



CASE STUDY

ICA

Lower costs and speedier checkout at ICA-Ahold

“From an almost unbearable situation with no less than five rigid DOS-based POS systems from different vendors things have changed completely. In Extenda Retail we have got a single POS solution that matches our business goals and criteria with a wide margin. Today we can do whatever we want – the system is so manageable. Apart from being easy to operate for the check-out staff, it is a child’s play to set up the system for quite complex promotional pricing such as combination offers or special offers to loyalty card members. The return on investment is undisputed.”

- Jan-Olof Jarnesjö, IT Manager, ICA Sweden

Background

With over 40,000 employees and 3,000 stores ICA Ahold is the biggest food retail chain store in the Nordic countries. The group’s trade marks ICA and RIMI belong to the strongest in Scandinavia. ICA Ahold also runs 1,300 petrol stations jointly with Statoil. The company is owned to 50% by the Dutch organisation Royal Ahold N.V. and is thereby a part of a worldwide food retail network.

Expensive maintenance

Already in 1997, ICA could foresee approaching problems with its POS solutions. The five different systems used in various locations were DOS and proprietary applications from different vendors. New development and maintenance was costly (if at all possible) and the time required to deploy new functionality was prohibiting.

New system strategy

Basically, ICA’s ideas about a better POS solution was to select best value partners for each service required. Software openness was a key issue, giving ICA freedom of choice when selecting other services. Once Extenda was selected as SW partner the complementary services such as HW, installation, field service, fell easily into place.

ICA’s wish list

No less than 14 vendors offered to deliver a system based on following general requirements:

- Modern platform, NT based
- Designed to cope with future requirements

- Easy to customize
- Hardware independent
- Easy to install and upgrade
- Graphical user interface
- Vendor must have adequate development organisation
- Help desk service available

Extenda selected

Extenda could easily meet all listed requirements and scored extra points for its flexible GUI: Its look and content can be individually tailored to match operator skills or preferences greatly improving learning speed and operation efficiency.

Extenda was selected after a successful pilot installation involving 3 stores. The full-scale rollout started in March 1999 and the complete installation involving 5,000 cash registers was finished by Spring 2002.

ICA-Ahold Business Profile

- Food retail store chain operating in the Nordic countries.
- 50% owned by Dutch Royal Ahold N.V.
- Employees: 40,000
- Number of stores: 3,000
- Proprietary brands: ICA and RIMI

Extenda deployment

- Deployment and customization
- Installation tools
- HW installation
- Maintenance agreement
- 2nd line support agreement
- Single vendor for all stores

Extenda products

Extenda Retail POS Application

Observed benefits

- Very easy to learn. Operator training extremely quick
- Well designed GUI simplifies operation and training
- Increased check-out speed
- Lower TCO
- Improved customer loyalty program
- Rapid deployment
- Remote upgrade facilities
- Centralized release & development management