

Increase Conversion and Lower Costs With the Cloud

by Steve Russell

Which would you rather have: lightning-fast, real-time access to your convenience stores on your phone or tablet, or web-style analytics that show customer dwell time, movement and even which products are picked up the most?

There's no reason why you can't have both. And there's no reason why supermarkets, quick-service restaurants (QSRs) and warehouse clubs – with their large budgets and massive purchasing power – should be the only ones with access to this type of technology.

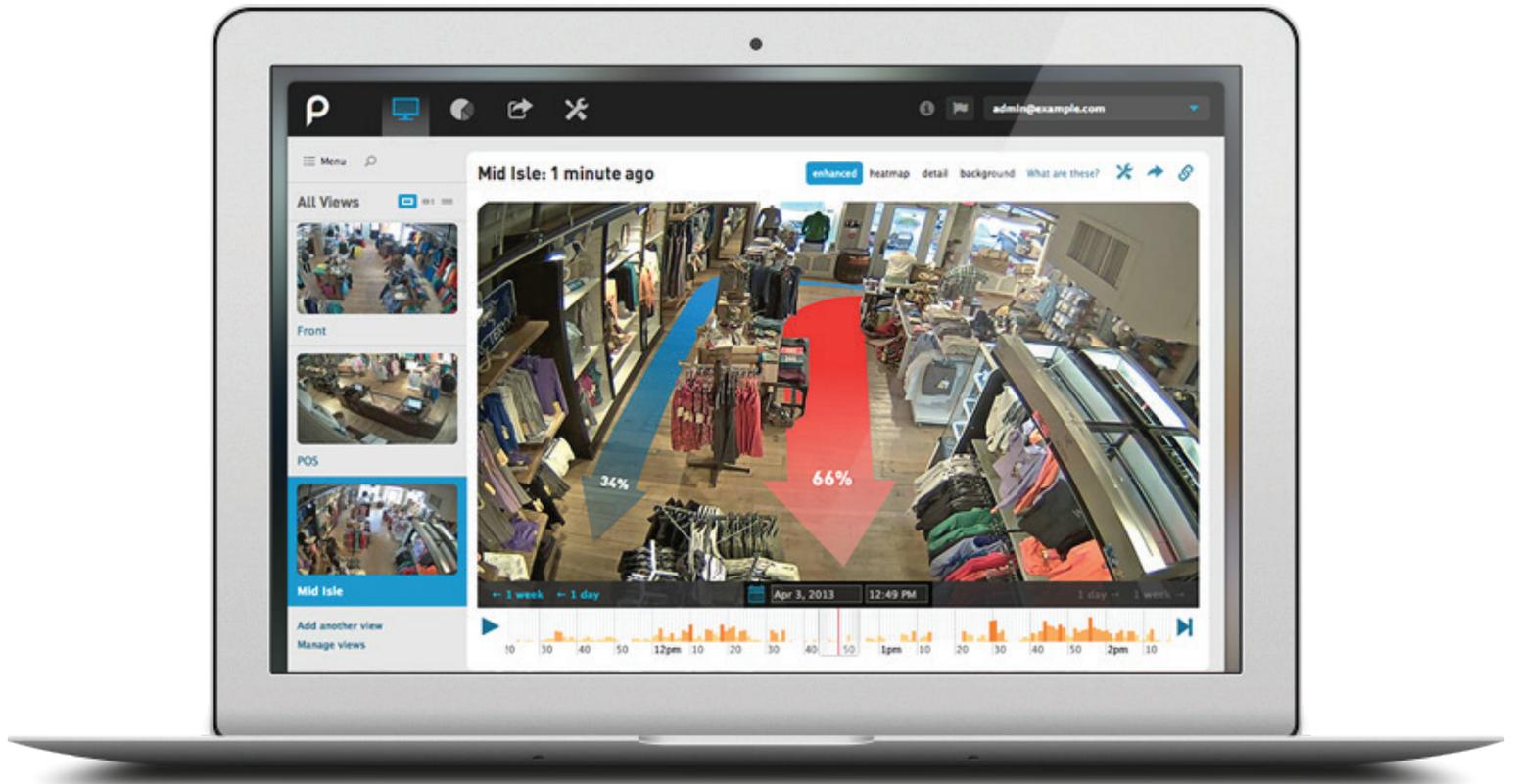
Over the past decade, large retailers have been able to take advantage of a number of technological breakthroughs in video analytics, giving them the ability to optimize staffing, improve merchandising and deliver a better experience for their customers. To get this data, these companies would invest in expensive hardware and devices, and install

them in store, often costing millions of dollars and taking months to deploy.

