

Influencing sales at a fashion retail chain: An InfoSignz Case Study

[Please note: Name of the client, nature of business and sales numbers not shared to safeguard the business interest of our client]

Introduction

Our client is a leading garment and fashion chain spread across India with a network of 70+ outlets.

The client had been on a network expansion spree having added 14 stores in the previous quarter with plans to double the network in the next 12 months. Business had been growing because of addition of new stores and couple of export orders. They had a 20% market share in their category.

Situation

However, there was a kink in the growth story. The problems were

- Same store sales were flat quarter on quarter and this was of immense concern to the management.
- Another related concern was the low head count in marketing and the channel team in the stores resulting in reduced ability to execute promotions and special offers at a local level in spite of budget availability from the central marketing office. The upper management had expressed its inability to hire more at the local level.
- No customization of messaging to the local level in spite of having a huge database of trends, demographics and purchases

The Goal

The single objective of the management was to use a digital signage solution to achieve higher same store sales without hiring any additional manpower.

The following were to be kept in mind

- Wanted to make the promotions available in local languages
- To run local promotions and tailor them to local festivals, events etc.
- Wanted to use their trends database with demographics, purchasing patterns etc and then tailor the messages.

The Plan

Post discussion with the management, InfoSignz suggested the following

- 1. Reduce program execution dependency on team:** Once a promotion and festival offer is planned centrally, logistics and execution across stores should be automated. We suggested use of InfoSignz digital signage solution. The stores already had LCD screens. The client invested in simple thin clients with windows operating system. The central marketing had precise control over promotions to show where, at what time and what language which they could also update in real time.
- 2. Use of Analytics and MIS:** Local Promotion based on the trends and sales pattern for each store. Based on the data that the client already had, InfoSignz integrated the digital signage system with this database. The marketing team was then able to show messaging in individual stores based on data like inventory levels and demographics – again in real time and automatically.
- 3. Crowd Wisdom:** Based on historic sales number and combinations picked by customers, product catalogues were created and stores started displaying and suggesting real-time product combinations to customers (powered by the InfoSignz Image Show component).
- 4. Offer of the day:** Every day marketing team was able to release a special offer for each zone and the creative was changed real-time across the stores. This helped in creating a lot of buzz especially on weekends when the traffic is higher.

Implementation

The first task was to get the LCD screens already in the stores to get connected to the InfoSignz central system. Once that was done, pilot promotions were sent to these LCD screens by the marketing team. In parallel the InfoSignz team worked with the IT department to integrate with the trending data that they already had as excel sheets to create data event points.

With minimal training the marketing team was able to get up and running with the InfoSignz system in less than 3 days.

Over a period of two weeks during roll out, various tests regarding pushing content to the local stores were conducted and once the marketing team was satisfied, the roll out was completed. Paper posters were phased out the following week.

Results

- 14% increase in same store sales over a two quarter period. A lot of this increase was attributed to the increase in customer enquiries by looking at the in store dynamic messaging in a local language that made more sense to the customers.
- 45% reduction in printing and logistics cost as the changed were made electronically. The posters were expensive to print and ship with a lot of wastage happening in transit and handling
- Better control of marketing and advertising plans as the marketing team could control the screens in real time
- Time to market of the promotions were reduced by 80% giving more time and flexibility to the marketing team to fine tune their promotions

The upper management was happy that finally the LCD screens that they had installed in the stores about 2 years ago to show TV channels were put to some good use.

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