Displaydata

DYNAMIC. DIGITAL. DELIVERS.

Displaydata's digital display solution helps Coop Denmark reduce costs and increase efficiency

With annual revenues of approximately DKK 50 billion (US $9.2 billion) and more than 35,000 employees, Coop Denmark is a giant in the Danish Retail Industry. Owned by FDB, a cooperative with more than 1.7 million members, Coop Denmark operates several retail chains including Kvickly, SuperBrugsen, Dagli'Brugsen, coop.dk, along with subsidiaries Irma A/S and Fakta A/S.

To increase productivity and enable the retailer to launch promotional campaigns more quickly within its stores, more than 180 Coop Denmark stores have already made the switch from paper shelf labels to electronic shelf labels (ESL) developed by Displaydata in conjunction with Displaydata's Nordic partner, Delfi Technologies A/S.

The Kvickly Jyllinge store, located just northwest of Copenhagen, was one of the first Coop Denmark stores to transition from paper shelf labels to Displaydata's fully graphic ESLs – the initial step in expanding the use of the new technology within further stores within the Coop Denmark network.

Simple installation with a strong ROI
The key factors that influenced Coop Denmark's decision to implement the solution from Displaydata and Delfi were its light-touch infrastructure and a near-effortless installation process.

"We refer to "KIS," which means 'Keep It Simple' and apply that approach in all the decisions we make at our store," said Kresten Haubo, the Warehouse Director at the Kvickly Jyllinge store and a 26-year employee at the location. "The Displaydata installation was very straight forward and uncomplicated. It was so simple that we installed nearly 12,000 electronic shelf labels across our entire store in less than 48 hours!" Haubo believes that the store also expects to see a quick return on investment.

"The Displaydata solution can do so much for us," he said. "We can use it to make our operations more efficient, launch promotions more effectively and differentiate our stores from our competitors in the retail market."

Displaydata brings improved productivity, more emphasis on sales, service and promotion
The store has already seen a number of benefits since installing the solution – and anticipates more savings with the continued use of the new Displaydata technology.

"Instead of having to dispose of the remaining stock at the end of the day and wasting money, we can instead sell it at a reduced price. That just makes good business sense."

Kresten Haubo
Warehouse Director
Kvickly Jyllinge

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"We often experienced price errors at the check-out using paper labels," said Haubo. "Even though our systems were accurate, we couldn't eliminate all the price errors. It was frustrating for employees and especially for our customers, who had to go to the kiosk and queue up again for a refund. And, since prices change frequently, replacing paper labels was always a time-consuming task."

Prior to the installation of electronic shelf labels, employees had to report to work much earlier on Sundays, sometimes arriving late on Saturday evenings, to manually update shelf labels with the new prices for the following week. The same was true on Mondays, when promotional material arrived at the store.

"We don't have to do that any more," Haubo said. "Now we can focus on our merchandise and serving our customers better." With the installation of Displaydata's electronic labels, the store expects to dramatically reduce the staff costs associated with manually changing shelf labels. Rather than cutting staff, Haubo says the store will reallocate those hours to stocking and customer service efforts.

"We expect to see an increase in sales by focusing more attention on keeping our shelves fully stocked and serving customers," he said. "That reallocation of staff costs represents about 600,000 DKK (US $104,000) a year – revenues that are now being redirected to efforts that will result in more sales, and more profit, for our store."

Haubo believes that the Displaydata solution also gives store managers the opportunity to introduce promotional campaigns considerably faster.

"Once the electronic shelf labels are in place, everything is controlled through our Point of Sale (POS) system, which means that we can react quickly if we need to increase or decrease the price for a single product or an entire product range," he said. "We just press a button and it's done. It will be particularly useful for us after the Christmas sales period is over. If we end up with surplus seasonal stock, we can decrease prices by 50-60% nearly instantaneously and sell it off our shelves quickly."

New technology helps reduce wastage on perishables

The ability to use electronic shelf labels to automate price execution is particularly effective in reducing the waste associated with perishable products. Prices can now be steadily reduced throughout the day to help reduce the stocks of items like milk and produce items, helping to resolve a costly problem faced by grocery retailers for a long time.

"If we have fresh food products that are nearing their sell-by date and still sitting on the shelf by the afternoon, then we can decrease the price by 25-50% automatically," said Haubo. "Instead of having to dispose of the remaining stock at the end of the day and wasting money, we can instead sell it at a reduced price. That just makes good business sense."

Price accuracy no longer an issue for customers or retailer

Haubo also uses the solution to ensure price accuracy throughout the store which can lead to reduced queues and increased customer loyalty. "We no longer have price errors – none at all. The price on the shelf always matches the price at checkout."

For customers, the ESLs show product and pricing information and indicate if the product is part of a special sale or promotion. For store staff, other detailed information is displayed on screen – scannable barcodes, order numbers, as well as the ability to see whether they are "back stock" or "front stock" products.

"The labels are set up to show the number of units per package, which is particularly useful for re-stocking shelves accurately," Haubo explains.

A "future-proofed" solution

Haubo said he's proud that his store is on the leading edge in using fully graphic electronic shelf labels. "The system from Displaydata and Delfi is a really good, future-proofed investment," he said. "There are so many other possibilities we can explore with the technology that we haven't even touched on yet. But for now, it saves us so much time… time that we can put to good use elsewhere in our store."

He adds that the Displaydata solution touches several facets of the retail experience, for customers and staff, in a positive way.

"Here you have a solution that ensures that there are no price errors, keeps our customers and employees happy and gives us the ability to make more money by allocating our time to merchandising and customer service," Haubo said. "I would say the technology frees up two and a half or three employees each week and makes price changing and promotions in our store much easier to handle on a daily basis."