

ARAŞTIRMADA YENİLİKLER 2012



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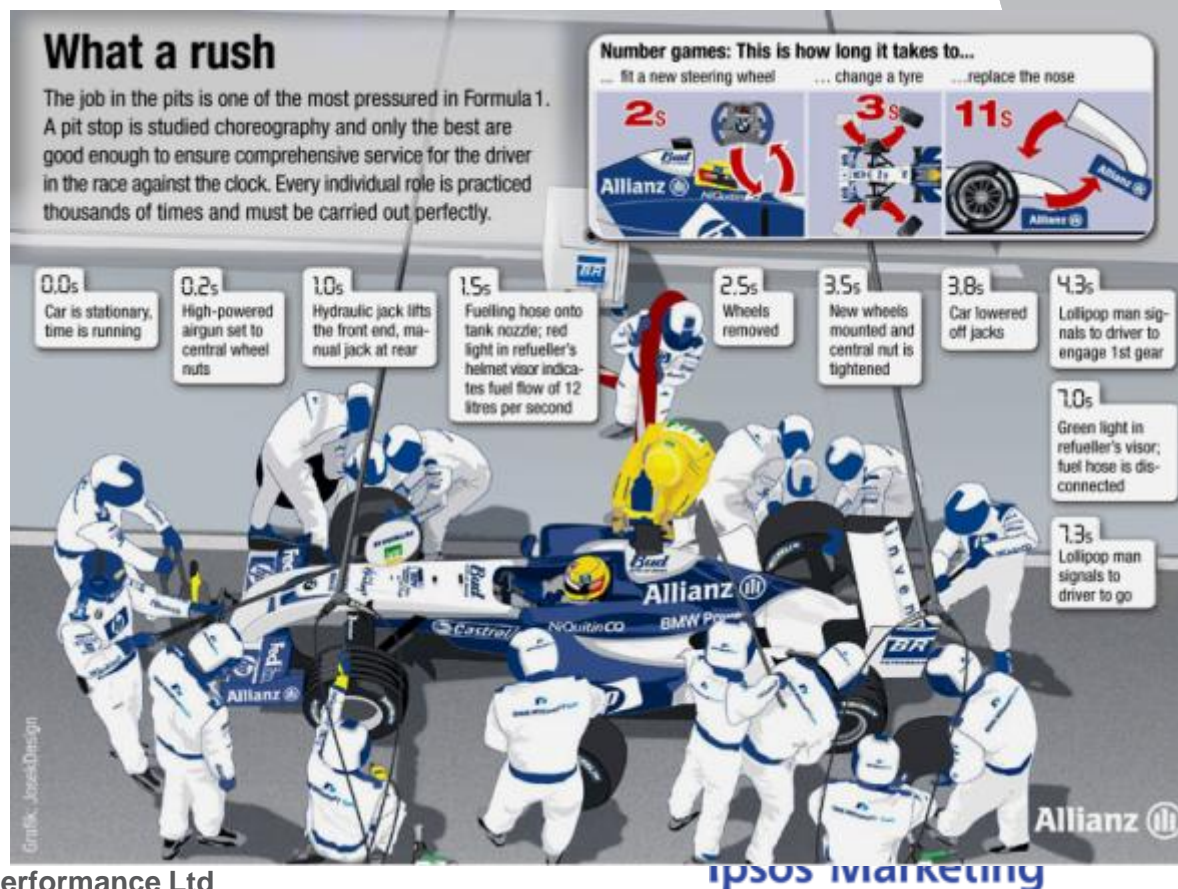
Ipsos Retail Performance

