

Store Productivity Declines Are Costing Sales \$

Kepler Analytics

19th July 2023

Presented by

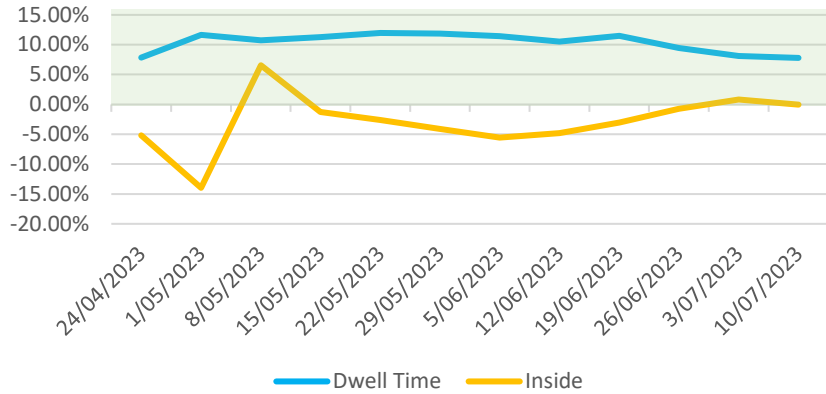
Tony De Fazio

Head of Product & Retail Insights

Dwell Time Rises as Traffic Falls

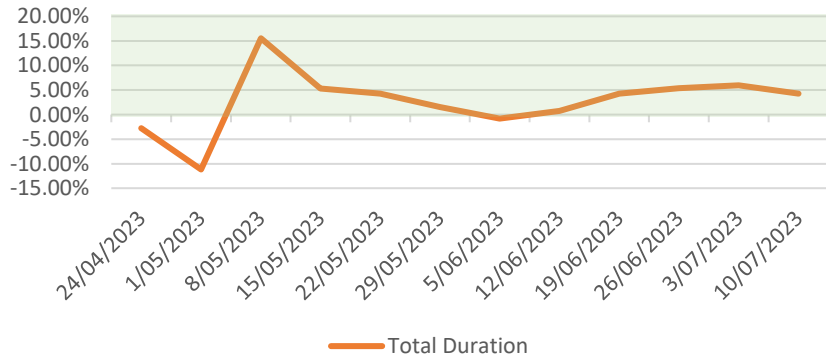
Australia

Difference Between Indexed 2023 v Indexed 2022*



