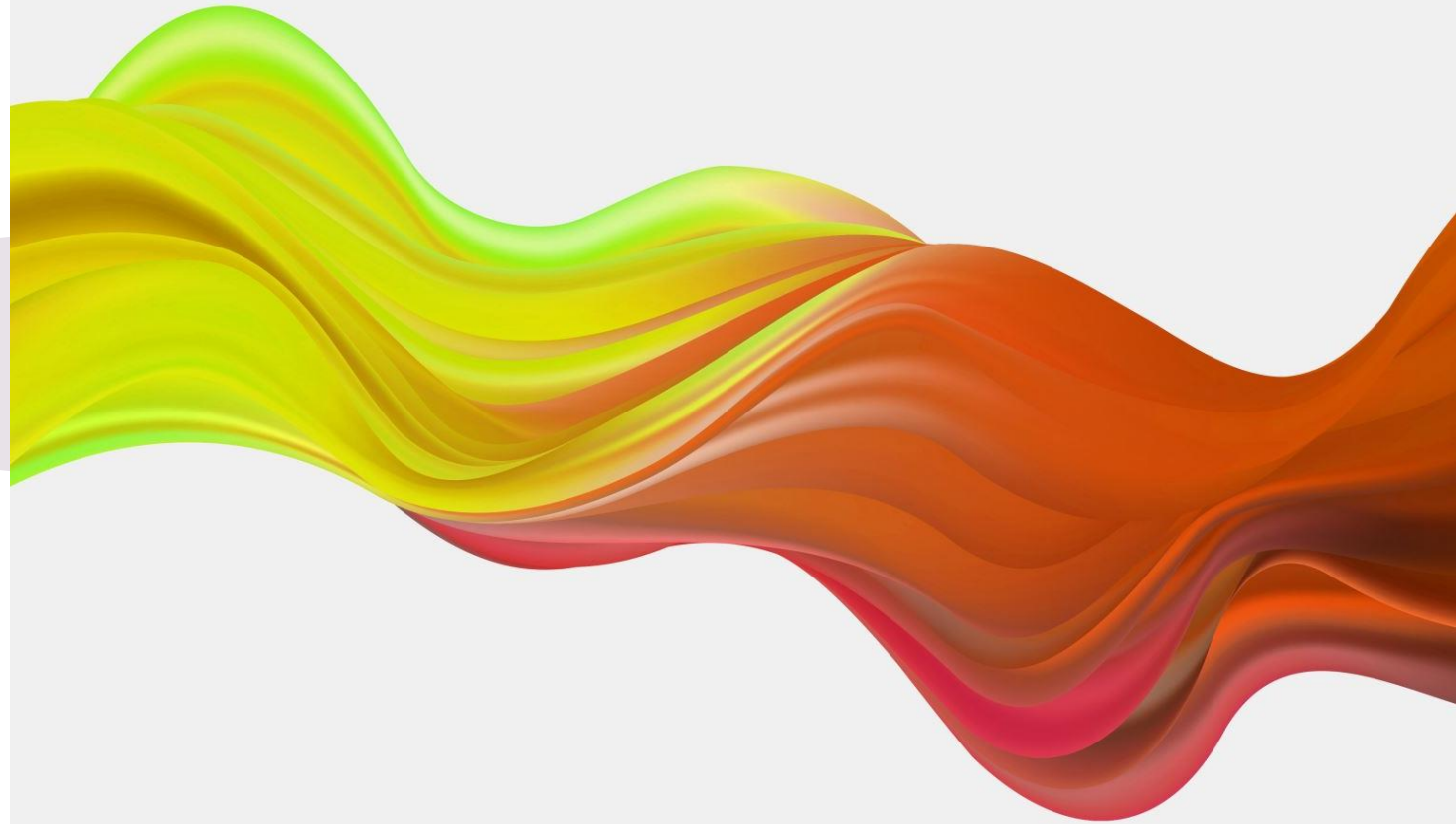


Impact of the self checkout technology in retail Sainsbury's

BMSW4003

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Sainsburys background

1896 first shop by
John James and
Mary Ann Sainsbury

1882 branches in
Stepney, Islington,
Kentish Town and
first suburban store
in Croydon

1950 Croydon
became first self
service and flagship
store

1973 company went
public on London
Stock Exchange

1979 Homebase DIY
store, sold in 2000
for £969 million

1980 EPOS,
proportion of sales
through system went
1 – 90%

By 1999 company
was nationwide
retailer with stores in
Wales, North Ireland
and Scotland

Sainsbury's brand today 152 years

Over 600
supermarkets

Over 800
convenience stores

189k employees



habitat[®]

Tu

Sainsbury's Bank





Challenges before self checkout

Labour costs

Self checkout

- First to open and last to close
- One person can operate 6-10 registers

Without

- Need more employees
- Cost ££
- Human factor: sickness



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Customer experience



Self checkout

- Shorter wait time
- Being more in control
- Privacy
- In & out

Without

- Limited tills
- Longer queues
- Distancing between costumers
- Frustration, waiting with 1 item in long queue

Reducing shrink



Self checkout

- Money goes straight to the bank

Without

- Handling money – security
- Human error
- Gross misconduct

Insight and Impact the Self-Checkout Technology has in the Retail Sector.



