IBM

Self Service
IBM Self Checkout

Sales reference guide

Summary

Today's busy, self-sufficient shoppers see clear value in self checkout. It not only seems faster than waiting in line, it gives customers control over item scanning and merchandise handling. That's why more customers are looking for self checkout lanes in every store they visit. In fact, according to ACNielsen U.S. Homescan consumer panel survey of 61,500 households across the country, 60% have used self checkout.[1] With the complete line of IBM Self Checkout products, retailers can meet this need and gain a powerful competitive advantage. These easy-to-use solutions work well in virtually any store format and are designed to help retailers improve customer satisfaction, reduce costs through flexible labor management and protect profitability by maintaining loss prevention.

Key messages

1. IBM Self Checkout solutions improve customer satisfaction

IBM Self Checkout systems help improve the quality of service and customer satisfaction in several ways. Most importantly, they cater to customers who see this technology as the ideal way to accelerate checkout. They are also easy to use, with a user-friendly touchscreen interface, audio and video instructions, and colorful icons that help identify non-barcoded merchandise (such as fruits and vegetables). All of these minimize the need for employee intervention. Customers also scan their items, provide payment, and collect their receipt all from the same location, improving ease of use. Because IBM Self Checkout systems can handle any size order, customers can use self checkout every time they shop. Self checkout systems also allow retailers to keep more lanes open throughout the day, which reduces wait-time for all customers – not just those who prefer self checkout.

2. IBM Self Checkout solutions reduce training and labor costs

With IBM Self Checkout systems, retailers can add lanes to the store without hiring new employees to staff them. During off-peak hours and busy periods, self checkout lanes enable retailers to maintain high productivity using fewer sales associates, improving throughput without adding significant numbers of employees to the schedule. And as order size and customer traffic fluctuate, self checkout systems allow retailers to adapt immediately without redeploying associates that are attending to other tasks. Additionally, IBM Self Checkout systems – unlike other self checkout systems – do not require associates to use a monitoring station, which frees them to interact in the lanes with customers. These capabilities significantly reduce the cost of labor and training, and give retailers greater flexibility to handle high employee turnover and labor shortages.

3. IBM Self Checkout solutions optimize throughput

IBM Self Checkout systems can directly replace conventional points of sale (POS) and improve throughput by running all day long for any size order. They have a smaller footprint than conventional lanes, so retailers can fit more points of sale in the same physical space. These systems also offer flexible design options (including a range of footprints, conveyor-belt or scan-and-bag technology, merchandising racks, bagging options, and colors), so retailers can accommodate any store format, regardless of volume, as well as mix-and-match systems for maximum ROI. A separate bagging area (for the Full-lane option) enables one customer to bag items while another customer scans items, and gives retailers the option to use baggers at these lanes to improve customer service and maximize throughput when store traffic is heaviest.

4. IBM Self Checkout solutions maximize security

Built-in security features help maintain effective loss prevention. The Full-lane option offers weight and dimensional verification for each individual item, providing a degree of security exclusive to IBM Self Checkout systems, while the Express-plus option offers weight verification only. Weight verification helps ensure that actual item weight matches the weight associated with the item in the security database. Dimensional verification provides even tighter security by comparing the scanned item's dimensions with a profile in the security database. For non-barcoded items, the system announces the name of the selected icon, which helps ensure customers are scanning the correct item. Audio confirmation also cues associates to make sure customers are processing the correct item, for an additional layer of security. In addition, IBM Self Checkout systems minimize operator cash handling, reducing the risk of shrinkage associated with cashiers.

5. IBM Self Checkout solutions are reliable.

Built on IBM hardware – including IBM SurePOS™ system units, IBM SureMark™ Printers, and IBM SurePoint™ displays – IBM Self Checkout systems are designed to provide reliable operation. Open configurations integrate with current POS software from IBM and other providers, so retailers can maximize the value of their current IT infrastructure. Integration with existing scanner/scales and electronic payment devices is seamless as well. This way, customers interact with the same devices no matter which lane they choose, employees encounter the same equipment throughout the store, and retailers can maintain a consistent configuration of peripherals.

