

Bringing a voice to retail logistics

Talbots: Significantly increasing picking accuracy



America's largest women's fashion retailer partnered with us to implement the systems and technology they needed to sustain 12 percent growth year on year.

About Talbots

Talbots is the largest specialist women's fashion retailer in the USA. Founded in 1947, it began as a single store in Hingham, MA. Over seven decades later, Talbots' 550,000 square-foot distribution center (DC) sits just 45 miles from there, with over 100 stores across the country.

When they came under new ownership a few years ago, the focus changed to direct-to-consumer (D2C). They now ship 35 million units annually, 10 million of which are D2C, with over 60,000 SKUs.

At a glance

Project goals

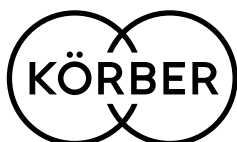
- Sustain 12 percent D2C growth
- Reduce strain on DC
- Improve accuracy in picking process

Solution

- Voice-directed picking

Benefits

- Improved productivity
- Increased accuracy in picking
- Increased accuracy and efficiency in training



TALBOTS



Challenge

Talbots' new owners challenged them to sustain 12 percent D2C growth, year-on-year. They were already meeting this target, but it came at a cost to their distribution center.

Scott Campbell, Distribution Center General Manager for Talbots:

"The company was meeting the goal, but it was a challenge for the DC. We needed to boost our productivity to keep up with the demand. We quickly realized we needed to invest in newer technology."

They were also struggling with accuracy issues in the picking process. To fix this, they installed a manual paper-based checking system in the packing area using hand-held scanners, which put customer accuracy at 99.97 percent. But this didn't solve everything.

"Now the packers were finding as many as 150 mis-picks daily. We prevented issues to the customer, but we identified an issue with our picking process which was creating a lot of work and expense internally to correct those mistakes each day. Paper obviously wasn't working."

Solution

Voice was quickly identified as the optimum solution for improving accuracy throughout the entire picking process.

"After doing some market research and talking to other people in the industry, it was clear that voice would be the best option to increase our accuracy quickly."

Campbell was immediately impressed by our experience. At this point, we had just completed our 500th install, giving Campbell and his team confidence in their choice.

"Körber had just completed their 500th install, which gave us a comfort level in choosing them. We knew we would get the solution and the support we needed."

Scott Campbell

Distribution Center General Manager, Talbots

The next challenge was integrating voice into the Talbots warehouse, which was running off custom-built software.

"We developed our own WMS many years ago, so we really relied on Körber to make sure the voice system would communicate with our software. It seemed like no matter the problem that popped up, Körber was able to get things to work within a few hours."

As a solution, the voice workflows were integrated into the existing process:

1. Pickers begin their shift by logging into the voice system
2. Picker reads work ID value
3. System loads pick path specific to label bundle
4. Voice system guides picker to the pick location
5. Picker confirms a check digit to ensure they are in the correct area and picking the correct item
6. Items picked into a cart and labelled
7. Items sorted into one of 65 packing stations waiting for inventory

Results

Accuracy

Before voice, there were extensive procedures ensuring accuracy, but Talbots still struggled with mis-picks. They wanted to improve accuracy rates beyond the existing 99.92 percent.

“We had an accuracy rate which sounded great on paper, but we were still making 25,000 picking errors per year, which were identified by the existing checking procedures.”

Within days, they saw their pick accuracy rate jump significantly. After 8 weeks, it reached 99.97 percent and the remaining mis-picks were few and far between.

“We saw a huge jump in accuracy, but I still think that number will increase. Some of those errors are attributed to voice users in training, so once everyone is familiar with the system I see us becoming even more accurate.”

Scott Campbell

Distribution Center General Manager, Talbots

Productivity

Talbots didn't have high expectations for increases in productivity, and didn't add productivity gains into the ROI calculations. Despite this, there was a 9 percent increase in productivity.

“We were told we would get them, but we were just looking at improving accuracy. Once we implemented voice, the pickers themselves were the ones telling us they were faster! They said ‘Voice forces us to focus. As you walk up and down the aisles, you can't stop and talk to the people around you. You have to continue moving and listen to what the headset is telling you.’”

Training time

Another unexpected benefit of voice was the improvement in training time.

“Prior to voice, it took up to a month before I would say a worker was 100 percent up to speed. With voice, it's less than a week – we turn associates loose on the warehouse at the end of their first day.”

There was immediate change in post-training accuracy too.

“When we were using manual processes, we could teach someone to follow a sequential order when walking down the aisles, and how we picked, but that didn't mean they would do it accurately. With voice, there is a high level of involvement up front, but once they complete training their accuracy is off the charts.”

Operating costs

They also gained the ability to sustain growth, without increasing operating costs.

“On average, we would use as many as six full-time employees to fix picking errors. With voice, we should need less than one. I can foresee being able to see 12 percent growth without having to increase our staffing levels.”

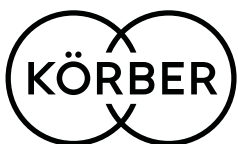
The future

Talbots are now integrating voice into other workflows across the organization.

“We've been so pleased with how voice has gone for picking that we are evaluating all areas of the DC to see if we can further the benefits. Right now I'm looking at extending it into our replenishment workflows to work with our forklift operators, and possibly in our returns processes.”

When asked if he had any advice for someone considering voice, Campbell said:

“It's important to get a partner that has experience and confidence in what they offer. If you're going through a voice implementation, you're going to need that.”



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