

Store Operations

# SUPERSTAR

AWARDS 2013

# 14 Retailers Win Store Operations Superstar Awards



Store operators are faced with numerous challenges, from employee hiring to product merchandising. Successful store operations strategies improve the customer experience and ultimately, the bottom line. But today's store operators are constantly juggling a variety of tasks, from managing mobile technology to motivating employees. As competition continues to heat up, along with pressure to hold the line on expenses, store operations executives are faced with an uphill battle.

In our second annual **Store Operations Superstar Awards**, *Retail TouchPoints* is recognizing companies that have implemented the most innovative, successful store operations strategies related to:

- Workforce Management
- Mobile Technology
- Loss Prevention
- Customer Engagement
- Inventory management

We hope you will join us in congratulating these 14 retail innovators.

A handwritten signature in cursive script that reads 'Debbi Hauss'.

Debbie Hauss  
Editor-in-Chief

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## AutoZone Manages Complex WFM Strategy

In addition to selling automobiles parts and accessories, AutoZone stores also operate a sales program that provides commercial credit and prompt delivery of parts and other products to local, regional, and national repair garages, dealers, and service stations. AutoZone also sells the ALLDATA brand diagnostic and repair software. On the web, AutoZone sells diagnostic and repair information through [alldata diy.com](http://alldata diy.com), and auto and light truck parts through [www.autozone.com](http://www.autozone.com). Many stores that deliver parts to other dealers also operate as mini Distribution Centers.

As AutoZone grew, it needed to upgrade its workforce management capabilities. Consisting of several systems, the company's labor model had been custom written and maintained on a mainframe system by the AutoZone IT department. The store operations team wanted a system that would enable their own people to modify the labor model, without having to make a request to the IT department to make a modification to the code.

When looking at upgrade options, AutoZone required a system that was easy for store personnel to learn and use and would enable store operations to rapidly modify the underlying logic to satisfy their business needs. After implementing Reflexis, AutoZone was able to refine its labor model to fit the needs of the many types of stores it operates. With the old mainframe system, changes to the underlying operating model were slow and hard to make. Working with Reflexis,

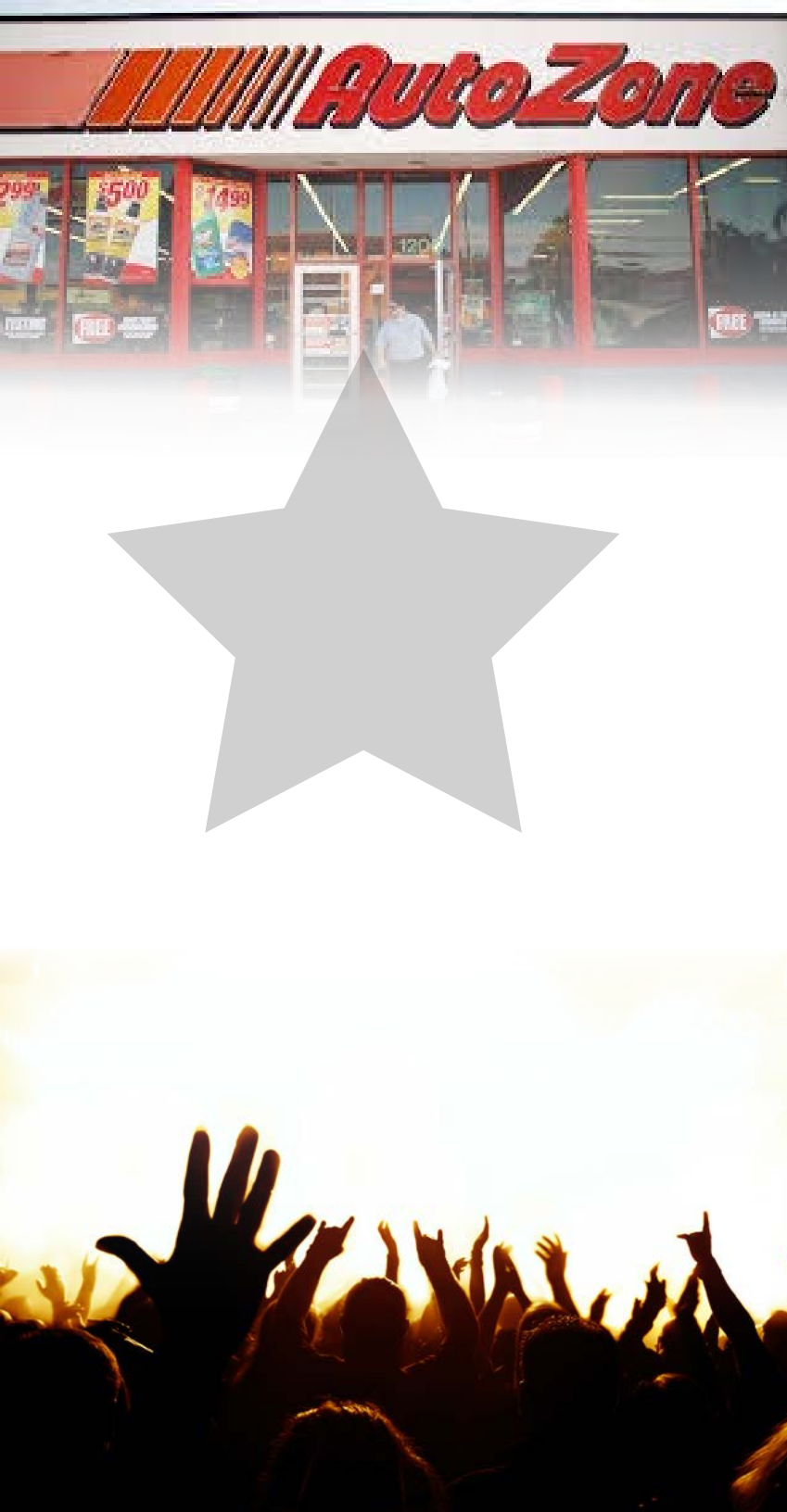
## AUTOZONE BY THE NUMBERS

**Brands-store banners:** AutoZone

**Number of stores:** 5,000+

**Annual revenue:** \$8.6 billion

**Web sites:** [www.autozone.com](http://www.autozone.com)



AutoZone created a new labor model that would allow it to define all the various, and sometimes unique, characteristics of its stores.

AutoZone operates a variety of stores, some of which act as miniature Distribution Centers in supplying parts to other stores. Some employees have multiple roles all within the same shift. Additionally, stores are different sizes and have operating hours; and some are retail-only while others are hybrid retail and distributors. Despite these complicated requirements, Reflexis was flexible enough to model and satisfy all these requirements.

AutoZone realized numerous benefits, including the ability to:

- Rapidly modify and manage forecasting, drivers, labor model, and store characteristics to satisfy changing business needs;
- Generate accurate forecasts that account for all the different characteristics of each store;
- Rapidly generate accurate labor schedules for different locations units with varying operating hours and other characteristics while complying with labor laws for each state;
- Support scheduling across different departments in the stores;
- Improve reporting regarding employee clock-ins and outs; and
- Tailor the labor model around each store's characteristics including operating hours, and delivery restrictions.



## World Kitchen Boosts Employee Productivity

Using an Excel-based scheduling model, World Kitchen was unable to gain visibility into employee schedules or hours worked at the corporate, district, or regional levels. This made it impossible for the merchant to see day-to-day traffic patterns for specific stores, which in turn made it difficult to determine if stores were staffed appropriately. This lack of visibility drove World Kitchen to seek out a more comprehensive scheduling tool in late 2011. The company began an implementation of Workplace Systems in 2012.