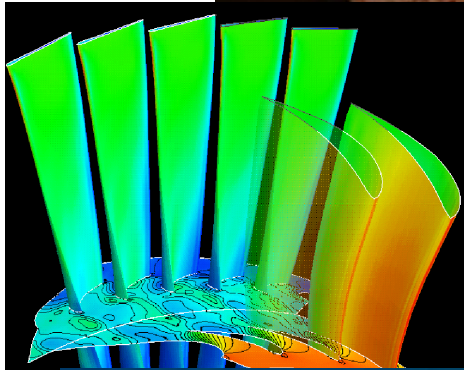
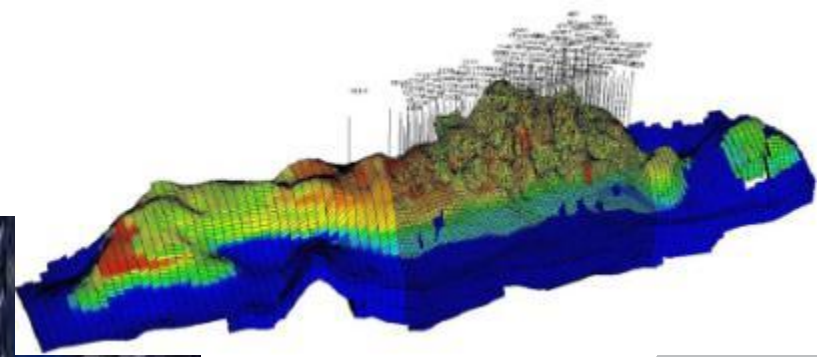
The Global Expert in Retail Performance, Shopper Behaviour and the Customer Experience



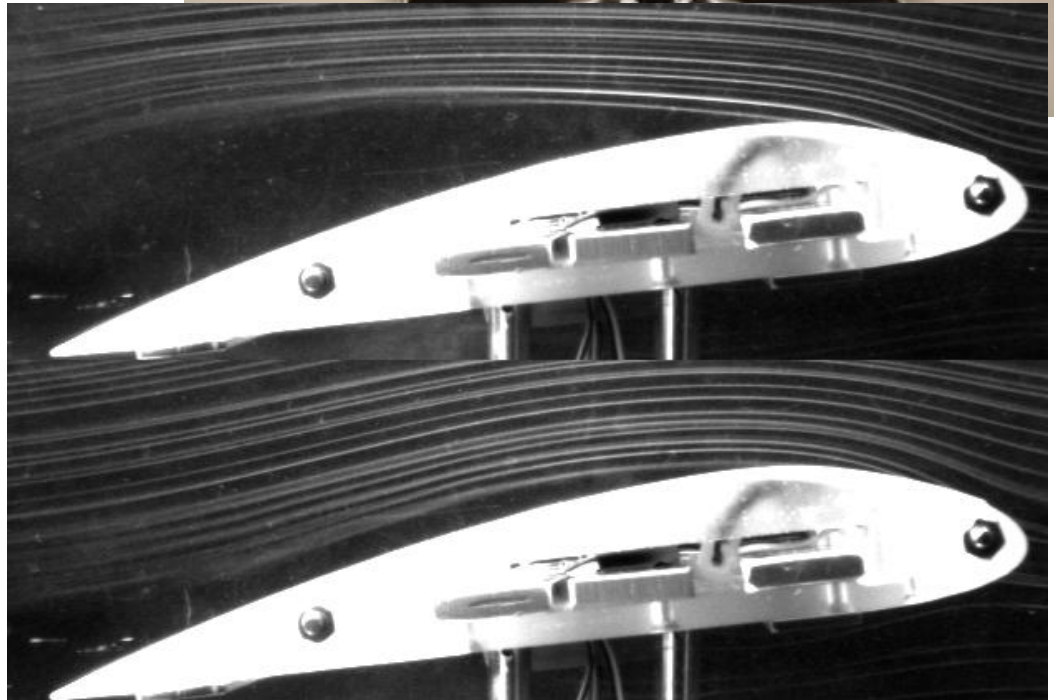
Parallel Industry Knowledge Transfer

- Classic MBA case study
- Low cost carrier striving for Operational Excellence
- Change Game opportunity
- Looked External
- F1 Racing teams – Pit stop

