



2018 Retail Benchmarks Report

Find out how you compare with
SMB retailers in your region.



Introduction

Welcome to Vend's Retail Benchmarks Report, a compilation of key retail metrics from 2017 to 2018. We analyzed the sales and revenue data of more than 13,000 retailers across multiple industries and regions, and put them together in this handy resource.

Ever wondered how much retailers in your industry earn in a month and how large their profit margins are? Are you curious about how many transactions similar stores process and how many customers they have?

Keep reading. In this resource, we not only answer these questions, but we've also included action steps, recommendations, and expert commentary to help improve your business metrics and KPIs.

Our hope is by the end of this report, you'll not only have a better understanding of where you stand compared with other retailers, but you'll also have a clear idea of how to take your metrics and results to the next level.

Let's get started.

Table of contents

01 - Revenue and margins.....	2
02 - Transactions and sales.....	19
03 - Customers	30
Final words.....	38
About Vend	40

Methodology

All the findings in this report are based on actual anonymized information from a sample of 13,000+ Vend customers. The vast majority of these merchants are independent retailers with 1-10 stores. We analyzed their sales, revenue, and customer data to surface the following metrics:

- Monthly revenue (per store)
- Gross profit margin
- Number of transactions processed per month
- Transaction value
- Basket size
- Number of customers

To get more meaningful information, we drilled down on our data to figure out how retailers from specific verticals and regions performed on these metrics.

Here are our findings.

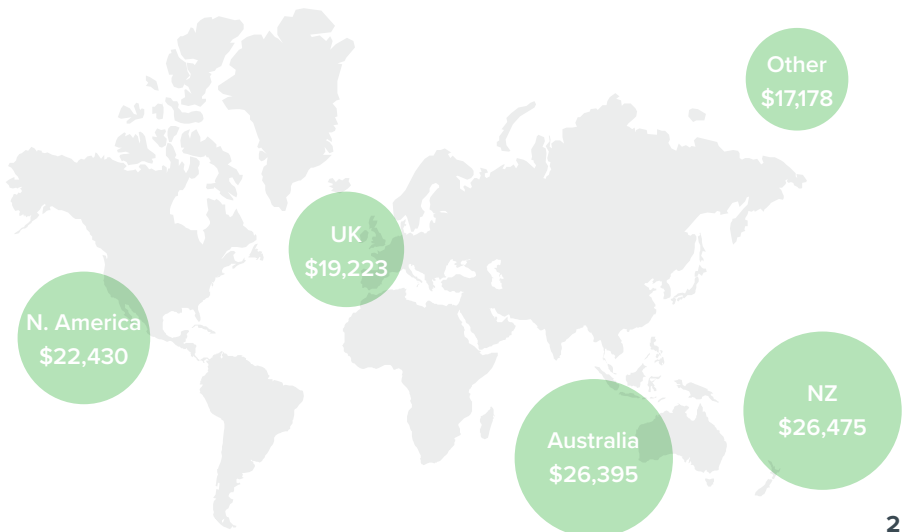
01

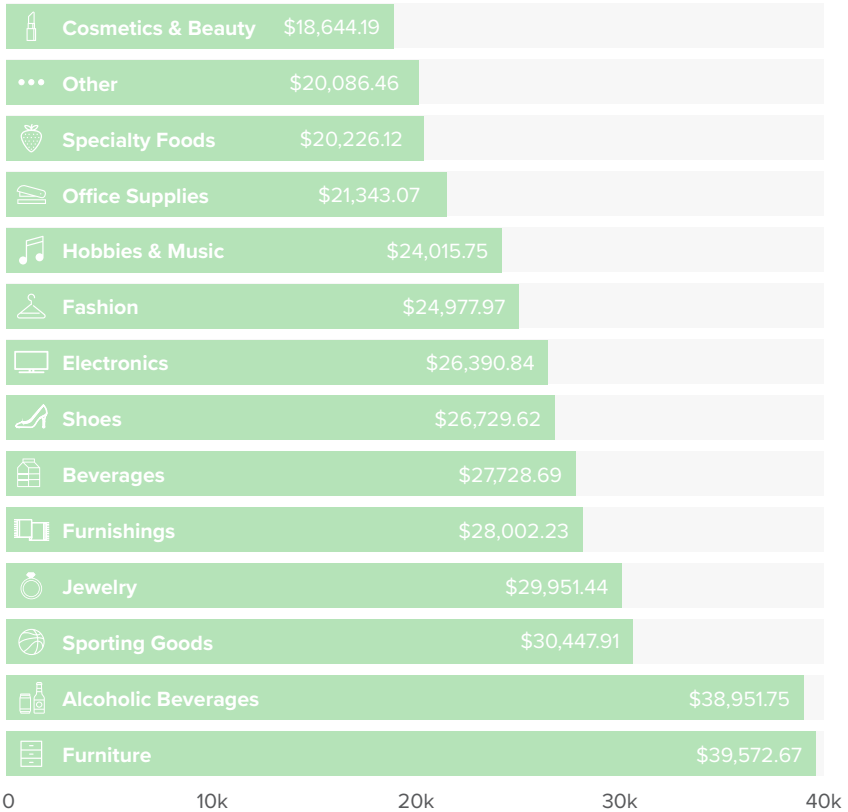
Revenue and margins

On average, a retail store makes \$22,340.88 (USD) per month, with a gross margin of 50.96%.

The first thing we looked at is revenue. We found that on average, retailers earned just over \$22,300 per month, per store. Looking at the data from a regional perspective, it looks like retailers from Australia and New Zealand made a bit more, with \$26,395 and \$26,475 respectively. North American retailers made \$22,430, while those in the UK had a monthly revenue of \$19,223 per store.

Comparison of monthly revenues across key regions





Comparison of monthly revenues across different industries

We also compared revenue data from different industries and found that furniture stores had the highest monthly revenues. They were followed by alcoholic beverage stores and sporting goods retailers. The lowest revenue-grossing retailers include specialty food stores, office, stationery and gift shops and cosmetics retailers.



Action steps and recommendations for increasing your revenue

The “right” way to increase revenues will vary from one retailer to the next. But if you’re looking for a good place to start, try the following:

Step 1 - Drive more foot traffic to your location

Find ways to **draw more potential customers to your store**. Spruce up your curbside and windows. List your business on Google and online directories so people know where to find you. Hold events that get people off the couch and into your shop.

Step 2 - Empower your staff to meet and beat your sales targets

Constantly talk up your sales goals and make sure they’re visible to your staff. It also helps to use rewards and competitions to **motivate your associates to sell more**.

Step 3 -Try running promotions

When implemented correctly, discounts and offers can be just the thing to entice customers to spend more at your store. For best results, **be very strategic with how you run promotions**. Figure out the best type offer for your customers and protect your margins through smarter discounts and markdowns.

