Handheld devices can rebuild loyalty

Taking Stock in OOS

A valuable shopping experience means different things to different shoppers. However, a prerequisite for any shopper is that merchandise is available for purchase.

To stay afloat amid economic turmoil, retailers are cutting operating costs. But as many essential elements, such as replenished store shelves and knowledgeable associates, become casualties in this cost-cutting war, retailers are losing credibility among already-disgruntled shoppers. By leveraging internal communications networks and handheld devices, retailers could better serve shoppers and maybe even build some much-needed loyalty.

If there were ever a time when retailers should maintain full stock levels — or at least be able to successfully locate merchandise at store-level — it is now. Shoppers are cutting back on discretionary spending, but when they do go shopping they expect to make a purchase. This makes out-of-stock situations more aggravating than ever.

Shaken by a significant drop in customer traffic, retailers are slashing merchandise prices, shrinking on-hand inventory levels and reducing store-level staff. But these moves are a mistake.

According to the "Annual Survey of Holiday Shoppers," released by Holtsville, N.Y.-based Motorola's Enterprise Mobility Solutions division, 23% of shoppers reported they couldn't purchase an item they wanted while shopping in stores this holiday season. Similarly, 34% of these shoppers said they couldn't find the product due to OOS levels. (The study was based on 2,300 U.S., Canadian and U.K.-based holiday shoppers.)

There aren't many shopping trips I take alone these days as my two preschoolers are usually tagging along. Finding exactly what I need is paramount. And if I can't, a sales associate — make that a knowledgeable one — is my next line of defense.

But there are fewer associates available to help consumers answer questions and find merchandise. Consumers are losing patience and migrating away from their once-favorite brands.

But there is hope. Technology is not a substitute for actual people, but it can add another level of knowledge on the sales floor. The best solution might be wireless handheld units, and these can take many forms.

Sure, retailers have tried kiosks, and some applications work better than others. But untethering these units, and merging these robust applications with the knowledge of an employee, is a better solution.

At Target for example, many associates are armed with wireless handheld units that help them synchronize pricing while stocking shelves. However, associates are often willing to use these units to help shoppers locate merchandise, reveal available units and check prices.

Meanwhile, another domestic retailer is conducting a limited test of technology that could improve its queue-busting operation. A longtime user of one of Motorola's standard handheld units that scans merchandise and produces receipts, the retailer is piloting a new plug-in unit that securely tenders debit-card payments.

Other retailers are using PDAs to get managers out of the office and onto the sales floor. The unit keeps them connected to enterprise applications, such as task management, workforce management and inventory levels, while they serve shoppers.

I understand that retailers are struggling to stay afloat in the volatile economy, and they need to "do more with less." But they can't operate at the expense of shoppers.

The OOS dilemma won't be solved overnight, and especially not in this economy. But wireless devices are low-cost tools that can build value and regain shopper loyalty.

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Zebra Technologies: Vernon Hills, Ill.-based Zebra Technologies launched the Zebra Kiosk Print Station, a small unit that houses a Zebra TTP 2000 series kiosk printer and a compact touchscreen kiosk computer. Since the unit is an all-in-one package, it can be integrated out of the box without a long lead time or high implementation cost.

It supports price verification, an aisle locator, a deli-ordering application, gift registry, coupon distribution and recipe searches. It can also be mounted on a wall or pole. The unit will be available globally this month.

www.zebra.com

New Edge Networks: The new EVDO broadband technology from New Edge Networks, Vancouver, Wash., provides businesses with high-speed wireless access on a private MPLS-based nationwide network. The broadband product, which stands for Evolution Data Optimized, has transmission rates comparable to DSL or Fractional T1s.

Businesses can use the broadband to securely connect disparate locations through a blend of integrated wireless and wireline access over a single, privately managed network. They never have to use the public Internet.

www.newedgenetworks.com

Multidev Technologies: Montreal-based Multidev Technologies augmented its ChainDrive retail management solution with Store Budgeting. ChainDrive is an integrated solution that optimizes and simplifies business processes, including point-of-sale, customer relationship management, merchandising, warehouse, accounting and planning.

The new Store Budgeting module allows users to set and monitor store objectives using real-time data. It also accumulates historical statistics, enabling chains to conduct analysis and make educated decisions based on accurate business data. It also lets chains manage stores by district, region or type. Then it ranks them against set targets.

www.chaindrive.com