

# Fashion Retailers Optimise Services and Connect to Customers through Data-Driven Insights

**Detego software on the Intel® Responsive Retail Platform powers intelligent inventory management and helps retailers move beyond unified commerce to responsive retail.**

DETEGO

When customers shop online for clothing, retailers track their interests and purchase history to provide informed recommendations and ensure inventory is on hand to meet demand. Today's brick-and-mortar retailers are challenged to merge physical and digital retail to meet the demands of today's tech-savvy shoppers. Retailers have more collections and campaigns to manage than ever before, but they lack accurate and real-time cross-channel data and they struggle to engage customers with personalised experiences. Moreover, employees spend much of their time on administrative tasks, such as receiving and processing merchandise, instead of serving customers.

To address these and related concerns, 73 percent of retailers and wholesalers with revenue above USD 500 million use radio frequency identification (RFID) solutions.<sup>1</sup> RFID works—reducing out-of-stock merchandise by nearly 41 percent and boosting profit margins by more than 60 percent<sup>1</sup>—but RFID alone is not enough. Now, fashion retailers can seamlessly integrate RFID technology into their existing IT landscape and use an innovative software solution to understand the entire customer journey, effectively turning brick-and-mortar retail outlets into digital hubs.

Detego, a software provider in the fashion retail industry, specialises in providing real-time business intelligence. The company's software suite automatically identifies and analyses merchandise movements, along with customer flow and staff and inventory availability, giving retailers real-time recommendations to help them optimise sales and engage customers with the brand. As part of the Intel® Responsive Retail Platform ecosystem, Detego solutions support the digital strategies of leading fashion retailers, giving brick-and-mortar retail the competitive edge of digital insight.

## Rising Customer Expectations in the Digital Age

Even with all the advances of the digital age, 90 percent of retail sales happen in brick-and-mortar stores.<sup>2</sup> In the fashion retail industry, customers still want to walk into shops to see, touch, and try on different outfits. While customer motivations for entering stores are largely the same as they were 20 years ago, their expectations are much higher.

Customers who can find anything they want on their smartphones in seconds expect similar instant gratification in stores. They want the items they see online to be available in the store and in their preferred size, style, and colour. They desire prompt and personalised customer service with salespeople who understand—or even anticipate—their needs. Customers also expect a seamless, unified retail experience to connect their online and offline experiences, so they can click on and reserve the items they discover online and quickly try them on when they enter the shop the next day.

Most in-store experiences fall far short of these expectations. Instead of serving customers, sales assistants devote many of their working hours to administrative activities. They're in the back room, comparing delivery notes with order lists, arranging returns, and struggling to get new merchandise out of the box and onto the sales floor. When a customer walks in, tracks down a salesperson, and asks for a specific item, the salesperson has to leave the customer to go into the back room or ask the store manager if the item is available—and all too often, it's not. In fact, inventory overstock, stock-outs, and shrinkage are a nearly USD 1.1 trillion issue for retailers worldwide.<sup>3</sup>

Fashion retailers also face a variety of industry challenges. Higher rents and increasing competition are creating added pressure to optimise operations. Retailers also have more collections and campaigns to manage than in the past, with more material that must be tracked from production through sale. To manage all these demands and meet customers' increasingly high expectations, retailers are looking for solutions that deliver accurate data and informed recommendations on all materials and campaigns across all channels in real time.

## The Detego Software Suite

Detego offers a modular suite of four software products that together make it possible for retailers to intelligently manage every product in their entire network of stores using real-time analysis and reporting functionality.

Stream	Products	
Inventory Visibility	Detego InWarehouse	RFID-based tags are applied to all articles at the end of the production process, so items can be accurately and automatically monitored from transport through distribution, eliminating costly delivery errors.
	Detego InStore	From store delivery to final sale, Detego InStore provides real-time transparency of every article, so store managers know which items are available and where they are at all times.
Data Analytics	Detego InReports	Complex algorithms transform complex, real-time data into store key performance indicators. Using attractive dashboards, retailers can view alerts, analytics, and clear recommendations to speed and simplify decisions on restocking, discounting, merchandising, and more.
Consumer Engagement	Detego InChannels	Consumer engagement applications link consumer behaviour in stores with e-commerce activities, enabling unified commerce.

## Transforming the Shopping Experience

Detego's innovative software products for the fashion retail industry bring the same level of analytics and insights into brick-and-mortar stores that retailers have in their online shops. Founded in 2011, the company develops and distributes a suite of four modular software products that together make up the Detego Suite, which provides comprehensive, real-time analysis, inventory transparency, and data-driven recommendations to help retailers optimise their sales efforts. Already, more than 1,500 stores have deployed Detego solutions, including international fashion brands, as well as leading retailers and department stores.