Expert commentary on how you can increase your revenues

We asked a handful of retail experts to share their top pointers for increasing your store revenues. Here's what they said:



Rather than talk to specific tactics, my strongest recommendation would be to find an advisor for your business who is an expert in your industry. You don't have to go it alone! A great accountant with proven experience and a focus on retail can provide strategic advice on which levers a business can pull to increase overall revenue, profitability and cash flow.

Look for an advisor who has other successful retail clients (tip: ask for a customer reference) and uses a full suite of cloud tools to provide real-time insights into your business, benchmarking and insights from experience working with others in your industry.

Nick Houldsworth, General Manager
Ecosystem at **Xero**



I would recommend building upon customer loyalty by carrying more of what your customers want. By combining point-of-sale data with qualitative feedback acquired through customer engagement, you can find new products for your loyal customer base to purchase.

Chris Guillot, Instructional Designer of
Merchant Math and Founder of **Merchant Method**



In my experience, very few retailers exploit social media to its fullest. A simple and easy way to promote your store(s) is to use a combination of Instagram (images), Facebook (community) and Twitter (engagement). In the case of the latter, you should seek to engage with your local community; use Twitter to promote your store especially if you have any events, promotions etc. It's not a silver bullet, but should definitely be a part of your strategy. Encourage store staff to tweet live from the floor; this will create a real sense of being there and authenticity.

Andrew Busby, Founder & CEO at **Retail Reflections**



Without knowing the specific circumstances of a given retailer it's hard to give the most actionable advice. But I'd say the best thing just about any brand can do is to understand their customers' journeys and dissect opportunities to either eliminate friction points along the way and/or find ways to be intensely relevant and remarkable on the things that customers care most about.

Steve Dennis, President & Founder at **SageBerry Consulting, LLC**



To increase store revenue, retailers should diversify their offerings. Expand your merchandise categories to offer more novelty, gift, and impulse buys. Host regular events, workshops, and classes. Give shoppers opportunities and reasons to engage with your brand more frequently.

Meaghan Brophy, Managing Editor at **Independent Retailer**



There are a number of ways that retailers can increase revenue. They can open new sales channels, diversify product lines, and ramp up marketing, to name a few. But what works for one retailer, may not work for another. So the first place to start is with data and insights.

Determine where revenue is coming from now by analyzing sales patterns, inventory purchases, and customer behavior across all retail channels. Then pinpoint where there are opportunities to develop future revenue streams or create efficiencies or growth in current ones. But don't dive in right away; develop strategies and processes that allow for easy testing and optimizing of those opportunities before you fully invest in them.

Mallory A. Russell, Editorial Lead at **Square**



Revenue can always be grown, at least in the short term, with increases to inventory, staffing levels, promotions & marketing to name a few – however be careful as these initiatives come at a cost and should be factored into your pricing and business model.

David Kindl, Head of Strategy at **Retail Doctor Group**



Modern shoppers have access to anything they want, anytime they want, so it's crucial retailers cultivate what makes them special by establishing their own niche, rather than trying to be all things to all people. Localize, specialize, be bespoke, and never stray from personalized service and communication!

Consumers also have much greater expectations than in years gone by, making retail an unforgiving place for those who aren't upping the ante alongside

these changing consumer needs. Consumers are increasingly seeking out brands they trust and whose values stack up with modern ideals; who offer great value (as opposed to price) and a well-curated selection; and who are consistent in their messaging, quality and service.

For retailers, that means you simply must invest your time and resources into becoming a specialist in your own field, who is able to offer expert knowledge and advice, every time. A well-trained team will not see add-ons, and maximizing a sale, as being pushy, but as an important way to preempt what the customer truly needs. By becoming a master at finding solutions for your customers' needs, rather than trying to mimic what others may be doing, your business will be in the best position it can be to flourish.

Dominique Lamb, CEO at the
National Retail Association



Drive frictionless commerce with loyalty and rewards. It takes less time, effort, and money to retain a current customer than to recruit a new one, but there's a way to do both. Today's businesses are engaging payment solutions to help retain customers and acquire new ones, build brand recognition, and drive additional revenue. Loyalty rewards programs that integrate with payments are a popular way to engage customers and encourage more frequent visits across in-store and online sales channels.

Christina O'Berto, Senior Channel Marketing
Manager, **Worldpay**



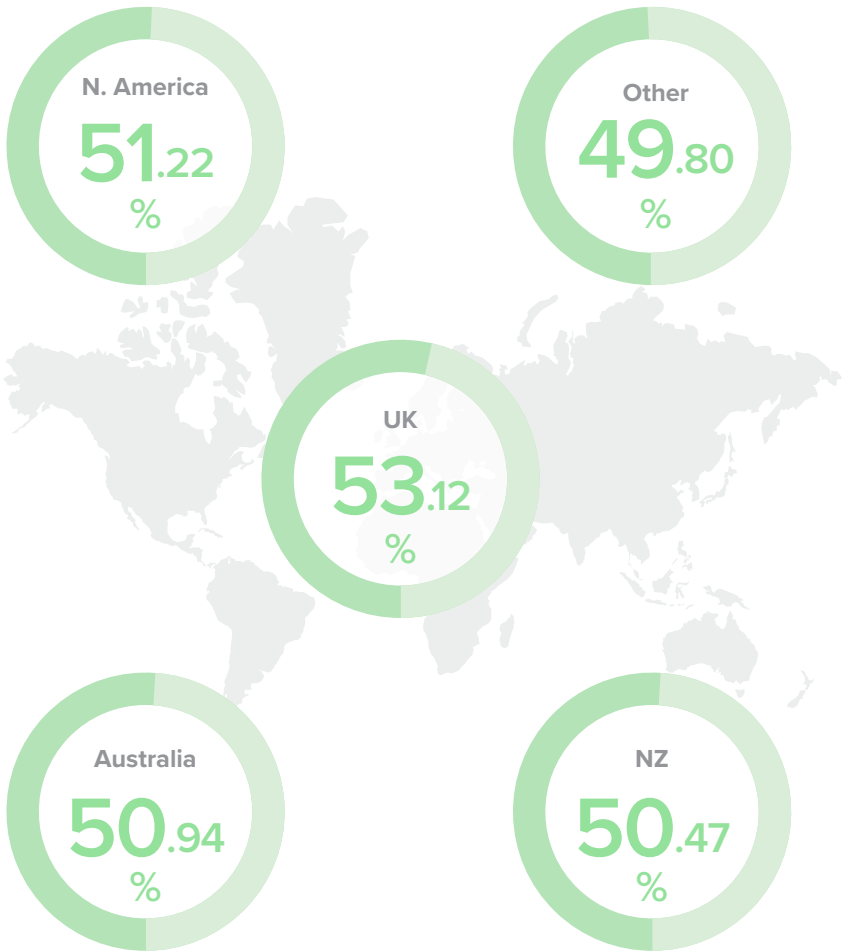
Margins

Looking at sales data is all well and good, but we also wanted to know how much of that revenue actually yielded profits.

