



# **RFID** IN RETAIL AND APPAREL

Oct. 6, 2016 ❖ Helen Mills Theater, New York, NY



## **RFID** IN RETAIL AND APPAREL

# **G-STAR RAW**

## **DENIMWALL LEVERAGES RFID AT G-STAR RAW STORE**

Craig Leonard, President  
Denimwall Inc.

# About Denimwall

- First North American G-STAR franchise
- Mono-brand fashion denim, apparel and accessories
- Currently operate 6 stores in NYC, Miami, Chicago, Boston with plan for 10+ new stores
- Stores are ~2000sf plus backstock and carry ~5000 items
- Small staff, no IT department and no prior RFID experience
- Probably not who you would expect to be presenting an RFID success story 😊



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# Project Impetus

- Implementation of website order fulfillment from stores put spotlight on fill rate and response time - need for inventory accuracy and ability to locate items
- Remote management and monitoring measures needed to support growing number of stores
  - Receiving & display plan compliance
  - Streamline replenishment & monitor performance
  - Shrink identification & monitoring



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# Why Pilot RFID?

- Aware of RFID projects at larger retailers like Macy's and American Apparel
  - Perceived it would be expensive
  - Understood there would be a need for frequent RFID hand-scanning to achieve increased accuracy
  - Believed we must first have RFID source tagging
- RIoT proposed a solution where items could be easily tagged in-store and overhead smartsensors would automatically track all items without hand-scanning
- They had our attention 😊



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# Targeted Use Cases

- Increased inventory accuracy & locatability to improve web-order fill rates
- Empower easier replenishment to increase sales floor availability resulting in increased sales and decreased markdowns
- Daily detailed notification of shrink to help LP efforts
- Ability to remotely monitor store performance
- Enriched customer experience



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# Project Video



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# Solution Highlights

- In-store tagging
- Overhead sensors continuously monitor items & location
- POS sensor for fast accurate checkout
- EAS sensor for exit monitoring
- BYOD mobile app empowers staff for lookup, replen, etc.
- Management console for remote performance monitoring
- Engaging interactive customer experience wall



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# RFID Tagging

- Simple in-store tagging for pilot to start
  - Apply an RFID label
  - Place the item on the encoding station
  - Scan the barcode
- Tagging is moving up to DC for roll out and eventually to source



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# Overhead Sensors



- Tried both Intel RSP & Impinj ItemSense
- Sensors continuously monitor all items including location with 98%+ accuracy
- Virtually no need for hand scanners
- Mobile app displays clarification list of items expected but not seen in last 24 hours. Employees spend 15 minutes a day to check these items
- Eliminated traditional physical inventory



  
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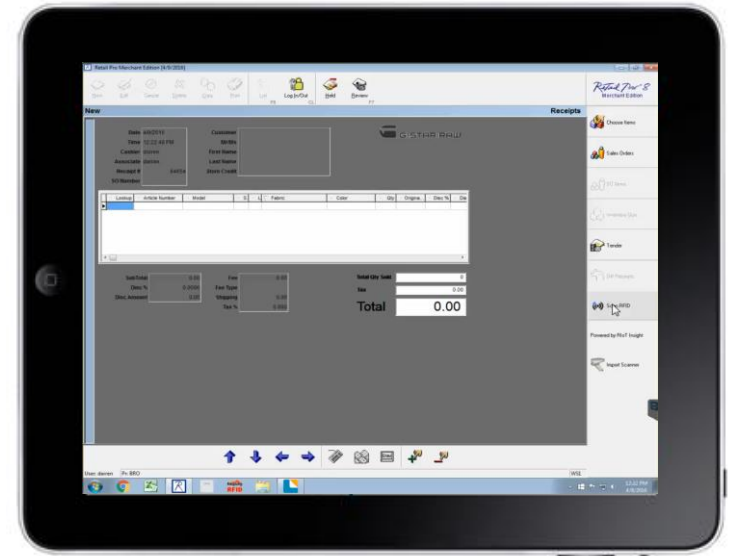


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# POS Sensor

- POS counter sensor
- Folded items are placed over sensor
- Press POS scan button and items are instantly added to the screen
- Faster and more accurate
- Adding return authorization (to see if item ever sold)



