V-Count <u>People Counting</u> and <u>Heatmap in-store analysis</u> helped Hatemoglu, increase conversion rates, optimize personnel shifts and merchandising decisions.
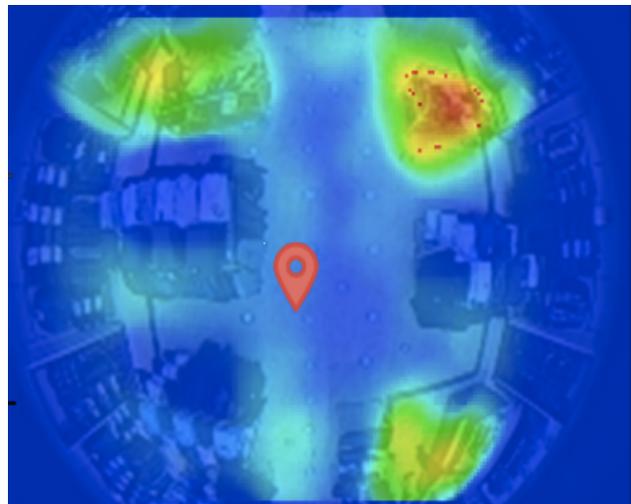
Client

Hatemoglu is Turkey's first ready-to-wear clothing company since 1924 and it is the parent brand for html, Hatem Saykı and h-teen. The company has created one of the most successful and recognized menswear brands with more than 100 stores in Turkey along with many manufacturing sites. As of now, Hatemoglu exports products to Russia, Africa and most of the Middle East countries. The company aims to expand their international business and reach a larger target market that demands high quality garments with a sense of fashion.

Business Challenge:

Hatemoglu always focused on formal business attire since the very first day they have been established. At the beginning of 2016, our client wanted to serve to a different segment and introduced "plus size menswear". For Hatemoglu, it was an uptapped market, so they heavily invested in customized marketing campaigns and put a lot of effort in terms of launching the product line with high expectations on ROI. The company believed this new product line required its own merchandising plan in the stores, which was also in line with their standard layouts. Hatemoglu needed to measure and evaluate the result of each change within their locations to create a specific blueprint for the new collection. This idea transformed into a comprehensive approach. Management decided to implement the project on a larger scale and enhance the success of their existing products as well.

Solution:

In order to test the success of the new product line, Hatemoglu invested in V-Count Heatmap devices to see how customers move within the stores, which products were the best sellers within the new established clothing line, see if their pricing strategy was right and also if their campaign efforts have paid off. They have already been using V-Count's people counting technologies for almost 2 years and have experienced a **15% increase** in their conversion rates so, they wanted to strengthen their people counting investment with V-Count Heatmap devices.

> *"With V-Count, we increased our conversion rate by 15% and realized it was much more effective to make our merchandising and stock decisions on real-time analysis data, rather than on assumptions".*
>
> *Engin Yılmaz, Stores Coordinator*

Benefits and Results:

V-Count Heatmap in-store analysis brought Hatemoglu many benefits that will be advantageous in terms of merchandising strategy, product placements and stocks along with improved conversion rates.

Increased Conversion Rates and Optimization of Personnel

With the factual data received through using our people counting and heatmap in-store anlaytics, our client rearranged their new clothing lines' merchandising within the store to see the impact on their conversion rates. In addition, Hatemoglu's new marketing campaign and in-store activities for their "plus size clothing line" has enabled them to draw-in higher traffic and increase sales. The accurate counting data also helped them increase their conversion rates by optimizing their personnel shift according to their peak hours.

Smart Merchandising Decisions

With V-Count Heatmap devices and in-store analysis, Hatemoglu measured the total occupancy level within the stores, the most attention grabbing areas and products along with how much time customers spend within those specific areas.

Our client has evaluated the results of our <u>heatmap in-store analysis</u> and the effect of each in-store marketing activity for two months. After this period, they had enough empirical data to come up with smarter merchandising decisions that involved changes in floor design layouts, product placements within the store and pricing strategies.

One of the most influential changes that have been made was to change the location of their tie collection, which have been performing poorly since the launch of their new "Plus size menswear" collection. They have tried to overcome this problem with various marketing communication efforts such as promotions and discounts related to products, but they were still not reaching their monthly sales targets and quotas.

After installing our heatmap devices in their stores, they have realized that the main problem was their product placement. They analyzed the occupancy levels in their stores to determine the most popular areas. Once they displayed the tie collection in those specific busy areas, the sales quotas were exceeded by 12% at the end of the second quarter.

> *"Since using V-Count, we developed a better understanding of our customers' wants and needs, to make accurate business decisions. As a result, we increased our customer satisfaction and gained many loyal customers, who will bring us more recognition in the future".*
>
> *Murat Göçken, Marketing Director*