

White Paper:

How Data and Mobile Technology are Transforming Retail Associate Performance



Introduction

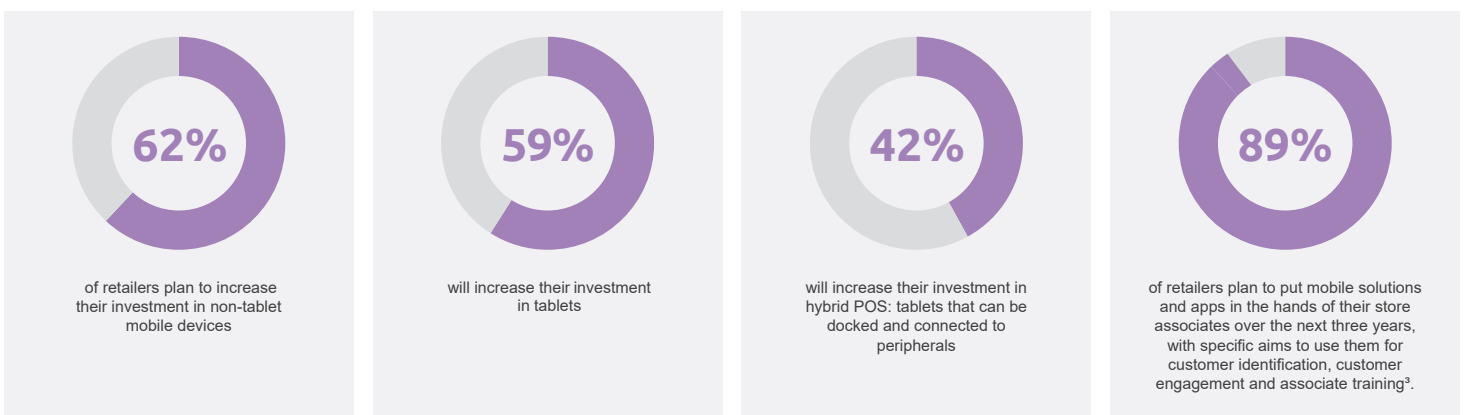
Mobile devices in associates' hands may well be the key that unlocks a treasure trove of enhanced, engaging retail store customer experiences — and increased revenue. For years, online and mobile shopping offered a strategic advantage over retail stores because of the data they generate — their ability to see, analyze and act on customer behavior in real time to streamline the customer experience, both during and after the purchase period.

Brick and mortar couldn't compete, because stores were data dark between the front door and checkout. Mobile retail technology changes all that. Different devices enable stores to put that same data — product info and options, inventory location, promotions and more — into the hands of a now-empowered retail associate who can deliver what stores can't: an engaging, well-informed, human encounter, one that's proven to be a highly effective motivator for completed transactions. IHL Group¹ found retailers that provide mobile sales tools for staff enjoy 77 percent higher sales growth than those who don't, and those that deploy mobile POS achieve an impressive 92 percent higher sales.

This combination of mobile devices, well-trained store associates and access to product, customer, inventory and other key data creates a virtuous cycle. Employees feel empowered in their jobs, delivering better customer experiences, driving more sales and sticking around. In addition, with the new need for social distancing and contactless transactions, mobile devices enable employees to deliver the same engaging in-store experience just outside of the store or curbside.

Customers who visit a store and have their needs understood and met quickly are likely to spend more and return for positive experiences. This is especially true when clienteling is added to associates' armory — using data to maintain customer engagement beyond the shop floor by sending relevant information, such as special offers on previously purchased product lines. Labor is employed more efficiently as associates tap mobile and other forms of automation to streamline tasks like Click and Collect, replenishment and POS, so they can devote more staff to serving customers instead of repetitive back-end tasks.

Retailers are eager to achieve these benefits. According to BRP², in 2019:



When retailers put the right devices and infrastructure in place to support them, mobile devices open up a world of new opportunities to impact the customer experience, both directly by accessing data to address customers' individual needs, and indirectly by speeding and streamlining back office tasks like inventory management that support retailers' customer experience goals.