During implementation, some integration was necessary to accurately forecast store data. Because store traffic influences scheduling, World Kitchen sought to measure traffic with CountWise traffic counters on 15-minute intervals. As those traffic trends change, World Kitchen wanted to be able to react quickly. To achieve that agility, the Workplace forecasting and labor demand module were plugged in to the company's traffic counting and Micros POS systems. The World Kitchen team fed two years of traffic and sales data into the Workplace forecasting model, allowing it to triangulate immediate needs based on historic traffic and sales. Today, those stats are fed into the scheduling system in real time.

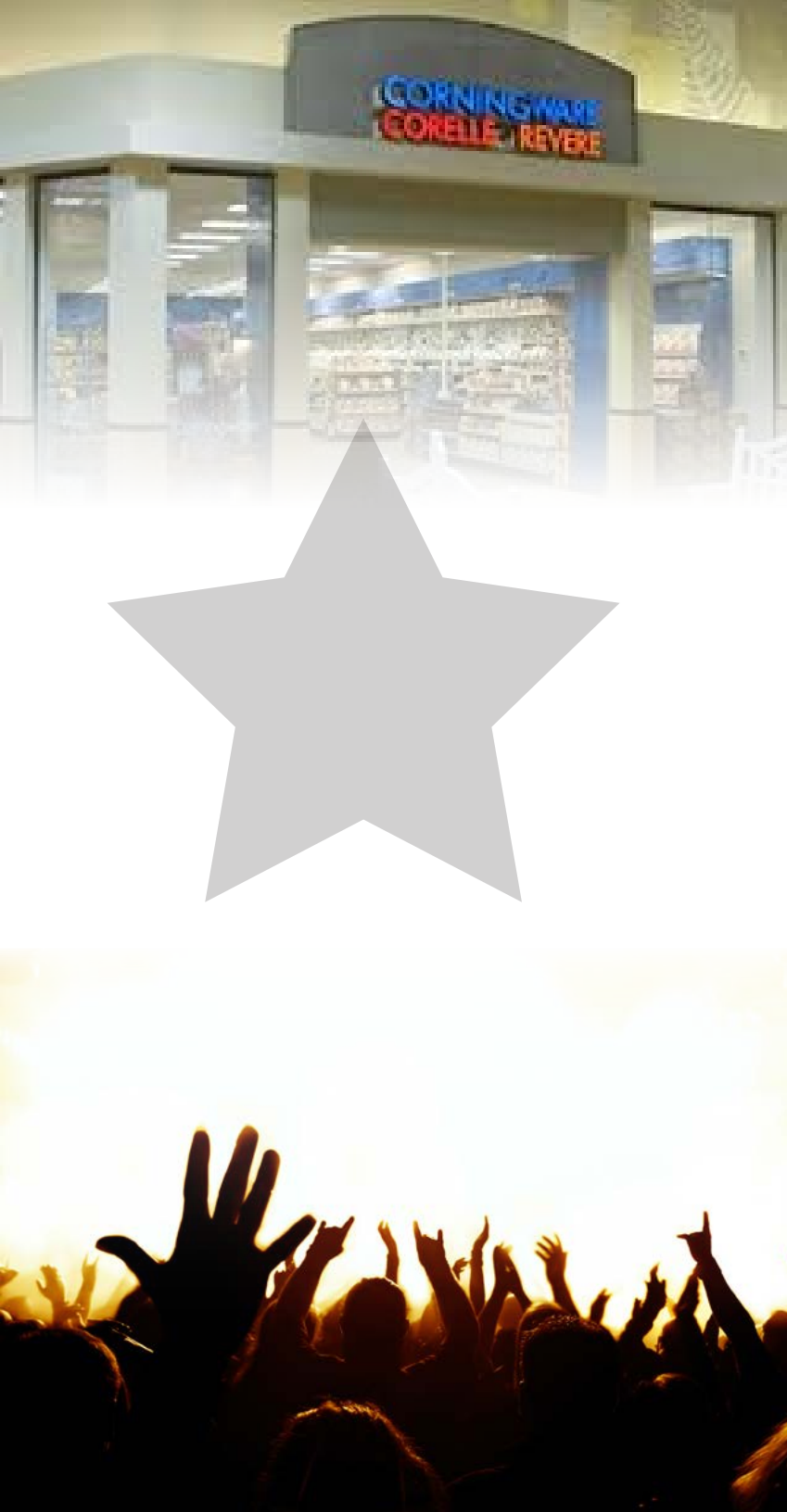
## WORLD KITCHEN BY THE NUMBERS

**Brands-store banners:** World Kitchen: Baker's Secret, Chicago Cutlery, Corelle, CorningWare, Ecko, Pyrex, Revere, Snapware, OLFA, Visions, Magnalite

**Number of stores:** 90

**Annual revenue:** n/a

**Web site:** [worldkitchen.com/](http://worldkitchen.com/)



With worldwide locations and demographic influences affecting store traffic and buying trends differently at every store, it was important for World Kitchen to be able to customize staff schedules at the individual store level. Also, many World Kitchen stores are in outdoor shopping outlets, so weather and seasons also influence traffic and sales.

With improved ability on both ends to manage time-off requests, World Kitchen has been able to more quickly communicate whether those requests are accepted. As a result, attendance has improved by 20% since implementing the system. The new system also enables better corporate visibility into scheduling irregularities. Now, World Kitchen can collect punches in the Micros time and attendance application and feed them into the scheduling system. This gives World Kitchen actual time worked and variance data.

What was once a 45-minute-per-day scheduling exercise by managers has been reduced to 15 minutes today, giving managers more time on the store floor. Store managers also create schedules quickly, using base templates and easily share associates between close-proximity stores to cover shortages. Finally, World Kitchen isn't spending any more on payroll than it did in the past — it's simply better allocating its existing labor investment in a way that improves topline sales.



Workforce Management  
BRONZE WINNER



## Home Depot Mexico Cuts Tardiness & Absenteeism

First launched in 2001, The Home Depot Mexico has more than 100 stores, is adding 6 to 10 locations per year, and is now one of the largest retail chains in Mexico.

As The Home Depot Mexico added locations, it needed to better align human resources and store operations with the overall corporate strategy. The company also needed to improve the visibility of the working hours for third-party personnel who performed in-store services such as merchandising, security, and sanitation.

The Home Depot Mexico had relied on manual tools such as email to communicate corporate communications to stores, and manual log books to record time worked by third-party service providers. But relying on handwritten logbooks for tracking time was prone to errors, inefficient, and did not lend itself to real-time reporting for identifying trends and opportunities for improvement.

Relying on email for corporate-to-store tasking also was inefficient. Store managers had to determine on their own what should be the highest priority tasks to execute. Using email also made it difficult or impossible for management to track completion status in stores and to identify and rapidly resolve problems.

