

Envysion[®]

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**IMPROVE THE PROFITABILITY
OF YOUR STORES**

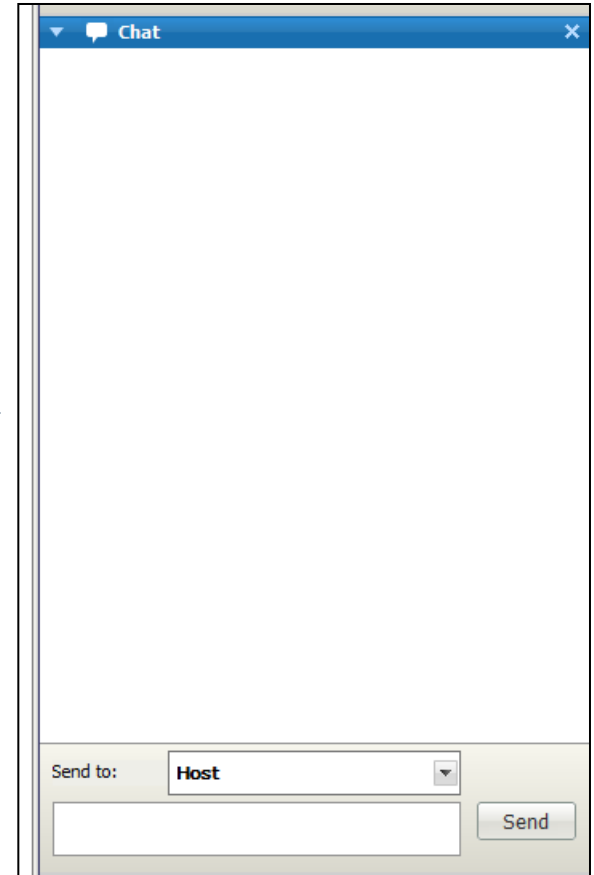
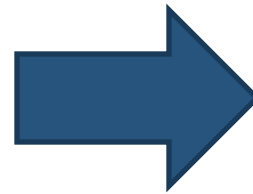
If you have trouble with the webinar, please email hcoxon@envysion.com for help

Encourage you to comment and ask questions

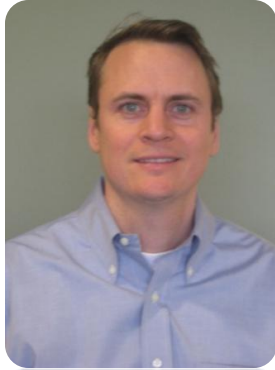
Please type questions into the chat window

Q&A both during webinar as well as at end

We welcome your feedback as well!



Your hosts for today's webinar:



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Problem

Even the best run retailers...



...spend millions analyzing...



...but still can't see their business



Solution



Video-Driven BI ...

... from a MVaaS Platform

- **Turning Video into a Strategic Management Tool**
 - What is Video-Driven Business Intelligence™ & MVaaS?
 - Envysion & Sony
- **Video Use Case Studies**
 - Operations / Process Adherence
 - Loss Prevention / Return Fraud
 - Marketing / Promotions Effectiveness
- **Traffic Counting and Conversion**
- **Case Study: Big Lots**

Delivering Video-Driven Business Intelligence™

Providing unfiltered visual context, allowing operators to increase profitability 10-15% through broad utilization of powerful video-driven business intelligence

Managed Video as a Service (MVaaS)

Actual Video



+



Business Intelligence



- **Winning Combination of Best in Class Providers**
 - Powerful Video-Driven BI
 - Industry leading HD Video
 - Comprehensive camera portfolio to meet every application need
 - Features enabling lower installation costs and total cost of ownership
- **Innovative Joint Solutions**
 - Analytics at the Edge (e.g. Traffic Counting)

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Ensure Process Adherence

Quickly Find Actionable Business Insights
Review hours of video within minutes.

Set Motion Search
Highlight an area to review customer interaction with a new merchandising display.

Motion Search
Easily review activity within susceptible areas of the store, for example the back door.

The screenshot displays the Envysion software interface. At the top, there are navigation tabs for 'Locations', 'Reports', and 'Clips'. The user is logged in as 'Hello hcoxon@demo.com'. On the left, a sidebar shows a tree view of locations, with 'Grocery Store' selected. The main area shows a video player with a timestamp of '24 October 2011 // 10:11:17 AM MDT' and a video frame showing a retail counter. A green box highlights a specific area in the video. At the bottom, there is a playback control bar with a timeline, a 'One-Up' dropdown, and buttons for 'Snapshot', 'Save Clip', and 'Motion Search'. The footer contains copyright information and version details.

Eliminate Fraud and Loss



Email Alerts
Daily report directs user to actionable video.

Consolidated Report
Easily understand exceptions across the entire organization and identify most at risk sites.

