Keeping Up with the Big Players

Real-time information gives smaller retailers the upper hand

by **LAURI GIESEN**

In a world where bricks-and-mortar merchants often struggle to keep up with online retailers, immediate access to information can give a retailer a real competitive advantage.

"Online retailers usually have much better access to information about their customers and their sales than we have," says Vivien Bohme, founder and CEO of Bohme Inc., a Salt Lake City-based women's clothing store chain. "In the bricks-and-mortar stores, gaining access to this important information is usually more cumbersome."

But gaining access to real-time information isn't cumbersome at Bohme, which has 16 stores throughout the Midwest.

At least not since Bohme began running the Domo information system five years ago. Now store management and employees alike can use a desktop computer or even a

mobile phone to get up-to-date sales figures and related information.

Bohme believes that ability is critical to her chain's growth. "A lot of stores in our malls are seeing the number of their customers dwindle, but we've had the best year ever," she says.

IMMEDIATE CHANGES

Being able to chart and compare store performance is vital to improving service and increasing sales, Bohme says. Before installing the Domo system, the company used a manual process where corporate executives had to check the results of each store individually. Often data was old and the process was "very messy and cumbersome," according to Bohme.

"We were desperate to get data in real time," she says.

Bohme first started using the Domo system for payroll and personnel;

executives then began monitoring how many employees were at each store and how productive they were. Eventually the data access expanded to include sales and inventory access.

"This allows us to make the best decisions," she says.

For example, the system allows management as well as employees to compare how individual stores are doing: Management can see if certain stores have higher staff turnover than others, and can look at what the stores with low turnover are doing differently and apply their techniques at other locations.

They can also look at how individual stores are performing during a promotion and suggest immediate changes to under-performers.

Store managers can also not only access their store's performance data, but also see how other stores in the chain

compare. If a store manager sees that another location in the chain is selling more of a particular item, they can talk to that store manager for tips.

"Store managers can benchmark themselves against other stores to improve," Bohme says.

And because the system operates on mobile phones as well as desktop computers, store managers can track the performance of their stores on their days off via mobile phone.

With real-time data, managers can make immediate changes.

"We can run promotion tests and get results within hours," Bohme says. "Then, if we are not satisfied with the results, we can try something else immediately rather than wait for several days to try something different."

TRACKING RESULTS

European Wax Center, a chain of wax-based hair removal salons with more than 600 franchise locations, is seeing similar benefits from using the Domo system.

Domo allows European Wax corporate executives as well as franchisees and their employees to track their results as well as those of other stores in the organization.

Including employees at the corporate center, franchisee owners and franchisee employees, around 8,000 people have access to the data available through Domo. Most managers and franchisee owners access data via both computers and mobile devices while salon workers almost always access the data via mobile phones, says Bart Butler, chief technology officer for the Orlando-based chain.

"Our area reps as well as franchisee owners can look at how they are doing and compare their results to other stores in the region. Even at the waxer level, they can look at 'How am I doing and how can I improve?'" he says.

European Wax uses the information to both improve the guest experience as well as increase sales of products purchased by customers.

One way managers use the data is to check out which employees are not accessing it. The lack of such employee involvement would indicate they are not
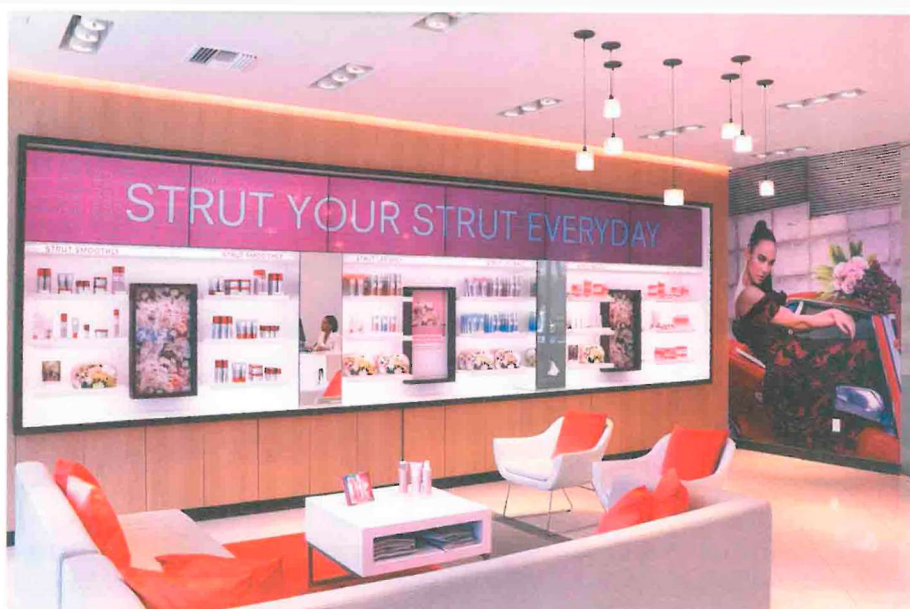
looking to see how they can improve their performance. Managers can then contact those employees and show them how to use the data to improve.

Another way European Wax uses the data is to link customer ratings and reviews provided through Reputation. com. This allows center managers to look at their performance reviews and immediately make changes.

"We can react in real time," Butler says. "If a customer complains in the morning about the cleanliness of a center, we can fix the problem by the afternoon."

Managers at the corporate center also use the data to identify higher performers and send them emails of encouragement.

In the future, European Wax would like to use the system to manage supplies and identify locations that are running low of a particular product.

INVENTORY CAPABILITIES

Butler admits that there was some resistance to the Domo system by some franchisees at first. "When we first rolled this out I was getting calls every day from detractors complaining about it. I was ready to pull the plug," he says.

"But management insisted that this was the right strategy. And now some of the early detractors are some of our best supporters and they're asking to do more on the system."

Two years ago, at a corporate-wide meeting of franchisees, Butler had to defend the Domo system. This year, he had franchisees demanding even more access, he says.

The Domo system can connect to 450 different data sources, according

to Jay Heglar, chief strategy officer at Domo. Information can then be accessed via personal computers, iPads or smartphones. Because the information is cloud-delivered, retailers do not need to increase their number of servers. The system can leverage into most existing databases.

In addition to using the data to improve performance in the stories, retailers have used the system to get up-to-date inventory reports.

"We've had retailers that connect to supply chains to find out the status of perishable goods," Heglar says. "They may decide to reroute the goods to other locations so that it can be sold before it spoils."

The system works for retailers of all sizes: Domo has worked with retailers that are Fortune 50 companies as well as shops that have only a few employees. And while it provides a lot of benefits to bricks-and-mortar stores that often have a difficult time accessing data online, it also can be used by online retailers or those that have both physical and online presences, Heglar says.

Some of the biggest benefits are seen by the smaller and mid-size chains that can't afford to develop their own technology.

"Usually, the benefits we get can from Domo can only be achieved by big chains that have a lot of analysts to study the data," Bohme says. "Now we can do what Target or Sephora can do at a chain of our size." **STORES**

Lauri Giesen is a Libertyville, Ill.-based business writer with extensive experience in covering payment and finance issues.