

Rapid self-service beats the lunchtime rush

"Not having to queue at the checkouts is really a major benefit! In this way, we can create an exceptional customer experience."

Geert Nollet - Director, Cora Woluwe



SUMMARY OF KEY FACTS

Organisation

Cora, a subsidiary of the Louis Delhaize Group

Services delivered

Deployment of Fujitsu's U-Scan self-checkout system alongside existing tills

Key metrics

• 59 hypermarkets in France, as well as 9 in Belgium

Benefits

- Improved customer experience customers are served faster (waiting times should be reduced by 25-30%), have a choice in how they conduct transactions and more control
- Enhanced staff productivity cashiers can manage multiple self-service tills, provide immediate assistance and have more time for higher value customer contact
- Reduced risk automated scanning and payment reduces fraud and human error and the risks of cash handling

Challenge

Formed in 1974, Cora is the French-Belgian subsidiary of the family-owned Louis Delhaize Group. The company employs 22,000 employees working in 59 hypermarkets in France, as well as 9 in Belgium, 7 in Hungary, and 9 more in Antilles, Romania and Luxembourg;. The company also operates a range of supermarkets and discount stores across Europe employing a further 30,000 people.

In common with many retailers operating in the mass distribution market, Cora was faced with the challenge of reducing the transaction time at the checkouts to improve the speed and quality of the service provided, so that customers could choose and pay for their goods just as rapidly. It also wanted to reduce the cashiers' workload to encourage a greater level of customer interaction.

Geert Nollet, Director, Cora Woluwe, says, "We were looking for an integrated self-service solution, which didn't undermine our existing fixed till solution and which addressed the specific nature of our hypermarket, based on its proximity to major businesses. In particular, this means we experience considerable activity during the mid-day lunch break and at the beginning of the evening. In fact, between noon and 1.30 pm we have an extra 300 to 400 customers queuing for a sandwich or snack and a drink, plus a few small additional purchases. These customers are clearly in a hurry: they do not want to waste time at the checkouts. So, meeting the requirements of these loyal customers was definitely one of the reasons for installing the automated checkout systems."

After analysing the requirements of the service, the Louis Delhaize Group chose Fujitsu, because it is widely recognised for the quality of its solutions for retailers.

Solution

Fujitsu proposed deploying its U-Scan self-checkout system alongside Cora's traditional tills. U-Scan is a fully automated checkout solution, which enables hypermarket customers to scan their purchases interactively by themselves and also to pay for them automatically, in cash, by bankcard or Cora Card. The system can also give change and is responsible for recording and handling money saving coupons.

By offering customers the chance to scan the products that they buy at their own pace and to pay for them without directly involving any staff the U-Scan system also allows them to check the price of each product and so have more control over their shopping, with only the support of one assistant for every four self-service checkouts.

CASE STUDY CORA



Originally initiated with a pilot phase in October 2005 using a single Fujitsu U-Scan self checkout system, the project has been gradually extended over time and today it is based on a configuration of three self-checkout units, comprising four tills, with three assistants in the Cora's store in Woluwe, Belgium. The solution was completed with the inclusion of other automated systems, particularly pay stations for recycling cash.

"Since the pilot, the number of transactions - that is the number of baskets at the checkouts - has increased continuously," comments Geert Nollet. "At the time of the pilot, it was less than 15%. Today the proportion fluctuates between 25 and 30%. At mid-day, it is considerably higher. This rate, which had been fixed as a target, will soon be exceeded. On the basis of three units, I anticipate 40%. Everything indicates that the more automatic checkouts there are, the more widespread their use. There is a sweep effect. And this applies to all categories of customers, without age restriction."

The new system perfectly matches the needs of hypermarkets, where the average trolley has fewer items than in supermarkets. So, the reduction in time spent at the checkouts as a result of installing a self-checkout system is likely to be quite significant. In the rest of Belgium and France Cora's store managers have the strategic freedom to choose the number of self-service systems that they want to introduce and the solution has already been rolled out to 40 stores.

"Ideally there would be more automatic checkouts than needed," continues Geert Nollet. "By reducing time at the checkouts, we will improve the overall quality of the service. As well as geographic proximity, parking facilities, the extent of the range on offer and competitiveness in terms of prices, this is one of the main criteria in choosing a hypermarket. Not having to queue at the checkouts is really a major benefit! In this way, we can create an exceptional customer experience and the loyalty of our customers can only increase as a result."

Benefits

Fujitsu's U-Scan self-checkout solution is enabling Cora to:

- Improve customer experience customers are served faster, with waiting times expected to be reduced by 25-30%, have a choice in how they conduct transactions and pay for goods and enjoy more control over their shopping
- Enhance staff productivity cashiers can manage multiple self-service tills, provide immediate assistance and have more time for higher value customer contact
- Reduce risk automated scanning and payment helps reduce the level of fraud and human error and also reduces the risks of handling cash through increased store security.

Cora clearly believes in the benefits that self-service can provide for its customers, but it also reaps benefits indirectly in terms of its organisation and processes. In particular, the level of fraud at the checkouts has dropped. "From all the evidence, technology is slowing down defrauders," comments Geert Nollet. "The weight check makes fraud more difficult; a 5 kg tub of washing powder weighs 5 kg, not 5.150 kg. So it's impossible to slip a DVD into the container without an alert at the checkout."

In addition, at the suggestion of Woluwe's staff, customers must now have their checkout tickets validated. As a result, the automatic scanning and payment processing loses its 'virtual' character, because the ticket makes the operation 'real', which puts off potential thieves.

However, Cora prefers to capitalise on the improvements in customer satisfaction enabled by U-Scan. "In their great majority, our customers appreciate the system's parallel recreational and high tech aspects," observes Geert Nollet. "The success of the self-service system is also due to the training of the assistants. Our customers feel that they have more freedom, but at the same time that they are supported. This results in a higher quality relationship between customers and our staff."

Approach

Fujitsu was the only supplier commit to providing a fully integrated solution within the required timescale. However, the current success of the project in Belgium is due to the preparation, implementation, training and support it has provided.

Fujitsu's experience has also enabled Cora to achieve concrete, measurable gains. For example, in Cora Woluwe it was important that it could absorb the activity peaks. So now queues form less rapidly at the self-checkout systems, because all of these checkouts are open constantly. By comparison, traditional manned tills are usually only opened when a significant number of customers are already waiting, so it is always done in a reactive manner.

The commonality of the systems in place also enabled a money recycling system to be added to improve traffic throughput. For all checkouts, both self-service and manned, Cora also installed cash payment stations, so the money is no longer carried by the cashier, but drops into a safe. Not only has this significantly reduced cash management process, but it also means that tills can opened or closed much more quickly as a till check or money transfer is no longer necessary.

Expertise

With over 40 years experience of supporting the needs of customers, Fujitsu has a proven track record in providing innovative systems and management services that increase revenue, reduce costs, improve productivity and customer services and deliver a compelling return on investment.

"Our relationship with Fujitsu fits within our long-term policy," concludes Geert Nollet. "We profit from its expertise to devise our future. I, therefore, place considerable importance on the organisation of user communities as the exchange of experience allows us to continue progressing."

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