

Data analysis and reporting gives retailers inside lane in race to Black Friday

Hirsch's implements Qlik Sense to better mine their customer data



CUSTOMER STORY

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Craig Smith, Special Projects Manager, Hirsch's

Customer-centricity at its best

The Hirsch's Family are as passionate about giving their customers great service today as they were when Allan Hirsch founded the company in 1979.

With 19 branches and concept stores spread throughout South Africa, Hirsch's has become a force to be reckoned with in the appliance and electronics industry. An appliance repairman who unwittingly became an entrepreneur, Allan Hirsch and his wife Margaret started their family-run appliance business in a tiny showroom in Umhlanga Rocks Drive, Durban, in 1979 with just R900 that they had saved.

Their children, Richard (CEO) and Luci (Brand Manager) joined the company after working their way up through the ranks. Today Hirsch's has grown into a chain of mega appliance and home furnishing stores in KZN, Cape Town and Gauteng - offering the best brands, and excellent service.

Data insights making the silly season less crazy

South Africa's retail sector experienced an important shift when the Black Friday tradition entered the local landscape, most notably the introduction of a large spike in trading volume during the month of November, peaking around the day itself, says special projects manager for Hirsch's, Craig Smith. He says understanding business data is crucial for retailers to prepare for spikes like Black Friday and the festive season, as well as dips during quieter times of the year.

Solution Overview

Customer Name

Hirsch's

Industry

Retail

Geography

South Africa

Function

Merchandising

Business Value Driver

Actionable reporting, business intelligence

Challenges

- Stock levels across stores
- Mining customer data

Solution

Hirsch's and Insight Consulting implemented Qlik Sense to provide actionable insights across branches

Results

- Unlock immense agility and competitiveness for the business
- Greater visibility of business stock and performance
- Extract useful insights and automated reports
- Accurate forecasting

The legacy problem

“A few years ago, everything built up to the festive season, but since the introduction of Black Friday, November is a crazy time of the year.

While December volumes are still good, November has surged in importance for retailers and it is crucial that they are sufficiently prepared,” says Smith.

He says that October is generally flatter as consumers hold back their spend in anticipation of November specials, making it increasingly important to strike the balance between product lines expected to fly off the shelves, compared to slower movers that may well see a short-term or seasonal spike. “All categories will spike during November,” says Smith, “and in some cases there may also be seasonal increases over and beyond the Black Friday surge. Beyond effective analytics, great relationships with suppliers makes a big difference because a cracker of a deal from a supplier means we can pass that on to customers.”

Zoning in on data, Smith says every decision is made from what he calls actionable insights that are reported to key business personnel. “Hirsch’s, despite growing to the levels it has, has its DNA firmly in the traditions of a family business. In the old days, a buyer would walk onto the floor and make decisions on stock levels and what to order based on gut feel, precisely because of how well he or she knew the industry and the customers.

This core competency hasn’t changed in our business – we know our customers very well, and as we have grown, we have maintained this ability by analysing the data in the business to ensure that the customers find what they need.

“In the new world, where online retail has turbocharged sales so that some lines move very quickly while others may be slow and steady, data-driven decisions are vital to strike the right balance. We use Qlik Sense, which generates very important actionable insights for the decision-makers centrally, and at branch level. When planning for something like Black Friday, this level of confidence is crucial,” he says.

Smith says that leveraging data has supported sales staff and the customer experience. “Data is hugely important to us – now as we approach Black Friday, but also every other week of the year. Our sales people can see stock levels nationally in real time, as stock moves. This lives on an application on their phones, meaning they can answer any questions or sell from anywhere to anywhere. Customers, on the other hand, see actual live product availability,” he says.

Smith says that Hirsch’s has 40 years of customer data, some of which is old and not usable, but a lot of which holds very important insights that could unlock immense agility and competitiveness for the business, and which could certainly make for even more impressive Black Friday performance in

years to come. This is why he sought out Qlik and a data services partner to help get the best out of the platform.

“We know our customers well, but there is an opportunity to target more people in a smarter manner. It is going to be game changing once we get actionable insights on all our data from different business units through the use of Qlik,” says Smith. He adds that Hirsch’s uses a legacy system – albeit a very effective one – and that by plugging Qlik into the system, his team is now able to extract useful insights and automate reports, which removes the risk of users making mistakes in drawing reports. He says that scaling this capability throughout the business is the exciting next step, including other functionality such as forecasting or bots to deliver reporting.

While online retail is the driving force behind increased sales in the business, especially during November, Smith says it would be a mistake to downplay the importance of physical stores. “Yes, online retail is bringing more eyes onto the product lines and driving sales – especially during November – but people still want the in-store experience, especially from a business-like Hirsch’s that prides itself on personal customer service. People still want to touch and feel what they are buying. It is becoming increasingly important to analyse data and make informed decisions with this holistic mindset,” he says.

The intervention

Hirsch’s partnered with consulting firm Insight Consulting to implement Qlik Sense across the business.

The outcome

Greater visibility of stock levels at a national level. Data-driven decisions and reporting available on customer buying behaviour and stock requirements in real time.

The keys to success



Positive

Actionable data insights on customers



Benefits

Real time customer buying behaviour and visibility of stock levels at a national level

“At first I wanted to do this on my own, but bringing insight consulting on board to integrate Qlik sense into the business was the best decision we could have made. Having professionals in the field on board has given us a solid base from which to work.”

Craig Smith, Special Projects Manager, Hirsch’s



About Qlik

Qlik's vision is a data-literate world, where everyone can use data and analytics to improve decision-making and solve their most challenging problems. A private company, Qlik offers real-time data integration and analytics solutions, powered by Qlik Cloud, to close the gaps between data, insights and action. By transforming data into Active Intelligence, businesses can drive better decisions, improve revenue and profitability, and optimize customer relationships. Qlik serves more than 38,000 active customers in over 100 countries.

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INSIGHT CONSULTING

Active Intelligence

About Insight Consulting

Formed in 2007, Insight Consulting is a strategic consulting firm that operates across Southern and East Africa. It is a data specialist that finds its enterprise customers' raw data, frees it from vertical business silos, understands its relevance and actions it into business value for them by using intelligent software and analytical expertise.

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