

## Case Study

Specsavers

Specsavers uses Ricoh IT Services to deliver first-class IT support to retail stores and achieve savings of 25% year-on-year



Specsavers, the UK's leading retail opticians, has once again extended its 12-year partnership with Ricoh IT Services (ITS) because of the professional, reliable and excellent IT managed support service provided to Specsavers retail stores. Not only

will the next phase of the relationship see more service improvements, but both Specsavers and Ricoh have put in place a number of innovative measures to reduce contractual costs by 25 percent over the duration of the new five-year contract.

### Executive summary

**Name:** Specsavers Opticians  
**Location:** Multiple UK sites  
**Size:** 30,000 staff globally  
**Activity:** Retail opticians

#### Challenges

- Ensure that IT equipment in 800+ high street stores in the UK, ROI and Netherlands is supported efficiently
- Store revenue is dependent on EPOS equipment and other IT hardware suffering little or no downtime
- Meet a corporate objective to continually reduce the cost of business services

#### Solution

- Ricoh IT Services
- A five-year Ricoh managed support service extending the Specsavers-Ricoh relationship to over 12 years

#### Benefits

- Expected to meet a 25% cost reduction target over the five-year contract period
- Cost saving innovation achieved through Ricoh and Specsavers partnership
- Provides Specsavers stores with a professional, reliable and low-cost IT support service
- Access to a network of highly experienced, professional engineers that is hard to replicate elsewhere
- Ricoh engineers 'go the extra mile' to deliver an excellent service
- Provides a 'can-do' and proactive partnership that supports new ideas and requirements with a flexible and innovative approach

### Challenges

Specsavers Optical Group is one of the leading opticians in the UK. The company was founded in 1984 by a husband and wife team, Doug and Mary Perkins, who are both still active in the business today. There are around 1,700 Specsavers stores globally, with the majority of these trading in the UK and Ireland.

The Specsavers business model is a partnership between the stores and the Group, with each Specsavers-branded store owned and managed by a qualified optician. Specsavers provides a host of support services to the stores, from glasses and contact lens manufacturing and supply of specialist optical equipment, through to property leasing, marketing and managing business systems. One of these services, which is key to keeping stores functioning, is IT. For a number of years the support and maintenance of IT hardware has been outsourced to Ricoh and Ricoh has been awarded the contract for another five years.

Peter Robinson, Head of Service Performance at Specsavers Optical Group, says, "The high street is very competitive and we need to be confident that should there be an IT failure, we've got experienced engineers who can get to a store and get that store up and running quickly. Specsavers stores are owner run and they have an expectation that the goods and services they purchase from the Specsavers parent Group will be fit for purpose, value for money and effective."

Alongside quality, Specsavers has recently introduced a new business objective to ensure its services deliver value for money and it has a target to reduce outsourcing contract costs by 25 percent year-on-year. When Specsavers put out the new contract tender, it asked all parties to present how they would help Specsavers achieve the required cost reduction. Some of the ideas that Ricoh presented were highly innovative.

According to Robinson, there were several reasons why the company decided to continue its 12-year relationship with Ricoh. He says, "We wanted to stay with Ricoh because of the value for money we believe we can deliver in partnership with Ricoh. Also, a lot of knowledge has been built up among the Ricoh engineers and while not impossible, this

would be hard to transition to another supplier and we want to leverage that knowledge going forward. We feel that the quality of the engineers is more than acceptable. Some of the stores know the engineers by name and we've got some nice anecdotal evidence from stores of engineers going the extra mile to deliver an excellent service."

### Solution

Specsavers is using a Ricoh IT Managed Service to provide IT equipment maintenance and repair in shops and at the company's corporate offices and manufacturing laboratories, where Ricoh also supports the LAN infrastructure. Specsavers handles all first line support, dealing with minor problems that can be easily resolved over the phone, passing incidents over to Ricoh if there is a more complex hardware related problem.

There are different service level agreements (SLAs) depending on the type of equipment. For example, a till will have a four-hour, restoration-to-service SLA because it is critical to keeping the store operating, whilst a printer, which is not so time critical, has an eight-hour SLA. Calls are prioritised into two tiers depending on the criticality of the equipment. For example, each store has its own dedicated server for data, such as customer clinical records, and this is a priority 1 call for Ricoh which is handled effectively within the framework of the managed service contract.