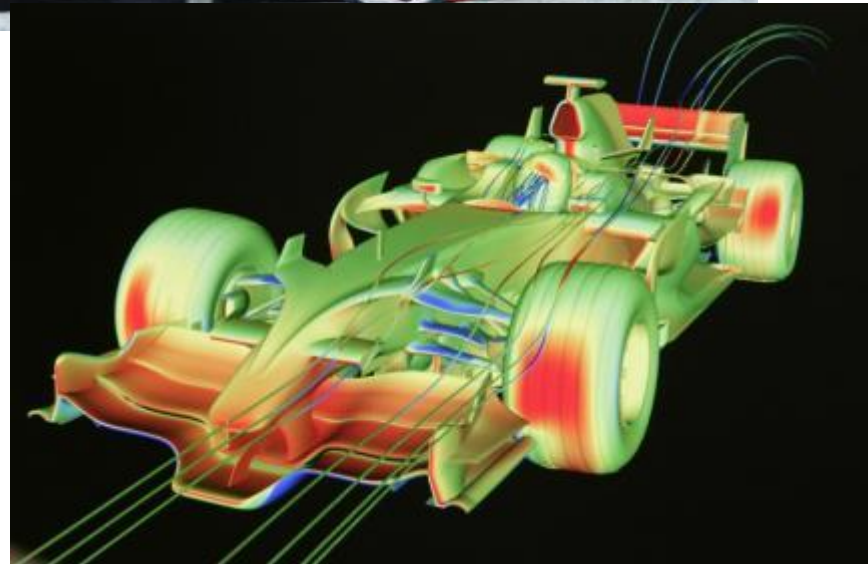




- Top Teams – Large Wind Tunnels
- Disproportionate advantage
- Limit the use of wind tunnels
- Small use of CFD



- Big teams - BIG Super Computers!
- Data – Information – Knowledge
- Continual measurement of systems
- Change with clear knowledge
- Understanding of interactions
- Whole car models
- Multiples per hour
- Each change .001 secs per lap
- New Competitive Advantage

