

Case Study

ShopperTrak Kathmandu



Kathmandu launches new adventure with traffic counting solutions for better decision making

Summary

Industry

Outdoor Adventure Equipment

Solutions

ShopperTrak Analytics

Benefits

- Increased coverage with ShopperTrak traffic insights
- More accurate data sets with hourly data refresh
- Superior demand-planning model aligned with workforce planning system
- Greater conversion rates with better performance management
- Boosted sales through enhanced metrics

Profile

In 1987, Kathmandu was born in New Zealand - a breathtaking country where isolation breeds innovation and the hunger to explore. For over 30 years, Kathmandu has designed outdoor apparel and gear to take on the rugged landscapes of its inspiring homeland and to outfit the adventurous spirit.

As a market leader across Australia and New Zealand, Kathmandu offers all-weather hiking wear, travel packs, sleeping bags, outdoor footwear, accessories and more. From in-store teams to brand ambassadors, Kathmandu delights travelers worldwide with innovative gear that adapts and thrives in any terrain and climate. Kathmandu has grown from a small, local retailer to a vertically integrated business with a significant presence. Their growth is evident with over 160 stores across Australia and New Zealand, and with their international expansion.

The company's focus on brand innovation and meeting the ever changing needs of their adventurous customers has been the driving force of their success.





How to make adventure seekers really count

Retailers today are reimagining their business with sophisticated technologies that present remarkable customer engagement opportunities to create a straight path toward higher profit margins—and Kathmandu is no exception. The retailer was looking for a highly accurate traffic counting solution with advanced analytics to help make informed decisions. Having these insights would help Kathmandu better engage with their adventure-seeking customers, boost conversion rates, align staffing with traffic patterns, and improve both operational and marketing effectiveness to ultimately have a positive impact on sales.

The Challenge


Kathmandu is a popular retail destination, but they had limited to no ability to accurately count shopper traffic data. They were not reaping the many benefits and competitive advantages traffic counting solutions could bring to their business. Unreliable infrared door scanners in selected older stores gave a vague indication of sales conversion. More importantly, they were not linked to a central database and had extremely questionable accuracy. This lack of data caused significant issues in the areas of workforce optimization, conversion control and consistent performance management across the store network.

Additionally, they believed that traffic data would enable an improved analysis of marketing and visual merchandising activities. As a result, Kathmandu sought a highly accurate traffic counting solution that could feed data into a central data warehouse down to at least a 15-minute granularity. To achieve their objectives, they needed to engage a solution provider able to rapidly deploy in store sites across Australia and New Zealand.

The Solution

Kathmandu selected the ShopperTrak brand of Traffic Insights based on a combination of factors, including solution quality and unlike others, the ability to cover their expansive store estate. To meet their strategic objectives, the deployment incorporated:

- Traffic counters onto the entrances across all stores throughout Australia and New Zealand after an initial trial of 12 stores.
- Data integration that initially passed the data through to the Kathmandu data warehouse via an overnight process
- Data integration later upgraded to refresh hourly, with a reload overnight to correct any issues/fill gaps in data set

A photograph of two rock climbers on a steep, rocky mountain peak. One climber in a yellow jacket and green pants is at the top left, while another in a blue jacket and red backpack is climbing lower down. The background shows a vast mountain range under a cloudy sky.

Designed, tested and adapted in New Zealand since 1987.

The Results

Having an accurate traffic data set has enabled Kathmandu to develop a demand-planning model that feeds into a workforce planning system to support the alignment of scheduling staff with peak traffic periods and power hours—a critical advantage. The traffic counting solution has also triggered a radical shift in the performance management culture of the business with a sharp focus on converting customers into buyers in store. Additional benefits include an improved promotional planning model and improved sales analytics capability driven by tying movement in sales performance to year-over-year traffic movement.

Implementation of the ShopperTrak traffic counting solution in Kathmandu stores has been very successful in driving the business forward and increasing the ability to make data driven decisions in everything from marketing campaigns to managing staff schedules. The data produced by the solution now forms a core part of the Key Performance Indicators (KPI) set, and is a daily topic of discussion at every level of the business. The metrics have enabled Kathmandu to drive additional sales through a focus on conversion and improved scheduling at the store level through the development of a labor demand model. Highly detailed and accurate traffic information is an absolute necessity in the today's competitive environment, and the ShopperTrak solution has allowed Kathmandu to leverage this data for better decision making with great success.



Fast Forwarding Retail

About Sensormatic Solutions

Sensormatic Solutions is the leading global retail solutions portfolio of Johnson Controls enabling smart and connected shopper engagement. By combining critical insights into retail inventory, shopper traffic and loss prevention, Sensormatic Solutions powers operational excellence at scale and helps create unique shopping experiences. Our solutions deliver real-time visibility and predictive analytics for accurate decision-making across the enterprise, enabling retailers to confidently move into the future. With more than 1.5 million data collection devices in the retail marketplace, we capture 40 billion shopper visits and track and protect billions of items each year. Our retail portfolio features the premier Sensormatic®, ShopperTrak® and TrueVUE™ brands.

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