Here's some good news: that's all changed. With the advent of the cloud, businesses of all sizes – from corner stores to international chains – can now access low-cost, robust technology solutions and deploy them with ease.

What is the cloud? It is something that all of us use every day. If you use e-mail, you use the cloud. If you purchase something online, you use the cloud. In essence, the cloud is not much different than the Internet itself. It's a pooled network of servers that provide, for all intents and purposes, convenience. The cloud offers significant computational power without requiring additional hardware.

By embracing the cloud, you can use the infrastructure you already have – such as in-store security cameras – to lower costs and increase conversion in your c-stores.



REAL-TIME, MOBILE ACCESS

I don't think any of us need a research group to tell us this, but according to Nielsen, consumers want a clean, organized store and the ability to check out quickly. So, how do you know if your store is clean and organized? How do you know if your stores – across cities and regions and states – have the right signage, displays and layout? You can't be in all of them, and certainly not at once.

Here's where the cloud comes in. You can view real-time or historical images of your c-stores on virtually any device. Whether you have low-resolution analog security cameras or high-megapixel Internet protocol cameras, you can access enhanced and even zoomed-in views of aisles and shelves. There's no buffering, no delays and no lag time. With cloud technology, your smartphone or tablet becomes a real-time window into your

business. From your home, office or on site at a c-store, you can zoom, tap and swipe your way around any aisle, display or location.

So, what does this mean? With the cloud comes the future of auditing and compliance. Finally, you can check in on your stores without having to spend time and money traveling from site to site and city to city. Not only can you audit more stores, but you can audit them more often, as you are only one click or touch away from any location in your business.

You can audit your c-stores for safety, signage compliance or merchandising. You can even check and see if the fruit and produce are fresh (which is not a bad idea, given the increased fresh foodservice competition from QSRs, drugstores and the like).

COUNTING & CROWD ESTIMATION

When enabled with cloud-powered software, in-store video cameras can also provide highly accurate customer counts and long-term trend analyses. This data can be used to understand exactly when your stores are the most or least busy and help you make data-driven decisions around staffing that can save significant dollars.

Beyond that, new technology allows for crowd size to be measured in any given area of the store. This means you can understand how many people stand in front of a particular aisle, category or product. What if you knew how many customers entered the canned foods area last year? Or how many customers approached the refrigerated foods section last quarter?

This data is invaluable. Overlay these numbers with your point-of-sale (POS) reports and you can do what online retailers have been perfecting for years: measure conversion.

WEB-STYLE ANALYTICS

Let's take Amazon.com, for example. Amazon, while quite different than any convenience store, is an expert at understanding big data.

What kind of data do you have now? POS reports? Inventory counts? Employee time sheets? Does that give you everything you need to make the right decisions about your c-store? What if you could understand which products your customer picked up the most? Or which areas of the store they spent the most time in?

According to NACS, the Association for Convenience & Fuel Retailing, the average time it takes a customer to enter a c-store, purchase an item and depart is between three and four minutes. In that brief amount of time, these customers elect whether or not to purchase what they originally came in for. There's so little time to grab their attention. This is where analytics come into play.

With video analytics, you can leverage big data to understand which aisles and endcaps

have the most foot traffic. And you can see where your customers go when they enter the store. Do they head straight to the back? Do they stop and check out new displays? By measuring aggregate customer trends and behaviors, you can make informed decisions on store design, signage and promotions to increase return on investment and ensure satisfied customers.

Video analytics give c-store owners a new ability; a real way to get the most out of the space they have. To increase sales. To optimize staffing. And to ensure a great experience for both new and returning customers.

THERE'S NO REASON TO WAIT

It's not easy to run a successful convenience store. Competition is getting more aggressive, fast-food restaurants and QSRs are expanding their hours and large retailers are offering more and more foodservice.

What has historically attracted customers to c-stores – convenient location, speed of transaction and hours of operation – is less of a differentiating factor than it was years ago.

By capitalizing on cutting-edge, cloud technology, you can ensure that you are creating the best possible experience for your customers and making data-driven, strategic business decisions about your convenience stores. [P](#)

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Editor's note: The opinions expressed in this column are the author's and do not necessarily reflect the views of Convenience Store News.