



August 18, 2020

# RFID in Retail Virtual Event

# Southern Fried Cotton Reduces Customer Chargebacks By 98.8%

Successful EPC/RFID solution  
deployment achieves high levels of order  
accuracy and operational efficiency

# Antitrust Caution

**GS1 US is committed to complying fully with antitrust laws.**

We ask and expect everyone to refrain from discussing prices, margins, discounts, suppliers, the timing of price changes, marketing or product plans, or other competitively sensitive topics.

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# Case Study: Southern Fried Cotton

## Challenge

Uniquely identify products for major retailer in order to streamline wholesale operations and large retailer expectations

## Solution

Deployment of EPC®/RFID solution to achieve high levels of order accuracy and operational efficiency

## Benefits

- Customer satisfaction
- Accuracy
- Cost savings and ROI
- Increased productivity
- Scalability
- Efficiency



# At GS1, we believe in the power of standards to transform the way we work and live.

- We create a common foundation for business by uniquely identifying, accurately capturing, and automatically sharing vital information about products, locations, and assets.
- We enable visibility through the exchange of authentic data.
- We empower business to grow and to improve efficiency, safety, security, and sustainability.

# Southern Cotton



# Southern Fried Cotton



# Retail Business Drivers

- **Increase Sales**
  - Out-of-Shelf & Out-of-Stock
  - Online Marketing
  - Display Items
- **Increase Profit Margins**
  - Markdown Avoidance
  - Reduce Excess Inventory
- **Labor Savings**
  - Locating & Picking Product
  - Smarter Replenishment
  - Faster Receiving



# Other Benefits

## Reduce Stock

between 2 – 13%



## Save Costs

4% saving of store staff costs



## Reduce Shrinkage

15% reduction in shrinkage



# Meanwhile in Tigertown...



# SFC Warehouse



# RFID Scanner



# Why RFID in Retail?



Raises inventory accuracy from an average of **63% to 95%**<sup>2</sup>



Reduces retail out-of-stocks (OOS) by up to **50%**<sup>2</sup>



Cuts cycle count times by **96%**<sup>2</sup>

Auburn University RFID Lab Studies, retrieved from <https://RFID.auburn.edu>

# Results!

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SFC was levied  
**tens of thousands  
of dollars  
in chargebacks**  
from inaccurate  
shipments

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Chargebacks have  
been reduced by



**98.8%**

# Top Use Cases in Retail

## Retail: Item-level visibility

- Optimizing back-to-front operations
- Display compliance
- Frozen inventory
- Omni-channel
- Inbound receipts/claims compliance
- Product authenticity/loss prevention

## Manufacturing

- Integrated labels/source tagging
- Pick/pack accuracy
- Outbound validation



# Top Use Cases for RFID

## Healthcare

- Track and trace
- Pharma expiration & temp excursions
- Kitting

## Foodservice & retail grocery

- Recall management & farm to fork
- Cold chain: food waste & freshness
- Stock rotation/inventory circulation
- Point of delivery
- Limited time offers (foodservice)
- Omni-channel picking & checkout (retail grocery)



# Benefits



Customer Satisfaction



Accuracy



Cost Savings



Increased Productivity



Scalability

# Let us know how we can help!

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