

How Data Storytelling Empowers Traditional Retailers ?

Discover new opportunities to enhance revenue and deliver relevant customer experience.

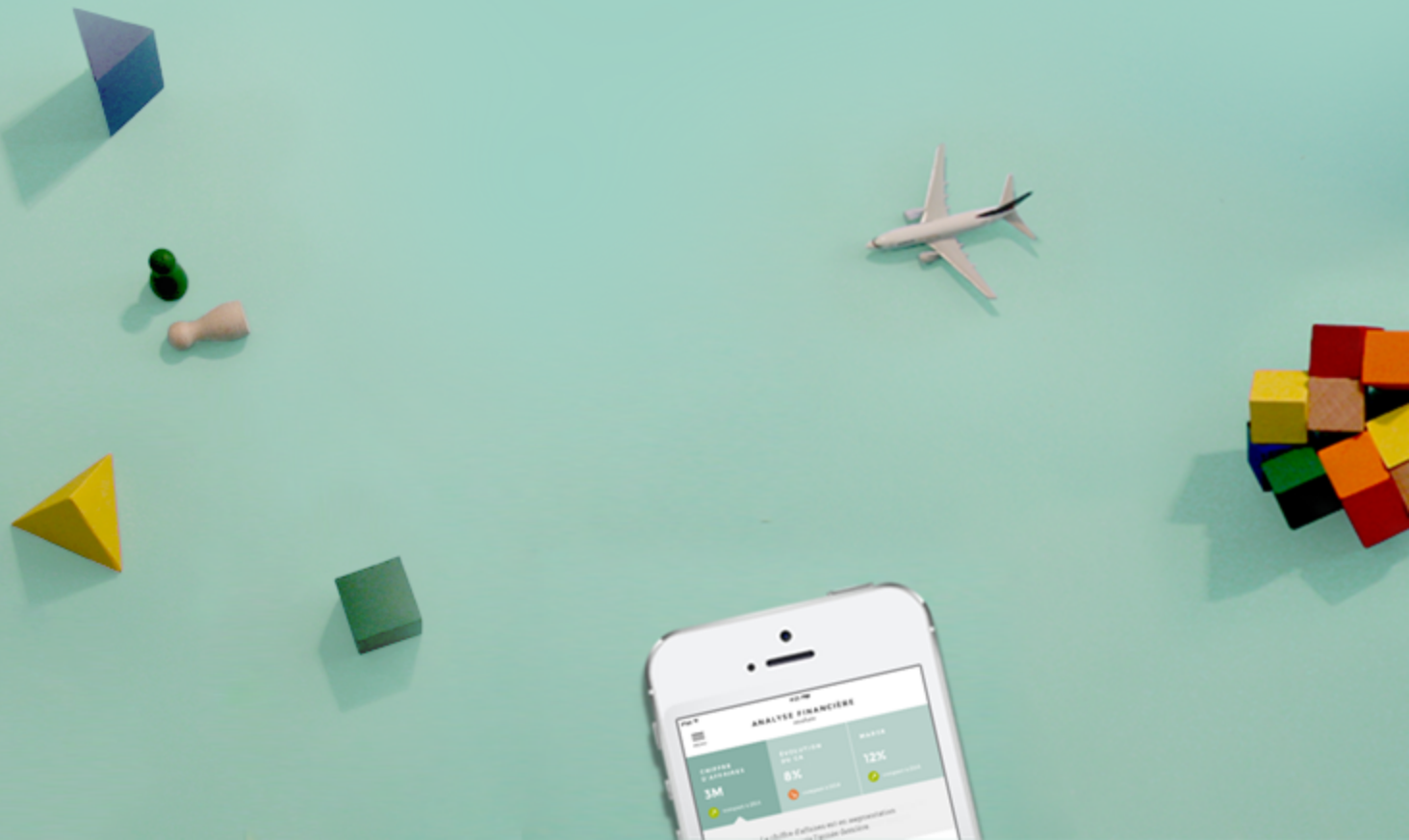


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Retail data analytics: Why companies who catch the train will last longer | Toucan Toco

The volume and value of data in the retail industry are increasing exponentially each year. In this article, Toucan Toco experts explain how to transform retail data analytics into easily available information.

Data is the new currency of the digital economy in the retail sector. The crucial role that retail data analytics play in improving the economic

performance of this industry is well established. According to a study by [Snowflake Computing](#) and [Harvard Business Review](#) (2018) companies that make data-driven decisions have the best chance for longevity. Yet across industries, they found that only 5% of retail and consumer packaged goods (CPG) companies are data-driven.

Why it's hard for a retailer to be data driven ?

Compared to pure players, [Brick & Mortar](#) companies struggle to consolidate their data. Online retail companies can easily implement retail data analytics solutions.

The information provided by the customer during his purchase online allows these companies to better understand his consumption habits.

They can have access, through the collection of personal data, to the gender of consumers, their favorite brands, what they have recently bought, their budget...The customer experience is improved, by proposing a real personalized experience during the customer visit.

The main difficulty for retailers is that data is less accessible or scattered over many different sites and stores. The data may seem difficult to collect if the management direction does not put in place the right tools.

In a context of data skepticism, it is difficult to establish a data culture :

The top management at some retail companies have resisted establishing a data-driven culture. [A study](#) by Fortune Knowledge Group stated that executives of large companies trust their instincts more than data when decisions become complex.

"In the age of Big Data, it is often assumed that the rational and analytical are the primary drivers of business decision making. However, the more complex decisions become, the more top executives are looking at emotional factors as their key catalysts."

This situation is problematic. Indeed, when top management is reluctant to democratize access to retail data analytics, very few employees have access to helpful information. As a result, data reports do not "go down" to the store. This lack of information is reported by shop managers and sales assistants.

Why this reluctance? There is a common misconception that providing access to data to all the decision-makers in a company is a security risk. **Yet, democratizing data does not mean opening data!**

Would you rather have a powerpoint or excel file that anyone can share with anyone or have software with user restrictions and the ability to track who uses it and where?

Rather than restricting access, some companies have opted for [tokenization](#) principle. This approach allows sensitive data to be replaced by other similar values that refer to it. Thanks to these methods, calculation systems make it possible not to make certain values visible.

The difficulty of setting up data-driven cultures in retail is technological and organizational :

The reports in the hands of store managers are difficult to use

Store managers are often confronted with [retail data reports](#) or [retail KPIs](#) difficult to read and analyze. These reports lead them to spend more time processing or analyzing data than to focus on business.

In addition, the methods used to collect the data causes delays. As a result, the reports take several weeks to complete and are no longer relevant when they are delivered.

To be used, a software solution must be able to answer key questions in a pragmatic way, it must be able to make life easier for employees in stores. Motivating it is an important step in a [successful Data project](#). Every employee in the store should be able

to visualize the data they are interested in in a simple and intuitive way. It is, therefore, necessary to offer an easy-to-use tool that allows you to change the angle of view of the data according to your needs.

Example: Imagine a platform where the store manager finds all the information in one place, easy to access, easy to understand. For example, they will find the tutorial on the new layout of items in

stores, the training plan of their team, the schedule of the incoming week, the performance of sales by product...

The cultural gap between specific departments of the company

Gartner specifies that a fundamental characteristic of a data culture is the provision of data in a simple and clear manner to all people in the company. This culture must be applied in a widespread way and not on a single business line of the company, as is often the case.

Yet, without digital tools that allow this information to be shared, it is not easy to align the company's strategy. There is a misalignment between the business strategy and the data used. Each department must be able to put the results of their data into perspective with the other departments of the company.

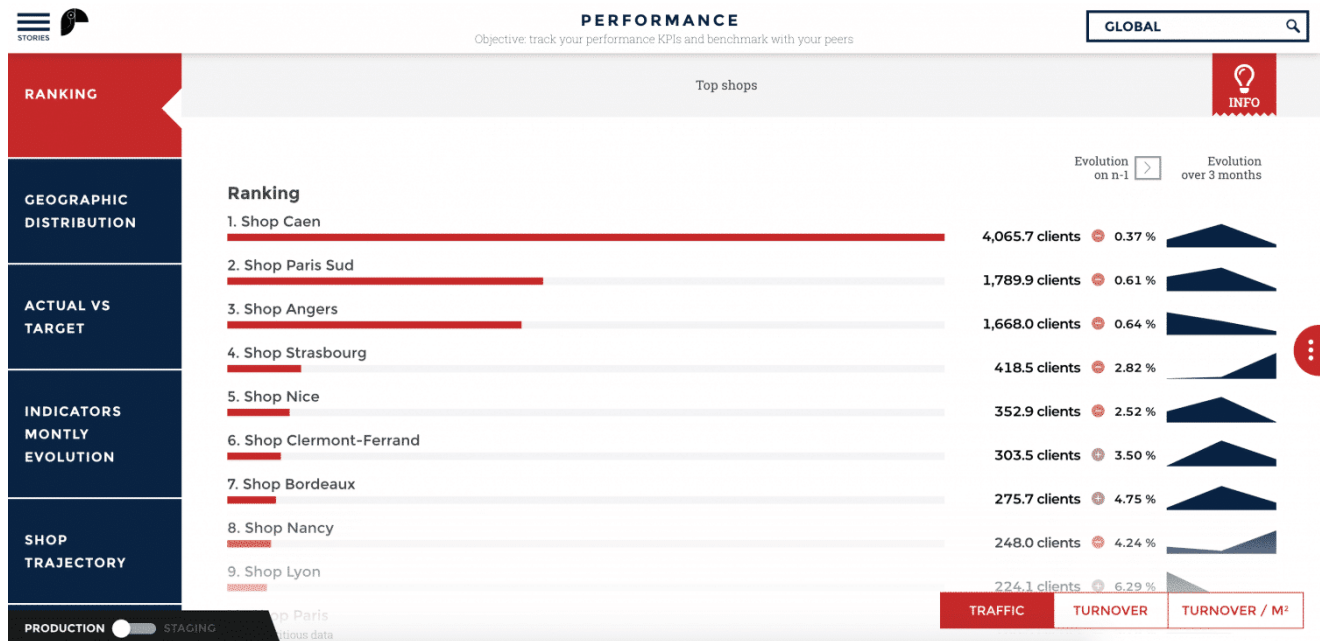
For example, the implementation of one of our customers' [phygital strategy](#) consisted of sharing information collected online and at points of sale via the in-store Wi-Fi portal. This has made it possible to acquire a global vision of customer behavior, shared by all departments via a [common dashboard](#).

