

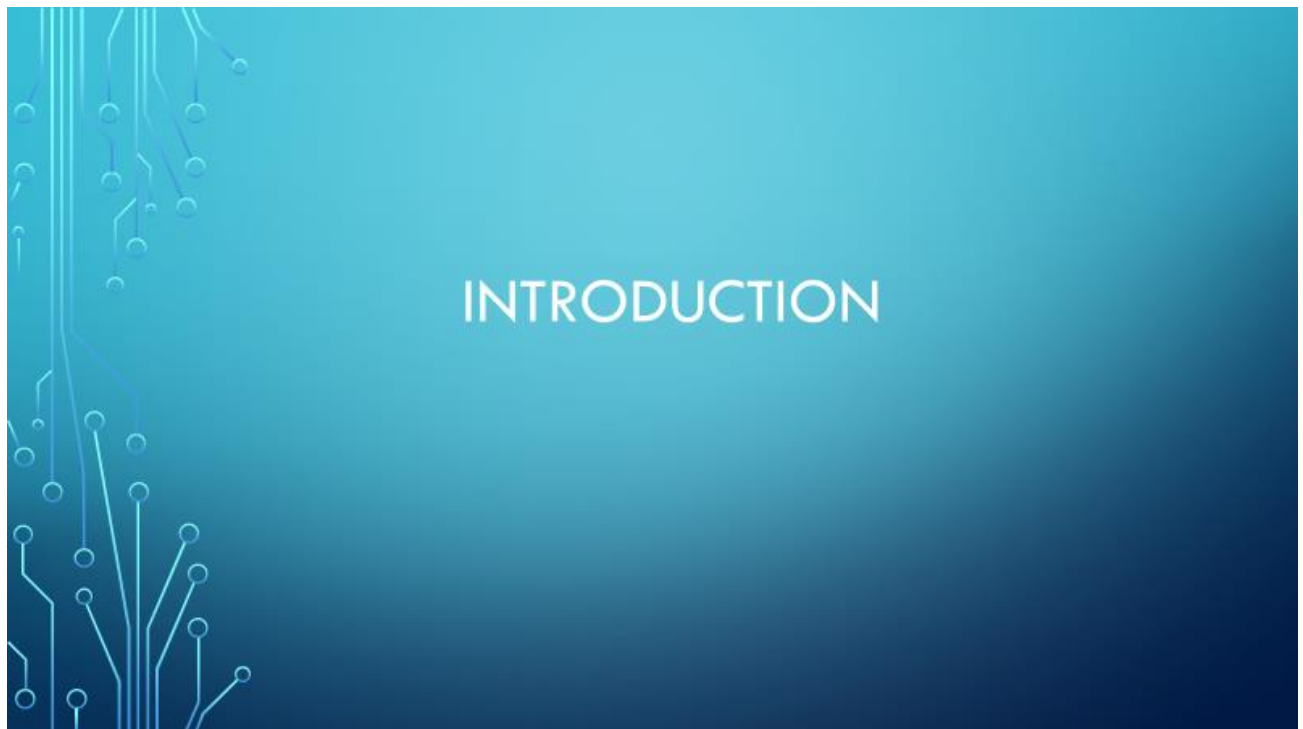
## Impact of modern Technology in Boots

Digital Skills and Research Method

Lecturer: Suneth Fernando

Submission date: 07/05/2020

### SLIDE 4 INTRODUCTION



SLIDE 4 INTRODUCTION speaker notes

Task assigned to Alif Dhali – completed by Mirela Radu



## Impact of modern Technology in Boots

The aim in this report is to highlight the challenges, insights and impact before and after introducing the modern technology in Boots.

With 2500 shops across the UK and Ireland, Boots stores are mostly located on the high streets and shopping centers. Boots health products as well as beauty products and offer opticians and hearing care services. (wikipedia.com, n.d.)



