

Fashion Retailer Reduces Markdown Costs and Eliminates Package Shipment Errors with Falcon® 4400

New technology changed Wet Seal's price markdown and receiving processes from a nightmare to a dream



Falcon 4400 makes price mark down a quick and easy task.

New technology changed Wet Seal's price markdown and receiving processes from a nightmare to a dream. Ron Hunt, Senior Manager of Operations for Wet Seal, a specialty retailer with approximately 400 stores in the United States and Puerto Rico, explained how his company reallocated labor hours being wasted on price markdowns and reduced shrinkage with help from the Datalogic Falcon® 4400 mobile computer. Before, "We used old scanners. Training was difficult ... a nightmare," he said. "This is a dream ... You never have to reprogram it."

Hunt saw that his stores were wasting 8 to 16 hours to execute price markdowns two years ago. At the same time, stores were combating shrinkage caused by misshipments, a problem plaguing the retail industry. Shrinkage happens when products are lost between shipping to the vendor and their final destination. Nationwide, retailers lost \$41.6 billion due to shrinkage, according to the most recent National Retail Security Survey. Hunt knew something had to change.

Wet Seal needed a product that was rugged enough to handle the abuse retail employees would give. Something without too many moving parts, and customer service was critical. "Partnership was very important to us," Hunt said. "If you have partnership with a vendor, that's half the battle."

He considered other products by Symbol, but eventually settled on the Datalogic Falcon® 4400. It was the best mix of what he wanted, from the rubber over mold to the keyboard and the people behind it. Simply put, "It met all my needs in every single way," he said.

Datalogic's customer service wooed him, but the follow-through kept him. "They cater to us, treat us like a big company," he said. "We wanted a partnership without hassles," he said. "No hassles, no red tape. We like easy."



"We have seen the volume of misshipped packages go down tremendously ... it's basically eliminated the misshipment of boxes."

Ron Hunt Senior Manager of Operations

Extended warranty? Check. Weekly chats with a systems engineer? Got it. Product updates? No problem.

The markdown and price check application developed by Wet Seal leverages the Windows CE environment and web browser on the Falcon. The application is browser-based with no application running locally on the mobile computer. With code on the server, you eliminate the need to perform reprogramming or image changes on the devices at the stores. "If we need to update the application, we do that at our central server. Then when employees turn on their Falcon they have the latest and greatest code," he said. This makes maintenance of the application smoother and easier on everyone.

The ease-of-use design criteria were also carried into the application development. Screens were color-coded to give visual prompts to the user for what action was required. This made user training almost instant. "If someone can read and see the color on screen, it's that simple." With about four lines of written instruction, employees are set to go.

Each store has two Falcon 4400 mobile computers. During price markdown, users follow a selection menu to choose which application they want. Then, a color-coded screen comes up corresponding with the action being done. A yellow screen, for example, means an item is being discontinued. There is also a picture of the item being marked down. Employees can instantly see if it is the correct item, color and quantity.

The results: Wet Seal has saved 6 - 12 man hours per week in labor associated with pricing. "Our store associates can use that time serving customers, making sales and overall being more productive" Hunt said. With those savings, the Falcon 4400 mobile computers paid for themselves in the first year.

Wet Seal also uses the Falcon 4400 mobile computers in receiving at the stores to ensure the right products reach the right stores. In the past, carriers would arrive at the store with a shipment. That shipment may or may not be 100% correct. If a store received items meant for a different store, then those items may not get properly redirected and be lost as shrinkage. Implementation of the Falcon 4400 changed that scenario completely.

Employees now verify shipments with the carrier present. Using the Falcon 4400, employees scan the cartons to verify the items, quantities and location. They then can confirm and receive the shipment, or reject the carton if it's wrong. Any item arriving at the store that was not expected is instantly rejected to the carrier for redirection to the correct store. Because stores now don't sign for a package until they scan it in, they've been able to more accurately verify just what they're getting.

"It reduces shrink so that every box gets to every store," Hunt said. "We have seen the volume of misshipped packages is down tremendously ... it's basically eliminated the misshipment of boxes."

Customer

Wet Seal

Industry

Retail

Application

Retail price markdown and receiving processes

Country

USA

Datalogic Business Solution

Points of Customer Interchange

Datalogic Products

Falcon® 4400

Datalogic Partner

Datalogic Mobile Srl
Via S.Vitalino, 13
40012 Lippo di Calderara di Reno
Bologna - Italy
Tel. +39 051 3147011
Fax +39 051 3147561
pr@datalogic.com
www.mobile.datalogic.com/contacts



Product and Company names and logos referenced may be either trademarks or registered trademarks of their respective companies