



Motorola helps Wumart Group grow the value of its trusted brand in China's expanding retail industry



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Company Overview

One of China's leading retail chains, Wumart is to China what Walmart is to America. Wumart operates more than 352 retail outlets, 269 convenience stores and 83 hypermarkets. It also operates community supermarkets, residential neighborhood supermarkets and mobile convenience stores situated at train stations and public transport interchanges. The Group is the leading consumer product distributor in Beijing and north China. In 2006, the Wumart Group was awarded "Beijing Annual Top 10 Commercial Brands," and was ranked seventh in "China's Top 100 Chain Enterprises." Currently, Wumart Group's annual sales exceed 10 billion yuan.



The Challenge : Inefficient inventory management amidst increasing customer demands

Operating in one of the world's most dynamic retail markets, the Wumart Group had successfully thrived in China's emerging retail industry with a competitive pricing policy. As more outlets opened and other entities acquired, the Group faced an explosive growth in customer demand, and with it new challenges.

Wumart had previously used a point-of-sales (POS) system connected to its MIS system to do the cash registering and stock checking, which was unable to provide the huge amount of daily and monthly data required in real-time. With the acquisitions, increased floor space and number of products, it was getting more difficult for staff to do stock checking while providing high-quality service to customers. In addition, there was no unified communication channel in place to link the outlets, hypermarkets, convenience stores and distribution centers. With the rapid expansion, Wumart's backend system was stretched to the limit.



Customer Profile



Company

Wumart Group

Location

Beijing, China

Industry

Retail

Motorola Products

- LS2208 bar code scanner
- LS7708 bar code scanner
- MC3090 mobile computer
- AP5131 access point

As a result, Wumart staff was unable to grasp the actual operating condition of the supermarket, resulting in gaps in inventory management. Instead of updating the stocks promptly and ordering new goods, the staff were spending time doing stock-taking. Another challenge was inventory checking, where the out-of-date inventory information led to a delay in stock related information. For instance, if purchasing or reordering of stocks is delayed for seven days, the insufficient inventory in turn affected the level of customer service as well as the supply chain management process.

Given such business challenges, Wumart wanted to make its backend system more agile to better manage the processes of procurement, inventory, product delivery and sales. Specifically, the priority is to efficiently carry out stocktaking for the large inflow of goods to ensure that they reach the distribution channels promptly; have proper logistics in place to ensure that the shortage of goods does not occur; and ensure that the tagged prices match the actual sales prices.

The Solution: Motorola helps to automate Wumart's supply chain

To improve information flow and to automate its supply chain, Wumart Group turned to Motorola. The decision was made due to Motorola's reputation for quality products, and for providing strong service and support. The Group automated its product logistics, client management, supplier management, and employee management processes by deploying Motorola Enterprise Mobility's bar code scanners, mobile computers and wireless infrastructure in 2007.

Motorola LS2208 handheld scanners are used for scanning the bar codes of heavy goods like rice, while Motorola LS7708 hands-free scanners are used at the cash registers. The portability of the LS2208 handheld laser bar code scanner helped the retail owners to track and manage their inventory from the back-office to the cash register. As the scanning components in the LS2208 utilize the liquid polymer scan engine design, it is shock-proof and durable thus preventing disruption to work due to equipment fault and significantly cut down on the Group's operating costs.

The high performance Motorola LS7708 scanner has a one-pass scanning capability, which maximizes cashier productivity when scanning bar codes. Its hands-free capability coupled with handheld multi-capabilities mean that Wumart customers no longer need to carry bulky items to the cashier. This has enabled customers to pass through the cashier more quickly and efficiently, enhancing the overall shopping experience, and the efficiency of Wumart workers at the point of sale.

Wumart also incorporated the MC3090 handheld mobile computer with the AP5131 Wireless Access Point, so that stock information is easily captured and quickly transmitted via a wireless network to the stocktaker and captured in its back office management center.

The MC3090 mobile computer can obtain, transfer and manage data in real time, speeding up the policy formation process. Its artificial intelligence design and flexible structure helps to enhance the user's experience. Being dust and water resistant, it can function even in harsh conditions.

The AP5131 Wireless Access Point has enabled Wumart to deliver wired and wireless networking with enterprise-class performance and security in a single device. This easy-to-deploy solution has provided Wumart with the flexibility to connect securely to remote corporate private networks, the Internet and local network resources with the speed and reliability to support the most demanding applications, including real time video and voice.

An example of how all these Motorola Enterprise Mobility products work together is the inventory management at a distribution center. First, the warehouse workers scan the bar code on the goods to check a list of all the goods that are at a specific location via the central database. Next, they scan the bar code of each product in order to stock take. The data is directly transmitted to the central database via the wireless network, efficiently updating the figures in the system. Since the stocktaking process is done in real-time, logistics activities at the distribution center continue even during the stocktaking process.

This has enabled an efficient and unified management of the information among Wumart's stores and distribution centers. With real-time data transmission, Wumart has improved its overall competitiveness and benefited from the increased staff efficiency, reduced operating cost, and improved customer's shopping experience. In addition, it has helped to resolve all logistics problems by locating and distributing the goods quickly, and tackled the problems of tardiness, low efficiency, and miscommunication in stocktaking.

Partner

Gicom Enterprises, Inc.

Application(s)

Automate Wumart's product logistics, client management, supplier management and employee management processes

Benefits

1. Improve cashier efficiency
2. Enhance efficiency in inventory management
3. Promote refined management in retail

The Benefits: Increased speed and accuracy in inventory stocktaking

The deployment of Motorola's Enterprise Mobility Business products has helped Wumart achieve the goal of being a well-known and trusted brand that has and will stand the test of time. The product information of Wumart's outlets, hypermarkets, convenience stores and distribution centers is now efficiently unified. The speed of information transmission has definitely increased, as well as the efficiency and accuracy of the staff involved in stocktaking and goods-display, and cashiers in the outlets, supermarkets and warehouses.

The efficiency of the entire process has increased significantly, resulting in tighter control and reduction of the Group's operating costs. In addition, the time involved in inventory management at the supermarkets and distribution centers has also greatly decreased. More importantly, the timely deployment of goods and the highly efficient payment process have greatly enhanced the shopping experience of Wumart customers, winning over more customers.

The collaboration between Wumart Group and the Motorola Enterprise Mobility team has helped the Group resolve many pressing issues.

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In addition, the professionalism of Motorola's technical team helped to expedite the entire implementation process.

According to Shen, "We are very appreciative of the professional help provided by Motorola Enterprise Mobility. They even traveled between Beijing and Shanghai to assemble the entire infrastructure within two days, in order to ensure that Wumart's new outlet was able to begin operations ahead of schedule. During the construction of the logistics center, Motorola Enterprise Mobility sent their most experienced technical team to carry out an on-site inspection and help us develop some plans and strategies, even before they were the confirmed contractor for the job. This is a testament to our cordial working relationship, where mutual trust and sincerity have formed the basis of the long-term working relationship between Wumart Group and Motorola Enterprise Mobility. With the unwavering support of such an outstanding partner as Motorola Enterprise Mobility, our corporate journey has been that much smoother."



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