

CASE STUDY:

Next turns to Ricoh to enhance supply-chain processes

next

Next engages Ricoh to deliver a turnkey solution for their critical order fulfilment processes to keep the warehouse operation running smoothly and help deliver first-class customer service.

COMPANY & CHALLENGE

Headquartered in Enderby, Leicestershire, Next plc is a multinational retailer offering clothing, footwear, homeware, and accessories. Operating online and through 500 stores in the UK and Ireland, and with a further 200 across Europe, Asia, and the Middle East, the company sells an extensive range of own-brand and third-party merchandise. Next employs 40,000 people and achieved revenues of around GBP 3.6 billion in 2021.

With online sales worth more than GBP 2.3 billion in 2021, Next ranks as one of the largest fashion retailers in the UK. To satisfy rocketing demand for an ever-expanding range of online brands, teams at seven UK distribution centres work round the clock to process and fulfil orders. And with next-day delivery a hallmark of Next's customer service, forging fast, agile operational workflows forms a key strategic objective.

At each distribution centre, employees rely on label and barcode printers to support pick-and-pack processes, and to prepare each customer shipment for dispatch. Previously, Next sourced these business-critical devices and essential consumables, along with maintenance and repairs, from a range of suppliers. But this approach proved excessively complex, time-consuming, and labourintensive.

For example, as individual printers aged and inevitably became increasingly prone to errors and downtime, employees would search through lengthy records to



identify the vendor responsible and the right support contact. And when procuring fresh supplies of labels, ribbons, and print heads, Next would have to follow slow phone- or email-based ordering procedures, or log in to various online systems, depending on the supplier.

To improve efficiency across its distribution centres, Next looked to streamline the processes for managing and supporting its label printers. As well as modernising the fleet and improving device performance, the company aimed to remove the hassle involved in arranging repairs and purchasing consumables. A smarter and more robust approach, Next realised, would help teams to meet crucial customer service goals.

SOLUTION

After assessing proposals from five vendors, the Ricoh solution was the one that clearly stood out. Having conducted a thorough review of Next's pain points, the Ricoh team was able to design a comprehensive end-to-end solution in partnership with industrial printer specialist Zebra. The proposal involved integration with in-situ RICOH ProcessDirector platform, which is enabling end of lane accuracy, a fleet of Zebra printers provided on a leasing agreement alongside monitoring and analytics software, managed support services, and online purchasing of consumables. We were already using **RICOH ProcessDirector to** manage our order fulfilment workflows, so we felt confident the **Ricoh solutions would** integrate seamlessly with our environment. We were also impressed with the leasing model and total cost of ownership projections from Ricoh, which showed that we would enjoy significant commercial benefits, such as avoiding CAPEX costs.

Stephen Clarke, Print Services Manager at Next plc

~

"Where other vendors offered standard label print solutions, Ricoh took the time to design, develop, and deliver an outstanding all-round package."

Stephen Clarke, Print Services Manager at Next plc

By switching to a standardised approach, Next would ensure a consistent user experience for employees at all seven distribution centres, and drastically simplify administration and maintenance processes.

Replacing the older multi-vendor fleet, Next will use Zebra ZT411 tabletop thermal printers, which are purpose-built to withstand tough industrial environments. To manage the devices, the company will harness Zebra Printer Profile Manager Enterprise (PPME) software, which will enable the remote rollout of upgrades and send alerts to Next Helpdesk teams when printers develop faults. To resolve issues, Next simply contacts Ricoh Services, which will deliver on-site assistance within one working day as part of the support agreement.

Next will use <u>The Ricoh eShop</u> as a one-stop-shop for all consumables, with authorised users able to search the extensive online catalogue, place orders, and manage deliveries and payments. Among the items listed on the online portal are bespoke A6 labels manufactured by Zebra specifically for Next.

Stephen Clarke continues: "Throughout the engagement, Ricoh were willing to go the extra mile for us. Not only were Ricoh and Zebra eager to join weekly calls to build a deeper understanding of our pain-points and long-term objectives, they also made the effort to visit our sites in person. Where other vendors offered standard label print solutions, Ricoh took the time to design, develop, and deliver an outstanding allround package."

I BIRDING

The engagement represents the latest stage in Next's successful collaboration with Ricoh, which also covers supply and maintenance of all print room technology for the company, including wide-format printers for producing displays for shops and points of sale.

BENEFITS

With the fleet of Ricoh managed Zebra printers, Next expects to achieve valuable efficiency gains and 100% accuracy on despatch across its seven distribution centres. The modernised label-printing fleet will deliver enhanced performance, while the next-day support service from Ricoh will ensure devices run at optimal condition—helping to ensure critical pick-and-pack and order fulfilment processes run quickly and smoothly.

Using <u>The Ricoh eShop</u> will make purchasing consumables a much faster and more straightforward process.



As soon as distribution centres run low on labels, print heads, or ribbons, the company will be able to source items and check out in just a few clicks, rather than completing complex email and phone ordering from multiple vendors. The portal will also enable Next to benefit from pre-agreed fixed pricing structures and delivery time agreements.

Stephen Clarke adds: "Working with Ricoh will remove the headaches and hassle associated with managing multiple suppliers for our label printers. We now have a single point of contact for support and procuring consumables. This will save us valuable time and enable our teams to work more productively on important packing and dispatch processes that ultimately contribute to better-quality customer service."

Building on the success of the engagement, Next has already decided to expand the relationship with Ricoh. The company has selected Ricoh to provide more than 700 Zebra handheld scanners to support package-tracking through its distribution centres.

Stephen Clarke concludes: "Ricoh is a key partner for Next, with real expertise in the logistics and supply chain management space. As we add more high-profile brands to our online platform, we expect to see demand continue to grow. Supported by Ricoh, we are confident that we will continue to achieve our customer service targets and deliver real value to the third-parties that rely on us as their main route to market."

ABOUT RICOH

Ricoh is empowering digital workplaces using innovative technologies and services, thus enabling individuals to work smarter.

With cultivated knowledge and organisational capabilities nurtured over its 85 years' history, Ricoh is a leading provider of document management solutions, IT services, communications services, commercial and industrial printing, digital cameras, and industrial systems.

Headquartered in Tokyo, Ricoh Group has major operations throughout the world and its products and services now reach customers in approximately 200 countries and regions. In the financial year ended March 2021, Ricoh Group had worldwide sales of 1,682 billion yen (approx. 15.1 billion USD).



The facts and figures shown in this brochure relate to specific business cases. Individual circumstances may produce different results. All company, brand, product and service names are the property of and are registered trademarks of their respective owners. Copyright © 2022 Ricoh Europe PLC. All rights reserved. This brochure, its contents and/or layout may not be modified and/or adapted, copied in part or in whole and/or incorporated into other works without the prior written permission of Ricoh Europe PLC.

0