### HOME DEPOT MEXICO BY THE NUMBERS

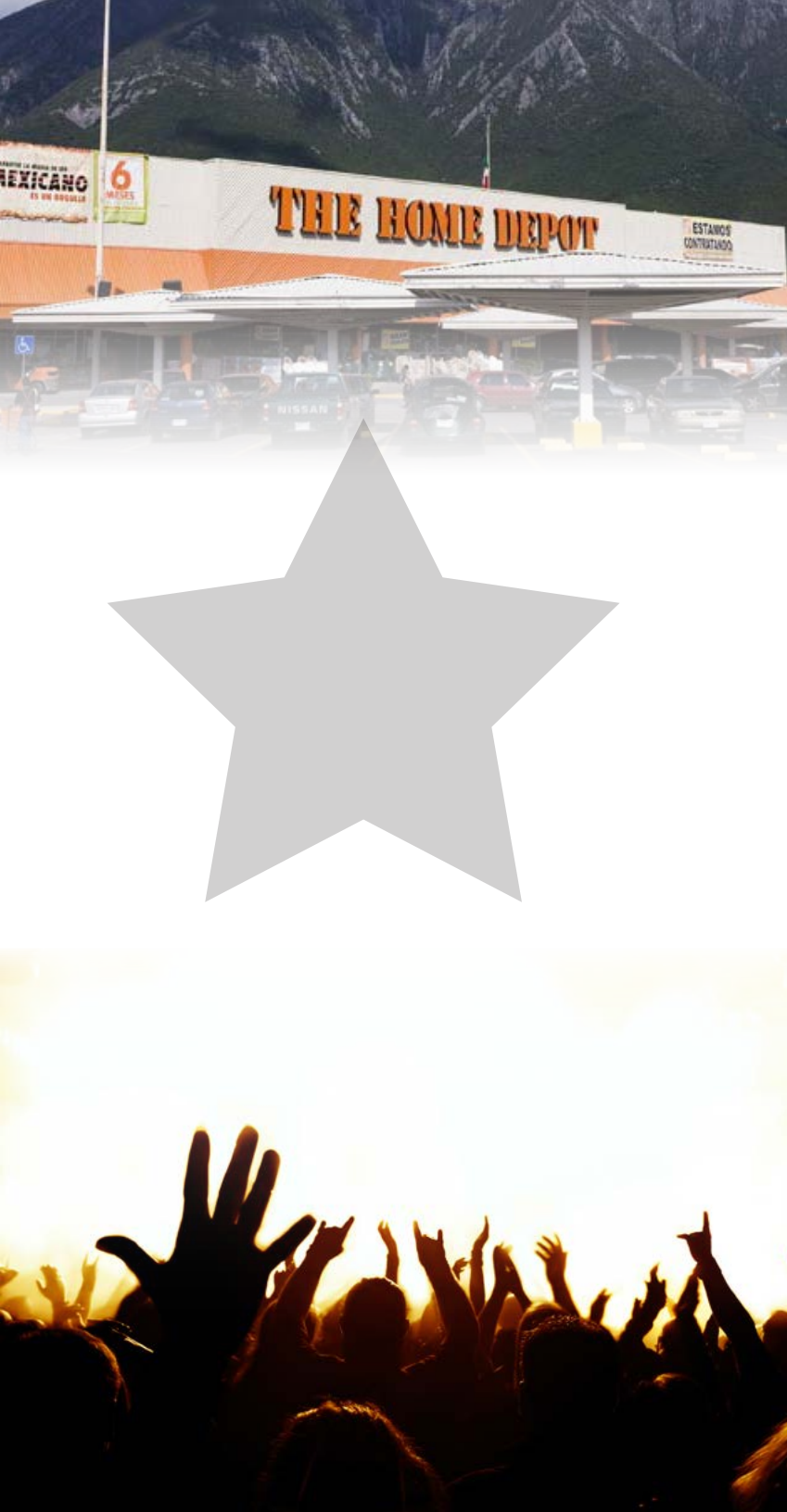
**Brands-store banners:** The Home Depot Mexico

**Number of stores:** 100+

**Annual revenue:** \$74.8 billion (as part of The Home Depot parent company)

**Web site:** [www.homedepot.com.mx](http://www.homedepot.com.mx)





The company chose to implement Reflexis solutions, also in use at the parent company's U.S. stores. In a matter of months, the company implemented the solutions, all of which were delivered in the cloud. Benefits include:

**Reflexis Time and Attendance** tracks third-party billable hours of 2,750-plus employees: merchandising service, security guards, and janitors. As a result, absenteeism reduced by almost 60%; tardiness reduced by 36%; and billable hours reduced by 2.5%.

**Reflexis Task Manager** improved visibility into task completion status and compliance levels in all stores. Management can now monitor which stores have completed tasks as intended and focus on those not completed rather than hoping for the best.

**Reflexis StoreWalk** enables store and regional managers to quickly and efficiently conduct store inspections and audits. As surveys are completed, they are rapidly collated for HQ to identify and correct areas of non-compliance.

"By implementing these solutions, we solved a number of challenges, and it made operations at our stores more efficient," said Jaime Gonzalez, Head of Merchandising for In-Store Services. "We now have excellent visibility as to who is at each store every day and at any certain time. And if the people are not there, we know we are not getting billed for hours that were not worked. The result is we're getting better service and better coverage at our stores."



**Cabela's**



## Cabela's Delivers Personalized Mobile Communications

Cabela's noticed that customers were using phones in the store more frequently and that their mobile commerce traffic had increased. This prompted Cabela's to create a strategy that gave customers a good shopping experience whether in the store, on the mobile web site, or both.

Cabela's has been actively running location-based mobile campaigns since the 2012 holiday season. Cabela's use of location-based mobile marketing is just one part of their entire customer loyalty and marketing strategies. Cabela's goal is to create a strategy that gives customers a seamless shopping experience across all platforms. Localpoint®, an enterprise-ready mobile software, helps take Cabela's mobile strategy to the next level by driving store traffic through location-relevant marketing, engaging consumers in the brick and mortar store and providing web-style analytics for the physical store.

The Cabela's iPhone and Android apps are designed to deliver personalized consumer experiences based on a customer's location. Through the rich branded mobile app Cabela's has the unique ability to send the right message to the right person at the right time and place, driving foot traffic, increasing conversion and improving customer satisfaction.

### CABELA'S BY THE NUMBERS

**Brands-store banners:** Cabela's  
**Number of stores:** 48  
**Annual revenue:** \$3.1 billion (2012)  
**Web site:** [www.cabelas.com](http://www.cabelas.com)



Cabela's mobile campaigns are created to impact mobile consumer engagement in a way that improve customer satisfaction and directly affects Cabela's ROI. Rich push messages to customers as they enter targeted geofences drive customers to the store with the mobile offers. After leveraging location technology to communicate with customers in a contextually and physically relevant manner, Cabela's receives high return rates on promotional messages.

By leveraging location through the rich branded mobile app, Cabela's succeeded in driving brand awareness, increasing customer acquisition and loyalty, and greatly enhancing the shopping experience for consumers. Cabela's will continue to utilize location-based mobile marketing to add value, utility and context to deliver the best possible experience for their customers whether at work or play.

Although Cabela's is unable to reveal quantitative results from their mobile campaigns, data from a variety of Localpoint implementations by major retailers and brands shows that 22% of app-holders open targeted push notifications, 57% visit a physical store once receiving a message, and social sharing of one campaign's mobile offers resulted in a 160% redemption rate.



## The Container Store®

### The Container Store Optimizes Leadership With Mobile App

The Container Store's mobile app for the store team is called "The Score," which originated from the CEO's direction, to reflect the idea of complete transparency in the business. The company motto is: "There is no way your team can win the game unless everyone on the team knows the score."

Previous to The Score app being implemented, store leadership reporting consisted primarily of email and spreadsheets and the stores were starved for actionable information and data. The Container Store's executive team quickly identified the gaps in store reporting as the greatest opportunity for improvement and innovation and made the decision to move forward with implementing a mobile app with MicroStrategy, their strategic partner for more than 15 years.

