

Keeping Track of the Details

A startup brand helps Best Buy manage inventory and product information

by PETER JOHNSTON

Best Buy has 125,000 employees, total annual sales volume of around \$40 billion and 1,500 locations around the country, as well as in Canada and Mexico. In each of those locations, Best Buy carries literally thousands of individual products; while many are the work of global electronics giants, others come from smaller firms — some a lot smaller.

One of these firms is TrackR, which has shipped more than 4 million units of its product, also called TrackR (pronounced “tracker”) to market. A TrackR is a small object that looks like a key fob and is intended to be attached to keys, or anything small and restless that might conceivably get lost. If you can’t find it, you can open up the app, which remembers where and when you left it.

In addition to the devices themselves, TrackR provides app-only solutions linked to Amazon’s digital assistant Alexa, which lives (among other places) in the Echo speaker system. You can say, “Alexa, ask TrackR to ring my phone,” or — if the phone is out of earshot — “Alexa, where is my phone?” To which Alexa can respond, for example, “Your phone is near the corner of State Street and Cerillo in Santa Barbara, California.”

Beyond Alexa, users can turn to the TrackR community for help. If another TrackR user comes within Bluetooth range of a lost or stolen object, that user’s TrackR app anonymously and confidentially reports back to the TrackR server, which will notify the owner of the thing’s whereabouts.

The advertisement for TrackR features the company logo at the top left. The main headline reads "Lost it? Find it!". Below this, there are three images: a TrackR device on a dark surface, a person in a blue shirt holding a device, and a red suitcase with a TrackR device attached. A banner below these images says "Ring Your Phone on Silent Mode".

Four feature icons are displayed in a row:

- ITEM RINGER**: Find misplaced items.
- PHONE FINDER**: Ring your lost phone—even on silent mode!
- SEPARATION ALERTS**: Prevent things from being left behind.
- CROWD GPS**: Locate lost items on a map.

The central text says "Find lost items using your smartphone." To the left, two smartphones show the TrackR app interface. To the right, a stack of images shows various items being tracked, including a car, a suitcase, and a bag. A small TrackR device is shown in the center of this stack.

Below the smartphone images, the following features are listed:

- Last known location
- Distance indicator
- Ring items with a tap
- Connect multiple devices

At the bottom of the ad, three key selling points are highlighted:

- User replaceable battery
- World's largest item tracking network
- World's thinnest design

ON THE BEACH

The inspiration for the device was an experience shared by co-founders Chris Herbert and Christian Smith while they were undergraduates at the University of California at Santa Barbara.

“There weren’t too many other engineers who were also surfers, so Chris and I ended up having pretty much the same schedule,” says Smith, now the company president; Herbert is the CEO.

“We’d stay up really late and wake up before the sun rose in the morning. There’s nothing like a screwed-up sleep schedule to bring people together, so we bonded and became good friends.”

During one surfing trip, Smith and Herbert parked on the beach, went out into the surf and returned in time to realize they had parked below the high tide line. As the tide was coming in, it

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— Christian Smith, TrackR

was time to move — then one of them dropped the keys into the sand.

As they scabbled around trying to find them, racing the ocean for ultimate possession of their automobile, the two happened across a couple of beachcombers with a metal detector who helped them find the keys in time.

“That’s when we really started thinking, ‘Why do people lose things,’” Smith says. “We lose things because we have to memorize where everything is located, and if they’re misplaced or lost or stolen, we have these mini moments of panic, like we did on the beach that day. Then we thought, ‘How do we get all of the computers around us to memorize where these things are located?’”

Being engineers, instead of just asking themselves that question, Smith and Herbert started looking for an answer. They won the business plan competition at UC Santa Barbara in 2009, and, like untold numbers of California tinkerers before them, moved into a garage and began building the technology.

The crowdfunding ecosystem was growing rapidly at the time, and they started launching crowdfunding projects to support their endeavors. “In 2014, we had one of the larger Indiegogo projects of the time,” Smith says. “We raised over \$1.7 million, and we saw that people were really interested in getting the product out there. We launched with Best Buy Canada in 2014, and Best Buy USA in 2015.”