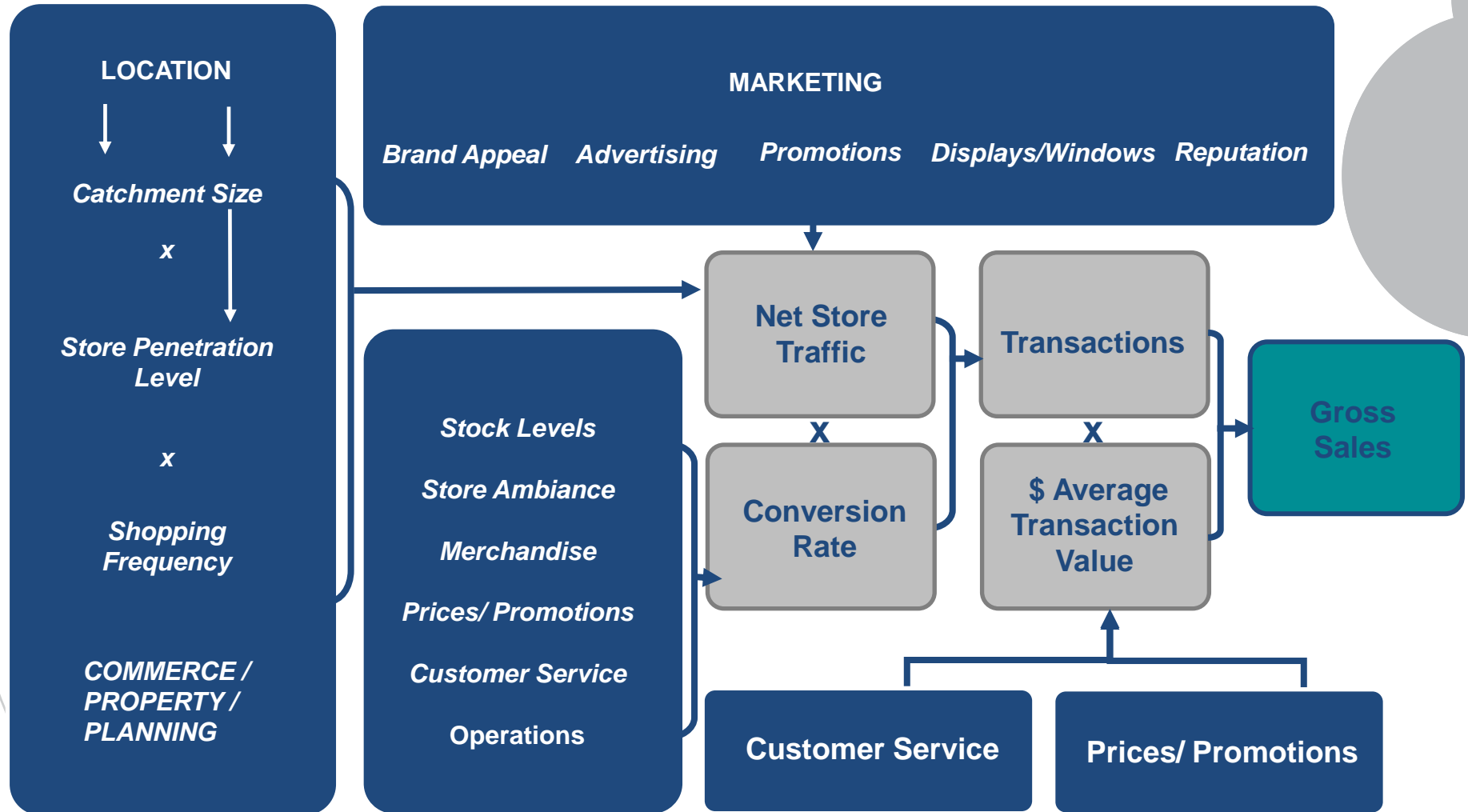


- So What
 - ⇒ Why is the relevant to retail and shopper
 - ⇒ We are nothing like F1 or super-computing

- You have a retail or shopper ‘system’
- Its possible to get data
- Continually improve
 - ⇒ System Performance
 - ⇒ Customer Experience

- Difference
 - ⇒ Approach to Capturing system data?
 - ⇒ Consistently analysis - the effects of change?
 - ⇒ Knowing what investments factually really work?

Front of Retail 'system'



Counting customers gives you a clear understanding of your store performance

Let's review our store performance based on just transaction data...

Performance	Last Week	This Week
Transactions	100	126
ATV	\$50	\$50
Sales	\$5,000	\$6,300

Verdict:

Transactions have increased week-on-week and ATV has stayed the same, therefore sales have increased week-on-week.

This week the store performed better.

But what if we look at Traffic and Conversion Rate...

Counting customers gives you a clear understanding of your store performance

Assume that Traffic x Conversion Rate x Average Transaction Value = Sales

Performance	Last Week	This Week
Transactions	100	126
ATV	\$50	\$50
Sales	\$5,000	\$6,300
Footfall	1000	1500
Conversion Rate	10%	8.4%

Verdict:

There was a big promotional event which drove additional footfall to the store. The store's Conversion Rate fell from 10% to 8.4%.

This week the store **didn't convert as well** as the week before, the store didn't make the most of the additional Traffic.

Had the store managed to convert customers at the same rate (10%) then this week the store would have taken Sales of \$7,500!



Shopper Count



Do you *really* know your customers?

Did you know ...?

68% of shoppers leave a brand due to a poor shopper experience

81% of shoppers are likely to share a negative shopping experience

38% would consider permanently shopping elsewhere

With...

68% of all purchases unplanned...

70% of brand choices made in store and only...

5% of shoppers loyal to a particular brand within any particular category

... brands and retailers need to understand people as **active shoppers**, rather than **passive consumers**.



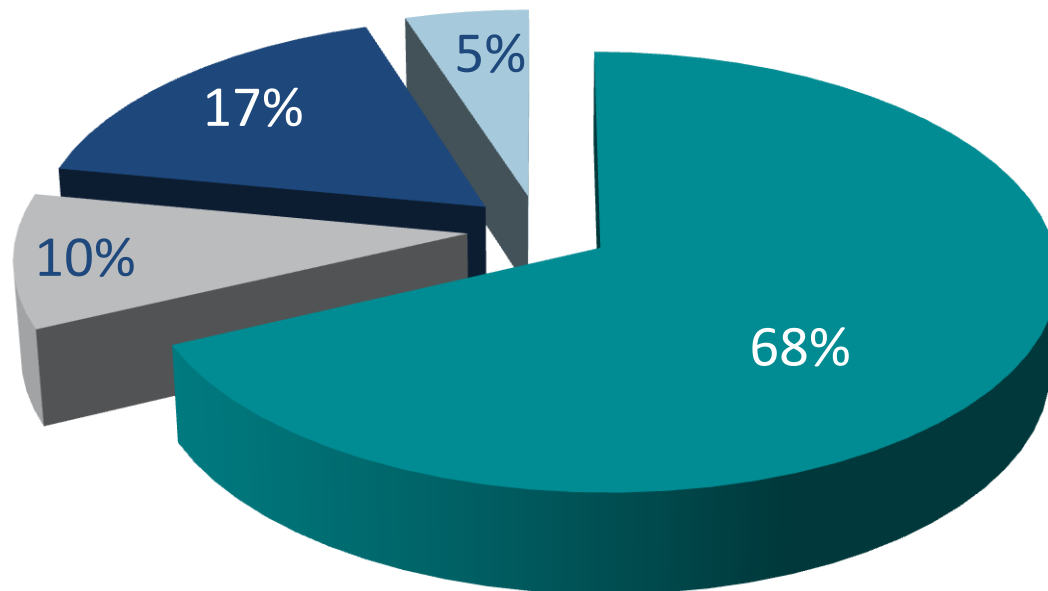
Sources:

Stahlberg and Maila, Shopper Marketing Speed Summary,,2010

Kronos, Shopper Survey, 2008

Why Customer Loss?

