



## Greater Inventory Accuracy and Visibility Helps Retailers Win in the New Omnichannel Landscape

ZEBRA'S UNIQUE SELF-DIRECTED DO-IT-YOURSELF INVENTORY SOLUTIONS ARE THE RIGHT WAY TO MANAGE YOUR PHYSICAL INVENTORY AND CYCLE COUNT EVENTS





The next generation of retail customers is here. Shoppers are changing; they're becoming more connected to retailers via their smart phones and other mobile devices. No matter how or where they're shopping – in stores, online, on mobile devices or using all three – today's connected “omni-shoppers” expect faster, more accurate order fulfillment. They want to take merchandise purchased at the store home with them right away. If they're shopping online or on a mobile device, or if an item is out-of-stock, they expect one-day or even same-day fulfillment. For retailers, meeting these expectations is an enormous challenge.

### A SINGLE VIEW OF INVENTORY

As the omnichannel model makes the retail landscape more complex, it's more important than ever to have a single view of inventory:

**66%** of shoppers will return when an item is in stock

**62%** of shoppers will order an out-of-stock item for home delivery

### RETAILER CHALLENGES AND EXPECTATIONS

Two of the most critical challenges for retailers have to do with inventory. At number two, identified by 83% of retailers, is improved inventory visibility. Number three, identified by 76% of retailers, is the integration of selling channels.

Merchandise visibility is a cornerstone of omnichannel success. Retailers' expectations from the new omnichannel model include:

- Customers will demand faster fulfillment
- One-day and same day shipping will become central to customer satisfaction
- Use of RFID technology will become the norm
- Mobile applications and loyalty programs will merge
- Shopper purchasing autonomy will continue to grow

### THE NEW RETAIL LANDSCAPE

What's the key to success in this new omnichannel world? It's all about fulfillment, with accurate merchandise data crucial to using not only your warehouses and distribution centers, but also every part of the supply chain – including each store location – to meet your customers' growing demands for faster fulfillment.

More accurate, up-to-the-minute inventory visibility allows retailers to fulfill orders from every part of the supply chain at a moment's notice. This single view of inventory can cut out-of-stocks by up to 50%, significantly reducing lost sales and revenues, and increasing customer satisfaction and loyalty.

## ON-HAND INVENTORY ACCURACY ISSUES

In the omnichannel retail landscape, meeting customer expectations means having an accurate view of on-hand inventory across your entire supply chain at any given moment. This places added emphasis on annual wall-to-wall inventories and greater demand for ad hoc cycle counting programs.

Some retailers try to conduct their inventory activities on their own, which is never easy. Some choose to bring in a third party to conduct the actual inventory and cycle counts. Most who choose this route will admit that their third party outsourced inventories drive them a little crazy. Not only that, but whatever their choice, their inventories are usually only about 65% or 70% accurate and that's not good enough. No matter how they conduct their inventories, the process can be fraught with accuracy, efficiency and cost issues. What's needed is a new kind of inventory model, which is exactly what Zebra offers you.

### AN INNOVATIVE NEW MODEL

At Zebra, we understand that you and your dedicated workforce know a lot more about your business – and your inventory – than any third party inventory service ever will. You know your SKUs and your merchandise backwards and forwards. You know where everything is located.

You know when and how to do cycle counting and if not Zebra's data analytics engine can prescribe a cycle count schedule for you. You know what's crucial and what isn't. That's why we've developed new, more innovative self-directed inventory solutions.

To be more accurate, annual wall-to-wall inventory and major cycle counting programs rely on being able to use the right technology and tools to work more accurately and more efficiently. The problem is, purchasing and managing a fleet of inventory-specific scanning devices and software is both complex and costly. Wouldn't it be preferable to be able to use the best, most advanced technology without having to own and manage it? Then Zebra's physical inventory management Solution as a Service (SaaS) is ideal.