**Slide 5 BACKGROUND OF BOOTS – speaker notes**

**Task assigned to Alif Dhali – completed by Mirela Radu**



Boots was established in 1849 by John Boot who died in 1860. After John Boot died, his son Jesse boot looked after the medicine shop which they were running in Nottingham. Circa 1978 Boots opened a number of stores across Canada by purchasing the Tamblyn Drugs. Early 1990 Boots bought Halfords and established Children's World which was sold to Mothercare in 1996. In 1987 Boots develop Boots Opticians which later becomes second largest optic chains.

On 02<sup>nd</sup> April 2019 Boots announced that they will sponsor UK women's football teams by a deal talking about multi-million pound/euro. (wikipedia.org, n.d.)

## SLIDE 6 – CHALLENGES BEFORE MODERN TECHNOLOGY

Task assigned to Ziwan Amdadul



#### Speaker notes

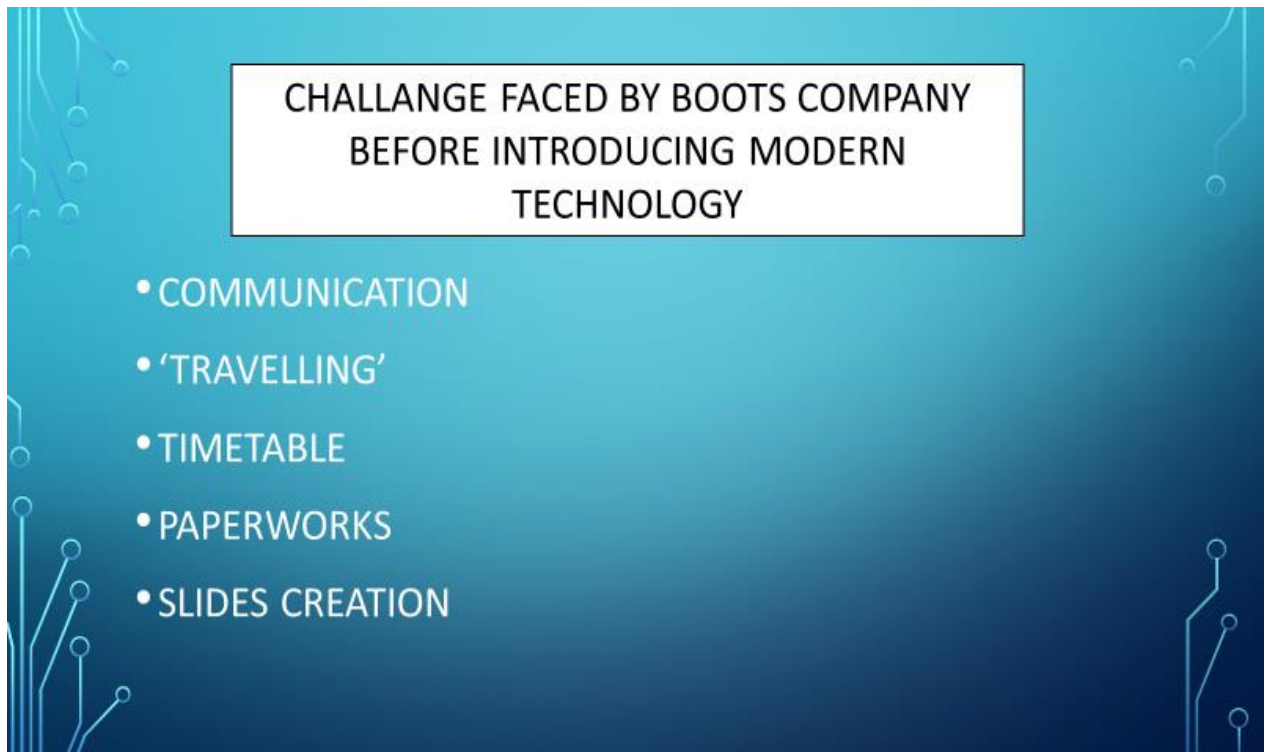
##### CHALLENGES BEFORE INTRODUCING MODERN TECHNOLOGY - BOOTS

Before introducing modern technology, boots and any type of business faced many challenges for grow their businesses. Imagine you are in the early 1990s, where everything was different from now, every work was harder than now, and obviously they took more time as well.

