

# Retail intelligence through CCTV

## Turn video data into business intelligence

Retailers are now using their CCTV to do more than just catching thieves. The visual information extracted from CCTV has proved to be valuable to retailers' sales and operations departments too. Let's look at some of the ways that RetailCam uses existing CCTV to enhance operational effectiveness and reduce costs.



### 1. Visual Business Intelligence

Retailcam also presents some exciting opportunities for sales and marketing managers too.

"I want to find out why the silk scarf is selling well in London but not in Birmingham", or "What is the customer response on our promotional booth in all of our stores?"

Networked CCTV which enables one person to compare activity at multiple sites at exactly the same point in time has never been available before – and presents an exciting opportunity for retailers to gain even greater insight into their operations. It proactively addresses a multitude of retail issues which currently depend on visual interpretation by a person 'on the ground'.

Networked video can offer an additional layer of information to support anecdotal beliefs from shop floor staff. The emphasis is then placed on the facts, not on the general impressions gleaned throughout a busy working day – which, despite good intentions, can easily become distorted. Reviewing the differences in multiple customer reactions to promotional displays in store will give merchandisers far greater insight into what is working well on the shop floor. By recording pre-set snapshots to compare times of day, a range of layouts, a change of product focus etc. Factual evidence of actual customer responses can be analysed and reported in significant volumes very easily.

## 2. Remote Video Audits

### Maintain Operational Standards

Maintaining high standards across all stores is no easy task. Most retailers employ an army of area managers and mystery shoppers to regularly check all of their stores. It is a costly exercise and is often difficult to collate the findings.

“Are all of our stores open and closed on time?”, “Are the shelves always fully stocked?”, “What is the queue size during the busiest periods?”, “Is safety belt being used consistently?” Many of these checks can now be carried out quickly and economically using CCTV. Remote Video Audit allows retailers to collect ‘snapshots’ of footage at pre-defined intervals. Reviewing the video snapshots means it is also very easy to compile KPI analysis, complete scorecards and build comprehensive performance reports for management to review.

Using Remote Video Audit as a compliment to their area managers and mystery shoppers, retailers can reduce their operational costs whilst still maintaining the same high standards. Because video can be collected and reviewed at a fraction of the cost, large amounts of detailed information can be collected, creating statistically valid data from each store on weekly basis. Using scorecards, graphs and video evidence, it becomes far easier for managers to identify problems or highlight training needs: turning traditionally ‘soft’ rules into more manageable and measurable KPIs.



Compile statistical results



Send to Management





### 3. EPOS Video Audit

#### Reduce Internal shrinkage

Staff theft is costing the UK retail industry £3.3 billion a year. To tackle this growing problem many retailers have invested in EPOS transaction analysis software to help identify suspicious behaviour such as 'sweet hearting' and 'non-existent refunds'. However, the problem is that without hard evidence, it is too costly to investigate every single incident.

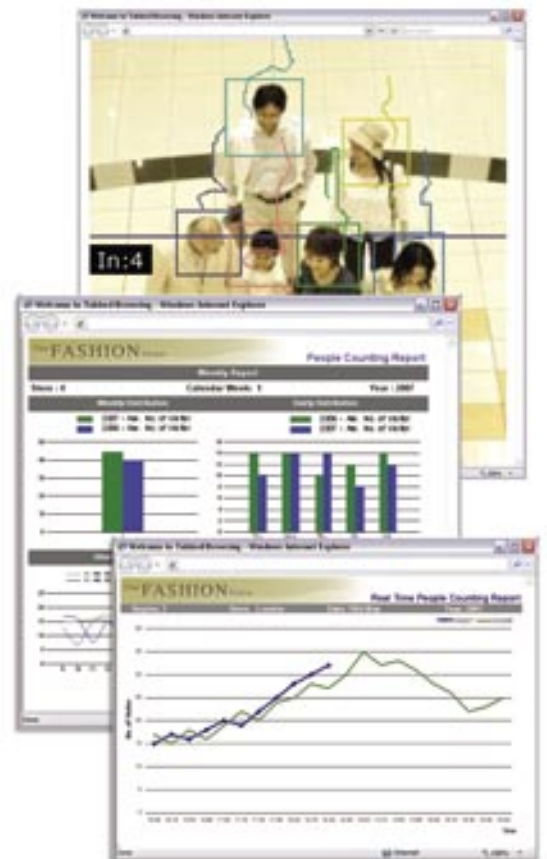
The solution is an EPOS-CCTV link which allows each suspicious transaction to be displayed with its corresponding video side-by-side at the click of a mouse. This makes it easy for the loss prevention team to discount the thousands of false alarms which, after closer inspection, are not in fact fraudulent incidents taking place; conversely, attention and resources can now focus in on the real culprits i.e. those revealed to be committing a crime. By making it quick and easy to 'mine' the vast amount of visual data held in the CCTV system, the final, visual proof that events have actually occurred in a certain way can now be added to other forms of evidence – including EPOS transactional data - to build a complete picture. Retailers can now compile hard evidence, either to highlight guilty members of staff, or identify individual criminals or gangs working in the area.

