



U.S. Retail Benchmarks

January 2014



Shoppers Battle the Weather to Take Advantage of Deals

Euclid, the leader of in-store retail analytics, measured data on nearly 25 million domestic shopping sessions during January, revealing that shoppers remained quite active in January despite the effects of bad winter weather across much of the country. Shopper traffic and storefront conversion showed improvement over last year for another month in a row as shoppers looked to capitalize on a very promotional January. Average visit durations rebounded to five-month highs as shoppers returned to healthier browsing behavior after the rushed holiday season. Despite some of the expected headwinds, we believe that these metrics illustrate a positive outlook for retailers' comp store sales during the month.

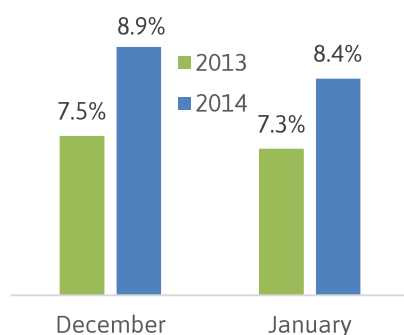
	Traffic	Storefront Conversion	Bounce	Duration	Repeat
YoY %Δ	+1.4%	+1.1%	+0.4%	+4.5%	-3.2%
MoM %Δ	-17.6%	-0.5%	+0.4%	+3.6%	+1.4%

Euclid Traffic Index

INCREASED 1% YEAR-OVER-YEAR

Traffic in January decreased 17.6% compared to the previous month, but increased 1.4% compared to the same month last year. Shopping visits grew despite harsh winter storms across much of the country this year. Shoppers appeared intent to take advantage of less crowded malls after the holidays and compelling end-of-season deals in January. Traffic was particularly benefited from strong weekends at the beginning of the month and around the Martin Luther King holiday.

Storefront Conversion Δ



Storefront Conversion

INCREASED 110 BASIS POINTS TO 8.4%

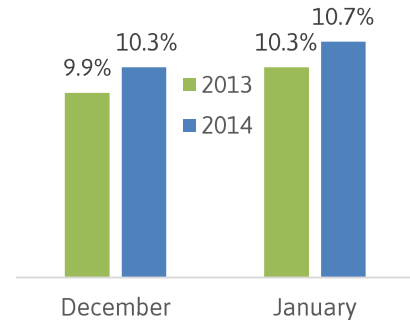
Storefront conversion in January, defined as the number of shoppers who enter a store as a percentage of the total foot traffic, rose to 8.4% from 7.3% last year. This was a slight decline from the 8.9% seen in December 2013. The trend of highly aggressive promotions continued in January and once again appeared to positively impact storefront conversion as value-conscious shoppers were more successfully attracted into the store than last year. Storefront conversion remains close to its high for the last twelve months.

Bounce Rate

INCREASED 40 BASIS POINTS YEAR-OVER-YEAR

The percentage of shoppers who entered a store but left within five minutes ("bounce rate") was 10.7% in January 2014, up from 10.3% experienced in both the previous month and January of last year. Bounce rates rose again in January after showing improvement last month, likely the result an increased percentage of shopping trips that were related to returns, exchanges, and gift card redemptions this January. Given the overall improvement of shopping session duration, this modest increase is likely not cause for concern.

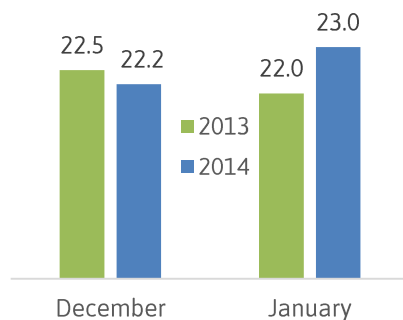
Bounce Rate Δ



Visit Duration Δ

Visit Duration

UP 450 BASIS POINTS YEAR-OVER-YEAR



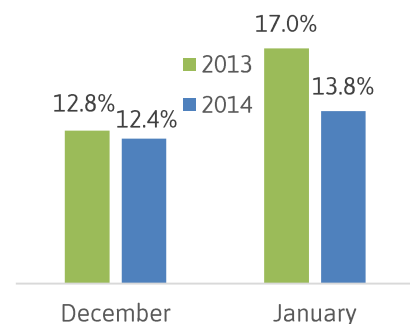
Shopping session duration, defined as the mean time from store entry to store exit, was 23.0 minutes in January, an increase from 22.0 minutes last year and 22.2 last month. Average duration was as long as it has been since August 2013, showing shoppers were browsing more merchandise and felt less pressured to get in and out of the store in a hurry, likely having a positive impact on average sales. The magnitude of the improvement over last year is a positive sign that shoppers were looking to spend with the surplus of store credit and gift card value generated by the holidays.

Active Repeat Ratio

DECREASED 320 BASIS POINTS FROM LAST YEAR

In January, active repeat customers, defined as individuals returning to a store location more than once in 30 days, totaled 13.8% of total visits measured, up a significant 140 basis points from the previous month, but much less than the 17.0% seen last January. The shoppers who were getting out to the mall were generating much more frequent store visits in January to make returns/exchanges and cash in on the resulting store credits as well as gift cards from the holidays.

Active Repeat Δ



Best and Worst Shopping Days

Sat	Mon
4	6

The best and worst shopping days of January both came early in the month. The best day of the month was Saturday January 4th, with the month's highest traffic and storefront conversion by a significant margin. In addition, shoppers were very engaged in-store with one of the lowest bounce rates of the month. This day saw a lot of shoppers looking to take advantage of great post-holiday deals. The worst day of the month was Monday the 6th, which was negatively impacted by weather and a likely shopper hangover following the holidays. This day saw worse performance across all of our metrics than any other Monday during the month. Engagement was particularly poor, with one of the highest bounce rates seen in the month.

Metric Definitions

Euclid Traffic Index: the number of devices detected by Euclid sensors at retail locations

Storefront Conversion: the number of shoppers who enter a store as a percentage of total foot traffic

Bounce Rate: the percentage of shoppers who entered a store but left within five minutes

Visit Duration: the mean time from store entry to store exit

Active Repeat Ratio: individuals returning to a store location more than once in 30 days

About the Report

Euclid's U.S. Retail Benchmarks are comprehensive monthly analyses of shopper behavior across the national retail industry. Euclid utilizes its vast network of traffic counting sensors to measure trends across all of its key performance metrics and advanced analytics measures. Through its unique dataset, Euclid is able to make detailed and accurate assessments and forecasts of overall industry performance.

If you have any questions about these data, or if you would like to receive Euclid's U.S. Retail Benchmarks, please email usrb@euclidanalytics.com.

About Euclid

Euclid provides answers and insights to brick-and-mortar retailers in the same way that web analytics services do for e-commerce. Euclid helps retailers quantify offline impact of marketing, optimize store performance, and understand customer behavior. As of January 2014 Euclid's network has grown to capture six billion measurements per day, analyzing 250 million potential shopping sessions per year across thousands of locations. Only anonymous, non-personal data is ever collected and only aggregated trend data is used for analysis.

