



## Automatic Customer and Merchandising Physical Data Acquisition at the Store Level

*Peter Abell*

Physical data about store operations or merchandising is one of the more challenging aspects to scientific retailing and improving customer service. Typically, such data is inaccurate or highly uncertain. Retailers base many of their decisions on anecdotal, imprecise, or inferred data; other decisions are deferred, because retailers can't find the proof. The myriad of information requirements include the following:

- The amount of time consumers wait at checkout or their arrival patterns throughout the day in order to improve labor scheduling and customer retention
- Consumer traffic past a given display so the retailer can measure conversion rates and the promotion's effectiveness
- Sales associate alerts that provide information on an expensive item, such as an HDTV or a suit, to a consumer waiting in the area
- Traffic patterns throughout a store to provide evidence and measurement for redesign of the layout or category composition within an aisle.

Quantifiable data is often not available for those types of requirements; or at best, it is acquired through error-prone manual methods.

One of the more innovative systems unveiled at the National Retail Federation (NRF) show in New York comes from **Brickstream Corporation**. The company's video-based technology is designed to collect, analyze, and provide information in real-time, if necessary. Also, when the system is integrated with the corresponding application, it provides a sophisticated approach at the store level to the missing ingredient; data is acquired throughout the entire store. Applications, such as workforce optimization, Customer Relationship Management (CRM), demand replenishment, or Advertising, Merchandising and Promotion (AMP) will welcome one of the last pieces to the scientific-retailing puzzle.

Other system providers that have traffic counters installed in malls, department stores, and specialty shops with different or even similar technology estimate conversion rates from mall shopper to buyer or determine advertising effectiveness outside the store. These vendors include **Prodc Technologies**, **ShopperTrak**, **RCT Systems** (recently merged), and **St. Michael Strategies**. However, these companies have not focused their technology on acquiring data within the store. Self-service segments retailers in food, drug, and discount, or others that have high customer-service desires are likely to test the new innovation for its ROI.