

For Immediate Release



Is it the weather? Wal-Mart? My ad agency? Retailers turning to HeadCount's customer traffic analysis for answers

Trading "gut instinct" for the science of traffic and customer conversion provides a more complete picture of what's affecting the day-to-day sales in stores

May 30, 2007 (Toronto) – Big Box outlets, shrinking margins and dwindling returns keep many Canadian retail executives up at night. Yet everyday retailers are allowing critical sales data to walk out the door — their customers. Mark Ryski, CEO and Founder of Edmonton-based HeadCount, will present his case that the retail industry needs to add traffic counting analysis to their sales strategies as a featured speaker at STORE 2007 – Canada's Retail Conference (www.storeconference.ca) held June 4-5 in Toronto.

Electronic traffic counting technology has been around since the 1970s, but the penetration of the technology in retail outlets is estimated to be less than 20 per cent, says Ryski, who authored a book, *When Retail Customers Count*, to put the science of customer traffic counting and conversion back into the retailers' hands.

"In researching the subject, I realized the traffic counting industry itself was partially to blame," says Ryski. "Retailers had been sold the technology to count traffic, but what they actually needed were the insights from traffic counting packaged in a way they could affordably apply to practical, everyday problems."

As a result, a majority of retail establishments in North America are simply not privy to how many prospects visit their stores, as well as the percentage of prospects that visit, but don't make a purchase, says Ryski, who in 2003 started HeadCount, which now provides its unique monthly service to many of Canada's top retailers, including Home Depot, lululemon, London Drugs, and Sleep Country Canada.

"At Sleep Country we are constantly striving to offer an exceptional experience to our customer and that means measuring our effectiveness and looking for new opportunities," says Christine Magee, Co-Founder, Sleep Country Canada. "The analysis and information we receive from HeadCount helps us do that."

Joel Aylon, General Manager Retail of Hallmark Canada, which has begun implementing the HeadCount service at 31 of its corporate locations, agrees. "Compiling the HeadCount analysis on top of our other key performance indicators stands to dramatically enhance our ability to make more informed decisions down to a store-by-store basis."

Aylon says access to the new data results provides an important new tool. He can now work with individual store managers to "move the needles" on a weekly basis while

taking into account the unique flow of customer traffic at each location. Advertising efforts can be measured against store traffic, sales training and incentives better tracked, and Hallmark even expects the new data may lead to improved lease arrangements by proving to property managers how much traffic a specific mall location generates.

Aylon will join Ryski on stage at the STORE 2007 Conference to provide an overview of the customer conversion process. The Conference organizer, Retail Council of Canada, recently signed a deal to offer HeadCount services, at a discounted rate of \$139 per month per store, to its members.

HeadCount is also in discussions with the University of Alberta's new School of Retailing to incorporate a component of traffic and customer conversion in its course content.

About the Science of Traffic Analysis and Customer Conversion

Without traffic data, store level managers are often left to rely on "gut instinct" over readily available customer traffic information in determining why results don't meet expectations. But installing store counting technology enables retailers to compare detailed customer traffic metrics separately or even combine them with existing data such as transaction and sales information from existing point-of-sale (POS) systems.

HeadCount Corporation analysts add a critical next step, by delving deeply into traffic and customer conversion data, then interpreting the results to find insights that are passed on to their clients on a weekly and monthly basis. Armed with the analysis reports, retailers can better manage costs, measure results and drive performance in new ways.

About HeadCount

HeadCount is one of North America's leading providers of store traffic and customer conversion analysis. HeadCount's key differentiator is the low cost-of-entry provided by its unique monthly service and reporting program, which is implemented by some of North America's leading retailers including Home Depot, lululemon, London Drugs, and Sleep Country Canada.

For more information please visit www.headcount.com/

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