

NRF LOSS PREVENTION CONFERENCE & EXPO
 JUNE 12-14, 2013 / SAN DIEGO, CALIFORNIA
 SAN DIEGO CONVENTION CENTER

VIDEO ANALYTICS

Using Advanced LP Video to Uncover Lost Profit Opportunities

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AGENDA

- > Introducing Video Analytics
- > Case Study 1: New User Experience
- > Case Study 2: Partial Rollout vs. Full Rollout
- > Case Study 3: Full Chain Rollout
- > Questions

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KEY TERMS

- Traffic** # of visitors to store
- Dwell** Time & exposure to product
- Engagement** Active focus & interaction
- Conversion** Ratio of # of transactions to traffic
- Avg. Transaction Value or Size (ATV/ATS)** Divide all transactions by the # of transactions
- Items Per Sale (IPS)** # of items per transaction

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CASE STUDY: NEW USER

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WHY CHANGE?

What are the first steps?

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WHY CHANGE?

Why change from analog to IP?

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NEW USER ROLLOUT: AN OVERVIEW

What's needed to get it set up?

- Manage Budget
- Identify Store Selection & Priorities
- Leverage Existing Cameras & Placement
- Learn Software
- Analyze Data Over Time

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NUMBERS SPEAK LOUDER THAN WORDS

“ Brookstone reduced shrinkage between 0.2% and 0.3% across more than 300 stores. ”

“ Brookstone had an estimated savings of between \$745,000 and \$1.1 million. ”

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TECHNOLOGY

Analyzing your existing infrastructure

- 1 Create a plan that works today and tomorrow
- 2 Design a system to allow for future expansion
 - Easy addition of cameras and analytics
 - Mobile register coverage
- 3 Analog to IP transition
 - Encoders / IP over existing coax
- 4 Leveraging existing CCTV equipment transition
 - Find a solution that integrates with your existing LP equipment

Doing more with less...heard that recently?

- 1 Take Advantage of H.264 Compression and Digital PTZ
- 2 Use Less Cameras - High Megapixel & Wide Angle Lens

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More.... With Less...

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OPERATIONAL EFFICIENCIES

Using Video Analytics

Payroll Optimization by Trending:

Conversion > Peak Days: Saturdays > Lowest Days: Tuesdays

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OPERATIONAL EFFICIENCIES

Using Video Analytics

Payroll Optimization by Trending:

Conversion > Peak Times: 4:00pm - 5:00pm

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OPERATIONAL EFFICIENCIES

Using Video Analytics

Payroll Optimization by Trending:

Traffic & Occupancy

The left graph shows 'TRAFFIC (OUT)' with a fluctuating orange line. The right graph shows 'OCCUPANCY' with a similar fluctuating orange line. Both graphs have a light blue background with a grid.

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OPERATIONAL EFFICIENCIES

Using Video Analytics

Employee Zoning by Analyzing:

Analytics View Dwell View

The image shows a top-down view of a store floor with various aisles, shelves, and a person walking in the distance.

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OPERATIONAL EFFICIENCIES

Employee Zoning by Analyzing:

Kinetic Heat Maps

The four heat maps show areas of high activity in red and yellow, and low activity in blue. They are labeled: Cam # 1 - POS, Cam # 2 - Middle, Cam # 3 - Middle, and Cam # 4 - Entrance.

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NUMBERS SPEAK LOUDER THAN WORDS

“ American Apparel reduced shrinkage by 28%. American Apparel implemented RetailNext in nearly 60% of its stores. By itself, it reduced shrink by 16%.”

“ Purchased separately, traffic management and loss prevention systems would have cost American Apparel up to 40% more.”

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CASE STUDY: FULL CHAIN ROLLOUT

2 IP cameras representing 8 views

The image shows two IP camera views on the left and eight analog camera views on the right, separated by a 'VS' in a green circle. Below the cameras are numbered icons 1 through 8.

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EVOLUTION OF VIDEO IN THE STORE

				Mktg Prog Measurements
				Floor Layout Improv
				Staffing Optimization
				Sales Increases
			Exception Reporting	Exception Reporting
			Trending/Conversion	Trending/Conversion
			POS Search	POS Search
		Instant Access to Video	Instant Access to Video	Instant Access to Video
		Remote Access	Remote Access	Remote Access
		Improved Archiving	Improved Archiving	Improved Archiving
	Video Storage (non VHS)	Video Storage	Video Storage	Video Storage
	Investigations	Investigations	Investigations	Investigations
	Low Quality Resolution	High quality resolution		
2-Way Mirrors	No Video	Analog Cameras	IP Cameras	Analytics
				Full Integration

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CONSIDERATIONS

Expand partnerships with

IT OPERATIONS FINANCE MERCHANDISING MARKETING

Build a culture around analytics & data

REMOTE AUDITING EMPLOYEE AWARENESS FRAUD PREVENTION GROWTH PATTERNS

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CONSIDERATIONS

Make waves with ripples

Begin with a partial rollout and then change the culture to want more

Establish a future

...with deliverables and increased awareness

Mobility Transaction Analysis & Increased Controls Improved Video Security

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CONSIDERATIONS

Let the results speak louder than words

- > 3-4% in conversion increase. Shrink percentage reduced by .30%.
- > Stores with an avg. sales volume of \$1m and an avg. conversion increase of 11% showed an avg. shrink decrease of 1.13%
- > Stores with an avg. sales volume of \$200k and an avg conversion increase of 1.5% showed an avg shrink decrease of .5%

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BENEFITS OF ANALYTICS

Increased visibility

Great insights! We needed this. I want this for my dept! Tell us more. Amazing. Interesting!

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BENEFITS OF ANALYTICS

Partnership with the business

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BENEFITS OF ANALYTICS

Embrace generation "Y"

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BENEFITS OF ANALYTICS

Quantifiable results

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BENEFITS OF ANALYTICS

Emerging technologies in an omnichannel environment

- Integrate Data Sources.**
Integrate additional data sources from online, mobile and guest Wi-Fi analytic sources
- Out of The Box.**
Plug and play. Integrate analytical and exception software with existing setup.
- Simple. Retail Tailored.**
Cost efficient. Labor efficient. Fully effective.

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QUESTIONS

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