



Customers, Loyalty & SEM

Store Execution Management as the link to your brand, your associates and your customers

There seems to be a consensus that retailers today are faced with a universal challenge: ‘how do I keep up with the dynamic and rapid pace of change in retail?’ What does that mean? Well, to break it down, customers are more educated and demanding than ever and you need to find new ways to satisfy them and make them loyal to your brand. How do you do that? Improving productivity is key to meeting the demands of the new consumer, ensuring sales and protecting your brand. You need to be innovative and adapt to environmental, technical, marketing changes and stay a step ahead of your competitors. You need to ensure associates take an interest and take pride in dealing with customers and are meeting their expectations. And bottom line, you want to drive more sales.

How do you do this? Historically complexity tends to create a false sense of security in how you do things today. Why change it if it ain't broken? Retail is a complex industry and you can convince yourselves that anyone trying to compete against us will be playing by the same rules and following the same convention. But those retailers who are poised for growth and success are removing complexity from their organizations because it's essential to compete in today's market. If you aren't simplifying what you do, don't worry someone else already is.

So, the question really becomes how do you do this and keep things simple? Well, the last few years have seen a huge focus on understanding your customers and customer loyalty, Customer Relationship Management. Retailers have spent a lot of time, money and resources on implementing solutions to understand their customers. Why? Because if you understand your customer then you can give them what they want. If you can give them what they want you build loyalty. But today, where does all that information go? Are you using it to create your strategy? Is that strategy being communicated to the stores? Is it being understood and executed correctly and on time? The answer in most cases is, maybe.

A major disconnect exists between strategy and performance at the store level. Retailers know their customers are changing and they are forced to change their stores more often than before, not just look, feel and style but differentiation in products, price and promotions suite and that can be dependent on the type of store or location. Are you doing this and are you doing it right? According to a study done by Aberdeen Group, *The Customer Connected Store: 2011 Store Operations Automation Best Practices*, the 2011 top strategy for nearly half of retailers is focused around upgrading store operations workflow due to the disruptive nature of customer wants, needs, habits and desires. "Store operations workflow refers to the detailed coordination of all store operations-related tasks and customer focused activity for consistent store results such as reduction in merchandise out-of-stocks and shrink, on budget labor cost to sales, and increased comp sales and margin. The workflow in stores is not easy to fulfill as these retail formats are required by corporate headquarters to ensure granular execution of several repetitive, often complex year-over-year operations that adapt to changing demographics."

There are several buzz words in technology today; web 2.0, SaaS, the cloud, and they are buzz words for a reason. This type of technology is intuitive, easy-to-use and easy to understand. The interfaces clean and navigation easy to comprehend. This kind of technology is unencumbered by decades of history and you don't need to support older versions of SW. It's delivered as a monthly operating expense, you don't own an asset, you are simply renting a service. There are no support and maintenance fees, which are typically at least 20% for updates, etc. There are no hardware costs and you have the flexibility and ease of customization through configuration to meet specific needs of the business user. Solutions like this greatly reduce implementation costs, and any ongoing costs. By implementing such a solution you now cut "time-to-information" and cut the time required to make business decisions and open doors to new insights previously unattainable. This kind of technology can help you all the more if it's in the form of a solution that's been designed specifically for retail to help retailers who have been forced to think differently do business differently.

Opterus' solution can help you, as Albert Einstein said, *"make things as simple as possible, but not simpler."* Store Ops-Center (SOC) is offered as SaaS and has been specifically developed for retail. This store execution management solution is an on-demand, web-based software that is designed to communicate corporate policy, day-to-day objectives, assign tasks and handle issues between corporate office and store locations and manage compliance. SOC enables retailers to rapidly and accurately transfer all information to and from stores more effectively.

By implementing SOC you could deliver optimized promotions targeted to unique customer sub segments. You could create new sales promotions, communicate strategies for up-selling and cross-selling and know your associates were fully informed to meet your customers and execute your strategy. SOC allows you to easily create your store presentation and design allowing you to execute localized and differentiated store merchandise presentation, planograms, etc. Now, your answer to the question regarding compliance on communication and execution is no longer maybe. You will be able to see, on demand, compliance on how your strategies are being executed throughout your organization.

You can keep up with the rapid pace of change in retail and you can do it by implementing a simple and elegant solution. Use the knowledge you now have

about your customers to educate and prepare your associates to better serve your customers. You can improve productivity, significantly reduce expenses, cut costs, improve communications and monitor compliance on all store messages and tasks with a simple effective solution.

