

# Retail Industry Trends Thought Leadership



## Retail Industry Point of View on: Data-Driven Decision Making

Keeping track of what's happening in a retail operation—whether in a single department, one store, or multiple stores—can be a full-time job. Walking the floor, completing checklists, and watching videos are all approaches retailers have used to keep track of customers, associates, inventory, displays, and everything else that needs attention to deliver the right shopping experience. As retailers incorporate more technology into their stores, the amount of information collected increases exponentially. In addition to everything that has always been monitored and managed in the store, retailers need to ensure that this technology stays up and running too. How can anyone stay on top of everything, physical and digital, that needs to be watched, adjusted, managed, or fixed?

### Technology as an enabler

Rather than regarding technology as an additional burden to the workload, look at it as an enabler that streamlines the work for everyone in the store. Retailers can use technology to separate objective monitoring from the decisions that require a subjective assessment of what's happening. For example, if the temperature in a grocery store cooler has been increasing for the last 3 hours and the door to the cooler is closed properly, the problem is very likely the compressor on the cooler. The department manager may not notice a slowly increasing temperature in a single cooler, but a retailer can use monitoring technology to constantly track the temperature in every cooler, freezer, and hot table in the store. Even better, when a situation like this occurs, technology can automatically notify maintenance to check on the cooler and task an associate with removing product from the unit to prevent loss from spoilage.

Freeing retail workers from objective tasks like monitoring temperatures in coolers allows them to focus their attention on decisions that require training and experience. Video analytics can also help management be more strategic by providing them

with operational metrics such as how many customers are in the store or where they are dwelling. Having this information at their fingertips helps management determine when to open additional checkout lanes or pull people from inventory tasks in the back-of-house to help customers. These same capabilities can also help managers identify unsafe conditions, deviations from defined processes, and other situations that previously required a manager's physical presence to observe. You can't fix what you can't see.

The first step is to ensure that you can “see” everything that's happening in the store. From equipment status to associate locations to the profiles of the customers entering your store, having visibility into what's happening in and around the store is key. Collecting that data from cameras, wireless analytics, IoT sensors, and other sources gives retailers a comprehensive picture of the store's operational aspects. Accessing that information, often in an operational dashboard, replaces much of the need for shift checklists and store tours that take time and attention away from addressing issues or needs that arise.

## Insight to enable the right decisions

From this comprehensive visibility comes the need to be able to process the information and gain insight into what it means, quickly and efficiently. Turning data into actionable insights is another role that technology can play for retailers. Those insights might show the possibility of spoiled product, a long line of customers waiting to check out, or customers waiting too long for assistance in the bakery. Using technology to collect and present that information in a way that highlights potential areas needing attention enables faster decisions that improve customer satisfaction, increase basket size, and drive higher conversion.

## Making the right decisions in the moments that matter

Leveraging technology in the retail environment elevates the store's capabilities in new and profound ways. Management can gain visibility into store environments, glean insight into what is happening in real time, automate workflows to address objective issues and needs, and enable store staff to be more efficient and effective. In the example of a failing compressor, automation can help prevent losses due to spoiled product, reduce the time to resolve the issue, and give the management team time to review key metrics for operational efficiency. Using technology to make better decisions leads to happier teams, a more efficient and productive environment, and more satisfied customers.