Eyes in the sky to protect profitability

with **Envysion**

Challenges

- **Improving audio and video coverage in each retail location**
- **Maximize employee productivity and enhance the in-store customer experience**
- **Reduce operating expenses and losses from employee and customer theft and fraud**
- **Gain deeper insights into sales conversion rates and up-selling activities**

Solution

Next Star Communications uses the Envysion Wireless Retail Solution to gain greater visibility into the daily activities across its 33 locations to reduce loss due to theft or fraud while improving traffic conversion and sales performance.

Business Outcomes

- **Gained multi-angle high-definition audio and video capabilities in each store**
- **Significantly reduced customer churn and inventory shrink**
- **Used Scorecard features to increase foot traffic and conversion**
- **Supplied law enforcement with court-admissible video evidence in a $100,000 fraud case**

Next Star Communications uses Envysion Wireless Retail Solution as its eyes and ears to convert traffic to sales and decrease loss from fraud

▶ PROTECTING PROFITS

The smartphone and tablet business is a numbers game. Whether it's selling to other businesses or to the millions of consumers eager for the latest, greatest mobile devices and gadgets, the competition is fierce for new and repeat customers.

Trying to get a leg up on the competition, wireless retailers are always looking for ways to increase sales, reduce loss from theft or fraud, and generally contribute to a healthy bottom line. For Next Star Communications, reaching those goals is the domain of Operations Manager Dustin Altom. Altom is responsible for overseeing the Sprint Preferred Retailer's loss prevention and fraud detection operations, as well as finding opportunities for incremental growth across the company's 33 Atlanta-area locations.

"There are so many elements that contribute to running a successful business in an industry as competitive as wireless," Altom says. "We needed to rethink how we monitored and addressed loss prevention along with finding new ways to improve conversion rates and incremental revenues for each store — and do it in a way that could be handled by one person or a very small team."

► NO EYES, NO EARS MEAN BIG PROBLEMS

Next Star had always had some form of video protection and transaction reporting for maintaining the financial health of its stores. However, the entry-level video surveillance wasn't optimized to capture multiple angles or audio, making it difficult to monitor every aspect of a sales transaction and other in-store activities.

Similarly, the fraud reports sent by the corporate office provided a high-level perspective of the day-to-day finances of each store. But the reports couldn't be easily cross-referenced with time-stamped video for a more comprehensive view, leaving Altom and company executives to fill in the gaps with an educated guess.

> *"We really didn't have an easy way with our old system to pull all the information together in a way that made sense and provided the intelligence we needed to take action,"* Altom says. *"Accessing video and reports through the mobile app wasn't intuitive enough to be useful and our visibility into the business was limited, which enabled what we learned later was an employee fraud ring that cost the company nearly $100,000."*

In addition to bolstering its loss prevention initiatives, Next Star also wanted to address sales efficiency, with a particular focus on improving conversion rates among existing employees and preparing new hires to hit the ground running. Conversion rates — a ratio comparing the number of customers that enter a store versus the number of transactions and revenues those visits generate — are useful for understanding whether sales staff is making the most from their touches with customers.

"Each customer interaction has the potential to result in revenue from new service activation, plan upgrades, accessories, and insurance," Altom says. "Ideally we aim to average a 10% conversion rate on new store traffic, but never had the tools in place to accurately gauge how we were doing or provide additional coaching when needed. We we had piece together metrics from various reports, create a spreadsheet, and manually calculate a per-employee conversion, which really was very time consuming and not very accurate."

"One of the biggest advantages of the Envysion system is the accessibility it offers. Being able to see time-stamped video, review the loss prevention audits, and analyze conversion metrics right from my phone is incredibly useful and much faster than how we had to manage operations in the past."

Dustin Altom, Operations Manager at Next Star Communications

INTEGRATED SOLUTIONS
FOR GREATER VISIBILITY AND PRODUCTIVITY

Next Star Communications turned to Envysion Wireless Retail Solution Suite to gain the actionable information the team needed to strengthen loss prevention efforts, streamline operations, and improve the sales team's efficiency and effectiveness. The cloud-based Envysion platform gives Altom and the Next Star team easy, reliable access from any device to a range of tools that, when combined with the fraud reports produced by the corporate office, provide unprecedented visibility across the organization.