### ACCURACY TO 98% AND HIGHER

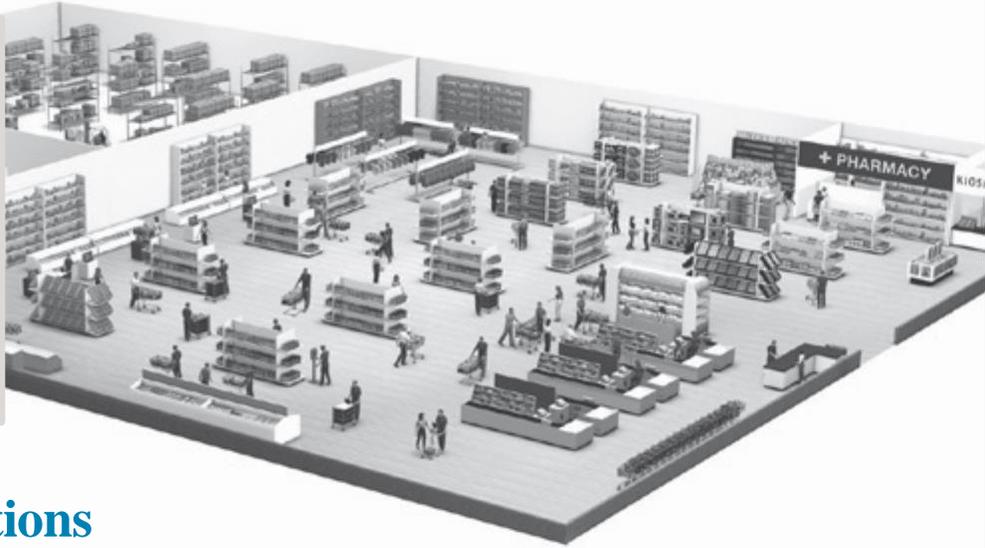
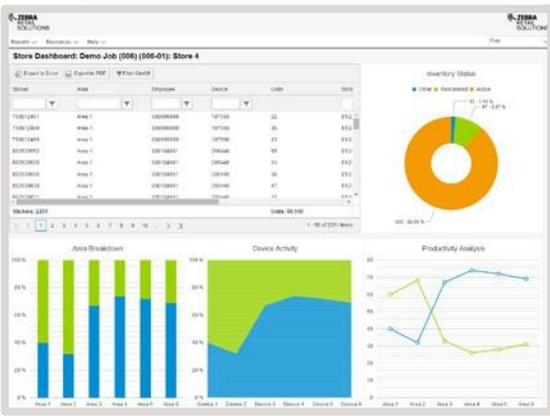
That's where Zebra – and our innovative self-directed inventory management solutions – come in. We provide everything you need to easily, speedily, accurately and cost-effectively conduct in-store inventory and cycle counts: from hardware and software to training to 24/7 real-time support. Results are exceptional: above 98% accuracy. Our unique self-directed solution sets encompass full store physical inventory and cycle count events.



### ALREADY A ZEBRA HANDHELD SCANNING DEVICE CUSTOMER?

Take advantage of our SaaS model and simply run our Android or Windows based inventory management software on your own in-store devices – leveraging your investment and saving on operating expenses.





## Physical Inventory Solutions



### FULL STORE PHYSICAL INVENTORY SOLUTIONS

Zebra offers robust, simple-to-deploy physical inventory solutions – with audit applications approved by the Big 4 auditing firms – that are out-of-the-box simple. We begin by providing you with best-in-class mobile scanning technology already loaded with Zebra’s proprietary software and your inventory files – including the SKU’s in each of your merchandise categories – to improve scanning accuracy and reduce read time for every scan.

Each solution kit includes the right number of Zebra wireless handheld scanning devices needed to support each of your store’s specific inventory programs. Every store has access to web-based portals for real-time support, results reporting and complete inventory visibility. Greater accuracy, improved item level visibility and lower costs- all from Zebra.



### CYCLE COUNT SOLUTIONS

Zebra self-directed solutions also apply to cycle counts that provide greater inventory integrity and deliver a timely snapshot of select inventory, triggered by seasonal change, upcoming events, shrinkage concerns or replenishment and customer fulfillment demands.

Our self-directed cycle counting event solutions are also out-of-the-box complete. Category and merchandise-oriented, they target selected departments, categories or stores with hardware and software solutions that validate on-hand inventory, identify and manage shrink and ensure inventory data integrity. Providing valuable and timely information enabling your merchandising, operations and loss prevention leaders to make better decisions.

**“Transitioning all of our inventory services support needs to Zebra was the best decision my team has made during my career at Bed Bath.”**

- VP OF FINANCE, BED BATH & BEYOND

**“Since moving forward with Zebra we reduced labor expenses associated with taking physical inventories by 50% – and we uncovered millions in unaccounted inventory.”**

- DIRECTOR OF STORE SYSTEMS, CARQUEST

### **NO CAPITAL EXPENSES REQUIRED**

When the inventory is completed, you just pack everything back in the box and send it back to Zebra. You don't have to purchase any technology and you don't have to manage it. In fact, no capital expenses are required; each solution is entirely pay-per-event.

