

Case Study

Grocery Store Seeks Simplicity, Finds Improved Operations

Fujitsu ISS45 Point-of-Sale Software Helps Save-A-Lot Control Costs

At Save-A-Lot, catering to customers means keeping costs in control. So when the supermarket chain needed a new point-of-sale system, it looked for an automated solution to help facilitate its current and future growth.

Save-A-Lot chose Fujitsu's TeamPoS point-of-sale terminals with ISS45 software, an open-platform system that combines great ease-of-use with high-end reporting and management capabilities. The result is an ongoing rollout at Save-A-Lot stores, with improved operations at the 300 Save-A-Lot stores already installed.

Shopping for Simplicity

A chain of edited-assortment stores, Save-A-Lot operates more than 900 stores in 36 states. It is the largest and fastest growing edited-assortment chain in the nation. Stores are typically about 14,000 square feet, and most are licensed to retailers.

Save-A-Lot caters to shoppers who are looking for great food at great prices – grocery items including USDA-inspected beef, pork and poultry, farm-fresh produce, and household and health/beauty aids at up to 40 percent savings compared to conventional grocery stores. The company's edited-assortment stores carry about 1,400 of the most popular items, compared to over 30,000 items at conventional outlets. Many items are packaged under Save-A-Lot's exclusive labels, and the stores also carry an assortment of name brand items.

The grocery chain's dedication to maximizing value for its customers extends to every facet of its operating procedures. By creating simple, easy-to-follow processes, Save-A-Lot provides its employees with all the tools they need to efficiently operate the stores. Through efficiencies, Save-A-Lot stores deliver value to customers.

"The whole Save-A-Lot operation is dedicated to simplicity," said Tim Neustadt, manager of retail systems for Save-A-Lot. "So ease-of-use was key for us as we searched for a new point-of-sale system."

Shedding Proprietary Systems

For years, Save-A-Lot had used proprietary electronic cash registers. These had several drawbacks. For one, training on the system required significant time commitments.

"We do not have a manager in our stores who is dedicated to running the office," Neustadt said. "We have working managers who stock shelves and unload shipments. We needed a solution that was easy for them to be trained on. After all, we strive to put the focus on our customers."

Since the existing Save-A-Lot cash register systems were proprietary, it could not use the multitude of valuable off-the-shelf software products available for standard platforms.

"Our old system had limited us, preventing us from integrating other software packages from various suppliers," Neustadt said. "We were definitely looking for a PC-based, open architecture system."

Save-A-Lot also needed easier access to the data in its point-of-sales system, enabling the home office to make informed decisions. Finally, the system itself had to be easy to manage and maintain.

"Under the old system, we used a dealer network for on-site maintenance," Neustadt said. "Because we were using a proprietary system, we had to call a service technician whenever we had the slightest problem."

The End of the Search

After a two-year search, Save-A-Lot chose Fujitsu's TeamPoS hardware systems and ISS45 point-of-sale software, acquired through Retail Data Systems Inc., a Fujitsu value-added reseller.

Save-A-Lot chose the solution to capitalize on its PC-based open architecture platform, as well as its ease-of-use.

"We looked at several vendors' systems that had the features we needed, but what we liked best was the ability to customize and simplify the Fujitsu system," Neustadt said. "It provided the tools to give us the

information we need for our reporting systems in an easy-to-use format.”

Plugging and Playing

In 1999, Fujitsu and Retail Data Systems began installing ISS45 at Save-A-Lot’s 200-plus corporate-owned stores, as well as 50 franchisee-owned locations. As each store was scheduled for installation, the TeamPoS units were configured to custom specifications for Save-A-Lot.

“Fujitsu created some specific part numbers to configure the units exactly as Save-A-Lot requested,” said Tom Gleissner, general manager for Retail Data Systems Inc., based near St. Louis in Maplewood, Mo.

This included custom cable lengths, key locks and other special features. After the customized machines are built by Fujitsu, they are shipped to Retail Data Systems’ St. Louis office.

There, Retail Data Systems loads the ISS45 software along with other applications chosen by Save-A-Lot, including customized programs that Retail Data Systems developed for the customer.

Retail Data Systems then tests the machines with fully, installed configurations and labels them for easy installation.

“We ship the systems to the stores so their arrival coincides with the company’s installation and training schedule,” Gleissner added.

Once the new systems reach the stores, Fujitsu-ICL personnel remove all old hardware before installing the new units.

“The plug-and-play capabilities of the TeamPos terminals makes it easy to install them remotely,” said Gleissner.

After installation, Save-A-Lot home office personnel arrive to train store employees on the new system.

Quick Data Access, Speedy Repairs

With the Fujitsu solution in place, Neustadt hopes to capitalize on the benefits.

“We were able to tailor ISS45 to meet Save-A-Lot’s needs, rather than having to change our operations to meet the needs of the technology,” Neustadt said. “The solution also allows us to customize screens and menus, streamlining training and making support much more efficient.”

Rather than require its managers to spend precious hours collecting and compiling data from an old proprietary solution, the company can rely on ISS45 to provide extensive sales information in an easy-to-use format.

“This is an incredibly robust system that has given Save-A-Lot increased data access and reporting,” Gleissner said.

What’s more, the company no longer must rely on costly in-store service calls when machines go down. A new customer assistance program put into place by Fujitsu and Retail Data Systems ensures speedy repairs at a low price. When a problem arises, Save-A-Lot personnel call for new parts which arrive overnight.

“Because we’re now on a PC-based system, managers can swap out failed units at the stores and get up-and-running quickly,” Neustadt said.

The Final Word

With the success experienced so far at Save-A-Lot stores, the company now is encouraging its franchisees to invest in the Fujitsu solution. Fujitsu continues to install ISS45 and TeamPoS at stores across the United States.

At its current rate of growth, Save-A-Lot – with more than 900 stores – will double in size within five years. The Fujitsu system customized by Retail Data Systems will be in each of these new stores.

“The key to the entire Save-A-Lot operation is simplicity, which made this a perfect fit,” Neustadt said.

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For more information, contact Roy Miller at (214) 521-8596 or via e-mail at rmiller@mbapr.com.