

**Managing your checkout zone:**  
Evaluating different technologies in the market and maximizing  
productivity

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## Agenda

- Introduction
- Checkout zone management: today's challenges
- Evaluating of technological solutions
- Store capacity modeling: what it is?
- Summary

## New Vision Inco as a joint venture founded in 2010

### ***New Vision***

- Established in 1993
- Dedicated to retail technologies
- #1 Retail IT and #12 among Baltic IT&T companies
- 190+ employees
- 24/7 basis service with Multilanguage helpdesk
- Revenue 9 mln EUR 2010 (11 mln EUR 2008)

### ***Alessandro Santalucia***

- Italian entrepreneur with 27 years of European Retail market
- Previous work experience includes 20 years at NCR at various management positions.

# Intoduction

## *Quick facts about New Vision Inco*

- 100% dedicated for self-service in retail

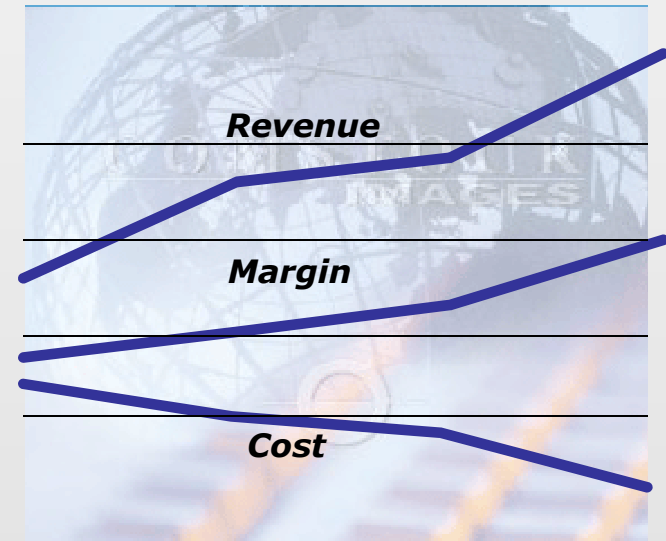
<b><i>Technology</i></b>	<b><i>Consulting</i></b>	<b><i>Services</i></b>
NCR Self -Checkout Handheld Self scanning	Self-Service Strategy Impact qualification Impact realization	Solution design Integration Prototyping Installation and rollout Customer service

- Offices locations: Hyvinkää, St. Petersburg, Tallinn, Riga, Vilnius
- Part of New Vision group

## Delivering focused practical experience

### *Consulting part*

- Self-service project - a business transformational project
- Implementation: make it work
- Getting maximum from the Asset
- NCR Methodologies and tools
- Cross-Europe Industry best practice



***Ensuring that project meets or exceeds business results expected  
(utilization, customer satisfaction, ROI, ...)***

## Checkout zone - Point of Costs in the store

- **Infrastructure**

- POS hardware

- Software

- Scales

- Mounting

- Checkout desk

- Other infrastructure

- **Running annual maintenance**

- **Shrinkage**

- **Valuable store space**

- **Administration**

- **Labour cost**



**7 tills supermarket**

~8000 EUR

~56000 EUR

## Checkout labor challenge in Lithuania and Latvia

### ***Troubles finding personnel to handle checkouts***

- Second wave of emigration
  - 2010 highest emigration during recent years
  - In 2010 almost 90 000 people in Lithuania alone
  - Part of people prefer minimal income from government
  - Working age population part is getting lower
- Cost of finding new cashier increases
  - People with no experience
  - High costs of trainings
  - Salaries expectations grows
  - Impacts on service levels in the stores
  - Some retailers increased salaries or wage structure
- Cashiers is the largest payroll position in the organization

*In Vilnius alone biggest retail chains has shortage of around 300 store staff.*

IQ Economist, November 5<sup>th</sup>  
2011

***Focus on productivity and automation of simple tasks is a way to successfully meet the challenge and even increase customer service in the same time.***

## Self service technology is here and mature

### *Self Checkout*



### *Market update*

- NCR SelfServ Checkout continues to growth
- 15%+ annual growth up to 2016 (Greg Buzek)
- Approximately 35% of transactions are completed using self-checkout in Europe

# Adoption of self-service expands into Central and Eastern Europe

## *Latest patterns*

- In September TESCO announced massive NCR SelfServ checkout rollout in Eastern and Central Europe countries
  - More self checkouts in more stores than any other supermarket in Poland
  - First self-checkout arrival to Czech Republik, Slovakia and Hungary

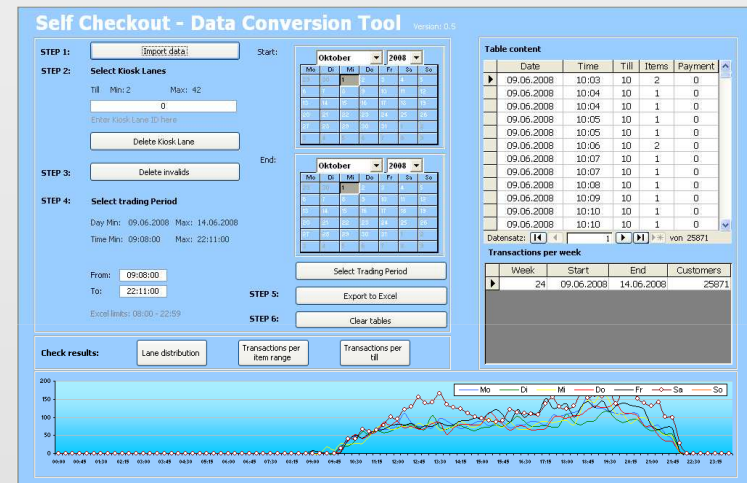


# Owning business results of the IT investment from the beginning

## Digital Pilot

### A process of:

- Store observations
- Capacity modeling
- Business impact assesment



## What is value of Doing it Right from the First Time

### Cost of “real” Pilot

- Integration costs
- Retailers project team
- Vendors project team
- Store personnel
- Impact on customers

### Success metrics

- Store potential
- Store prioritizing
- Target to achieve
- How we measure success

## Summary

- In contrast to a POS, Successful self-service project is a “business driven” project
- Mature proven technology is here to help meet market challenges
- Self checkout can positively impact productivity in a traditional lanes as well
- Knowing what will be a success in a measurable figures and impact to operational and financial results eliminates costly errors, enables effective management and maximizes benefits.

**Thank you!**

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