

IKEA Belgium has a wish: even more cash registers for paying electronically with Banksys terminals



« The various types of Banksys electronic payment terminals at IKEA enable us to serve our customers faster while enhancing security in our stores and for home deliveries. »

Michel Masui, Finance Manager, IKEA Belgium S.A.

Company profile

Everyone knows IKEA. The Swedish company's stores stock everything imaginable for the home under one roof: sofas, beds, tables, chairs, furnishing fabrics, kitchen utensils, flooring, rugs, kitchens, bathrooms, lamps and plants.

With 235 stores in 34 countries and territories worldwide, IKEA employs a staff of 90,000. The company's range of products and services is the same for all of its stores and IKEA has 9,500 or so affordably-priced items that make well-designed, functional home furnishings available to everyone. Sales for the IKEA Group for the financial year ending 31st August 2005 totalled 14.8 billion euro, while visitor numbers rose to 410 million.

In Belgium, the company operates six stores, with three in the Brussels area and one each in Antwerp, Arlon and Liège.

➤ The Challenge

- Limit queues at cash registers
- Enhance security in stores and for home deliveries
- Increase customer privacy when making electronic payments

A survey conducted recently by IKEA Belgium revealed that the one thing that irritates customers most is queuing - both when looking for a parking space and especially when waiting in line at the check-out. As a result, the store is constantly looking for ways to reduce waiting times, and one of the methods it uses is offering electronic payment facilities.

When it comes to security, encouraging shoppers to use payment cards cuts back on the amount of cash in the stores. Security is also an issue for the transport companies working for IKEA to make home deliveries of large items, such as sofas or built-in kitchens.

Finally, the gradual introduction of the electronic identity card will give IKEA greater security when it hires out delivery vans to customers.



➤ The solution

- More cash registers that accept electronic payments only
- Switching to new, faster Banksys payment terminals at cash registers
- Payments for home deliveries via mobile payment terminals only
- Banksys e-identity card application for customers renting a van

“Cutting down on waiting times is our highest priority,” says Michel Masui, IKEA Belgium’s Finance Manager. “We don’t like to see more than three people standing behind the person being served. Banksys has been proactive in helping us make payment terminals more customer-focused since the first IKEA store opened its doors in Belgium, back in 1984.”

More than 60% of all payments are now electronic, which represents 70% of turnover. There are 3.5 million electronic transactions every year, which equates to around 11,500 per day.

In Belgium, IKEA is making half of all its cash registers cards-only. “Customers rarely have any problems with this,” says Mr Masui. “If customers wish to pay with cash at a cards-only check-out, they are referred on to a cash till after all of their purchases have been scanned. In many cases, they decide to pay with a card anyway. Electronic payments only would be ideal, but that is still a dream.”

➤ Business benefits

- Faster throughput at cash registers
- Fewer errors with payments
- Greater security for stores and home delivery
- More control against fraud when customers rent delivery vans

“In August 2005, we started migrating to the faster Banksys XENTA terminals to increase throughput at the check-outs,” he says. “This new device enables Banksys to extract maximum benefit from its fast transmission network. Each transaction takes 2 to 3 seconds – none of their competitors can come anywhere near. And our customers appreciate the greater level of privacy provided by the terminals.”

Michel Masui is also enthusiastic about the introduction of the EMV standard for credit cards: “Online verification takes a little longer, but we save time overall because there’s no need to print out a duplicate till receipt or check a signature.”

Another good reason for using electronic payments as much as possible is security, particularly with home deliveries. “Paying with cheques is already a thing of the past and cash is now also going the same way,” says Mr Michel Masui. “Despite the fact that we are very happy with the sturdy and user-friendly portable C-ZAM/SMASH mobile payment terminals, we will soon be introducing the new, faster and more ergonomically pleasing XENTISSIMO terminals.”

Customers can hire a van at IKEA to carry large, bulky packs of furniture. “We hope that everyone soon has an electronic ID card, because it greatly simplifies our administration. The Customer Service desks at our stores already have Banksys XENTA terminals with e-ID card application. The customer’s address details stored on the electronic card are automatically printed out on a ticket attached to the renting contract. Which, of course, helps reduce the likelihood of fraud.”

Configuration

- Banksys’ **XENTA terminals** gradually replacing **C-ZAM/SMASH terminals** at check-outs
- Banksys’ **C-ZAM/SMASH GSM** mobile payment terminal, soon being replaced by **XENTISSIMO terminals**
- Banksys **e-ID Card-application** on XENTA terminals at the customer service desks