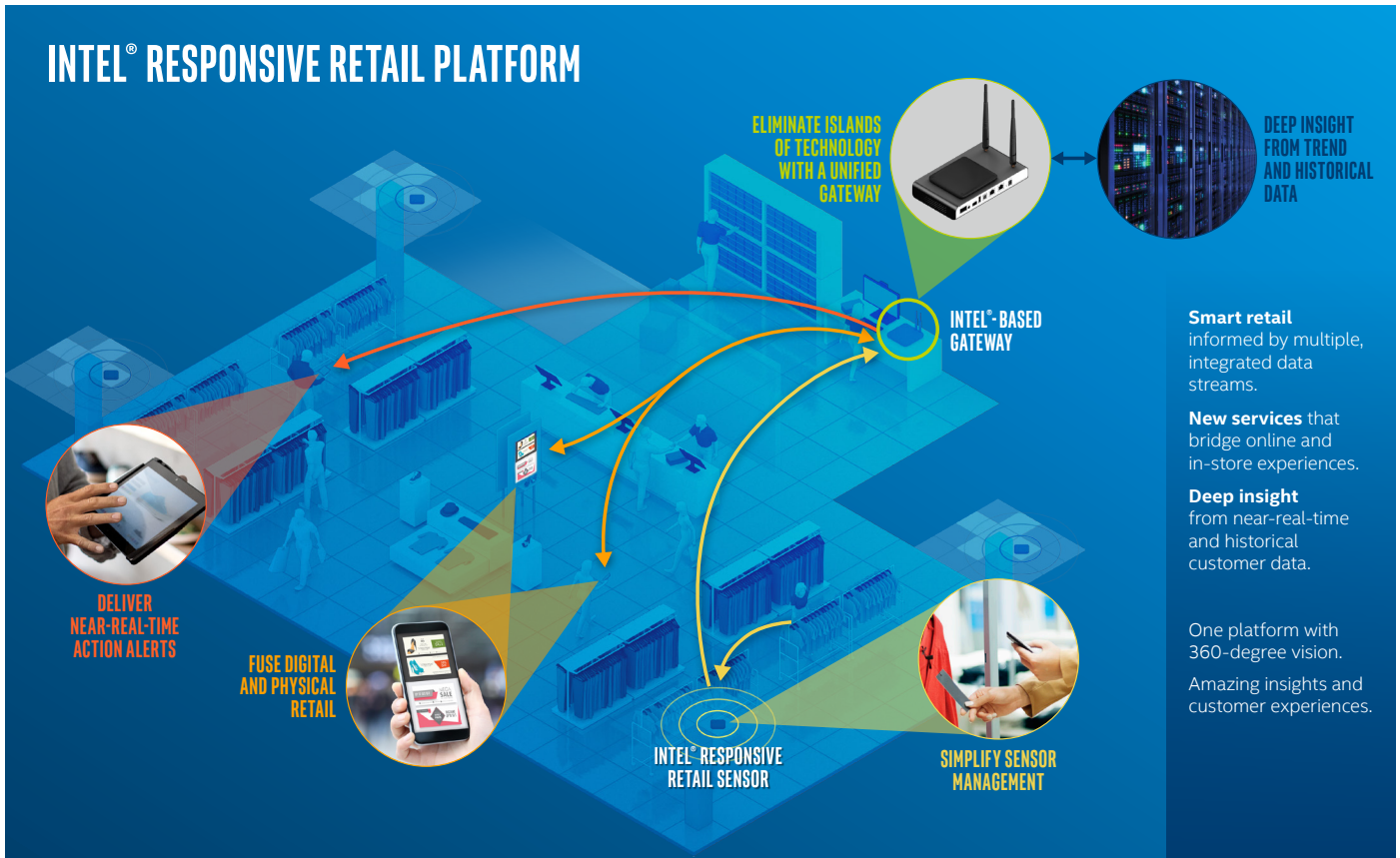
Working together, Intel and Detego go beyond unified commerce to provide a responsive retail solution that is affordable for fashion retailers, so they can provide a consistently strong—and connected—shopping experience across all channels. The cloud-based software provides item-level visibility of merchandise, whatever the channel, for a monthly subscription fee instead of a large up-front investment. Based on RFID technology, the software can be seamlessly integrated into retailers' existing IT landscape, ERP system, POS system, and retail management system. Retailers can also take advantage of an electronic anti-theft solution.