How to deliver actionable retail data analytics for all your operational stakeholder?

Many data projects are implemented without any clear and precise business

use, privileging data to the detriment of business input. Obtaining and making the data available is not the ultimate goal. Let's look at how the same data can tell different stories by taking different business needs.

Retail director: monitor your portfolio's performance at a glance



Retail managers must assume a certain number of responsibilities to provide optimized reports. They must be actively attentive to their portfolio performance. They also must ensure the economic and administrative management of their sector.

They are often overwhelmed by the amount of data to manage. In addition, they have access to retail data analytics (sales, customer profiles) but do not have the tools to transform this information into an action plan. With [data storytelling](#) solutions, sales managers manage performance at multiple

levels: within stores and within their network.

They can provide common reports for with information relevant to a large number of stores and at different levels of management. This allows distribution managers to manage resources and inventory through a common tool for the entire company.

This ensures that store managers make the same decisions as top management. They instill a data culture and transmit a data-driven vision for store management. They can also optimize merchandising and inventory management on their store network.

Shop manager: have easy access to valuable information that matters

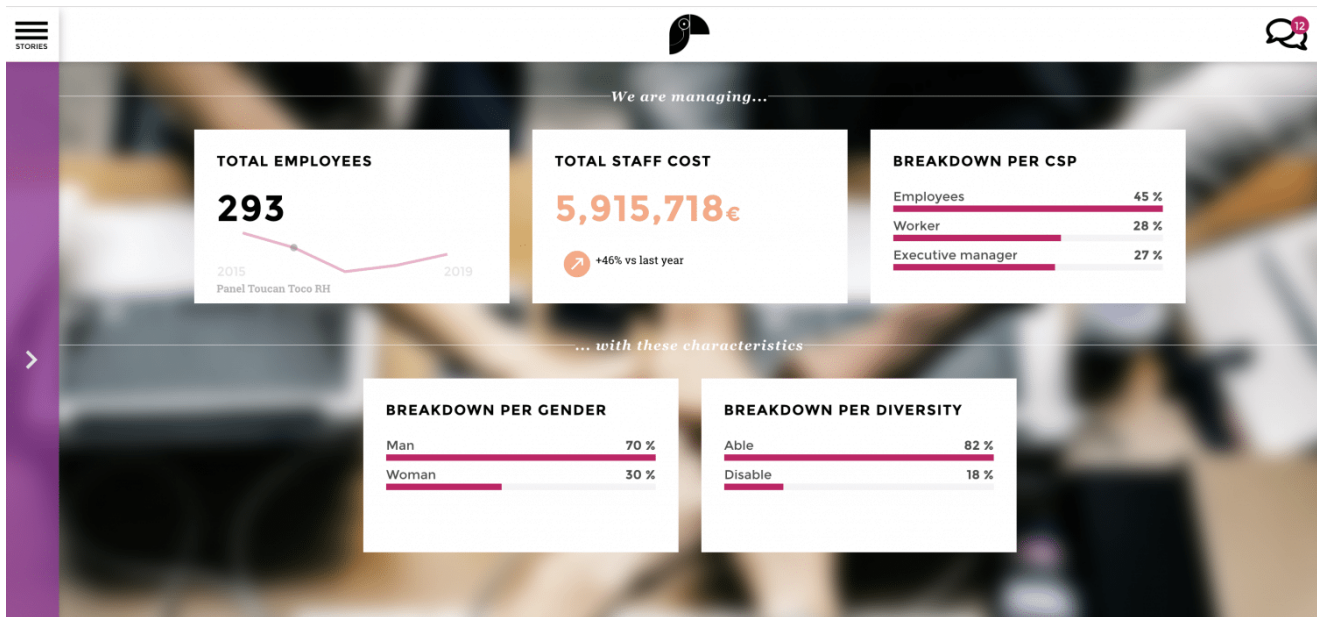


Shop managers need access to a certain key and valuable retail data analytics to ensure sales performance. However, this information can be a hassle to collect or is poorly communicated.

Thanks to a [data storytelling](#) solution, shop managers can access the data produced by the top management at a glance. For example, they can know in real time the expected turnover, current promotions, how to position the merchandise in the store, orders to be placed for supplies, opening hours to be respected... In the opposite direction, shop managers can easily enter certain data that the head office needs.

This information is useful to the entire in-store team. Having access to it allows you to challenge the sales forces with precise objectives and information. The management and quality of the sales forces are improved, thanks to the clarity of the available data.

Human Resources: better manage sales forces through a customized application



The main HR issue in retail is the difficulty of creating employees loyalty. Employees often stay for a short period, and the need for temporary staff to compensate for certain seasonal factors (sales, private sales) is frequent – which reinforces this instability.

Yet, the implementation of good working methods can make up for this phenomenon in the long term. According to a study by [National Study of the Changing Workforce](#) “The intention to change employers varies among retail employees based on a variety of factors and workplace conditions, including several measures of workplace flexibility and schedules satisfaction”.

Thanks to the implementation of a data-storytelling tool, working conditions are significantly improved. Human resources have a better understanding of their needs. This makes it possible to put an end to the difficulties experienced by HR in managing employees remotely. (How to anticipate replacing someone? When should the staff be increased?)

The use of a data storytelling tool also makes it possible to monitor in real time which employees have received certain professional training, are in the process of being trained or are required to undergo these training. This allows a broad perspective on all store employees in a given region or in their entirety.

Marketing: a common application for better communication with other teams



In the retail industry, the marketing department needs to know quickly the ROI of their actions. : *What is the number of sales generated after a promotion is implemented? Did this promotion increase the number of visitors in stores? Did consumers enjoy in-store events? Did the new product perform well thanks to in-store communication?*

However, to answer these questions, marketing teams often have difficulty in being in direct contact with shop staff.

The use of a common application, where this information can be aggregated in a few minutes, helps to resolve this situation. This way, they can cross-reference their campaign data with in-store sales data and objectively demonstrate the effectiveness of their operations.

How data visualization help retail company to embrace their data transformation?

Data analytics have the power to enable the retail industry to reduce competition with pure players. The solutions that Toucan Toco implements are designed and adapted for specific department issues (Marketing, HR, financial services)... Sharing this data is easy and allows you to objectively demonstrate your results.

How adaptive KPIs could have saved Tesco's loyalty program | Toucan Toco

Why adaptive KPIs ? Data Science has had a great impact on the retail industry. A great example is Tesco and its loyalty program that has been proven to be a great asset for over 20 years. Research by IBM states that [62% of retailers](#) think the use of Big Data techniques gives them a serious competitive advantage. Data science helps companies understand what their customer want, when and how.



Internet has played a huge role in how people consume. Today [96% of](#)

Americans shop online against 22% back in 2000. Guess what internet shopping has brought us as well?

Data and analytics. That's right, and a lot of it. As retail industries started to use more and more data, something unique happened, people forgot got stuck in their data. Not able to truly analyze it.

Tesco has been the first victim. To learn from what went wrong, this article will highlight how the use of data can make or break your company.

The downfall of Tesco, an early warning to retailers

The downfall of Tesco in the past 5 years is something retailers need to pay attention to. It's not simply because you are a data-driven company that you are going to gain more insights and more performance. It's because you're using it the right way.

Nowadays we rely too much on technology, and the promise of immediate optimization/ROI pushes people to only buy huge infrastructure and expensive software. However structuring data, transforming the data into analytics in an automated way, is just not enough. Anyone telling you the opposite is selling you a dream that doesn't exist.

As Ted Sarandos of Netflix says, (the company is well known for its elaborate Big Data algorithms): "You have to be very cautious **not to get caught** in the maths, because you'll end up making the same thing over and over again ... It's 70% gut and 30% data... Most of it is informed hunches and intuition."

The biggest issue with Tesco is a long one and a multifactorial of course. Long story short, what made their success for 30 years also led to their downfall. Tesco has had a focus on customer data since 1991. Their idea was that thanks to a loyalty program they would know their customers better. Even in the creepiest way.

When data goes wrong...

[One of the anecdotes](#) is about a wife complaining about condoms on the online list Tesco provided. They couldn't be her husband's because he didn't use them, she was absolutely sure about the mistake.

The Dunnhumby analysts (which was the agency taking care of the data analytics for Tesco) looked into the data and discovered that the husband did actually use them – but not at home. They apologized for the “corrupted file” but the moral was there: what a wife doesn't know, Tesco does!

Then after accumulating all this knowledge, something weird happened. Data became central and ruled the people. When in fact it should have been the opposite. Still, at some point they spent 500 million GBP on their loyalty program, trying to compute and analyze data as much as possible.

They would trust their data so much that they never tried other ways. The way they tracked it was just simply wrong. They tracked the same [KPI](#)'s over and over. Even when the industry and the consumers changed.

Tesco is not the only one, 2 in 5 data-driven initiatives are failing in the retail industry

The overall retail industry is having issues with data-driven IT projects. One of the reasons is a lack of skills and talents says the study from [Exasol](#). The study was made in the UK and Germany. Compared to other countries in Europe these are two very mature markets in terms of data.

This puts to light the level of difficulty. It is very hard to make the switch. Most companies are still at their early stage of data-driven transformation.

Today we don't make the case whether creating a data-driven culture is important or not. However, most initiatives fail. Why?