To find answers, we analyzed the gross profit margins of Vend retailers and found that on average, merchants had a margin of 50.96%. This indicates that many retailers are using the keystone method to price their merchandise.

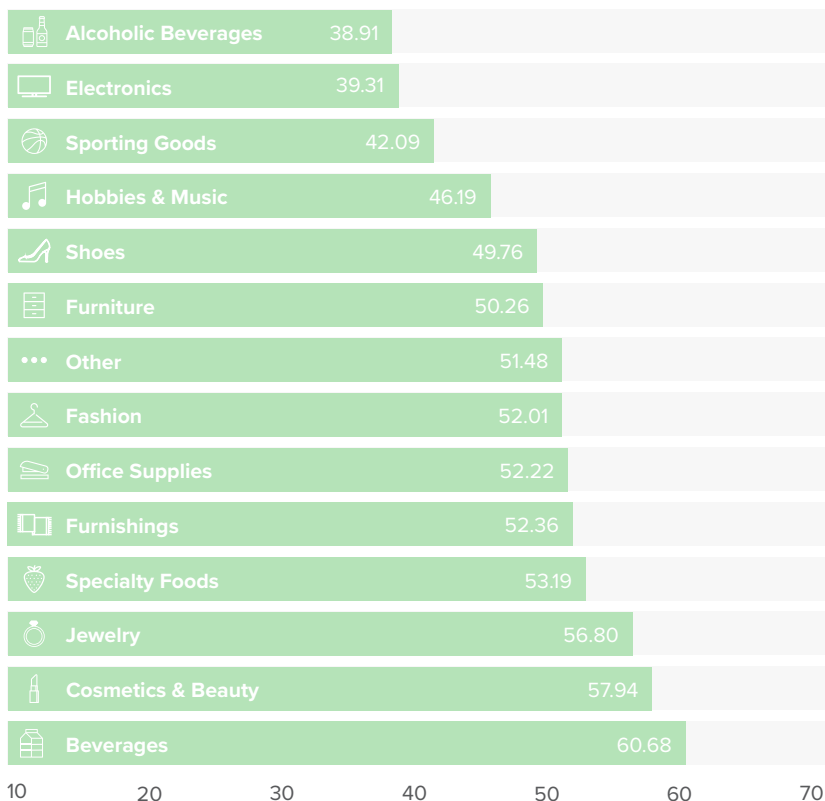


The average
gross margin
in retail is
50.96%



Comparison of gross profit margin across key regions

Comparing the data across regions, we didn't find a lot of variances in profit margins, though the UK leads slightly at 53.12%.



Comparison of gross profit margins across key verticals

That said, differences in margins were much more pronounced when we compared the data across multiple industries. Interestingly, some of the retailers with the highest revenues had the lowest margins. We found that while alcoholic beverage stores had the second highest revenue in our study, they had the lowest profit margin — 38.91%. Similarly, sporting goods retailers, which had the third highest revenue numbers, had relatively low profit margins (42.09%). And while cosmetic retailers reported low revenues, their profit margins were relatively higher at 57.94%. Of all the retailers in our study, beverage manufacturers had the highest profit margins at 60.68%.



Action steps and recommendations to help widen your profit margins

Looking to improve margins? Here are three profit-increasing steps you can take in your business. (For more ideas, check out our post on [improving your profit margins](#).)

Step 1 - Streamline your operations to reduce expenses.

Identify areas of waste in your business then find ways to cut costs. You could also look into automating specific tasks in your stores. By putting repetitive activities on autopilot, you can reduce the time, manpower, and operating expenses required to run your business.

Step 2 - Raise your prices.

Raising your prices will enable you to make more money on each sale, thus widening your margins and improving your bottom line. Consider implementing creative or psychological tactics when coming up with your prices to make them more appealing.

Step 3 - Implement savvy purchasing practices.

Whether you're at a trade show looking at new products or at the negotiating table with your suppliers, always find ways to lower costs. Consider consolidating your orders to reduce expenses and don't be afraid to ask your vendor to give you a discount or throw in a few extra units.

Expert commentary on how you can widen your profit margins

Read on below to learn what retail experts had to say about what maximizing your margins. We also asked what merchants can learn from high-margin businesses such as cosmetics retailers and beverage manufacturers. Check out what they said.



Anytime you can manufacture products in-house and cut out middlemen, your margins are going to be higher. Beverage and cosmetic retailers are also especially great at offering products and experiences shoppers can't get anywhere else. Take a leaf out of their book by offering merchandise that is unique to your brand, or at least private label, and by creating a cozy, relaxing atmosphere where people feel comfortable relaxing and testing products. If customers are enjoying the experience of your brand, they won't mind paying a little more.

Meaghan Brophy, Managing Editor at
Independent Retailer



The key is to deeply understand the customer and find ways to trade them up to better merchandise and know which items have the greatest likelihood of cross shop. One size fits all strategies never work. Retailers need to treat different customers differently.

Steve Dennis, President & Founder at
SageBerry Consulting, LLC



Solution-based retailers tell stories about their products, the product creators, and the values behind the brands that they represent. It's one thing for an SMB to do a good job sourcing a product for their store; it's quite another to illuminate the valuable "backstory" about the product or its creator.

Authenticity, artisanship, and sustainability are among the most valued brand attributes today. This is also key to increasing margins and profits, even over competitors selling comparable products. These stories create a deeper meaning and a higher level of 'reliability' to the customer.

Sanford "Sandy" Stein, the author of **RETAIL SCHMETAIL** and the founder and moderator of **RETAIL SPEAK** on LinkedIn



Beverages are notoriously high margin and among the best profit centers for any consumer business. It's not a bad idea for a variety of retail concepts to add beverages — in a cooler or beverage-company sponsored fountain or device — to increase the bottom line and create a more unique customer experience in stores.

Beauty, however, is a category on fire. And not just because of the great margins, although that's part of it. We ran a story earlier this year titled "Why beauty will continue to rule retail in 2018" that outlines some of the reasons behind this trend. The product category creates a kind of personal connection with shoppers unlike many other consumer goods. The price value equation is quite good, cosmetics make people feel better about themselves and foster strong customer loyalty, and the merchandising

creates a sense of exploration — something the off-price retailers have also done quite well. Depending on the brand, packaging and marketing attached, the profit on each small item can be really high. Overall, it's a big win for any retailer.

Laura Heller, Editor, **Retail Dive**



Retailers need to invest in high-margin marketing techniques that yield ROI, while providing customer service by creating an in-house culture where employees feel empowered.

