

CASE STUDY



SPAR achieves a 15% improvement in productivity with ProGlove

INDUSTRY

Retail

PROGLOVE SOLUTION

Wearable Scanner MARK Basic, MARK 2 and MARK Display incl. integration into WMS

APPLICATION AREAS

Logistics: goods receiving and picking for stores and e-commerce

NUMBERS

PROGLOVE customer since

2021

PROGLOVE devices in use

300

5 of 9

Warehouses/distribution centers in Austria

Order picking: up to

200

scans per hour

RESULTS

- Lower error rate in the picking process
- Minimization of employee training
- More efficient, ergonomic processes
- Improved employee satisfaction and retention
- Increase in overall performance by up to 15%.

About SPAR Austria

The SPAR Austria Group operates food and sports retail stores, and shopping centers in Austria and 7 neighboring countries. They also have a burgeoning e-commerce business. Gross sales of the entire group grew by a total of +4.7% to 17.37 billion euros in 2021. SPAR was particularly successful in Austria, where it further extended its market leadership in food retailing with sales revenue of € 8.63 billion (+3.9%). In total, the SPAR Austria Group employs over 90,000 people. In Austria, SPAR is the largest private Austrian employer with more than 50,000 employees.

SPAR is also setting new standards in many other areas - for example, in store architecture, product range design, logistics, and marketing - with the aim of achieving its vision of becoming an Austrian trading company and a Central European trading group and taking the SPAR brand even further forward.

Summary

If SPAR is to achieve its plans for growth, its logistics and distribution must become significantly more productive. At five of its nine distribution centers in Austria, and most notably at its new central warehouse for fresh products in Vorchdorf, SPAR is using ProGlove's wearable scanners to streamline the picking process and provide employees with "tangible results" in the areas they care most about – the speed, ease, and accuracy of the scanning process; the reduced chances of injury or error. With the ProGlove wearable scanners, employees have their hands free at all times to safely lift goods and packages. All barcodes are captured and processed faster than ever before. On the integrated display of the scanners, employees always have the necessary picking instructions in view and are systematically guided through the process. This minimizes the error rate and contributes overall to employee satisfaction and loyalty.

Challenge at SPAR

SPAR is facing a number of serious challenges to its growth plans.

- Customer demand is high and product diversity is increasing. They must maintain, if not increase customer satisfaction
- Like most retail companies, SPAR is struggling with employee turnover and the fact that qualified staff is currently hard to find.
- However, logistics must run smoothly and efficiently as a core factor of a functioning supply chain.
- Nevertheless, the quality of the picking processes must be maintained in order to supply stores and e-commerce customers correctly and quickly.
- Multiple picking for different stores on one picking vehicle is a source of errors, because employees easily mix up the correct container.

MATTHIAS KIENZL

Head of Goods Flow and
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SPAR Austria

"From the very first appointment with ProGlove, we were immediately convinced by the innovative scanner solutions. After successful tests in different scenarios, we were quickly convinced of the increased efficiency and high acceptance among employees. We are definitely impressed by the unique ergonomics."

Areas of application for ProGlove at SPAR Austria

Use Case 1: In-store picking for e-commerce

SPAR Austria organizes its logistics centers by region. ProGlove is used for both in-store supply and e-commerce. Like most retailers, SPAR started to expand e-commerce during the Corona pandemic. The company offers both home delivery and in-store pickup. Employees are tasked with going through the shelves in the supermarket to find and scan the goods the customer has ordered. ProGlove's MARK Basic scanners display the customer's order on a terminal mounted on the picking cart. Afterwards, they are either packed for shipping or deposited in a pickup box in the front of the store.

Use Case 2: Picking for store delivery

Example: new central warehouse in Vorchdorf

The 6 regional distribution centers/warehouses are conveniently located in Austria. They are each located in the provinces in which they supply stores. The new central warehouse in Vorchdorf was recently put into operation. With more than 6,000 m² of refrigerated space, capacity has been created here to sustainably handle the warehousing and distribution of refrigerated goods for all of SPAR.

