

Kwik Trip: Striving to Be “Better Than the Best”

Kwik Trip, which opened its first stores in 1965, is one of the pioneers in the convenience store industry. Over the years, as the industry has grown and changed, so has Kwik Trip, which now operates more than 300 convenience stores across Minnesota, Wisconsin and Iowa. It's also one of the few “c-stores” in the nation operating its own bakery and commissary, even its own dairy, to ensure that its store-brand products are always fresh, always top-quality. Helping Kwik Trip get these and thousands of other products to its stores every day: Vocollect's voice-directed distribution system.

The Challenge:

Maximize Service by Maximizing Distribution

Today, we take it for granted that we can make a quick stop at a convenience store and come out with just about anything we want: from snack foods, to personal items, to whatever staple we've just run out of at home.

What we don't realize is what a huge logistical challenge it is for the stores to stock the wide assortment of products that customers may buy on any given day. All we know is that, if a store doesn't have what we want, it's not very convenient. Chances are, we'll shop elsewhere.

For Kwik Trip, the challenge of keeping its stores amply supplied has been growing — right along with its business. With hundreds of stores under its banner, a far-ranging product line and an increasing volume of business, it has to get more product to more places, more efficiently.



And that means Kwik Trip's central distribution center, which supplies as much as 80 percent of the stock for all of its stores, has to work more accurately and more productively than ever.

That facility, located in LaCrosse, WI, includes a three-level mezzanine for repack items, plus cooler/freezer and dry grocery areas. It also includes a cigarette stamping operation and a tobacco humidor, along with video and film processing.

Each of these areas has its special operational and/or environmental demands. However, they share many of the same problems when it comes to order selection: attaching endless stickers, reading across pick lists, stopping to mark off items... extra steps that slow down and complicate the job, invite errors and increase costs. For Kwik Trip, there had to be a better way.

“Voice is a great solution for us. There's no doubt about it - or the improvements that Talkman has delivered.”

Steve Stoeffler
Warehouse Supervisor
Kwik Trip

Voice Results

Objectives

- Increased accuracy
- Improved productivity
- Increased warehouse throughput

Application

- Order selection: case picking, repack, HBC, cigarettes, freezer

Installation

- Internally developed WMS
- 60 Vocollect Talkman® T2 computers
- Cisco backbone; 802.11b system

Results

- Productivity gains averaging nearly 20%
- Mispicks cut significantly
- \$35,000 per year saved on stickers

ROI

- Conservative measure: 30%
- Payback in less than 18 months

Future Improvements

- Voice-directed put-away, transfers, replenishment, receiving, etc.
- Real-time inventory management

“Voice gives us the opportunity to easily add other distribution applications, including receiving, put-away and replenishment.”

Frank Drasler

Director of Distribution
Kwik Trip

The Solution:

Address Multiple Demands with One Voice System

Well aware of voice technology and the advantages of being able to simply talk to their warehouse management system (WMS), Kwik Trip launched its search for the right system, the right provider. After an eight-month investigation, the company decided on the Talkman® system by Vocollect. With hundreds of installations and a proven record in food and retail product distribution, it was the clear choice.

As with other Vocollect installations, the voice system integrated easily into Kwik Trip's existing WMS. It also integrated with the new RF system, a needed replacement. In fact, though the project team had blocked out two weeks for installation, the new system was up and running in just four days.

At that time, voice templates, which capture each individual's speech patterns to ensure flawless recognition, had been completed for more than 70 people — enabling Kwik Trip to switch over to voice-directed picking.

Additional functionality, now built into the system, has enabled a number of advanced selection techniques that are specially suited to Kwik Trip's business, as well as the physical set-up of its distribution center.

For example, “Multiple-Store Picking” allows order selectors to walk down a long aisle of products once, but pick items for a number of stores into respective totes. “Pick and Pass” enables them to pick from a portion of the aisle, then pass the tote on to the next person. It's a much more efficient way to fill orders, especially small orders, than walking the full 200-foot aisle at LaCrosse.

Custom features, which can be built readily on the Vocollect platform, have made voice an even more powerful solution. Although Kwik Trip has multiple picking environments — and multiple issues to deal with — one voice system does it all.

The Result:

Increased Accuracy and Productivity Everywhere

In short order, the voice system cut mispicks significantly, enabling Kwik Trip to operate at 99.8 percent accuracy, or better. Near-perfect accuracy pays off big, considering the labor costs to check in products, call in shorts, issue credits, and re-pull and re-ship items. Accurate orders also ensure full support and no lost sales — boosting everyone's revenue.

Accuracy is up everywhere, even in the cigarette area, which has always been staffed by Kwik Trip's best workers. An additional, built-in check tells them when their cases are full: exactly 30 cartons. If someone isn't ready for a new case right then, it's an immediate red flag. Catching errors before orders go out to the stores protects against shrinkage, a major concern with such expensive items.

Pick rates are also up everywhere, thanks to the Talkman system. The stats: Productivity has increased 35 percent for full-case picking, more than 20 percent for dry repack, and nearly 20 percent for Health and Beauty Care. In the freezer, a particularly demanding environment, case-pick rates are up nearly 33 percent.

And Kwik Trip got another productivity boost by eliminating stickers. Before, most shifts took a full hour to prepare reams of “pull stickers,” which were then affixed to cases, as well as individual items (with the hope they'd stick). Voice eliminated these steps, plus the cost of producing the stickers: a direct savings of \$35,000 every year.

These and other improvements add up to dramatic savings with picking, the application Kwik Trip targeted for its voice roll-out. They've also led to the implementation of additional voice applications: put-away, transfers, replenishment and receiving — in that order. 🎯



www.vocollect.com

Vocollect North America:
info@vocollect.com

Vocollect Europe:
voc_emea@vocollect.com

Vocollect. Voice-Directed Distribution.

Since pioneering voice recognition for industry in 1987, Vocollect has set the standard for warehouses and other business settings. Together, its market-leading Talkman® wearable mobile computer and integrated software suite cut operating costs by eliminating errors and improving worker productivity shift after shift.

Leading WMS providers, material handling integrators and specialty voice solution providers around the world choose the performance and reliability of Vocollect to deliver integrated voice-directed distribution solutions. And every day, over 60,000 workers around the globe rely on Vocollect's integrated voice solution to help improve their operations.