The aim of this report is to jump in the past and explain to the readers many of these issues.

Slide 7 - CHALLENGES BEFORE INTRODUCING MODERN TECHNOLOGY

Task assigned to Ziwan Amdadul



**Speaker notes – slide 7**

**COMMUNICATION**

Without the presence of a phone call, communicate with the person that we want to talk, was very hard, and it took very long time, even the information that we wanted to share was important. The fastest method for send a document was send it externally, and obviously it took more time than now, because modern technology gives to us powerful tools like Gmail, yahoo, etc. for sending documents, and don't forget about the possibility to communicate directly via video call or normal call with whoever we want, in less time!

**"TRAVELLING"**

Many companies lost a lot of hours and money only because an important person is missing, they have to be always present for handle something important. Now everything its easier, we can connect via WhatsApp, messenger, etc. without problem, so if something important it is happening, we can call the boss, and he can decide instantly what to do!

**TIMETABLE**

In the beginning of 1990s, company had a precise timetable, and normally it was from 9 AM to 5 PM. It means not only that you haven't the flexibility of the hours, because imagine if you want to study, and your school start in the morning, you couldn't have the possibility to do it, because in the morning you must work!

Now it's different: there are a lot of company, like Amazon, who are working 24 hours per day and 7 days per a week! Here you have also the possibility to choose when you want to work and manage your time for do other activities that you want. Modern technology permits to businesses to work better and faster than EVER!

## Impact of modern Technology in Boots

### PAPERWORKS

Once time, paperwork's meant everything that was writhed in the paper. Everything was managed by reams of paper with typed content merging with the handwritten. Even costumers' orders and letter were writhed in the paper!

Important letter or document was very hard to found, because the files were throwed to the storage room.

Today we have the possibility to access with our fingerprint, and with the search engine we are able to find everything we want to do our jobs.

But what happen if in the past they made mistake in an important document? They had to covered it with a Tippex: and after this the document doesn't look professional, while today is enough cancelling and rewriting where we made the mistake!

### SLIDE CREATION

Once time there wasn't PowerPoint for presentation, they showed their projects with an overhead projector and acetate slides. They lost a lot of their time only for hand drawn graphs. The projector was smooth, and the notes wasn't of good quality. (Bennett, 2017)

### CONCLUSION

So, we can really feel lucky to be in the modern era. The technology made for us important tools for grow our self and our business too, and in the boots case, we can utilize all the facilities that we want with the modern technology.