A poor shopping experience is often shared with others. It can erode customer loyalty and increase the likelihood of customers taking their business elsewhere.



- Customer Experience
- Price
- Product
- Other

We capture and analyse what shoppers do!

- *not* what they say they do
- *nor* what they think they do

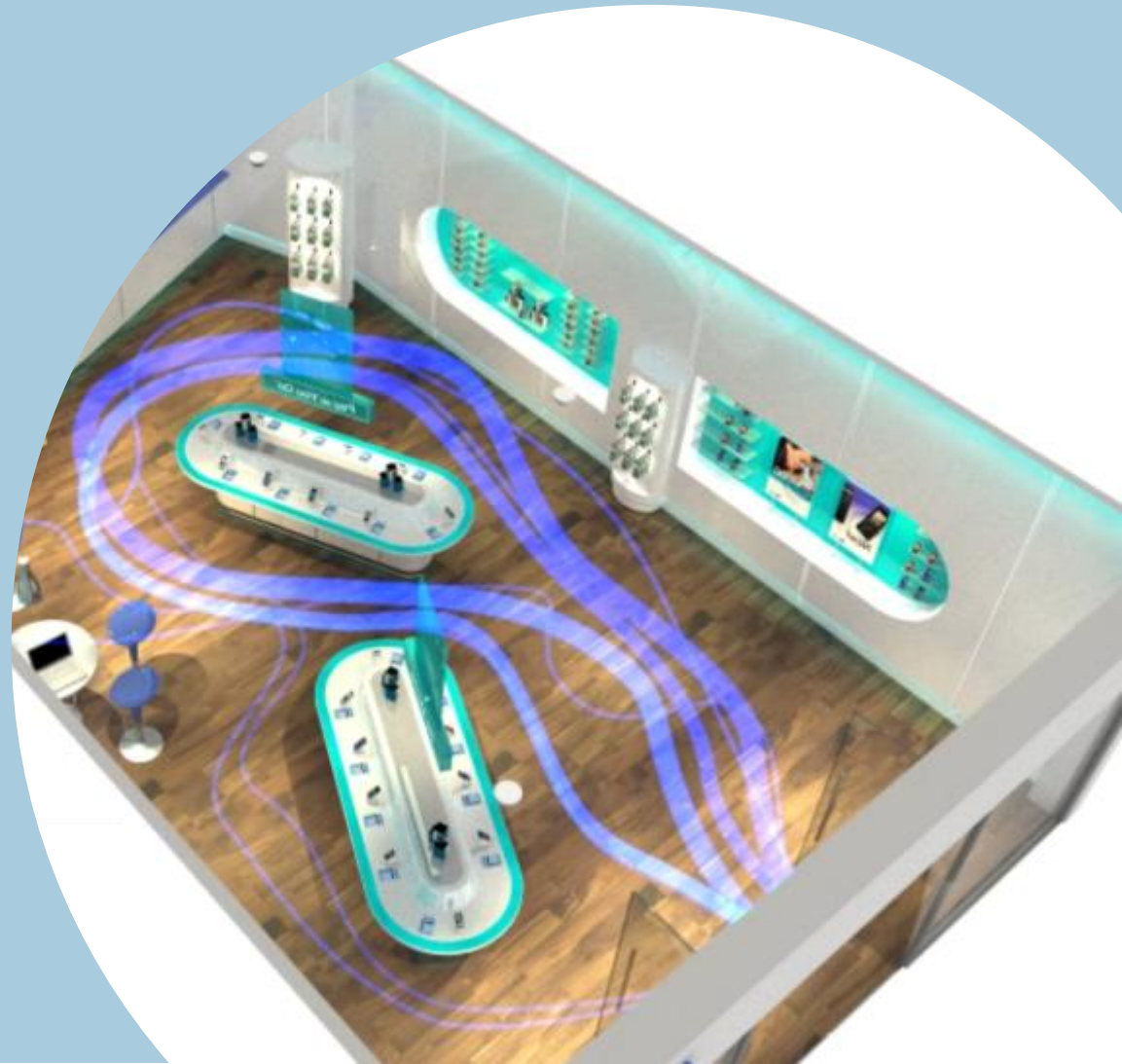
Source: Mike Trotter Purdue University

- What **paths** do shoppers take?
- How do **layout** changes affect flow patterns?
- Do different **shopper segments** navigate stores in different ways?
- **Where** do they stop and browse?
- **How long** do they spend in the store?
- Is the **in-store marketing** working?
- Where do they **engage with staff**?
- Where do **bottlenecks** occur?

