

# Is good enough ever really 'good enough?'

I have come to the conclusion that the answer is yes... and no!

What a great event...

Retail Risk – London last week was like a breath of fresh air.

Finally face to face with so many old friends and business acquaintances, it was brilliant!

And then to be followed by the 2020 Fraud Awards, of which WIS continues to be the proud sponsor. People were clearly up for a great evening. Dinner was eaten, the Awards presented and then the dancing started. I even took a spin around the dancefloor meself with a nifty foxtrot. Can't wait for the ballroom dancing to get going again now we seem to be on top of covid.

Earlier in the day I had been talking to someone about their RFID stock system. I had pointed out the potential for error. His reply was "It is good enough and it is cheap enough!" And that got me thinking, "Is he right? Is good enough every really 'good enough?'"

Well first of all I guess it depends on the context. For example, when I was planting some box hedging in my garden recently the wife and I read we should plant plants every 18 inches. I know that, as rough guide, if I spread my fingers out to make my hand as wide as possible, then the distance from the tip of my thumb to the tip of my little finger is about 9 inches. What can I say... I have small hands!

Anyway, using roughly two hand spans between plants is fine for planting me box hedging. It is approximately right and that is 'good enough.' But that's because I can see no tangible benefit to fussing over getting the measurement precisely right. However, for others in horticulture accuracy is everything.

Recently I did a tour of an English vineyard. And before you start scoffing at the idea of English wine, you might want to consider that out of a global entry of 17,500 different wines for the prestigious annual Decanter Awards, this winery won not best in region or class, but best in the world!

They way these guys make wine is incredible. They make no compromise on quality in any of the many, many areas it is possible to take short cuts. As a result, even though they have only been in business just over a decade they have become world leaders in wine quality. And I took time to sample as many of their

wines as possible – all in the name of research, of course – and as a result of my obvious self-sacrifice, I can tell you that they make bloomin' great gear!

Anyway, think back to me with me box hedging and 9 inch handspan. When the guys at the Winbirri vineyard plant vines, they get a specialist team of German viticulturalists in to plant them for them. And they plant 20,000 vines at a time, each planted to within 5mm of their desired location. Each vine is then given its own GPS reference and the hours of sunshine it gets calculated and monitored precisely, so they know exactly the right time to pick the grapes and when the flavour profile, which changes as grapes ripen, will be perfect for them to harvest to make their wines. Plus or minus 5mm! Best of 17,500 wines...

So clearly if you want to be the best, if there is a lot riding on the result, then good enough is NOT going to be good enough unless it is perfect.

And then of course it depends upon who is saying it. Is a 'good enough' approach what you would expect of that person, with that experience or of that brand?

If me mate comes over for a glass of wine on an evening, I'll get a nice bottle of Cloudy Bay (costing about twelve quid) out and we'll sit in the garden, chatting away and happily glugging ordinary wine. But if I am entertaining the good and the great of the risk management industry, in the WIS VIP Lounge at the Fraud Awards, then my respect for both my brand and their standing in the community means I serve something extra special like Dom Perignon or Bollinger... both of which I know must good, because James Bond drinks them!

You see as the biggest stock take company in the world, people expect you to act in a certain way. And because of the respect I have for both our current and future customers, I want to make sure they have the best experience. For a drink with me mate then good enough is good enough. But for the titans of our industry, for those with whom we already or hope to do business, then I want to align myself with excellence.

So back to the event...

I have written before about the false hope that RFID is giving the industry and cautioned against an over reliance on this technology as the magic bullet. I have studies conducted by the few retailers who are happy

to allow their internal documents to be circulated for the benefit of all, that conclusively show that RFID is significantly less accurate than professionally conducted third party multiple count cycles. More importantly it leads to significantly greater costs being incurred by the retailer. I would also mention here that the retailers WIS work with enjoy a 99.8% stock accuracy level or better.

So imagine my shock when a top ten retailer announced before a group of their peers that thanks to RFID they had managed to increase their stock accuracy to 91.7% over a number of years. And this was being held up by a vendor of RFID as a triumph! All it said to me was that it was neither good enough nor cheap enough! That's why I wrote the report entitled *RFID: Real Fantasy Inventory Delusion*. Get in touch and I'll send you a copy, if you like.

How can it be acceptable to have almost 1 in 10 of every item wrongly recorded? In an age when stock accuracy is potentially one of the biggest competitive opportunities available to any retailer, how can getting

it wrong almost 1 in 10 times be 'good enough'. How do those thousands of customers feel that getting it right for them is not that big a priority. Especially when the means to get it right are easily available.

In which areas of professional life is a 1 in 10 failure rate acceptable? Airline pilot? Surgeon? Lawyer? Electrician? Obviously, none of the above. So, what we are really saying is either that we are not that ambitious or that the customer is not that important. Wow! That is not going to end well...

I am really not trying to convert everyone to using WIS services. Whether you ever outsource stock take services is not the point. What is the point is this.

With RFID, unless you are 100% tagging at source, the labels get left off. And no label means the stock is invisible to your RFID count. And if you put in the resources required to get your labelling 100% correct, it would be cheaper, faster and simpler to use multiple counts undertaken by skilled staff. And if you doubt that, give me a call and I'll gladly show you the evidence, so you can make an informed decision.

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