

## CASE STUDY:

UK retailer Next uses production print to help drive up efficiency, productivity and restart online retailing after lockdown



## **EXECUTIVE SUMMARY**

Name:	Next Retail Ltd
Location:	Enderby, Leicestershire
Size:	40,000 staff
Activity:	Retail

### Challenges

- Support innovative strategy to improve storeroom processes
- Ensure implementing new working practices was cost effective
- Mitigate loss of business following COVID-19 lockdown

#### Solution

- Ricoh Production Print
- Ricoh Supplies

### **Benefits**

- Helped warehouses restart online retailing safely during lockdown
- Helps implement best practice productivity and efficiency in storeroom operations
- Supports innovative workflow and process improvement
- Produced 25,000 COVID-19 safety signs in 2 months
- Solution deployed in 2 weeks vs. usual 2 months

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ROBERT FOOTE, REPROGRAPHICS CONTROLLER, NEXT RETAIL LTD



Next, one of the UK's leading retailers, had deployed a Ricoh Production Print and Ricoh Supplies service to support increased productivity and efficiency in shop storeroom processes. But it could not have foreseen the dramatic impact it would have on helping the business restart online retailing quickly following lockdown.

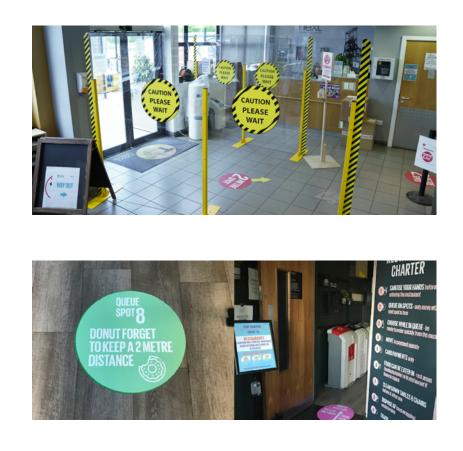
## CHALLENGES

Next Retail Ltd. is one of the leading clothing, footwear and home products retailers in the UK. It was founded by Joseph Hepworth in Leeds in 1864. Today Next has around 700 stores with 500 in the UK and the rest across Europe, Asia and the Middle East. Its high street store and online retail operations are supported by 14 warehouses and distribution centres across the UK.

Retailers operate with small margins and often have to meet tough time-to-market demand. To address these pressures, Next is constantly seeking ways to reduce costs and streamline operations. For instance, the company can change a highstreet shop's stock overnight to meet customer demand for a new fashion. Another area where the business realised it could reduce costs as well as increase productivity and efficiency was addressing in-store operations and processes. Next had developed an innovative way to improve back of store jobs like pricing and tagging clothes, managing stock and processing returns.

A series of table-top and floor labels were created as guides and equipment location markers to help staff streamline operations. For instance, table signs map out a workflow to guide staff to place clothing items and tags and what sequence to follow to quicken and make processes more efficient. The workflow even included adding a radio and water machine to make the working environment better for staff.

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Although the strategy promised cost savings and efficiencies, Next wanted to make sure it could be implemented cost effectively. The existing reprographics operation at its head office was not geared up to mass-produce thousands of signs. So, the business tasked Robert Foote, Reprographics Controller at Next to find a solution. After considering various options, Next decided on an inhouse solution using Ricoh production print technology and services.

Although Next has an existing and successful relationship with Ricoh for various print-related products and services, Foote still carried out a detailed competitive review. He says, "Next supplier relationships are not about getting the lowest price, they aim for best value and consider the whole package including service, support and ongoing supply of consumables. Ricoh was able to offer Next the best value for money package."

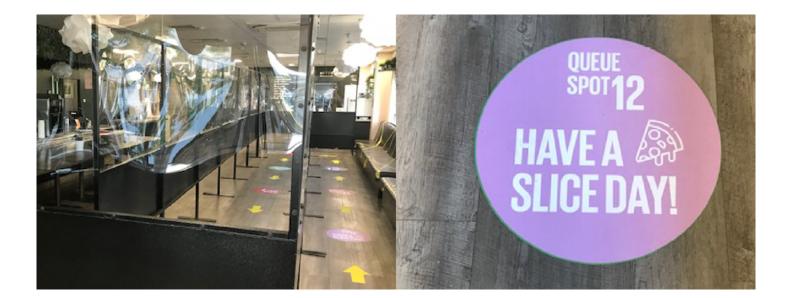
As well as supporting more efficient processes, Next could not have foreseen the dramatic impact the solution would have on navigating the COVID-19 pandemic lockdown.