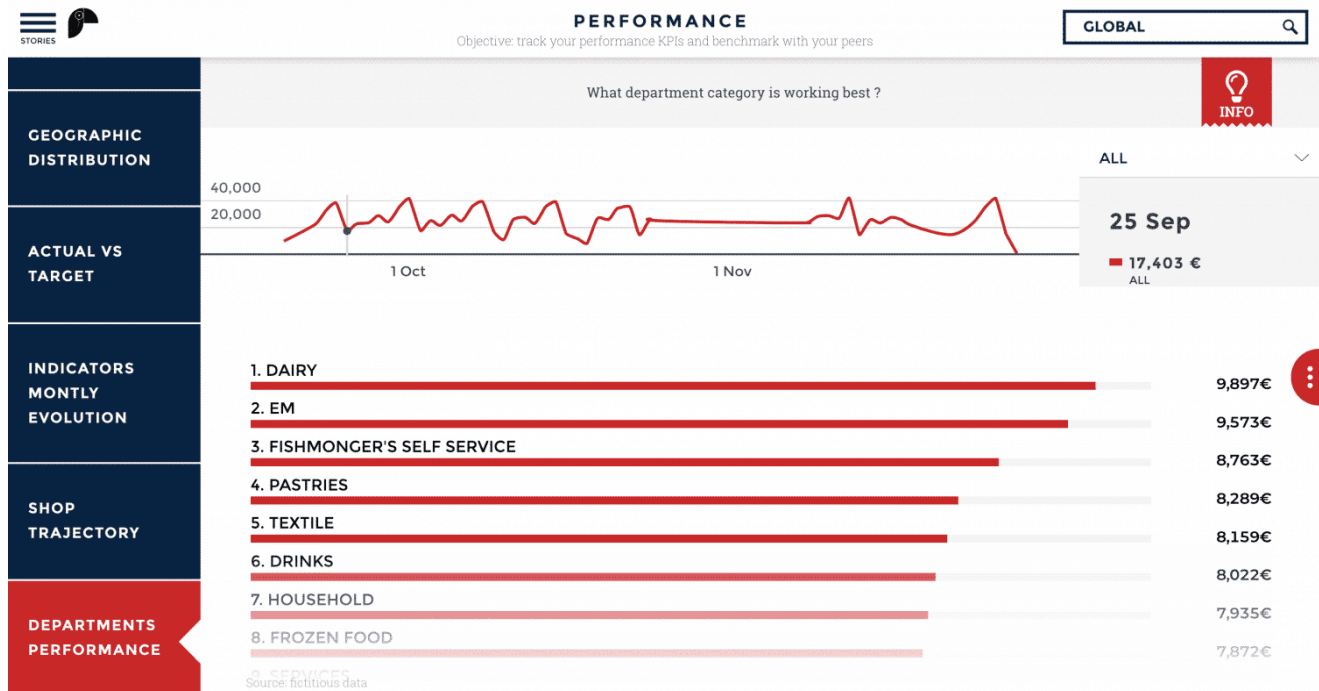
We believe at Toucan Toco that one of the reason lies in the size of the projects. Data projects should be small projects. This is backed up from the well-known [Chaos report](#).

Small projects are focused, they answer to specific needs and they have a clear purpose. Compared to huge projects, investments are small, and they always respond to a real problem.

What the industry has been used to do is to deploy mammoths size projects that are often failing because they answer theoretical or meta needs. Instead of doing a huge project. Do a lot of small ones. After some time they will add up.

This is how you transform your organization. Key take away: big projects don't work. Don't sign with software companies that tell you they can do everything for you. Hire those that want to start small.

Is data reporting to you or are you reporting to data?



Data and insights are useful, it has to be easily accessible but it should be to support people decisions and support innovation. So people can actually learn and fail without actually trying stuff that doesn't make any sense. You don't want people only reporting data, you want them to use it to challenge the status quo.

I believe that in the retail industry, being data-driven is not a question anymore. If you don't have data then you are navigating in the dark. The right question to ask is: how can the data be useful and adaptative? How can it always support the company?

Business, industries, and people change. They change fast. Using the same templates, KPI's and tools just won't work. You have to structure your data platform and your reporting tools in a way that can be changed often.

KPI's should be challenged every three months. It doesn't mean you have to update them, but you should always wonder why you are looking at the data the way you do. Is it aligned on the company or the team vision?

Remember you should always challenge your KPI's and focus on what the customer says. But you should also use your data to make an educated guess and try new approaches. Optimizing is one thing, to keep on leading your industry with innovation requires more brain and more guesses. We call this adaptive KPIs.

Adaptative KPIs are making data-driven retailers successful

For retailers obsessed with performance who want to deliver key insights in real time to their sales assistant and sales manager, Toucan Toco is a software platform that allows to easily mix multiple data sources and deploy impactful data visualizations that people will understand and truly use. Your KPIs become adaptive to different users.

Unlike Excel or other BI solutions tailored for analysts, our product focuses on storytelling, simplicity, true mobility and unique collaborative features: It's like reading the newspaper every morning, not like reading a dictionary. Have a look at our [retail success story](#).

The future of retail analytics [The 5 ultimate trends] | Toucan Toco

In 2019, online shopping volumes exceeded in-store shopping for the first time. Faced with the rise of this competition, traditional stores are becoming aware that their leadership position is weakened. To maintain their hegemonies, many companies have decided to review their business models, basing their offers on data-driven strategies.



How retail analytics can help brick and

mortar stores to win back their market share?

Data analysis has an increasing impact on the economic model of all industries. [Retail trade is probably the industry that has been most influenced by these practices.](#)

This particularity is evidenced by the success of pure-playing retailers such as [Amazon](#) or [Alibaba](#). These companies were able to benefit from obtaining a large amount of information from their users: customer typology, research history, average purchase budget...

Pure player retailers understood early that they needed to understand their users to ensure the successful marketing of their products. Through personalized referral systems or early shipping models, they are able to attract consumer attention through hyper-personalization strategies.

While we all agree that physical stores do not have access to the same level of data as online stores, [Brick-and-Mortar businesses can catch up if they develop a data-driven culture.](#)

According to a recent [report](#) from Cisco, the implementation of an in-store data strategy could add a staggering \$61 billion of value to traditional retailers worldwide in a year!

These stores indeed enjoy an advantage envied by pure-player retailers:

physical availability. Basing their data strategies on in-store retail analytics allows Brick and Mortars to create personalized customer experiences that are more enjoyable than consumers can get online, in Go stores without a cashier, or [in Amazon Go stores](#).

Why Data Storytelling is particularly adapted to brick-and-mortar stores needs

Data Storytelling refers to the ability to tell a story with data customized to the audience. To build an image, a marketing director does not have the same reporting needs as an operational manager of digital campaigns. Retail analytics reports provide access to and reporting of data that is specifically tailored to the needs of a department.

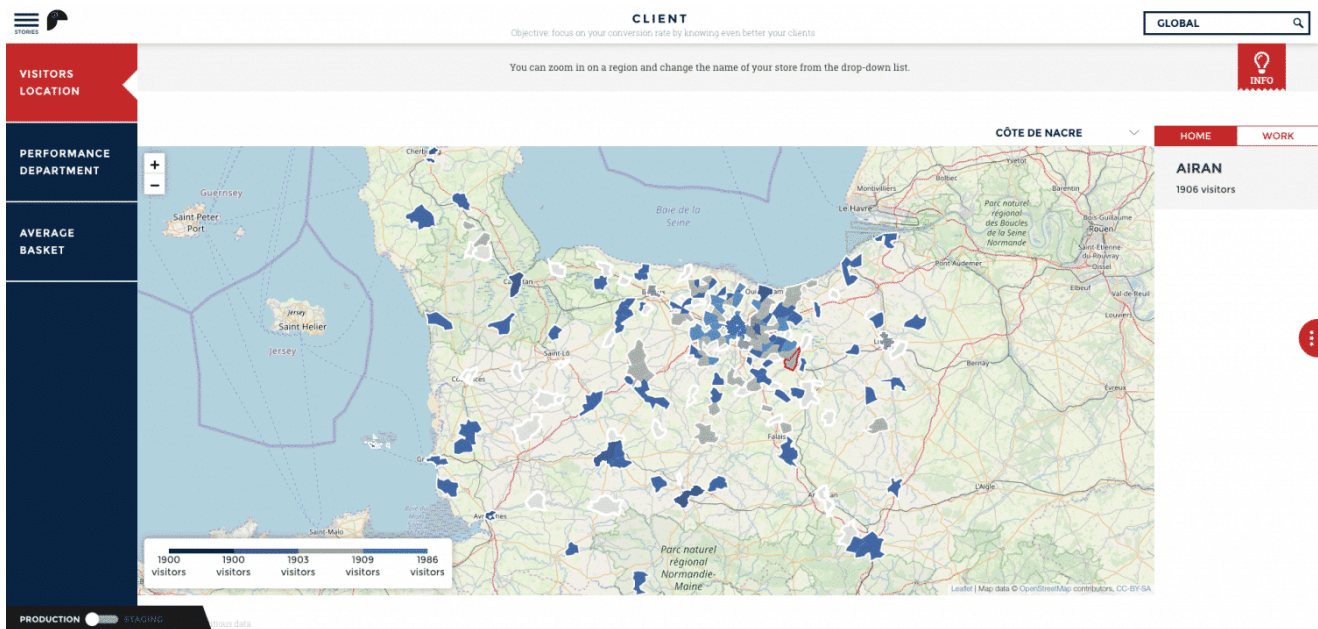
The use of a data storytelling tool is a real added value for traditional retailers. Retail analytics provides a holistic understanding of what consumers want at each stage of their customer journey. This allows Brick and Mortar stores to solve one of their main pain: creating value from extremely disparate data sources.

How? These solutions collect real-time data from all available sources (retail stores, online store websites, Internet applications and various social channels such as Facebook or Instagram). The data is cleaned, analyzed and then delivered to all the stakeholders who need it. An accurate predictive and prescriptive analysis is then performed and sent to multiple stakeholders via

a data visualization dashboard.