With the objective of developing actionable, consistent, and timely reporting for the store leadership team, The Container Store went from concept to production within months. The mobile app now provides store Regional Directors, Area Directors and General Store Managers with 14 informative, user-friendly dashboards. Phase 1 of the The Score provides the store leadership team with company and store sales information, store productivity and operations data, payroll performance, Custom Design Center (CDC)/elfa® reporting, and executive recaps.

### THE CONTAINER STORE BY THE NUMBERS

**Brands-store banners:** The Container Store

**Number of stores:** 61

**Annual revenue:** \$766 million (2013 forecast)

**Web site:** [www.containerstore.com](http://www.containerstore.com)



A key to the success at The Container Store was getting all the right people in the room at the same time to scope out the app with the end user in mind. The retailer uses what is referred to as a “whole brained approach” when it comes to developing all key company initiatives. Company executives spoke with all business units to decide on KPIs and then created storyboards to conceptualize the look, feel, and flow of the app. They then developed a roadmap with realistic and achievable goals that led to the creation of The Score App. Simply put, they began with the “end” in mind.

By using the MicroStrategy Mobile Platform, The Container Store was able to achieve actionable, consistent, and timely reporting for their store leadership teams. For the first time ever, the store team had access to information about their payroll, as well as actionables to optimize schedules based on current trends and predictive analysis. The merchant is now able to compare sales per payroll hour to customer-facing payroll hours. This information makes it possible to better manage personnel hours.



Mobile Technology  
**SILVER WINNER**



**LOWE'S**<sup>®</sup>  
Home Improvement Warehouse

## Lowe's Brings Managers Out Of The Backroom

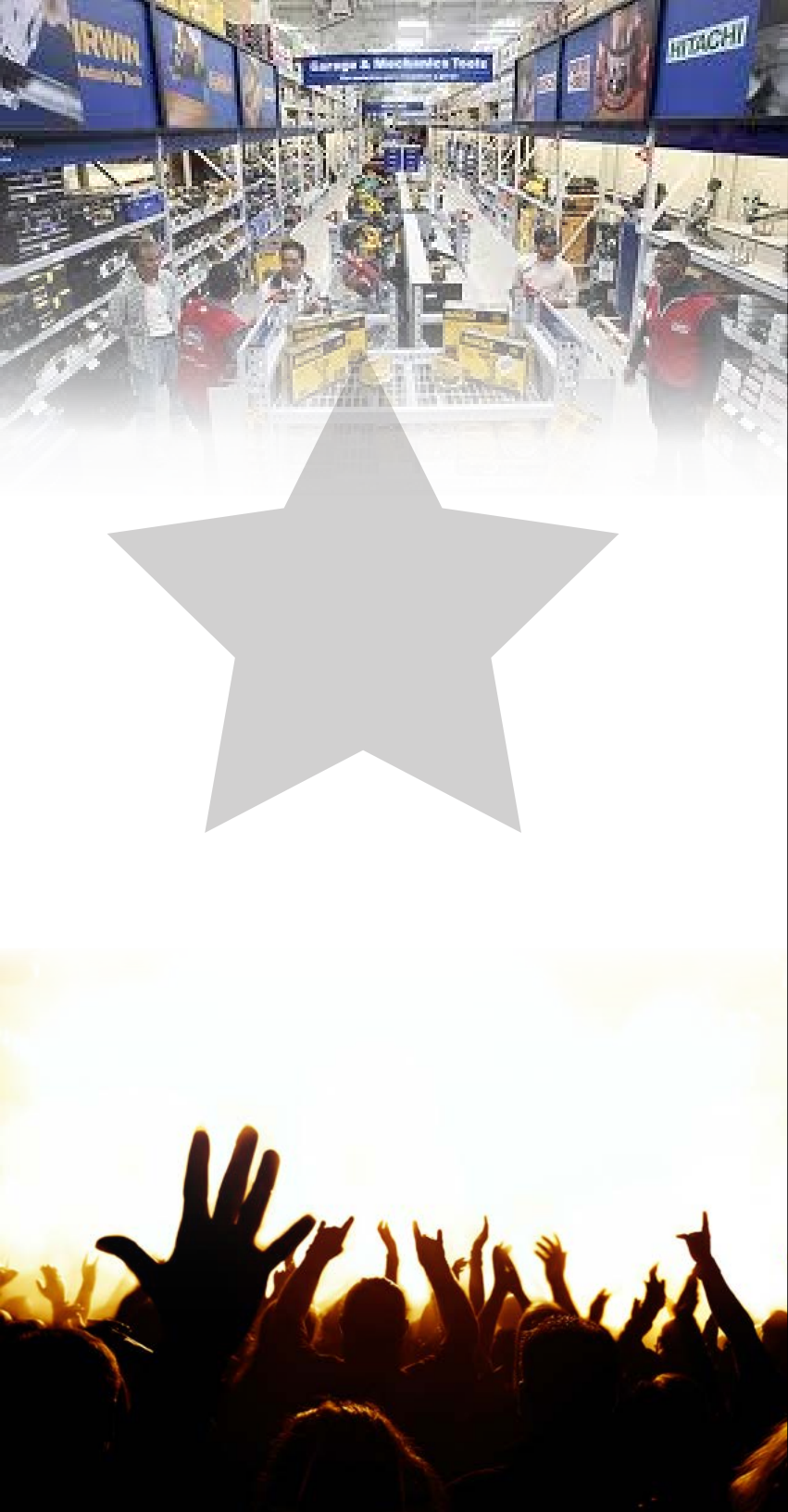
In-store protocol required managers and assistant managers to write out their sales figures manually, every day, without fail. The process was inefficient, cumbersome, and error-prone. Perhaps most frustrating, it required that management retreat to backroom offices to complete the task, thereby removing key talent from the sales floor and compromising the productivity of the team.

When Lowe's executives described the issues and frustrations they were experiencing with sales reporting at the store level to the team at MicroStrategy, it was apparent to all that their strategic partner could offer an efficient solution. Work began to develop a mobile app with the following goals in mind; make sales data available daily, mobilize processes, granulate the data for strategic decision making, and keep the store management on the sales floor and focused on customers.

The robust mobile application presented by MicroStrategy was simple to use and extremely popular with the management team. The application provided store-based sales information for nearly 20,000 managers, assistant managers, and corporate employees and made this information available on mobile devices. Teams could now analyze sales statistics from anywhere and not be anchored to a workstation — fulfilling the promise of mobility in the BI world.

## LOWE'S BY THE NUMBERS

**Brands-store banners:** Lowe's  
**Number of stores:** 1,725  
**Annual revenue:** \$50.2 billion (FY2012)  
**Web site:** [www.lowes.com](http://www.lowes.com)



Since its debut, Lowe's mobileDART app has provided the following benefits for the merchant:

- Use of the application has saved an estimated four minutes of each manager's workday, resulting in a savings of \$4.5 million across the 1,750+ locations.
- Using the updated sales information, managers now have visibility into what is selling well, which items need to be restocked, and what inventory should be marked down or packaged together, resulting in better overall sales strategy and efficiencies.
- Improved flexibility and access ensures that management is available on the sales floor to boost staff productivity, provide adequate supervision and support, and respond to customer demands.

"We knew there had to be a better way to do our daily store analysis other than by hand, but we needed a partner with the right expertise to show us what was possible," said Ryan Boone Manager, BI Architecture at Lowe's Companies, Inc. "Thanks to the MicroStrategy platform, our store managers have access to the sales data they need, from anywhere at any time, empowering them to make vital strategy decisions on the fly. The savings have been considerable."



