RFiD JOURNAL LIVE!

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C&A Enhances Inventory Visibility to Boost Omnichannel Capability

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The Challenge

- Accelerate and sustain ecom sales growth

- Reach global benchmark levels in inventory accuracy

- Enable real time assortment availability in our OMNI channels

- Improve in-store productivity

- **Implement it in record time mid-lockdown**

Why RFID?

- Key lever to C&A's OMNI growth strategy roadmap

- Enabler for additional use cases (loss prevention, inventory accuracy in DCs, better understanding of consumer behavior etc.)

- Widely used in the industry vs new technologies with unknown downsides

- Best for fashion vs alternatives (i.g. camera recognition etc.)

MVP

- 10 stores
- 4 months of implementation
- Tagging of products in store, after business hours with limited staffing
- Lack of hardware (national level)

MVP results

- 65+% sales growth vs non-RFID stores

- 5+p.p. increase in OMNI presence vs non-RFID stores

- 50% faster in-store processes vs non-RFID stores

- 1,000 orders in one day, one store **for the first time in the company's history**

- 50+% increase in inventory visibility on digital channels vs non-RFID stores

2021 Target

- 200 full RFID stores
- 80MM tags
- 130+ suppliers
- **10 months**

Choosing the right partner

- Benchmark with vendor's clients and respective level of satisfaction

- Experience with complex RFID implementations

- One stop shop for all RFID needs

- Reputation

Technology setup

- RFID backstage: WMS and allocation software developed in-house, 10~20 years old

- RFID dedicated hardware/software: Active reading – Zebra mobile readers, Fixed portal antennas, Sensormatic's TRUEVUE

Conditions in deployment sites

- DC (tagging of imported apparel): no space to install hardware due to buffer from closed stores; poor wi-fi reception

- Stores: reduced staff in stores; poor wi-fi reception; RFID signal interference from back room; traveling unadvised and reduced operation hours due to COVID

- Suppliers: anticipated production

Rollout Results

- Inventory inaccuracy: from **20+% to <3%**

- Order cancelling due to stockout: from **10+% to <3%**

- Omni channel sales growth: **80%~100% vs non RFID stores**

- Omnisales operations: **2x faster in RFID stores**

- ROI: **Breakeven expected in year 2022 (year 2)**

Next steps

- Full implementation, 100% stores by Q2/2022

- Loss prevention

- Self checkout

- RFID readers in fitting rooms

THANK YOU

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