How do I know I am getting it right?



- Extended Telemetry data
- Quantitative feedback on in-store performance and customer experience
- No installation of electronic equipment required.
- Customer movements and interactions captured
- Analysed to provide invaluable insights
- Converting Data and information to knowledge
- Virtual 'real time'



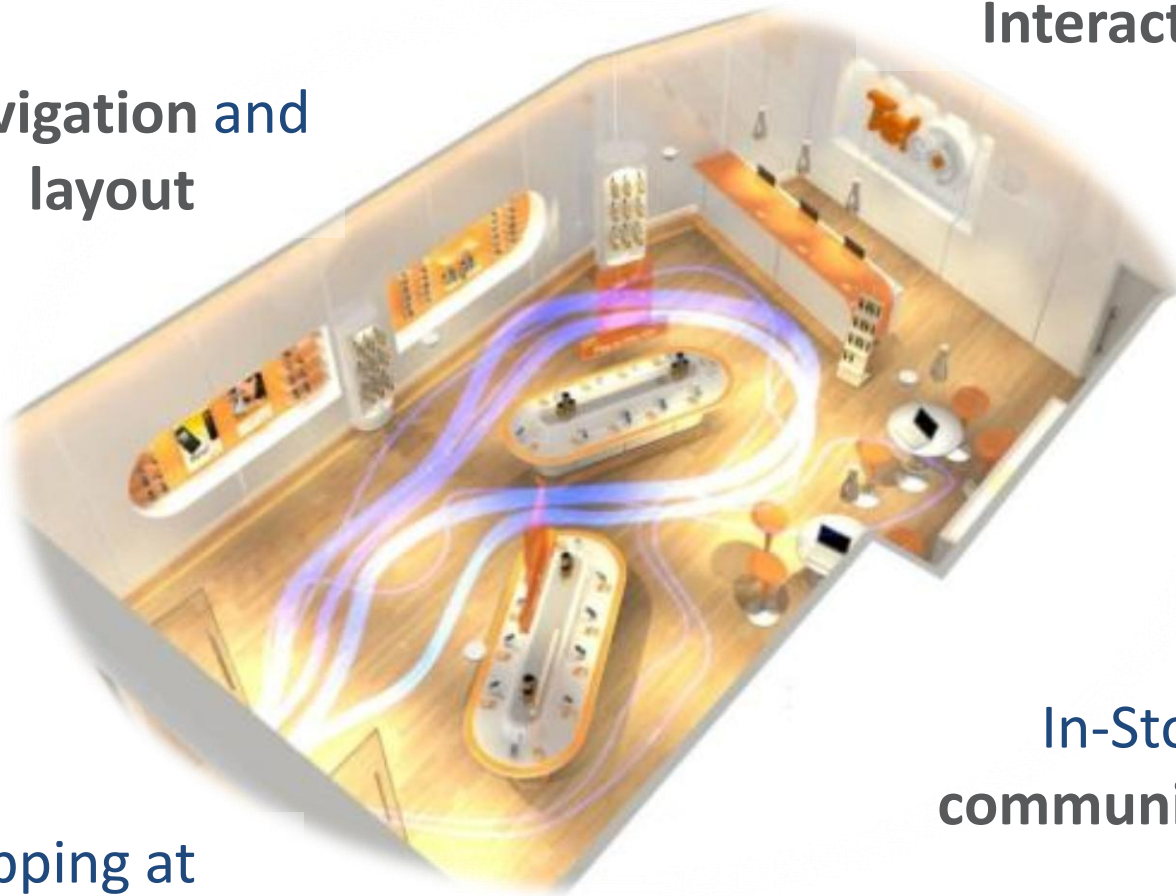
Here's how we do it...



What can we find out?