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# EAS Sensor

- EAS sensor mounted at exit
- Detects if items exiting the store are sold
- Mobile app notifies employees of unsold items with picture of item
- System tracks item, date, time and triggers replenishment if needed (don't lose twice)
- Exit alarm option (currently using hard tags too)

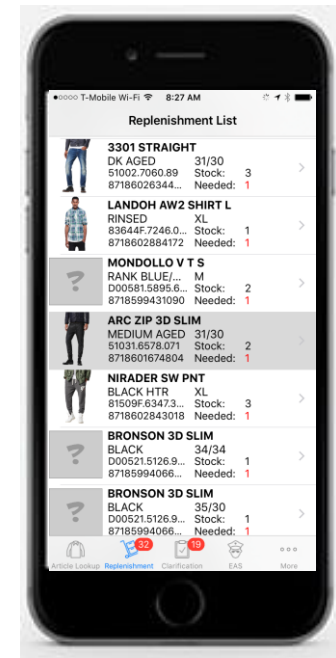


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# Mobile App

- BYOD mobile app for iOS and Android is installed on employees personal phone and also have a few iTouches available
- App features lookup, locate, replenishment, EAS, clarify, etc.
- Keeps staff with customers
- RFID definitively identifies stock, replenishment, etc.

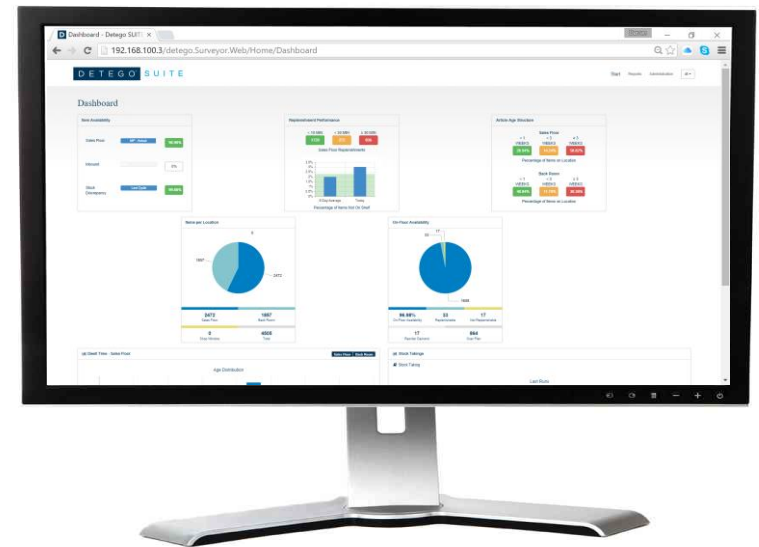


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# Management Console

- Remote performance monitoring
  - Replenishment performance
  - Receiving new stock to floor
  - Display plan compliance
  - Shrink events
- Previously no way to monitor other than store visits
- Moving the needle on these age old issues boosts profit



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# CustX Wall

- Display wall features interactive wardrobe match maker
- Items carried by customer trigger suggestions from in-store and online merchandise
- Employees can mix and match selections and then transfer them to their mobile device for follow-up
- Adding fitting room option



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# Results

- Transformational
  - Sales floor absences decreased from 50+ to nearly zero
  - Inventory accuracy increased to nearly 100%
  - Eliminated traditional physical count and cycle counts
  - Daily identification of shrink
  - First time ever ability to monitor remote store performance
  - Ability to do definitive item lookups and locate has improved web-order fill rates (as well as in-store service)
  - Staff love mobile app which empowers them to better assist customers and streamlines daily tasks
- Easy decision to move forward



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# RIoT Insight

- Relied heavily on our technology partner RIoT Insight
- Independent experts in overhead sensor technology
- Focused on making RFID technology practical and affordable for average retailers
- RIoT is independent, impartial and continually assessing new technology on our behalf



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# Project Partners



INMOTION



AsReader

SMARTRAC

NORDICID



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# Discussion

- Questions?
- Follow-up

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**THANK YOU**

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