

Case Study

Intelligent Queue Management: wait time down, lines down, customer satisfaction up at no additional labor cost!





Top ranked North American supermarket

Industry sector:	Retail, grocery
Geography:	USA
Service solution:	Intelligent Queue Management
Project:	Mid-size upscale, unionized grocer

Business issue

A sluggish economy and increased regional competition drove our client to seek new strategies that would:

- Differentiate its brand within the marketplace;
- Help it establish a competitive edge; and
- Improve delivery of key performance indicators specifically increasing sales and improving customer satisfaction - by reducing customer wait times at the checkout.

Solution

Irisys' Intelligent Queue Management solution was selected to help ensure associate hours were optimized and strategically allocated to provide customers a quick, efficient checkout, without additional labor investment.

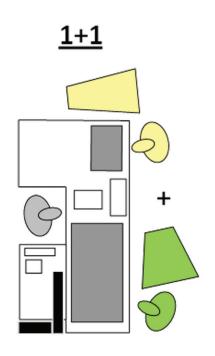


Utilizing the Predictor Tool, the solution ensures the right number of cashiers on the tills at the right times, enabling stores to manage fluctuations in customer demand and checkout queues in real time.

Early trial results from a four-store pilot established an operational goal of 1+1 service delivery 85% of the time, would make a significant customer difference and align with industry best practice; 1+1 means 1 person is in transaction and no more than 1 person is waiting to be served.

Team members during the preliminary pilot included the Store Directors, District Managers, Labor Management, Information Systems and Training personnel, along with sponsorship from the Operations Director and Vice President. Weekly calls were held to review the stores' progress. By the end of the pilot period, the stores:

- Reduced wait time by 21%
- Improved customer service by 44% (% of customers that received a 1+1 service)
- Increased customer satisfaction with "speed of checkout"
- Reduced reliance on cashier relief from perimeter departments.



"... the system has been significant to our customers and differentiates us from the competition." All of these improvements were made without increasing labor dollars. Based on these results, the decision was made to deploy the solution across most of the store estate as a first phase. As part of full implementation, a web-based enterprise tool - in addition to daily reporting - rolled up store metrics to regions, divisions and corporate to include:

- Average checkout line length
- Average customer wait time
- · Hours over-staffed and under-staffed
- · Predicted vs. actual hours by time of day
- Compliance to the service objective by time of day.



"We have learned a ton about our stores using this technology." Process changes and implementation of best practices

Based upon opportunities identified during the course of the project, the following changes and best practices were implemented:

- Internal programs were created to increase cashier throughput these programs encouraged cashiers to achieve their scan rate objective and participate in the effort to improve customer satisfaction
- Cashier labor schedules were adjusted to better align with customer traffic; after identifying periods of over and understaffing, existing cashier hours were reallocated to align with true customer demand
- The cashier/bagger ratio was changed to increase throughput and reduce labor dollars - increasing the number of baggers per cashier allowed the cashier to focus on performing their primary function of scanning items and tendering orders
- A dedicated Front End Manager, whose primary role was to manage the front end and not fill in on the register, was utilized
- Front End Managers were required to manage from the customer side of the registers, allowing them to assist cashiers and balance checkout lines
- Specific acceleration (add cashiers) and deceleration (use cashiers for other tasks) plans were implemented so cashiers would be utilized on the tills when needed and perform other value-added tasks when not required
- Aligned labor standards to the service objective to ensure the front end labor forecast met the Company's new 1+1 85% service objective.

"Provides us with instore best practices."

Why Irisys?

Faster checkout lines and improved customer experience - powered by Irisys technology.

Irisys is a high-tech innovator pioneering new solutions to bring strategic insight and expanded capabilities to the grocery retail sector. Combining discreet infrared technology and intelligent software, Irisys provides actionable information that drives operational efficiencies and improves business performance.

Irisys is the world's #1 supplier of grocery queue management technology built upon retail-insider knowledge and global experience that has established new best-practice strategies for the marketplace - and installed in more than 40,000 supermarket checkouts worldwide.

With Irisys' Queue Management solution, the world's leading grocery retailers:

- Eliminate subjectivity accurate, objective analytics reveal strategies, measure success, and bring about new levels of accountability to the customer
- Establish consistency and continuity in corporate goal-setting and a baseline for measuring achievement of the customer commitment
- Access a proprietary, algorithm-based software that calculates how many registers should be open now - and intelligently predicts how many should be open in 15 and 30 minutes - to achieve service levels
- Automatically capture actionable, real-time information including service data, line lengths, and wait times at store, regional, and company-wide levels
 across all checkout types
- Trust a highly intelligent solution Irisys' Queue Management even differentiates between individual shoppers and "shopping units" that are comprised of groups
- Benefit from Irisys' unparalled experience and expertise in implementing best practice front end management.

To find out more about this and other Intelligent Queue Management success stories:





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www.irisys.net/queuemanagement/casestudies

- Evaluate real-time compliance against predetermined KPI service levels
- Scale and deploy the solution across an estate of stores, regardless of lighting conditions including low and no-light scenarios
- Maintain customer privacy (credit card fraud)
- Maintain staff privacy (labor unions)
- Enjoy a low cost of ownership

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