



Microsoft Windows Mobile Customer Solution Case Study



Overview

Country: United Kingdom

Industry: Retail

Customer Profile

Tesco is one of the world's leading retailers with more than 2,500 stores worldwide. It employs in excess of 380,000 people globally and aims to deliver a consistently strong customer experience.

Business Situation

The company wanted to integrate a satellite navigation solution with existing handheld devices to maintain the accuracy of drivers' home delivery schedules.

Solution

With Microsoft® Windows Mobile™ as the software environment on the handhelds, Tesco integrated an industry-leading navigation device that ensures home deliveries achieve meet their target times.

Benefits

- Drivers maintain accuracy of delivery schedules across large areas.
- Developers integrate navigational solution in just 12 weeks.
- Intuitive software environment supports operational excellence.
- Tesco uses versatile operating system to drive customer services.
- Customers continue to gain excellent home-delivery service.

Tesco.com Ensures Accurate Delivery Schedules Across U.K. Capital with Versatile Software Environment

“The Windows Mobile Pocket PC solution that we have is great. The integration of the satellite navigational software highlights the infrastructure’s flexibility for combining value-added services and supporting excellent shopping experiences for customers”.

Jon Higgins, IT Director, Tesco.com

Tesco.com, the online arm of the United Kingdom’s leading retailer, has developed a loyal following from its commitment to excellent home grocery delivery service. With massive growth and expansion Tesco.com had to open a store designed solely for fulfilling online orders serving the whole of South London. With the complexity and density of population in London, Tesco wanted a navigational device to ensure drivers found the most efficient delivery routes and ensured they continued their excellent customer service. Tesco.com’s developers worked with Microsoft and its partner ALK to deploy a powerful satellite navigational system that integrated with their existing scheduling solution. Tesco.com completed implementation of the new system in just 12 weeks. Drivers gained an intuitive solution that seamlessly integrates with the existing client interface and continue to meet delivery schedules across the capital.



Situation

The expectations of shoppers have never been greater. At home and in the office, consumers use IT solutions to help them work more efficiently and communicate more effectively. Quite naturally, they want to see these technologies play a part in making shopping experiences more convenient too. For retailers, of course, this creates a need for flexible software environments. They want the kinds of technology offering rapid development and easy integration to get new customer services up and running quickly.

At Tesco, the leading grocery retailer in the United Kingdom (U.K.), there is a permanent drive to improve customer service. The organisation is constantly gathering customer feedback for improving existing offerings and delivering new services for the future. As a result, Tesco now runs the world's largest online grocery store, Tesco.com. With several million registered customers, it processes more than 4,000 orders an hour, generating sales of over £1 billion (U.S. \$1.83 billion) in the 2005 fiscal year.

A customer-centric business will never stop trying to improve even a successful formula. Tesco planned to launch a new dotcom store in Croydon, U.K. The store outwardly similar to a normal Tesco store would be closed to the public and filled with trained pickers executing online orders for the whole of south London. It was a departure from the past because, historically, pickers have fulfilled orders at Tesco stores close to the addresses of online customers. It highlighted a commitment from the retailer to maintaining the efficiency of its Tesco.com service and the continued expansion of the online business.

However, with just the single location covering such a vast area of the capital, delivery drivers needed to travel longer distances. Typically, they delivered within a six to 10-mile radius of stores and had a great local knowledge of the immediate road network. This helped maintain the accuracy of delivery times, as drivers used their familiarity to find the most efficient routes. It was vital for Tesco

to ensure this same level of accuracy with the new dotcom store. However, as drivers were less likely to be as knowledgeable about the road network across a large section of the capital, the company needed a navigation system to provide support.

The market for satellite navigation devices has exploded in recent years. Today, it is not unusual to see a small device attached to a windscreen directing drivers to a pre-programmed destination. Yet, a decision to adopt such a device was not completely straightforward. Tesco drivers already carried handhelds that supported an application for executing home deliveries. It made business sense, therefore, to combine a navigational solution with the existing handheld.

Jon Higgins, IT Director of Tesco.com says: "Creating a single, integrated solution would really add value for customers. It would maximise the accuracy of our delivery schedules and, with such a precise system for location, create an opportunity to extend customer services. For example, messaging customers with very precise estimated times of arrival."

Solution

Originally, Tesco took the strategic decision for the software environment of the drivers' handhelds to be based on Microsoft® Windows Mobile™ technology. This delivered the greatest business value, with Windows Mobile ensuring a secure, versatile, and familiar software infrastructure for advanced integration with enterprise-level systems. For example, with Windows Mobile at the core, developers at Tesco built the handhelds' main application, called Reach, rapidly and cost effectively, in fact Reach was developed in less than 8 weeks with 1 developer. Reach completed the final stage in an efficient IT process that seamlessly connects initial Tesco.com online orders with electronic signatures taken on customers' doorsteps.

With Windows Mobile as the software environment, Tesco had the ideal infrastructure to integrate a satellite navigational solution with the Reach

application running on the drivers' Intermec 700 Series Pocket PC devices. On the recommendation of Microsoft, the company engaged with ALK Technologies, which has developed a number of solutions for meeting companies transport needs. Working specifically with the ALK Technologies' European Division, Tesco decided to implement the CoPilot Live Professional for Pocket PC system.

As Higgins explains, combining the navigational solution took full advantage of the Windows Mobile infrastructure. "Integration took just 12 weeks and was an incredibly efficient and straightforward process. We needed just two people from our store systems team working on the project. They worked closely with ALK Technologies and found it simple to integrate CoPilot Live Professional with the existing Reach application."

