

To identify an organization and
analyze how this organization uses
modern technology to
improve workplace efficiency and
employability



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- **MODULE CODE-
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The background about



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Tesco



- ◆ It is a British multinational groceries
- ◆ It has shops in 7 countries across Asia and Europa
- ◆ The business began in 1919, Hackney, London by Jack Cohen
- ◆ www.Tesco.com is a online grocer

Tesco Stores

In the meantime, Tesco has formed like other stores:

- Hypermarkets
- Supermarkets
- Tesco Metro
- Tesco Express
- Fuel Stations
- One stop
- Jack's



History

Tesco started from a market stall in London Town

Started selling excess groceries from a market stall in Hackney

The name is starting, when J.C purchased a shipment of Tea

The first Tesco store opened in Burnt Oak, Edgware in 1929

In 1934, form a warehouse

In 1947, Tesco opened its first self-service store

In 1958, opened its first superstore, in Maldon

In 1960, home electronics started appearing

In 1973, Tesco opened its first petrol station

(Tesco website, 2021)



International operation

- Europe:
Czech Republic
France
Hungary
Poland
Slovakia
Ireland
Spain, Ibiza, Portugal and
Gibraltar

- Asia:
China
Hong Kong
India
Japan
Malaysia
Pakistan
South Korea
Taiwan
Thailand
Turkey



- United States

Founder of **Tesco**: Jack Cohen



- J.C was born in Whitechapel, London, in 1898
- He was the second son and last of five surviving children of Avroam Kohen
- His father was a tailor and immigrant Russian Jew
- Leaving school at 14 years old
- In 1917 Jack joined the Royal Flying Corps
- He married Sarah
- Cohen changed his name from Jacob Kochen to John Edward Cohen, in 1937
- He died on 24 March 1979 (Tesco website, 2021)

The Challenges faced by Tesco before the Introduction of Modern Technology



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The Challenges faced by Tesco before the Introduction of Modern Technology

- Availability of goods on the shelves in Tesco stores impacted by lack of management of shelves
- Different items on the shelves are mixed
- Unbalanced allocation of the on-shelf space
- Customers faced difficulty in finding the required product (Rosnizam et al., 2020)



The Challenges faced by Tesco before the Introduction of Modern Technology

- Enhances the incidence of replenishment and the risk of empty shelf (Kukreja and Gupta, 2016)



- Stockout happens within the warehouse, the problem might also occur in inventory control
- Shelf life of fresh vegetable is extremely short (Lin and Peng, 2018)



The Challenges faced by Tesco before the Introduction of Modern Technology

- Tesco make efforts to keep the minimum inventory of the fresh food
- Minimum inventory level is useful in minimising the wastage costs
- Less amount of fresh food is stored within the warehouse, the more it is possible to sell them prior to the best display day (Teller, Holweg, Reiner and Kotzab, 2018)



The Challenges faced by Tesco before the Introduction of Modern Technology

- Minimum inventory can potentially increase the rate of existing out of stock
- Tesco are likely to minimize the amount of reorder point
- Demand of market exceeds the forecast, the likelihood of the stockouts increases (Moussaoui et al., 2016)



The Challenges faced by Tesco before the Introduction of Modern Technology

- Inadequate forecast can lead to the wrong ordering requirement
- Pessimistic forecast quite likely leads to stockouts
- Tesco make efforts for minimizing the inventory order quantity
- Actual demand is higher as compared to what ordered even stock cannot afford during the delivery lead-time, stockouts can happen (Chen, 2018)



Insights of modern technology introduced in **Tesco**

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Implementation of a digitalized in-store experience

- Tesco first started using NCR Self-service Checkout in the UK in 2002. They proved an instant hit with customers who found them quick and easy to use. Over ten million Tesco shoppers now opt to use them every week in the UK, representing over a third of the retailer's store transactions.
- Rick Chavie, NCR's vice president of retail marketing at NCR, comments, "Shoppers throughout the world are now demanding the speed, convenience, privacy and control offered by self-service solutions. As a result, we are seeing a rapid acceleration in the adoption of NCR Self-service Checkout."



Implementation of a digitalized in-store experience

- 'Scan as you shop' handheld devices and self-check-out stations were placed near to the usual employee check-out stations to provide customers with the technology to perform the check-out function without involvement from Tesco employees.
- From a business and operating model perspective, this results in efficiency cost savings as fewer employees are required to perform manual check-out.



