NCR CASE STUDY

Reitan Servicehandel

Scandinavia's Reitan Servicehandel Enjoys Multi-Chain Efficiency with Integrated NCR Fuel and Convenience Retail Solution

After decades of serving as Scandinavia's leading convenience store operator, Reitan Servicehandel (RSH) decided to expand operations by introducing a new fuel component to its successful convenience business concept. At the same time, in order to improve multi-chain operations throughout Norway, Sweden and Denmark, RSH looked to consolidate its business processes at several levels. As such, RSH required not only a fuel sales and forecourt control solution that could be integrated with its existing point-of-sale (POS) and back-office convenience store solution, but also a centralized solution for operating multiple chains in multiple countries.

Challenge: Consolidating Multiple Chains

As Scandinavia's leading convenience store operator, Reitan Servicehandel (RSH) sets the standard for professionalism in the retail sector throughout the region. So when the retailer agreed to combine its growing 7-Eleven convenience store franchise operations throughout Norway, Sweden and Denmark with hundreds of Shell fuel stations, RSH piqued the interest of retailers both regionally and worldwide. Subject to a complex business model and stringent legal restrictions, RSH's unprecedented synthesis of these two world-leading brands required rapid integration of an advanced and unified point-of-sale (POS) fuel sales and forecourt control solution with its existing POS convenience store solution.

At the same time, for RSH to consolidate its diverse business processes, the retailer required a centralized solution for operating its multiple POS convenience and convenience/fuel outlets across the region.

After several years of successfully implementing NCR's Retalix StorePoint point-of-sale (POS) and back-office software in some 1,500 convenience stores, RSH took the next logical step toward meeting its new integration and consolidation challenges by acquiring Retalix Fuel and Retalix HQnet.

Solution: Providing a Single Solution for all Operations

Retalix Fuel is NCR's market-leading fuel sales and forecourt control software solution. Integrating all required components involved in a retail fuel business, Retalix Fuel enables convenience stores to automate and efficiently manage their fuel operations while facilitating immediate customer access to the products they need.

"Once we decided to add the convenience/fuel concept to our service offering, selecting Retalix Fuel was the natural choice," said Jørgen Skålhegg, head of IT architecture at RSH. "We had already implemented Retalix StorePoint in our convenience stores, so the addition of Retalix Fuel provided us with a single infrastructure and solution for supporting all our operations, including the fuel component."

While there was little need to carry out development work on Retalix Fuel itself, RSH, together with NCR (formerly Retalix), had to ensure that the solution interfaced with Shell's payment and forecourt solution. "Since we were new to the fuel business, NCR played an important role in helping us through the design phase," Skålhegg said.

And the close cooperation continued through implementation. "Given the complexity of fuel card functionality and security requirements, the solution's implementation was also quite complex," Skålhegg said. "At the same time, our alliance with Shell had generated quite a bit of interest within the industry; therefore, time to market was critical for us. Despite both the technical and time challenges, NCR helped us meet our deadline, and the integrated system has been running smoothly ever since."

Rounding out RSH's efforts to comprehensively handle its diverse activities, the retailer implemented Retalix HQnet. A state-of-the-art solution for operating multiple chains, HQnet consolidates item, vendor and price information into a central data repository to improve decision making, pricing accuracy, margin control, product assortment, and inventory control. "While we had been using NCR's and Retalix's predecessor host solution, we were looking for something with which we could grow over time, and HQnet fit the bill," Skålhegg said. "The solution provides more functionality, is more efficient, and has a better user interface, making it easier to work with."

Retalix HQnet covers all of RSH's needs and more when it comes to running a multi-chain operation. "We use the system for catalogue, category and campaign management, and aim to leverage the solution's inventory management capabilities in the future," Skålhegg said. "Most importantly, Retalix HQnet has helped us build a stable foundation to meet our fast-growing demands."

Results: Improving the Value Chain

RSH's integration of Retalix Fuel enables the retailer to offer a one-stop-shop that maximizes the value of its fuel and convenience store components. By automating the fuel sales process, Retalix Fuel enhances operational efficiency of RSH's fuel component. And by generating a unified bill for fuel and convenience store purchases through the use of a single card, the solution encourages customers to carry out indoor payments, which, in turn, creates in-store up-selling opportunities for RSH.

Providing the retailer with a single system for operating its multiple chains, Retalix HQnet enables RSH to consolidate its business processes at several levels including marketing and sales. By delivering better data quality to RSH, the solution improves the retailer's operational analysis while enhancing catalogue and category management, "which improves our value chain all the way to the customer," Skålhegg said. "Another key benefit of Retalix HQnet is its campaign management capabilities. The solution lets us offer a variety of product combinations and promotions that increases customer satisfaction, and provides us with a true competitive advantage."

Hand in hand with the increasing importance of NCR solutions within RSH's long-term strategy of consolidation is the growing "partnership-like relationship" between the two companies. " Our focus on consolidation includes working with fewer and larger vendors to meet our needs, and NCR, which offers solutions across all stages of the retail cycle, is one such vendor," Skålhegg said.

> **"Since we were new to the fuel business, NCR played an important role in helping us through the design phase."**

The deepening of this relationship has become even more apparent since RSH joined the NCR (formerly Retalix) core team model in 2009. "Given our long-term cooperation, joining the core team model is a natural evolution with clear benefits for both sides," Skålhegg said. "We're now closer to NCR's development and business consulting side, while NCR is more in touch with our needs. The model also enables us to leverage NCR's experience with other clients worldwide so that we can better enforce our business processes. In addition, we've improved our change management capabilities and reduced time to market to further shorten and enhance the value chain," Skålhegg added.

NCR

Why NCR?

NCR Corporation (NYSE: NCR) is the global leader in consumer transaction technologies, turning everyday interactions with businesses into exceptional experiences. With its software, hardware, and portfolio of services, NCR enables more than 485 million transactions daily across retail, financial, travel, hospitality, telecom and technology, and small business. NCR solutions run the everyday transactions that make your life easier.

NCR is headquartered in Duluth, Georgia with approximately 29,000 employees and does business in 180 countries. NCR is a trademark of NCR Corporation in the United States and other countries.

Key features

The Customer

- Industry: convenience, kiosk, fuel

- Headquarters: Oslo, Norway

- Number of outlets: 1,500 in 4 countries

- Retail brands: 7-Eleven, Narvesen, Pressbyrån

- Number of employees: ~350

- Website:

  www.7-eleven.no;

  www.7-eleven.se;

  www.7-eleven.dk;

  www.narvesen.no;

  www.pressbyran.se

Retalix Products

- Retalix StorePoint: ~1,500 stores

- Retalix Fuel: ~270 stores

- Retalix HQnet: RSH headquarters

Value Proposition

- Integrated solution across multiple chains in multiple countries

- Consolidation of diverse business processes

- Automation and efficient management of fuel operations

- Efficient operation of multiple convenience and convenience/fuel stores

- Establishment of stable foundation to meet growing needs over time

ncr.com/retail

linkedin.com/company/NCR-Retail

twitter.com/NCR_Retail

facebook.com/NCRRetail

NCR