"One of the biggest and most immediate improvements using Envysion is that we now have both sight and sound around our POS terminals and merchandise racks," Altom notes. "The system was easy to install and position so that we had multiple angles of each POS station needed to visualize each interaction and monitor for customer or employee fraud."

Envysion integrates Next Star's in-store video with its POS data and is synced with time-stamped recordings for easy reconciliation. Each transaction recorded in the company's POS is automatically reviewed and analyzed via exception reporting to uncover any anomalies that indicate fraud or other misdeeds, with any questionable or suspicious trends verified and delivered as a loss prevention audit directly to Altom's email.

Altom can compare the Envysion loss prevention audits with the fraud reports from Sprint to dive deeper into each transaction across each store and root out fraud in ways the company couldn't before. Cross-referencing the reports can help Altom quickly get a better sense of the risk, and then contrast both corporate and company activation checklists to ensure the team is properly verifying ID, local address, proximately to the store, and phone numbers being ported over.

Another notable addition to Next Star's loss prevention and operational excellence initiatives is the Envysion Scorecard. The traffic conversion measurement tool gives Altom an at-a-glance look at which stores are performing well, which ones aren't meeting expectations, and which ones require more traffic to take advantage of their high conversion rates.
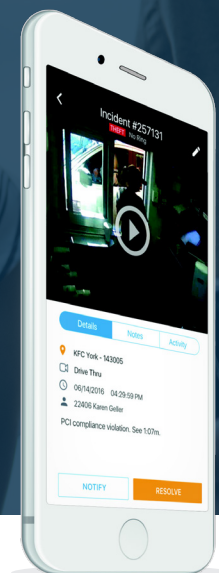
> *The scorecard from Envysion allows any of our managers to evaluate transactions and use instances where the sales experience had fallen short — whether it's selling phone accessories, failing to offer phone insurance, or another aspect that may be dragging sales down — to offer additional coaching."*
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> *Dustin Altom,*
> *Operations Manager at*
> *Next Star Communications*

"It's the perfect complement to the other efforts we're making to improve our sales efficiency and effectiveness," Altom says. "The scorecard from Envysion is unique and allows any of our managers to evaluate transactions and use instances where the sales experience had fallen short — whether it's selling phone accessories, failing to offer phone insurance, or another aspect that may be dragging sales down — to offer additional coaching."

▶ SAVING TIME, MONEY, AND THE CUSTOMER EXPERIENCE

According to Altom, Envysion has helped completely transform Next Star Communication's daily operations. Everything from proactively monitoring for theft and fraud to tracking in real-time how the stores are performing against sales goals has been revamped and reconfigured to align with bigger-picture corporate objectives of reducing customer churn and lessening the impact of fraud across Next Star stores.

"One of the biggest advantages of the Envysion system is the accessibility it offers," he says. "Being able to see time-stamped video, review the loss prevention audits, and analyze conversion metrics right from my phone is incredibly useful and much faster than how we had to manage operations in the past."

That real-time insight has paid off, as the company successfully reached its customer churn and shrink reduction goals for the first time. Altom says that the combination of the in-depth loss prevention audits, video and audio evidence, and the support from its corporate partner has helped change employee behavior in the stores.

He credits the 24/7/365 coverage and availability for demonstrating not only that each aspect of the company's operations are constantly being evaluated — even interviews and back-room conversations — but can also be acted upon if required. Envysion's high-def audio and video capabilities have even made an impact on recovering losses, in addition to preventing them.

"Envysion is playing a prominent role in our ongoing effort to prosecute the fraud ring that hit us in the past," he says. "I was able to save nearly 80 clips of video from the Envysion system and share them with the detectives working the case to secure warrants and move forward with prosecution. That's something we'd never have been able to do before.

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