

Implications of IT

Intro

This report will be an overview of the advancements of each supermarket, and how they have addressed certain issues of using IT.

Sainsburys

Sainsburys have made technological advancements by installing self service checkouts in local shops. This is an area that not many other supermarkets have invested in, as it is assumed that a local shop would get much less use out of the tills than a larger store. This is bad because the tills cost a lot of money to set up, and pay for all of the components outlined in task 2 P1. It is to take into consideration that people may not want to use the tills, as they remove a social layer of shopping.

Morrisons

Interestingly, Morrisons is the only one of the four major super markets not to invest in an online sales system. It is speculated that this is not due to them not wanting a presence online, but due to the fact that all of the other supermarkets have such an advanced setup at the moment, having hourly delivery cycles and such, make it incredibly hard to join the advancement at such a late stage. An entire delivery system would need to be implemented for a store, as well as a website and server to host the user interface.

TESCO

The advancements of TESCO have already gone into major examination during this topic, but I think that the main one of TESCO's advancements is the loyalty card system. Some think that the reason TESCO implemented this system is to enforce the impression that TESCO want to give something back to its customers for being so loyal. I think this has been a key part in its success, being the most used loyalty system in the UK.

Another change made by TESCO is advancements in the distribution of its media products, such as music and movies, now allowing customers to download their media. TESCO changed the range of products it sells. As they sell a lot of things online, TESCO are able to have a much larger range of products available, as they don't have to have them in stock to advertise them. For example: Large TVs are expensive to transport, and don't sell particularly quickly, so selling them in a shop is quite a lengthy and expensive process, without even going into supplying a large range of different sizes and brands. Selling online does not have this problem as items can even be bought from suppliers when ordered, however this may impact delivery times.

ASDA

ASDA is the supermarket the people often associate with competitive pricing. I wouldn't say that ASDA's competitive pricing is the first of its kind, or even the first among supermarkets, but I think that they have taken it the most seriously, and I think that their pricing is what sets them apart as a supermarket. This is the reason I think as to why ASDA hasn't invested in many technological advancements, as to keep their prices low, they need to refrain from any unnecessary costs.

Conclusion

My conclusion is that TESCO has made the best success out of technological advancements. This is due to their loyalty card system in my opinion. Of all of the advancements TESCO's is the only one that actively made a positive impact on the number of customers using their stores. This is because most of the rival stores focus on making it easier to shop, as opposed to raising the customers incentive to shop there.