



CASE STUDY

OBJECTIVES To optimise the picking processes of dry food and non-food products

SOLUTION 3iV Crystal voice

RESULTS

- 30 % drop in errors
- Open and flexible architecture
- Smooth, real-time communication
- Direct integration with the customer's warehouse management system

FROM PAPER TO VOICE PICKING... AND BEYOND!

Gruppo Iper, one of Italy's largest hypermarket chains, chooses an open and flexible voice solution and benefits from a 30% drop in picking errors

Driven by the expansion of the distribution centre in Soresina, where dry food and non-food products are managed, and consequently the need for process improvement, Gruppo Iper wished to optimize its picking processes. These were originally paper based and generated many errors. Together with their partner AF Logistics (Gruppo Antonio Ferrari), they opted for implementing a voice directed work solution. Valerio Cortese, Information Systems Director of Gruppo Iper, explains: "Our processes had remained unchanged for many years, as the priority had been given to other optimisation projects. But now that strategic priorities have shifted and a modernisation of the picking processes is absolutely necessary, we went directly to what has become the "de facto standard" technology in our sector that is voice."

Freedom of choice and multi-functionality

Zetes proposed to run their 3iV Crystal solution on Motorola MC9090 terminals, offering one unique solution to Gruppo Iper: an open and flexible architecture, which allows for future extension into other processes. "We already knew Zetes was a specialist in voice implementations. They had previously implemented a voice project for our partner AF Logistics, to optimise the picking process in a frozen environment", explains Mariangelo Livraghi, Administrative Director of the AF Logistics distribution centre in Soresina. "When

analysing the providers' different approaches, Zetes was the only one to offer us the possibility to integrate the voice solution on Motorola terminals. That was the starting point of the negotiations."

The decision to select a flexible solution that opened up possibilities for further expansion into other processes was initially not the driver for the project but emerged and grew during the evaluation process.

"There are many reasons that led us to choose Zetes' 3iV Crystal solution", says Valerio Cortese. "First, it offered us the possibility to use Motorola terminals to execute other tasks beside voice-directed picking. Secondly, it allowed us to homogenise our fleet of terminals. We opted for a single provider who could offer us consistency in terms of management and maintenance. Last but not least, this strategy offered economic advantages."

Direct integration means smooth, real-time communication –

3iV Crystal runs on Motorola MC9090 terminals and has been directly integrated to Gruppo Iper's WMS Infolog thanks to the 3iV Connector module. This means no middleware is involved. The voice system allows a smooth, real-time communication between the WMS and the operators working with the voice terminals.

The solution at a glance

Solution: 3iV Crystal voice solution

Module: 3iV Connector for direct integration

WMS: Infolog from Generix

User interface: 55 Motorola MC9090

55 pickers from the Soresina distribution centre are currently working with the voice system. Mariangelo Livraghi tells us that there was some apprehension when starting to use the new system: "Many pickers are foreigners and have some difficulties with the Italian language. Moreover, they had to learn to work in a completely different way and master the application. But the solution has proven to be efficient and, today, the pickers perceive it as a tool that makes their work easier".

"We opted for a single provider who could offer us consistency in terms of management and maintenance"

A 30% drop in errors

The benefits of voice can typically be found in an enhanced productivity and a reduced amount of errors. For the project with Gruppo Iper the results in terms of accuracy have been impressive, with a drop in errors of 30 %. "The daily management of errors was already relatively low in percentages but still too high in absolute numbers. Being able to reduce it by a third is a significant benefit, which has important repercussions in terms of quality in the delivery of the goods to the points of sale. The latter, in turn, are able to put the goods at the disposal of the end consumer in a timely manner".

Implemented in October 2009, the project should deliver a return on investment in 12 to 14 months.

Possible extensions of the project

The positive results of this project in the Soresina distribution centre have brought Gruppo Iper to consider further extensions of the voice project. First of all, in the Soresina distribution centre itself, which has recently experienced an expansion in area. Today, the surface covers 65.000 m2. If the turnover or the number of merchandise increases, more terminals may be required to get the job done. Another possible expansion would be in terms of software: over time there will be technological updates; but Gruppo Iper might also consider extending the use of voice to other processes. These new applications could be used on the same terminals, or terminals from the same family. A last type of extension would be the use of the Motorola terminals for processes that are not voice related, using the keyboard and the screen. Valerio Cortese explains "Most of the warehouse operations have now been automated with different technologies. By



Left: Giuseppe Agresti - Country Manager - Zetes in Italy
Right: Valerio Cortese - Information Systems Director - Gruppo Iper

choosing these terminals, we wanted to give continuity to the modernisation of our warehouses and regulate the whole fleet of instruments. The solution we have chosen is very versatile and gives us the opportunity to switch from one process to another using the same terminal".

Voice has also already been taken into consideration for other warehouses at Gruppo Iper. As the need to be able to expand to other processes or technologies is not as strong in all the distribution centres, tests have already been done with the Voice Optimised Wearable, Motorola's new voice dedicated terminal.

"The solution is very versatile and gives us the opportunity to switch from one process to another using the same terminal"

Valerio Cortese concludes: "From the first steps in our collaboration, Zetes has been a partner that listens to our needs and tries to bring us the solution that best fits our requirements. We have been extremely satisfied with the service provided and the positive results in terms of accuracy and productivity. Today, Zetes remains at our side to take us to the next level, presenting us with the latest innovations in the market place to allow us to remain on the leading edge."

Gruppo Iper in numbers

Country: Italy

Hypermarkets: 26 in 7 regions in Italy

Employees : 8,000

Turnover : more than € 2.5 billions in 2009