

Innovation for tesco



Tesco has rivals like Sainsbury's, Asda, Morrison and Iceland, the rivals of Tesco always try to introduce something new and different in the products to attract the customers. But the technology management of Tesco thought that we should have to introduce an innovation which could be in the form of technology as well as which can reduce the staff, time and cost of the organization and which also can provide the good and efficient services to attract the customers, so after a long consideration the Tesco technology management introduced an innovation in the forms of self check outs tills and online ordering, such kinds of devices are the innovation for the Tesco as well as the new technology. Tesco was 1st organization in the retail chain which introduced the self check outs tills and online ordering. Therefore we can say that it was an innovation for Tesco as well as in the retail chain, with the help of this innovation Tesco is the 3rd largest retail company in the world now days. (Interview from Store Manager)

Definition of Innovation:-

” Innovation is not a single action but a total process of interrelated sub-processes. Is not just the conception of a new idea, not the invention of a new device, nor the development of a new market the process is all these things acting in an integrated fashion.(Myers & Marquis, 1969)”

All activities which is involved in the procedure of generating ideas, development of technology marketing and producing new products and the process of manufacturing is called innovation (Trott, 2005)

General Definition of Innovation:-

In the organization the innovation is the process to improve or develop the new products and services in order to gain the competitive advantage in the market place.

The innovation approach adopted by the Management:-

The organization benefits through innovation

How the innovation improved the overall organization performance

Estimate the successful of the innovation (Questionnaires from the customers)

Conclusion and Recommendation

Organization:-

The founder of Tesco was Jack Cohen in 1919. They started with the small stall but after 10 year in 1929 they opened a first store in Burnt Oak, now days in Britain Tesco is the king in the retail chain and in the world retail chain Tesco is the 3rd largest company. Tesco have 3700 stores all over the world and more than 440000 employees. Outside the Britain Tesco have stores in 13 countries. Tesco is a well known company in Britain as well as in central Europe. Tesco is dealing with every kind of Garments, wines, frozen food, electronics, groceries, travelling, and banking Tesco is struggling to become the 2nd in 2012.

Tesco Mission Statement:-

Mission statement is very important for every organization rather small or large, because a mission statement sets the general goals or purpose of the

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organization. It is very vital for the employees to obtain the organization goals. The Tesco mission statement is to keep loyal customers, in order to achieve the mission Tesco have to know who their loyal customers are, due to this reason Tesco introduced the club card services with the help of this Tesco may reward the customers by distributing the special kinds of vouchers and giving them extra points. What is the Tesco aim? The Tesco aim is to achieve the long term goals. What is an organization objective? The objectives in other words are goals which the organization sets for its future. Objectives have the time period like three or five years. The objective of the Tesco is measurable as well as they also contribute to obtain the aims. How the objective and aims merge with each other. All Tesco aims and objective merge with each other no one will work without each other. All over the world Google is the top search engine. Tesco has wonderfully detailed existence on the Google.

Instances of Self check outs services:-

In the retail chain Tesco is the first organization which introduced the self check outs tills the benefits of these tills for the customer is that customer can easily scan their items without any intervention of the staff as well as these tills are used both orders like small and large

Tesco also gives the facility of automated checkout machines to the customers, customers its self can easily use these tills which reduce the customer time as well as the cost of staff and timing. These tills are very helpful for the Tesco to attract the customers and the profit.

Instances of Online ordering:-

If anyone write " Tesco" in the search box of the Google instantly the company possible detail come up like offers, Bog of deals, Voucher, Menu, Coupons, Club card, Home electrical etc. The new and old customers can easily choose the field of her/his choice and get all the relevant information as well as if any one write " Tesco" in the search box of the Google it shows many links of the company.

The website of the company gives you very easy way to order online, location of the nearest store, food guide, feedback system, participating events, memberships, business information etc. The given below websites picture is describing that how Tesco is facilitating to their customers. For example if any customer enter the post code on the website he/she can easily track the nearest store, store phone number, store address as well as get information about the special offers, regular etc.

Source: Tesco. com

The Estimation/Evaluation:-

Time by time Tesco considers the many things to check its improvement/progress.

Increasing in number of customers (weekly, monthly and yearly)

What are the customers views/suggestion/reviews regarding services and food

Customers can give feedback thorough online as well as direct regarding their services etc

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The weekly average sale in a certain period.

Change model:-

Beckhard and Levin in 1969 and 1951 respectively developed the most famous change models. However other important contributions have been introduced by Quinn 1980 and Lewin 1980.