This will look different for each retailer, but the right tools need to generate far more revenue than they cost and the right training programs and employee perks need to translate into less sales associate churn and better teamwork so marketing and sales work together to spur growth and increase profits.

It's not just merchandise, prices and retail basics, but optimizing sales and marketing that counts. There is another major consideration here, eliminating pain points.

Retailers need to ruthlessly fix all problems in the customer journey and relentlessly ask for feedback from their most trusted and regular customers. Pain points must be eliminated and the retail brand must be nurtured offline as well as online

David Salisbury, VP of Sales and Marketing at **Star Cloud Services**



One way to maximise margins which also has other significant benefits is to have 100% visibility of inventory. By doing so, this minimises mark downs and thus margin erosion. Zara are a particularly good example of this.

Many retailers have become fixated with Black Friday but this is not only a margin eroder but a brand dilution exercise. It is interesting to see the increasing number of brands who do not participate in Black Friday, preferring to preserve the integrity of the brand and to avoid the temptation to be on sale. There are a number of examples of retailers who get into this cycle of margin erosion through almost permanently being on sale and all this does is to alienate customers who never trust the full price, preferring to wait until the product is on sale.

Another way to maximise margins is to have an effective Product Information Management (PIM) system. With multiple channels and especially given the rapid rise of fast fashion — for example ASOS adds around 5,000 new products each week to its website — giving the entire enterprise full, consistent visibility of product inventory means being agile and able to respond rapidly to shifting trends and constant changes in demand.

Andrew Busby, Founder & CEO at [Retail Reflections](#)



In addition to having business models that balance inventory liability with markup, beverage and cosmetic brands do a great job with brand management, playing to their customer base at an emotional level — status and lifestyle.

Retailers of all sizes and stages of growth can

focus on their unique brand positioning as a way to differentiate from their competitors and increase perceived value.

[When it comes to maximizing your margins,] the most direct method is to evaluate the initial markup strategy thoroughly. Has the retailer appropriately accounted for expenses like inbound freight and workroom costs associated with receiving the merchandise and preparing it for the sales floor? Are allowances like employee discounts part of the pricing and profit strategy?

Chris Guillot, Instructional Designer of **Merchant Math** and Founder of **Merchant Method**



Embrace alternative payment types. The emergence of non-card focused approaches to payments is enhancing the checkout experience. And today's businesses have the unique advantage of being able to capitalize on these and other developing trends in payments that not only speed checkout, but also reduce the cost of acceptance. Decoupled debit and in-app payments are two payment options that help reduce costs, expand customer loyalty, and enhance the checkout experience.

Christina O'Berto, Senior Channel Marketing Manager, **Worldpay**

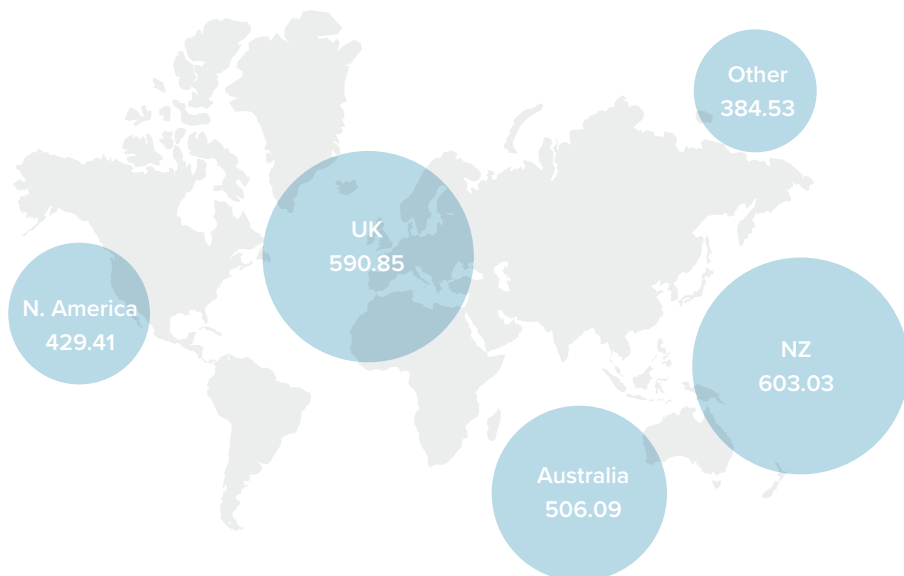
02

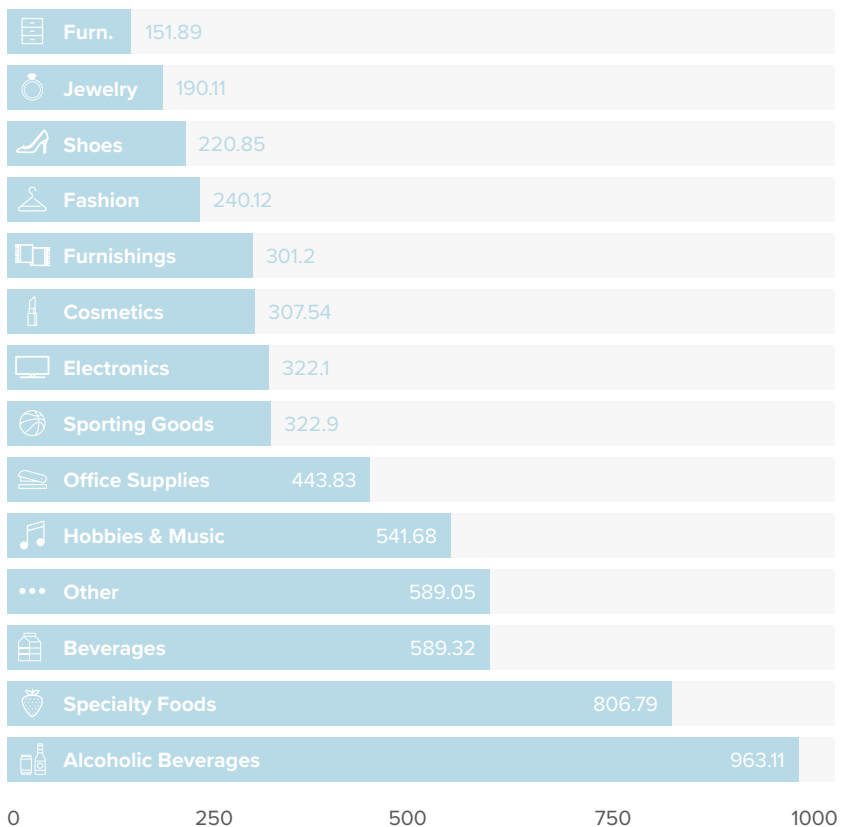
Transactions and sales

Over the past 12 months, the retailers in our study processed an average of 482 transactions per store each month. Their average transaction value was \$53.98 (USD), and their average basket size was 2.73 items per sale.

