

CASE STUDY

Preserving a Superior Customer Experience

What began as a small market has grown into a farm-to-table grocery powerhouse. It offers consumers all the conveniences of modern shopping while maintaining a sense of warmth and connection.

Situation

This grocery chain continuously evolves the customer experience to ensure the ultimate shopping experience for tech-savvy and traditional consumers alike. As the company explores new ways to delight customers, they are determined not to allow "one rotten apple to spoil the whole barrel." In this case study we will look at how the retailer found ways to control costs and reduce abuse in two popular service areas—mobile self-checkout and discretionary gifts.

Solution

The Loss Prevention department already experienced in using Secure™ Store for exception reporting decided to include consumer behavior and loyalty program activity in new queries around mobile self-checkout and discretionary gifts

Financial Results

- Saved nearly \$1 million in line voids the first year
- Investigated losses in excess of \$130,000

Additional Benefits

- Completed more than 200 investigations
- More than 125 arrests of consumers and partners directly attributed to using Secure
- Applying Secure in new ways enabled analysts and investigators to explore issues and risks that had previously not been able to identify or qualify; thereby improving the overall customer experience
- Resolution of investigations into partner dishonesty increased by 100% year on year in the first six months of Secure use

Case Details

The merchandise selection and presentation in this growing grocery chain appeal to upmarket consumers, and store personnel focus on delivering satisfaction. However, some programs increased the risk of fraud or abuse. The Loss Prevention department worked with store management to reduce risk while pleasing customers. Two programs are outlined here—mobile self-checkout and discretionary gifts.

Mobile Self-Checkout

Situation

Several years ago, the retailer installed stationary self-checkout stations that are monitored by an employee. More recently, the company started offering mobile self-checkout to loyalty program members. This pleased the “best customers” while relieving some of the congestion at checkout. However, doubts arose about whether all the consumers were being completely honest. Could some of them be helping themselves to free merchandise?

Solution

The retailer, an Appriss Retail Secure™ Store customer, developed new queries to learn whether there were abusers of the system.

Results

The loss prevention team identified some consumers who seemed to be gaming the system. Further investigation led to more than 125 arrests.

The loss prevention team also gathered data to challenge a company policy that allowed consumers to make their own voids during self-checkout. This saved the company nearly \$1 million in the first year.

Based on that success, the retailer is planning to expand their focus in this area.

Discretionary Gifts

Situation

Customer satisfaction holds such high priority that store managers and personnel can offer a disgruntled customer a gift of nominal value in addition to a refund. For example, a consumer who was sold a stale loaf of bread may be given money back plus a bouquet of flowers. The company offered general guidelines around what was acceptable as a gift but gave managers the freedom to determine what was appropriate in each situation. Consumers responded well to this treatment, but was it being managed effectively?

Solution

The loss prevention team developed queries in Secure Store that captured the type, value, and frequency of the bonus gifts. They also created a way for the store manager to see the consumer’s lifetime value and the last time a gift was offered—insights that were previously not available.

Results

The loss prevention team investigated losses in excess of \$130,000 and found cases where the corporate gifting guidelines were not followed, including some situations where liquor was offered as the gift. They were able to address this issue with retraining. Overall, store managers were grateful to see the value of the customer to the store which helped them choose a gift fitting to the value, not to the vigor of the complaint. The knowledge helped them take ownership of the cost of the program.

Summary

Making new use of the existing Secure Store solution allowed the retailer to gain insight into the costs and risks associated with customer satisfaction programs without incurring additional cost. With data in hand, the LP and store management can work together to curtail abuse.

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