Lewin:-

The introductory methods for managing change are as follows according Lewin 1951.

Unfreezing, existing behaviour and attitudes are supported by changing the present state equilibrium.

According to new information new responses can be developed.

Refreezing, by introduction of new responses in to personality concern can stabilize change.

Field force analysis is a methodology for analysing change suggested by Lewin which involves

Transition to the future state is affected by analysing driving or restraining forces

Differentiating between driving and restraining forces is essential.

Action should be taking to increase critical driving forces and decrease critical restraining forces (Martin, 2006)

Value change analysis can be applied to an organization, every time cost is reduced value substitution should be implemented, through this organization and customers both gain this has been practiced by Tesco self service check outs have not only reduced the staff cost but it also has made shopping experience easier for the consumer. (Horovitz, 2004)

Guideline for Change Management:-

Armstrong has explained the following factors to make sure that change management is successfully implemented in an organization. Understanding of the organizational structure and levels of change needs to be effective with the help of a strong and visionary leadership. Appropriate attitude and leadership is required to those concerned at all levels when implementing change strategies. Encourage workers who accept the idea of change participation in planning and implementation. Change should be advocated with the help of hard evidence and data. Instead of attitudes or corporate culture change should be implemented by process and behaviours. This should be completed by awarding people who encourage change and challenges. (Armstrong, 2006)

Trigger:

There are two types of trigger are involved in this change

Internal Trigger: The management of Tesco realized that the sale and services are going bad due to negligence of staff and the shortage of staff so they need to change something, after the consideration they recognized an innovation in the form of technology like automated self services tills which can provide better customer services.

External Trigger: Every organization is bringing change introducing different technologies so Tesco also needs to bring the change in the organization and change could be technology, however Tesco adapted the computer technology to satisfy the customers.

Innovation Analysis:-

Like many others companies Tesco is also affected in every season as well as environment and lots of staff mistakes. Tesco needs are to introduce an innovation that can expand its way, and Tesco swap the workforce in to the computer technology.

The Tesco management considered that our services are going to low level due to lack of staff, however empty spaces could be filled with the help of computer technology as well as efficient performance. The world is changed due to the new development in science since last decades. Computer technology is very good as well as very affordable. Tesco can easily use the technology and new improvement in technology is very important trigger for the Tesco, from last 10 years the information system is more advance and fast. The customer's behaviour has been changed due to the computers. So self check out and online ordering is the part of the technology which Tesco is using very efficiently.

Benefits of Innovation:-

Tesco is one of the biggest retailers in Britain, so Tesco needs an innovation which could be in the form of technology as well as which can reduce the cost of staff and increase its profit as well as compete its rivals like Asda, Morrison's and Sainsbury's. There are many benefits for Tesco after

introducing the technology which we discussed above online ordering and self check outs services, the customers can give order very easily at home through online which is very good for Tesco to increase its customers as well as sale and reduce the cost of staff, customers can order online at any time and day. This technology is very important or bon of Tesco because Tesco sales boosted up to 49% after adapting the online ordering system. Tesco is the first organization whom introduced this facility, the self check outs services are also very vital for Tesco because with the help of these tills Tesco is saving the time and money as well as reducing the staff and also giving better facility to their customers. Adapting this innovation/ technology is one of the huge changes in the organization. Tesco opened a new store in Northampton there is no check out staff, because Tesco used the automated self tills. By using good technology Tesco needs to handle the customer demands.

Primary Research:-

In order to understand the role of manager in the innovation, we took an interview one of the Tesco store manager. In an interview the store manager of Tesco described the basic role of the manager when any change or innovation adapted the Tesco as well he also described the factors while adapting the new technology, which are as given below.

Understanding the innovation:-

In an interview the store manager said that the manager always ensure that the new technology is understandable and supportable for the management and the staff as well as it's also very helpful to achieve some benefits from the head office.

Role of Manager:-

Staff training:-

The basic role of the manager that they train the staff according to the new technology as well they make sure that all staff has full information regarding the technology. The managers also confirm that the innovation is suitable for the organization and staff. They solve the staff problem regarding the new technology. Managers train the staff very efficiently in order to provide the good service and quality of the product. In every organization staff training is very essential because they tell the customers about the innovation which is very good for the organization to increase the sale. (Interview)

Role of Deputy Store Manager:-

After getting an interview from the Tesco store manager.