IBM Self Checkout

Features	Benefits	The retail on demand connection
Patented, icon-based, touchscreen user interface	Improves ease of use and speeds checkout, especially for non-barcoded items	Transform the customer experience
Patented reversing conveyor belt technology (Full-lane option only)	Discreet, efficient handling of an item that does not meet weight or dimensional security tolerances; intuitive design helps customers teach themselves how to ensure proper item scanning	Transform the customer experience Operate with secure resilience
Accepts cash, check, credit, gift cards, debit or electronic benefits transfer (EBT)	Increases customer convenience; all tender transactions types accepted in-lane, so decision to use self checkout not determined by payment type	Transform the customer experience
Verification for age-restricted items can be performed during transaction (instead of only immediately after item scan)	Prevents unacceptable delays in throughput	Transform the customer experience
Audio and video instructions guide shoppers through the checkout process	Ensures customer-friendly interaction	Transform the customer experience
Choice of conveyor or scan-and-bag design	Handles full range of order sizes	Transform the customer experience
Separate bagging area (Full-lane only)	Allows simultaneous scanning/tendering and bagging by shoppers or store associates for faster checkout and higher throughput	Transform the customer experience Take out costs
Range of lane sizes that are smaller than conventional checkout lanes	Adds checkout capacity to reduce customer wait-time, without increasing labor costs	Transform the customer experience Take out costs
Single operator can supervise multiple lanes without a monitoring station, reducing the need to open conventional lanes to accommodate increased traffic	Meets changing traffic flow in realtime, while reducing total cost of labor and providing opportunities for one-on-one customer service in the lane	Transform the customer experience Take out costs Enable your people
Combined weight-based and dimensional security verification by individual item	Helps reduce the risk of frontend shrinkage	Take out costs Operate with secure resilience
Versatile design options: – Multiple footprint sizes – Seamless frontend integration – Merchandising racks for impulse items – Range of colors	Allows retailers to choose the right self checkout solution for any store, and mix-and-match systems for maximum ROI	Transform the customer experience Take out costs

Positioning

Portfolio comparison

IBM Self Checkout solutions are unique in the IBM portfolio. The three configurations can accommodate a wide range of retail stores, and will be targeted at grocery, large specialty (category killers), chain drug, department stores and mass merchandise. In these environments, self checkout lanes can be used to replace existing conventional lanes or added to improve total throughput. Retailers will be attracted to self checkout for several reasons: these systems offer a way to improve throughput without adding employees; they help improve customer service; they provide the same loss prevention (or slightly better) than conventional POS; and they can be used to differentiate from competitors who do not offer the convenience of self checkout. Most importantly, self checkout gives retailers a tangible way to show customers they are committed to improving the speed of checkout and providing a variety of service options in the store.

Target markets

1. Tier 1 grocery

These retailers experience the highest levels of employee turnover among all target markets, and will be very eager to learn how IBM Self Checkout solutions can replace existing lanes and/or provide opportunities to reduce headcount without affecting throughput or redeploy labor to other areas of the store. The solution's high reliability and exceptional ease-of-use will also be important motivating factors, as grocery retailers are sensitive to long-term investment protection and want to be certain that new technology clearly improves the shopping experience without complicating back-office integration. In all of these cases, IBM Self Checkout is an ideal fit.

2. Tier 1 specialty (category killers), chain drug, department stores and mass merchandise

These retailers are very similar to the first target market, in that they are as large (or larger) than most grocery stores in terms of POS lanes and daily customer traffic. Although they have slightly lower rates of employee turnover, they will appreciate the additional flexibility to absorb peaks in store traffic without having to reschedule employees. These retailers will also see how IBM Self Checkout can differentiate their stores from competitors, especially as the solution stands to improve customer perception of checkout speed.