**Staff Customer
Interaction**

**Navigation and
layout**



**In-Store
communication**

**Shopping at
Category/Fixture
level**

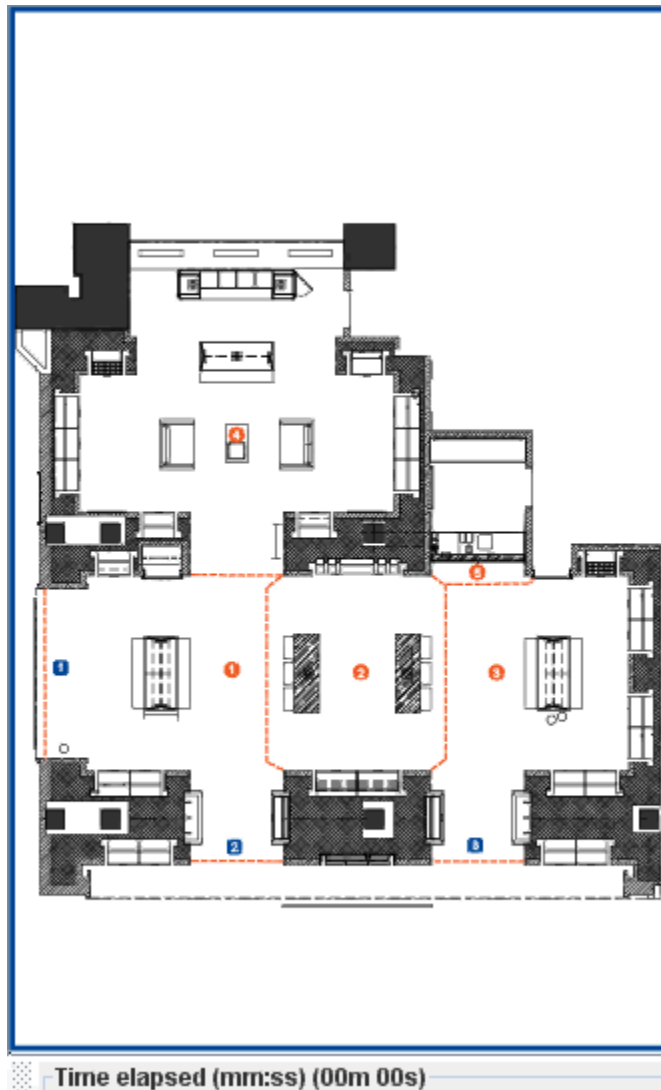
Typical Reporting Deliverables

- ✓ Optimize **shoppers flow map** to increase conversion.
- ✓ % of shoppers that **interact** with the equipments/products/merchandise.
- ✓ % **shoppers** who interact with **staff**.
- ✓ Profile of **buyers vs. non-buyers** (age/gender/shopper group or individual).
- ✓ **Conversion Rate** over study period.
- ✓ **Average shopping time** in the store can be split by buyers vs non-buyers (those with staff interaction).
- ✓ Which **Zones** shoppers buy from.
- ✓ **Hotspots** of where customers shop in terms of stopping and looking.
- ✓ Average number of **zones shopped**.
- ✓ Customer **profiles**.
- ✓ Average number of **items** interacted with.