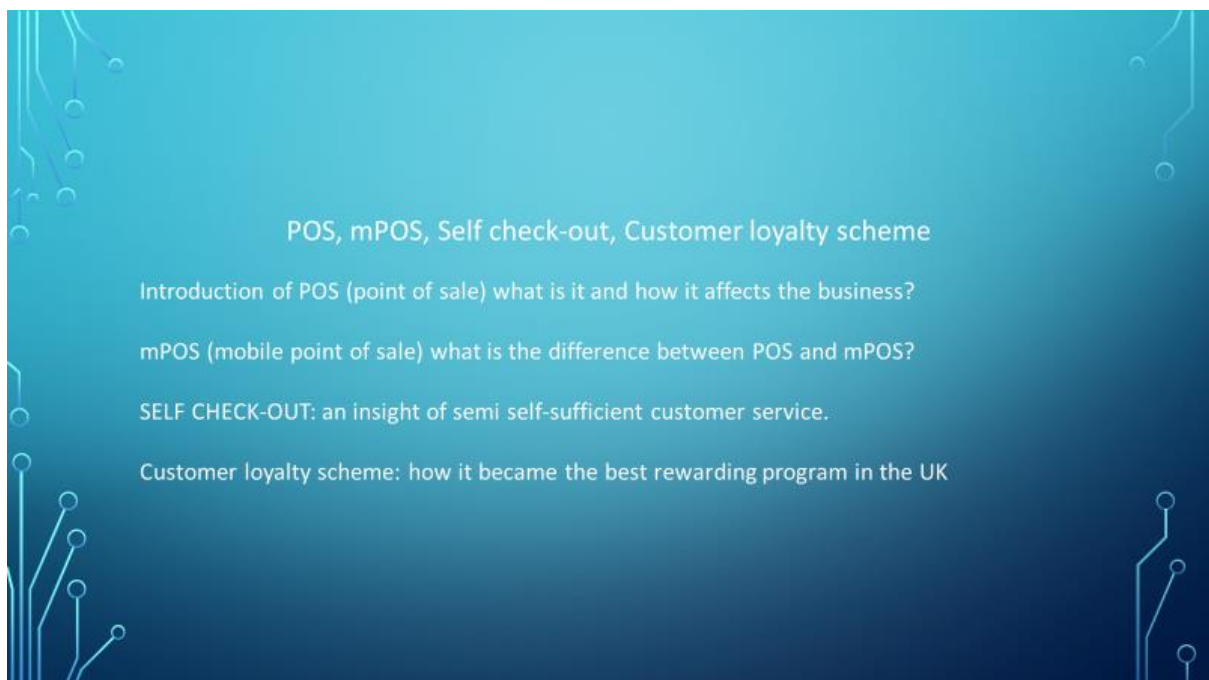
### SLIDE 8 – Ziwan Amdadul



Slide 9 – Tesla Cappelli



Slide 10 – INSIGHTS OF MODERN TECHNOLOGY INTRODUCED  
Task assigned to Tesla Cappelli



**Speaker notes slide 10 POS, mPOS, Self-checkout, Loyalty scheme**

## “The Impact of Modern Technology on Boots the Chemist”

### Insights of the technology introduced

#### POS (Point of Sale)



To know how many and which products are sold in its stores each day Boots uses ICT (information and communication technology) such as POS systems in its stores to record customer sales. Every time a customer buys an item, details of the sale are recorded at the POS terminal through a unique barcode. The POS terminal scans the barcode and shows the price of the item. At the end of the transaction it produces a receipt for the customer and records the sale. Sales information from all the stores POS terminals are stored in the main computer.

POS system is also used by Head Office to send information about price changes and promotions to the stores. This ensures that prices are the same from store to store and all Boots stores have the same promotions running at the same time. The current POS system used in all 1400 Boots' stores is provided by IBM *"To Retailers, time is money and the IBM solution has proved its worth by speeding up some processes by 75%."*

*(quoted by Neil Mathieson, Senior Project Manager, Boots The Chemists)*

Modern and more sophisticated POS systems will have additional capabilities to interact with other platforms to automate business operations and streamline information-sharing. [Accounting](#) and [marketing](#) platforms are two of the abilities of modern POS systems. (Schooley, 2019)

### mPOS (mobile point of sale)



*Figure 2 - mPos machine adapted from predictspring.com*

An mPOS (mobile point-of-sale) is a smartphone, tablet or dedicated wireless device that works as a cash register or electronic point-of-sale terminal (POS terminal) wirelessly. Traditional POS systems are typically more expensive than mPOS technology, this is the reason why the amount of companies that are adopting this new technology is increasing. Due to their portability and versatility mPOS systems are ideal for businesses such as food trucks or market vendors. Boots uses this advantage to cut the queue wait for check-out.

To implement an mPOS, Boots has had to install an encrypted internet connection in its stores and paired the existing credit and debit card reader to an application downloaded to the devices used for the transactions. An mPOS can also be paired with additional POS hardware like a barcode scanner and a cash drawer. In 2018 Juniper Research predicted that mPOS devices will drive the overall transactions to over 87 billion by 2023. That same study calculated that the 24% of all POS transactions by 2023 will come from mPOS devices. Juniper Research also predicted that the average price of an mPOS device (\$40 in 2018) will drop to \$33 by 2023. (Rouse, et al., 2019)

### SELF CHECK-OUT



*Figure 3 - Boots Edgeware, first self-check-out in UK, adapted from Boots website*

## Impact of modern Technology in Boots

Self service checkout as we know it nowadays could be described as a modern, advanced version of a vending machine. From 1833 to today the self check-out has undergone huge changes for the better.

