

## HeadCount tracks retailers' traffic to validate sales and advertising

### Marketing manager designs technology and sells service to national outlets

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Monday, May 17, 2004

#### EDMONTON

Eleven years ago, as the marketing manager of an Edmonton retailer, Mark Ryski designed his own traffic-count technology to measure the effect of advertising. Today, his device supports a service he sells across Canada.

Ryski's insight was to recognize that advertising could work only by attracting more customers. So he built a device which uses infrared sensors and beams to automatically count and record foot traffic.

If an advertising campaign was not followed by higher in-store traffic, he reasoned, then the store should change its ads — or save its money.

The system worked so well that Ryski soon was selling it to other retailers.

Unfortunately, he says, "When I checked back, several months later, I found that they had not done much with the information."

They were too busy minding the store. "My epiphany was to realize that retailers don't need more expensive technology," Ryski says. "They need information that they can use."

Ryski moved to Intuit Canada for seven years, becoming a vice-president and operating his HeadCount Corporation as a small sideline.

Fifteen months ago, he left Intuit to revive HeadCount — selling a service rather than a technology.

For as little as \$99 per month per store, HeadCount installs and maintains the equipment, then provides monthly or weekly reports to the retailer, showing customer traffic hour by hour and day by day.

"When retailers advertise customer appreciation days, they usually get a good response," Ryski has found.

He recalls another effective promotion where the retailer advertised extended store hours, "and traffic rose by a factor of two or three."

Occasionally, Ryski says, advertising will stimulate more



CANDACE ELLIOTT, THE JOURNAL

**Mark Ryski is now selling retailers a service rather than a new technology.**

traffic which is not converted to higher sales. Such a pattern reveals a problem with the merchandise, pricing, displays or service.

HeadCount is especially effective in relating traffic, service and sales. If an ad campaign is followed by higher traffic, but staffing is not strengthened, then service obviously would decline and sales will be lost. The daily and hourly traffic counts can help a retailer schedule staff when they are most needed. Counts also can be compared to average purchase amounts. If traffic rises, but average purchases fall, then the upscale merchandise may be poorly displayed, or the sales staff may need training.

"This is not about spending more," Ryski says. "It's about spending differently — making sure that each location is the best it can be."

Ryski and his five employees receive the traffic-count data over the Internet at offices in Edmonton Research Park, where they prepare customized reports which can range from simple traffic charting to sophisticated correlations with advertising effort, ratio of shoppers to buyers and average purchase.

HeadCount has 75 client stores in 25 cities in seven provinces, including Staples, Canadian Tire, CompuSmart and Totem Building Supplies.

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