The 5 ultimate retail analytics trends to follow in order to implement data-driven strategies

- The use of retail analytics increases consumer knowledge



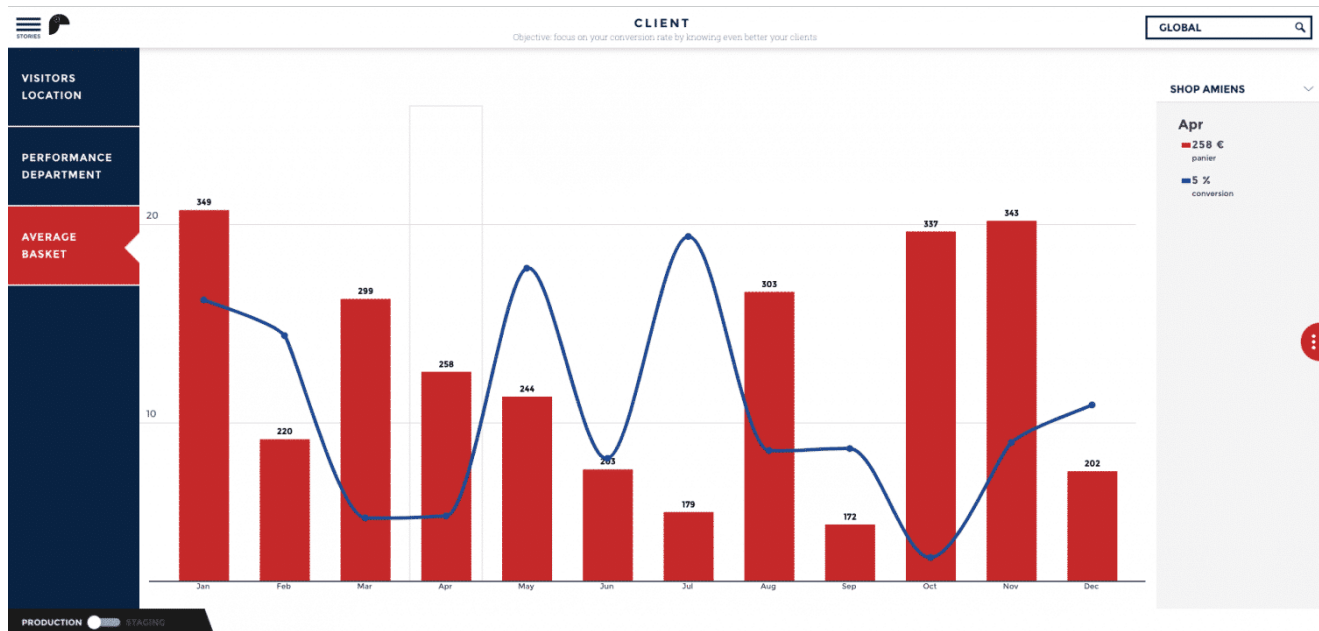
As a customer-focused industry, retailers must be able to anticipate and respond to purchaser's demands.

Every time a customer makes a purchase, he or she gives the store a wealth of information (buying habits, brand preferences, loyalty points). The implementation of data analysis tools allows retailers to examine these multiple data sources to learn more about their customers.

This trend allows traditional retailers to improve the quality of the customer experience through improved operational efficiency. For example, Starbucks collects data on customer preferences to send them personalized ads and coupon offers on specific beverages.

Thanks to data narration software, you can easily measure the effectiveness of this type of operation. You can intuitively visualize which customer typology responds positively to personalized promotions your marketing teams send them.

- **The increase of customer satisfaction thanks to retail analytics**



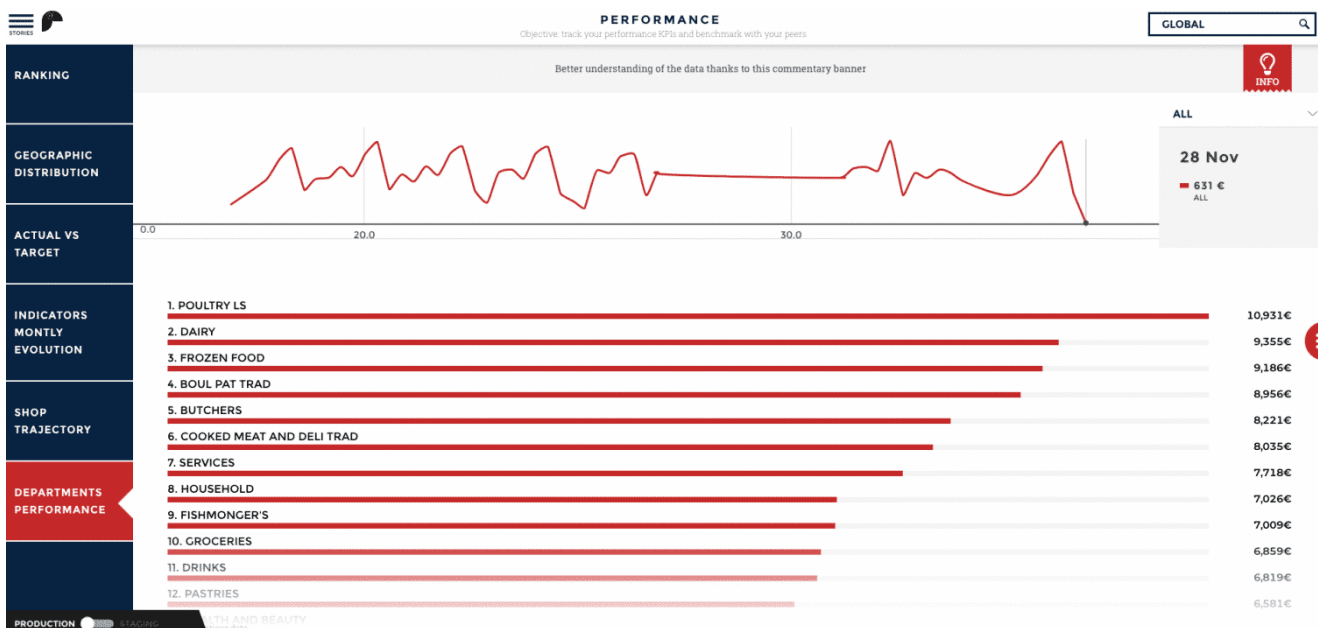
The implementation of in-store data tracking technologies increases consumer satisfaction. And for good reason, these tools considerably increase employee efficiency.

For example, by accessing the stock data, the seller can immediately inform a customer if the article he is looking for is available (in the store itself or in another nearby store).

Also, a better analysis of the data from the loyalty program helps to increase

customer satisfaction. From this information, your marketing team can better customize their offer discounts or gifts on the products that the consumer prefers if he or she goes in-store... This will provide the consumer with a special experience during their visit to the store.

- Provide product trend analysis based on buyers' needs



Thanks to a data storytelling solution, traditional retailers can easily identify the most popular and profitable product categories in-store, and then build marketing or merchandising strategies to highlight them.

For example, if you sell a t-shirt with three color options, you can access the template in real time on your dashboard which model has had the most success in terms of sales volume. This allows your teams to readjust stocks or to better value this product thanks to merchandising.

In 2018, H&M began using important data to customize the merchandising assortment of their stores. The company also stated that it aimed to reduce markdowns by using algorithms to analyze data from receipts, returns, and loyalty card data.

- **Explore omnichannel behavior**

Research on customer experience in the retail industry indicates that [more than 80% of shoppers conduct online searches before making their purchase](#). This means that the journey really begins before the customer even goes to the store!

The Internet is, therefore, a strategic entry point on which retailers must focus to convince their customers to go to the store. How? By strategically using the data collected during their online purchases, you can ensure that they are shown the products they want and given relevant advice when they are in store.

Thanks to data storytelling solution retailers have access to this homogenize data collected from all channels (retail stores, social channels, emailing

campaign). Based on that data you can make special packages, offers and personalized messages to be delivered.

For example, Walmart combines social monitoring to track a product's reaction and sends personalized messages to targeted customers to encourage them to go to stores to retrieve a discount voucher, a gift, to participate to an event.

- **Build new experience within the store**

[Several studies](#) support that Brick and Mortars who use digital technologies in their stores tend to outperform their peers. Indeed, gathering and analyzing well-selected data gives retailers a competitive advantage.

The aggregation of data from the performance of physical stores, combined with the habits of online shoppers, can allow retailers to offer new services in stores. For example, Uniqlo has developed a click & collect service in several cities (London, Singapore).

Another example, to encourage customers to visit stores, many sportswear companies such as Nike or Adidas regularly launch limited edition collections in a specific store. Customers are invited via a database (regular customers, raffles via social networks.....): being invited and going to the store is experienced as a privilege.

As we have demonstrated, data strategies allow retailers to rethink the physical environment of their stores to offer more personalized experiences for their consumers. All data are homogenized and cross-referenced, to enable effective operational action to be taken.

Also, employee performance and comfort is increased. Shop managers have access to the right figures and can be more confident in monitoring their sales objectives. Sales assistants can respond to customer requests effectively.

By ensuring customer satisfaction and improving purchasing experience, your clients will continue to go to your stores. You are offering them an experience that pure player retailers cannot provide!

Myriam Taider

Content strategist

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Retail Data - Brick & mortar vs online retailers : what if data was the answer ? | Toucan Toco

Faced with the very competitive arrival of pure-playing retailers, many predicted the death of the Brick and Mortar. Even if large e-commerce companies generate huge annual revenues, consumers remain attached to physical stores. How would the implementation of data storytelling software enable traditional shops to consolidate this advantage?



Why new consumers' habits have transformed the retail market?

Consumers are less loyal to brands

According to a [study conducted by Ernst & Young](#), we are witnessing a radical transformation in customer behavior in retail. Only 15% of American consumers are loyal to a brand. This trend is increasing among the “millennials” generation (Forbes – [The Future Of Millennial Consumer Engagement](#)). How to explain this phenomenon?

The observation of consumer behavior since the advent of e-commerce has provided some interesting answers... Digital channels have made it very easy for consumers to find similar products at lower prices on competing sites. They are also empowered to check evaluations, compare criticisms and therefore change brands according to the opinions expressed. they also look for coupons or promotions while they shop online, to be sure that they find the best price.

Another interesting observation, [82% of smartphone users consult their phones on purchases they are about to make in-store](#). This behavior leads them to make more rational purchases: they know exactly what they want when they arrive in the store and want to be able to find it easily.

Pure-players retailers have been able to take advantage of this conjuncture

In a few years, Amazon and other pure-player retailers have become major players in the retail market. In 2018, the company founded by Jeff Bezos reached a turnover of nearly 178 billion dollars. This success is largely due to value and service proposals that respond to consumers' new purchasing habits.

Another important factor in their economic success: pure-players retailers have built their business model on the internet. Therefore, these companies have a high level of control over their user's data – thanks to the use of web data-driven tools. It is easier for these companies to know the customer's journey on the web – *their access channels, the sites they visited before arriving on theirs or even the list of products they have consulted*. This allows them to offer users highly targeted advertisements and offers.

Brick-And-Mortar Retail Is Not Dead

Despite the highly competitive arrival of pure-players retailers, consumers remain attached to physical stores. An interesting phenomenon testifies to this.

Many pure-players retailers invest in physical spaces, such as pop-up stores, to fill the virtuality of their customer experience.

The most obvious reason is that visitors find a customer experience that does not exist online: a human contact, expertise, without forgetting the possibility of testing the products and integrating the universe of a brand (thanks to merchandising).

Interesting data: conversion rates in physical stores are **20 times higher** than in e-commerce – **the average conversion rate for e-commerce is only 3%** (all sectors combined).

However, Brick and Mortar retailers must reinvent themselves **by integrating the best of digital innovation**. This would allow them to better understand their customers' needs and offer more personalized shopping experiences.