### 4. People Counting

#### Counting using CCTV Camera

While EPOS and CRM provide customer measures after a sale has been made, retailers often have no accurate way of assessing how many customers have turned away without making a purchase. CCTV can now automatically count the number of visitors entering a store with an impressive 95% accuracy level.

Using video to count people also gives greater insight into the traffic trends of an individual store. Each store is different with a different customer mix. One store may have a large customer influx after school on Wednesday while another one may have their busiest period on Sunday morning. People counting using CCTV gives management a greater insight into the opportunities presented by recurring surges of customers at specific times; enabling them to better plan their staff level and offerings to ensure maximum advantage is leveraged at each location.



## 5. Incident Management



Each retailer has thousands of incidents to deal with each year: theft, accidents, civil recovery issues or enforcing an ASBO just to name a few. It is therefore important to have appropriate processes in place to archive evidence in a court-admissible format - as well as the ability to track and manage the information easily. CCTV footage can be 'mined' for relevant evidence and then once multiple incidents have occurred, the progress of each civil recovery case can be tracked and stored on a centralised control panel. This makes identifying trends - such as having the same gang of criminals operating in an area - much easier.

## 6. Magic Mirror



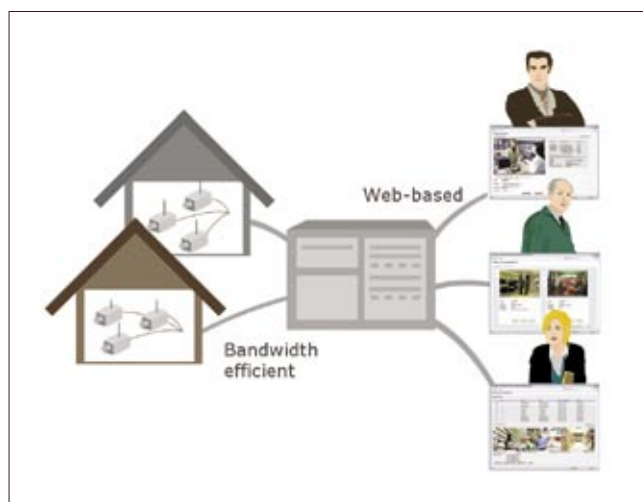
Although a lot of people shop alone, many like having a friend along for company or to offer a second or third opinion. "I usually go shopping by myself, but when you're thinking of purchasing a high-price-tag item, you definitely want someone else's opinion. The staff might comment but it is difficult to be sure because you know they are trying to sell you the item."

Magic Mirror is an exciting new way of using technology to create a 'social shopping' environment by creating a live video link between shoppers with their friends via the Internet.

A camera placed behind one of the shop's existing mirrors transmits live video with the shopper's selected audience. Through their mobile phone, the shopper and their friend can then discuss and make purchasing decisions based on the images seen.

## Enterprise Class Software

Retail staff can access RetailCam easily via a standard Internet connection, without the need for any software installation. The system also incorporates advanced user access protocols, giving the management team complete control over views and access rights at an individual level; including access to specific cameras or business reports. Advanced management functionality allows the IT team to manage the CCTV system conveniently from central location.



## Bandwidth Efficient

It is important to note that RetailCam system only consumes very little of retailers' valuable network bandwidth resources. Unlike IP CCTV systems, RetailCam stores all recording at local hard disks and only transfers 'snapshots' as requested. Conducting a simple business study would on average consume less than 2MB, roughly the same bandwidth as sending a Powerpoint presentation via email.

## Business Value and Price

As most retailers already have CCTV installed in their shops, RetailCam is designed to reuse existing CCTV cameras and infrastructure, thus avoiding significant re-cabling costs and minimising the disruption of business operations during the set up process.

The complete RetailCam solution typically adds 20% to the cost of an existing CCTV system. The price delivers a number of competitive advantages including: leading edge video audit capabilities and the latest people counting technology. It also widens the reach of the existing CCTV system, delivering benefits across departments such as sales, operations, loss prevention, head office and IT.



## RetailCam

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