



## CASE STUDY

# Auchan rolls out shelf automation with Trax on the Google Cloud Platform

In-store digitization, powered by Trax's superior image-recognition technology, delivers sixfold gains in ROI.

Auchan, a top 10 European grocery retailer, uses Trax Retail Watch to identify and fix availability and price issues faster than ever before, thereby improving the customer experience.

## Executive Summary

Auchan selected Trax Retail Watch to quickly and accurately identify shelf availability and pricing issues in Portugal. With data collected by robotic cameras powered by computer vision, Auchan is able to rectify issues a day earlier than before.

Results: on-shelf availability increased by 3%, which resulted in significant sales increases, price anomalies reduced by 75%, and 250 employee hours were freed up to perform higher-value activities.

## THE CHALLENGE

### Auchan wanted to resolve two important issues:

Replenishment issues were the most common cause of out-of-stocks. On nearly two-thirds of the occasions when customers looked at empty shelves instead of the products they wanted to buy, those products were in the store but not on the shelf.

A key part of the problem was the delay between checking for gaps and replenishment. The practice was to manually check shelf stock once a day, and then replenish the next day. By that time, sales had been lost. It was important to move from day + 1 replenishment to same day replenishment.

Secondly, maintaining accurate shelf-prices is very important but time-consuming with manual processes. It was only possible to check one aisle per day, meaning checking the entire store takes a month. The work is repetitive, and often inaccurate, as there are many SKUs and prices change a lot. There are also indirect costs from the extra time needed to address the issue at the checkout and the effect on customer satisfaction. Given Auchan have a money-back commitment on price differences on shelf vs the till, it's a cost and shopper experience necessity to get right.

## THE SOLUTION

Auchan overcame these challenges by implementing Trax Retail Watch to digitize the shelf via autonomous collection of actionable shelf data.

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“With the introduction of autonomous robots, Auchan wants to improve productivity in stores and optimize the supply chain, freeing employees to focus 100% on the mission of providing a better customer experience.”

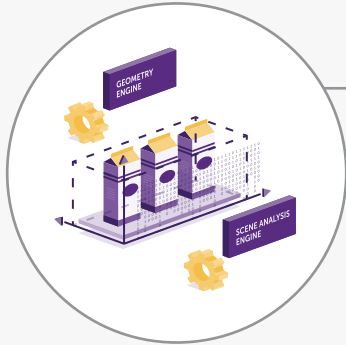
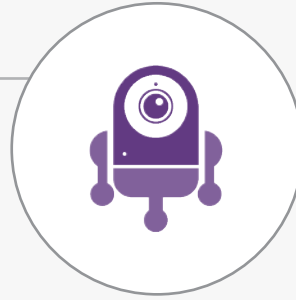
– Andre Vieira,  
Digital Director at Auchan Retail Portugal



## How it works; for shopping in-store

### STEP 1: Camera navigation

A robotic camera navigates its way through the store three times a day, avoiding customers and other obstacles, and collecting high-resolution photographs of the shelves.



### STEP 2: Image processing

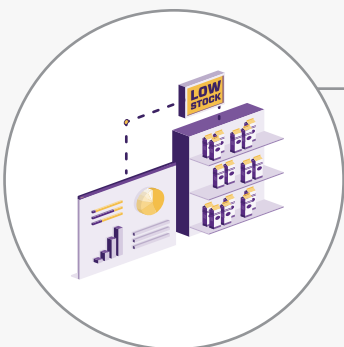
These images are then processed by Trax's AI-based computer vision system to **recognize every SKU on every shelf in 40 aisles.**

The accuracy of Trax image recognition is a crucial factor in capturing the on-shelf availability and facings of even very similar SKUs across the store. This capability is a crucial factor in delivering accurate and complete data vs manual collection.

### STEP 3: Assess information

The cloud-based Trax Retail Watch software determines any availability issues by comparing the identified SKUs with those that should be on the shelves.

At the same time, the software reads shelf prices from the images, and compares them with current prices. It also detects situations where there is no price tag for a particular SKU.



### STEP 4: Take action

Trax shelf data is integrated with other data sources to consider factors such as backroom-stock availability and the relative importance of affected items in order to generate a **prioritized list of corrective actions.**

For example, it makes sense to replenish stocks of high-demand items first, in order to minimize the number of customers impacted by the out-of-stock.