This change is already tangible. From a strategy of selling products in stores, the business model of many traditional retailers has evolved into a physical offer, complemented by an online offer.

Also, from a simple product sales logic, they have moved on to propose a multitude of third-party services (omnichannel): the creation of in-store workshops, the development of consulting services, customer service....

Why retail data visualization can help brick and mortar to improve their strategy ?

If Bricks and Mortar shops want to compete better against pure-players retailers, the improvement of their offer must be based on data-driven

strategies.

However, the multiplicity of information sources and actors is detrimental to the proper collection of retail data in these companies. When retail data are collected are often difficult to read. This is where data storytelling can take place!

Data Storytelling is a method that allow Brick and Mortar to reduce competition from pure-players retailers.

***Data Storytelling** refers to the ability to tell a story with data customized to the audience. To build an image, a marketing director does not have the same reporting needs as an operational manager of digital campaigns. Data Storytelling analytics presentation provides access to and reporting of data that is specifically tailored to the needs of a department.*

Thanks to our mobile solutions, interactive [dashboards](#) make it possible to adapt the execution of each department's actions to your company's global strategy. Your stakeholders involved in monitoring certain retail data have access to the same key indicators and can easily share them. Let us review some of the concrete contributions of these solutions.

From an organizational point of view:

These solutions allow you to align operational strategy choices with retail data related to your company's activity. It must be noted that within many retail companies, there are still gaps between operational decisions and the data used by each of the departments.

Why is this point particularly recurrent in the retail sector? The particularity of this industry is that there are many information systems and data sources. Because it is numerous and difficult to prioritize, this information is often poorly communicated.

This leads decision-makers to rely more on their instinct or experience than on objective information.

By enabling your decision-makers to base their sales, marketing, financial or HR strategies on reliable and easily readable data, you can ensure that the operations implemented are consistent with your company's situation!

The decision-makers in your company are able to:

- Quickly obtain information from reliable retail data to make the right decisions at the right time.

- Discover new opportunities to increase your turnover or achieve efficiency gains.
- Present and understand the data in a way that demonstrates the value of their actions.
- Explore omnichannel marketing impact in understanding customer behavior as it relates to campaigns, using online and in-store data to create heat maps and compare behaviors

Store managers and sales assistants are able to:

- Create real-time connections with customers according to their purchasing desires.
- Take advantage of real-time analysis of in-store promotions, allowing increased in-store decision-making.
- Capture behavioral data as well as transaction data to develop personalized loyalty interactions with different types of

- consumers.

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[Commercial Real Estate managers: 5 reasons why becom...](#)

Compared to other sectors, the Commercial Real Estate industry is considered slow in its digital transformation. However, this situation is evolving: data-driven strategies have become essential to stand out (and survive) in this competitive market.

9 KPIs Every Retail Manager Should Track in 2019 | Toucan Toco

Data-driven culture has revolutionized the retail industry. Why ? The monitoring of [retail analytics](#), like KPIs, have enabled several players to gain market share by offering ultra-personalized offers.



The implementation of a [data-driven culture in a retail](#) company is a

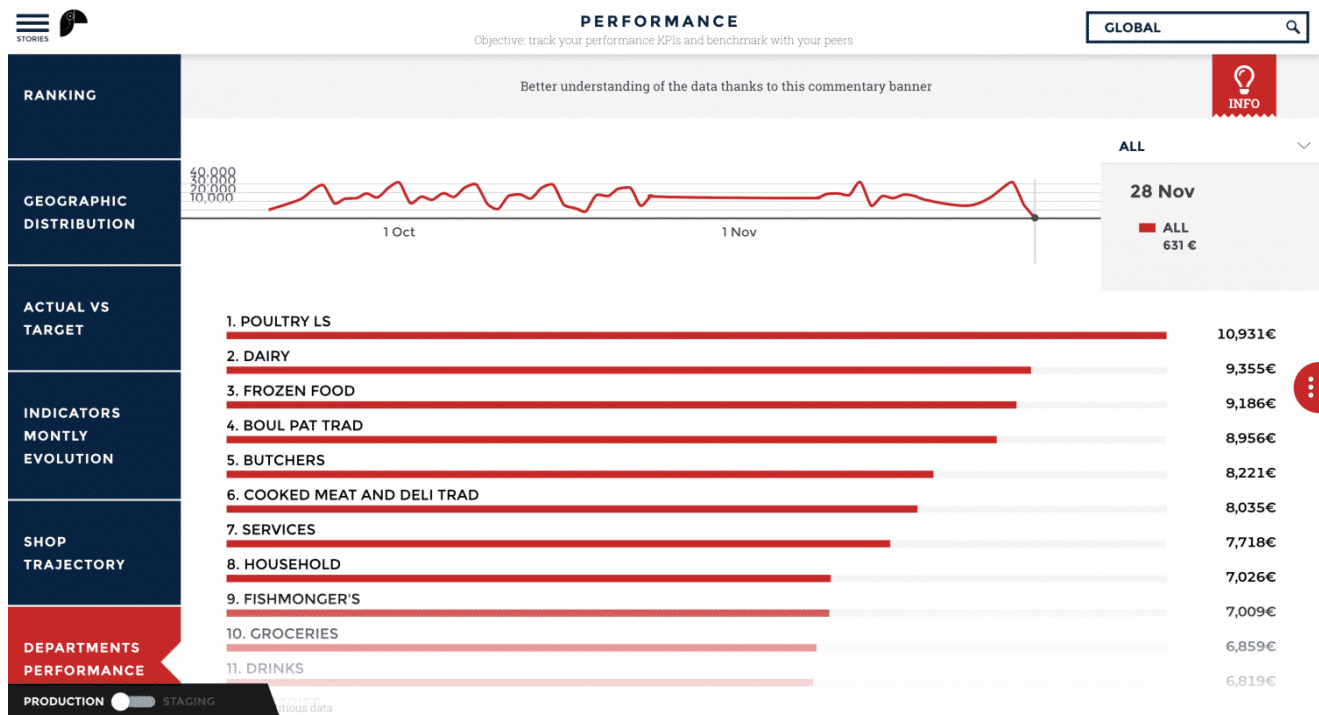
transformation project that requires the definition of Key Performance Indicators (KPIs).

A KPI is a performance measure that effectively monitors retail processes. These measures are monitored by retailers to enable them to increase their profits by identifying consumer habits or barriers during the purchasing process. Facilitating access to this information allows retail managers to better understand what works or does not work in the sales funnel.

The retail industry has the specificity of producing a very large amount of data. Among all the information at your disposal, tracking the “right” measures depends on your sales organization, your sector of activity and your company. However, these 9 KPIs tend to be most important to track for sales managers throughout the retail sector.

What Are the 9 KPIs Every Retail Manager Should Track?

SALES ANALYTICS



KPI tracking linked to sales activities helps to [increase the performance of your store](#). Also, these measures are essential because they are predictive. Their monitoring over time allows retail managers to predict future sales performance and identify trends.

Furthermore, allowing intuitive access to this data allows retail managers to better analyze consumers' behaviors and communicate it to the company's other departments (marketing, visual merchandising, etc.)

#1 Sales by Department or Category

A comparative sales volume dashboard by department or category is a beneficial tool for retailers offering various product categories. Communicated to the merchandising department, this data is valuable for strategically organizing the shelving and promotion of products.

For example, the manager of a sportswear store can analyze the sales levels of the sneakers. If they represent the majority of global sales, merchandising decision-makers will be able to reorganize the space to place these items at the entrance of the store – and thus obtain a good transformation rate, and increase customer satisfaction.

#2 Average purchase value

This KPI measures the average value of each purchase made by customers. Integrating this measure allows retail managers to easily analyze historical trends. This is an effective strategy to increase the average purchase value of each sale.

Thanks to data storytelling software, you can easily observe the evolution of this KPI over time. Furthermore, thanks to the cross-referencing of several data, you can also better segment your customers according to their demographic characteristics, for example.

#3 Amount of sales reduced or promoted

This KPI is an excellent tool to measure the effectiveness of promotional campaigns. As a store manager, this measure allows you to identify and report customer spending behavior. In addition, reviewing this type of data is essential to compare the locations of promotional items. A very useful measure to improve merchandising and therefore your sales performance.

Inventory analytics

Retail inventory management allows store managers to offer customers excellent service through a clear understanding of their requirements. The lack of a good inventory management process means that you do not know where a product is located and therefore cannot sell it.

Moreover, optimizing inventories leads to very convincing savings. On the one hand, this avoids ownership costs and obsolescence depreciation. In addition, savings can also be made by reducing the time previously spent on manual inventory management.

Yet, inventory optimization poses significant challenges due to the volume of information to be analyzed. How much of each item is in stock? What should I order again and when? Do you order too much or too little inventory? What are your best-selling and best-selling items?

To address this issue, data storytelling software provides a complete understanding of inventory management at a glance. It is indeed possible to incorporate figures easily and to obtain visualizations that can be understood by everyone. There is no need to make calculations and the data are updated automatically. All in a single app!

Here are some KPIs that you can track from your dashboard and that will be very useful.

#4 Inventory turnover

The inventory turnover rate is used to determine the number of times your entire inventory has been used up over a given period of time.

Having a high turnover rate means that your store is performing well. Your sales teams sell a lot of goods without too much stock.

If you have a low turnover rate, this may indicate that it is difficult to turn your stock into real income. You must then look for bottlenecks at any time in your supply chain process.

