

# Seeing the big picture

Taking a lifecycle approach to in-store systems.

**T**oday's retail environment has never been tougher. Retailers large and small are under constant pressure to improve customer satisfaction and loyalty, while at the same time controlling operational and capital costs, managing human resources, and optimizing both sales and bottom-line profits. Retailers therefore need every competitive edge they can find, and in-store technologies are proving a powerful competitive tool.

When properly managed, store systems – from scanners and registers to data, voice, and other automated systems – can enhance the shopping experience, improve sales and reduce costs, and support broader retail business goals. But to generate maximum return from those assets, retailers must address their entire lifecycle, from staging and implementation to long-term maintenance and support. That is why forward-looking retailers are now taking a 'big picture' lifecycle view of asset management.

## Traditional asset management

Retailers have tried a number of methods to rollout and manage in-store systems. When technologies were simpler, retailers relied on store employees for basic maintenance, service and even some installation tasks. Then as retail systems became more complex, many retailers formed in-house service departments to manage those assets. But full-time technicians are costly to train, often underutilized between major rollouts, and expensive to move from store to store. By building internal support structures, retailers also risk losing focus on their core business mission.

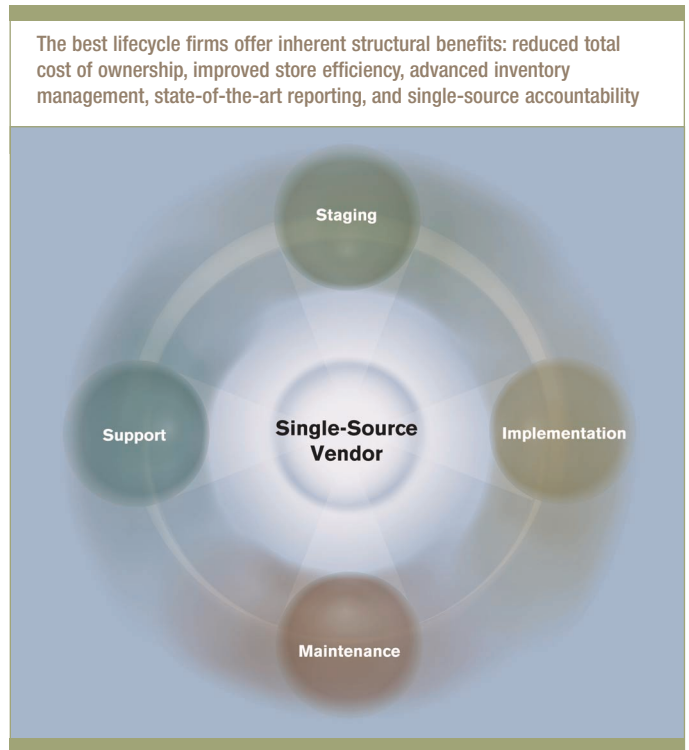
Some retailers call on equipment manufacturers to install and repair new store systems. Traditionally, OEMs stock large regional inventories of replacement parts, a strategy that can be costly. OEM technicians are usually limited to working on their own products. They also naturally focus on selling new equipment or fixing only the immediate problem, as there is little incentive to extend the life of a retailer's systems.

Other retail operations rely on multiple vendors to handle various aspects of asset management. This approach, however, requires a higher level of oversight and does not provide a 'single source' of responsibility for asset management.

## A lifecycle approach

In direct response to the competitive pressures of the marketplace, retailers are replacing those traditional approaches with a more complete, outsourced asset management solution.

This 'total lifecycle' strategy provides a complete range of product and service solutions, from system staging and implementation to long-term maintenance and support. This turnkey approach can be leveraged to manage virtually any



store system, from registers and point of sale scanners to in-store voice communications, specialized data systems, wireless communications, and other retail automation technologies.

When delivered by an appropriate service provider, these outsourced solutions can also include a wide range of inventory management capabilities, such as pre-installation planning, configuration and resource tracking.

Expertise and personnel are key concerns in the management of retail equipment and, rather than build costly internal service teams, many retailers now rely on qualified, certified professional outsource service teams. The best of these specialized providers offer both highly skilled mobile Tier 1 teams (deployed to plan and execute more complex asset rollout projects) and local teams (capable of implementing technology solutions quickly across the country and providing ongoing maintenance support).