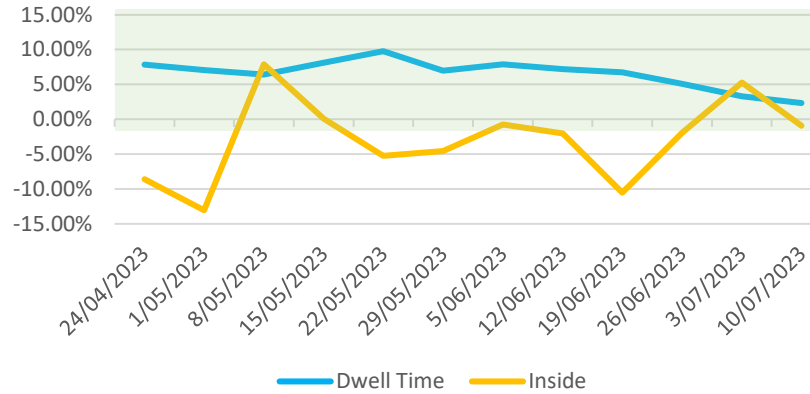
Australia

Difference Between Indexed 2023 v Indexed 2022*



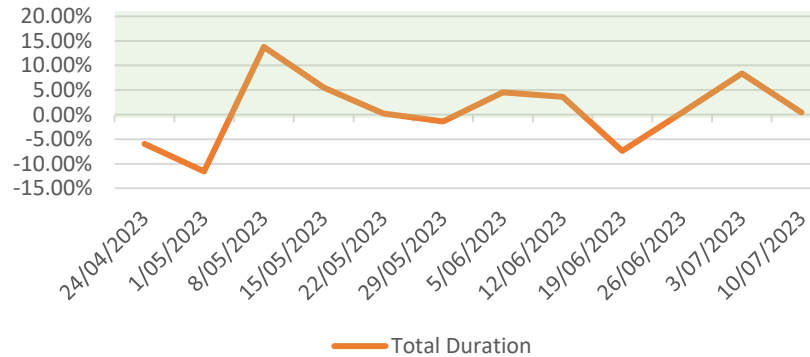
New Zealand

Difference Between Indexed 2023 v Indexed 2022*



New Zealand

Difference Between Indexed 2023 v Indexed 2022*



Observations