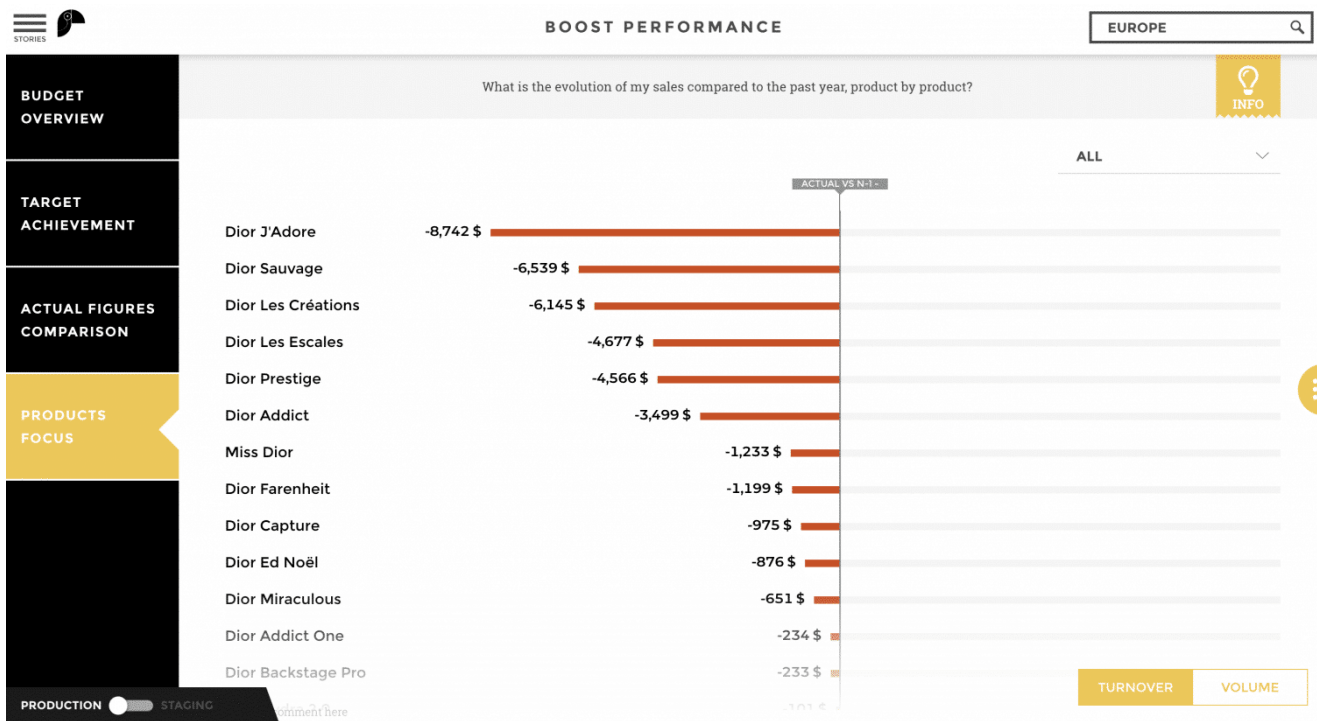
This KPI is an excellent piece of information to share with retail managers and decision-makers. This data helps to determine which items are worth spending more time in each store's inventory. Also, this KPI reflects the good management of your store, a rewarding element to communicate with your management, to support the quality of your work.

#5 Gross Margin Return on Investment (GMROI)

Gross Margin Return on Investment is an essential KPI to track because it makes it possible to evaluate for each dollar invested in inventories how many dollars your company has been able to recover.

As a retail manager, tracking this key performance indicator provides a more accurate picture of inventory strategy profitability. This is the most appropriate way to make better decisions about which products to store or which items to no longer store.

#6 Product performance



How fast are items selling? Which products are making the most money? Such questions can be answered by tracking *product performance* KPI.

This measure is based on the number of items sold over a given period.

This results in an inventory of the best-selling items for this period (by week, month, year).

Knowing the best and worst-performing products allows the store manager to determine which items are worth investing in and which ones shouldn't be re-ordered. In this way, they anticipate customer needs, increase customer satisfaction and sales volume.

CUSTOMER ENGAGEMENT ANALYTICS



How many customers can we expect in the stores? How long will they stay? Which way will they go? Which products are they most interested in? Will they make a purchase?

To answer these questions, managers are the only ones able to provide such varied and accurate information about clients. They can communicate to an entire company how to treat customers for a fully consistent and targeted, even personalized experience.

However, due to the lack of tools and the mass of data they faced, it is not easy for managers to report this information. What information should be prioritized? How should it be communicated to the entire company? How often?

Here are some essential measures that can be aggregated in a *data storytelling* application, to organize and facilitate the communication of information related to purchasing behavior in stores.

#7 Foot traffic

Foot traffic refers to the number of people entering your store. It is measured using people counters and retail sales analysis software.

Tracking this KPI is essential for the retail manager. Indeed, monitoring this metric over time allows them to identify hours or seasonalities when it needs more or less staff.

In addition to serving in-store managers, the good distribution of this KPI is

very useful throughout the company. For example, foot traffic allows marketing teams to evaluate the success of a campaign. Moreover, with this data merchandisers can easily evaluate the success of the window displays they have designed.

#8 Conversion rate

The conversion rate refers to the percentage of conversions made possible based on the total number of visitors. A conversion can be various actions that you want the user to take (purchase, registration to a loyalty card, the purchase of a product on promotion...)

For retail managers, monitoring this KPI is essential to measuring the effectiveness. From a comparative perspective (between several stores in a given region, for example), measuring this data makes it possible to identify good practices and extend them to all your stores.

#9 Customer retention

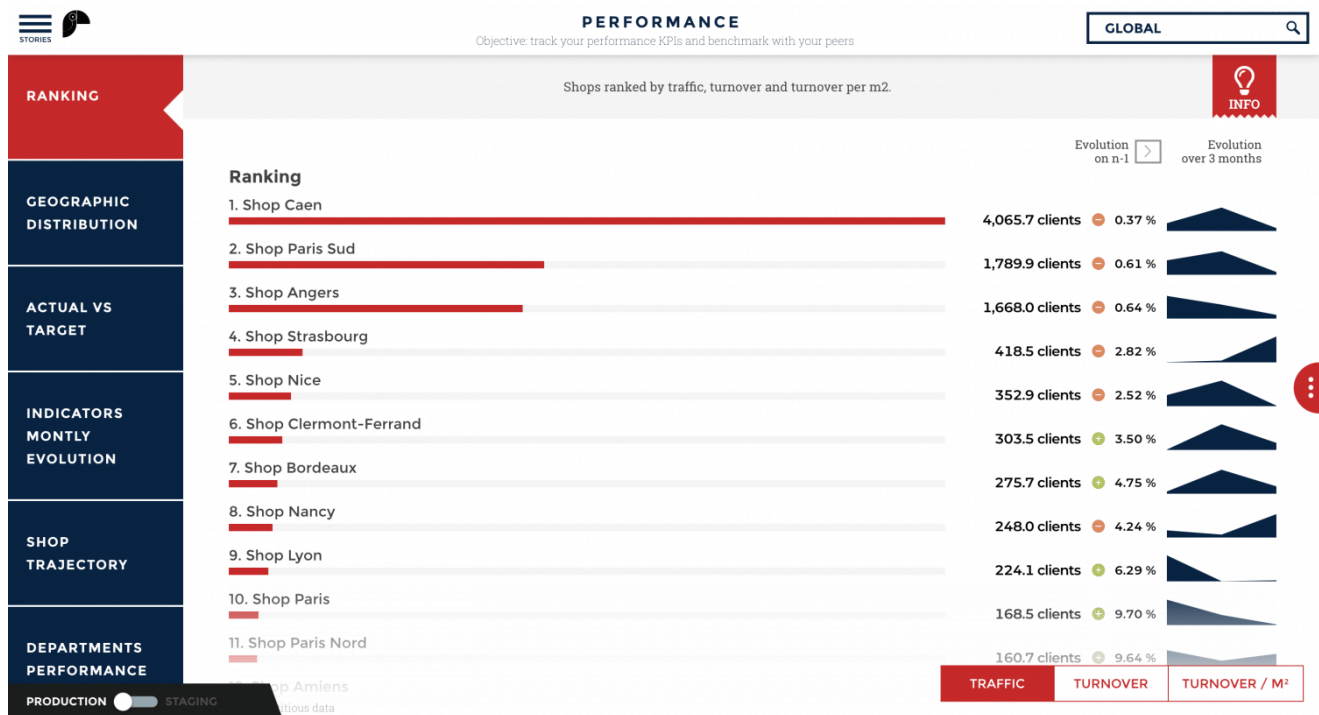
Customer retention measures the rate of customer return to your store. This measure is an excellent indicator of customer experience, the diversity of your offer and the performance of your products.

Communicating this information to your stakeholders will allow your company to develop marketing and event offers at strategic times.

This KPI also serves as a strategy for loyalty programs, to further encourage

customers to return to the store.

Toucan Toco: a solution that allows retail managers to easily track and communicate these KPIs



Thanks to the monitoring of KPIs that matter, retail managers can positively influence your company revenue in quickly identify opportunities to improve

shopper traffic.

They gain valuable insights for strategic planning, they receive actionable reports that track KPIs they need and can provide your teams at headquarters with valuable information on customer's journey within the store

How to facilitate the monitoring of retail KPIs?

Thanks to your Toucan Toco applications, the decision-makers in your retail company have access to a dashboard that allows them to track pre-selected data in real-time according to your global strategy and the specificities of your industry.

For retailers obsessed with performance who want to deliver key insights in real time to their sales assistants and sales managers, Toucan Toco is a software platform that allows you to easily mix multiple data sources and deploy impactful data visualizations that frontline employees will understand and truly use.

Unlike Excel or other BI solutions tailored for analysts our product focus on storytelling, simplicity, true mobility, and unique collaborative features: It's like reading the newspaper every morning, not like reading a dictionary.

How to make financial department in retail activities great again? | Toucan Toco

The financial sector plays a key role in any retail-oriented type of business. Investment and sales performance data, as well as omnichannel paths, pave the way to success. For a smooth data transmission, all departments must be aligned. Meaning that finance functions need to share accurate analyses to ensure everyone involved in the company benefits from the right data.



Today's emerging technologies combine AI, automation, and retail data analytics to yield insight, improve ROI, and reduce operational costs.

In this article, we will discuss more how to de-compartmentalize the financial function in retail-oriented companies so that leaders can streamline and improve management. We will tackle [the need for the digital transformation of financial services](#), steps to take to get started, as well as the benefits lying ahead for driving flexible, agile growth for your retail business.

Acknowledge the importance of lean finance functions

Efficient financial management is one of the most challenging parts of running a business in the retail sector.

Starting from the smallest brick-and-mortar store all the way to the biggest online marketplace, most of these struggles are related to managing accounting, analyzing revenue and business expenditures on a granular level, ensuring transparent data analytics across all departments, while at the same time exceeding customer expectations and ensuring ROI growth.

The backbone of any retail company is the financial department. According to a [study](#) performed by Accenture earlier this year on 700 CFOs from 82 retail

businesses, 85% of interviewees pinpointed that proper analysis of financial data is critical to adding new value to their business. At a global scale, finance teams are accountable for the way subsequent sectors function; including marketing, sales, and HR.

