ShopperTrak

case**study**

Client Profile

Crocs, Inc. is a world leader in innovative casual footwear for men, women and children. In addition to the iconic clog, Crocs offers several distinct shoe collections providing more than 300 four-season casual footwear styles. With more than $1 billion in annual sales, Crocs has built a global brand known for both comfort and good corporate citizenship.

Business Situation

Crocs is experiencing rapid global growth; since its inception in 2002, the company has sold more than 200 million pairs of shoes in more than 90 countries. Crocs' retail footprint covers more than 350 stores worldwide, with approximately half of those in North America and the other half primarily in Europe and Asia.

The company has built key performance metrics into every aspect of its performance, from detailed sales trend analysis to labor planning and utilization. However, the company realized it had a data gap when it came to traffic counting. Without visibility into traffic patterns, Crocs was missing a vital piece of the puzzle. In 2011 the company sought to remedy the situation and engaged a third-party Perimeter Analytics provider.

Crocs tested a low-cost, manual counter solution that proved unreliable and inefficient. According to Crocs Senior Director of Retail Operations, Scott Landblom, "We soon realized the setup would not work for a sophisticated retailer like Crocs and started to examine other solution providers."

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Solution

Using the lessons learned from its previous implementation, Crocs undertook a thorough vendor evaluation process to select a new Perimeter Analytics provider. Three primary factors drove Crocs' decision to select the ShopperTrak solution:

1) Global Reach
ShopperTrak's global footprint represented a huge advantage for Crocs. With an established network covering Crocs' core markets, ShopperTrak was uniquely able to serve as a single-source provider. Crocs

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was able to tap into a consistent delivery model across geographies with the convenience of centralized account management.

Landblom explained, "They took us soup to nuts; we didn't have to hire an outside vendor to do installation. We knew we were getting an all-inclusive solution."

2) Cost Effectiveness
Simply stated, the ShopperTrak solution offered greater value than other options. With proven success based on over 50,000 managed service installations, Crocs was assured of a rapid deployment plan to get up and running quickly with no hidden costs.

3) Ease of Integration
ShopperTrak's Perimeter Analytics solution was implemented in conjunction with upgrades to the company's IT infrastructure. A big selling point was the ease of integration with Crocs' existing sales and labor systems, Kronos and Manthan. Consolidating access to key performance data across different retail functions gave Crocs unprecedented visibility into the specific factors that drive success.

The ShopperTrak managed services account went live in November 2012, just in time to start recording traffic flow for the busy holiday season. The rollout went very well. According to Landblom, "ShopperTrak offered great ease of implementation and made us feel very comfortable. No one in our group had done this before, so they provided the expertise and had the process nailed down."

More than 170 stores were brought online in just 6 weeks, and the vast majority of U.S. stores are now fully up and running. The global implementation will begin in early 2013 and is expected to be completed in the first half of the year.

Challenges

With the U.S. rollout in its early stages and the global implementation still to come, Crocs is eager to reap the benefits of the automated, robust ShopperTrak solution. In particular, the company plans to integrate the traffic data into its labor matrices, which will help to adjust personnel resources more effectively.

Additionally, Crocs plans to share the data with field offices to promote better understanding of traffic and conversion trends. "This data will be key in aligning perspectives about when our busy periods are," said Landblom. "As a metrics-based company, we intend to take full advantage of ShopperTrak's robust data feed." Because it combines readily with other data points, the ShopperTrak data will be used on a daily and weekly basis — not to mention, valuable year-over-year analysis.

Extending the Value
Beginning in 2013, Crocs and ShopperTrak will also work in partnership to pilot a Bluetooth counting service to test in-store movement and layout. With the inherent mobility offered by Bluetooth, Crocs will use the service to evaluate the effectiveness of visual merchandising and perform detailed store comparisons.

"With other vendors, we would have had to buy extra equipment," said Landblom. "With ShopperTrak, we get built-in flexibility at a more reasonable price point."

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