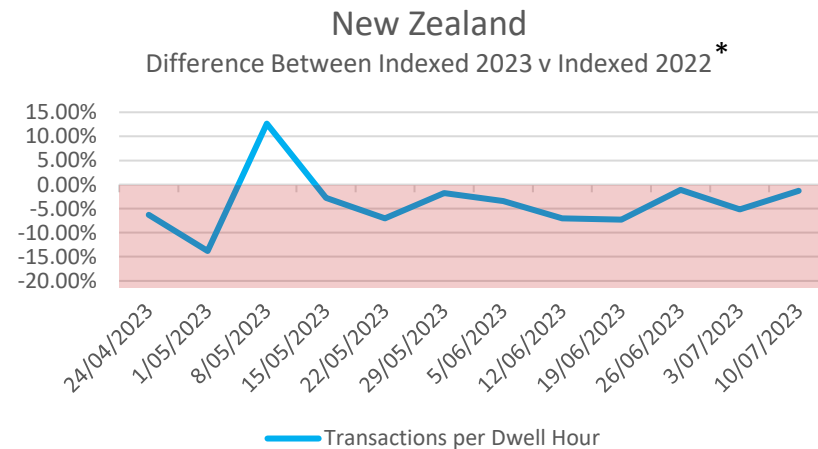
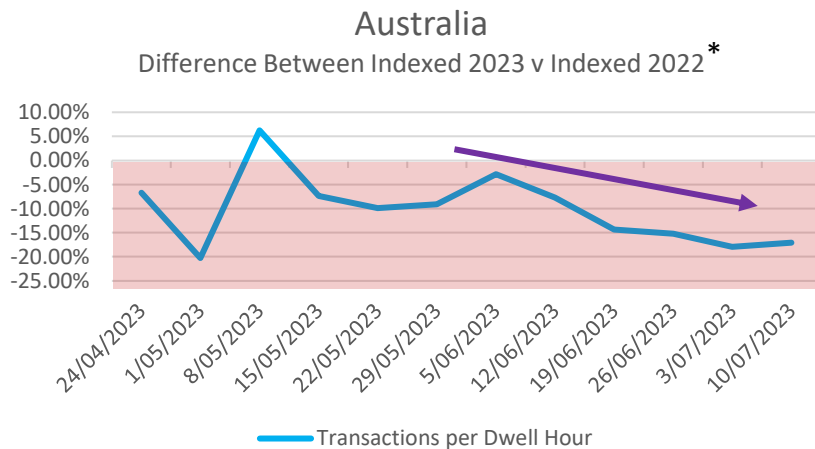
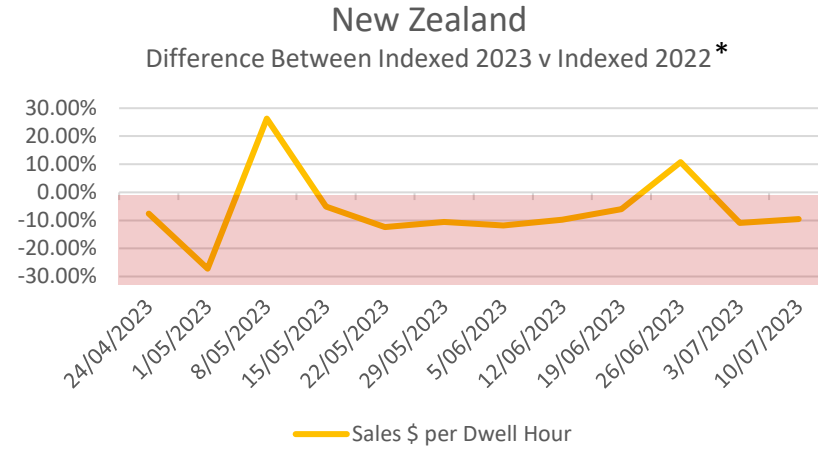
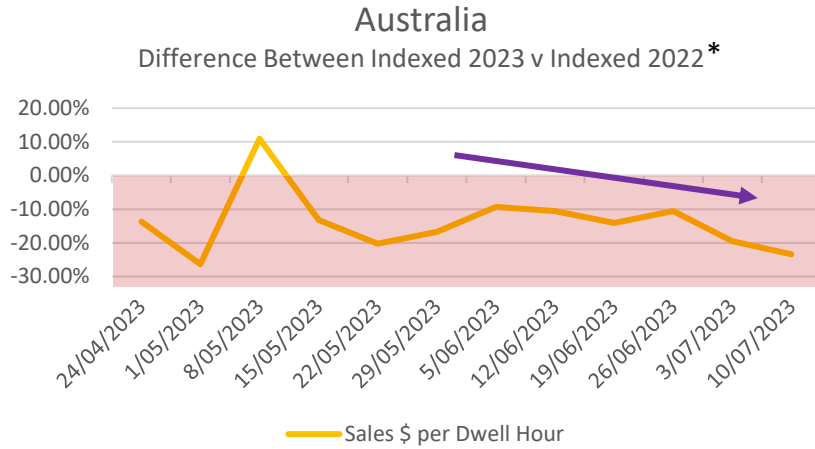
- Dwell Time increases as reduced traffic levels are more intent on purchasing
- Despite challenges with Inside Traffic, total Dwell Time in store is increasing.