The Shoe Company National chain with 118 stores across Canada, headquartered in Toronto

	Prior to Opterus	Today	
Tasks completed on time	50%	90%	"Productivity improvements experienced throughout the organization averaged 20%"
Tasks completed to standard	40%	80%	"I couldn't imagine doing my job without it"
Tasks never completed	30%	5%	"I log into <i>Store Ops-Center</i> every morning and it helps me plan my day. I know what needs my attention, what stores haven't completed their tasks."
Weekly data to Head Office	75%	95%	"Previously, collecting customer addresses were done by emails from stores to the head office and manually rekeyed. Rather than suffer the expense of custom POS integration, we use <i>Store Ops-Center</i> . What previously took six hours to upload now takes seconds."
Price Changes & Transfers	65%	90%	"As a manager I can complete tasks more efficiently and find I spend about 50% more of my time on the on the sales floor."
Timely & helpful responses to store requests	70%	95%	"Before <i>Store Ops-Center</i> we would often send store issues to HO and never hear back."

Store Ops-Center Benefits

Increase Store Productivity & Improve Communications

- Opterus allows a retailer to communicate with each store, and if necessary, each employee within the store from one centralized solution.
- Retailers will drive financial performance through quicker, more accurate adoption of corporate initiatives.

Improve Visibility and Control

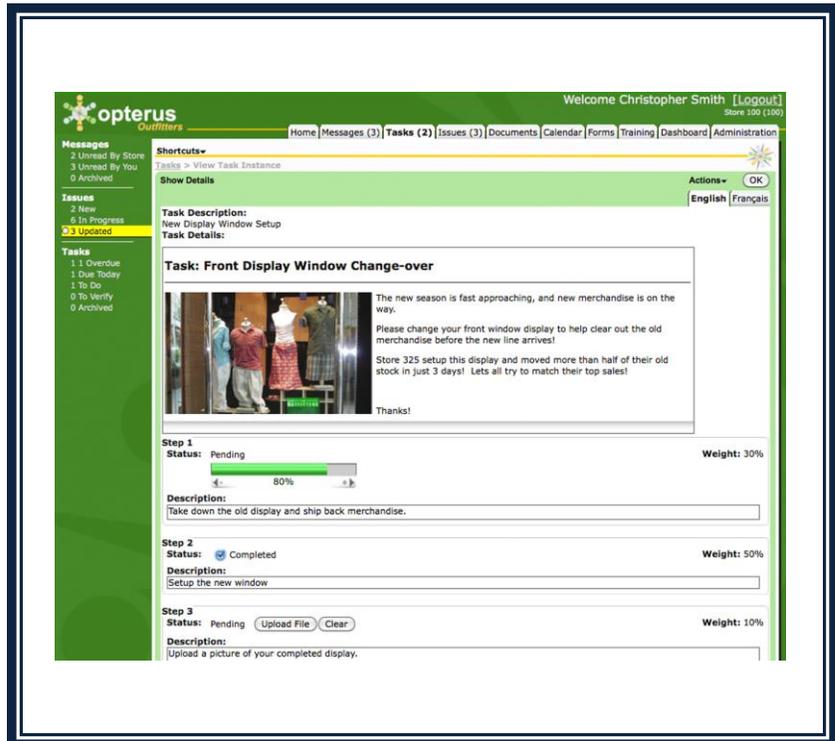
- Current retailer environments where multiple corporate departments are using various communication methods to gather information from the

stores without any type of governance causes conflicts and confusion at the store level.

- Opterus enables retailers to streamline initiatives and make better decision with improved data and reporting from stores giving them a 360° “eye in the sky” view of the enterprise.

Mitigate Compliance Risk

- Compliance monitoring that reduces operating expenses by having a standard set of workflows that optimize operational efficiencies across all stores.
- Ensuring compliance and alignment with all corporate initiatives and objectives.
- Monitoring store compliance and increasing accountability at the store level and monitoring which stores are compliant with their tasks.
- Link store issues to tasks; find ways to improve and receive feedback tied to, and independent of, specific tasks.



Improve Overall Quality of Workforce

- Today's employees have been immersed in technology almost since birth, and based on their experiences as students and consumers, they have come to expect it in the workplace as well. The pervasiveness of social media and social computing is a big part of that.
- These expectations have to be factored in when trying to recruit, retain and motivate young employees.

Increase Sales

- Opterus allows stores to have clarity of instruction.
- Retailers will be following best business practices.
- Key store personnel will be spending more time on the sales floor.
- Drive consistent customer experience.
- Studies show 2% to 5% of revenue is lost when store-level employees aren't compliant in executing strategy.

About Opterus

Opterus Inc. is the leading provider of a cost-effective, easy-to-implement store information and execution management solution that increases productivity and improves retail enterprise communications. Opterus *Store Ops-Center* software is an on-demand, web-based retail portal designed to communicate corporate policy and day-to-day objectives between corporate office and store locations. This solution is specifically designed for retail operations, and provides store personnel with clear, concise and timely direction, along with the proper tools to best do their jobs to support corporate initiatives. Opterus is based in Toronto, Ontario and was founded in 2006 by a group of seasoned retail industry technology veterans. For additional information about Opterus, please visit <http://www.opterus.com>.