We also took an interview from the deputy store manager of Tesco, during an interview he told us about his role when any change or introduce an innovation. He makes sure that all the staffs have idea about the technology as well as the advantages for this purpose he call the staff meeting and tell them about the innovation and then they train them.

The deputy store manager also keep watching the performance of staff regarding the technology and he also ensure that every single staff must have the knowledge about the new technology, staff after getting the training then they could be able to help and teach the customer about the self check outs and online ordering by themselves. He also said that after

getting the technology the Tesco need to maintain and provide good quality of services to their customers. (Interview)

Managers External Roles:-

The external role of Tesco management is they give ads to the social websites regarding the innovation to attract and tell the customers about the new technology. This is very beneficial for Tesco to increase the customers and the sale.

Technology management cycle:-

The Tesco technology management introduced an innovation in the form of self check outs tills. When Tesco technology management introduce this technology/innovation, management of Tesco managed this technology through a technology cycle, which is given below.

Experience

Experiment Reflection

Concept

Customer Analysis on the Innovation:-

When Tesco introduce or adopt new technology. Tesco takes feedback from the customer to evaluate the success of technology/innovation.

(Q No#1) Are you happy with the Tesco Service?

When we are conducting an interview from the customer round about 88% of the peoples said that they are satisfied and happy with the Tesco services. In an interview customers told us that they have chosen the Tesco for good

food, products and good services. Tesco products may not be cheaper than the Sainsbury's and Asda. But customers are also very happy and satisfied because Tesco provides good services as well as the quality of the products.

(Q No#2) Are you happy by using self check outs services and online ordering?

In an interview round about 83% customers said that they are very happy and satisfied by using online ordering as well as self check outs services, Tesco implemented this technology before couple of years. According to the consumers this technology is very helpful to complete the process of buying very fast, reliable and efficient. According to the customers they do not like to stand in the queue as well as spend more time in the store, so such kinds of innovation/technology attract the customers and save the time.

(Q No#3) Are you known about the term of technology management?

Almost 60% customer said in an interview that they have good information/knowledge regarding the term of technology management.

(Q No#4) Are you known about the change management and how the change affects the customers/people?

Many customers whom were interviewed found that they have very good idea as well as knowledge about the change management; round about 75% customers said that yes change management affects the customers as well as the staff. The example is this people can buy or give order online with the help of technology. It saves their time.

(Q No#5) Is Tesco should have to adopt new technology?

Almost 92% customer said during the interview that Tesco should have to adopt new technology with the passage of time and also give more flexibility as well as advantages to the customers, because new technology always unique and special for customers.

(Q No#6) What would you say that organization change management has been effective on the innovation?

The 80% people said that yes organization change management has been effective on the innovation and Tesco should have to carry on innovating, it is very helpful for Tesco to remain and gain the sustainable competitive advantage.

Recommendation:-

Martin in 2006 suggested that it is the responsibility of the experienced co-worker to train and guide new staff this reflects the fact that organizational structure needs to change with the introduction of new technology, in return the workforce with look towards the management for training guidance.

(Martin, 2006)

Technology today improves the quality of life. It improves choice in foods, transportation, jobs, housing, healthcare, water quality and entertainment, further more. It is looked upon as a source of progression in most societies.

(Henry & Mayle, 2002)

This new concept not only improves staff image but also helps in customer service. This would be communicated to the general public through the Ads, media, radio, television etc.

Tesco Implemented the customers Suggestion/Recommended:-

The company has initialized an online feedback facility where a customer can comment about their experience in the store regarding the automated tills.

For example if a customer shopped in Leyton, comments asked would be about the location of the store, customer experience, stock readily available, in short general view of the customer this not only gives the customer a chance to voice their opinion, it also is forward to the concern store, on these recommendations the store manager takes steps to compensate their drawbacks and improve service at their store.

My Recommendation:-

We will recommend that Tesco should have to adopt more self check out tills in future and provide more reliable services to the customers as well as to resolve the problem of the customers regarding the automated self tills.

Conclusion:-

Tesco is the biggest retail company in the United Kingdom. It is the third largest company in the world. It provides the quality of products and services. Tesco has many kinds of products according to their customer needs and desire. Tesco always give tough time to their competitors. So Tesco technology management introduced self check out tills and online ordering system. This technology is very helpful and reliable for the customers,

Before introducing new technology the technology management ensure that the technology should be understandable and supported by the staff and the

top management. However in the organization the staff must have training before using the new technology, on the other hand this innovation/technology is very beneficial and favourable for Tesco. Tesco can gain and remain the sustainable competitive advantage.