Mobile Technology  
BRONZE WINNER



CANADA 

## Best Buy Canada Uses MPOS To Increase Sales And Productivity

At Best Buy Canada, a recent mobile POS (mPOS) implementation has resulted in the following benefits:

- Enhanced multichannel customer shopping experiences;
- Maximized staff and sales associate productivity;
- Reduced IT footprint;
- Increased sales; and
- Improved customer satisfaction and loyalty.

“Our goal with the mPOS implementation is to improve the in-store experience for customers by allowing them to complete purchases with the aid of informed associates from anywhere within the store,” said Kevin Satterfield, Director of IT Application Development.

Best Buy Canada worked with Motorola Solutions to implement Motorola's Android-based ET1 tablets designed for assisted selling, mobile transactions, compliance assurance and planogram management; the MC40, a multi-purpose mobile computer that incorporates inventory management, real-time collaboration and

### BEST BUY CANADA BY THE NUMBERS

**Brands-store banners:** Best Buy Canada

**Number of stores:** 139 Future Shop stores and 58 Best Buy Canada stores

**Annual revenue:** \$5.6 billion

**Web site:** [www.bestbuy.ca](http://www.bestbuy.ca)





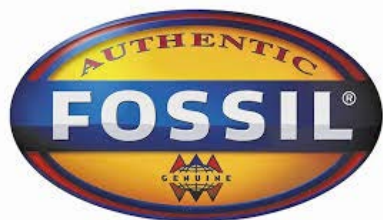
line-busting capabilities; and the Motorola MPM-100 Bluetooth® mobile payment module. The solutions were developed and implemented in nine months.

To establish proof of concept, Best Buy conducted a five-store trial using a fully integrated enterprise mPOS system. The company created a five-phase program to refine functionality to match tools offered in traditional fixed POS systems. With each phase of the trial now completed, Best Buy plans to roll out the mPOS strategy to more stores, including different models such as mall kiosks and Best Buy Mobile Stores.

Best Buy Canada equips store associates with a tablet or mobile computer, allowing them to work together with customers to do comparison shopping using the company's UPC codes to look up the items and prices. The company changes roughly 2,000 to 3,000 prices every week to make sure it is price competitive.

Best Buy Canada has rolled out 360pi's 360mobile solution to 174 stores—nearly every store location has sales associates armed with the same, if not better, pricing information as every customer who walks into the store with a mobile device. Best Buy Canada's mobile price intelligence initiative, PriceBeat, gives sales associates the ability to check that day's big ticket or promotional items to see how the pricing compares to competitor pricing.

Following the five-store pilot program, Best Buy Canada is expanding its mobile solution to an additional 20 stores. "Devices will be used for end-to-end selling of all in-store products, as well as inventory look-up for all stores," explained Satterfield. "There are also opportunities for further inventory capabilities, planogram execution, sign printing, in-store communications, assisted selling solutions, reporting and web browsing." The company plans to add additional stores in time for the 2013 holiday season, and plans a full chain-wide rollout beginning in spring 2014.



## Fossil Implements Enterprise Mobile Management

At the heart of Fossil's vision is a commitment to fostering creativity and delivering the best in design through its two core businesses: the Fossil brand and a multi-brand watch business. The 25-year-old company is based in Richardson, Texas and includes more than 390 stores worldwide as well as a strong global e-Commerce business.

"Fossil is constantly developing its multi-brand portfolio through innovative branding, world-class design, and dynamic global distribution," said Chris Botello, Systems Administrator, Fossil. "Mobility has an increasingly strategic role in retail, and we were looking for an Enterprise Mobile Management (EMM) provider that understood the business needs." The company selected the solution from AirWatch.

When evaluating EMM providers, Botello's priority was securing Fossil's mobile fleet — totaling 4,000 corporate-owned and 1,000 BYOD devices. "Originally, we wanted to provide employees with the basics — access to their corporate email and calendar," Botello explained. "After seeing what AirWatch's technology can do, we revised our entire mobile strategy based on AirWatch's offerings."

AirWatch Secure Content Locker™ (SCL) allows Fossil employees to access up-to-date training materials, corporate documents and visual merchandising plans from their tablets. SCL protects sensitive content in a corporate container and provides secure distribution and mobile access. Administrators can ensure end users always have the latest material at their fingertips with easy updating and automatic file downloads. Users have easy access to corporate content in SCL, which supports

## FOSSIL BY THE NUMBERS

**Brands-store banners:** Fossil

**Number of stores:** 390+

**Annual revenue:** \$2.9 billion (2012)

**Web site:** [www.fossil.com](http://www.fossil.com)



iPhone, iPod touch, iPad and Android™ phones and tablets. “With SCL, we have the ability to make documents available to employees and expire content as necessary,” said Botello. If a tablet is ever lost or stolen, Botello has the ability to remotely wipe the device, ensuring all sensitive data is removed. “This function, above all others, gives me great peace of mind.”

Fossil's tablets also are equipped with the AirWatch App Catalog — a central place for users to view, browse, search, install and update public, internal, recommended and web applications. Users are authenticated via basic directory services, SAML or token-based methods before gaining access to the catalog.

Partnering with an EMM provider can also help decrease the costs associated with many retail operations. For Fossil, embracing mobility on a global scale in retail stores and through line of business functions has allowed the company to save a projected \$2 million dollars over the next five years. Accessing corporate documents on tablets allowed Fossil to drastically decrease the amount previously spent on paper, ink and printing, while transitioning from legacy mobile platforms.



## Harmons Grocery Reduces Shoplifting

Harmons Grocery was faced with a series of issues related to shrink:

- Anticipated increases in both shrink and cart loss.
- Higher costs related to new store expansion and remodeled stores.
- Curbing cart loss and retrieval expenses.
- Maintaining high level of quality in cart condition, repair and cleanliness.
- Ensuring carts are always available for customers' use, any time, all the time.

Harmons selected Carttronics as a loss prevention partner, based on:

- Implementation cost, materials and labor;
- Low lifetime cost of operation;
- Inclusion of Self Maintenance Program with availability of spare parts, training, support for store personnel and other elements for sustainability;
- High level support from design, to construction and on-going operations;
- Compliance with applicable contractor laws, regulations;
- Flexibility to adapt standard solutions to meet specific needs; and

