VisualRetailing webinar

Challenges of retail processes and how to overcome them

Tuesday 13th November, 4pm CET/10am EST

Introduction

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Agenda

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Who are we

Visual Retailing is a leading retail technology and consultancy company. We supply the most interactive 3D retail experience as well as innovative range assortment and space planning tools to retail chains and wholesalers.

Vision Smarter retail sells better.

Trusted by hundreds of companies including

PRIMARK®   ÄSDA

MONOPRIX   Reebok△

adidas   RUDSAK

Auchan   asics

C&A   ETRO

JOE FRESH   PeakPerformance®

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Retail revolution:
Online vs. Offline

Digitalisation is king

- Even though online is growing in sales way faster than brick and mortar the recent years, the top retailers are still not the online ones - only Amazon is under the top 10 in the US

- Physicals stores are still growing and account for roughly 90% of all retail sales

- Many big online retailers are opening brick and mortar stores

- Multichannel is the future

Rank	Company	2017 retail sales (billions)	Headquarters/U.S. Headquarters	2017 stores
1	Walmart	$374.80	Bentonville, Ark.	5,328
2	The Kroger Co.	$115.89	Cincinnati	3,902
3	Amazon	$102.96	Seattle	456
4	Costco	$93.08	Issaquah, Wash.	510
5	The Home Depot	$91.91	Atlanta	1,968
6	Walgreens Boots Alliance	$82.75	Deerfield, Ill.	7,980
7	CVS Health Corporation	$79.54	Woonsocket, R.I.	9,778
8	Target	$71.88	Minneapolis	1,882
9	Lowe's Companies	$63.13	Mooresville, N.C.	1,839
10	Albertsons Companies	$59,72	Boise, Idaho	2,318

Glossier.   allbirds   amazon

FARFETCH   MISSGUIDED   zalando

Balance is essential

Multichannel:

Reaching the right person with the right message at the right time.

Not everyone prefers only one channel, you will find them at different times in stores or online. Therefore, online is not better than brick and mortar, nor the other way around. They have to go hand in hand in order to create the perfect omni channel presence for brands.

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Key word for brick and mortar retail: Customer Experience

Walker study: Customer experience will overtake price and product as the key brand differentiator by 2020, 86% of consumers will be willing to pay more for a better experience.

Brick and mortar shops allow customer experiences that pure online players are not able to replicate

- Smell
- Sounds
- Displays
- Human interaction

Customer experience is more than to have a nice store - the physical stores represent the values of a brand and are able to build deep customer relationships and loyalty.

Challenges to overcome

The foundation of Customer Experiences in-store start with integrated processes. Right now we observe kind of an "island" hopping instead of an interactive process when it come to those fragments.

This leads to disconnections between teams when they should actually work closely together.
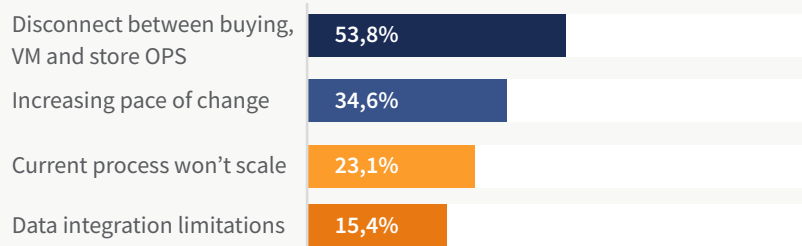
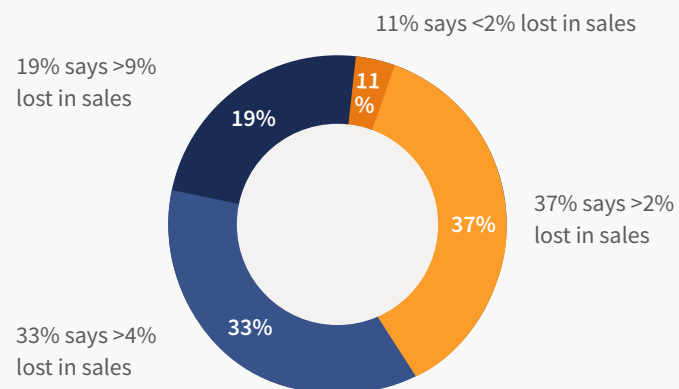Planning   Buying   VM   Retail Execution

What prevents your organisation from getting stores to be fully retail execution compliant?

