

# ELECTRONIC PRICING AT XL-BYG



## ELECTRONIC PRICING WILL RELEASE MORE TIME FOR CUSTOMER CARE

*In order to release more time for customer service while managing campaigns and prices on a whole different level, the CF Group, which is part of XL-BYG, decided to introduce electronic shelf labels with Delfi Technologies as a partner and supplier. The implementation takes place in May 2018.*

The day before the company's Christmas party, Jes Gravesen, the managing director of the XL-BYG CF Group, announced that five stores are going to get electronic pricing installed in the spring of 2018.

-The response was overwhelming, especially from the staff who has the daily contact with the customers in the stores. Today, our staff spend a lot of time printing shelf labels, taking the old ones down and putting up new ones – this time will soon be used for customer service instead. The employees that have direct contact with customers showed great excitement about the fact that they can spend more time on customers instead of physically changing price labels, says Jes Gravesen.

According to Jes, the idea of introducing electronic shelf labels is not new, but there has not been time for it until now. Denmark has for years been afraid of investments as a result of the financial crisis and it has held the XL-BYG CF Group from investing in new projects, like most other companies in the country. But it's going well in the 'Do-It-Yourself' business and therefore, now is the time for making the investments they've wanted in the recent years.

- Now we think it's time to realize the dream of electronic pricing and we now have the profits to invest internal IT resources in the project. The goal of giving our employees the opportunity for more customer focus and enhancing the overall customer experience, is crucial to our decision, says Jes expectative.

## UPDATED PRICES ENHANCE CUSTOMER EXPERIENCE

According to Jes, there is nothing that can ruin a good customer experience, as if the price in the store doesn't match the price to pay at checkout. This doesn't happen often at XL-BYG, but it is annoying for all parties when it happens.

When XL-BYG has promotions planned, for example for a Saturday campaign, the staff

will start working on replacing the small paper labels on the shelf edge already Friday afternoon. This means that the store actually launches the campaign half a day before each time – and by that, customers who use Saturday for buying the promotional offer, can risk the goods are already sold.

-That scenario is fortunately very rare, but it



is a risk we want to avoid. At the same time, the staff also uses many resources on replacing paper labels while also having a lot of customers – and that is not optimal. With electronic signs, we can change the price of the selected promotional items on Saturday morning, just before opening hours and the same time have a good attention towards the costumers that to chose to visit our store on Friday afternoon, Jes says.

In the future, it will be possible to plan campaigns and price changes without the need of calculating the time within printing and replacing the paper labels. An initiative that makes the work for both employees, management and suppliers far more flexible than before.

## **ELECTRONIC PRICING IS ALSO A CSR INITIATIVE**

The majority of businesses also take care of the environment, vulnerable groups in society and other social challenges. Electronic price tagging is also part of the XL-BYG CF Group's CSR initiatives.

- In the same way as we have changed some of our business processes and procedures in relation to be environmentally friendly, the shift from paper labels to electronic pricing is another initiative that supports the goal of being more environmentally friendly. I'm not fully aware of the exact amount of paper we use for our shelf edges today, but it will be reduced to zero when we implement the solution in May 2018, Jes says.

In addition to the fact that the XL-BYG CF Group has a natural interest in being a responsible company, the company is also experiencing a growing demand for documenting the fulfillment of its CSR strategies; especially when the XL-BYG CF Group also is the supplier of building materials to numerous projects in public procurement.