How Mobile + Data Revolutionize the Store Floor

Mobile devices offer the potential to dramatically impact many facets of daily life on the store floor by enabling the seamless flow of data — both from valuable central stores of customer, inventory and other data to the associate, and data collected by the associate from customers, as well as from bar code scans, task management apps and so on, back to those systems in real time. The result is unprecedented visibility and the opportunity to leverage store associates to influence shopping activity on the store floor like never before.

Enhancing the Customer Experience with Mobile

Customers and staff alike get frustrated when shoppers have more access to helpful information than associates do. Research by TimeTrade found 60 percent of customers report sometimes needing help in a store but being unable to find the right person — in other words, the person with the information they are seeking — to assist them.

Mobile retail technology addresses this issue directly. Despite the increase in consumers who pre-research purchases online before visiting a store, they still need help while shopping. Mobile devices in the hands of store associates empower them to locate inventory, explore personalized options like color, fabric and accessories, place a special order or enable quick checkout on the spot. This helps the customer get in and out quickly, increases their satisfaction, and more effectively manages crowds within stores. Add in clienteling — maintaining post-store engagement with messages personalized to the customer's interests — and associates can make even more of a positive difference.

A 2017 BCG survey found that strengthening customer relationships through data-driven personalization can increase revenue by 6 to 8 percent⁴. The goal is to create a truly helpful experience that's tailored to the customer's needs — and it is the mobile device, whether phone or tablet, that puts the data and capabilities at the associates' fingertips.

In "What is the future of the retail store associate?"⁵, Gartner notes, "This need is elevated in specialized areas such as home improvement, drugstores and cosmetics, where informed associates can make a significant impact on customer satisfaction."

Mood Media, found that more than three-quarters of US consumers (76%) report feeling at least somewhat comfortable with the new health and safety measures placed in stores, and 37% report that these health and safety

measures make them feel safer⁷. Research confirms that the combination of human contact and access to data appeals highly to consumers. According to TimeTrade⁶:

- 78 percent of shoppers are likely to buy when helped by a knowledgeable associate.
- The top three things consumers value most when shopping in a retail store are prompt service, personalized service and smart recommendations.
- 57 percent of shoppers felt they received prompt, personal service when they knew that store associates were collaborating on mobile devices such as tablets and smartphones to help them.

Store associates wielding mobile devices can create these customer-satisfying experiences in several ways, including:

Inventory Location:

Associates can use mobile devices to help customers find inventory or locate an out-of-stock item at a different store or online, and arrange for delivery, saving the sale and avoiding customer frustration. Store associates at specialty retailer Everything But Water, for example, use mobile devices to access inventory⁸ across the chain and a 360-degree view of customer information to provide personalized "buy anywhere, ship anywhere" service.

Extended Assortments/Accessories:

Complex purchases, such as furniture, a cell phone or a wedding dress often require that customers to view options and accessories. Store associates can use tablets to explore these offerings with the customer, check availability, then place the order and arrange delivery or installation services.

Selling furniture at Nebraska Furniture Mart⁹, for example, used to require salespeople to leave customers to locate inventory and get answers to questions, and customers had to move to checkout to complete the sale. Now tablets enable the salesperson to scan the product barcode, show customer options, process paperwork such as warranties, capture signatures and complete payment to quickly help customers.

Special Orders:

Customers who need out-of-stock items, or to arrange installation or delivery services, can easily place their orders and be on their way by connecting with associates wielding mobile devices in store aisles.

Customer Communication:

Retailers are beginning to use mobile devices to enable direct communication in a way that's familiar and comfortable for customers. Nordstrom¹⁰, for example, is rolling out MessageYes as part of its employee mobile app to offer mobile messaging between employees and customers. The app leverages human-assisted artificial intelligence (AI) and integrated payments to learn from customer feedback and personalize the experience, and enables a customer to easily close the sale via mobile message.

Line Busting & Managing Social Distancing:

One approach for shortening lines is to dispatch associates to mobile devices to scan items, then suspend the order so the customer can complete payment at checkout. That relieves the cash-wrap from scanning tasks, speeding the line and moving people out of the store more quickly.

