Retail

Mining the Store

Feel you're being followed when you move around a store? You probably are. Retailers have set up cameras, motion sensors, and other gear to collect information about the buying behavior of their brick-and-mortar customers. According to market-research firm IDC, $1.3 billion will be spent on analytics software this year to make sense of the data collected. —*Olga Kharif*

> "Store analytics are now what Web analytics were 10 years ago."
> ——*Greg Girard, program director, merchandise strategies, IDC*

> "There were some associates that kept a three-ring binder on customers. ... There was no way to share that information."
> ——*Eric Singleton, chief information officer, Chico's FAS*

Cameras

Department-store chain Gordmans rigged one store with 35 cameras and tracked movements of 29,000 shoppers over three weeks. The footage was turned into heat maps showing which parts of the store were popular with customers and which ones they ignored.

Data were analyzed using software from RetailNext, then used to tweak layouts at more than 90 stores.

The changes helped drive up Gordmans' conversion rate—the share of shoppers who make purchases—by more than 3 percent.

Traffic sensors

Swarm Solutions says about 6,000 retailers have installed its door sensors to compare foot traffic with transactions.

The data revealed that employee breaks and shift changes that coincide with peak shopping hours result in lost sales.

Sales app

Chico's FAS, a retailer with more than 1,450 outlets targeting women 30 and older, rolled out an iPad app that helps salespeople figure out which styles to suggest to browsing customers.

The Customer Book app displays information gathered using software from SAS on the brands and styles a customer has favored in the past—online and offline—as well as how much she's spent.

> "It's more about aggregated data and coming up with the best combination of things—more a law of averages."
> ——*Daniel Neukomm, chief executive officer, La Jolla Group*

Setting the mood

La Jolla Group, a maker of surfing and motorcycling apparel with a handful of stores on the West Coast, has used software from Reflektion and Swarm to track how long shoppers linger and whether a store's music and temperature have any effect on sales. (It won't reveal whether Beck or Katy Perry helped more.)

About half of all new products bomb. First Insight says its analysis of player moves can improve those odds.

Retail games

Abercrombie & Fitch, Limited, and more than 30 other retailers e-mail loyal customers links to online games produced by startup First Insight. Players in Sold! manage their own stores, making decisions on inventory, price, and quantity. The objective is to outsell other users.

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