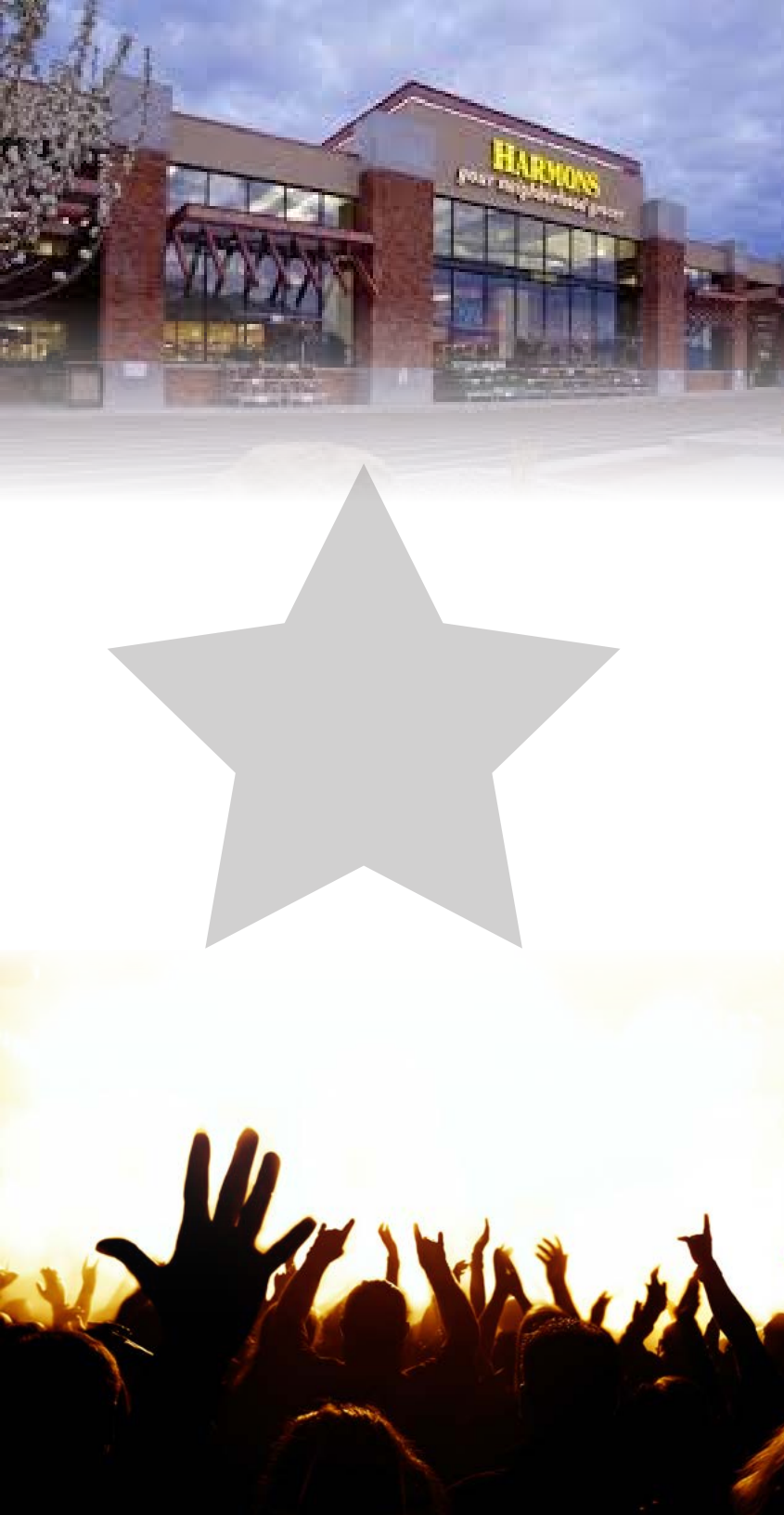
## HARMONS BY THE NUMBERS

**Brands-store banners:** Harmons Grocery

**Number of stores:** 16

**Annual revenue:** n/a

**Web site:** [www.harmonsgrocery.com](http://www.harmonsgrocery.com)



Carttronics solutions were implemented at one initial Harmons location in May 2011. Since that time, the store has seen reduced capital spending, lower operating expenses, a cart retention rate of 99%, reduced time devoted to cart retrieval, reduced shoplifting, and more shoplifter apprehensions. The company has also increased its business intelligence capabilities, which have proven invaluable to optimizing cart fleet sizes.

Since implementing the Carrtronics solution, Harmons has seen several benefits, including:

- Capital reduction and cost savings: 99% cart retention since installation.
- Actionable business intelligence: Date/time records and associated video of shoplifting events have proved instrumental in identification and prosecution of shoplifters.
- Time savings: Timely push of event/video records saves both LP and Store Ops time previously devoted to data mining and evidence gathering.
- Capital preservation: Cart utilization data collected and accessed through Carttronics' StorePort system has allowed the merchant to open a new store without purchasing new carts.
- Extended solution: Carttronics incorporated RF protection to retain mobility carts, eliminating losses, personnel time devoted to retrieval and reducing damage and maintenance costs.

"The Carttronics technology and solutions have directly and positively impacted our bottom line," said Frank Lundquist, Vice President of Store Development. "Carttronics excels in areas of innovative technologies and solutions, implementation support and lifetime cost of operation. They also have great programs for self-maintenance and spare parts, design, construction and installation support, regulatory compliance and provide flexibility in the solutions available on their network platform."



## PetSmart Motivates Employees With Safety And Shrink Programs

PetSmart has found success by implementing internally developed loss prevention and safety programs. Three programs are part of a larger effort called the CARE business model: Connect – Assist – Recognize – Energy. This model, according to company executives, serves as the catalyst for changes at the store level.

The three programs are called: **Shrink and Safety; Work Safe; and Live Safe.** Managers, associates, and other personnel at the retail level have embraced a revamped Shrink and Safety Program, while DC Associates have likewise seen improvements in the Work Safe, Live Safe Program at their facilities. Feedback from Associates helps drive topics and lets leaders know which approaches work best. The approaches are reportedly working, with PetSmart shrink levels at their lowest in company history.

PetSmart operates more than 1,275 stores along with 8 distribution centers in the U.S. and Canada, with headquarters in Phoenix, AZ.

The Company's CARE business model served as the catalyst for changes to the store-level loss prevention program, and offered important lessons that range from proper pet greetings to physical security to best practices at POS. One of the noteworthy additions to the program at store level is a specific poster on Pet Safety,

### PETSMART BY THE NUMBERS

**Brands-store banners:** PetSmart

**Number of stores:** 1,275

**Annual revenue:** \$6.75 billion

**Web site:** [www.petsmart.com](http://www.petsmart.com)



given that bites and scratches are the No. 1 cause of injury at PetSmart.

Associates at both retail and distribution locations learn how to prevent shrink and promote safety with a wide range of printed materials, many of them interactive, as well as informative and engaging videos. The messages are designed to educate and lead to discussions of process improvement, including the prevention of damages and the application of ergonomics. PetSmart knows that an improvement anywhere can lead to improvements everywhere.

Both retail and DC Associates are encouraged to not only praise one another but to offer advice or reinforcement as necessary. Members of leadership, including Managers at Stores and the Safety and Health Team in the DCs, maintain an open door policy to encourage communication in both directions. This communication further enforces the understanding that individuals and the company perform best only by working together.



No one's better in the bedroom.™

## BedShed Increases Sales With Interactive Technology

BedShed wanted to lead the way in best practice shopping experiences for the franchisee and customer. This meant saving time and resources while making shopping easier for customers trying to choose bedding and bedroom furniture.

BedShed found many customers were delaying purchase decisions because their partner wasn't with them in the store, so the solution was partly about finding ways to resolve this. BedShed also wanted to know more about its customers, and what their needs and interests are.

The company created an intelligent, touchscreen solution with motion-detection to personally respond to customers. It can display large images across a room, then instantly change its content to a personal invitation to engage. Working in partnership with Blocks Global for the software partner and AOPEN for the hardware partner, BedShed kicked off a six-month implementation.

The solution includes a Mattress Assist function that allows customers browse by brand, mattress size, which room the bed is for, and the reason for the new purchase such as partner disturbance or improvement in health and well-being. This solution successfully merges the online and physical shopping experiences and is ideal for those customers who want to do their own homework before speaking with a team member for expert advice.

### BEDSHED BY THE NUMBERS

**Brands-store banners:** BedShed

**Number of stores:** 35

**Annual revenue:** n/a

**Web site:** [www.bedshed.com.au](http://www.bedshed.com.au)





The touch screen kiosks enable customers to create a customized pdf brochure or "wishlist" of their preferred products and email it to their partner for an immediate and collaborative purchasing decision.

Many customers interact with the screen first to get a feel for the range and then they'll talk to one of BedShed's bedding experts about their particular needs and the products they're looking for. The technology is helping to enhance customer satisfaction levels and it complements BedShed's existing in-store service.

