

# Self-service Adoption: A Must for Retailers



Today's consumer demands convenience, choice and control in the way they shop. Facing rising food prices and economic uncertainty, shoppers expect their favorite retailers to deliver value and maintain low prices.

To control costs and meet customer expectations, food, convenience, drug and mass merchant (FCDM) retailers must optimise operations through increased use of self-service technology.

## Customers prefer self-service options

Customers like the speed and control offered by self-checkout. A 2021 study by Raydiant found that 85% of customers believed that self-checkout is typically faster than cashier-guided options.<sup>1</sup>

The comfort level with self-service technology has grown since the pandemic. A May 2022 study by Dalhousie University found that over 53% of respondents intended to use self-checkouts regularly in the future.<sup>2</sup> Prior to the pandemic, a similar study reported that less than 35% of customers felt ready to use self-checkouts.<sup>3</sup>

Self-service solutions are also good for retailers' bottom line as they lower labour costs and reduce cart abandonment caused by long lines. According to a study by Chain Store Age, 86% of U.S. consumers have left a store due to long lines, giving up on their intended purchase.<sup>4</sup> Reducing long queues by providing additional self-service lanes prevents cart abandonment.





## Self-checkouts reduce retailers' labour costs

Self-checkouts directly reduce retailers' labour costs. With a single attendant able to manage upwards of 6-9 self-checkout lanes, resources previously required to staff the front of the store can be re-allocated to other tasks, such as inventory and receiving.

According to Paul Adams, Head of Retail at Trust Payments and HP Retail Solutions Partner, self-checkout creates a return on investment for retailers, who will typically see a positive ROI in the second year of deployment. According to Paul, usage levels are increasing from 40% to 100% of all transactions going through self-service, which helps retailers release thousands of labour hours per store each year.<sup>5</sup>



## Self-checkouts help retailers build efficient stores

Finally, modern self-checkout fixtures have a smaller footprint as compared to conventional cash lanes. Retailers with greater ratio of self-service vs staffed checkouts can build smaller, more efficient stores that are more productive per square foot - a metric highly coveted by managers.

The bottom line is that the self-checkout revolution is well under way and leading retailers continue to shift their check-out mix in favor of self-service options at the front of the store. For information on how self-service options can improve your check-out experience, contact your HP Retail and Industry Solution executive.

1 <https://www.raydiant.com/learn/ebooks-and-whitepapers/the-state-of-self-service-checkouts>

2 <https://retail-insider.com/retail-insider/2021/05/sylvain-charlebois-are-self-checkouts-winning-the-machine-vs-human-battle/>

3 <https://canadiangrocer.com/self-checkouts-are-gaining-popularity-whats-it-consumers-0>

4 <https://chainstoreage.com/technology/study-long-checkout-lanes-cost-retailers-billions>

5 Quote provided by partner and approved.