Retailers in New Zealand processed the most number of sales with 603.03 monthly transactions per store. Not so far behind was the UK with 590.85 transactions, while Australian and North American retailers processed 506.09 and 429.41 monthly transactions respectively.

Comparison of average monthly transaction counts across key regions

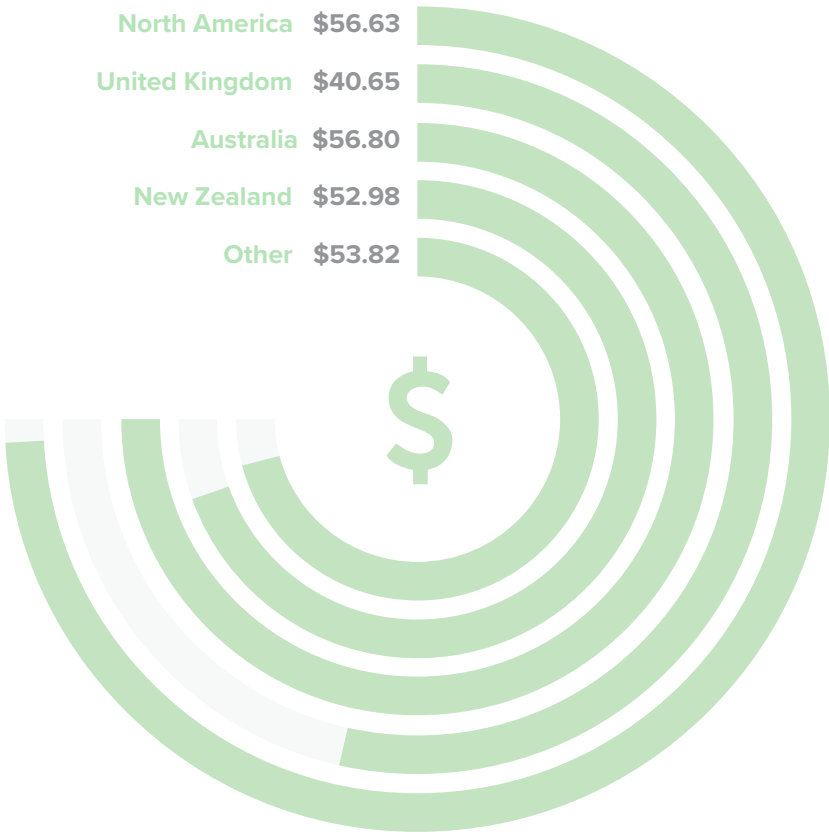




Comparison of average monthly transaction counts across key industries

Wondering how your transaction count measures up compared with retailers in your industry? Here's what we've found. Alcoholic beverage stores processed the most number of sales, with 963.11 monthly transactions. They were followed by specialty food retailers and beverage manufacturers, with 806.79 and 589.32 monthly transactions respectively.

On the lower end, we had furniture stores (151.89), jewelry, luggage, and leather goods stores (190.11) and shoe stores (220.85).

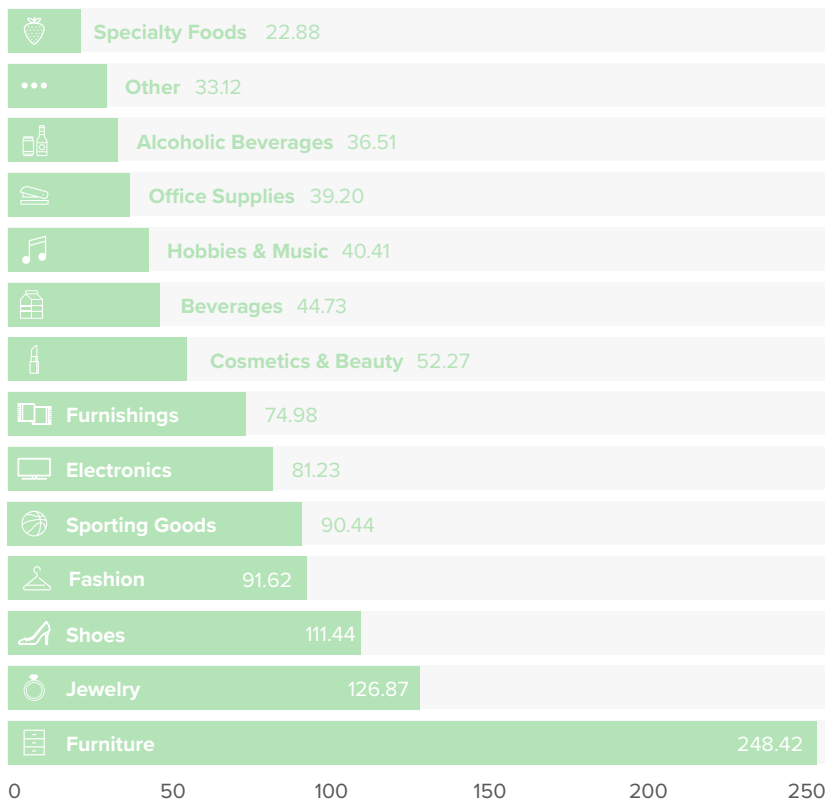


Comparison of average transaction values across key regions

How much was each transaction worth? According to our data, the average transaction value in retail was \$53.98.

\$ Average transaction value \$53.98

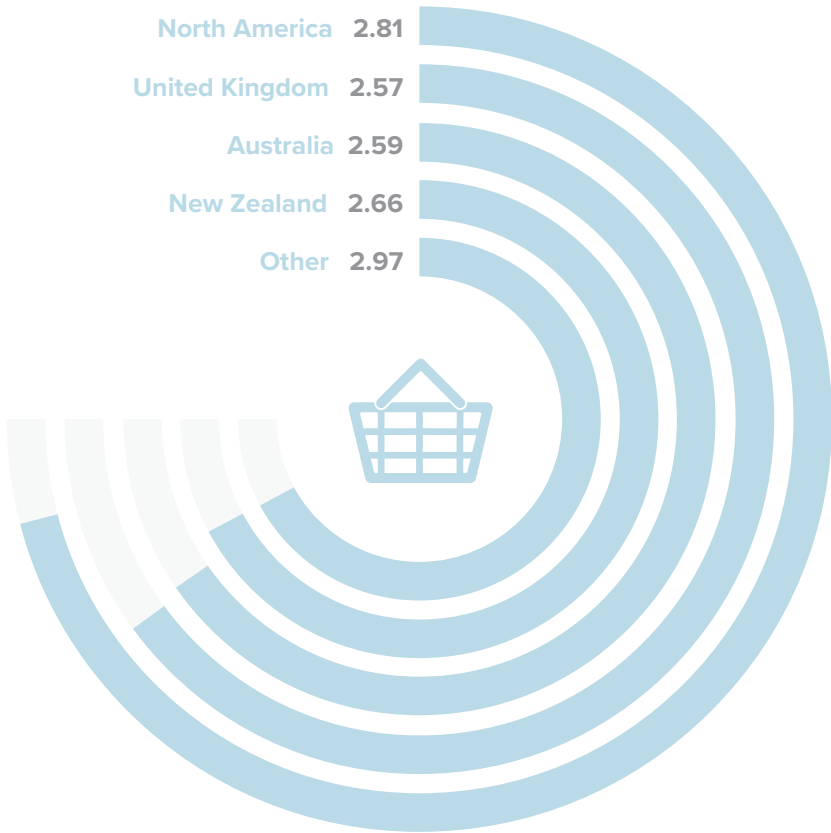
Australian retailers had the highest transaction value (\$56.80) while retailers in the UK had the lowest (\$40.65).