These availability or pricing discrepancies are then relayed to appropriate staff members via Auchan's internal mobile app, allowing them to focus on fixing the problems instead of identifying them. Out-of-stocks and pricing errors can now be rectified on the same day they are detected instead of persisting until the following day.

Previously, store staff would print out the gaps from the previous day's gap scan. Now, paper printouts have been replaced with the mobile app.

## Coming soon – for picking Ecommerce orders

The shelf data can also be integrated with Auchan's app to optimize the routes taken by staff while picking orders placed online, improving speed, accuracy and productivity.

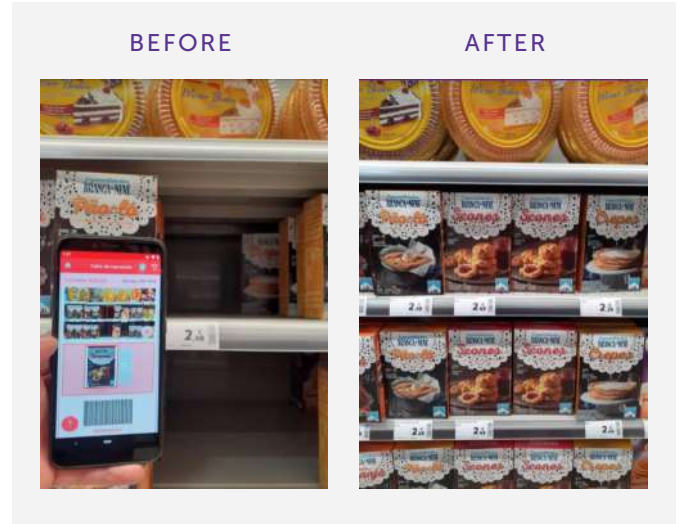
## THE RESULT

The benefits of Trax Retail Watch combined with automated data collection were evident almost immediately. In just one month, **price anomalies had dropped by 75%**, and **shelf availability improved by 3%**.

The on-shelf availability and pricing improvements converts to significant sales growth. Workforce productivity improvement is around 250 working hours per month. Auchan has the opportunity to use this time to continually improve customer service.



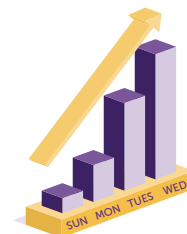
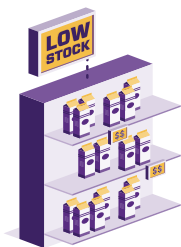
It provided a six-fold return on investment, and because the software and hardware package is delivered as a service, there was a positive ROI from the very first month.



"Trax solution is a tremendous complement to our teams. On the way round, by doing the automated and routine tasks, Trax is enabling the store's staff to focus on value-added actions optimizing Auchan's productivity and increasing sales."

– Carla Moutinho, Store's Director at Auchan Retail Portugal

Turnover increases every day as a result of fixing availability gaps and price issues



Issues are identified and fixed straight away

Daily increase in turnover via sales conversion at the shelf



“Google Cloud provides the secure computing power to capture tens of thousands of SKUs across an entire store within milliseconds, all while producing real-time insights with Trax’s image-recognition engines that can rapidly address any out-of-stocks or other shelf-execution gaps. We’re pleased to help Auchan Retail and Trax drive digital transformation for an enhanced experience for customers.”

– Trax partner, Google Cloud Platform

### Auchan’s achievements from in-store digitization



Six-fold increase in ROI



SaaS hardware inclusive model means ROI is possible from month one

70%  
↓

70% reduction in price errors



3% on-shelf availability improvement leading to annual sales lift worth millions



Workforce productivity increases: 250 hours saved monthly



Staff trained on the app: 22 store staff are using the app daily

### WHAT’S NEXT?

Retail digital transformation is accelerating. Now is the time to grow sales at the shelf and drive productivity for store operations and online order fulfilment. Trax Retail Watch provides the solution.

Watch the Auchan interview to see our robots in action! <https://www.youtube.com/watch?v=IOFCL5OUd10>

Contact us for a demo today: <https://traxretail.com/products/retail-watch/>

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