Insight into The Self-Checkout Technology



The idea of the self-checkout technology is nothing new and has been around for some time.



In the retail sector the availability of the self-checkout technology is expected to grow.



Each business will have to evaluate how the technology could personally impact them.



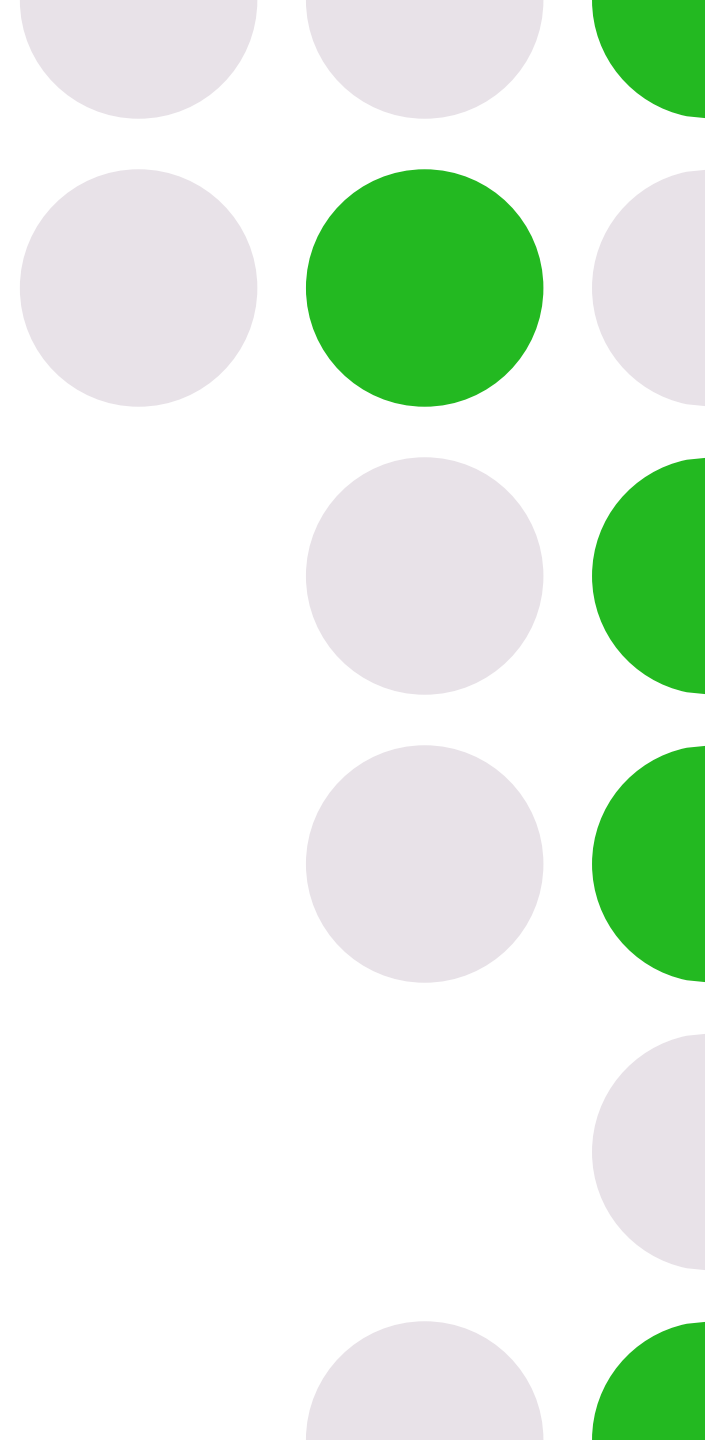
More portable systems like the scan and go have been made accessible in the retail sector for customers to save time.

Positive Impact of the Self-Checkout Technology

- **1. Faster and more Efficient**
 - Self-checkout decreases the wait times for customers, which in turn results in a faster and more efficient checkout process.
 - **2. Less Employee Support**
 - When the self-checkout is efficient it can reduce the amount of cashier staff in the workforce.
 - **3. Increase Checkout Capacity**
 - Self-checkout can save space compared to the traditional checkout counters.
-

Negative Impact of the Self-Checkout Technology

- **1. Increased Risk of Theft**
 - Customers can use a Self-checkout to both pay for items also easily steal.
 - **2. High Up-Front Cost**
 - Self-checkout can be 10x the upfront cost compared to a traditional till system
 - **3. More Employee Support**
 - Self-checkout can become less efficient and create the need for employee support.
-



Summary

There are different self-checkout technologies offered by different retail stores however, its clear that even though when functioning effectively they also can create a high revenue loss.

The technology greatly reduces the time a customer spends queuing up instore nevertheless, like previously mentioned this is only possible when the technology is functioning efficiently.

Despite the advancement of technology, the self-checkout continues to impact the retail sector both positively and negatively.

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