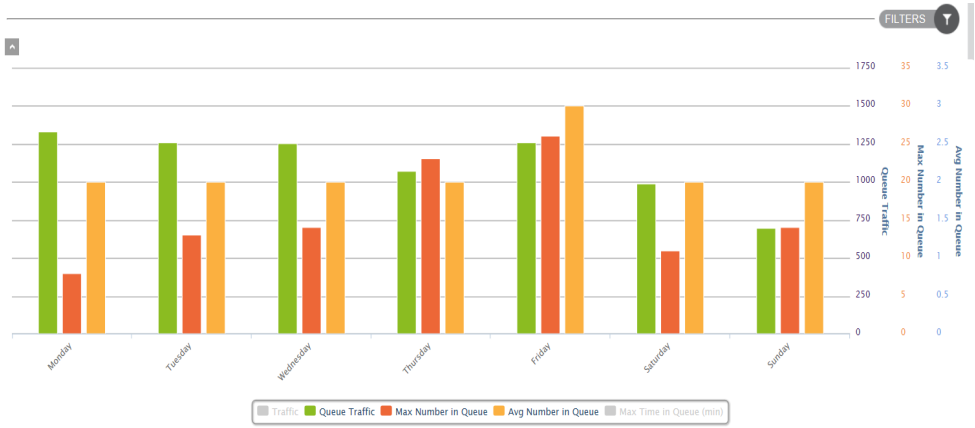




OTHER COUNTING AREAS

Counting in the Queue, Zones, Displays or Signage





	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Traffic	786	770	770	627	746	571	489
Queue Traffic	1329	1258	1249	1071	1258	990	698
Max Number in Queue	8	13	14	23	26	11	14
Avg Number in Queue	2	2	2	2	3	2	2
Max Time in Queue (min)	15	29	14	22	39	17	20

CASE STUDY- JEWELRY RETAILER

Shopper Count

The Challenge:

The retailer wanted to identify stores which were performing well and which of those required help, so that resources could be distributed more effectively.

What we did:

We monitored footfall, conversion rate and ATV (average transaction value) of each store. Using this data, hourly profiles of each store on each day of the week were built to demonstrate an average store performance over a six week “benchmark” period. We then identified trends pinpointing times of the day when conversion rates could be most readily improved. We then trained store staff how to best utilize the reports.

The Outcome:

The footfall solution has been deployed in over 150 stores. Using the analytical reports, the retailer is introducing extra staffing hours at points of the day where conversion rate dipped. Store managers and their teams are now empowered to drive conversion rate performance and can clearly see the impact their actions have on conversion rates.

ADVANCED KNOWLEDGE: CUSTOMER BEHAVIOR ANALYSIS

2

After tasks are done, expand the experience.

GREAT DESIGN EXPANDS EXPERIENCE

Percent of respondents who do more than one activity in well-designed stores vs. in poorly designed stores.

- Well-designed stores
- Poorly designed stores

50% do more than one activity in store

71% do more than one activity in store

Gensler Experience Index™ | Gensler Research Institute

Comcast Studio Xfinity, Washington, DC

RESEARCH METHODOLOGY

1

The project is defined with **key objectives** and goals agreed.

2

The **appropriate technology is utilized** to unobtrusively observe shopper habits and behavior.

3

Data is compiled and analyzed for trends & patterns.

4

Insights are delivered to client with recommendations for next steps using video examples as necessary

QUESTIONS THE RESEARCH CAN ANSWER

- How does my new store format compare to my existing store format?
- Are there areas of my store that are not being shopped?
- Is my store set up for the most optimal customer experience?
- Where are my customers spending time in the store and for how long?
- Is my product mix assorted in the most optimal way?
- Who are my customers? (demographics)
- How do my customers engage with staff?
- Does interaction with a staff member increase the chances of conversion?
- How is my product on the shelf shopped compared to my competitors?
- How do my customers navigate self-checkout vs. manned till?

CASE STUDY – FMCG BRAND

Shopper Engage Lite

The Challenge:

Client was interested in how their hair care product was being shopped against the competitor. The objectives were to answer:

-What shoppers are really doing in the store?

-Why the shopped the way they did?

-What was grabbing their attention?