## **SOLUTION**

Next has set up a new print operation at its warehouse in Yorkshire, using a Ricoh Production Print and Ricoh Supplies solution. It includes a Ricoh flatbed printer for signage, a Ricoh latex printer for floor stickers and a sign cutting machine. These complement the existing Ricoh wide-format printer in the head office print room.

A key part of the Ricoh solution is advice and consultancy about how best to use the Ricoh products for Next's specific application and how to maximise equipment features and functions. This advice includes a combination of media and consumables needed to achieve the best results.

Foote says, "A specialist from Ricoh Supplies came to see us and asked a whole lot of questions around our specific requirements and what we were looking to produce and then reported back with the optimal way to run the printer and the right supplies to achieve our goals. Ongoing, I know that the Ricoh Supplies team works tirelessly to offer me the best service and support they can, even when there are problems."



Foote sited an example of the service Ricoh Supplies delivers. He says, "I had a call on Saturday, 7:30am that we were out of ink because of a delivery hold up. The Ricoh manager answered my call immediately, collected the ink supply himself and delivered it to us by 3pm the same day."

Ricoh Supplies provides all the ink used with the Ricoh product presses as well as some of the print media, including some specialist substrates such as vinyl used for floor signs.

Because of retail business pressures, Next wanted the solution in place as soon as possible and Ricoh helped install it in two weeks instead of the usual two to three months. "Could we have got this as quickly elsewhere, probably not. It's invaluable that Ricoh never says no," adds Foote. It meant the solution was operational just before the COVID-19 lockdown was announced.

## BENEFITS

Although its high street shops were closed, Next wanted its online service available as fast as possible and worked with local authorities to open warehouses safely to support online buying. The original purpose of the new print room was put on hold and the Ricoh equipment redirected to producing COVID-19 safety signs.

Foote says, "Every minute that our warehouses are shut costs the business a lot of money, so we were unbelievably lucky the Ricoh solution was in place. It proved to be a huge asset in helping make warehouses safe and enabled the business to restart online retailing. I'm not sure that we could have moved as fast as we did, had it not been for the Ricoh solution."

Between March and April, Foote and his team produced 25,000 two-metre floor spots, one-way-system arrows and hanging signs. As the lockdown began to ease, the team turned to producing safety signs for head office, call centre locations and then store backroom areas. All front of store print and signage was already outsourced to a specialist printer.

Besides its impact on lockdown challenges, the Ricoh solution and service has been a key part of helping the business make store backroom operations more efficient, productive and cost effective.

Before there had been little or no signage in a shop back office, so typically each shop worked in a different way. The visual workflow system unifies and streamlines processes and helps staff work effectively and consistently at any store. It also helps large numbers of temporary staff Next uses in peak periods to familiarise themselves quickly with Next best practice.

The print operation supports a huge demand. Each workstation in a store needs a pack of 25 signs and there are around 700 stores with between three and eight workstations each. As well as tabletop workflow plan stickers and labels, the packs also include floor stickers for things like where a goods pallet enters the storeroom and where it should be placed. The relationship with the Ricoh Supplies team means that whenever Foote gets a request from the business, he will include Ricoh in the discussion. For example, the business wanted screens to separate till users in stores for COVID-19 protection. Ricoh was able to meet the need and Next is now assessing how and where to deploy the screens.

"We have built a strong relationship with Ricoh and that has been incredibly important especially during the COVID-19 pandemic. Ricoh understands we ask unusual and sometimes unreasonable things. To have a company like that backing and supporting us and wanting to invest and grow in partnership with us is key. Not everything goes right all the time, but we plan to expand our new print room operation and we want Ricoh with us on that journey," says Foote.

One unexpected result of the work Foote and his team achieved, especially during lockdown, has been to highlight the capability and benefit of production print. Now the team is being inundated with enquiries and requests from many parts of the Next business that previously did not know it existed.

### **Solutions / Products**

- Ricoh Production Printing
- Ricoh Supplies
- Production printer devices:
  - o Pro T7210 UV
  - o Pro L5160
  - o Ricoh Wide Format Hybrid EFI H1625 printer
  - o Print cutter

### **ABOUT RICOH**

Ricoh is empowering digital workplaces using innovative technologies and services enabling individuals to work smarter. For more than 80 years, Ricoh has been driving innovation and is a leading provider of document management solutions, IT services, communication services, commercial and industrial printing, digital cameras, and industrial systems. Headquartered in Tokyo, Ricoh Group operates in approximately 200 countries and regions. In the financial year ended March 2020, Ricoh Group had worldwide sales of 19.06 billion USD.

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NEXT RETAIL LTD

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