Subject: #Reported violations locations with violations

- 0047 - Sandy Springs (4 violations)
All Cancelled/Deleted Transactions: 4.00
Cash Refunds Exceeding \$?: 1.00
Refunds greater than 10% higher than store average: 1.00
Total Number of Cash Refunds Exceeding 10% of Restaurant Average By Cashier: 3.00
- 1440 - East Chase (4 violations)
All Cancelled/Deleted Transactions: 2.00
Cash Refunds Exceeding \$?: 1.00
Refunds greater than 10% higher than store average: 2.00
Total Number of Cash Refunds Exceeding 10% of Restaurant Average By Cashier: 4.00
- 1873 - Downtown Decatur (4 violations)
All Cancelled/Deleted Transactions: 5.00
Cash Refunds Exceeding \$?: 3.00
Refunds greater than 10% higher than store average: 2.00
Total Number of Cash Refunds Exceeding 10% of Restaurant Average By Cashier: 3.00
- 2134 - Morehead City (4 violations)
All Cancelled/Deleted Transactions: 2.00
Cash Refunds Exceeding \$?: 1.00
Refunds greater than 10% higher than store average: 1.00
Total Number of Cash Refunds Exceeding 10% of Restaurant Average By Cashier: 2.00
- 0639 - West Cobb (3 violations)
Cash Refunds Exceeding \$?: 2.00
Refunds greater than 10% higher than store average: 3.00
Total Number of Cash Refunds Exceeding 10% of Restaurant Average By Cashier: 4.00
- 0683 - Cleveland Ave (3 violations)
All Cancelled/Deleted Transactions: 1.00
Refunds greater than 10% higher than store average: 1.00
Total Number of Cash Refunds Exceeding 10% of Restaurant Average By Cashier: 2.00



Linked to Application
Instantly review and validate high risk exceptions.

Video-Driven Business Intelligence™
Review video side-by-side with the receipt and POS keystrokes to determine exactly what occurred.

Receipt # 94760
Saturday 10/15/11 11:34:56 AM MDT

Original	Amount
Original: A83040/K 08/26/11	0.00
Original: A83042/K 09/02/11	0.00
Discount: 25	0.00
Original: A83040/K 08/26/11	0.00
Qty 1 L05 6.38 SPAT SHOEBOOT BLK	63.00
Discount: 25	0.00
Qty 1 L05 6.58 ORN/SH GINGER SPICE	-45.00
Qty 1 L05 XL 05 PLD PLAIN BLUE GREY	-19.35
Total	138.12
Subtotal	137.25
Tax	0.00
Revised	138.12
Change	0.00

Time	Employee	Item	Code	Receipt	Amount	Register
15-Oct-2011 11:34:56	SBL	Original: A82040K 08/26/11	IT	94760	0.0	577
15-Oct-2011 11:34:56	SBL	Original: A83942K 09/02/11	IT	94760	0.0	577
15-Oct-2011 11:34:56	SBL	Discount: 25	DC	94760	0.0	577
15-Oct-2011 11:34:56	SBL	Original: A82040K 08/26/11	IT	94760	0.0	577
15-Oct-2011 11:34:56	SBL	XXXXXXXXXXXXXXXXXXXX5251 \$ 138.12	AM	94760	0.0	577
15-Oct-2011 11:34:56	SBL	AUTH:approve REF:94760	AM	94760	0.0	577

Calculate Key Performance Indicators

People Count X Conversion Rate X Dollars per Transaction – Shrink = Sales (\$)



People Count

- Customer Traffic in Store



Conversion Rate

- Transaction Count/ People Count



Average Dollar Per Transaction

- How much \$ Customer Spend/Transaction

Visibility to Traffic & Demographics

Easy to Use
Live and recorded video for any location accessible from anywhere.

Video POS Integration
Get unfiltered, actionable visibility into store-level operations.

Locations
See all sites at once and quickly monitor system health.

The screenshot displays the Envysion software interface. At the top, there are navigation tabs for 'Locations', 'Reports', and 'Clips'. A left sidebar shows a tree view of locations under 'demo.com/Retail', with 'K - Westminster 1' selected. The main area is split into three sections: a video feed of a store counter with a 'Recorded' indicator, a receipt for receipt # 93870, and a table of recent events.

Time	Employee	Item	Code	Receipt	Amount	Register
11-Oct-2011 10:07:49	AGL	Qty 1 NOS 16OZ_CAN	IT	93870	1.66	574
11-Oct-2011 10:07:49	AGL	Subtotal	ST	93870	1.66	574
11-Oct-2011 10:07:49	AGL	Tax	TX	93870	0.07	574
11-Oct-2011 10:07:49	AGL	Total	TT	93870	1.73	574
11-Oct-2011 10:07:49	AGL	Cash	AM	93870	5.00	574
11-Oct-2011 10:43:32	ANG	XXXXXXXXXXXX8113 \$ 43.37	AM	93871	0.00	573
11-Oct-2011 10:43:32	ANG	AUTH.01118C REF:93871	AM	93871	0.00	573
11-Oct-2011 10:43:32	ANG	Qty 1 VENT CAP ASSY FOR FUJ	IT	93871	39.99	573