Models overview

	Full-lane option	Express-plus option	Express option
Technology	Conveyor–based system	Scan-and-bag technology	Scan-and-bag technology
Footprint	Four lanes typically fit into space of three conventional lanes	Smaller footprint	Smallest footprint; easily fits in smaller store environments
Order size	Handles any size order, during peak and off-peak periods	Ideal for orders of eight to 12 items	Ideal for orders up to four items
Lane size	Total lane sizes range from (LxHxW) 125" to 178" (318cm to 396cm) x 59" (150cm) x 32" to 36" (81cm to 91cm)	Total lane size from (LxHxW) 53" to 85" (135cm to 216cm) x 59" (150cm) x 32" (81cm)	Total lane size from (LxHxW) 49" (124cm) x 59" (150cm) x 32" (81cm)
Security features	• Physical security zone checks both weight and dimension of each item • Adjustable weight and dimensional security tolerances • Patented reversing take-away belt • Supports Sensormatic and Checkpoint EAS devices • Transaction visibility and easy accessibility for customer assistance • Audio produce descriptions • Coupon drop box	• Weight-based security feature with adjustable security tolerances • Security scale checks weight of each item • Supports EAS security via scanner/scales equipped with integrated tag deactivation • Audio produce descriptions • Coupon drop box	Supports EAS security via scanner/scales equipped with integrated tag deactivation • Audio produce descriptions • Coupon drop box
Bagging options	• Separate bagging area with multiple bagging module options, sizes from 48" to 78" (122cm to 198cm) • Optional extra wide or extra long solution with 96" (244cm) bagging area • Optional carousel bagging attachment	Two-bag (tiered) or three-bag capacity	Bagging rack

Specifications

Integration environment

- Direct integration with a wide variety of POS applications:
  – IBM SurePOS ACE
  – IBM General Sales Application (GSA)
  – IBM Supermarket Application (SA)
  – Retalix StoreLine
  – Fujitsu ISS45
  – ICL ISS400
- Remote support capabilities
- Microsoft® Windows® 2000

Modular product line features

- Common standardized user interface module
- Modular product options to suit store format and volume
  – Different size bagging modules
  – Full and express order capabilities

Core self checkout module

- Bill and coin acceptors and dispensers
  – Accepts all bill denominations:
    $1 to $100 (U.S. and Canada)
    £5, £10 and £20 (UK)
    €1 to €100
  – Dispenses up to three bill denominations
- Supports multiple models of scanner/scales
- Drop-in coupon collector/sensor
- Compatible with multiple PIN pads
- Built in signature capture device at every unit
- IBM SureMark Printer with check franking and MICR read capability
- Supports RFID tendering devices (key fobs)
- Supports electronic marketing and Catalina coupons
- Transaction security alert light

User interface

- 15" high-resolution, flat panel, color touchscreen display
- Multimedia interface delivers graphic, audio and video instructions
- Icon-based lookup screens for non-barcoded items
- Keypad entry alternative for PLU numbers
- Multiple language support

Paystation options

- Integrated (Full-lane option only)
- Standalone

Remote attendant software

- Remote attendant response capability for all self checkout units (operates on existing IEEE802.11b wireless networks)

Back-office system server (BOSS)

- Manages all self checkout products in back-office, away from lane
- Provides automatic updates to every self checkout lane
- Generates multiple reports to ensure effective management
- Runs on Microsoft Windows 2000

Limited warranty[2]

- 90-day hardware warranty, 24x7 support
- 1-year software warranty, 24x7
- Warranty upgrades available

Support services

- Online diagnostic capability
- Project management, installation and training available
- Labor scheduling and operational best practices consulting
- Technical support available 24x7x365

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[1] "Self checkout gets good marks," ACNielsen, December 8, 2003.
[2] Response times may vary. For a copy of the terms and conditions of
the IBM Statement of Limited Warranty, please contact your local IBM
representative.