Comparison of average transaction values across key industries

When we compared across various industries, we found that furniture retailers had the highest transaction value (\$248.42). They were followed by jewelry, luggage, and leather goods stores (\$126.87) and shoe stores (\$111.44).

Meanwhile, specialty food stores had the lowest transaction value with \$22.88, followed by beer wine and liquor stores with \$33.12.

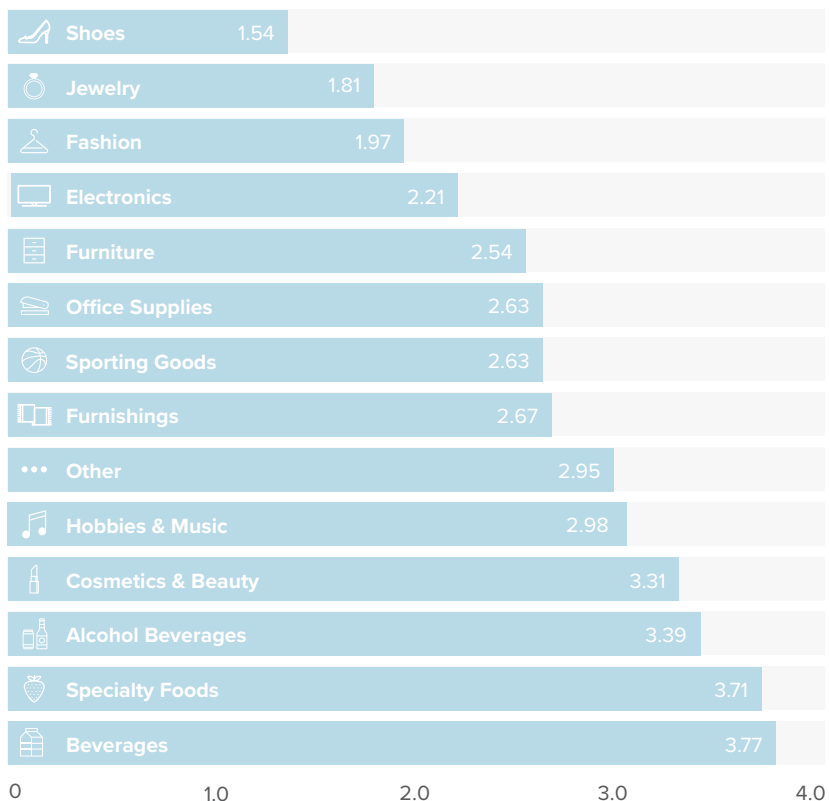


Comparison of average basket sizes across key regions

We also looked at basket size, which is the number of items in each sale. On average, the retailers in our study had a basket size of 2.73.

Average global basket size 2.73

There weren't a lot of variances in the data when we compared this across different regions.



Comparison of average basket sizes across key verticals

When we compared basket sizes across different industries, we found that food and drink retailers generally had higher basket sizes. Beverage manufacturers had the highest with 3.77 items, followed by specialty food retailers and alcoholic beverage stores with 3.71 and 3.39 respectively.

Meanwhile, shoe stores had the lowest basket size (1.54) followed by jewelry, luggage and leather goods (1.81) then fashion and accessories (1.97).

Expert commentary on how to improve transaction values and items per sale

Looking for additional advice on improving your metrics? Have a look at the expert commentary below:



If you have the basics in place (good data on inventory and sales tracking) then the right system should offer insights into which products typically perform well together. You can use these insights to inform your merchandising and cross-sell strategy. Think Netflix recommendations (“I notice you like product X, have you also thought about adding product Y to your purchases?”).

Nick Houldsworth, General Manager
Ecosystem at **Xero**



Solution-based retailers are good at cross-selling, by devoting appropriate space and time to vignetting and product staging. Bringing products to life in creative ways engages the emotional side of selling and drives the “if you like this; you’ll like that” factor that Amazon has mastered so well. This applies to outfits and auto-parts; as it demonstrates a deeper understanding of a category to your customer. And yes, this takes up time and space; but history has shown us that trading product density for compelling display is a profitable trade-off. Just walk into any Next-Gen Target store.

Sanford “Sandy” Stein, the author of **RETAIL SCHMETAIL** and the founder and moderator of **RETAIL SPEAK** on LinkedIn



Getting customers to purchase more comes down to understanding what motivates them. Today's customer puts a high priority on experience, so retailers need to put some thought into how the environment and staff affect sales. Creating displays that encourage impulse buys and training employees to cross-sell product are a couple of ways that you can use experience to increase transaction value and items per sale.

But customers also look for value. Promotions — like a buy-one-get-one-free deal or a gift with purchase — or bundling products are other levers retailers can pull to meet that customer motivation. These tactics are a win-win, since they help move product and increase sales, while giving customers something makes them feel like they've come out ahead.

Mallory A. Russell, Editorial Lead at **Square**



I teach my clients to approach any single merchandise order with their entire assortment in mind. One question to ask is, “What will be in-store or on-hand at the time of this order's delivery?” This makes cross-selling intuitive and natural to both the sales associate and the customer.

Chris Guillot, Instructional Designer of **Merchant Math** and Founder of **Merchant Method**



Many in-store metrics come down to customer service. Having well-trained and friendly store associates is really make or break for brick and mortar retailers. When associates can make helpful product recommendations and accurately upsell, your metrics will greatly improve. Other than having the right employees, running Gift With Purchase promotions is an effective way to bring up your average transaction value, at least temporarily.

Meaghan Brophy, Managing Editor at
Independent Retailer



To increase basket size, retailers can consider if POS Digital signage is right for them. This technique utilizes digital screens that show deals of the day and top selling items often bought together based on actual receipt data from Star Micronics printers and POS data. In our initial tests with our partner Sophatar, this can increase transaction values by up to 35%.