Conventional wisdom dictates this should see a rise in Sales \$.

* Variance in each year indexed vs 2019

DWELL TIME AND SALES \$ HAVE DECOUPLED

Increased Dwell Time Not Translating to Sales



Observations

Except for Mother's Day week (08/05/2023), AUS and NZ stores generally underperformed in Sales \$ per Dwell Hour and Transactions per Dwell Hour in 2023 compared to 2022

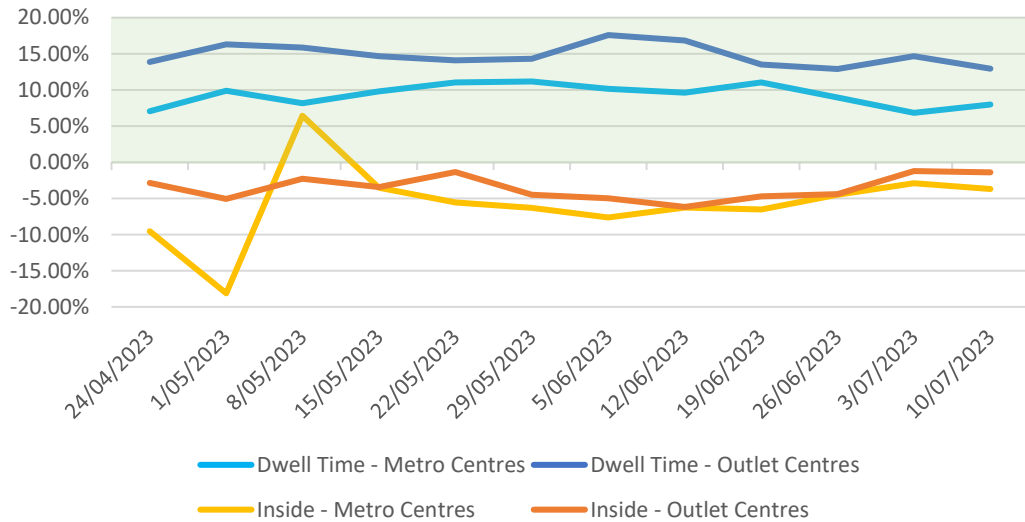
* Variance in each year indexed vs 2019

INEFFICIENCY IN POTENTIAL CUSTOMER ENGAGEMENTS

Comparison between Metro Centres against Outlet Centres

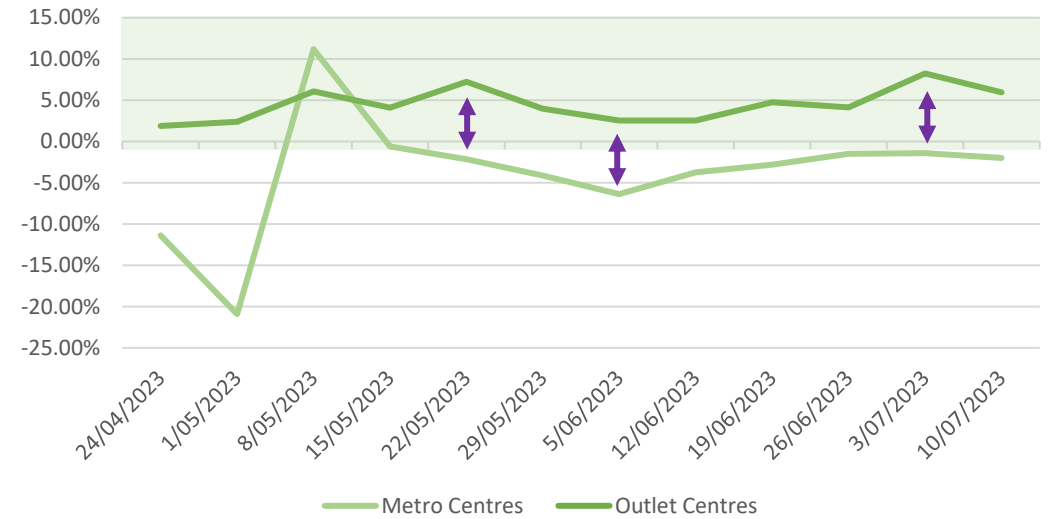
Metro Centres v Outlet Centres

Difference Between Indexed 2023 v Indexed 2022 *



Metro Centres v Outlet Centres - Total Duration

Difference Between Indexed 2023 v Indexed 2022 *



Observations

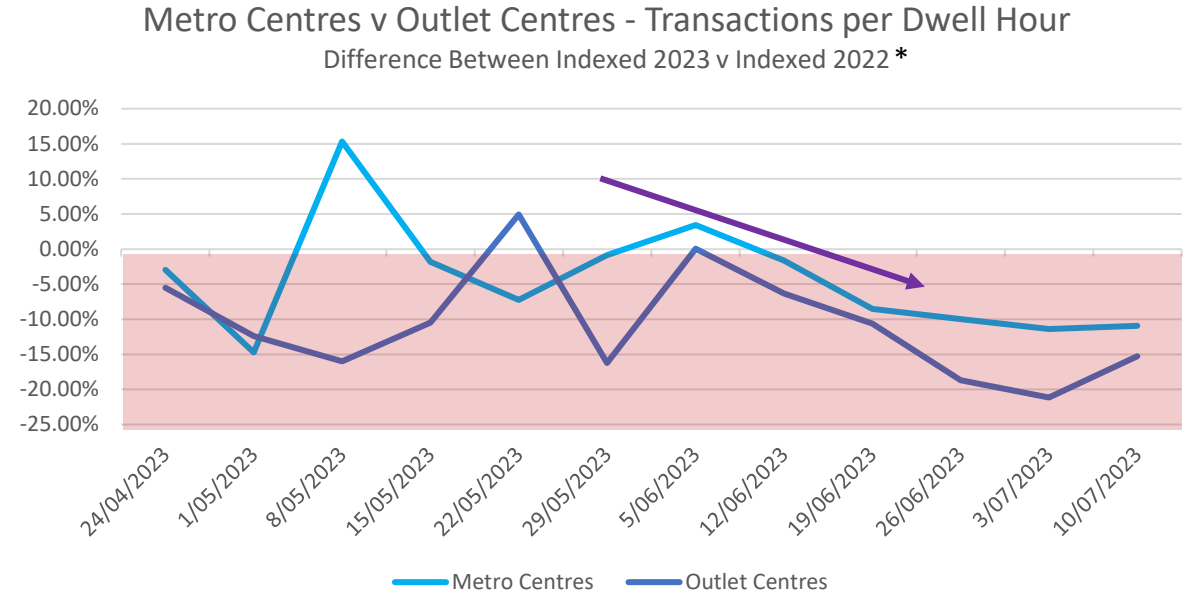
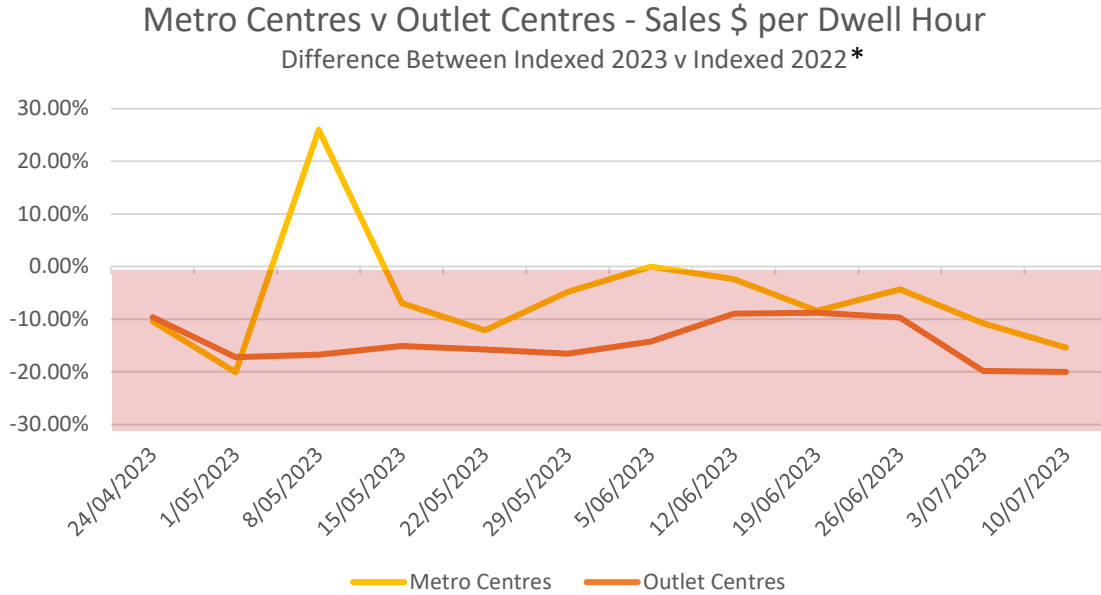
- Outlet Centre traffic has more intent to engage, and is declining less
- Metro Centres offer comparatively less chance to engage with traffic

Outlet Centre Traffic is more intent on purchasing than Metro Centres.

* Variance in each year indexed vs 2019

OUTLET CENTRES REPRESENT BIGGEST PRODUCTIVITY OPPORTUNITY

Stores not able to capture opportunity with General Increase in Total Duration



Observations

Similar to AUS and NZ stores, except for Mother's Day week (08/05/2023), Metro Centres and Outlet Centres stores generally underperformed in Sales \$ per Dwell Hour and Transactions per Dwell Hour in 2023 compared to 2022 – Outlet Centres performing worse given general improvement in Total Duration

* Variance in each year indexed vs 2019

STORES NOT AS PRODUCTIVE AS PRIOR YEAR

Thank You

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