

How to set goals and measure success with KPIs?



In offline marketing, especially with visual merchandising and digital in-store advertising, setting clear goals and measuring their success is crucial. In this guide, we'll look at the goals that offline marketing can achieve, choosing the right tools to meet those goals, and metrics to measure performance against your goals.

Understanding offline marketing

Offline marketing goes beyond mere aesthetic appeal, acting as a strategic tool to achieve various business goals. While the ultimate goal of marketing is often seen as increasing sales, it is merely the culmination of various strategies aimed at either increasing sales to existing customers or attracting new ones. Offline marketing thus plays a key role not only in beautifying a space but also in fulfilling specific marketing needs.

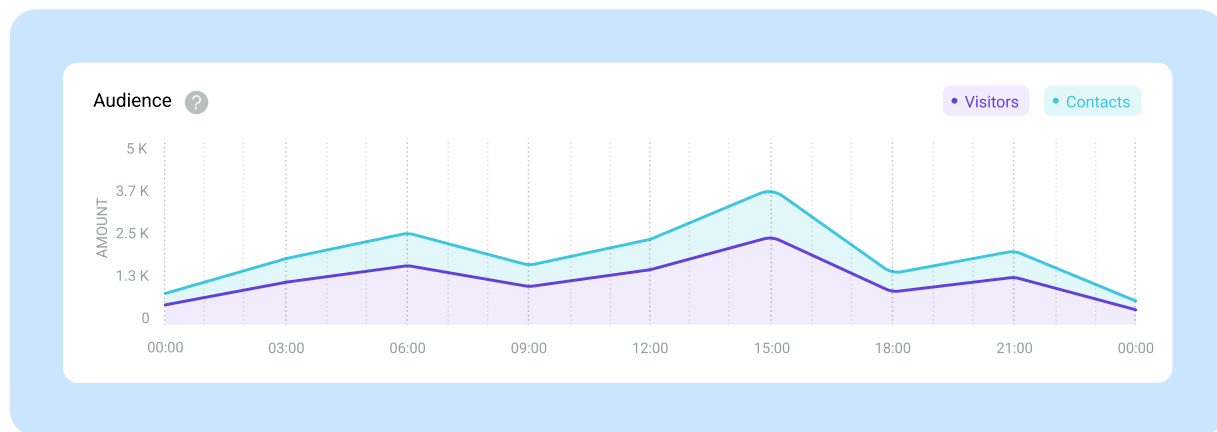
Three essential steps

The process of marketing encompasses three crucial steps: setting appropriate goals, selecting effective methods to achieve these goals, and evaluating the success of these efforts. The goals established should reflect the business's current situation, market dynamics, and potential avenues for expansion. Once the goals are defined, it is vital to choose the right tools tailored to meet specific objectives. Furthermore, identifying key performance indicators (KPIs) is essential for measuring success. For example, to increase foot traffic, enhancing the appeal of your storefront display to catch the eye of pedestrians might be an effective approach. The effectiveness of such initiatives can be assessed by tracking the number of visitors before and after the implementation of these changes.

KPI selection for measuring effectiveness

When it comes to KPIs (Key Performance Indicators), a multifaceted approach is necessary. It's crucial to not only choose a variety of metrics but also to ensure these metrics are aligned and do not contradict each other. The selection should comprehensively evaluate both the results of immediate actions and the overall effectiveness of the strategies employed. Potential KPIs might include foot traffic, sales revenue, volume, sales per square foot, conversion rate, average basket size, customer satisfaction, and brand recall. These indicators together offer a holistic view of the effectiveness of your visual merchandising efforts.

Problem: Low foot traffic



With DISPL sensors installed at the entrance to the store, you can measure foot traffic before and after.

Market situation

Low traffic can be when you move to a new location, a competitor opens nearby, or when you lose relevance to potential customers. In any case, it is necessary to attract new audiences or re-engage lost audiences.

Objective

To increase foot traffic to the store and enhance brand awareness or brand consideration.