Robinson says, "The Ricoh engineers are in effect an extension of my team, which is why we talk about a partnership with Ricoh. We've made a video about Specsavers and its stores, which is shown to new Ricoh engineers so that they get a feel for the organisation and its culture, even before they walk into a high street shop. Also, Specsavers staff can go out with a Ricoh engineer for a day or to the Ricoh contact centre so that they can see and understand what it is like from Ricoh's perspective. This is all about working together, but it is also key to improving performance."

### Benefits

The Ricoh service, which is on course to achieve a 25 percent reduction in costs, ensures that Specsavers can provide its stores with a reliable, professional and cost-effective IT service.

Specsavers stores get a service that is worry-free and easy to use; just one number to call for any IT problem. The stores do not have to find their own IT repair service and the Group service costs less than sourcing a similar service locally. It would also be difficult for each store to find a service provider with Ricoh's experience, or to benefit from the quality guarantee that comes with Ricoh and Specsavers ensuring that any new or replacement equipment is the right specification and has the correct and most up-to-date software.



*continued overleaf*

## Case Study Specsavers

"The partnership with Ricoh is important and strategic to Specsavers because at the end of the day it keeps our stores going, and without our stores being able to trade, the organisation doesn't make money," says Robinson.

Simon Wain, Retail Director at the Fareham Specsavers store in south east England, says, "We have a large IT infrastructure and it supports our customers from when they walk into the store right the way through to the sight testing process, registration, dispensing, and back to the till when they leave the store. There are two areas where we sometimes have problems - IT service configuration and general breakdowns. We have a fantastic relationship with our Ricoh engineer and I don't think we've ever had a situation where the problem hasn't been fixed. But it's the fact that he goes way above and beyond what one would expect from an engineer to help the business. So the relationship we have with Ricoh professionally, but also at a personal level in store, is very strong and that's what makes it work for us."

One of the key business objectives for Specsavers is delivering value for money which Ricoh and Specsavers are addressing in several ways. One initiative is 'diagnose before dispatch', which is improving the first-time fix rate. Analysing issues in more detail before sending an engineer reduces time wastage, since the right spare parts and an engineer with the right specialist knowledge can be sent first time. These enhancements to the service delivery model make the service more efficient and mean the store can get back to normal operation quickly.

Another initiative is having a Ricoh employee on Specsavers' service desk every day, filtering calls and helping with problem diagnosis and resolution. This provides on-the-job training for Specsavers staff by sharing knowledge that Ricoh engineers have built up over a number of years, resulting in fewer calls to Ricoh and, therefore, fewer store visits.

Ricoh is also providing more trend analysis reporting to

### Ricoh Solution/Products

- IT Managed Support Service

Specsavers which is used, for example, to manage hardware use more effectively. Robinson says, "Before we would look at a load of stats and see what hardware had failed. Now we can look at the data and see which hardware is about to reach end of life, how many units there are in stores and whether they have gone beyond economical repair. It means we can make much more informed and accurate decisions. And Ricoh can let us know if spares are difficult to source for a piece of equipment so that we've got time to sort out replacements before we start getting into failures to repair or extended downtime waiting for spares."

Although the new contract has only been in place for a few months, Specsavers is already beginning to see signs of an impact on the value for money objective. At the start of each year, Specsavers and Ricoh estimate a target number of service calls on which the annual Ricoh service costs are based. In the past, target and actual number of calls have matched. But because of the cost reduction measures and based on the first quarter performance, Specsavers expects the current year's actual number of calls to be significantly less than target, resulting in a lower cost from Ricoh based on the services that are actually used.

Robinson says, "The value of this fall in activity is that when we set the target of calls - and the price - for the following year we can go lower again. Our value for money strategy is built around working in partnership with suppliers like Ricoh rather than just paying a bill for a service every month."

Of the partnership with Ricoh, Robinson says, "We feel that there is a strong, mutual respect between Ricoh and Specsavers. We are able to explore things together and make the service even better. Ricoh is very open to ideas and likewise we are open to ideas from Ricoh, which it often puts forward. We know from the many years we have worked with Ricoh that we have a good professional service."

Looking forward, Specsavers and Ricoh are continually working to refine the service. There is an evolving service improvement plan which monitors the service during the contractual year and the output from this is then implemented, introducing changes and improvements for the following year.

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Peter Robinson, Head of Service Performance, Specsavers