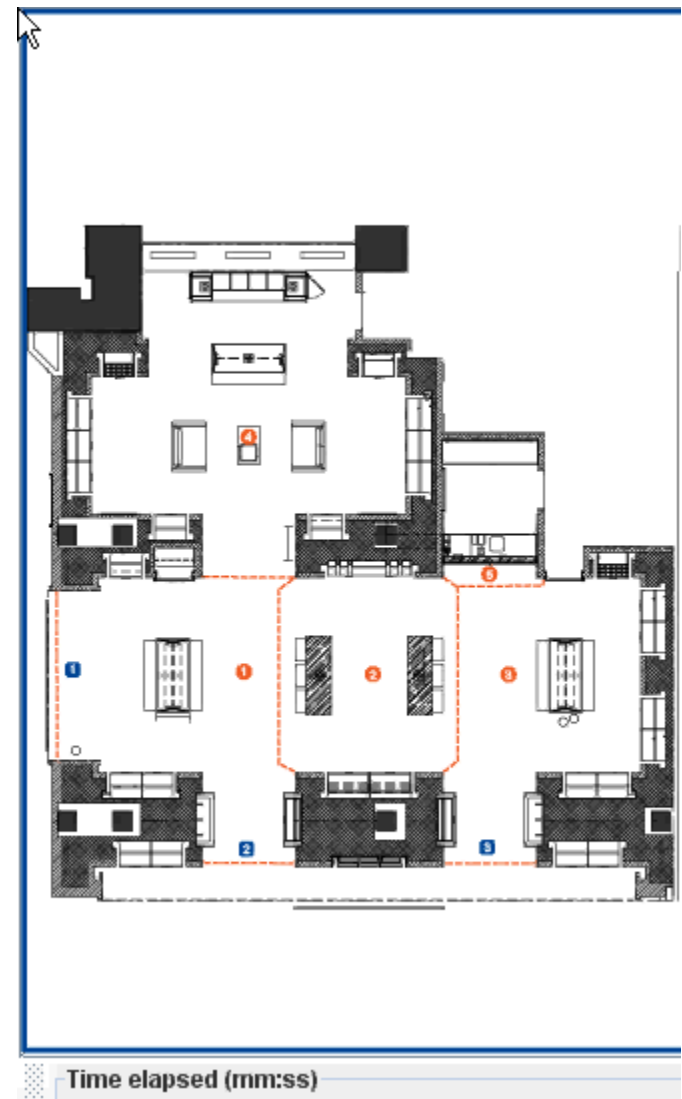


Case Study showing differences in gender pathways

Males



Females



What are the benefits for you?...

Fast effective methodology to show the path shoppers take around a store

- ✓ Timely pre & post analysis of store changes
- ✓ Informing a planned store refurbishment
- ✓ Improving signage design
- ✓ effectiveness of a product launch ,
merchandising and sales promotion placement
- ✓ Valuable feedback for in store staff on
customer engagement

Providing critical analysis before.....

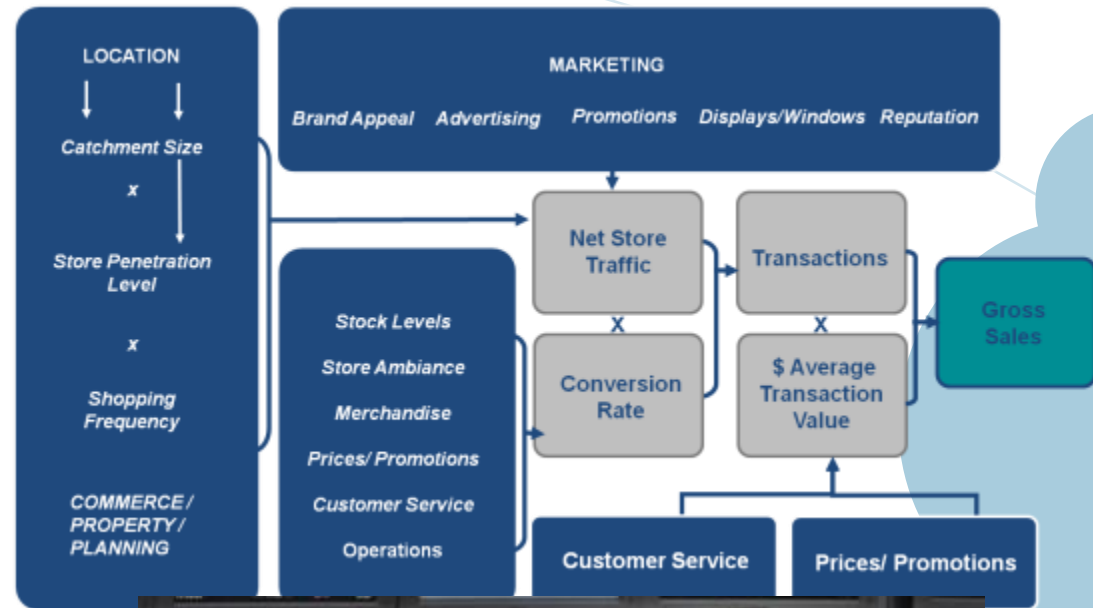
- ✓ Capital expenditure into store fixtures
decision made
- ✓ Permanent footfall counting and shopper
interaction technology is deployed.

....Gain an understanding of customer behaviour
in-store

radically optimise customer flow and store
layout



- Your System
- Don't work blind
- Make effective decisions
- Leverage the power of knowledge
- Are you HRT or Red Bull?



- You are in a competition
- Winners will leverage everything they have
- Optimize Customer Experience
- Maximise conversion
- Play to win!



Thank you!

Any questions?