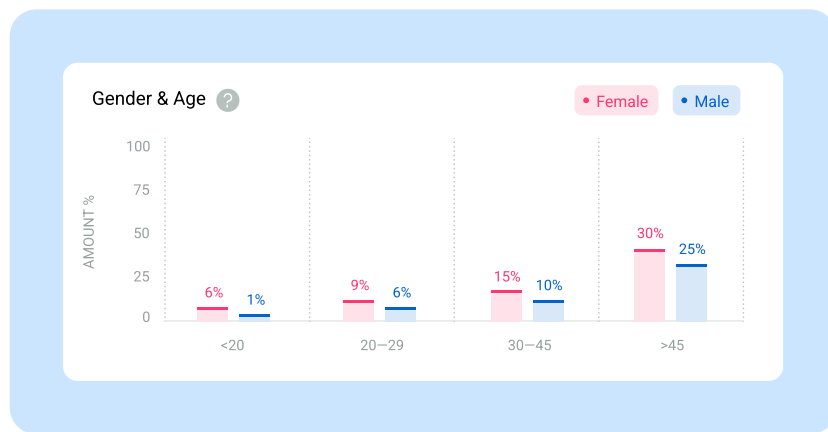
Solution

- Window displays: Develop engaging window displays that showcase the unique value proposition of your store, designed to draw the attention of passersby.
- Digital signage: Implement outdoor digital signage to advertise store opening promotions and feature key products.
- Implement wow marketing strategies inside the store to encourage customers sharing their in-store experiences on social media to increase organic reach.
- Seasonal and thematic merchandising: Refresh the store's theme regularly to create a sense of novelty and relevance.

Metrics

- Foot traffic: With DISPL measure the number of people entering the store to gauge the effectiveness of the implemented solutions in attracting customers.
- Offline campaign views: Monitor the number of views of digital signage advertising to understand their impact.
- Social media engagement: Track engagement levels (likes, shares, comments) on social media posts related to the store opening. This metric helps assess the digital aspect of the campaign's success in generating interest and excitement among a wider audience.

Problem: Low conversion to sale



With DISPL sensors powered by AI, you can learn the demographics of your audience. Fully GDPR compliant.

Market situation

This scenario often unfolds when a store is appealing enough to attract visitors and to spend time exploring the products but customers ultimately do not make a purchase. Often, this is a clear sign of engaging a non-target demographic, emphasizing the need for a strategic pivot to attract genuine buyers.

Objective

To enhance the conversion rate by attracting a more precisely targeted audience.

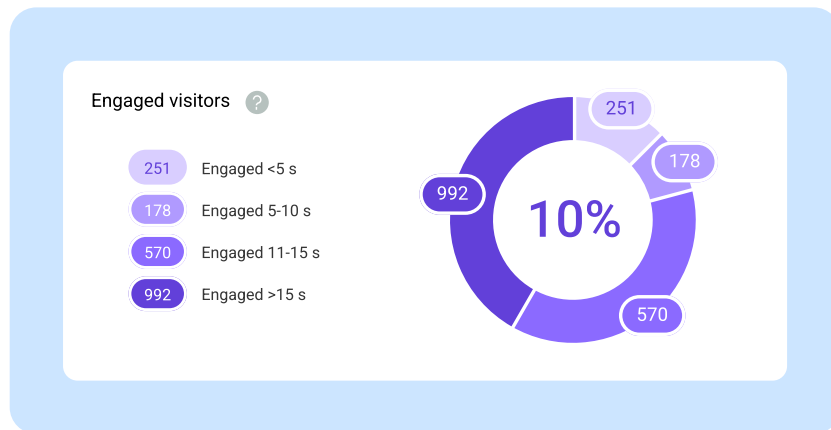
Solution

- Digital signage content: Utilize digital displays with targeted messaging to underscore products that resonate with your ideal customer profile.
- Community engagement: Forge active partnerships and develop joint promotions with non-competitive businesses that share your target audience.
- Mannequin styling: Showcase how products can be used or worn, helping customers visualize the items in real life. This method aims to attract individuals with specific lifestyles, interests, and attitudes, making the products more relatable and appealing.

Metrics

- Dwell time: Track the amount of time visitors spend in the store, as this can provide insights into convenience and attractiveness of the store.
- Audience demographics: Analyze the demographics of your audience to ensure that your marketing efforts attract the right target audience.
- Conversion rates: Measure the ratio of transactions to foot traffic, a critical metric that indicates the effectiveness of your strategies in turning visitors into paying customers.

Problem: A low average transaction size



By installing DISPL sensors on shelves, you can find out if your shelf is attracting attention the way you expect it to. This helps to measure effectiveness, to know the demographics of interested visitors. By equipping multiple brand zones with sensors, you can find out which one is the most effective.

Market situation

A reduced average check often points to missed opportunities in product presentation and upselling. This scenario indicates either a lack of cross-selling strategies or a store layout that does not facilitate easy discovery and exploration of products.

Objective

To increase average transaction size, thereby enhancing the overall revenue per customer visit.