What we did:

Using three different research techniques, we delivered both qualitative and quantitative data, crossing multiple retailers in the US, Germany, China, Russia and Turkey over a one week period. There were 10 field teams deployed to conduct observational research and a mobile exit survey.

The Outcome:

Using this model, we were able to answer key questions including:

-How shopper behaviors differ between retailers and/or countries?

-How customer demographics vary?

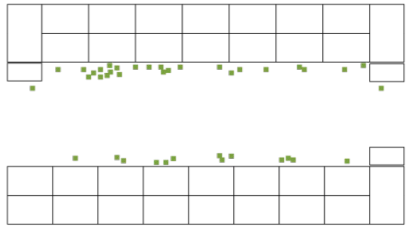
-How engagements differ by brand?

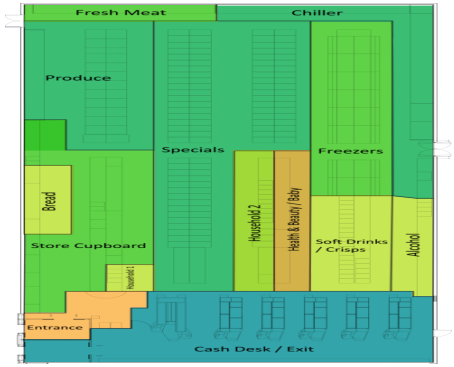
-How can we move shopper behavior in favor of my brand?

"Finally I understand how shoppers shop!"
– VP of Beauty

UNDERSTANDING BEHAVIOR PATTERNS & STORE FORMAT COMPARISONS

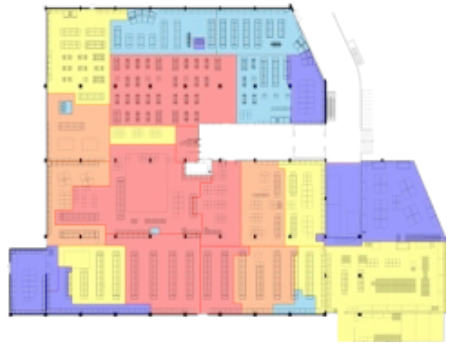
Staff Interaction



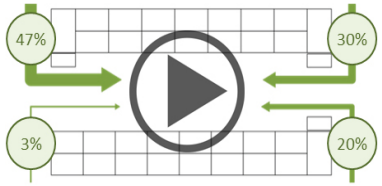


Dwell Time Maps

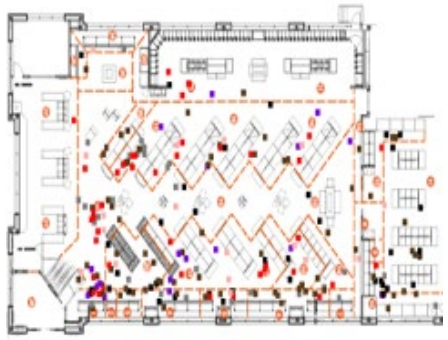
Buyers Vs. Non buyers



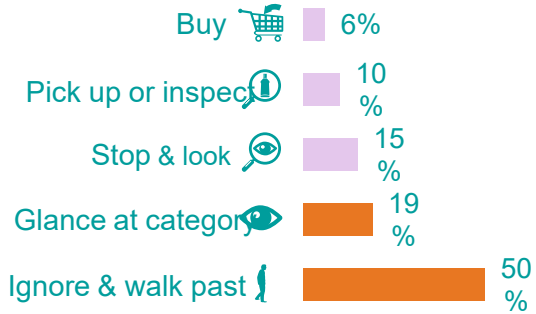
Engagement levels



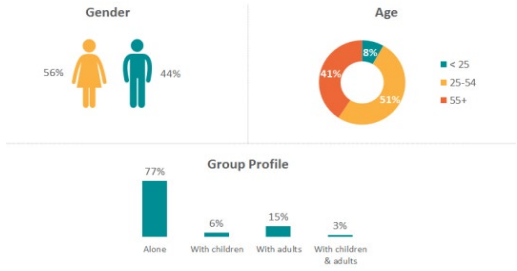
Flow/Navigation Maps



Activity hot spots



Category engagement ladder



Age & group composition

Q&A

THANK YOU

GAME CHANGERS