### **INTEGRATION WITH EXISTING INVENTORY MANAGEMENT SYSTEMS**

Zebra makes performing inventory and cycle counting events easy by integrating with your existing inventory management systems and utilizing your existing workforce. Here's how it works. You simply send us your inventory master file – including SKU and item detail by chain and store and we make certain every scanner is correctly pre-loaded before your scheduled inventory or cycle count event. We'll send scanning and communications equipment to every targeted store. We'll help your store team set up communications systems and register

scanners. We then remotely monitor each store's progress and even proactively guide them through their inventory event if needed. Every store team has access to our web-based reporting dashboards – providing real-time visibility to every transaction. When their inventory is finished we immediately provide a closed file export designed to update your corporate inventory database.

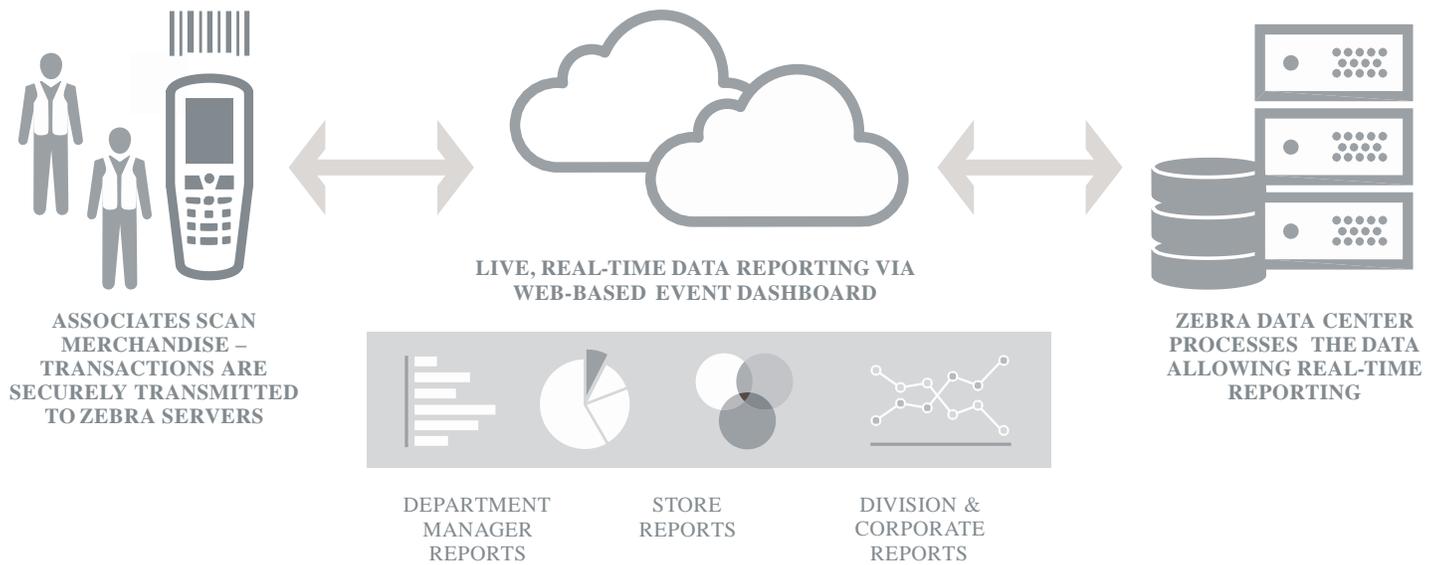
### **WIRELESS INFRASTRUCTURE COMPONENTS**

Zebra's self-directed inventory solutions operate wirelessly using our provided access points and cell cards that function entirely above your in-store network. In addition, Zebra delivers client-specific application software designed to meet your unique business and auditing requirements, and we develop, provide and conduct solution training for your stores and corporate teams. Using Zebra's web-based portal and dashboards, you'll have virtual visibility to every inventory transaction down to the SKU and item level – all in real time.



## **40,000 STORES, 35 COUNTRIES**

Zebra's self-directed inventory solutions support some of the most sophisticated retailers in the world. Last year, for example, we helped manage and conduct successful inventory and cycle counting events in more than 40,000 retail stores in 35 countries around the world, numbers that are growing by the day.