Implementation of a digitalized in-store experience

- In addition, in-store video cameras, such as the 'broccoli cam' detect when fruit and vegetable trays in the fresh foods aisles are depleted, sending instant messages to the shop-floor employees for immediate replenishment.
- Electronic shelf-edge labels circumvent the need for Tesco employees to change 5-10 million paper labels monthly, freeing up valuable employee time to focus on serving customers.



Implementation of a digitalized in-store experience

- Employees are equipped with portable smart badges which, upon scanning an item, provide employees with information on stock levels and further product details, allowing shop floor employees to answer customer queries live.





The impact of the technology introduced

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Positive impacts-self-checkout machines

- Shorter queues
- Self-checkout machines can serve more customers in less time.
- Reduced Labour
- The self-service checkouts take up less space
- provide a partly multilingual service



Negative Impacts-self-checkout machines

- Potential for Theft
- Social impact
- Self check out machines are replacing real workers
- High Up-Front Costs
- Machinery Issues



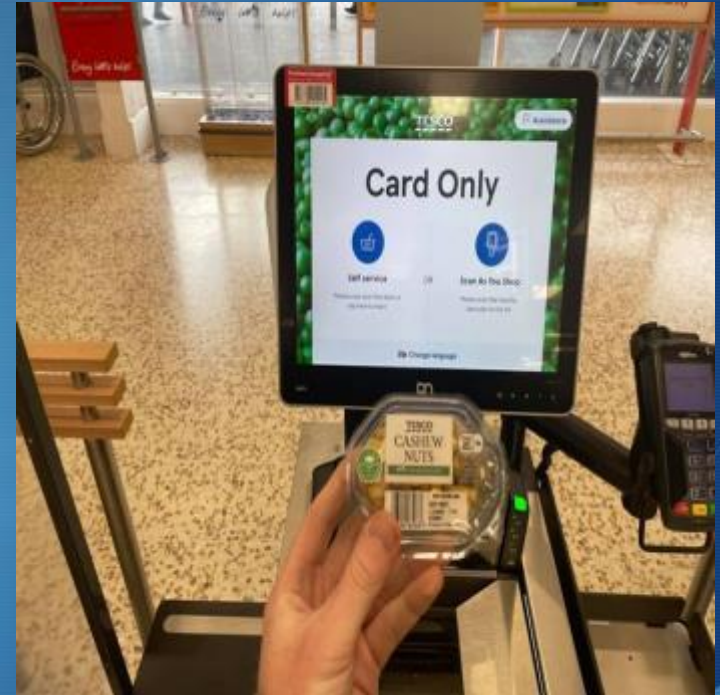
Positive impact-scan as you shop

- Make shopping more quick and convenient.
- Digital receipts are better for environment.
- Helps you to budget and keep an eye on your spending (Tesco, 2021)
- Collect 1 point for every £1 you spend when you Scan as you Shop. (Tesco, 2021)



Negative impact-Scan as you shop

- The service currently allows for only card payments .
- Shoplifting.
- Customers must register for a Clubcard.
- Social impact .



How do Customers feel about this Technology?



- Self-service checkout has been well received by both retailers and customers.
- Robot voice not appreciated by the customers and improved thanks to their feedback.
- Navigating the self-checkout menu frequently confuses and frustrates customers who lack IT knowledge
- *"Self serve are great for people with social anxiety! Not to mention during the pandemic not everyone wants to use a manned till!"* (Mauro-Benady and Becquart, 2021)
- *"I won't use the self-service tills as it costs people their jobs,"* (Mauro-Benady and Becquart, 2021)

Environmental impact

- Increased pollution from the plastic bags
- The machines run on electricity and are powered by non - renewable resources.
- Due to the obvious number of resources used to manufacture these machines, the environmental impact of this automation is significant





Lessons drawn from the case study



Lessons learned from the case study

- Keeping up with the changes in technology is essential for the good of the company and their customers.
- The self-scanner and the tills at checkout have proven to be very beneficial for Tesco.
- Tesco provides a better customer experience and products through development of their technology
- Improving the way it uses technology is the way forward for Tesco.
- Modern technology is important to survive for such a big company.



Lessons learned from group work

- Worked together for the same aim
- Organised our time and planned when to meet to discuss work issues
- We solved problems and come up with ideas that we shared
- Communication is better than at the start of the course/work
- We used our research skills to search for information in our own time and share between us to use for the tasks
- Improve our IT skills and how to create a power point



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