- **1833 – The vending machine**

The coin-operated vending machine was invented by [Percival Everitt](#) in 1833. First launched in London, it initially sold postcards before being rolled out in railway stations and post offices across the country – dispensing envelopes, postcards and notepaper.

1. **1951 - First UK's chemist company to introduce self-service in its stores.**

Boots opened its first self service store at Burnt Oak, Edgware in London. It was amongst the first example of self-service in retail in the UK.

- **1992 – The first supermarket self-checkout**

In the early 1990s, [Dr Howard Schneider](#) developed the first retail self-checkout system (called “the service robot”) and by 2003 self-checkouts were prevalent in retail stores across America and by 2024 the market is expected to hit \$4 billions, with [468,000](#) units installed globally.

The purpose of self check-out systems is to reduce human labor, simplifying it and to avoid cases of theft and fraud or human mistakes such as miscalculations. It is also important to mention that such technology helps speed the queue waiting time.

(Qikserve, 2018) (The Independent, 2011) (Bellis, 2019)

### BOOTS LOYALTY SCHEME



Figure 4 - Boots "Advantage card" adapted from metro.co.uk

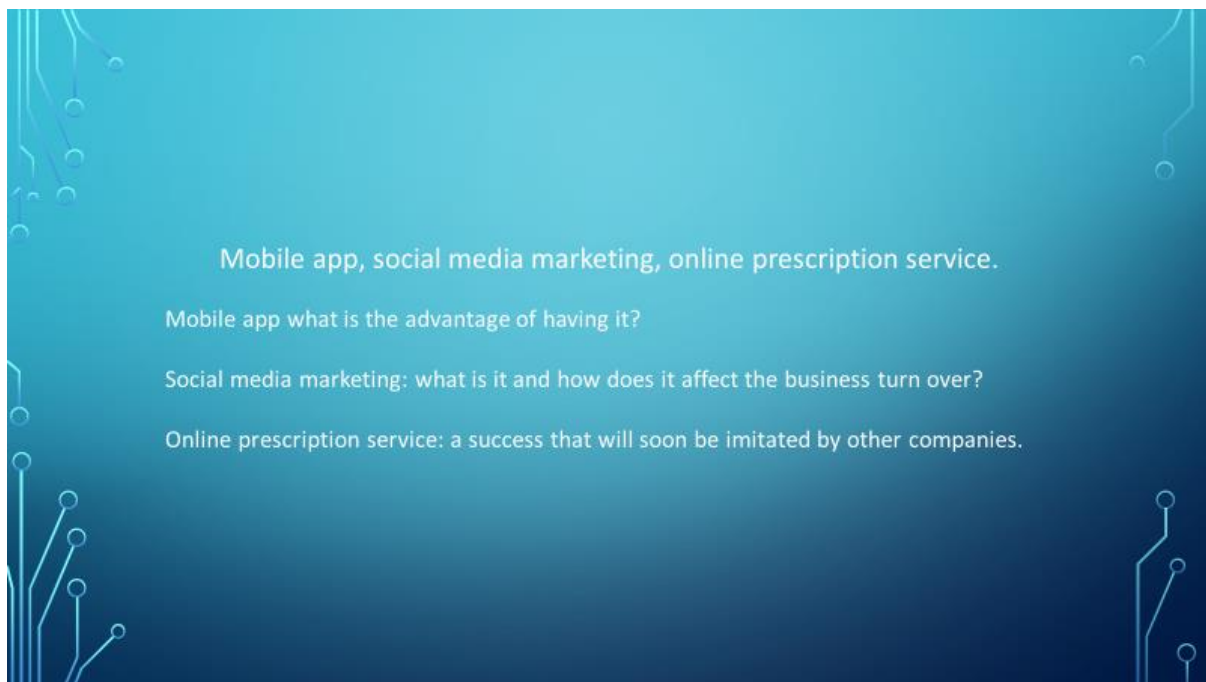
- **1997:** Boots The Chemist Ltd launches the “Advantage Card”. This loyalty card is one of the most generous reward programmes in the UK. To achieve such title, the Boots Advantage card offers four points for every pound spent in store. Any Boots Advantage Card owner can pay in store or online using the points previously collected; One point is worth one penny e.g. 199 points will pay for a product priced at £1.99.
- **2019:** Boots Advantage Card reaches 17.9 millions of active members.