Such functionality is sometimes included in what BRP calls "mobile workbench" solutions — apps that enable associate functions such as real-time inventory visibility across the enterprise, customer look-up of personal preferences and purchase history, loyalty and single use coupons. "In most cases, these applications can be developed internally in a fraction of the time required to implement a complete mobile POS solution. Even more notable is that these lower cost implementations can achieve a significant return in a relatively short period of time and enhance the customer experience by allowing the store associate to spend less time behind a counter or off the sales floor," BRP reports¹¹.

Mobile POS:

Mobile POS solutions prove popular with customers due to their ability to enable skipping one of the most aggravating parts of the store experience: long check-out lines. Mobile POS capability enables associates to move seamlessly from helping the customer to closing the deal, preventing lost sales from customers who give up to avoid the wait. Customers seeking a quick in-and-out visit can locate an associate on the store floor, quickly complete payment and be on their way. This makes the check-out experience safer and reduces the number of people waiting in line to maintain with social distancing mandates.

Mobile POS devices also empower retailers to reduce the number of fixed checkstands and the amount of labor they require, transforming those associates into salespeople who can drive a sale rather than simply processing one.

IHL Group¹² found retailers who effectively deployed mobile POS achieved average sales increases 92 percent higher than retailers in the same segment that did not use mobile POS.

Such results are driving mobile POS adoption in a big way. Within three years, an impressive 70 percent of retailers plan to have mobile POS, according to BRP¹³. Adopters include retailers of all sizes and levels, from specialty stores like Century 21¹⁴ and the UK's Mulberry to Macy's¹⁵ and Walmart¹⁶, the latter of which is testing cellular-enabled mobile devices with built-in receipt printers in the lawn and garden centers of more than 350 stores.

Clienteling:

Enabling parity with data-driven online shopping experiences, as well as creating differentiation from their competitors, associates can develop a relationship with customers beyond the shop floor through clienteling. Associates can:

- Contact customers via email/SMS to share links to suggested products online or in-store.
- Inform customers when similar or new products are in stock.
- Inform them of changes to store hours & safety protocols
- Remind them to repurchase items that might be running low.
- Send personalized birthday or anniversary messages/ discount codes.

Customer loyalty increases, driving sales and revenues; whilst associate satisfaction is strengthened through rewards for these uplifts.

From In-store to Curbside

According to Adobe Analytics data¹⁷, Buy-Online-Pickup-In Store (BOPIS) orders, including curbside, increased 62% year over year from late February to March 21, 2020 and there is no indication that this is slowing down. As curbside pickup evolves, customers will begin to expect the rest of the in-store experience to follow. Equipping associates with mobile devices enables them to facilitate everything from checking inventory to curbside returns and exchanges. Since COVID curbside orders have increased 208%¹⁸ and 59% of customers say they are more likely to continue curbside pickup¹⁹.

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Automating and Streamlining Back-Office Tasks with Mobile

In addition to directly impacting the customer experience through these use cases, mobile retail technology is highly effective for streamlining and automating back office tasks. Mobile devices in the hands of store associates can shed powerful light onto previously data-dark store floors by improving visibility of inventory. Via mobile devices, store associates can receive, replenish, audit and pick inventory, including for click and collect, ship-from-store or store transfers.

By bringing mobile to these tasks, inventory management processes become faster and more accurate and efficient. That has a significant impact on customer satisfaction. According to an Auburn University study²⁰, the average retail store's inventory accuracy is a dismal 65 percent. And a study by IBM²¹ found if a customer does not find a desired item in stock, 72 percent will shop for that item at a competitor and 67 percent will forfeit one or more future shopping trips to the offending retailer.

Mobile can help boost in-stock positions. The ability to capture in-store inventory status and movement via mobile brings much-needed light to the previously data-dark store floor. Every time a barcode is scanned by a retail associate, a retailer can instantly update centralized data about the current location of each product and its accessibility.

Stores previously used specialized, heavy duty scanning devices for in-store inventory tasks. However, few could afford more than a few per location, so their impact was limited. By deploying lightweight, low-cost smartphones or tablets to many associates, retailers open many new opportunities to leverage their workforce to streamline and improve back office processes.

Click and Collect Fulfillment:

Click and Collect, BOPIS (Buy Online, Pickup In Store), and ship-to-store are growing quickly as means to satisfy consumer appetites for near instant access to purchases, and as a way to drive store traffic and incremental sales. Many leading retailers, including Target, Walmart, Zara and Kohls²², offer Click and Collect service. Research by RIS News found 44 percent of shoppers made additional purchases in-store when using ship-to-store, and 62 percent of retailer "winners" offer in-store inventory picking to fulfill Click and Collect orders.