To achieve high performance, [a strong foundation is needed](#). Therefore, finance functions must be properly aligned to improve the efficiency and coherence of core activities, and enable unified reporting standards, reliable data streams, and properly optimized financial processes.

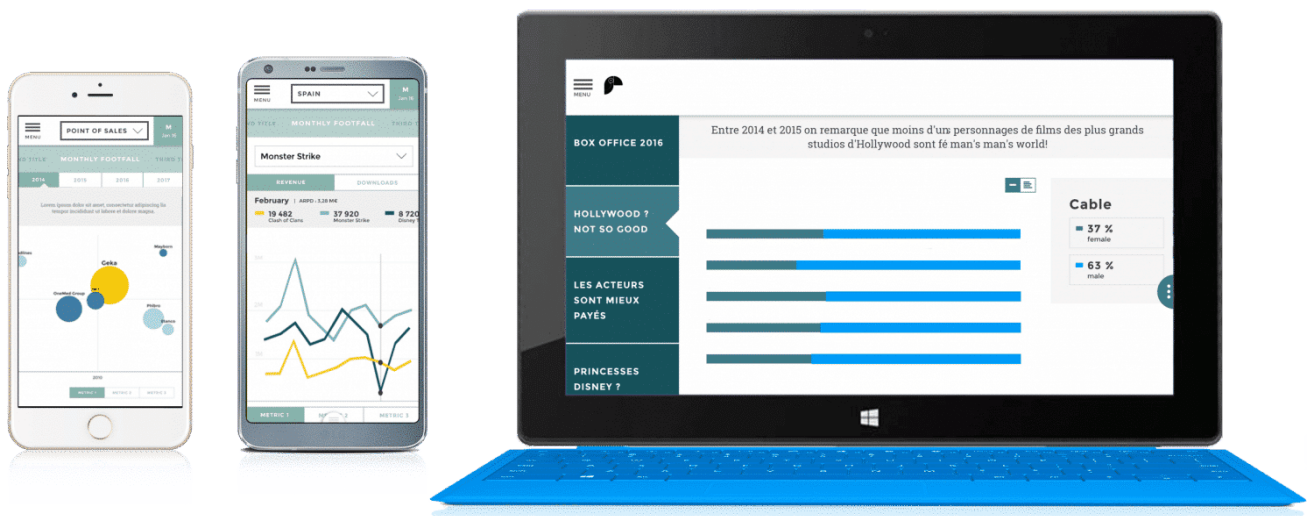
Implementing lean finance functions involves decluttering and simplifying fundamental finance processes to drive effectiveness. This demands a thorough review of all transactions and financial reporting activities.

The focus should be on crafting a unified structure for common activities involving the collection, verification, classification and processing of the data to improve the management of your retail activities.

Prior to making a choice and settling on a tool or platform, assess your options carefully. The variety of [retail analytics](#) software solutions is vast, and oftentimes, quite overwhelming.

Look for an interactive data visualization solution that can help you share and distribute your data across multiple departments seamlessly; and always remember your end goal: to increase sales while reducing costs.

Leverage the power of digital to build a digitized foundation



Many of today's retail companies – regardless of size – lack digital basics like a digital-oriented workforce, automated tools, and the ability to implement retail finance analytics the right way into their business model.

This way, the finance function is stuck with slow, old-fashioned legacy systems that don't – better said, can't – collaborate with each other. In the absence of integrated data, there's no way of detecting and responding to business changes fast and in real-time.

Digital technologies have the ability to reshape the finance function of a retail business with improved planning, better cost management, and properly aligned processes. To attain value, a [digital strategy](#) and framework must be set in place. American luxury brand MZ Wallace jumped on a digital transformation journey that helped the company reach a [180% yearly growth in sales](#).

“We invest in digital first, whether it's technologies, marketing, or our people. We've grown our team by 48% in the last year [...] Everyone in the company has a well-rounded perspective of our current digital practices, and we provide them with the best technology available”, highlighted Kevin Mogyoros, CFO & COO of MZ Wallace.

Before going digital, the first step is to build a digitized foundation. Start by deploying advanced digital tools that can improve the efficiency and performance of the finance function. Automation & robotics, data visualization, and advanced retail data analytics – for both finance and the business in general – are fundamental tech stacks that need to be looked at, analyzed, tested, and implemented to:

- Improve overall management of retail-oriented activities
- Benefit from dramatic improvements in performance
- Uncover hidden opportunities for growth
- Accelerate decision support and come up with demand models that can improve inventory management and working capital

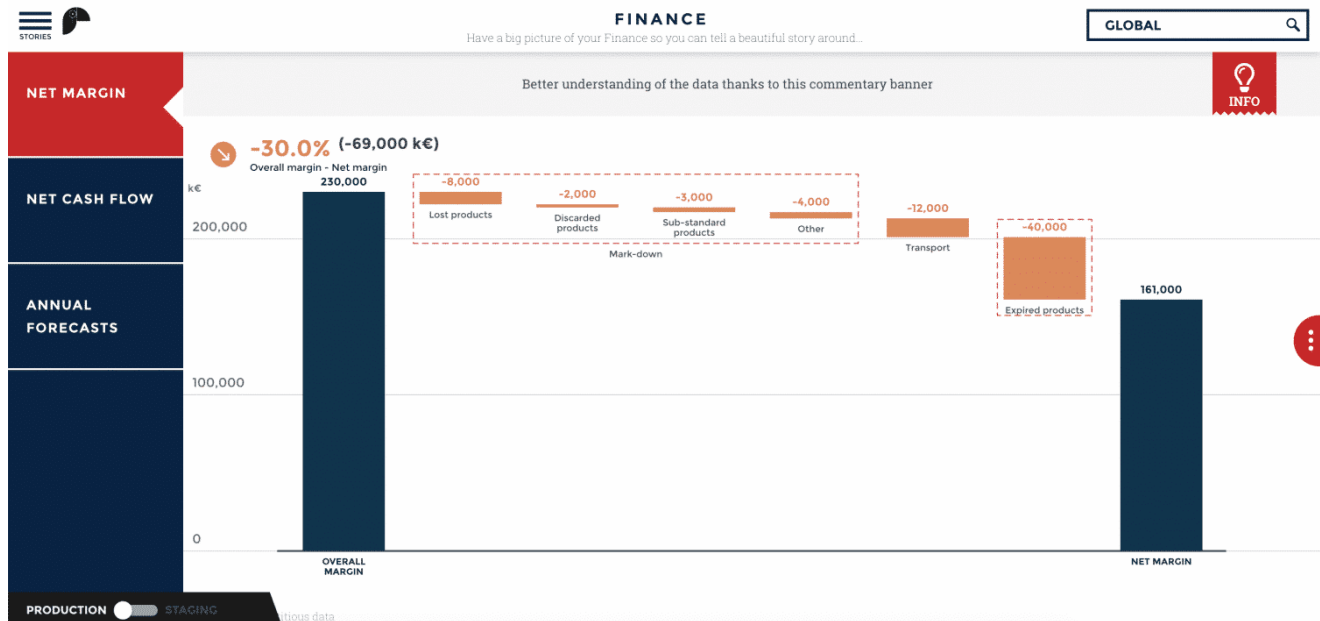
Financial department : Boost organizational performance via data visualization

Following your decision to leverage the power of digital to build a digitized foundation, the next step is to boost organizational performance. In order to make sensible resource-allocation decisions, your team needs real-time information. Often times, financial departments lack the data necessary to optimize processes because of reasons like:

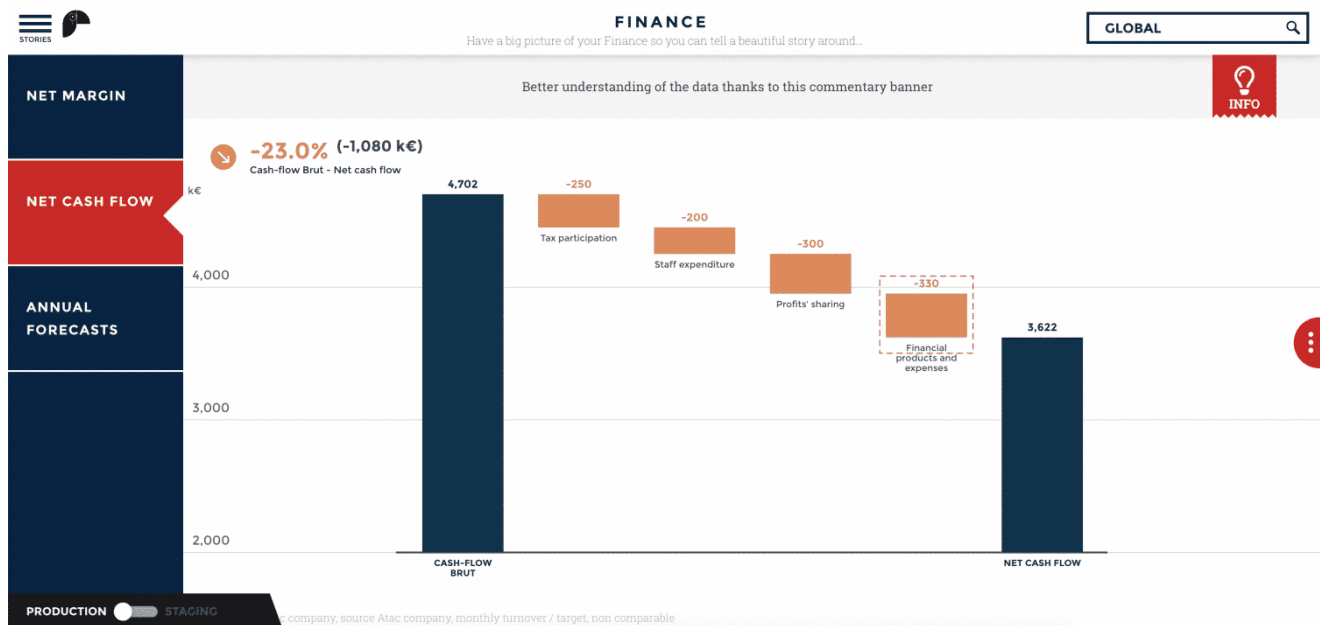
- Data formats are incompatible

- The data cannot be shared between teams
- Lack of data availability

To create actionable business reports, your team needs to leverage data visualization tech stacks and pair them with automation capabilities to push the right information, present it in an intuitive format, and foster aligned business discussions. A central repository that allows real-time updates of the information should be made available for other departments within the company to get easy access to.



