Gray Matter
Empowering Intuition

How a Leading Airport is using the *Store Sense* Solution for Retail Revenue Optimisation?

Bangalore International Airport Limited (BIAL) operates the Kempegowda International Airport (BLR Airport), named after Hiriya Kempegowda, the founder of Bangalore. It is the third-busiest airport in the country by passenger traffic numbers and total cargo handled. Bangalore Airport aims to be a world-class destination for shopping, dining, and entertainment when its upcoming Terminal 2 opens in 2022. The airport plans to invite over 100 commercial concepts, including duty-free stores, advertising, retail, food and beverage and other consumer services to partner with it.

By adopting a Progressive Calibration Commercial Strategy, BIAL shares the risk and reward with its concessionaires as part of its partnership agreement. **The Moodie Davitt Asia Pacific report of June 2021 has referred to BIAL adopting shared 'risk-reward commercial terms for the ambitious T2 tender programme.**

INTERVIEW EXCERPTS

The following are the excerpts of an interview with **Mr. Pravat Paikray, AVP, Commercial Development, BIAL.** Mr. Paikray is a strong advocate of using technology to enrich the user experience at BIAL retail outlets. He says the future of retail is in data-driven shopping and providing highly engaging customer experiences at the BIAL airport. In this interview excerpt Mr. Paikray talks about BIAL's four-pillar operational strategy, adopting **Store Sense,** and his expectations from the product.

ABOUT STORE SENSE

Store Sense from GrayMatter Software Services helps customers accelerate their store revenues through heightened customer engagement and increased staff productivity.

OPERATIONAL PHILOSOPHY: COMMITTED TO CUSTOMER SATISFACTION

BIAL has a four-pillar operational philosophy. The first of which is our commitment to customer satisfaction. We are highly customer-focused and constantly look at ways to better our customer experience. The second pillar is our focus on partners and the brands they represent. We value and respect our partnership with concessionaires. Our obsession with providing enhanced customer satisfaction is not possible without getting the relevant data, and therefore, our third pillar is a Data-led approach. Our hyper-focus on customer experience is possible only because we gather, analyze and act on the data we get. Therefore, our fourth pillar is Customer experience (CX), which ensures that every interaction a passenger has in our airport is world-class. Our goal is to make BIAL a digitally superior and dynamic airport in the world, by enhancing passenger experience at every single touchpoint.

As our **Chief Commercial Officer Kenneth Guldjberg** says*, "We need to create an exceptional experience for passengers, offering them an elevated and luxurious environment, with a diverse product mix, great brands and excellent service, without compromising on sustainability and care for the environment."*

THE CRITICALITY OF DATA-DRIVEN INSIGHTS

Data-driven business insights are critical to understanding the performance of our concessionaires and the preference of customers. Analyzing the content that Store Sense throws up will help us to improve customer satisfaction levels constantly. Since the solution also provides real-time, non-intrusive extraction of sales data from the concessionaires, we can control revenue leakage and manage our business more efficiently. Optimizing retail revenue is critical to us, considering the space limitations and the increasing passenger footfall. By deriving accurate data, we can build actionable insights through analytics.

The Store Sense System is progressive with respect to the Dashboard, Data Capture, and Outcome. What differentiates Store Sense from the traditional approach is the flexibility in programming. Staff productivity at the retail outlets is yet another emerging business requirement that Store Sense addresses effectively.

BENCHMARKING WITH THE WORLD'S BEST FOR RETAIL REVENUE MANAGEMENT SOLUTION

When we realized that we needed a solution that would help us provide a better customer experience when passengers visit BLR Airport's retail outlets, we studied how a few of the leading airports worldwide monitor and manage the revenue from their retail outlets. Since we constantly benchmark BLR Airport with the best airports globally, we looked for a solution that offers the best-in-class retail revenue management at airports.   We sought a reference from a leading airport, which had implemented Store Sense. Initially, we also had thoughts of developing our own POS system and did weigh the pros and cons of collecting data offline.

The decision to choose Store Sense was taken after a competitive tender process, followed by a techno-commercial evaluation across many functional and operational areas. After the successful technical evaluation, our IT team reviewed the security, integration, and other vital infrastructure compatibility and compliance. We also involved the leadership team of select concessionaires as independent evaluators to get their point of view and comfort level of linking their existing point of sale systems with third-party systems. We even invited the CIO of a reputed shopping mall as an external subject matter expert to review and evaluate the technology and business analytics.

CONCESSIONAIRE CONCERN RESOLVED WITH A PLUG & PLAY SOLUTION

The reaction was optimistic when we proposed Store Sense and explained the features and benefits to them. One of their main concerns was introducing a product that interfered with their existing POS system. Once they understood the Store Sense distinctive architecture of hardware connected to the POS instead of software, that concern disappeared. As Store Sense provides both the operator and the concessionaire a holistic view of operations across stores, they realize the benefits that will accrue to them.

For example, our concessionaire HMS Hosts on implementing Store Sense, gained immensely through better inventory management. They were able to better manage their fast-moving items by replenishing them before they ran out of stock. A few other benefits that Store Sense offers are increased staff productivity and supporting concessionaries execute promotional campaigns by pushing messages to passengers' smartphones.

STORE SENSE - HELPING GAIN AN UPPER EDGE

We have an ongoing and productive relationship with GrayMatter. The commitment and support from their leaders are commendable. Store Sense provides real-time visibility of store revenue, accuracy in data collection and actionable insights that drive store productivity. In addition, its flexible programming architecture address emerging business requirements optimally to maximize operator and concessionaire revenue opportunity and scale.