TOSHIBA

Toshiba's Self Checkout solution provides a new experience to users at Grupo Exito

Grupo Éxito, the leading retail in Colombia, operates under the brands Éxito, Carulla, Surtimax, Super Inter, and Surtimayorista. It has a presence in Uruguay with Grupo Disco and Devoto, and in Argentina with Libertad. For over the last 5 years, the company has had a Customer Experience Transformation strategy in place.

With Toshiba Global Commerce Solutions' Self Checkout solution, customers are the focus of adoption to achieve this digital transformation in stores.

The Challenges

The two main objectives set for the Self Checkout project are:

» Increase user transactions
» Improve customer satisfaction

A very important feature in a solution of this kind, is that it should be very user-friendly so that the customer's interaction flows smoothly, meaning that they can easily, intuitively, practically, and quickly go through the self-payment process.

"One of the main 'pains' for the customer is the waiting time in the line at the checkout. Today, approximately 80% of transactions are made with fewer than 4 products, which are completely viable for self-service."

Camilo Gallego
Commercial Vice President

grupo ÉXITO

In the initial stage, Grupo Éxito implemented a self-payment solution developed internally, with the premise of being tailored to the market and the local customers' needs. However, over time, this proprietary solution proved to have limitations that set the guidelines for a second stage of the project:

» Limited availability of permanent human resources, which did not allow for quick market response times.
» Technical and physical aspects that generated friction for users and prevented the development of new functionalities to increase adoption of self-payment.
» Inefficient, not easy, or quick registration mechanism.
» Lack of service at the level of self-payment systems being used in the best stores worldwide.

The Solution

After analyzing various market solutions related to Self Checkout and thanks to the positive long-term relationship Grupo Éxito has maintained with Toshiba, a global specialist in self-payment solutions from this brand was able to provide in-depth prior consultancy for a comprehensive needs assessment. This aspect was crucial in selecting Toshiba as the provider for these solutions.

Thus, the second stage of the project, called "Check Adoption," was initiated with Toshiba's assistance. The project relied on the extensive experience and maturity of two of their key allies in Latin America: Línea DataScan from Colombia for application development and Rhiscom from Chile, mainly focused on integration with the existing platform.

The development and integration process was exceptionally fast, and it was ready within a three-month period. A particular achievement was that existing functions and applications were not lost. Within an additional month and a half, approximately 150 units had already been implemented, accounting for 50% of the acquired units.

Today, there are three clear differentiators to highlight. First, there has been an increase in the number of users paying with credit and debit cards, rising from 15% with the previous system to 20% with Toshiba's self-payment system. Second, customer recurrence in self-payment has increased, as more customers choose and find it easier and more intuitive. The third is the improvement in waiting times. For example, in lines with three people, each with two to ten items, the average waiting time in a standard checkout line is seven to ten minutes, while in a single line it is three to five minutes. Currently, the waiting time in a self-payment line is approximately two minutes.

Additionally, some basic but impactful features are:

» Audio support to guide customers through the transaction.
» Luminous indicators showing the transaction's status.
» Proximity sensors, product weight measurement, and control elements to minimize loss and theft.

Due to these functionalities and the excellent user experience, there are comments from end customers such as:
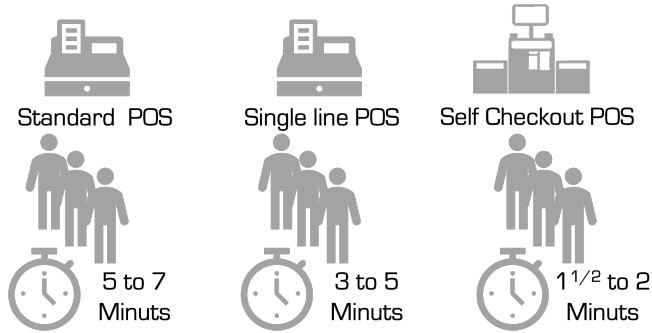
> 66 "I won't wait in a traditional checkout line again when I find this self-payment alternative."
>
> **Hernán Bonilla**
> **Systems Analyst, Grupo Éxito**

Results

Waiting time in line with 3 people, with averaging 10 items

Standard POS	Single line POS	Self Checkout POS
5 to 7 Minuts	3 to 5 Minuts	$1^{1/2}$ to 2 Minuts

Thanks to the team's experience in implementing Self Checkout solutions, the current Self Checkout System 7 has the following technical aspects:

» Secure and proper integration with the existing Toshiba POS platform.
» Platform stability and reliability.
» Service-oriented architecture, more modern, allowing for the implementation of other solutions demanded by end customers.

