Real-Time Inventory Lookup with Theatro Reduces Customer Abandonment

A case study by **point b.**

The Challenge

A large percentage of in-store associates only have shared access to mobile barcode scanners due to the expense of equipping everyone with their own mobile device. As a result, when asked by customers to provide immediate inventory or price checks, associates must either walk with (or without) the customer to a terminal, to the back of the store to check the stock room, to locate an associate with a mobile scanner, or to simply try and figure out the information on their own. All of these options take time and can lead to lost sales via customer abandonment. While retail associates struggle to get access to critical enterprise information such as available inventory, customers absolutely expect associates to be empowered to quickly provide this information. In fact, 72% of customers expect associates to be able to check inventory from a mobile device, and 67% expect associates to provide product information such as specs and features.[1]

1 Forrester and RetailNext - 2015

Recognizing The Opportunity

Following a nation-wide Theatro rollout, a $785 million retailer with 90 domestic stores wanted to better understand how to mitigate the risk of abandonment during customer-requested inventory lookup scenarios. The solution was to utilize Theatro's voice-controlled mobile app platform and voice-enabled applications – made available to every associate – to replace the mobile barcode scanners that were sporadically placed around the store.

The following benefits were identified and measured during this assessment:

Reduced abandonment rates and improved sales by enabling immediate access to inventory information with simple voice commands.

Empowered associates to answer inventory and price check questions independently and quickly, leading to enhanced associate performance and improved customer experience.

Long term value gained by investing in a multi-faceted SaaS voice platform as opposed to adding significant costs by purchasing and maintaining scanners, smart phones, two way radios and the apps that run on those point solutions.

Planning For Success

In order to achieve the desired impact, the implementation of technology to improve a company's sales culture requires the right approach for organizational change management. Through this lens, pre-process flows were optimized to leverage Theatro's ability to provide timely information from the retailer's inventory management system. Successful execution of the program provides a considerable return on investment when factoring the revenue enhancements and cost reduction resulting from the avoidance in handheld device purchases.

Seeing the Results

Annual revenue increased by nearly $4.5 million caused by the use of Theatro to prevent customer abandonment and remain with the customer through the purchase of the product. In addition to sales lift, the avoidance of additional handheld devices that must be purchased for every working associate on the floor – alongside the hardware and software maintenance plans required for each – resulted in an operating cost savings of more than $3 million for the retailer. Store employees not only saw the risk of abandonment decrease, but anecdotally reported feeling more engaged with their customers. Lastly, the time saved by using Theatro in place of manually walking to the back of the store to physically look for replenishment inventory results in a conservative 20,000 estimated hours per year.

$4.5m	$3m	20,000
Lift in Revenue	Reduction in Operating Costs	Hours Saved Annually