Case Study
Reitan Convenience

The customer
Reitan Convenience currently has 2,450 stores and 17,000 employees in seven countries, offering products and services to customers when and where they want them. It is the second largest convenience company in Europe, and leads the market in all the countries in which it has a presence.

In Sweden, it operates over 500 stores under brands including 7-Eleven, Shell/7-Eleven and Pressbyran, with a franchisee salesforce of around 3,500.

The challenge
In 2011, Reitan operated in three Scandinavian countries and IT services were managed out of Reitan's central office, which had chosen to outsource to a Norwegian IT partner. This partner was responsible for a wide range of functions, including financial systems and daily store operation. However, ongoing performance issues, chiefly concerning the daily data exchange between stores and the central ERP system, presented difficulties, as did the fact that the service desk was based in Manila. The decision was therefore made to divide the shared delivery of IT services, giving Norway, Sweden and Denmark the opportunity to choose a local IT supplier to better meet their needs.

“We are a value-driven, family-owned business with a need for local in-country partners. The existing IT supplier was having issues delivering added functionality so when the contract wound down, it gave us an opportunity to introduce new technical support,” explains Gustav Almqvist, CIO, Reitan Convenience. “The critical need was for a partner with a strong regional presence that could provide not just service desk and data center capability but also fully understand the specific challenges of the retail industry, including the regulations involved.”

Reitan invited ten vendors to tender for the maintenance and support of its 1,000+ POS devices, in-store equipment and the hosting of the Retailix HQC application that manages product details and promotional campaigns. Fujitsu was selected due to its extensive retail experience, its local language ability and the fact that it had already been sub-contracted to provide field engineering support.

“Fujitsu is one of the biggest names in Swedish retail IT and already had a deep knowledge of our business and what we’re trying to achieve so it was a natural fit,” adds Almqvist. “It can also meet all our requirements without the need for sub-contracting so it makes for a simpler, more transparent relationship.”

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The benefit

- 15 percent reduction in tickets and increase in first line resolution with 98 percent of incidents resolved within 60 seconds
- Local support means response times have improved and the quality of service has risen, enabling a better customer experience
- Fujitsu manages all new store installations, reducing the burden on internal IT resources
- Reduced expenditure despite no longer offshoring its service desk capability

The solution

Fujitsu is now responsible for application management, data exchange as well as hosting the HQC application at two data centers and providing field engineering services. Rather than being based in the Philippines, the service desk is now located in Northern Sweden. Fujitsu is also delivering first, second and third line service desk and the coordination and installation of IT equipment at the opening, relocating or closing of stores.

“Fujitsu fits out our new stores from top to bottom, coordinating the cabling and managing the other suppliers. That reduces the burden on my own team,” continues Almqvist. “It also makes it incredibly important to the day-to-day running of our business.”

Fujitsu also provided training for in-store employees and a team of 60 staff to handle operations on a daily basis. The primary focus is to reduce the 400 incident tickets that were produced every day.

The benefit

The impact of the new partnership has been immediate, with a 15 percent reduction in tickets and a significant increase in first line resolution. Ninety-eight percent of incidents are resolved within 60 seconds, which means less frustration and enhanced productivity for employees.

“The fact that we have a very skilled, local service team makes a big difference. We don’t need to fly specialists in and out of the country,” says Almqvist. “The response time has improved and, according to an internal survey we conducted, the quality of service is admirable. This enables us to be more competitive and provide a better customer experience.”

Reitan is also amazed that even with an in-country service desk, it is spending less on IT support: “We’re actually saving money, despite the fact we no longer offshore our service requirements. That, combined with improved IT delivery, increased employee productivity and better customer satisfaction, makes for a winning deal.”

Conclusion

Reitan now has a local technology partner on which it can rely to ensure the smooth operation of its 500+ stores but it doesn’t stop there. The company, with Fujitsu’s assistance, is now transitioning its overnight batch data filing to a real-time system that will provide live data to stores and managers.

“Live data means we can be more responsive with our promotional campaigns and increase customer loyalty,” comments Almqvist. “We’re also looking at Fujitsu EPOS devices for our Shell/7-Eleven stores so they can increase sales and transaction speed directly in the store, providing an even better service to the customer.

“Fujitsu is proactive and collaborative with a depth of retail knowledge and local expertise. That means we can be more competitive and provide a better service to our customers while giving employees a more fulfilling user experience.”

Gustav Almqvist, CIO, Reitan Convenience