The intelligent, touchscreen solution has led to a faster conversion of sales in the two stores which currently offer the digital kiosks. It has also allowed BedShed to capture important analytics to gain deeper customer insights. Initial numbers show that approximately 1 in 10 BedShed customers use the technology. Customers using the in-store kiosk spend an average of 7 minutes on the screen. Creating a wishlist is the most popular activity, followed by the Mattress Assist function.

BedShed has installed the technology in a suburban store in Perth and one in Melbourne to date. The company plans to roll out the technology across its national network of more than 30 stores in the near future by offering franchisees assistance to upgrade their stores.





**LA Z BOY**  
FURNITURE GALLERIES®

## La-Z-Boy Boosts Loyalty With In-Store Events

In order to draw in more new customers and keep current customers, La-Z-Boy holds regularly scheduled VIP events. During these events, customers are provided with free gifts — no purchase necessary — just for being previous customers. Each store provides entertainment and snacks for the shoppers, to create a fun experience.

La-Z-Boy uses SPLICE Software to distribute the invitations to these events. The goal of each event is to improve customer engagement with the La-Z-Boy brand.

SPLICE Software provides human voice messaging and interactive voice solutions. SPLICE provides:

- Seamless voice integration which makes each call a personal call;
- Company name and number shows on the caller ID, increasing callbacks; and
- A custom voice library available for future events.

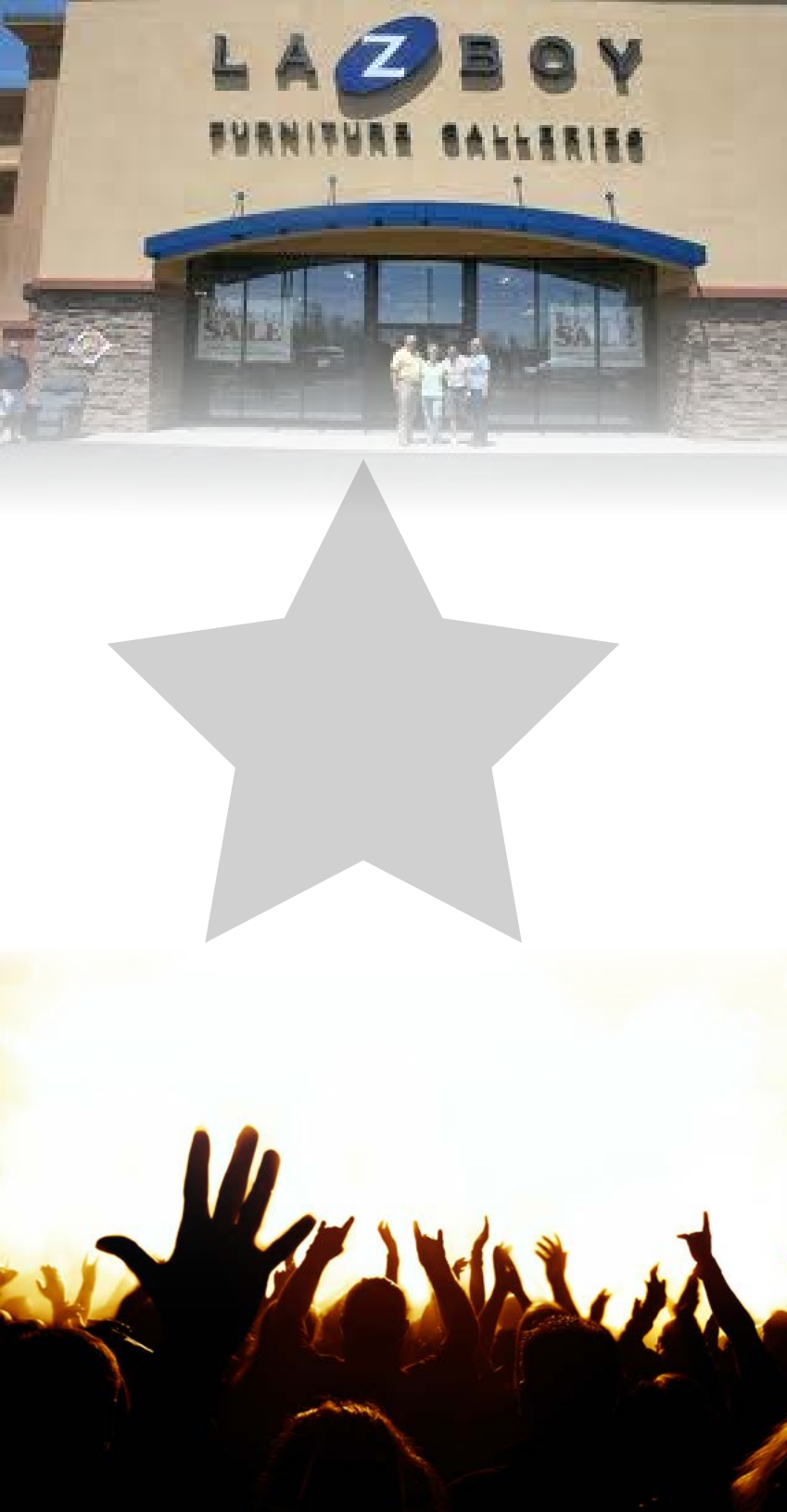
## LA-Z-BOY BY THE NUMBERS

**Brands-store banners:** La-Z-Boy

**Number of stores:** 95

**Annual revenue:** \$2 billion

**Web site:** [www.la-z-boy.com/](http://www.la-z-boy.com/)



SPLICE can also deliver messages via:

- A link in an email or text message;
- A video link with a personalized voice-over; and
- A link or voice-over that is activated on a company web site member or account system.

One of the major challenges in the furniture business is the long cycle from one purchase to the next; therefore it is difficult to maintain brand engagement over long periods where customers don't need to buy.

By treating the customers like a part of the family, La-Z-Boy has been able to maintain engagement with current customers through a simply executed event which lets them know they are appreciated.

During these events, traffic to the stores doubles, creating a great atmosphere for fun. The events have also positively impacted the company's bottom line with a significant marketing ROI.



*Saks  
Fifth  
Avenue*

## Saks Fifth Avenue Optimizes Inventory With RFID

15,000 square feet; 3,000 high fashion women's shoes on display; a full service restaurant; it's very own zip code (10022-SHOE). This is the Saks Fifth Avenue eighth floor shoe department in the flagship New York City store.

Between 5,000 and 15,000 pairs of shoes arrive every week. Shoppers can view the 3,000 pairs of women's footwear options on display, shop privately in the VIP room and have shoes repaired on site. Another 1,000 pairs of men's and children's shoes are available and on display in their respective departments.

With 4,000 shoes on display throughout the store and luxury price points that can reach \$4,000 per pair, Saks believes it is imperative that every shoe be represented on the selling floor at all times.

Saks sought to maximize the number and availability of display shoes, but found the existing manual process was too time intensive. The velocity and volume of shoes flowing into the store was preventing the merchants from meeting display compliance goals.

By working with Tyco Retail Solutions and partners Motorola (reader hardware) and Avery Dennison (tags), in late 2012 Saks launched an innovative RFID project to address their inventory management and merchandising challenges. The goal was to move from a 65% compliance rate to nearly 100%.