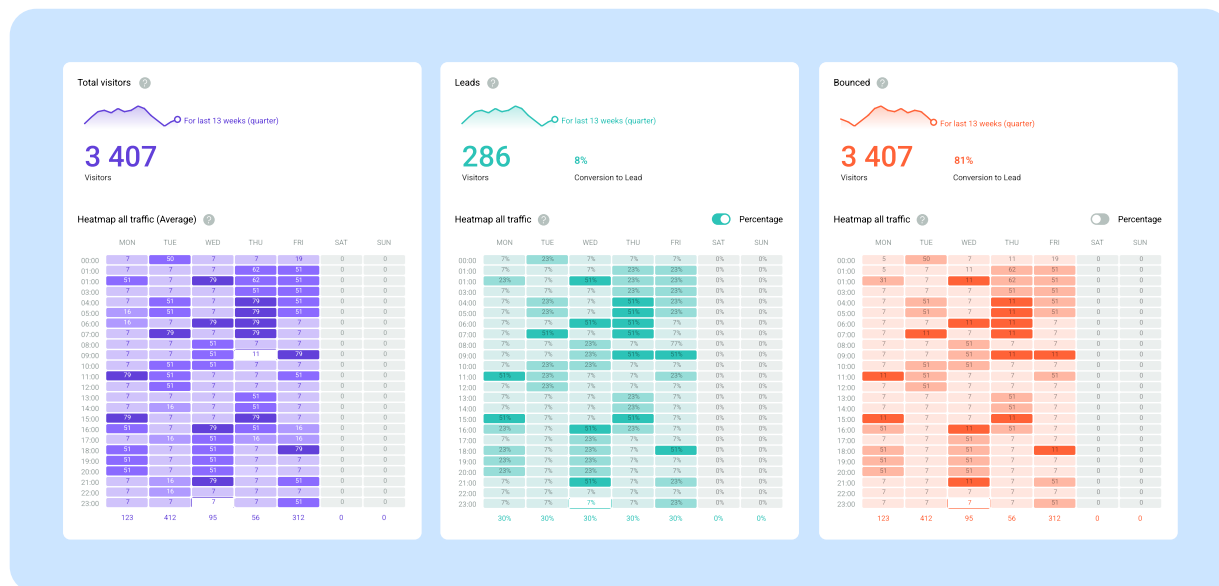
Solution

- Cross-merchandising: Implement a strategic placement of complementary products to promote additional purchases.
- Product sampling and trials: Allow customers to try products before buying. This can be particularly effective in beauty, food, and technology sectors. Samples, trials, and demonstrations can lead to spontaneous purchases and hence increase average transaction size.
- Shelf arrangement: Optimize product placement by ensuring that key items are displayed at eye level. Utilize varied shelving heights to draw interest and make sure all products are within easy reach. A thoughtful arrangement can enhance product discovery and drive higher average check.

Metrics

- Average transaction size: Monitor the average value of each sale to track the effectiveness of the implemented strategies. An increase in this metric indicates success in encouraging customers to purchase more products per visit.
- Highly desirable locations: With DISPL sensors installed on shelves in the shop, you can assess the places in the shop that attract visitors and learn about their demographics. This can help you build a more customer-centric strategy.

Problem: Low customer loyalty due to poor service



With DISPL sensors installed in the store, you can compare conversion to leads by day and hour, and get a lot of data about the efficiency of employees. Conversion rates, if the overall traffic increases with the efficient work of the store's employees, the conversion to leads should also increase.

Market situation

Low customer loyalty is attributed to poor customer service. In some retail chains, staff performance, as measured by their willingness to help with choices and create a favorable atmosphere, plays a crucial role in building customer loyalty. Often, declining loyalty is manifested in negative feedback, unwillingness to revisit a shop or irregular visits.

Objective

Enhance customer loyalty by improving employee efficiency.

Solution

- Optimization of staffing: Adjust the number of store employees to ensure all visitors are adequately served, thereby reducing wait times. A well-staffed store can manage customer flow more effectively, minimizing queues and improving the overall shopping experience.
- Strategic employee placement: Position employees in high-traffic areas of the store to ensure they are readily available to assist customers. This strategy ensures that help is at hand when and where customers need it, contributing to a more positive shopping experience.
- Digital catalog: Implement digital signage to offer an interactive digital catalog of products and services. This innovation allows customers to effortlessly access detailed product information, enriching their shopping experience and potentially increasing sales.

Metrics

- Conversion rates: Monitor changes in conversion rates to gauge the impact of improved employee performance and customer service on sales.
- Customer satisfaction: Assess customer satisfaction levels through surveys and feedback mechanisms to measure the success of service enhancements.
- Queue lengths: Compare the lengths of queues before and after the optimization of staffing levels and the introduction of digital tools for self-service.

Conclusion

The journey of optimizing visual merchandising and digital in-store advertising is an ongoing process of setting clear objectives, selecting the right tools, and meticulously measuring outcomes through well-defined KPIs.

By confronting various market challenges with targeted strategies, such as enticing window displays to boost foot traffic, digital signage for targeted messaging, and cross-merchandising to increase transaction sizes, businesses can address specific needs effectively.

Leveraging technology like DISPL Visitor Insights provides a tangible measure of these strategies' effectiveness, offering insights into foot traffic, customer demographics, engagement levels, and conversion rates, all while ensuring GDPR compliance.

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