As for items per sale, connecting offers with mobile engagement can enable shoppers to be more engaged while in the store. Offers on receipts, QR codes and loyalty offers that increases the likelihood of return shoppers means actual incentives for increased average basket size.

David Salisbury, VP of Sales and Marketing at
Star Cloud Services



Action steps and recommendations for increasing your sale count, order value, and basket size

In addition to implementing the revenue tips we provided earlier, you can increase your monthly transaction count — and get more out of each sale — through upselling and cross-selling. Done right, these tactics enable you to increase sales and provide additional value to your customers.

The key to upselling or cross-selling success is implementing them at the right time and place. If you upsell a product that's irrelevant or if you're selling in such a way that you're coming off as pushy, then you'll not only fail to convert the customer, but you might lose the original sale.

For more information, read our [in-depth post on upselling and cross-selling](#).



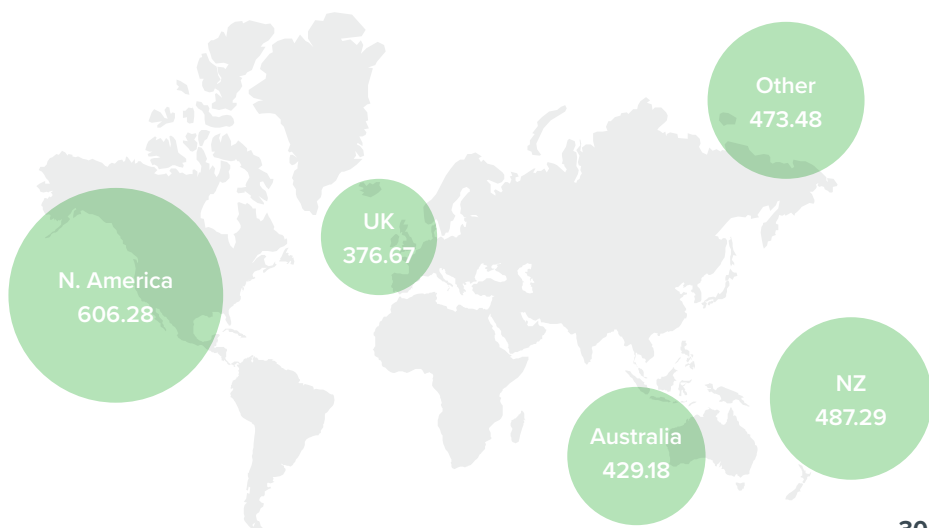
03

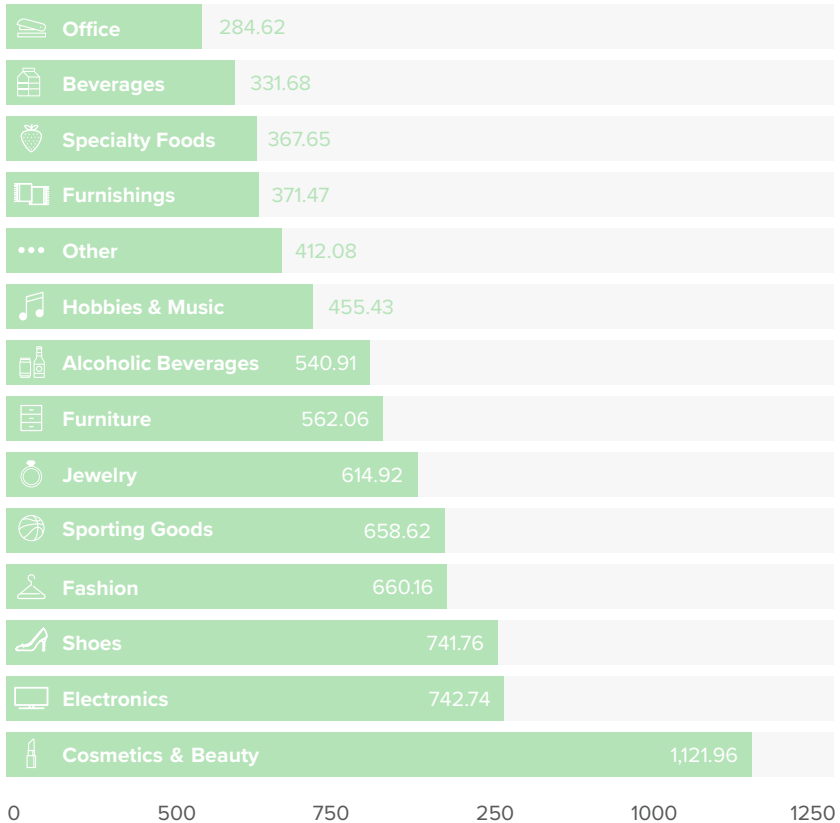
Customers

Retailers had an average of 487.96 customers (that they know of). We looked at the number of customers that Vend retailers had in their database. Here's what we found.

From a regional perspective, retailers in North America seemed to be the best at collecting customer information; they had an average of 606.28 customers in their database. On the other end are retailers in the UK, with 376.67.

Comparison of customer database size across key regions





Comparison of customer database sizes across key industries

When we compared different industries, we found that beauty and cosmetics retailers had the most number of customers in their database by a wide margin — 1,121.96. This is likely because many of these retailers also provide beauty services, and thus are more likely to collect customer information.

Electronics and appliance stores came in second for customer database size with 742.74. They were closely followed by shoe stores, with 741.76. On the low end were office supplies, stationery, and gift stores (284.62), beverage manufacturers (331.68) and speciality food stores (367.65).

Action steps and recommendations for adding more customers to your database

Collecting and tracking customer information gives you more opportunities to re-engage with shoppers, and bring them back through the door. Follow these tips for getting more customer details at checkout:

Step 1 - Ditch the pen and paper!

If you're using a pen and paper to collect customer information, save yourself the effort. Not only does it open you up to human error, it slows the entire process and creates more work because you have to re-enter the details into your database. Instead, consider using a digital method, such as entering the information into an iPad or via your point-of-sale or loyalty software.

Step 2 - Incentivize customers to give you their details.

A great way to motivate customers into giving you their details is to offer special promotions, discounts, or exclusive perks. Perhaps you could run a monthly raffle entry, or offer a charitable donation for every customer that signs up to your loyalty program.

Step 3 - Motivate your employees to collect customer information.

Make sure your staff are informed and held accountable if customer data isn't collected. Perhaps you'd like to motivate them with incentives — such as running a monthly contest to reach the highest customer attachment rate!

Step 4 - Be real and genuine.

Avoid being robotic or generic when collecting customer info. Be genuine when asking people for their information. Hint: it helps if you connected and engaged with them before they arrived the checkout counter.