## Impact of modern Technology in Boots

The data gathered from their 17.9 million active members is a core asset for the entire organisation. With 68% of sales coming from Advantage Card members, Boots was able to collect purchase behaviour data to power key commercial decisions including that of product development. Boots utilise the customer insights to find the right that the majority (83%) of their customers are women aged 20-45, which led them to creating bespoke offers for products targeting this demographic. This then led to a better, personalised service for that audience, and increased the likelihood of the audience redeeming the offer due to its relevance. (sodexo engage, 2020) (Boots UK, 2020)

### Slide 11 INSIGHTS OS MODERS TECHNOLOGY

Tesla Cappelli



### Slide 11: Speaker notes Tesla Cappelli

Mobile app, Social marketing, Online prescription service

#### MOBILE APP

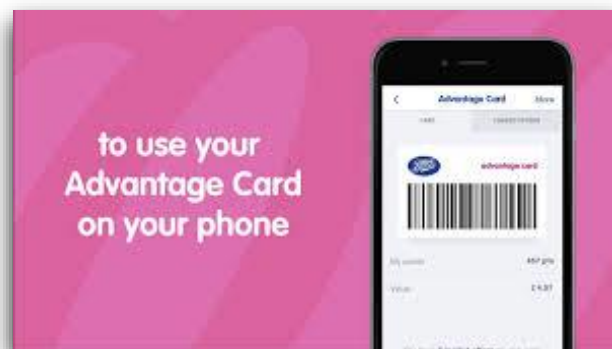


Figure 5 - Boots app. Adapted from Boots website

## Impact of modern Technology in Boots

In May 16<sup>th</sup> 2019 Boots UK launched its Advantage Card in a digital format to take its customer experience to a next level. The loyalty scheme is now integrated in the already existing Boots App which comes with all its perks. Using their smartphones, customers can scan their virtual card to collect points, redeem them and check their points balance as well as entering the wider benefit options of the Boots app like personalised offers. Customers can also shop directly from the app and order their prescription in the comfort of their couch. While shopping in-store the app will show relevant deals to the users in regard to their previous purchases. (Boots UK, 2019)

## SOCIAL MEDIA MARKETING

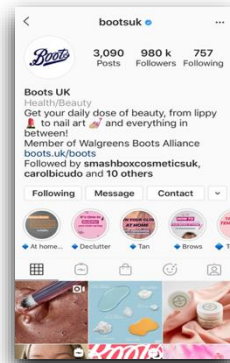


Figure 6 - screenshot of Boots UK's Instagram page

Boots the chemist, as many other businesses, has entered the world of social media. The final aim of creating accounts on channels like Instagram, Facebook and Twitter is to engage with existing customers and eventually making new ones through marketing strategies. Social media marketing usually focuses on the creation of content that gains attention and encourages readers to share it won their feed. This message presumably spreads from user to user and resonates generating a free advert for the source of the message. Hence, this form of marketing is driven by word-of-mouth, meaning it results in media presence rather than paid media such as TV and newspaper. As effect of the social media presence, the business' community can also develop and become strong enough to make its marketing effective, resulting in a positive turn over for the business.

Some of strategies adopted by Boots to apply social media marketing are:

**Multimedia usage:** using pictures and videos to validate the company values and show that they care about customers and employees.