While most retailers now use RFID tags, the Detego Suite of software is unique in that it gathers and analyses data from RFIDs as well as web activity to generate clear recommendations for the retailer. For instance, after two weeks of a marketing campaign, Detego software can identify which articles have been touched and tried on most often at each retail outlet, and which articles are selling more slowly both online and off-line. Using that data, the recommendation engine can suggest cost-saving and revenue-generating optimisations—connecting merchandise flow and availability with consumer trends.

One key to Detego's rapid growth and success is that the software operates on the Intel Responsive Retail Platform, an advanced analytics platform designed to optimise customer engagement by capturing more real-time data from in-store customer behaviour. The platform can be deployed quickly and cost effectively to support new and compelling in-store shopping experiences and operational efficiencies. The broad ecosystem of Intel®-based solutions in the platform ensures performance, reliability, and scalability across multiple retail outlets in different areas of the world.

## What Is the Intel Responsive Retail Platform?

By fusing the data drawn from products, customers, and associates, retailers are discovering unprecedented insights about store operations and customer behaviour. The Intel Responsive Retail Platform uses the Intel® Responsive Retail Sensor to tap into real-time data, drawing on everything from RFID to Bluetooth\* low-energy to Wi-Fi to enable a more personalised and satisfying shopping experience than has ever been possible before.



## Reimagining the Shopping Experience

With the Detego Suite, fashion retailers can transform the in-store shopping experience and use data-driven recommendations to optimise the entire customer journey, from online to in store.

### Maintain an accurate inventory

The Detego Suite provides a real-time stock overview for all stores to ensure efficient stock management and inventory availability. RFID tags are applied to every article at the tail end of the production process for consistent and continuous detection during transport and in warehouses and distribution centres. The inherent inaccuracies of manual intake processes are eliminated and managers know at every moment where specific articles are and when they will arrive at their destination.

### Minimise inventory-related losses

Inventory shrinkage alone costs US retailers nearly 1.5 percent of their total sales.<sup>4</sup> With the Detego Suite, retailers can reduce inventory shrinkage as well as costly problems with overstocked, out-of-stock, and misplaced items.

When in-store demands fluctuate, retailers can adjust deliveries quickly. Replenishment alerts and data-driven recommendations help retailers optimise inventory levels at every store.

### Create a unified customer experience

With Detego Suite, retailers can gather data about customers when they shop online and use wireless tracking to provide a customised shopping experience when those same customers enter brick-and-mortar stores. For instance, a store manager can be alerted when a top customer walks into the store and salespeople can provide a personalised experience based on the items the customer has previously searched for and purchased online.

### Optimise sales with detailed, real-time data

With Detego InReports, retailers know precisely which items are touched, tried on, and eventually sold—or not. Algorithms transform all the collected data into specific recommendations that can inform inventory restocking as well as sales campaigns and long-term planning. Using recommendations that appear in easy-to-use dashboards, retailers can reduce costs and inefficiencies while optimising revenue.

## Support new services

Retailers can use the Detego Suite to initiate new services to better serve customers. For instance, fitting room data can be used to track article conversion rates and customer behaviour, leading to more sales and a better customer experience. Click and collect, return to store, ship from store with same-day delivery, and similar services are also possible to further separate retailers from the competition.

## Conclusion

The retail shopping experience is changing rapidly, but one thing remains constant: Customers walking into brick-and-mortar stores want to find the articles that interest them, in the size, style, and colour they prefer. Detego's innovative software suite provides the real-time insights retailers need to meet customers' desires—not only by providing complete transparency into every article from the warehouse to final sale but also by enabling a more personalised and positive customer experience.

As part of the Intel Responsive Retail Platform ecosystem, Detego solutions give fashion retailers a competitive advantage through unified commerce, increased sales, and a superior in-store shopping experience.

## Benefits of Detego Software

- **Increase sales revenue** through better inventory tracking and customer service
- **Expand gross margins** by using data to optimise markdowns and discounts, and to move articles where they're most likely to sell
- **Boost inventory accuracy** and reduce overstock by accurately tracking every article in real time, from the warehouse through final sale
- **Improve customer service** by automating administrative activities, freeing salespeople to spend more time with customers
- **Outpace the competition** with new services such as ship from store with same-day delivery

## Learn More

For more information about Detego, please visit [detego.com](https://detego.com)

For more information about Intel retail solutions, please visit [intel.com/retail](https://intel.com/retail)



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2. "Insights: The growing power of consumers." The Deloitte Consumer Review, July 2014, [deloitte.com/content/dam/Deloitte/uk/Documents/consumer-business/consumer-review-8-the-growing-power-of-consumers.pdf](https://deloitte.com/content/dam/Deloitte/uk/Documents/consumer-business/consumer-review-8-the-growing-power-of-consumers.pdf).

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