

## IP video improves operations in retail store chain.

Axis network video solutions help identify risks in a chain of children's clothing stores.



### Organization:

Neck & Neck

### Location:

Spain

### Industry segment:

Retail

### Application:

Merchandising and operations, loss prevention, safety and security

### Axis partner:

Mirame.net

### Mission

Neck & Neck is a Spanish-owned company dedicated to the design, production, distribution and sales of clothing for children aged 0 to 14. It began operating in the children's clothing market in 1993 and currently has close to 200 stores in 11 countries. In 2010, it registered a turnover of nearly €50 million. It has around 140 stores in Spain, of which it owns 110, while the rest are franchises. The company's stores are generally similar, with the same employee profile and identical decoration. They introduce 7 collections every six months and offer more than 800 references, with a large variety of exclusively designed motifs, prints and accessories.

### Solution

IP video is used for people counting, which serves to complement the work done by regional delegates, who are in charge of supervising the operations of many stores. Neck & Neck worked with a company specialized in people counting systems and began an implementation project.

However, a year and a half later, the supplier went bankrupt and was unable to provide their products and services. As theirs was a proprietary system, it became necessary to seek alternatives.

### Result

After analyzing several proposals and platforms, Neck & Neck opted for Axis partner Mirame.net, a company with a long track record in providing IP video solutions for retail establishments. Their suggestion was to use IP video cameras with AXIS People Counter.

**“We have a high opinion of this Axis product-based solution, which has an excellent quality/investment ratio. We were pleasantly surprised that the product life cycle is so long, and we have practically never had any problems with the cameras.”**

**Santiago Navas, Systems Manager of Neck & Neck.**

### **IP video-based people counting for improved store operations**

For Neck & Neck, the IP video-based people counting solution provides valuable information that enables the identification of problems that might occur at any of their establishments. The company uses the information provided by this system to identify those stores in which the ratio of customer flow to purchase receipt is above or below average. When this occurs, they analyze the specific information about the store and optimize the aspects that have caused this phenomenon. IP video-based people counting, together with the efforts of regional delegates, helps determine the type of problem present in the store and respond accordingly with a series of predetermined actions.

Each store is equipped with a point of sale terminal with a counting system that includes an AXIS 207W Network Camera and, in some stores, an additional supervision system (generally an AXIS 206 Network Camera). All stores have contracted Telefónica's 10MB ADSL service and are connected to the central office by a virtual private network (VPN).

The central offices use Microsoft Dynamics Nav (formerly Navision) ERP software. The IP video-based counting system provides the company with statistics for each complete day and generates a file at 11 pm each night that is sent by FTP to the headquarters. The data are uploaded to the ERP that same night and are transferred to a Business Intelligence system that analyzes a number of details in relation to types of sales, customer profiles, etc. All information obtained is compared to existing data in the system's historical records to determine whether there are any problems in the stores or if their parameters fall within the "normal" range.

### **Camera data provide business intelligence**

When an alarm is triggered for a store, area delegates visit to observe and determine on-site the scope of the problem. Generally speaking, store problems fall into one of 3 main categories: the number of customers, merchandise or employee actions. There is a defined customer profile for Neck & Neck, and the company is well aware of their characteristics, as they have a CRM with a customer database, containing information on around 340,000 shoppers, of whom 306,000 are Spanish.

Likewise, when a new store is to be opened, an estimated sales volume is forecast and the people counting system helps determine whether the right choices have been made in terms of the store location, the people hired as store clerks, the storefront window, etc.

Although IP video is also used for applications like security surveillance and remote monitoring of its chain of stores, Neck & Neck gives priority to using so-called "intelligent video" applications, as these provide more added value and assist them with their business intelligence processes.



**NECK & NECK**

 **mirame.net**