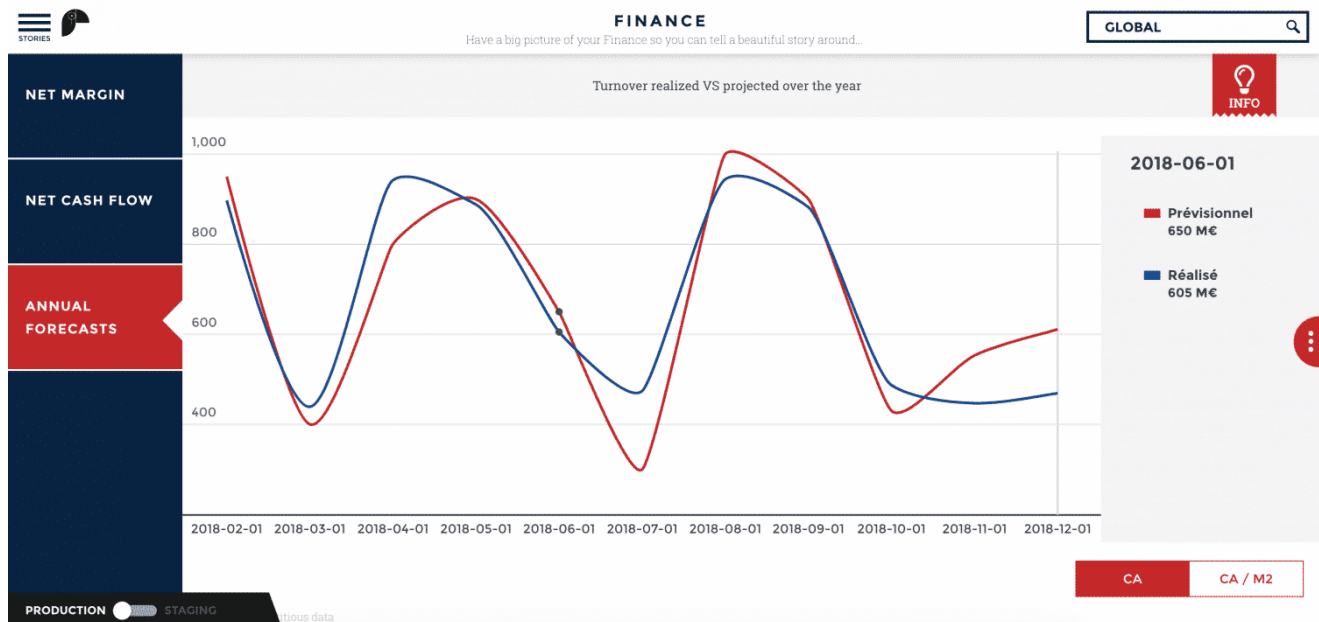
CFOs must collaborate with both CEOs and IT to decide on the right [data visualization tools](#). The end goal is to restructure end-to-end financial processes like order-to-cash, data-to-report, purchase-to-pay processes, and reconfigure them by implementing a user-focused, visually-appealing approach.



Establishing rules and regulations around the use of data is equally important. Although the information must be available for everyone in the company, at any time, from any device, and from any place, centralization is fundamental to ensure data security.

Build value with advanced retail finance analytics

We live in a tech-driven world where companies across all industries are fighting to get a competitive advantage using advanced data analytics to pull out critical business data and improve strategies with unique insights. In the retail sector, the competition is fierce, and many businesses have realized that building true value can only be done with advanced, customer-oriented data analytics.

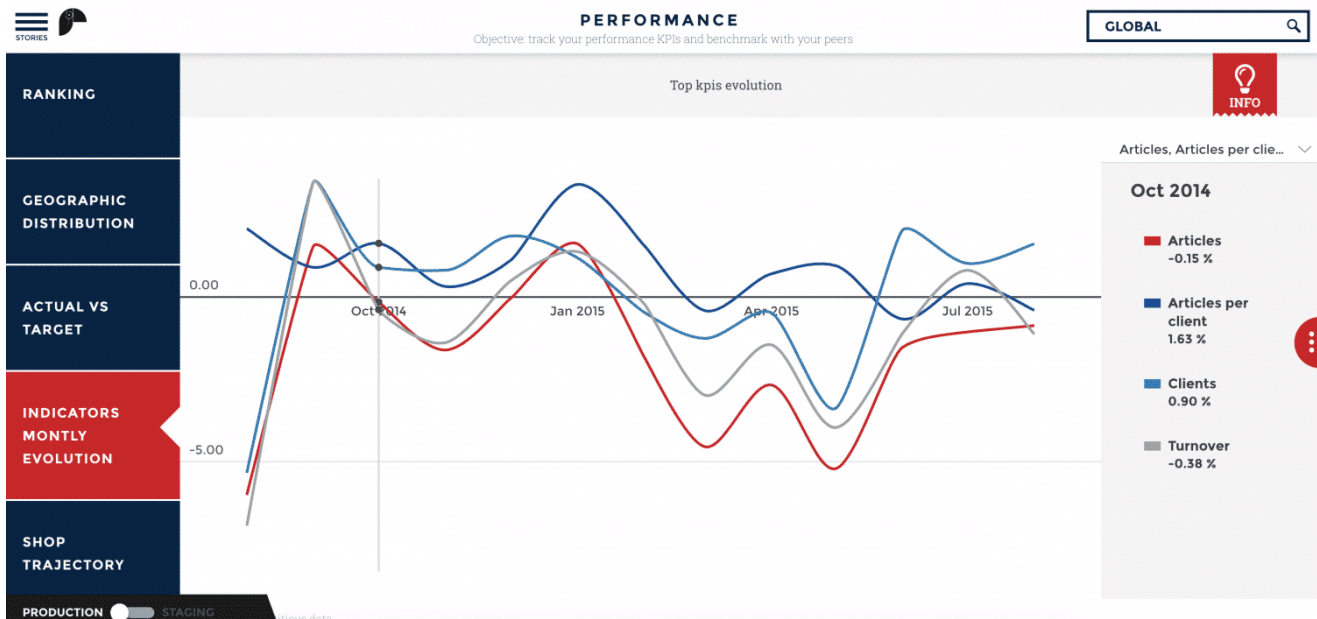


[Global industry report](#) predicts that **big data analytics in retail will increase from \$3.45 billion in 2018 to \$10.94 billion by 2024**. For the timeframe mentioned, the registered CAGR would be 21.20%. To get ahead of the curve, big data technologies and advanced retail data analytics are critical to stay competitive.

The same report mentions that fashion retailer H&M has already made a move in this direction by implementing algorithms to gain better insight from receipts, loyalty cards and returns to boost its bottom line. Walmart has jumped on a digital transformation journey, too. According to the mentioned report, they're in the process of developing ***[“the world's largest private cloud system with an estimated management capacity of 2.5 petabytes of data per hour.”](#)***

The time for CFOs to understand the power of advanced analytics is NOW! To ensure a smooth transition between the old and the new, they must collaborate closely with CEOs and managers to identify loopholes within the company, as well as specific areas that must be improved.

Whether it's optimizing pricing, preventing fraud, identifying customer churn, or exploring with the variety of tech stacks available – it all begins with rethinking the finance function to better organize cash flows, speed slow reporting, enable agile data transmission, and upgrade collaboration between different teams.



The need to streamline and de-compartmentalize the finance function in retail has become acute. But in spite of the digitalization opportunities available, skepticism abounds. Unfortunately, a one-size-fits-all solution doesn't exist because every company has different needs and expectations. To keep up with the pace, finance professionals must consider replacing outdated, traditional operating models with more flexible ones, capable of deploying critical resources to tackle the biggest challenges.

The focus should be on integrating agile business operations to improve profitability, working capital, collaboration with both distributors and suppliers, and operational outcomes to increase ROI. Most of the challenges revolve around reducing costs and accelerating revenue. To overcome them,

the change should start by acknowledging the importance of a lean finance function; revamping current strategies by adding real value with reliable retail data analytics that can generate accurate forecasts, helping other teams within the company to improve management of their retail activities and boost business performance.

à lire aussi

Retail Data – Brick & mortar vs online re...

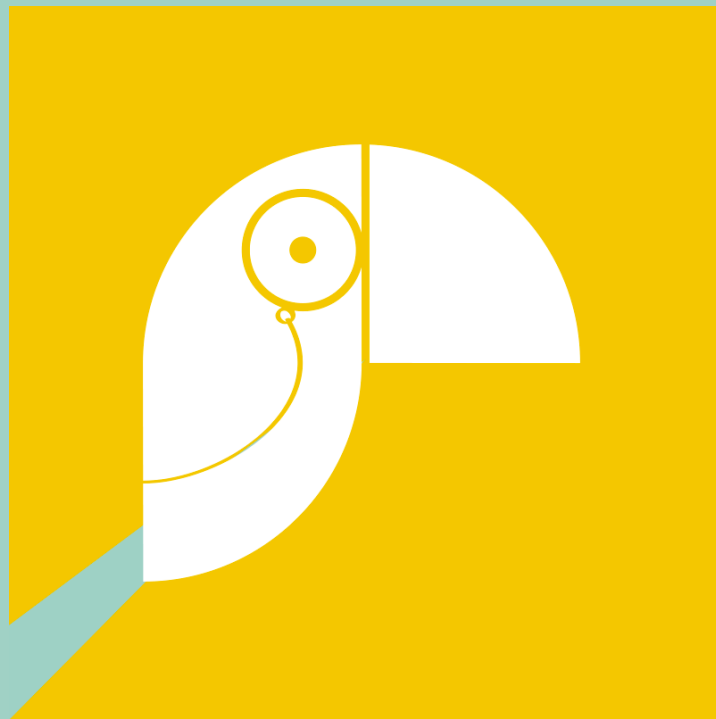
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9 KPIs Every Retail Manager Should Track in 2019

Data-driven culture has revolutionized the retail industry. Why ? The monitoring of retail analytics, like KPIs, have enabled several players to gain market share by offering ultra-personalized offers.

How to create a simple and effective dashboard for y...

Personalizing the customer experience is a key element of the current retail landscape. This presents significant organizational challenges for decision-makers, which can limit data sharing and lead to teams working in silos. Decision makers need to have access to a ...



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