The new platform is highly stable and reliable, minimizing the need for support personnel. In terms of technical aspects, it requires minimal support compared to the previous platform, including remote management and administration of technology equipment for changes, configurations, new application updates, and the inclusion of new functionalities.

Training and the creation of user guides have been helpful in implementing new sites and will continue to be essential in expanding the equipment to other stores.

One metric that is highly relevant and has been followed in user surveys is customer satisfaction and recommendation when making a purchase or NPS (Net Promoter Score). The payment moment has shown significant improvement in recent months, resulting in approximately 20% of transactions in a store with Self Checkout passing through it.

> 66 "Today, customers feel better served at Toshiba's Self Checkout systems."
>
> **Camilo Gallego**

The return on investment for self-payment systems is based on the operational efficiency of a store, which translates into reducing the required personnel and traditional POS systems compared to the resources required by the Self Checkout System 7. In monetary terms, a store replaces six traditional POS systems with four Self Payment ones. Moreover, the four Self Payment systems only require two personnel to operate, while the four traditional POS systems would require eight personnel.

The benefits obtained with the implemented platform can be summarized as follows:

» A technologically implemented and operational solution in a short time - less than 5 months.
» Trained staff enabling a sustainable solution over time, easily supported by the current human team, and allowing for the integration of new services and solutions now and in the future.
» Achieving interesting adoption levels compared to the previous platform, already surpassing 20% and expected to exceed 30% in the short term.
» High stability of the Self Checkout Solution provided by Toshiba.
» Support and backing from Toshiba, which offers leading market solutions, more open and service-oriented, with a clear vision and architecture for the future.

> 66 "Some key success factors for a project of this nature are:
>
> » Internal commitment from employees, company executives, and all stakeholders when deciding on such a solution.
> » Clear definition of objectives to improve the customer experience, become more efficient, increase sales, among others, with a well-defined and clear business case and the required metrics to achieve."
>
> **Boris Ceballos**
> **Store Technology Manager, Grupo Éxito**

The future

There are several important lines for increasing customer adoption of this self-payment channel in the future:

» Increasing internal security tools in the solution while maintaining ease and effectiveness to prevent losses.
» Improving the registration process for products like fruits and vegetables through artificial intelligence and automatic image recognition to enhance the customer experience and registration efficiency.
» Adding cash payment to the Self Checkout Solution.

» Including other electronic payment methods apart from existing credit and debit cards.

Colombia has 600 stores, with around 350 being Éxito and Carulla formats with the potential for self-payment. Currently, around 80 stores are implementing this solution, and the goal is to expand and cover 100% of them.

A significant and desirable future challenge is to reach formats similar to those seen in other countries, where approximately 70% to 80% of checkout points are Self Checkout. Likewise, achieving 70% of transactions in those stores through self-payment.

To extend the solution beyond traditional settings, a pilot program is currently being conducted in Super Inter and Surtimax points of sale. The objective is to analyze user behavior and validate system usage, focusing on adoption metrics, considering that these points of sale have a higher usage of cash payments

About Línea DataSacan. Línea Datascan S.A is a company with more than 30 years of experience that integrates technological solutions that cover business processes from manufacturing, storage and transport to the commercialization and contact with the customer through the different commercial channels in today's world.
visit: www.lineadatascan.com

línea DataScan

"Audiovisual production and editing, content generation, and layout developed by Portavoz," Bogotá - Colombia, July 2023.
www.portavoz.co

portavoz

TOSHIBA

Toshiba Global Commerce Solutions, Inc.
3901 S. Miami Blvd.
Durham, NC 27703 | U.S.A.
commerce.toshiba.co

Not all Toshiba products and services are available in every country.

DOC ID: TCC15080-USEN-01