Store associates armed with mobile devices help retailers fulfill tight, one-hour Click and Collect pick-up windows by locating, scanning and picking orders using their mobile device.

Store Transfers:

Similar to Click and Collect, store associates can use mobile devices to fulfill store transfer requests. During both Click and Collect and Store Transfer tasks, they can also update current in-stock levels through real-time links to cloud-based centralized inventory systems, so customers see accurate inventory levels in digital channels.

Replenishment and Stock-Taking:

Mobile devices in the hands of store associates also open up opportunities to audit stock levels and create replenishment orders more frequently. Technology therefore brings more speed, accuracy and visibility to the inventory process. Managers or associates can also take the opportunity to scan misplaced items to remediate shelving errors.

Some retailers have even begun using mobile devices to manage the inventory that moves through their dressing rooms, scanning items as customers enter and leave, to reduce shrink and gain visibility to items that are otherwise untraceable.

Receiving:

Lightweight mobile devices with the right protection and accessories are a low-cost replacement or supplement to heavy-duty scanning devices purpose-built for receiving and other backroom inventory tasks.

Floor Sets and Planograms:

Retailers are increasingly leveraging mobile devices to deliver floor set instructions and planograms to ensure consistency and compliance in shelf sets and displays, as well as capture images of completed displays for compliance.

Task Management:

In addition to inventory activities, placing a mobile device into the hands of store associates facilitates task management, driving increased speed, efficiency and flexibility of store associates. Instant task dispatch in response to newly identified customer needs increases responsiveness and enhances the customer experience. Task management also helps store managers better balance customer-facing activities such as Click and Collect fulfillment with supporting activities such as stocking and replenishment.

Some retailers have also tested delivery of short training content via mobile formats. According to BRP²³, "Using mobile tools to improve training and move tasks from the back room to the sales floor offers immediate enhancements for retailers."

Making Mobile Work

Mobile devices are a tool, but they don't work in a vacuum. Retailers must take care to partner with the right provider, select the right devices and create the right infrastructure and support around the solution so mobile can work its magic in transforming the customer experience. It's also important to consider future plans, so the device can be pressed into new uses as customer demands evolve.

Form Factor:

One essential task in any mobile project is to identify the right form factor for the job, and this starts with use cases. It's important to understand all the ways the device will be used, the environment it will be used in, and who the users are. For example, if an associate will be sharing a screen with the customer to look at fabric choices, view a product video or engage with other media, the device must lend itself to that function. If it will be used primarily for mobile POS, replenishment or Click and Collect throughout an eight-hour shift, a lightweight and smaller form factor is in order.

For devices that will serve primarily for processing transactions, retailers can choose between handheld and movable models. A handheld device works best when associates will carry the POS to the customer, such as for queue-busting or clienteling. Use cases that call for a quick but mostly stationary setup — say an outdoor garden center, tent sale or pop-up store — call for a lightweight mounted device, such as NCR's POS solution that incorporates Samsung's Galaxy Tab A.

Accessories:

Hand-in-hand with form factor are the right accessories to meet use cases. To process transactions, a mobile device needs a scanner, the ability to swipe or dip credit cards, and a receipt printer, on board or available via wireless connection. Scanning is also essential for devices used for inventory management tasks, and a case with a hand-grip will make it easier to use. Hybrid uses, such as replenishment plus temporary checkstand, call for an easy-to-use counter mount. It's important to confirm that the necessary accessories are available as optional features, or via add-ons such as sleds. In addition, the right device enclosures are needed to address any unique or environmental needs.

Operating System:

Choosing devices that run a modern, open, mobile-first operating system enables retailers to make optimal use of their investments. An open OS enables retailers to easily access or write custom apps to address their specific needs, as well as access world-class, enterprise-level security capabilities.

Wi-Fi or Mobile:

Many retail deployments will keep their devices entirely indoors and would likely benefit from using a private Wi-Fi network instead of cellular data. Using unlocked mobile devices removes the need for a carrier contract for Wi-Fi-only use cases, and is also helpful for devices that may only be used during peak sales seasons and which don't need to be enrolled in a service contract year-round. For more mobile associates, however, a robust cellular data plan may be necessary.