## GETTING STARTED

Zebra inventory engagement projects begin with a design specifications conference call with your project leaders and team members. The objective is to help us better understand in detail your specific business requirements, auditing routines and reporting needs. Based on your input, the Zebra team will develop your inventory application in preparation for a test inventory or pilot program. We recommend a test program to see how Zebra's solution will operate in your store environment as merchandise is being counted by your associates.

We conduct comprehensive training webinars or conference calls that help all participants in the inventory/cycle count event learn their roles, get an introduction to the technology they'll be using and have their questions answered. We also provide 24/7 client support from our own Zebra client care representatives, making

sure everyone on your team knows how to ask for assistance should they need it while the inventory is being taken.

## INSTANT DATA ACCESS

Once the project is underway, all the data your team captures is sent in real-time to Zebra's Data Center. Our inventory specialists and client representatives provide you with instantaneous web access to your data and in-progress reports that are accessible anywhere and on any secure device. You benefit from virtual visibility into every aspect of the event as it progresses in real time via our easy-to-use web-based reporting and event dashboard.

## VIRTUAL OVERSIGHT

Zebra's web-based reports provide your management team with virtual oversight of every aspect of your event while it is in progress.

**“Our organization enjoyed significant savings after switching to Zebra from an outside full service company. I couldn't have imagined the inventories going more smoothly.”**

- CONTROLLER, AAFES



## BUSINESS BENEFITS OF RFID IN RETAIL

### ▼ REDUCES

Out-of-stocks by **60% – 80%**  
Cycle count time by **75% to 92%**  
Inventory carrying costs by **30% to 59%**  
Receiving time by **up to 91%**

### ▲ INCREASES

Conversion rate by **up to 92%**  
Unit sales by **19%**  
Dollar/transaction of **6%**  
Sales from **4% to 21%**

Better inventory accuracy of between **98% – 99.9%**

## Want Greater Visibility and Accuracy?

As retailers look for maximum inventory accuracy, deployment of radio frequency identification (RFID) systems is on the rise. An RFID system of tags and readers can improve on-shelf availability while boosting inventory accuracy in an omnichannel retail environment. It's no surprise that an increasing number of retailers are turning to RFID technology to enable enhanced omnichannel merchandise availability, reduce manpower needs and save on labor costs.

Zebra is an industry leader in designing RFID solutions to increase store, warehouse and merchandise availability and security while optimizing productivity. Zebra's self-directed inventory solutions can also empower you to take maximum advantage of your RFID technology to increase inventory and cycle count accuracy.

### ENHANCED ROI

Zebra physical inventory management solutions customers especially appreciate the exceptional return on investment delivered by our self-directed inventory offerings. Our enhanced ROI is measured in three major areas:

**MORE ACCURATE INFORMATION.** Accuracy beyond the typical 65%-70% – often 98% > – is assured through Zebra's software-

enforced controls and audit functionality for wall-to-wall inventory procedures, as well as random audits and client-directed piece counts. Our unique self-directed solution also offers additional benefits that traditional third-party counting teams don't. Your own associates can more easily spot incorrectly ticketed items, are aware of how and where merchandise is stocked and how not to interrupt store business flow. Last but not least, they have a vested interest in doing the job right.

**MORE SPEED AND FLEXIBILITY.** Your own associates have instant access to actionable information, meaning there is less time spent on corrections and reconciliation. Our internal inventory solutions are also proven to shorten the duration of physical inventories thanks to significant scheduling flexibilities and customized solutions configured to your unique inventory and cycle count requirements.

**REDUCED COST.** Zebra's industry leading expertise provides exceptional scanning productivity and reduced labor constraints. Unlike typical third party counting solutions, there are no labor markups, no travel expenses or surcharges; there are also fewer overtime hours. And Zebra's real-time data analytics capabilities reduce shrink and prevent out-of-stock situations.

**25% TO  
50%  
SAVINGS**

The lower costs and improved productivity of Zebra's self-directed annual and ad hoc inventory events lead to significant savings of 25% to 50% over typical third party inventory solutions, often resulting in savings of over \$1 million or more annually for a client. Zebra's innovative new self-directed inventory and cycle counting solutions are the most productive, most accurate and most cost-effective solutions in the industry.

FOR MORE INFORMATION, PLEASE VISIT US ON THE WEB AT [RETAILZEBRA.COM](http://RETAILZEBRA.COM)



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