What prevents your organization from getting stores to be fully retail execution compliant?

- Disconnect between buying, VM and store OPS — **53,8%**
- Increasing pace of change — **34,6%**
- Current process won't scale — **23,1%**
- Data integration limitations — **15,4%**

Estimated lost of sales due to store non-compliancy

- 11% says <2% lost in sales — **11%**
- 37% says >2% lost in sales — **37%**
- 33% says >4% lost in sales — **33%**
- 19% says >9% lost in sales — **19%**

Based on survey feedback from 75 global operating brands and retailers

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Solution

Retail Flow

- Visual Range Analysis & Planning
- Store Cluster Creation & Space Planning
- Finalize VM Guidelines
- Guidelines to Store Teams
- Retail Execution & Compliance Feedback
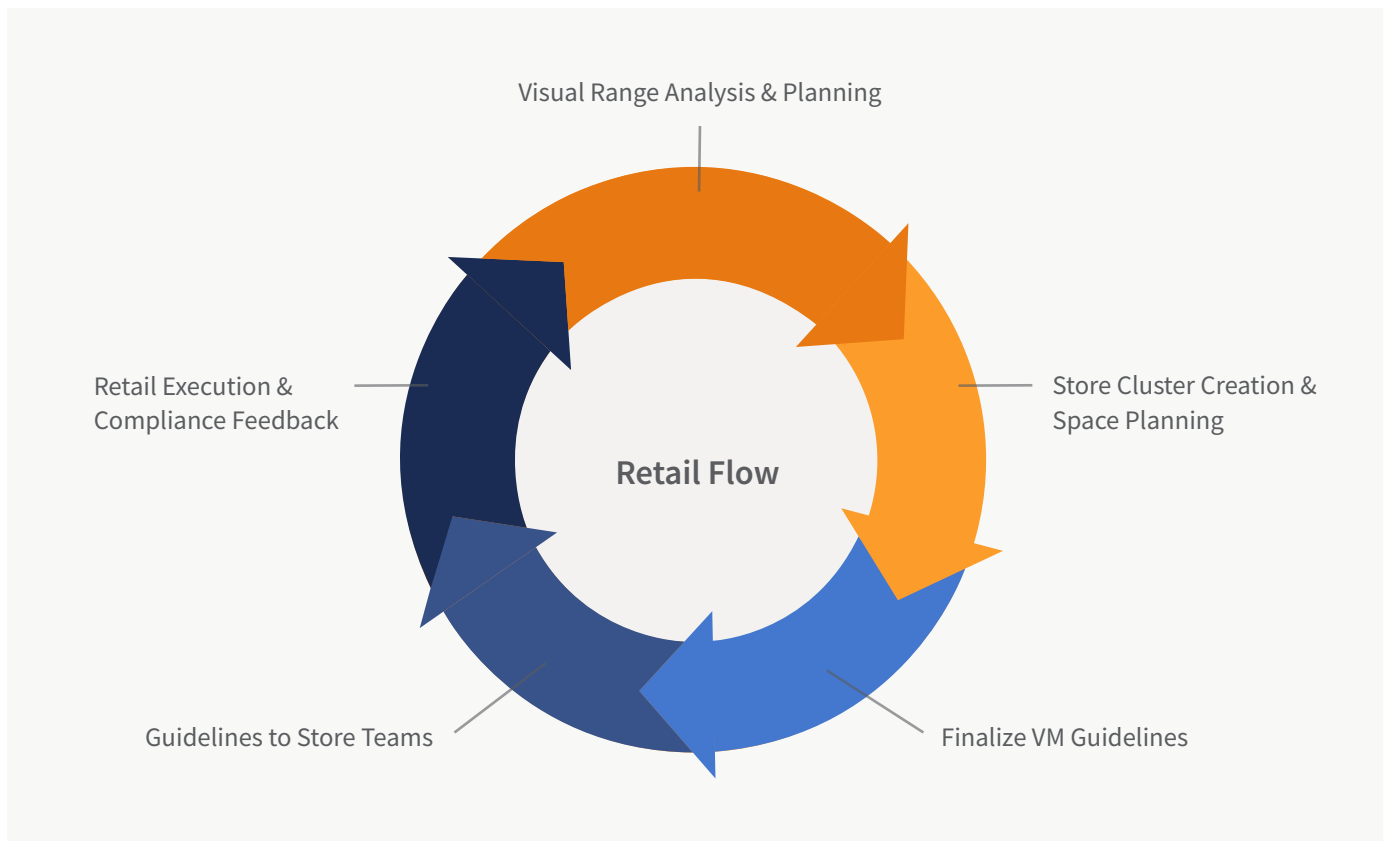
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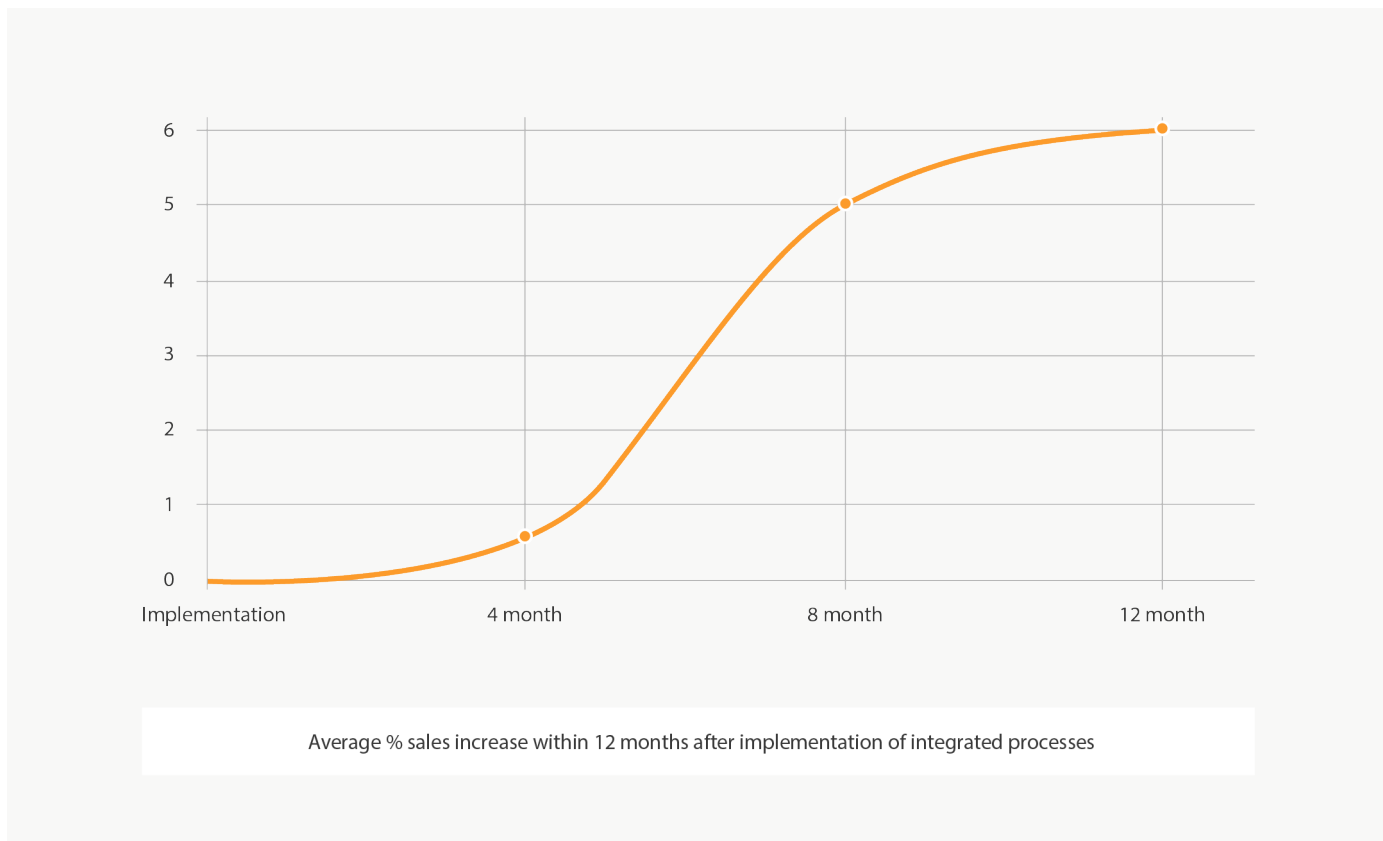# Integrated retail processes

What are the advantages?

• Optimised assortment per store cluster

• Productivity increase for planning & merchandising teams

• More accurate in-store execution

Resulting in better sell through at full price

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Successful increase of sales

Average % sales increase within 12 months after implementation of integrated processes

Thanks for joining

Questions?

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