

Tobacco vault reduces pilfering

Vinallti, a Cape Town-based company providing dispenser and stock management solutions, is developing a range of solutions to secure high-risk products and provide live vendor managed inventory control. Its newest product, the iBlue Vault, will shortly launch in South Africa, offering retailers secure tobacco dispensing.

The vault secures the entire tobacco category in convenience stores; allowing retailers to sell tobacco without having to stock manage the product or suffer profit-depleting pilferage. Its onboard scanner reports the weekly refill quantities required via iBlue, the real time stock management system. Deliveries are made directly to the vault thanks to the innovative cartridge system, which eliminates the need for all stock handling in the outlet.

"Retailers are battling through tough economic times and the high value of tobacco makes it even more tempting for unscrupulous staff and customers, compounded by the fact that cigarettes are worth more or out of the original packaging - especially sold on the streets," says Franco Polito, the company's sales director.

"To reduce pilferage, some outlets are completing two or three stock takes per day or limiting the stock in the displays. For the retailer, either way impacts negatively - either through lost stock, additional man-hours spent counting or by stocking out," he adds.

Built-in ad screen

Without the need to handle stock, pilferage is eliminated and more importantly, staff can focus on other product categories. Suddenly the tobacco category, which can constitute 30% of a convenience store turnover, is not only a retail role model, but offers perhaps the most socially responsible way of retailing tobacco.

For retailers however, the most impressive advantage is that they can earn their full gross margin and the built in advertising screen provides another source of income.

"We believe that this solution provides a win-win solution. The tobacco corporate can refine its supply chain by tracking all sales in real time, deliver the correct stock timeously and be perceived as socially responsible. The retailer increases its profits, eliminates pilferage and can redirect staff resources. Service to consumers is never compromised and their first choice is always available. Everybody gains by taking a technology step forward," said Vincent Lanz, MD of Vinallti.