

Making shopping fun – for adults and children

“At AEON, our eternal mission as a corporate group is to benefit our customers, and our operations are thus customer-focused to the highest degree.”

AEON



Challenge

By any measure AEON is a large retailer. In fact, the Nikkei Information Strategy magazine called it “Japan’s Wal-Mart”. The company already operates more than 400 large-scale, general merchandise stores throughout Japan as well as in Malaysia, Thailand and China. AEON also operates around 600 supermarket outlets, more than 3,000 convenience stores and 3,500 specialty shops, in addition to shopping-mall development, financial services, entertainment, food services and much more.

With over 10 million people registered as AEON Card Holders, the concept of delivering a positive customer experience is nothing new for AEON. It is what has made it Japan’s most profitable retailer – and what is driving it to take its place among the top 10 global retailers by 2010. AEON’s basic principles state, *“The customers’ beliefs and desires comprise the central core of our philosophy. At AEON, our eternal mission as a corporate group is to benefit our customers, and our operations are thus customer-focused to the highest degree.”*

Fundamental to AEON’s aggressive plans is the re-invention of its IT capabilities, which it has been progressively developing since 1997. From merchandising to home delivery, AEON is revamping and redesigning itself to bring greater value to its customers. It has also invested significantly in new in-store systems in order to improve its ability to respond more efficiently to consumer demand and sales trends and to modernise its image.

In particular, AEON had begun to introduce different methods of checkout since 2003, including the growing use of Self-Checkout (SCO) systems, to improve customer satisfaction and business efficiency. However, AEON wanted a solution that was both easier and more “fun” to use for both children and adults.

Solution

Fujitsu was chosen to implement a new SCO solution, using technology based on its retail-hardened TeamPoS 3000 (TP3000) terminals, which are designed to withstand the rigours of high-volume checkout environments with easy serviceability.

The main Customer Station has been specially adapted to optimise usability. All functions are centred to enable easy operation and the incorporation of guide lamps and an operator’s voice guide ensure that even first time users can checkout easily.

The design of the Customer Station is very compact so that it can fit in even the smallest retail spaces and stores. Even so, size variations are still available to suit different store operation and layouts. Choices include 1, 2 or 4 bag types depending on the average volume of purchasing in the store.

SUMMARY OF KEY FACTS

Organisation

AEON

Services delivered

The design, development and implementation of a Self-Checkout (SCO) system designed to provide an easy to use and “fun” customer experience

Key metrics

- Turnover of JPY4.82trn (£22.7bn)
- To be deployed in 1,300 retail stores

Benefits

- **Improved customer experience** – enables “queue busting” as customers are now served faster and more efficiently
- **Reduced operational costs** – streamlines and automates customer support processes and is saving significant space
- **Greater productivity** – use of store staff is optimised with fewer staff required to manage tills or deal with customer problems
- **Increased revenue** – is enabling simpler and faster customer throughput
- **Enhanced company image** – positions the company as innovative and customer-focused
- **Robust and stable platform** – offers a future-proof foundation for ongoing developments

The SCO solution also includes an Attendant Station for customer support. A single Attendant Station with just one operator can be used to monitor the performance, errors and user problems of four Customer Stations at once, resulting in improved business efficiency and reduced operational costs.

To satisfy AEON's desire to increase customer usability and convenience, Fujitsu simplified the operation of the SCO so that it could be operated fully unattended. This entailed modifying the Customer Station by removing the camera or scales normally included in its TP3000 terminal, incorporating a touch scanner that can be operated by customers and adding a Lane Light, to alert staff when customers needed assistance or when an error occurs, a coupon box and multiple coin support.

Fujitsu also incorporated a reader/writer for electronic payment and a Pin Pad for the passcode, which had to be adapted to accept AEON's own form of electronic money, called WAON, which the company had introduced in April 2007 to provide AEON Card Holders with a rechargeable, contactless payment smart card.

In order to meet AEON's requirement for a SCO solution that was fun to use, Fujitsu incorporated Anime characters called Lala (female) and AEO (male), who had previously been developed by AEON Fantasy corporation and who were already popular with people in many different age groups. The two characters appear on screen and help to navigate users around the SCO functions.

To maximise operational efficiency, Fujitsu reduced the input/output requirements of the Attendant Station and created a customised Point of Sale (PoS) package for AEON, based on its GlobalSTORE application – a full-featured, customisable PoS, cash management and back office system.

Another innovative feature of the Fujitsu SCO solution that AEON particularly liked was its auto-learning function. When an item goes through the check-out for the first time, the SCO records the weight of the item immediately and uses the weight as standard weight of the item. As a result, staff do not have to input the item's weight manually, which removes a significant overhead for a retailer the size of AEON, which has to manage huge numbers of products in store. Fujitsu's SCO then records the weight of the last 20 items sold and uses the average as a standard weight.

Following a successful pilot last year, AEON is now progressively deploying the SCO solution across all of its 1,300 retail stores. So far, 50 sets have already been received and the company expects to have a total of 200 sets in place by 2010.

Benefits

The use of Fujitsu's SCO solution is enabling AEON to benefit from:

- **Improved customer experience** – enables “queue busting” as customers are now served faster and more efficiently, with an element of fun to make the whole process more enjoyable for both adults and children
- **Reduced operational costs** – streamlines and automates customer support processes and is saving significant retail space as it has a smaller footprint than AEON's previous system
- **Greater productivity** – use of store staff is optimised with fewer staff required to manage tills or deal with customer problems or transaction errors
- **Increased revenue** – has been uniquely tailored to meet AEON's specific requirements to enable simpler and faster customer throughput
- **Enhanced company image** – positions the company as innovative and customer-focused
- **Robust and stable platform** – offers a future-proof foundation for ongoing developments.

With the system in full operation, AEON particularly likes the simplified operation and “amusement” offered by the Anime characters that Fujitsu incorporated into the SCO's user interface, which has significantly enhanced its customers' overall shopping experience.

Approach

Fujitsu has considerable experience in the development of SCO solutions and since 2004 it has been developing and implementing systems that are uniquely tailored to the needs of retailers for increased user-friendliness, a more compact and space saving footprint and enhanced cash handling and security.

Many of these improvements are now being incorporated into SCO systems that Fujitsu is developing for other retailers in a wide range of other markets. In addition, much of the knowledge that it has gained from its work with AEON will be incorporated into its future SCO operations and ultimately released in its 'Model 2' version.

Expertise

With over 30 years' experience in the retail sector, Fujitsu's aim is to help retailers overcome the complex challenges they face, using IT to make them more adaptable and responsive.

Fujitsu currently works with more than 500 retailers across 82,000 stores globally providing innovative and award-winning PoS, self-checkout and self-service solutions as well as in-store promotions and mobile technology. It also works closely with retailers to help them become leaner, through outsourced infrastructure and network management services, and world-leading supply chain management solutions which reduce inventory, improve efficiency and cut costs.

ASK FUJITSU

Contact us on +44 (0) 870 242 7998 or
askfujitsu@uk.fujitsu.com or visit uk.fujitsu.com