

# Dobbies wins return on investment through toshiba reliability

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Introduction Dobbies, a UK garden centre chain, has cut its hardware maintenance costs by 25%, following the introduction of point of sale terminals from Toshiba, which have proved to be extremely reliable. Founded in 1865, Dobbies today operates from 17 sites in Scotland, Lancashire, North East England and the West Midlands. Dobbies offers one of the UK's most extensive ranges of plants and core gardening products, many exclusive to Dobbies, with the added benefit of specialist knowledge and advice for expert and novice gardeners. The Company's latest 55, 000 square foot flagship store at Stirling (opened April 2005) is designed to draw customers through the retail space with strategic positioning of popular features such as the Greenapple Restaurant, Farm Foodhall and a range of retail options, including homeware, toys, outdoor clothing and gifts.

As part of a ? 56 million investment programme in both new and existing centres, Dobbies needed a reliable EPoS system that would be able to meet the growing demands of its business and replace the existing outdated proprietary cash registers. With no network and line by line department reporting, information was limited and time consuming to generate, and there was no automated facility for centrally controlled pricing. In 2002, the company took the decision to review its total system. Dobbies' chosen software supplier, K3 Landsteinar, a Microsoft Business Solutions partner, recommended Toshiba's ST-6500 modular PoS terminals with TFTST-56 touch screens due to the proven quality and long term reliability of the hardware. Toshiba's ST-6500 modular PoS terminal, with its robust and versatile design integrates power and connectivity into a very small footprint optimising essential selling space.

Three hardware suppliers were evaluated, including alternative cheaper competitor hardware models. As a long standing customer of Toshiba, K3 Landsteinar was able to recommend the Toshiba hardware with 100% confidence due to the longevity of the terminals and resulting low cost of maintenance. This, and the strong relationship between the two companies provided Dobbies with the assurance that the savings achieved by the total low cost of ownership would outweigh any apparent initial cost savings on capital outlay. Following a successful trial Dobbies selected the Toshiba hardware. The first trial site was installed in January 2003, going live in February. By the end of March 2003 100 tills had been rolled out in 17 Dobbies centres.

Toshiba's reputation as a specialist manufacturer of point of sale equipment for the retail market was key to the decision to select Toshiba terminals. In peak trading periods, such as bank holidays with extremely volatile sales patterns and customers at every till, Dobbies needed a reliable PoS solution designed for quick throughput. Equally critical was the fact that the Toshiba terminals could cope with extreme conditions, including high temperatures, dust, dirt and water, essential in a garden centre environment. The immediate benefits of the new solution were in operation and reporting, for example, the introduction of line by line sales analysis, on-line credit card authorisation, scanning and centrally controlled pricing. Customer information captured and collated through the solution enables Dobbies to run its ' Advantage' Loyalty scheme and carry out detailed analysis of customer spend.

Dobbies uses the information for direct marketing, allowing the company to improve the targeting and effectiveness of its advertising and direct mail, build customer loyalty and inspire new customers to make Dobbies their preferred shopping choice. The major benefits of the installed solution were seen with the new hardware. The Toshiba TFTST-56T touch screens provide easy to use and intuitive menu options, guiding staff quickly and effortlessly through each transaction, ensuring speedy customer throughput and avoiding long queues at the till. Minimal staff till training is required so part time staff can be up and running on the tills very quickly. Barbara Mackie, Dobbies' IT Manager, commented on the hardware benefits, " Not only do customers benefit from faster and efficient transactions, the ease of use of the system means that minimal staff training is required, which is important for Dobbies as we employ seasonal and Saturday staff. The robustness of the Toshiba terminals is also extremely important, especially in peak periods of trading, such as bank holidays, where breakdowns could lose us large amounts of money".

Commenting on the reliability of the Toshiba hardware, and cost saving achieved by the overall low cost of ownership, Sharon Brown Finance Director, said, " The reliability of the Toshiba tills has been fantastic. Of a total of 132 tills over a two year period, the number of breakdowns can be counted in single figures. We have just re-negotiated a 25% reduction in our maintenance charges because of this extreme reliability. In theory it should have gone up but when we worked it out on a rate per call it proved really expensive - even our maintenance provider could not believe how reliable the Toshiba hardware has been." Sharon continued, " We chose

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Toshiba because of the assurance of robustness and longevity of the hardware. The alternative competitor products that we evaluated in 2003 were only expected to last 3 years, not a very good return on investment.

For our financial model we assumed 5 years, however based on our usage experience over the last two years, we expect the Toshiba tills to last until year 6, or 7.”