MEASURING THE EFFORT

Last year, TrackR initiated a project with Mobee to evaluate the effectiveness of its own marketing initiatives in relation

to its presence in Best Buy. “We were asking how you get visibility into the retail channel,” Smith says.

“We put displays into all these stores. We did a training initiative with Best Buy and created a training video for all their blue shirts. We’re partnering with Best Buy to help increase sales and awareness of our product in their stores, and we wanted to better understand the effectiveness of those efforts.”

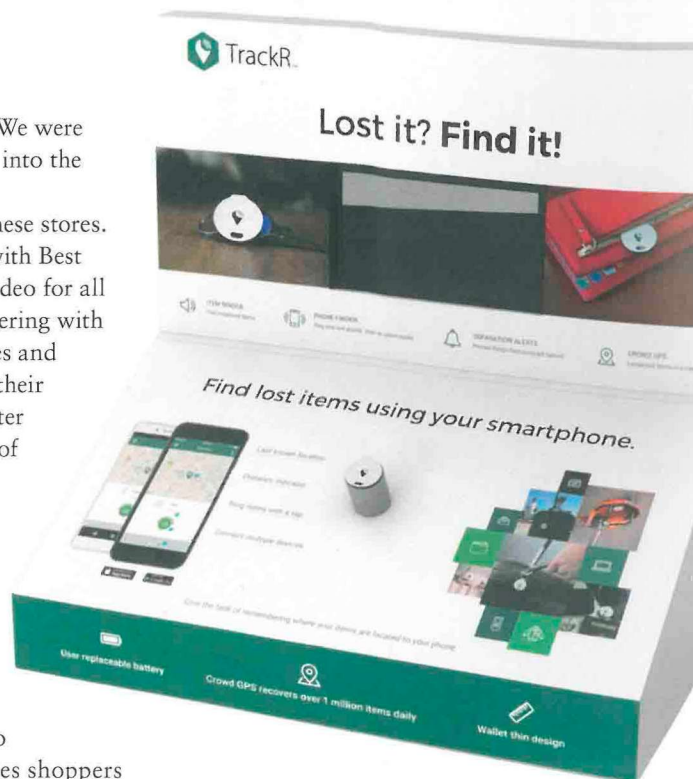
This quest for understanding led the TrackR team to Mobee, which provides crowdsourced data to retailers and brands. Essentially, the client tells Mobee what it wants to know; Mobee then dispatches shoppers (known as “bees”) into stores and to find out the answers. After discussions and testing, TrackR launched a nationwide Mobee store testing project of 600-800 Best Buy locations over the holidays.

“We put out a bid to all the bees,” Smith says. “We were trying to monitor inventory levels and installation compliance on a week-over-week basis. So when the bees would go into the store, they would snap a picture of the display. Then they’d let us know, was the video playing? Were all the magnets on the display with the demo unit correctly installed? Once we knew that, we were able to understand if something needed to be replaced or reset.”

Armed with this information, TrackR’s merchandising team could contact the merchandising manager at a store where a problem had been identified and say something like, “Hey, we saw that the video wasn’t playing. We can send you a new SD card so you can troubleshoot the problem.”

RESULTS

Bees would also stand by a display until a Best Buy employee came over, and then ask normal shopper questions about the product, like “What does it do?” From their responses — some of them filmed by the bees — TrackR was better able



to understand the efficacy of the video training they had provided.

“Being a young company, we’re not one of the biggest players in Best Buy by any means,” Smith says. “But we’re growing rapidly, and in order to support that growth, it’s very important for us to get an understanding of the efficacy of our marketing results.”

“On an installation compliance level, we could see that X percent of displays were being perfectly executed at Best Buy — which they were. It exceeded our initial expectations. So it was very helpful for us to be able to say, ‘OK, how do we shore up the remaining Y percent?’ Getting that data has been incredibly helpful for our decision making.”

These are still early days for TrackR, but Smith feels the data he’s getting from Mobee — which is, he notes, not the kind of information you can obtain from traditional sources — is helping his company partner with Best Buy.

“It’s a core strategy for us to be a great partner by allowing data to drive decisions. As a net result of that strategy, we’re seeing more sales, increased awareness at point of retail and a better customer experience.” **STORES**

Peter Johnston is a freelance writer and editor based in the New York City area.