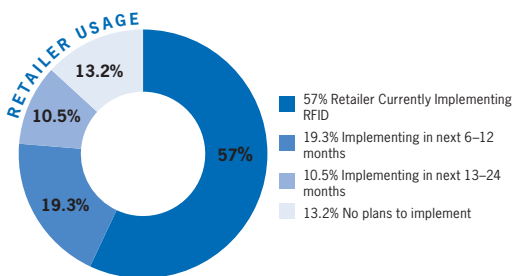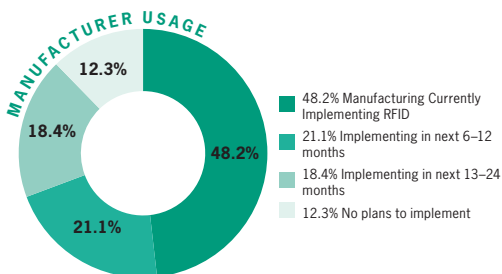# CREATING A COMPELLING CUSTOMER EXPERIENCE THROUGH IMPROVED INVENTORY EFFICIENCY

RFID IS GAINING TRACTION!
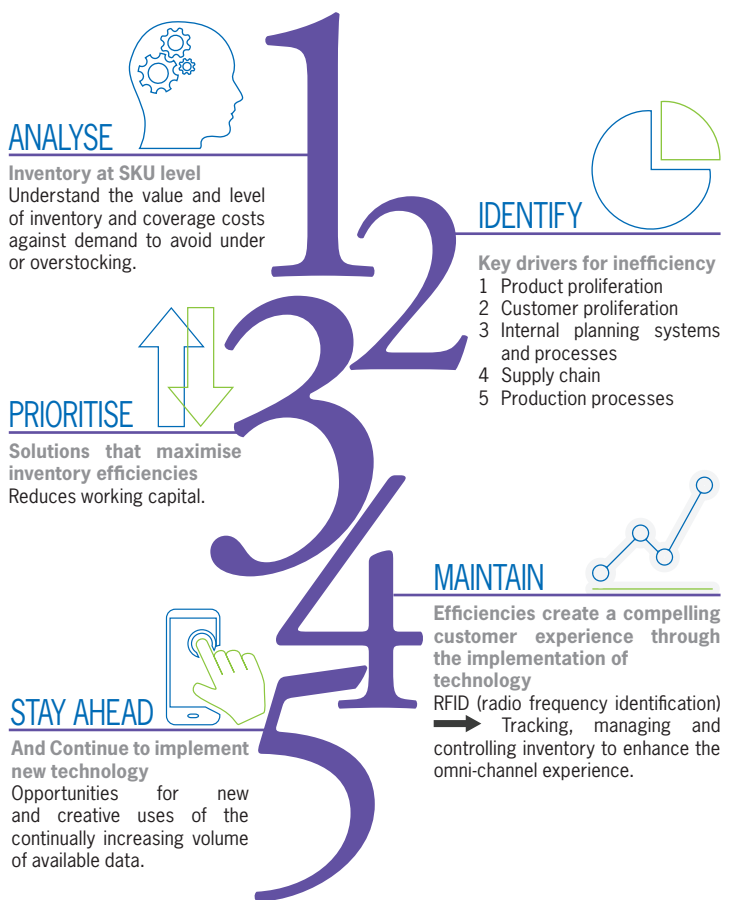US APPAREL AND GENERAL MERCHANDISE

MANUFACTURER USAGE

12.3%
18.4%
21.1%
48.2%

- 48.2% Manufacturing Currently Implementing RFID
- 21.1% Implementing in next 6–12 months
- 18.4% Implementing in next 13–24 months
- 12.3% No plans to implement

RETAILER USAGE

13.2%
10.5%
19.3%
57%

- 57% Retailer Currently Implementing RFID
- 19.3% Implementing in next 6–12 months
- 10.5% Implementing in next 13–24 months
- 13.2% No plans to implement

"IT'S TIME TO THINK DIFFERENTLY - ABOUT NEW AND CREATIVE WAYS TECHNOLOGY AND DATA CAN BE USED RATHER THAN A TRADITIONAL APPROACH OF USING THESE RESOURCES TO MINIMISE COSTS. IT'S TIME TO FOCUS ON THE CUSTOMER AND CREATE A COMPELLING IN-STORE AND ONLINE EXPERIENCE."

ANGELA SPOWART,
PARTNER, GRANT THORNTON

ANALYSE
Inventory at SKU level
Understand the value and level of inventory and coverage costs against demand to avoid under or overstocking.

IDENTIFY
Key drivers for inefficiency
1 Product proliferation
2 Customer proliferation
3 Internal planning systems and processes
4 Supply chain
5 Production processes

PRIORITISE
Solutions that maximise inventory efficiencies
Reduces working capital.

MAINTAIN
Efficiencies create a compelling customer experience through the implementation of technology
RFID (radio frequency identification) Tracking, managing and controlling inventory to enhance the omni-channel experience.

STAY AHEAD
And Continue to implement new technology
Opportunities for new and creative uses of the continually increasing volume of available data.

RFID TECHNOLOGY IN ACTION

By RFID tagging every woman's display shoe in its 63,000 square foot flagship shoe salon, **Macy's** increased display shoes compliance by over 30%, reduced time required for restocking, reduced overstock and markdowns and decreased labour associated with inventory compliance.

The RFID technology retailer **Zara** has implemented in all of its distribution centres and currently being rolled out in all stores globally, reportedly makes distribution more efficient, in-store garment counts more accurate, and improves customer service.

The implementation of RFID technology by **Jetstar** has drastically reduced the time taken for manual inspections of on-board safety equipment from up to 10 hours to less than five minutes and reduced regulatory non-compliance risk The technology is used for cabin equipment with expiry dates such as life vests, fire extinguishers, life rafts and oxygen bottles.

An **Australian baking industry company** reduced inventory and distribution costs by $3 million in the 1st year after installing an automated pallet labelling and identification system. The system provided an accurate, timely view of inventory and increased the average number of pallets per shipment by 30%.