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PANDORA Sales Up With AdvanceRetail SmartStore Mobile Solution

In the crowded retail jewellery market, PANDORA stands out as unique. The company designs and manufactures high quality, affordable hand-finished jewellery, implementing a high-visibility brand retail strategy which have all helped PANDORA to become a global consumer favourite.

Founded in 1982 and headquartered in Copenhagen, Denmark, PANDORA is a publicly-owned organisation. Its jewellery is sold in more than 80 countries on six continents through approximately 10,000 points of sale, including approximately 1,200 concept or wholly-owned company stores. It employs over 9000 staff worldwide.

Growing sales volumes
Within Australia and New Zealand, PANDORA's presence has grown rapidly. Since establishing its flagship store in Pitt Street, Sydney, in 2008, the company has embarked on an aggressive store opening program and by the end of 2014, the company will have opened more than 40 stores in the last two-and-a-half years alone.

Supported by its expanding retail presence, PANDORA's sales have grown by a minimum of 16 per cent per quarter (like for like) during the last 18 months. Four of those quarters have seen growth in excess of 20 per cent. The PANDORA brand continues to gain momentum.

While the results are consistently good, there are three particular times of the year when PANDORA staff can expect exceptionally strong demand. Every Mother's Day, Valentine's Day and in the lead-up to Christmas, staff are rushed off their feet as hundreds of people convene on each store. Customer queues stretch out into the street as they search for the perfect gift.

Until recently, the pressures of serving so many people could inevitably lead to delays and problems for both customers and staff. For each sale, staff were required to manually enter a product code into the store's sales book and into the AdvanceRetail POS register. This was both time consuming and could lead to inaccuracies.

Faster service for a better customer experience
To speed customer service and provide a better consumer experience, management decided to trial AdvanceRetail SmartStore, a mobile retail solution that could integrate with PANDORA's existing AdvanceRetail POS system and which would enable staff to serve customers from anywhere on the floor.

Brien Winther, Vice President, Sales & Business Services, PANDORA, explains, "What we were after was a queue-busting system, something that would make it easier and faster for staff to service customers."

"We were already using AdvanceRetail's fixed POS system which had provided us with exceptionally rich data. In fact, the quality of the data we are able to obtain is unsurpassed by PANDORA globally. Therefore, I had no hesitation in trialling AdvanceRetail SmartStore."

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Trial by fire

AdvanceRetail's SmartStore provides a comprehensive, intuitive and scalable point-of-sale system, that has been developed in response to today's changing retail landscape. It's a next generation multi-platform software solution for retailers delivering a contemporary customer service experience solution that will easily adapt to future technological advances. In addition, the solution enables staff to serve customers from anywhere on the floor with full product and customer information at their fingertips, and the small hardware footprint also frees up valuable store space.

To test the system's capabilities and its utility in-store, Winther arranged in January 2014 for a trial deployment of AdvanceRetail SmartStore across all fifteen PANDORA company stores, to run on Apple iPods. The timing was deliberate. It would give staff an opportunity to become familiar with the technology prior to one of its busiest times – the Mother's Day rush!

As the AdvanceRetail SmartStore system was deployed and iPods introduced, AdvanceRetail provided technical training to staff, showing them how to use the devices to capture sales transactions.

At the same time, PANDORA management began to devise new in-store operational processes. Staff had to learn how to use their iPods whilst interacting with customers and moving around the store together, capturing purchasing decisions before heading to the POS register to take payment, print the receipt and complete the sale. To become comfortable with the new processes, staff training included acting out and filming various customer scenarios.

Dealing with Staff Resistance
Winther says he fully expected teething problems with the deployment but was surprised when the biggest hurdle turned out to be operational rather than technical. "We had a lot of staff resistance to using the devices. They were comfortable with the old manual processes and didn't want to change," he notes.

Many felt the new technology would slow them down and there were concerns that this would negatively impact their ability to reach their sales key performance indicators.

"In the end we had to be very tough about getting staff to use the mobile devices. Once they started to use the iPods, however, all the fear was gone and we got immediate buy-in," Winther adds. "In fact the original intention was to have two to three devices per store and for staff share them, however they insisted they needed a device each to fully reap the benefits, which has certainly been delivered and proven to be well worth the investment. They now do up to 100 percent of sales on the devices including returns."

The customer point of view
Another unexpected reaction to the iPods came from PANDORA's customers. "Initially, customers didn't relate the iPods to the sales process. They thought staff were texting while on the job," Winther smiles. "To solve the problem, staff now make customers part of the process by showing them what is being done on the device as they move around the store together."

There was one other customer-related problem that PANDORA staff had to quickly come to grips with. "We lost some iPods through theft. So now the staff uniform includes a belt which allows the iPod to be stored when not in use," Winther explains.

Sales figures confirm success

The week leading up to Mother's Day 2014, PANDORA's flagship Pitt Street store had it's largest Mother's Day sales week with over 75 percent of these processed on the mobile devices. There were no customer problems and the overall customer experience was a positive one. In addition, sales across PANDORA's fifteen company stores increased by over 30 percent over the same period last year.

Today, staff move around the floor with their customers. They can immediately show prices and recalculate transactions as customers try to decide between different items. An additional benefit has been with tourists who don't understand English. This ability to work at the customer's side rather than across the counter puts staff in a more supportive role and has had a positive impact on sales volume. It's a significant change and one that Winther believes has contributed to the company stores' increased sales.

The capture of sales codes has also been automated – a move that has increased accuracy at the register, improved inventory management, and increased staff productivity.

"For the first time in years we have had no queuing or processing issues," Winther asserts. "The mobile devices have proven to be reliable and now that staff have the ability to calculate the cost of items in real-time with the customer, processes have been streamlined, making the in-store experience more satisfactory for customers. This has reduced pressure on sales staff, making them more productive and the end result is we have increased our sales significantly!"

Expanding horizons

PANDORA's AdvanceRetail SmartStore trial is well and truly over. The technology has proven its value and Winther is now keenly pursuing a wider roll-out to its franchise stores. It is a roll-out he would like completed by February 2015.

He's also initiated EFTPOS testing on mobiles, and is looking at the concept of electronic receipts that can be emailed to customers. "We want to get to the stage where the whole transaction is done on the device and not at the POS register," he states.

It's a goal that sits within PANDORA Australia and New Zealand's wider vision for a total omni-channel customer experience, including in-store and online options, to be made available within the next year.

"Our strategy is to continue to grow the retail sector. We have a fresh product range and a brand people trust. We intend to make PANDORA's jewellery available to customers across all channels by 2015," Winther concludes.