Partner:

Choosing an experienced mobile partner enables retailers to leverage the expertise that comes from working on retail mobile projects every day. Retailers benefit not only from insights into what works and what doesn't, but also from deep domain expertise and training assistance. A great mobile partner also offers an ecosystem of accessory manufacturers, in-store analytics service providers, software providers and deployment and support partners to ensure an effective and well-integrated solution.

Device Security/Management:

To deliver on their promise, a retailer's fleet of mobile devices must remain operational, secure and up to date. Enterprise mobile management/mobile device management (EMM/MDM) helps ensure all of these by tracking the location and status of devices as well as locking them down to prevent tampering and unauthorized use. Samsung Knox, for example, features solutions to enroll, configure, manage, remotely update, support, secure and maintain mobile devices by leveraging the Knox platform already built into every Samsung device. IHL notes, "Physical security is a concern, but a bigger issue is the security of the data on the devices and locking down the interfaces and management of these devices. Many retailers are simply ill-equipped with the staff and knowledge to adequately protect devices at the store level."

According to RSR Research's IT Spending in Retail 2018²⁴, retail "winners" are far more likely to be planning to increase spending on mobile device management over the next three years than other retailers — 60 percent over 26 percent.

Employee Training:

While the familiarity of smartphones such as Samsung Galaxy devices makes it easy and intuitive for new hires in the high-turn retail industry to learn to use apps for customer service, inventory and task management, it's important to develop effective training to teach store associates how to

effectively weave mobile device use into customer-facing and store support tasks.

BRP²⁵ advises that "without proper associate training on new technologies and processes, mobile deployments will not achieve the desired outcomes and will likely frustrate or disappoint customers — a costly mistake." One key finding by IHL was that training associates on how to maintain eye contact while using mobile devices was one of the top three success criteria for retail mobile deployments.

Training store staff to use mobile devices effectively to complete tasks also produces cascading benefits: not just more satisfied customers, but happier staff. The Retail TouchPoints 2017 Store Operations Survey²⁶ found the top benefits to implementing associate-facing mobile solutions were increased customer satisfaction (58 percent) and improved employee

morale (44 percent). Research has demonstrated that workers who feel empowered in their jobs report higher job satisfaction and retention. Millennials also reportedly find tech-forward work environments more attractive.

At Century 21 Department Stores, for example, "Store associates are thrilled to offer the convenience of mobile checkout to our customers and everyone is delighted by the mPOS [mobile POS] experience," Larry Mentzer, Chief Revenue Officer, Executive Director of Stores at Century 21 revealed in a statement²⁷. "The mobile transaction numbers have far exceeded our expectations."

Mobile technology represents the future of retail — to learn more about these exciting technologies, Stratix and Samsung offer a broad portfolio of digital retail solutions.

Leveraging the Power of Mobile in the Six-Foot Economy

Mobile devices are woven deeply into the everyday lives of consumers and store associates alike. The days when an in-store shopping experience does not involve using a mobile device are quickly slipping away. With more mature mobile use cases such as mPOS proving a tremendous value, retailers need to begin embracing the power of mobile devices to transform the entire in-store shopping experience, bringing the brand experience to the customer instead of making the customer hunt for the information and services they need. Meeting customers where they're at while giving them the physical space that they can't get with traditional point of sale is important for social distancing. The same fleet of devices streamline and speed back office tasks, so associates can spend more time serving the customer.

With associate mobile devices, retailers leverage the data and insights of the entire retail enterprise to empower the associate to deliver an exceptional brand experience — one that drives traffic, revenue and satisfied, loyal customers.

About Stratix

As the largest pure-play enterprise mobility specialist in the U.S., Stratix is dedicated to guaranteeing nonstop mobility. The company leverages 35+ years of expertise and experience to accelerate and inspire business mobility transformation for some of the world's most iconic brands. Their SmartMobile programs ensure each client has the right technology, tools and support programs in place to stay ahead.

[Learn more: www.stratixcorp.com](http://www.stratixcorp.com)

Footnotes

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