

# Carphone Warehouse Plc

## Super-Fast Web Reporting of Customer Activity

### Details

Bridie Cunningham is the Head of UK Retail Productivity at CPW. One of her projects was to investigate footfall counting and how it might be used interactively to improve the stores' performances.

She says; "One of the problems with any retail chain, is knowing exactly where you are at any one time with regard to the numbers of customers or potential customers entering your stores; how these customers ebb and flow over the day; how they are responding to marketing or product initiatives; how 'live' customers in store contrast with 'on-line' customers; how many spend money; whether they are being served properly (e.g. are enough trained staff on duty); how well sales are converted and how much each customer spends.



"Even if we could find a way to obtain all this data, I also needed to be able to take the needs of store managers, area managers and key personnel into account, and using hyper-accurate measuring equipment turn those into key performance indicators that they could use every day to measure, manage and improve our business."

"I started looking for possible solutions and it quickly became evident that some form of customer counting technology, so long as it was guaranteed accurate, was key."

Following a hugely detailed and demanding tender process put together by Bridie's team, Synovate Retail Performance was chosen as the preferred vendor for a pilot project, based on its offering, ability to deliver, pragmatic approach and company culture &

attitude. Synovate also offered CPW a written guarantee of a minimum 95% accuracy.

CPW and Synovate ran a performance improvement project called the "Key Store Challenge. 25 of the 100 stores with equipment installed undertook an intensive training program - allowing them to understand and use the data in the most effective way. The project delivered increases in the number of people entering CPW stores and the percentage that purchased (conversion rate), with the 25 stores which received the special treatment, in the main, outperforming the remaining 75 stores proving that accurate customer counting data can deliver a return on investment!

Synovate's footfall counting was thus accepted as an intrinsic element required to drive sales both in the UK and Europe. The decision was made to roll systems to the entire estate! Synovate Retail Performance now provides data to The Phone House, the European brand name for CPW, spanning 8 countries and over 800 stores. Additionally the system is now trialling in USA in their partner company - Best Buy.

The rollout of the counting technology to the entire UK estate was delivered by Synovate in just 12 weeks, with over 100 counters being installed per week at the peak of the project. The equipment was specified to integrate with the CPW store wide IT network and Synovate was required to overcome store configuration issues to ensure accuracy of data.

Synovate Retail Performance then began to tailor its sophisticated analytical tools to the required reports. At first these MSExcel

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## Case Study

reports provided snapshots of performance within set time frames and were delivered by Email. Eventually, however, the aim was to deliver these in a manner which allows differing levels of management to interrogate them according to needs.

Bridie Cunningham comments "I also wanted that data to be useable as a virtually realtime reporting metric that the users could interrogate according to their exact needs at the time. This must include staff-stretch, conversion rates, the number and type of sales transactions made in store - obtained by linking to our Epos data and the impact of marketing initiatives, such as advertising and promotions."

### Objectives and how they have been met?

Bridie Cunningham; "We could see the work put into driving this project was beginning to bear serious fruit. However, the fixed time and store analyses of the traditional reporting methods were constraining what we could do with the data so I discussed with Synovate Retail Performance a way of making them more interactive, more tailored to individual needs and accessible on the web, even on an hourly basis during busy times."

Synovate builds its unique, interactive web-reporting system. Footfall data is combined with transaction data to give Conversion Rates (i.e. the percentage of customers who purchased). It shows data for each store or group of stores from hourly up to quarterly data, and also allows them to compare themselves against other individual stores or categories of stores. This is available to every store manager, empowering them to deliver their targets.

Data is now accessible across the estate on an hourly basis, almost in 'real-time' subject only to Synovate's data corroboration and verification. To guarantee maximum use of the data, CPW instigated in-depth training with all managers. They learn how accurate measurement of their business enables them to manage and improve it. The managers embrace the web-enabled reporting as a sales tool and they look at the data to assess performance on a daily basis.

CPW utilises footfall and conversion rate data to drive a "Conversion Saturday" a previously announced initiative and then an unannounced "Conversion Sunday"! Both are enormously successful, resulting in significant conversion uplifts. CPW also utilises the Synovate hourly data to integrate with the existing HR tool "My HR". CPW uses the footfall data to forecast footfall for each store at an hourly level in advance, so managers can schedule their staff appropriately.

Nothing stands still in the world of retailing and in the highly competitive mobile phone market, changes in technology are rapidly passed on to the customer.

### Evidence of financial benefits delivered to the business

Data is being applied at both store, head office managerial level and also at board level. Relevant data and conversion rates are collated and reviewed at daily trading meeting and applied as a key measure for the remainder of the estate.

A significant return on investment and uplift in business has been seen in the KSC (Key store Challenge) stores and also from the 'Conversion Saturday' and 'Conversion Sunday' initiatives.

Stores have started to benefit from in store planning, as they now became aware of the impact on footfall and conversion rate of local events and trends within their store or area.

Also footfall and conversion opportunities are now recognised when setting FTE budgets for the following financial year for each store.

Other financial benefits include a return on investment measure being introduced for all marketing campaigns, a first for CPW.



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# Customer Experience



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