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SCANNING SYSTEMS FOR MID AND LOW SALES VOLUME STORES

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Mid and low sales volume food retailers are faced with a marked competitive disadvantage because they do not have the capability to obtain accurate information for critical management and marketing decisions. Increased labor, equipment, and interest costs in conjunction with flat labor productivity increases are forcing small retailers to analyze alternative methods of increasing their efficiency. These food retailers, while representing 75 percent of the retail food stores throughout the U.S. and accounting for 52 percent of retail food store sales, do not have the expertise or technical resources to perform the indepth analysis required to determine the feasibility of scanner checkouts for their operations. In contrast. large corporate retail food chains have developed the expertise necessary to determine the feasibility for scanner systems.

This study will do an analysis of scanning computer and electronic cash

register checkout systems in order to determine the feasibility of scanning systems for mid and low sales volume food stores. Information and data on electronic scanning will be collected from electronic scanning equipment manufacturers, grocery industry trade associations and food retailing firms. The data will be assimilated such that cost comparisons, and advantages and disadvantages of optical scanning and electronic checkout systems can be made. The results will have an economic impact on operating costs and provide ways to rapidly obtain much needed data for intelligent decision making by the mid and low sales volume food stores. Furthermore, the study will benefit consumers by enhancing the competitive position of mid and low sales volume stores in the retail food industry which should lead to increased services and price competition.

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