

Grocery Co-Op Makes Retail History in New Zealand by Implementing - Datalogic

Foodstuffs, a major wholesaler and co-op, needed a new look to remove the clutter' from the check-out area.

Major Co-Op Wholesaler / Retail Group Reconfigured Cluttered POS Stations with Magellan™ Scanners to Create the 'Dream Checkout!'

Overview

Foodstuffs South Island Ltd (FSSI) is a major wholesaling and retailing FMCG group operating as a cooperative and established to provide high levels of service to member stores. Member stores fall under the following brands: PAK'nSAVE (barn-style supermarkets), New World (full-service supermarkets), Four Square (convenience stores), Henry's (liquor stores) and On the Spot (dairy) stores.

FSSI holds the dominant market position in the South Island grocery trade with approximately 58% of the market share, as measured by AC Nielsen. FSSI is 100% New Zealand owned and operated with all profits and taxes remaining inside the country.

The Challenge

Point-of-sale (POS) checkout stations across FSSI's supermarket and liquor formats were in need of a new look. As part of the integration of new POS equipment, FSSI wanted to create a standard checkout configuration amongst the different store brands to create a feel of consistency for customers and operators alike. Updating over 100 stores on the South Island of New Zealand, however, would prove to be a major challenge to overcome.

Part of the new POS initiative was to remove 'clutter' from the checkout area. To accomplish this, the remote scale display was removed and incorporated within customer-facing and operator-facing LCD screens. The screens were instrumental in the new POS configuration because they maximized opportunities for customer engagement with the cashier. This was a first for the New Zealand and Australian market.

New Zealand regulations stipulate that if a retailer is using a scale display, the screen must be visible

to the customer and operator simultaneously. This required FSSI to change their configuration because the existing display was sometimes located in a position which was not able to be viewed by both the operator and the customer. The lack of visibility was due to the shape of the checkout and occasionally impulse purchase items were positioned in front of the customer-facing LCD screen.

The Solution

Gilbarco New Zealand, an international supplier of Point-of-Sale (POS) systems and a division of Gilbarco Veeder-Root, worked with FSSI to investigate NZ Weights and Measures requirements. They found that if FSSI worked with Datalogic's Magellan™ bi-optic scanner / scales, FSSI could use the feed from the scale and display the results on the LCD screens. This would make the separate scale display redundant.

New Zealand Weights and Measures approved this initiative, which was a New Zealand first, subject to some provisions:

The weight data being fed into the POS system and displays MUST not be able to be manipulated in any way by the operator

The metrological data and settings (tare weight, zero, calibration etc.) in the Magellan™ scale MUST not be able to be manipulated by the POS system

The customer MUST be able to clearly see the weight indicator (field) and relevant metrological markings on the screen

To accommodate these provisions, FSSI chose Datalogic as their sole scanning provider and selected the Magellan™ 8200, 8400, 8500 scanners, and now the 8500Xt model. FSSI also adapted the configuration to allow the weight normally displayed on the remote display to show on both the customer-facing and operator-facing LCD screens simultaneously.

FSSI developed a unique application that controlled where the displayed 'live' or 'floating' weight would display on the screens. This application could sit outside the POS system and the system would then call the application when the weight has to be displayed.

The Results

As timing would have it, and following modest piloting, FSSI faced a key decision as to whether or not to include the new format in the launch of a new "Once Every 5-10 Years Green-Fields Flag-Ship" PAK'nSAVE store (complete with 29 check out lanes).

Phil Wright, FSSI General Manager of IT, ultimately was comfortable that the risks could be managed with the support of Gilbarco and Datalogic. In hind-sight, this now stands as a decision FSSI is both pleased and proud to have made.

As a result of reconfiguring the existing checkout stations, FSSI and its format stores achieved a clean, fresh looking POS checkout configuration. More than 620 of FSSI's stations were upgraded to comply with their new store standard, which includes the installation of Magellan bi-optic scanner / scales.

Philip Smith, Project Delivery Manager for FSSI, summed up the partnership initiative and outcomes perfectly. "Our vision of having clear lines of communication between customers and staff was achieved only through the collective expertise of partners, Gilbarco and Datalogic. The new configuration allows FSSI to present all customer product information on a single LCD screen, which resolves long-standing technical and legislative barriers."

"Our solution was an Australasian first and is a classic example of 'less (clutter) is more'," Smith added. "We now have a smarter solution that has saved significant hardware costs and is more flexible to adapt as future needs evolve."

Customer

Foodstuffs South Island Ltd (FSSI)

Industry

Retail

Sub-Industry

Grocery/Supermarkets

Application

Point-of-Sale (POS)

Country

New Zealand

Datalogic Product

Magellan™ 8500Xt

Magellan™ 8400

Datalogic Partner

Gilbarco