Premio's End-to-end Industrial Grade Computing Solution

A leading automated retail solution provider in consumer entertainment sector who operates DVD rental kiosks in the US, Canada, and UK

Challenge:
Reduce Overhead Labor Costs & Increase Product Efficiency

While customers have recently moved into online rentals, the business is primarily focused on their fully-automated rental kiosks which account for more than 51% of the DVD rental business in North America. Nearly 2,000 discs are rented every minute and over one million discs are rented yearly.

At the heart of the kiosk—beyond the discs, robotics, and touch-screen—is the PC that supports the interface for customers to rent the discs. With all of these kiosks running 24 hours a day, 7 days a week, the potential for hardware failure in the PC increases with the change in environmental conditions, like temperature and dust. The existing hardware, based on an off-the-shelf PC, also required constant system image changes due to basic hardware changes every 6 to 9 months. Premio was brought in to see if we could provide a computer solution that cuts down not only on the failure-rates but has a much longer lifecycle.

Current vendors have multi-level contact points for engineering, RMA, and technical support, with no local, centralized service and support. Service communications were happening daily and took excessive time to complete, and there was a long lead-time for onsite service, if even determined to be needed. The standard on-site service offered by the off-the-shelf PC vendor did not cater to the level of in-field service required for the kiosk machines. One example was longer than acceptable lead-times for onsite service. This need to be more self-reliant also leads to higher overhead costs, internally requiring both a team in the field and in the warehouse just to troubleshoot and repair the returned systems.

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Approach:
Create A Custom Solution Ensuring Reliability

To manage their volume and keep their kiosks up and running, it's paramount that they receive industry-leading hardware and service support. Premio's custom-built industrial-grade solutionwas specifically tailored to meet the client's needs, and we offered a fully-supported 3-Year lifecycle product, guaranteeing no hardware changes on our end to their primary image.

We built and implemented more reliable internal components and an overall reliable design to withstand certain environmental conditions related to factors like temperature, dust, accessibility, and serviceability. We also redesigned the computing unit for the kiosks to make the hardware more easily accessible, reducing service time on each unit. Each system is preconfigured with all required components and software ready for deployment.

Keeping the customer's time-to-market schedule in mind, Premio has crafted an expert NPI plan, along with supply chain, to meet the very challenging new product launch schedule. The commitment from Premio with solid NPI project execution has ship the finished high-quality product ahead of new product launch schedule and exceed the customer's expectation.

On the service side, we provide far-superior logistics and care in service and support with a local Premio facility, and a dedicated customer care team with a single contact point. Premio supply chain implemented Kanban systems to provide timely inventory.

Results:
Custom Solution Reducing Labor Costs & Increasing Product Efficiency

We have delivered over 10,000 custom designed, industrial-grade, computing units for these rental kiosk systemsnot only ahead of customer'snew product launch schedule, but also om-time for every on-going daily sales demand. Premio's Kanban system with the agreed-upon SOW, product is guaranteed to be on-hand and able to be shipped out once the client makes the call to release product.

Since 2013, Premio has a documented actual hardware failure rate of less than 1.9%; a record that is way lower than the consumer-grade computers our customer has experienced. Overall system and business performance indicators have far exceeded the client's expectations and they are extremely happy with their new support system, especially the overall reduction in overhead costs from better-performing hardware and more prompt and effective service.

Subsequently, Premio was awarded for "Outstanding Customer Service in 2013", based on the following reasons and comments given:

- Great communication, understanding the business and technical requirements, and very easy to work with, especially when it came to addressing any adjustment needed along the way.

- Proactive on continuous improvement opportunities, takes the ownership of all issues, and demonstrates the commitment to the business success.

- Delivery for the first project was more than 3 weeks ahead of the committed schedule, and provided great quality at a competitive price when factoring in the industrial design versus off-shelf product.

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