Speed and quality count

The SPAR stores receive their fresh food daily from the warehouse in Vorchdorf. In the future, deliveries will be made twice a day to guarantee the freshness. This means a high turnover of goods, which requires fast and precise scanning in the warehouse. Currently, 40 employees are working in Vorchdorf using around 150 ProGlove scanners. Soon the number of employees will be increased to 80, the target is 120.

Display directly on the back of the hand

The picking carts that the pickers use to go through the shelves contain the boxes for the orders from the different stores. Up to 200 different products per hour are "picked" into these boxes. The pickers are completely mobile have their hands free to safely and quickly remove the goods from the shelves and place them in the respective box.

Each box has its own label. This is linked to the display so that the employee can always directly determine whether the right item has been placed in the right box. This is an important quality step that ensures that the correct goods are delivered to the stores. After each scan, the check and confirmation on the display are automatic. Each employee has a ProGlove Scanner MARK display on the back of their hand. The scanner's display shows the storage location, the item description, the quantity, and the route.

SPAR sets new standards in logistics with cutting-edge technology

ProGlove's innovative technology brings SPAR information from the shop floor that is used to better understand and significantly improve workflows. All this new data is available to, and integrated with the SPAR Warehouse Management System, enabling the connection to and comparison between order, display and store box in the background. This was jointly developed so that exactly the required fields and categories are displayed.

Free hands, full mobility

ProGlove has significantly reduced the physical demands on the workers while increasing the speed and accuracy of the scanning process. The lightweight, wearable devices give workers free and full range of motion, and there is no need to pick up and put down additional devices over and over again. Plus, the interactive display on the scanners brings information to the workers no matter where they are on the shop floor. Feedback on scans (e.g., OK / NOK) are received optically, haptically, and acoustically, eliminating unnecessary interruptions and guiding workers through the picking process faster.

Improving ergonomics and attracting employees

Vorchdorf's central local has made it the logical choice for distribution centers and logistics hubs, not just for SPAR, but also for many of SPAR's most important competitors. The ongoing competition for qualified workers is fierce. With pay and benefits roughly equal, any improvement to the working environment has become a distinct advantage in both recruiting and retaining workers. The introduction of ProGlove's ergonomic, lightweight, wearable barcode scanners is seen by workers as a meaningful and attractive benefit, giving them freedom of movement and safety on the shop floor.

Workers and management are both enthusiastic about these faster, more accurate, hands-free scanners. The working environment is vastly improved, worker satisfaction is up, and productivity is on the rise. This new warehouse in Vorchdorf is used as a showcase for the entire Austria Group, testing new ideas and new technologies. Other warehouses and logistics centers are studying the advances achieved with ProGlove and are planning to start using the devices as well.

Use Case 3: Wine World

In addition, the ProGlove scanners are already being used successfully in SPAR's online wine store, [Weinwelt.at](https://www.weinwelt.at). Customers order beverages and supplies which are conveniently delivered to their homes.

The ProGlove MARK Basic and MARK 2 scanners are used both for storing the wine on the shelves and for picking for the stores and customers. The individual bottles are removed from the shelves and repacked. This is where the wearables are particularly beneficial, as employees can lift and pack the beverage bottles and packages much more easily, securely, and safely with two hands.

Outlook

Based on the success of the project in Austria, the Group is considering introducing the MARK devices into its locations in Hungary, Slovenia and Italy. Initial tests are already underway. The rollout is planned for 2023.

In addition, SPAR is currently testing the MARK 3 multi-range scanner, which covers greater distances and ranges, and is therefore particularly suitable for use in combination with the forklifts and vehicles in SPAR warehouses. As the fastest, lightest and most versatile solution, MARK 3 optimizes hands-free scanning within the supply chain and guarantees high scanning speed as well as a smooth and flexible workflow even from a forklift.

