



Arun Gupta, Chief Technology Officer, Customer Care Group

Shoppers Stop cashes in on SAS® Business Analytics Framework

India's growing retail sector is the fifth-largest in the world. In recent years, the sector has experienced rapid growth and sophistication to address swelling market demand and ever-changing customer preferences. Growth in the sector has created a highly competitive retail environment, in which innovative retailers like Shoppers Stop Ltd. are using analytics to increase customer loyalty, satisfaction and profitability while improving overall operations.

Industry

Retail

Business Issue

Faced with increasing competitive pressure for customer wallet share, Shoppers Stop needed to improve customer satisfaction and loyalty, increase its breadth of merchandise and expand store operations into new markets, while maintaining profitability.

Solution

SAS® Enterprise BI Server and SAS® Enterprise Miner™.

Benefits

The application of business analytics across the enterprise enables insightful analysis of merchandising, assortment and inventory management, loyalty, distribution and logistics, loss prevention and financial analysis, including near-real-time knowledge about sales and store performance across the chain.

Established in 1991, Shoppers Stop is India's largest retail chain of large-format department stores. Owned by K. Raheja Corp., Shoppers Stop offers customers a world-class shopping experience through its 30 stores across 13 cities spread over 1.9 million square feet of retail space. The company sells a range of domestic and international premium brands in categories such as apparel, accessories, cosmetics, home, bed and bath. Shoppers Stop also operates Crossword Book Stores and has a 19 percent stake in HyperCity, a large-format hypermarket chain.

Faced with ever-growing customer aspirations, Shoppers Stop needed to advance customer satisfaction and loyalty, increase its breadth of merchandise and expand store operations into new markets – all while retaining profitability.

'First-of-a-kind solution'

All of this required access to standardized, timely and accurate data from its DRISHTI (Insight) data warehouse project, along with flexible reporting functionality and deep analytical capabilities to help drive business objectives. SAS provided the retailer with a business analytics framework for reporting and analytics using SAS Enterprise BI Server and SAS Enterprise Miner.

"This is a first-of-a-kind analytical solution for the retail industry in India. The benefits put us ahead of the curve in our quest for competitive advantage," says Arun Gupta, Customer Care Associate

and Group Chief Technology Officer.

"The scalability of the solution lets us analyze over three years of customer data, in multiple formats, which is extremely valuable in understanding churn and share-of-wallet. Already, we have been able to develop focused campaigns and offers as well as study target market demographics to assist and influence our merchandising decisions."

To help drive its growth strategy, Shoppers Stop is employing its reporting and analytics capabilities in the areas of merchandising, loyalty management, distribution and logistics, sales performance, loss prevention and financial analysis.

"Our time-to-intelligence has been significantly reduced in areas such as customer segmentation, inventory and vendor management, market basket analysis, store and sales performance analysis and assortment planning," says Gupta.

Insights, improvements, benefits

Shoppers Stop achieved a variety of early benefits from the SAS® Business Analytics solution, including the measurement of merchandise availability. In one exercise, the retailer was able to increase availability by 2 percent for the targeted category, which is significant in the early phase of a shopping season when margins are higher.

The chain can now monitor migration trends and calculate the business effect of opening new stores in the markets in which it already operates. Other early

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benefits came from a study of demographic groups, in which Shoppers Stop analyzed customer buying behaviors and drivers in a specific market. The insight resulted in an increase in sales from the targeted segment.

“With the competitive landscape getting tougher, we recognized the need to leverage our rich transactional data,” Gupta explains. “After carefully examining the market, we chose SAS to drive our quest for generating insights. The journey thus far has been gratifying with SAS providing the requisite expertise towards moving data to information and insights. As we deploy the data warehouse across our other business

units, we believe that the potential to harness insights is immense.”

SAS Consulting® earns praise

Gupta credits the expertise of the SAS consultants who supported his team throughout the implementation process. The project was carried out in phases, allowing users to get their hands on the solution early and have their requirements addressed quickly throughout the project.

“They helped create a vibe and sustain excitement across the organization for the functionality,” he says. “With SAS in place now, we are well poised to further grow our business through the insight the analytics provide us.”



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