



The Power of 1%

*Creating a Conversion Culture with Quick and Effective
Solution Deployments*

Case Study

The Company

The Vitamin Shoppe® operates over 739 stores throughout the United States and Puerto Rico. However, success for the company is not measured by how many stores it opens, but rather by providing a fulfilling customer experience to each and every visitor, in-store and online. The company aims to help its customers become their best selves, however they define it, and acts as a trusted source for quality products, innovation and expertise.

The Business Challenge

To better operate its business around the needs of its clientele, The Vitamin Shoppe created tactical store operations plans around leveraging accurate and reliable shopper traffic data. Paramount to the plan's success was not only the accuracy of traffic data, but also the ability of its solution provider to quickly and effectively deploy 731 stores within 2 months.

The Solution – Traffic 2.0

After going through a two-month RFP process with The Vitamin Shoppe, RetailNext deployed a pilot of its [Traffic 2.0 solution](#) across 75 stores in just five days.

After demonstrating success with the month-long pilot, RetailNext then collaborated with its installation partners to deploy its shopper traffic counting solution across the remaining 656 stores.

DEPLOYED

75
STORES

IN THE FIRST
5 DAYS



DEPLOYED
REMAINING

656
STORES

IN
2 MONTHS

Driving a Cultural Change

The Vitamin Shoppe stores had not previously had traffic counters and, as such, had not had conversion (# of transactions/total shopper traffic) as a metric by which to manage shopper service and store performance.

After deployment and installation, the on-site manager meeting was devoted to understanding traffic and conversion, defining what shopper traffic is, how shopper traffic is much different than POS transactions and why shopper traffic matters as a foundational metric to calculate conversion and other performance metrics.

Insight



The key message delivered to the organization was
The Power of 1%.

The Power of 1%

“Ordinarily, when you speak to performance metrics, a one percent increase is often viewed as insignificant,” said Allison Timpson, director of financial planning and analysis at The Vitamin Shoppe. “But, when speaking of conversion, it was important to realize that just a single percentage point of improvement ends up delivering tens of millions of dollars to the top line of the business.”

Achieving Results - Scheduling and Store Hours



Determined traffic patterns for each store location, and identified the “power hours” where shopper traffic tended to peak. Immediately, store managers were able to adjust scheduling to better accommodate increases in shopper traffic.



Emphasis was placed on having adequate floor coverage during power hours, ensuring one or two of the stores’ top performers - often including a manager - was at the service of shoppers.



Additionally, analyses of shopper traffic identified opportunities to adjust store hours at some locations, as well as corresponding staffing models. Some locations extended their hours, realizing traffic gains and capturing sales late into the evening, or earlier on weekend mornings. Other locations, noting a traffic decline late in the evening, adjusted labor hours in accordance, thus realizing significant cost savings.

A Culture of Conversion

With each change, store-level data was used to first identify the opportunity for improvement, then test the effectiveness of any corrective action, and finally confirm the return on investment of the new plan.

The Result

Within the first seven months of deployment, The Vitamin Shoppe realized a fleet-wide increase in conversion of over 100 basis points, returning well over \$6 million in additional sales.

\$6 million in additional sales

“The customer is at the heart of every decision we make at The Vitamin Shoppe, and we are delighted to be integrating RetailNext’s technology solutions to ensure our stores continually operate in the personalized manner our customers have come to expect. Real-time analytics will empower our teams to more effectively operate our stores and help us guide customers towards the right solutions for their individual goals, ensuring The Vitamin Shoppe experience matches our unparalleled quality of products and services.”

Sharon Leite, Chief Executive Officer of The Vitamin Shoppe



About RetailNext

The first retail vertical IoT integrated platform to bring e-commerce-style shopper analytics to brick-and-mortar stores, brands and malls, RetailNext is a pioneer in focusing entirely on optimizing the shopper experience. Through its centralized SaaS platform, RetailNext automatically collects and analyzes shopper behavior data, providing retailers with insight to improve the shopper experience real time.

450+

customers globally

85+

countries

500+

new sites per month

\$100M+

investments in R&D

200%

YOY growth

2007

year founded



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