Use Case: Conversion Rate

***Conversion Rate = Transaction count to the people count
i.e. converted prospects***

The screenshot displays the Envysion software interface. At the top, there are navigation tabs for 'Locations', 'Reports', and 'Clips'. The user is logged in as 'envysion@biglots.com'. On the left, a 'Browse' sidebar shows a tree view of locations, including '1928 Louisville CO' with sub-locations like 'Register 3', 'Register 4', 'Register 2', and 'Register 1'. A search bar contains 'louisville'. The main area shows a video feed of a store interior with a 'Total Traffic' overlay in green text at the bottom left, displaying '78:84:36:62:00:10' and '2011-11-16 09:57:22'. The video player includes a timeline, playback controls, and buttons for 'Snapshot', 'Save Clip', and 'Motion Search'. The bottom status bar shows 'Events 0 records' and copyright information for Envysion.

Harnessing the Power of the Entire Organization

Case Study: **BIG LOTS!**

From Insurance Policy...

- VCRs & DVRs with limited remote access
- **Limited users, local** in store only
- **Minimal utilization** of video



...to Strategic Management Tool

- Video in all 1,400+ locations
- **275+** video users across LP, Operations, HR
- **1,000s** logins year to date



How is MVaaS Different?

Video Surveillance



Hardware Model
IT Intensive

Few Users
Narrow Value
Proposition



Evolutionary
Model Year
Innovation

MVaaS



SaaS Model
Managed Service

Many Users
Endless Value
Propositions



Revolutionary
Continuous
Innovation

Check Out Our Whitepapers!

Harnessing Big Data to Gain Competitive Advantage



1 in 4 shoppers use a mobile device to compare prices while in a store.

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Retail's Challenge
Today's consumers have more choices and are more informed than ever before. Consumers are increasingly using the internet to find the best deal for products, and this practice is not limited to online shopping. The Kellogg Shopper Index reports that one in four consumers use a mobile device to compare prices while in a store.¹ Price conscious consumers are also more frequently using coupons or deal of the day/flash sale websites, shopping at discount retailers and purchasing store label brands.

While spending is on the rise, consumers remain prudent with their hard earned cash as high unemployment rates persist and income levels remain stagnant. Reflective of stifled consumer confidence, retail executives anticipate only modest improvements in revenue and profitability over the next year with a full economic recovery not expected until 2013 at the earliest.²

In this hyper competitive marketplace, retailers face increased pressure to increase sales and reduce costs to grow profits.

Don't Bring a Pea Shooter to a Big Data Gun Fight
To address the increased pressure, retailers are keenly focused on generating more revenue from existing customers while adding new customers at the same time. The

consensus among retail executives is that these two focus areas will be the largest growth driver over the next few years.³ To accomplish this, retailers must first understand what attracts and motivates customers purchasing decisions. In this pursuit, ecommerce and mobile channels have the clear advantage of being able to test and optimize every aspect of the online shopping experience. With robust data on click through rates, individual purchase history, shopping cart abandonment and myriad other data points, retailers can tailor the online shopping experience to capture the maximum value from every visit and entice repeat customers with personalized recommendations. Though sometimes overlooked, the physical retail channel has a material, albeit less quantifiable, advantage over online retail – a tangible, real life experience in which the consumer interacts with the product and sales associates.

While ecommerce websites have come a long way in providing product images and customer reviews to help customers select merchandise online, for many consumers the online shopping experience still cannot compete with actually being able to feel the product quality, try clothes on to see how they fit or receive immediate answers from an informed store associate. This holds true even for products that rarely vary from customer expectations, like books. A recent survey by the Codex Group revealed that almost a quarter of

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Using People Counting & Conversion Rates to Increase Sales

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What is People Counting?
People Counting is quite simply counting people entering and exiting your store locations. People Counting gives retailers a critical view into the dynamics of their operations. Without it, retailers can find themselves making uninformed decisions in the absence of real data.

People counting data becomes substantially more powerful when combining it with other data sources – specifically, POS data. By combining People Count data with POS data, retailers can compute conversion rates. As we will see, sales can be broken out into its various components, one of which is conversion rate and different actions taken with regards to the various components.

People Counting can be performed with various technologies including sensors that merely detect a threshold being crossed without regard to direction to high-end cameras that detect direction, to infrared systems that detect

Envision

Why is People Counting important?
As previously mentioned, People Counting is important because it gives retailers the visibility into their operations required to have a full picture of factors behind sales and where action should be taken to address opportunities to improve sales. People Counting is also necessary to compute Conversion Rates, which retailers need to fully understand whether prospects are being converted to customers effectively. Without People Counting, retailers are missing the complete picture and making

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Example of high-end camera equipped with video analytics

Type your questions into the chat window

Let us know if you'd like us to follow up with you for a demo!

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