

Keells Super uses Motorola for real-time inventory of goods



"Our aim is to be the most technologically advanced retail chain in the South Asian Region and offer our customers excellent customer service. With our new stockcounting system, using Motorola's MC3000 mobile computers, we have achieved effective, efficient stock reconciliation and greater time and cost savings for the company."

- Nalaka Umagiliya Assistant Vice President - JKH Group Head of Business Systems - Consumer Foods and Retail Group, John Keells Holdings PLC



Company Overview

Keells Super is one of the largest super market chains in Sri Lanka. It is a subsidiary of John Keells Holdings PLC, a Sri Lankan blue chip conglomerate. Traditionally, it has a reputation for being the most technologically advanced supermarket chain in the country. Keells Super's many technology firsts have included integrated POS solutions, online shopping (www.keellssuper.com), intranets, Enterprise Resource Planning (SAP), Customer Relationship Management (CRM) with loyalty programs and automated SMS alerts on key performance indicators (KPIs).

The Challenge: Improving the effectiveness and efficiency of L the stock taking and reconciliation process

In a single Keells Super store, there are between 12,000 – 15,000 individual items for sale. The IT team wanted to improve both the efficiency and accuracy of the stock taking process. So they explored ways of adopting a fully automated process to replace their manual stock taking and verification process. In particular, Keells Super wanted to take advantage of mobile computing combined with Wi-Fi technology. The team worked with Crosspoint Business Solutions to help implement a new stock verification system using MC3000 mobile computers working on a Wi-Fi network, across 30 supermarket stores.

In the past, Keells Super had used its entire staff for eight days to complete a single stock count. So for eight days there was a black hole on inventory when staff did not have an accurate idea of what was in the store. Staff were also spending a great deal of time actually doing the count.

Customer Profile

Company Keells Super – JayKay Marketing Services (Pvt) Ltd.

Location Sri Lanka

Industry Grocery retail

Products

Motorola MC3000 mobile computers, AP-5131 access points

Partner

Crosspoint Business Solutions

Solution

Using MC3000 to scan the barcodes on each stock keeping unit (SKU), the data collected is transferred to the SAP system in real time. At the same time, this wireless stock count and verification system makes it possible to do conduct stock count anywhere in the supermarket through Wi-Fi.

Benefits

- Improved information accuracy
- Reduced operating costs
- Enhanced productivity and availability
- No disruptions to the sales process
- Better customer
 experience

Future Enhancements

- Portable point of sale system
- Accessing the SAP client from the device and do receiving using Motorola MC3000 mobile computers
- Tracking stock availability in the back store
- Tracking of product locations within the store

This caused delayed reconciliation, posting and stock re-ordering. Inevitably, the result was poor customer service and poor supply chain management since purchasing and re-ordering was delayed for seven to eight days which often led to a shortage of stocks.

Keells Super also wanted to get all 30 stores enabled with Wi-Fi, so the entire solution could be driven from a wireless backbone.

The Solution: Real-time access to information and stock taking using Motorola MC3000 mobile computers and AP-5131 wireless access points

Keells Super developed a real-time solution with Crosspoint based on Motorola MC3000 mobile computers, and the new mobile stock verification system was deployed across the Keells Super chain. It is a wireless stock take and verification system linked to SAP (ERP) which is the backend. Motorola's MC3000 mobile computers are small, lightweight and rugged for applications requiring high-quality data capture and high-performance real-time computing. Using the MC3000 to scan the barcodes on each stock keeping unit (SKU), the data collected is transferred to the SAP system in real time, which does all the data manipulation and reporting.

At the same time, this wireless stock count and verification system makes it possible to do conduct stock count anywhere in the supermarket using Motorola wireless access points. Simple to deploy, the Motorola AP-5131 access points offer 802.11a/b/g wireless networking flexibility, the latest wired and wireless security standards, and the speed required to support the most demanding applications, including voice and video.

The new system uses around 120 units of MC3000 mobile computers and wireless infrastructure of 60 access points including Motorola AP-5131 and others. Keells Super is planning to open 120 supermarket outlets with this system in the next three years.

The Benefits: Accuracy, overall efficiency, reduced operating costs and enhanced productivity

As a direct result of installing this new stock taking and verification system, Keells Super has improved the accuracy of its stock taking and reduced its operating costs. The use of wireless MC3000 mobile computers in particular improved productivity as staff no longer needed to return to a central processing point and the data is transferred instantly across the wireless network.

Initially, the new system helped reduce the time to do a stock take from eight to three days and this has now been reduced further to two days with more refined processes. From these two days only one day is taken for the actual mobile computer based stock count; the remaining day is taken for other documentation and manual work.

Operating cost has been reduced dramatically, as the whole workforce no longer needs to be involved in the stock take and it takes a fraction of the time, saving about US\$53,000 per year at this level of operation. Accurate visibility of the available stock has also improved significantly. Managers are now able to plan more effectively, keep stock levels at just the right levels and allocate staff resources more appropriately, all of which helps to provide a better experience for Keells Super customers.



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