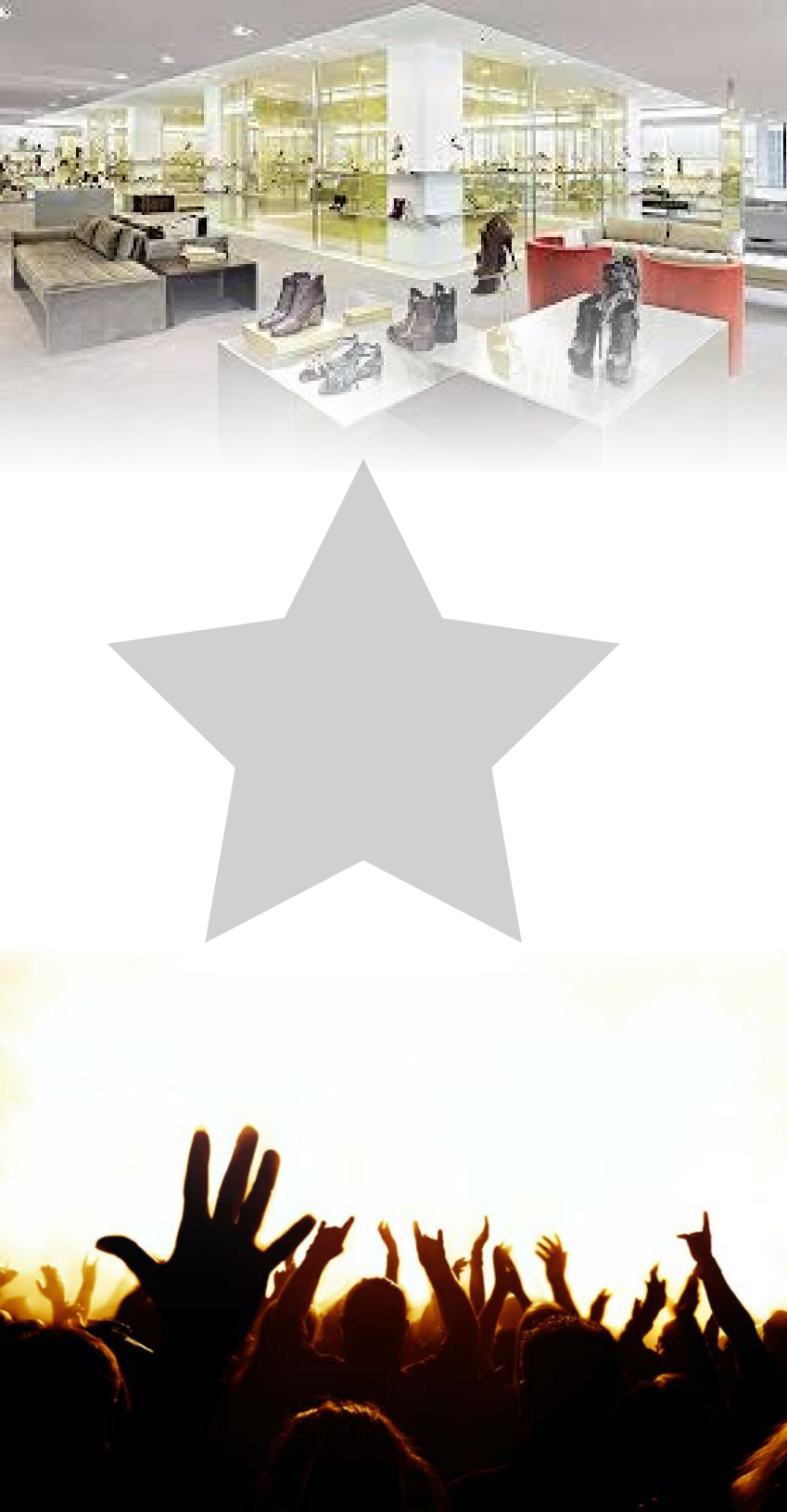
## SAKS FIFTH AVENUE BY THE NUMBERS

**Brands-store banners:** Saks Fifth Avenue

**Number of stores:** 42

**Annual revenue:** \$2.8 billion (FY2010)

**Web site:** [www.saksfifthavenue.com](http://www.saksfifthavenue.com)



With Tyco's TrueVUE Inventory Visibility solution, Saks was able to tag every display shoe with an RFID label, and easily inventory the shoes on display each day. The application generates a replenishment report for all back stock shoes missing a display style on the selling floor. As a result, Saks has been able to dramatically reduce the number of missing shoe display styles and can now represent a larger percentage of the available shoe assortment on the selling floor.

The RFID initiative to improve inventory visibility and merchandising has drawn rave reviews and generated an overall increase in sales, improved display compliance rates, reduced labor costs, and fully optimize the customer experience.

Previously, the process to inventory the shoe department and validate display shoes took one week and multiple store associates to complete. Following the RFID implementation, Saks associates can now complete this task in 20 minutes. Associates are freed from inventory tasks and are able to spend more time with customers. In addition to reducing labor costs, display compliance rates reached nearly 100%. As a result, Saks has seen an increase in sales.



The Paper Store



## The Paper Store Reduces Expenses With Inventory Management

The largest group of premium gift stores in New England, the Paper Store chain started as a stationary store, and today has grown to 41 locations. The Paper Store expects to expand to 45 stores by the end of 2013.

But in 2008-2009, the company was in decline. It was then that The Paper Store opted to bring in new retail technology to operate more profitably and forge a path for growth. After exploring many best-in-class retail technology solutions, The Paper Store selected the Epicor Retail SaaS suite, a move that has greatly enhanced the company's ability to grow by providing the same functionality that Tier 1 retailers have access to, but without the heavy overhead from a deployment, management and cost perspective.

The Paper Store has seen a significant drop in payroll as a result of using Epicor Retail Inventory Management. The software identifies correct inventory movements for the several hundred thousand transfers the company does annually, and facilitates transfers quickly. They use many operations within the inventory management module to eliminate extensive amounts of employee work.

### THE PAPER STORE BY THE NUMBERS

**Brands-store banners:** The Paper Store

**Number of stores:** 41

**Annual revenue:** n/a

**Web site:** [www.thepaperstore.com](http://www.thepaperstore.com)



The company has also achieved more accurate receiving with invoice matching, enabling The Paper Store to save \$275,000 in the first year, and approximately \$100,000 in previous years by identifying double billing and other errors, and uncovering opportunities for invoice discounts. Previously, they used to just pay the bill – now managers can see how much is at stake and how much is missing. Reporting on damaged inventory from vendors has enabled The Paper Store to return merchandise for credits totaling \$200,000 in 2012.

Since going live on Epicor in 2009, The Paper Store has more than doubled in revenues. “If we didn’t have Epicor we probably wouldn’t be in business,” noted Tom Anderson, CEO of The Paper Store. “It’s not only saved our business but has given us the ability to grow. Every day we employ it more and more.”

“We change our product selection constantly, and the Epicor Merchandising functionality helps us stay on top of trends,” Anderson added. “For example, we had a 90% spike in Boston-themed merchandise following the Boston Marathon bombing. We were able respond quickly to our customers’ needs and the merchandise demands.”

## ★ About Retail TouchPoints

retail  
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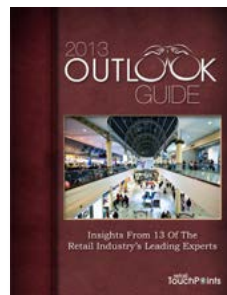
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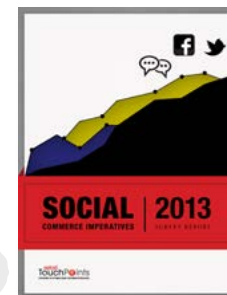
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