



Data Meaning Helps Large Retailer Leverage Business Intelligence To Build a Selling Culture

Clear Insight into Customer Shopping Behavior Improves the Performance of Sales Associates

Business Challenge

A large retailer, with outlets across the United States and Canada, was struggling with how to grow sales in a highly competitive environment. Like brick-and-mortar retailers in every sector, this retailer faced the daunting challenge of dealing with a seismic shift in shopper behavior. Potential customers are increasingly choosing to purchase the items they need through online stores. This means fewer potential customers walking into, and browsing through, the retailer's brick-and-mortar stores. The result is fewer sales opportunities.

The retailer needed to mitigate the risk of losing sales to online stores like Amazon that sell similar products. Additionally, the retailer faced the threat of competing with their own digital retail channel. The root of their challenge was the inability to track crucial key performance indicators (KPIs) and leverage that knowledge to empower their sales associates. Data Meaning used their expertise with mobile app development and business intelligence (BI) reporting tools to deploy a solution that improved individual store performance.

Data Meaning Conducts a Triage of the Problem

Data Meaning began formulating solutions by first clarifying the problem. What Data Meaning found was that there was a decrease in foot traffic which correlated to a decrease in sales in the brick-and-mortar channel. This was a problem that had to be dealt with head on.

Fortunately, sales volume is something that the retailer has a certain level of control over. The company can mitigate a decrease in sales at brick-and-mortar stores in two ways. It can increase the units per transaction (UPT), the number of items that customers purchase in any given transaction. And, it can increase the average transaction size (ATS), the value of each transaction. Whichever mitigating tactic is employed, its success is based on two major premises:

- The first premise is that the retailer can gain access to real-time foot traffic and sales data.
- The second premise is that the retailer can use that BI to affect change in the behavior of their sales associates by coaching them in how to sell more.

Accurately Quantifying Foot Traffic

Working on the first premise relating to foot traffic, Data Meaning partnered with a technology provider to strategically place "smart" devices inside the retailer's stores. One of the outstanding features of these devices is their ability to use augmented reality to identify potential customers by distinguishing between adults and children. This capability allows the devices to count the actual foot traffic of potential customers and instantly relay that data, so it can be analyzed in real time.

Clear Insight into Customer Shopping Behavior Improves the Performance of Sales Associates

Calculating the Conversion Rate in Real Time

Further addressing the first premise relating to accessing sales data, Data Meaning used its understanding of the complex technology to integrate the foot-traffic data with point-of-sale (POS) data to derive the store's conversion rate. This key performance indicator (KPI) is calculated by dividing the amount of sales by the number of potential customers in the store to determine the store's ability to sell to those potential customers. The conversion rate is a crucial KPI that most retailers don't have real-time data for.

Enabling Associate Coaching with Technology

Concerning the second premise relating to BI, Data Meaning needed to start by understanding the retailer's corporate culture and the mindset of its sales associates. The magic behind Data Meaning's solution wasn't its ability to synchronize data and make it meaningful. It was delivering technology that worked in perfect harmony with the retailer's existing ecosystem.

This technology empowers the retailer's leadership to create a selling culture by coaching individual sales associates to shift their mindset from being mere hourly employees to thinking of themselves as valuable salespeople. With this new mindset, sales associates can engage customers with cross-selling and up-selling techniques that increase UPT and ATS.

To create this level of empowerment, Data Meaning built an easy-to-use mobile app that features a dashboard that displays real-time KPIs. Store leaders can leverage this information to get the status of their store's sales levels and the effectiveness of individual sales associates. Armed with this knowledge, store leaders and coaches can modify the behavior of associates to convert more sales.

Because the mobile app solution competes with the POS system for network bandwidth, deploying the app solution meant that Data Meaning needed to understand and work within the confines of the existing network infrastructure. To enable it to push the app seamlessly to 15,000 mobile devices, Data Meaning had to manage all the necessary app deployment mechanisms. Additionally, Data Meaning dealt with the complexities involved with putting in place the appropriate MSTR security filters to ensure that users had access to only the data they should see. This meant that users could focus on the data that mattered most to them.

Clear Insight into Customer Shopping Behavior Improves the Performance of Sales Associates

Business Results

The retailer now has access to actionable BI. Data Meaning's solutions allow for a new level of transparency into specific outcomes down to the individual store level. No longer are decisions made based on gut feelings. Store managers and coaches across the organization now have a decision-management framework that is supported by real-time data. This means they can use data to help them increase sales by focusing on modifying things that matter most. Additionally, district leaders can hold stores more accountable when it comes to meeting sales targets.

In this world of big data, there are many opportunities to augment and fine-tune BI. Because of the scalability that Data Meaning built into the BI solution, the retailer can add data sources whenever the data becomes available. For instance, it's possible to take in-store data and integrate it with sentiment data from the retailer's digital retail channel or with demographic data from another source. The flexibility of the solution makes the resulting BI more valuable.

Clear Insight into Customer Shopping Behavior Improves the Performance of Sales Associates

The Data Meaning Value Proposition

Data Meaning was not just an implementer of technology. Data Meaning looked at customer behavior, the mindset of sales associates, and available technology to create a strategy that helped this large retailer modernize their business. By deeply engaging with the retailer's team, Data Meaning was able to help them transform their business into one that is ready to compete in the new retail world. Going forward, Data Meaning will work with the retailer to develop innovative solutions and strategic initiatives that improve the customer experience in ways that further increase brick-and-mortar sales.

To learn more about Data Meaning's retail solutions, please visit DataMeaning.com.