


Boots ups stockfile accuracy 10 percent, reduces workload 15–20 percent with Symbol solutions

CASE STUDY

CUSTOMER PROFILE

Company	Boots the Chemists, United Kingdom 
Industry	Retail
Symbol Solution	Symbol PPT8846
Solution Features	Real-time stock tracking and retail data
Partner name	Microsoft
Partner solution	Microsoft Windows Mobile 2003 Software for Pocket PCs
Benefits	<ul style="list-style-type: none">• Stock management costs decreased• Stockfile accuracy increased by 10 percent• Stockroom units decreased• Customer facing time increased• Reduction in workload by 15 – 20 percent• Increase in sales

The company: the UK's leading health and beauty retailer

Boots employs around 70,000 people and sells its products in more than 130 countries. It has sales close to £5.5B (\$9.6B US), and profits of £480M (\$838M US).

Boots invests in key technologies to stay ahead of its competition. Following a period of rapid expansion, Boots saw an opportunity for enterprise mobility technology to help improve its performance in a number of areas.

Boots' largest stores carry around 26,000 inventory lines, making time-efficient tracking and control essential to help staff know exactly what is happening on the shelves and in its stockrooms. Boots selected 125 of its largest stores to take advantage of the latest mobility technology.

The challenge: real-time tracking and improving customer service

Boots has to look closely at all other operating costs to ensure it can compete effectively, and, as is the case with every retailer, there were costs associated with managing the inventory; in the form of non customer-facing time and stock investment.

By investing in new technology to track inventories more effectively, Boots felt it could reduce stock room levels while still ensuring it had all products available at all times.

Boots also wanted to eliminate stock picking and counting mistakes. Checking inventory was an eye-watering task, as paper reports with product descriptions were difficult to read and varied little between similar products. Stock information was spread across an average of five locations per store, which, again, took staff away from the sales floor.

To improve its processes, Boots' staff started to use batch-based personal data terminals (PDTs) to record stock information. However, as with most batch-based products, the management process still demanded a significant amount of manual effort.

"Even with the PDTs, sales staff had to walk to the back office to collect label printouts or update the electronic point of sale (ePOS) system," said Mark Hunt, Head of Technical Architecture, Boots. "The fundamental problem was that our sales colleagues were spending far too much time away from the sales floor."

The combination of batch-based technology and a number of manual processes meant that stock management tasks took longer times to perform and were prone to error. A lack of real-time data also meant it was difficult for store managers to track day-to-day operations performance or react to sales trends during the day.

The solution: mobile store management

At the end of 2003, Boots began to look for a shelf management solution that could tightly integrate with its ePOS system, while standing up to the demands of its largest and busiest stores.

After a thorough evaluation, Boots decided to implement a new mobile store management solution based on the Symbol PPT8846 handheld device. "We exceed the capabilities of most products because of our volume and size, so we needed to find a stable and reliable solution. We also needed to manage our infrastructure from a central location to maximize our efficiency," said Hunt.

A custom software application for the Symbol PPT8846 handheld device was developed, running on Microsoft Windows Mobile 2003 software for Pocket PCs. The Symbol device's built-in scanner, combined with the Windows interface, has given Boots' staff a powerful handheld device that is incredibly easy to use. Taking advantage of in-store wireless LANs and a centralized IT infrastructure, Boots' management staff also gets accurate information in real time.

The benefits: improved stock management, more time for customers

The new Symbol-based solution has had a tremendous impact on Boots' in-store operations, particularly stock management. It has delivered a significant reduction in cost of stock management and increased stockfile accuracy by over 10 percent, which in turn is having a positive effect by reducing store stockholding.

Using the Symbol device, Boots' staff are able to perform stock checks and correct stock files, create picking lists, perform price checks and print shelf-edge labels from portable printers, all in real time. As a result, the time spent in customer-facing roles has risen significantly. "It is our goal to ensure that all of the information our in-store teams require is where the customer is – on the sales floor," said Julian Niblett, Operations Manager for Stock and Cash Development, Boots. What's more, the Symbol devices help them deliver accurate information to customers much faster.

Now working in real time, around 750 miles of paper reports have been eliminated and 1.5 million PDT dockings/transmissions saved. With all the information they require in their hands, no shop floor staff need to enter in-store control rooms for data they previously required to complete their operational tasks.

The Symbol devices have also been used to minimize complexity. Using centralized data and workflow, combined with its automated barcode data capture, the device prompts staff with online hints and tips and cross-checks for errors in fill up, counting and returns.

There have also been significant gains through merging previously separate tasks. Niblett noted: "Staff can now do more concurrent tasking. Any time a member of staff wants to do a fill up and scans a shelf-edge label, they're also checking the price at the same time without even noticing that they're doing it. We used to have scheduled tasks where people would do price checking, but we've eliminated that now and can do 10 times more checking than we've ever done in the past.

"Where we have eliminated price checking as a separate task, we've seen a 15 to 20 percent reduction in workload. That's because we're cutting out walking to the PC, waiting for print outs, and reading off reports. We've also managed to merge tasks like completing stock checks and fill ups at the same time. So there's a lot of consolidation which has helped us become more productive, more accurate, and more efficient."

Real-time data

More accessible real-time data has helped managers and operations staff improve store performance. Managers can now see how their teams and individuals are performing to maximize efficiency and take action if key tasks are not on schedule. When scanning an item, Boots' staff can now also deduce a range of associated information in real time. They can ascertain what price a product is, whether it can be redeemed on a Boots Advantage Card, what the stock figure is, how many have been sold today, how many have been sold this week, when the last delivery was, when the next delivery is, what stock holding is in other stores, or if the line is active or discontinued or request a new shelf edge label.

The new system also gives a whole range of real-time data to support sales. "That information is invaluable to us, both for customer service and sales. We have increased the sales focus in our stores as any line can be scanned to display how much it has sold today and this week," Niblett said. "This really helps us react to customer trends and helps managers decide how they manage offers in flexible space."

Future plans

The return on investment from using the new Symbol solution in its 125 largest stores encouraged Boots to roll it out to 200 stores by the end of August 2005, which accounts for 40 percent of its overall sales.

Boots has also used the Symbol devices to create a queue-busting system for peak shopping times, such as lunch times. Work is also underway to enable the devices to give staff real-time stock information from other local Boots stores. Boots is also developing a display planner application, to help shop floor staff ensure goods are displayed properly without having to use paper-based systems.

"Embracing enterprise mobility has radically improved our in-store operation and made our stores a nicer and easier place to work," concluded Niblett.

About Symbol Technologies

Symbol Technologies, Inc., The Enterprise Mobility Company™, is a recognized worldwide leader in enterprise mobility, delivering products and solutions that capture, move and manage information in real time to and from the point of business activity. Symbol enterprise mobility solutions integrate advanced data capture products, radio frequency identification technology, mobile computing platforms, wireless infrastructure, mobility software and world-class services programs under the Symbol Enterprise Mobility Services brand. Symbol enterprise mobility products and solutions are proven to increase workforce productivity, reduce operating costs, drive operational efficiencies and realize competitive advantages for the world's leading companies. More information is available at www.symbol.com



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