Dan Popkin, Sales Director of ALK Technologies adds: "Windows Mobile dramatically simplifies the development lifecycle and enables us to support a broad range of devices such as the Intermec 700 Series without significant work. For Tesco, it meant development focused purely on integrating the solution with Reach." To integrate CoPilot Live Professional, developers used a software development kit provided by ALK Technologies and the Microsoft .NET Compact Framework. The .NET Compact Framework ensures the rapid execution of secure applications on digital devices.

The new dotcom store opened in March 2006, at which point drivers began using the new integrated Reach solution with CoPilot Live Professional for Pocket PC. The new satellite navigation solution combines seamlessly with the existing Reach application. For instance, when drivers collect their Pocket PCs before deliveries begin, the navigation system will have already synchronised with the customers' addresses and planned the driver's most efficient route. Once seated in the vehicle, the driver hits the 'go' prompt on screen and the route to the day's first delivery address is displayed. The advanced integration provided by the software environment means the navigation software

recognises when a delivery has been completed and directs to the next address on the schedule.

Adoption among the drivers was immediate. There was minimal training required with the interface for CoPilot Live Professional incredibly intuitive. Higgins comments: "The drivers gained an easy-to-use solution that supported their drive to maintain the existing accuracy of home delivery schedules."

Benefits

At the heart of the success of Tesco is a commitment to improving customer service. A key part of this strategy is giving people the tools that help them deliver value where it counts. The delivery-driver handheld devices combining Reach and CoPilot Live Professional support this better service ideally. Drivers can maintain the accuracy of their schedules over large distances across south London.

Drivers Gain Integrated, Intuitive Tool to Increase Shopping Convenience

Traditionally, Tesco delivery drivers have used their expert knowledge of local road systems to maximise the efficiency of delivery routes and the accuracy of delivery times. Taking advantage of the Windows Mobile infrastructure and easily integrating a satellite navigation solution, they can maintain their accuracy over much larger distances. This means better support for the strategic development of Tesco.com as it incorporates the dotcom store model.

Jon Higgins says: "The Windows Mobile Pocket PC solution that we have is great. The integration of the satellite navigation software highlights the infrastructure's flexibility for combining value-added services and supporting excellent shopping experiences for customers."

Developers Use Secure Infrastructure to Deliver Seamless Integration Rapidly

Tesco has a business development team that works to improve services across the whole business. At any one time, there are a number of projects in progress and often these require the support of the

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ALK Technologies is at the forefront of mobile navigation technology. The Company benefits from over 27 years expertise developing solutions for corporate customers and consumers globally.

ALK's CoPilot® Live mobile GPS navigation solutions are available in Europe, North America and Australia as retail-branded products and as the basis for leading OEM navigation systems, while the Company's PC*MILER® routing, mapping, and fleet management solutions are used by over 21,000 transportation, logistics and manufacturing companies Worldwide. Partners include Motorola, T-Mobile, Scania, NAVTEQ™, Ford, BMW, TBS, and the U.S. Department of Defense.

ALK is a Microsoft Certified Gold Partner and received the 2005 Microsoft Partner of the Year award for Mobility Solutions Sales and Marketing.

For more information about Tesco products and services, visit the Web site at: www.tesco.com

in-house IT developers. The simplicity of programming for Windows Mobile environments minimised the number of developers needed to work on the integration of a satellite navigation system. Higgins had to dedicate only two personnel to the project and they completed the work in just 12 weeks.

Higgins comments: "It is important to use your IT resources efficiently when you have a busy schedule of projects. The Windows Mobile platform helps us gain the most from the talents of our developers and maximise the effectiveness of our project resourcing."

Popkin says: "Windows Mobile played a major role in realising Tesco's goal because it enabled the rapid delivery of a customised solution. The software environment facilitates integration and delivery within a tremendously short timeframe."

Flexible Software Environment Supports Services for Greater Customer Service

Being responsive to the demands of customers is key for Tesco. In which case, the business looks for tools that promote business agility and great customer service. By choosing Microsoft technology, Tesco gains software that supports people's innovative skills and realises great ideas quickly and cost-effectively. With Windows Mobile, the company achieved its goal of easily integrating a satellite navigation solution with the existing handheld device. It minimised the project's lifecycle, helping ensure the company's competitive advantage.

"With Microsoft technologies, such as Windows Mobile, a business gains incredible flexibility, says Higgins. "With the simplicity of the .NET Framework technologies, we can create and integrate new solutions that improve services, fast. It fits perfectly with our company culture of being agile."

Excellent Support Ensures Development Success

Third-party developers such as ALK Technologies understand the added value of Windows Mobile for companies such as Tesco. As a result, the software environment has become the default option for delivering leading business tools. Plus, the support of Microsoft means customers looking for Windows Mobile solutions find the right partners fast.

Popkin comments: "Tesco needed a partner for the satellite navigation project. Through Microsoft, it was quickly referred to ALK Technologies as the appropriate partner. This helped minimise the project's lifecycle, avoiding any delays searching for the right level of support."

Microsoft Windows Mobile

Windows Mobile brings the power of the Windows® operating system to mobile devices, helping businesses and their mobile employees stay connected while on the go. Windows Mobile runs mobile versions of Microsoft programs, including Microsoft Office Outlook® Mobile, Internet Explorer Mobile, Pocket MSN®, Windows Media® Player Mobile, and Microsoft Office Word Mobile, PowerPoint® Mobile, and Excel® Mobile. With Windows Mobile, information workers get powerful software combined with the familiarity of Windows. Combined with available service plans and connectivity options, Windows Mobile-based devices, available from 42 device makers and 68 mobile operators in 48 countries, can be used to make calls, send e-mail and instant messages, surf the Web, and access critical business information even when users are away from the office. More information about Windows Mobile can be found at:

www.microsoft.com/windowsmobile

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