Expert commentary on collecting customer data effectively

Read on to gain expert-backed insights on data-collection in retail.



Solution-based retailers understand the importance of high service, and relationship-building. For a customer to take the time to go into a store they must know it will be a worthwhile undertaking. Building relationships that go far beyond transactional is what great retailing used to be about; and what it must again embrace. To build rich customer relationships as well as a meaningful data base (that is accessible to all) requires both 'right tech' and 'right training'. Trust, transparency and attention to detail are essential; but will pay off in terms of 'life-time' customer value.

Sanford "Sandy" Stein, the author of **RETAIL SCHMETAIL** and the founder and moderator of **RETAIL SPEAK** on LinkedIn



Improve your customer capture rate by removing friction during the process of collecting your customers' information. For many sales associates, it's most natural during the purchase process to ask customers if you can connect with them outside of the store. Using a device dedicated to capturing this information makes this easier and also improves data integrity.

Chris Guillot, Instructional Designer of **Merchant Math** and Founder of **Merchant Method**



Most businesses (including retail) tend to take a ‘spray and pray’ strategy to customer marketing. Collect as many emails as you can, and then bombard everybody with the same message, cross your fingers and hope for the best. But both customer expectations and privacy regulations (such as GDPR) are evolving quickly, and retailers need to stay ahead of the curve in order to stay relevant to their customers.

The great thing about physical retail is that you can ask a customer for their details and preferences in person (as opposed to online where they often don’t know what they’re signing up to).

Three simple things any retailer can do are 1) make it part of the conversation at check out, and offer some value in return 2) provide a low friction way to collect customer information (e.g., an iPad form) and 3) ask some basic preference questions to segment your customers and increase engagement (eg “do you prefer text, email or Facebook messages?”).

Nick Houldsworth, General Manager
Ecosystem at **Xero**



I don’t think the problem lies in collecting customer information, but rather in using the information that has been collected. There’s a real disconnect here and retailers don’t always know what to do, or the best way to utilize all this data. It’s a real opportunity for solutions providers.

Laura Heller, Editor,
Retail Dive



Get the big picture. If you could see what customers spend outside your store, you could see into the future.

Payments are a good starting point to get to the answers, since connecting customer transactions across your business provides information about how efficiently and profitably your business is running. But you also need to know the types of transactions your customers are making outside of your business.

This bigger picture view of competitors and consumer activity is a key advantage to understanding consumer spending, optimizing processing operations and costs, reducing fraud exposure, maximizing authorizations, and improving customer relationship management.

Data truly is the final piece of the business puzzle, pointing you to where your business is doing well and where adjustments need to be made.

It's critical for determining tangible actions to take, so make sure you're approaching it with the attention it deserves.

Christina O'Berto, Senior Channel Marketing Manager,
Worldpay



Retailers often aren't lacking data, they are lacking the right question. Really defining the strategic question to be answered can save time in the long run and point the way to the exact data needed to answer it, which can often be found in their accounting, banking or CRM systems.

Jerry Macey, National Retail Lead at **Commonwealth Bank**



Retailers are positively drowning in customer data; the problem is they don't know what to do with it or how to use it. Or if they think they do, they haven't got the means to analyse and interpret it.

This is where Artificial Intelligence and machine learning come in. To illustrate this, consider all the information about our lives which we broadcast daily in the form of text, images, voice and video through social media such as Youtube, Facebook, Instagram, Snapchat etc. We are telling the world all about us — what our interests are, where we shop, where we go on holiday, our pets, our social habits etc etc AI and machine learning can capture, analyse and interpret that data and in doing so can deliver an infinitely better personalised experience than today.

We are not far from a world where brands will know what we want or need before even we do.

Andrew Busby, Founder & CEO at **Retail Reflections**



There are a few issues here. Many retailers do not collect enough data, but the bigger issue tends to be investing in developing real insight and using it to treat different customers differently. In some cases retailers need to do customer research. In other cases they just need to glean insight from the data they already have. Most of the time the best way to treat different customers differently is to be willing to develop a culture of experimentation and be willing to test and learn your way to greater personalization.

Steve Dennis, President & Founder at **SageBerry Consulting, LLC**



It's less about collecting information than it is making sure that the customer information is centralized and then used to create a stellar customer experience.

For retailers that means focusing on technology and systems that allow for capture of information at any number of points during the customer journey. A point-of-sale system can capture what your customers purchase, but if it's integrated with a CRM, customer feedback tools, and a loyalty program then a retailer can get a fuller picture of the customer which can be used to inform everything from communication and marketing to promotions.

Mallory A. Russell, Editorial Lead at **Square**



Many retailers have mountains of data but no idea what to do with it. Develop a data collection policy but also work with experts to USE that data to improve your business.

David Kindl, Head of Strategy at **Retail Doctor Group**



Retailers need to be totally transparent but not leave any data on the table. Having a loyalty program that's seamless to join and is the perfect opportunity to acquire and collect customer information that can add value to a customer's lifetime spend.

Gone are the days when an email was enough to validate a loyal customers' interest; retailers need to learn to send segmented marketing campaigns to the right group of their customers where maximum ROI is obtained.

David Salisbury, VP of Sales and Marketing at **Star Cloud Services**

Final words

We hope this report helps you better understand how your business is doing compared with other players in your industry and region. More importantly, we hope it gave you a better idea of how you can improve your business' performance.

Need help surfacing and understanding your store's data? Have a look at **Vend's reporting capabilities**. Whether you're looking for a high-level view of your business or want to get into the nitty-gritty details, we help you gain the insights you need lightning fast.

With Vend Reporting, you can:

- Customize your sales reports to easily see how your stores are performing, what products are making you the most money, and discover who your top sales people are.
- Use a wide range of variables and filters to get to the bottom of things, and help you identify trends or problem areas that need attention.
- See stock on hand and inventory levels at a glance, so it's easy to make sure you always have enough of your top-selling products.
- Find out who your most loyal customers are, how much they spend with you, and what they're buying.

Good luck!



About Vend

Vend is a cloud-based retail software platform that enables retailers to accept payments, manage their inventories, reward customer loyalty and garner insights into their business in real time. Vend is simple to set up, works with a wide range of point of sale devices and operates on any web-capable device with a browser.

Whether it's simplifying the inventory process, cutting 30 minutes from their end-of-day bookkeeping or making it simpler for them to sell their products on multiple channels, Vend's mission is to make retailers' lives easier.

With Vend, retailers are able to focus less on transaction and inventory concerns and more on creating that relationship with their customers. Vend aims to empower merchants by putting the right data and tools into retailers' hands and enabling them to do things themselves – and succeed.

Interested in learning more? **Get in touch** with us or learn more at: www.vendhq.com