

Stop Cart-Bottom Shrink

New devices add eyes
to the checkout line.

There are at least a few things grocery checkout clerks can count on. They can count on little old ladies taking 5 minutes to write a check to pay for their groceries. They can count on the need to type in debit and credit card numbers manually because of card misreads. And they can count on shoppers



entering the 7 Items or Less lane with way more than 7 items. All of these lead to another sure thing – long lines at the checkout.

Under pressure to increase throughput and move customers through the line rapidly, it's easy for cashiers to neglect to check the bottom of the grocery cart for large items that are commonly placed there. In grocery, it's typically a case of soda or beer, a box of diapers, or a jumbo bottle of detergent that's neglected. It's estimated that grocers lose \$10 to \$15 per day per lane to forgotten items that ride out of the store on the bottom of the cart. The Supermarket Shrink Study produced by the National Supermarket Research Group indicates that 35% of total in-store shrink comes at the hands of cashier mistakes or dishonesty. But bottom-of-cart loss is most often not malicious – I admit that I once unwittingly walked out of a store with an unpaid-for \$35 50-pound bag of Science Diet dog food.

While under-cart losses are quite substantial in grocery, other retail verticals stand to lose even more due to the problem. For this reason Evolution Robotics, makers of the LaneHawk under-cart scanning system that's gaining popularity in grocery, is now targeting what it calls hybrid mass merchandisers, those retailers like Wal-Mart and Sam's Club that sell an array of products from groceries to high-ticket electronics. The loss of a \$2 jug of water is somewhat bothersome. The loss of a \$500 stereo is positively nauseating.

POS Integration Ensures Sales Are Accounted For

Evolution Robotics' solution is unique in that it doesn't just monitor the lower regions of the shopping cart; it actually detects, identifies, and rings up the merchandise it finds there via an Ethernet connection to the POS. It's a visual scanning technology that automatically includes bottom-of-cart items as part of the transaction.

Further, the fact that the solution captures transaction data on bottom-of-cart items means you can produce reports to help you analyze just what is traveling through your lanes in the lower deck. Earlier attempts at solving this problem (installing foot-level mirrors at various angles, for instance) couldn't provide this kind of business intelligence, nor act as a strong deterrent to theft, ignorance, and sweethearting (an obviously illegal practice whereby clerks "overlook" an item that should have been scanned for a friend or relative).

In retail future talk, the day that a cart full of item-level RFID-tagged merchandise rolls out of a retail store and automatically bills a consumer's account is not far-fetched. In the meantime, here is a solution that adds bulky cart-bottom items to the transaction with no struggle to lift them to the conveyor with the bar code label-up. Now that's real-world, efficient customer service.

For the record, I went back and paid for the dog food. Would most consumers?

Matt Pillar
Editor In Chief
mattp@corrypub.com