



### Customer:

O<sub>2</sub> Retail

### Industry:

Retail Sector

### Solution:

O<sub>2</sub> Retail approached the Smart Steps team to find out if they could provide data to support the theory that the Swindon store was underperforming for its location.

When O<sub>2</sub> Retail looked at one underperforming store they turned to O<sub>2</sub> Smart Steps to understand why and make decisions on its future. Smart Steps analysis showed that enlarging the store would improve business and O<sub>2</sub> Retail took the decision to take on an adjoining space and double the store's size.

Since its refit, **football has increased by 72%**, total **sales are up by 14%** and the store is outperforming similar stores elsewhere.

**"Smart Steps has removed the guesswork from estate planning and we've clearly made a good decision."**

in a nutshell

Dip



# Smart Steps:

O<sub>2</sub> Retail expands Swindon store

Telefónica

O<sub>2</sub>  
business

## About O<sub>2</sub>:

O<sub>2</sub> is the commercial brand of Telefónica UK Limited, and is a leading digital communications company with **the highest customer satisfaction for any mobile provider** according to Ofcom.

**With over 23 million customers, O<sub>2</sub> runs 2G, 3G and 4G networks across the UK, as well as operating O<sub>2</sub> Wifi and owning half of Tesco Mobile.**

O<sub>2</sub> Retail has over 450 retail stores across the UK. Some are franchises but most are owned by Telefónica UK.

O<sub>2</sub> sponsors The O<sub>2</sub>, O<sub>2</sub> Academy venues and the England rugby team.

Read more about O<sub>2</sub> at [o2.co.uk/news](http://o2.co.uk/news).

in depth  
**Dive**



We wanted a really clear picture of who we would attract and what would attract them

## The Challenge:

O<sub>2</sub>'s Swindon store seemed to be underperforming compared to similar stores. **The store's approaching lease break gave O<sub>2</sub> Retail an opportunity to review its options.**

Darren Percival, Stores Property Portfolio – Strategy and Planning Manager, Telefónica UK Limited says "Based on footfall data and sales performance, we had a feeling the store was too small compared to equivalent size locations across our estate and store averages.

**Traditional methodologies only give you so much information.** They don't tell you the type of people who come in, why they come in or, crucially, why they don't come in."

He continues "It's a big investment to take on an extra lease without being really sure that it will pay off. We wanted a really clear picture of who we would attract and what would attract them."

**"It's my job to make sure we have the right stores in the right places.** We needed more accurate, dynamic data to profile potential demand over that area. We wanted to be able to make accurate business forecasts."

in depth

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## The Solution:

**O<sub>2</sub> Retail approached the Smart Steps team** to find out if they could provide data to support the theory that the store was underperforming for its location.

**Smart Steps uses anonymised and aggregated mobile network data from O<sub>2</sub>'s 23 million customers.** Where traditional data capture methods are based on occasional samples, modelled or claimed behaviour, Smart Steps takes billions of mobile events on its network and extrapolates data to provide insight representative of the total population in each area.

Smart Steps initially produced a standard report, showing the location's demographic and catchment area along with indicators of the affluence of the area. That was followed up by managed consultancy to provide analysis and insight to help O<sub>2</sub> Retail address its questions.

Darren Percival says "We worked together and looked at our options, and requested more data and insight as we progressed. The Smart Steps team provided consultation over a couple of weeks, which was really useful as our questions increased with our knowledge.

footfall has increased by 72% and total sales are up 14%

We supplied questions and supporting data and the Smart Steps team came back with concise information and analysis of what it meant for our business."

**We ended up with a really clear understanding of the store's catchment and the types of customers we could expect to see.** Based on that, we sought board approval for the business case for expansion. We proposed doubling the size of the store by expanding into an adjoining unit, and taking on more staff."


In the two months since the store's expansion and refit, **footfall has increased by 72% and total sales are up 14%** from the previous store layout. In all cases the store has outperformed other similar stores."





# Smart Steps

O<sub>2</sub> Retail expands Swindon store



“Smart Steps is a leap forward from traditional and location analysis methods. It uses near real-time data, rather than static or annualised data. It has become a key part of our business planning. Smart Steps removes the guesswork from estate planning and gives us confidence to make bold decisions.”

**Darren Percival**, Stores Property Portfolio – Strategy and Planning Manager, Telefónica UK Limited