**Message adaptation:** means sending the same message in different ways adapted to different platforms.

**Contests and discounts:** is the act of stimulating people to interact with your brand in a way that the brand gains attention. For example, using contests that require the community to share its content in order to win the prize. By sharing discounts code or coupons on social media the brand assures trust to its customers and also push them to buy in the future. (Bajpai, et al., 2012) (Zarrella, 2010)

## ONLINE REPEAT PRESCRIPTION SERVICE

## Impact of modern Technology in Boots



*Figure 7 – Boots pharmacy adapted from digitalhealth.net*

**Boots has developed a free online NHS repeat prescription service, in partnership with NHS Digital and NHS England.**

This technology allows customers to order their repeat prescriptions from Boots' website or mobile app and have them sent to Boots for dispensing.

"Digital Healthcare is integral to the NHS Long Term Plan. In ten years' time, I think pharmacy services at Boots will be almost unrecognisable; pharmacists will spend less time dispensing and more time offering clinical services. Through our investment in digitising pharmacy, our pharmacists will have more time to bring even greater value to the overall primary care system, offering greater choice and access to health care."

(quoted Richard Bradley, pharmacy director at Boots UK)

In 2019 Boots started charging £5 for delivering some of the online prescriptions creating concerns through the UK population. This decision has been the centre of a debate which led many people (especially relatives of elderly and individuals requiring urgent end of life care) to call for a boycott of the company as solution to the issue. Many local pharmacies stated that they do not charge for deliveries and even though the number of online prescriptions is increasing, £5 delivery charge does not explain the price. (Bbc News, 2019) (Crouch, 2019)

## SLIDE 12 IMPACT OF MODERN TECHNOLOGY IN BOOTS – POSITIVE IMPACTS

Task assigned to Mirela Radu



### Slide 12 speaker notes

#### Online shopping

Shopping online could be more convenient as we can shop online 24/7 just sitting comfortable at home avoiding long ques and searching for staff members to help us find the location of the products. It also gives us a wider variety of products at better prices. Online shopping is better for discreet purchasing avoiding the discomfort of other people looking at us. (Jain, 2018)

#### Contactless payment

Using contactless is more convenient as it saves time by not having to enter a pin number. Also, the connection and payments are quicker, saving ques from building up. Contactless cards can be used overseas (if the retailer has a contactless payment facility). (Lilly, n.d.)

#### Self-checkout

Looking from an economical point of view, retailers find the self-checkout an advantage, Since the customer are helping themselves the number of the employees has been reduced, therefore less salaries to pay.

Another positive aspect of the self- checkout is that the cashier ques are reduced.

For the customers that are only coming to buy one item only, self-checkout is a great selling point saving them time.

There is a type of customers who prefer not to come in contact with the cashier especially when they exaggerate buying unhealthy food or alcoholic drinks (Wise, 2020)

## Advantage Card

Spending money in store will add points to the advantage card. Points will be then used towards your shopping. (Boots, n.d.)

### **SLIDE 13 – IMPACT OF MODERN TECHNOLOGY NEGATIVE IMPACT**

**Task assigned to Mirela Radu**



Slide 13 speaker notes

## Online shopping

Shopping online does not guarantee that you will get the product delivered in the estimated day. Often the products are getting lost or damaged or even delivered to the wrong address. By shopping online, we expose to a high risk or credit cards to be scammed or personal data to be hacked into.

Returns can also be more complicated as not always customers get reimbursed for shipping cost.

Having received the purchase well wrapped in multiple layers just so the item does not get damaged can be a plus for the shopper but not for the environment. (Jain, 2018)

## Contactless payment

One of the negative impacts of contactless payment is that people who use contactless payment often lose track of payment.

Losing a contactless card can compromise the account.

The amount to be spent per day is limited. (Lilly, n.d.)

## Self-checkout

Self-checkout is not a preference when it comes to elderly costumers. They do not feel comfortable with the modern technology and will afford using it choosing to pay with the cashier instead

Using self-checkout means lack of human interaction and less customer service.

Due to sometimes technical errors or validation of certain products transactions can be delayed. (Education, 2013)

## Advantage Card

Accounts can be hacked into and personal information can be stolen. (Molloy, 2020)

SLIDE 14 – LESSON DRAWN

Task Assigned to Salma Chahli – **TASK IMCOMPLETE**





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