TRENDS SHAPING THE STORES OF THE FUTURE

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Exciting times in Retail

We are entering a new generation of retailing, where technology is helping to redefine convenience and value. We are no longer shopping in the same way; as the big weekly shop is replaced by more regular smaller basket trips, combined with online deliveries.
Customers scan the app on their smartphone at the entrance and then ‘shop and go’. Advanced technology logs what you have in your hand or put in your bag and charge to your account. A genuine retail revolution that is putting the customer first.
Order your groceries online and they are ready for pick up in as little as 15 minutes.
Number plate recognition means you don’t even have to get out of your car.

AMAZON FRESH PICKUP,
BALLARD, SEATTLE
With Amazon’s acquisition of Whole Foods Market, the brand now has multiple new locations to site its online pickup lockers.
Waitrose is trialling climate controlled click and collect lockers for online orders.
We are seeing the rise of the ‘retail robot’ where human interaction is replaced with technology in supermarkets, restaurants and pharmacies. However, as with all technology in retail, where it fails to add value to the customer experience, either through increased convenience or experience, then it is a wasted investment.
Wal Mart is implementing these pickup towers in 500 locations. Online orders are retrieved with 45 seconds of scanning the order. Wal Mart is challenging Amazon with this new automated pickup point for fresh and chilled groceries.
Bingo Box is an automated convenience kiosk powered by mobile. Shoppers register through WeChat to open the door. They scan each item’s barcode and pay on their phone, either via WeChat or Alibaba’s mobile wallet app, Alipay.
Virtual Stores

Whilst these concepts do harness mobile, they still replicate the store experience with pictures of products on virtual shelves.
Discount grocer Jumbo promotes its shopping app with a bus stop virtual store.
Traditional butchers and fishmongers now spend their time preparing meal solutions to go, rather than meat based ingredients.
Retailers are freeing up resources for re-investment in innovation and customer strategy to gain competitive advantage and drive growth.

CLX helps organisations unlock efficiencies, pay & reinvest in customer initiatives and stay ahead of the trend delivering customer centric services.

You don’t need capital to unlock efficiencies now!
Self Checkouts

Rolled out over 20,000 self checkouts units across Coles and Sainsbury’s facilitated by a robust change, project and implementation plan.

Coles
Sainsbury’s

20K units

$200M of benefits
listening sessions with team members and customers

We learn what motivates the team members and what makes them want to change

Based on our findings we structure the learning and change programs

Find ambassadors of the change program within the business

Launch the program of change with a ‘big bang’
ENGAGEMENT AND TRAINING APPROACH
TRAINING IS NOT JUST A ONE DAY LEARNING SESSION

REVIEW AND ORGANISATION NEEDS
CONTENT AND DELIVERY METHOD
TRAINING AND POST TRAINING
SUSTAINABILITY
THE COLES SELF CHECKOUT JOURNEY
OBJECTIVE: 50% OF CUSTOMERS SELF SCANNING BY 2015

2011
150 STORES
35% Cust.

2012
360 STORES
40% Cust.

2013
600 STORES
45% Cust.

2014
720 STORES
50% Cust.

2015
ALL STORES
54% Cust.

2016
58% Cust.

2017
R10 ROLLOUT

KEY LEARNINGS
i. Store layout
ii. Future proof
iii. Licensed team members
iv. 5 Golden Rules
v. Card vs Cash
vi. Merchandise surrounding self checkouts
vii. Branding of checkouts
viii. Loss considerations
ix. Broader education (support centre)
x. Centralize look up and interventions

KEY LEARNINGS
i. Rostering
ii. Compliance – discipline operations
iii. Consistent and standard review of process and policy
iv. The right number of coaches in the area
v. House keeping standards
vi. State coaches
vii. On peak and off peak model
viii. Training and post implementation support
ix. Measurement and reporting
x. Hybrid belted self checkouts
CASE STUDY
COLES SUPERMARKET POS REPLACEMENT

It took 4 years to finish the OneShop program, from the initial planning stages in 2013 to the last store rolled out in 2017. This was done by a strong relationship with NCR.
We knew the change plan was always going to define how successful the rollout was. We listened to team members and customers to understand what drives them and how they approach change in their everyday life.

We created a fun, interactive and engaging way of learning the ropes of the new system...so we delivered...

CASE STUDIES – COLES POS REPLACEMENT

“POS replacements are exciting for team members” ....... said no one EVER!

We kept what was great in the old system. We travelled the world to find best practice. We knew the change plan was always going to define how successful the rollout was. We listened to team members and customers to understand what drives them and how they approach change in their everyday life. We created a fun, interactive and engaging way of learning the ropes of the new system...so we delivered...
Bespoke training content tailored for each individual retailer

Facilitator guides fully documented so retailers can use to “train trainers”

Customer service methodologies teaching team members the basics of customer service, step by step instructions

All 30,000 team members received half a days training in purpose built training venues
A FUN, COST EFFICIENT AND INTERACTIVE WAY OF LEARNING

1. Lookup Legend
   - ROUND 1: FRESH APPROACH
     - Score: 47
     - Score ranking: 0
     - Best: 47

   - ROUND 2: TIME TO PRODUCE
     - SELECT THE CORRECT OPTION AS QUICKLY AS POSSIBLE.
     - Bring fast and accurate will mean the best scores.

   - OK.

2. Scanning Integrity
   - Incorrect scanning can cost the business millions of dollars per year.
   - Improving scanning accuracy means more funds to invest in service and lower prices for our customers.

3. Pack Man
   - Welcome to Pack Man! Packing bags correctly is an important aspect of customer service.

4. Service Promise
   - Service Promise taught team members the basics of delivering great customer service.

1. Lookup legend helps team members quickly identify shopping items and locate them quickly on the checkout look ups.

2. The scanning integrity modules help team members scan items accurately. Initially there was a 9% error rate.

3. Pack Man helps team members to learn the optimal way of packing a bag.

4. Service Promise taught team members the basics of delivering great customer service.
BENEFITS & RESULTS
Change management optimised the benefits and results

Because we took the time to plan and understand the change impact and how team members would deal with the change the OneShop program landed in all 800 stores…

- **On time**: Change over for all stores was done on time for all stores.
- **Within budget**: The whole program was conducted within budget despite budget pressures and stretch targets.
- **Minimal Disruption**: The solid change plan meant that stores were not disrupted too much and all stores cut over with no loss to sales or trading time.
- **Benefits**: The program delivered the business case benefits of $52M of annual efficiencies.
- **Customer Satisfaction**: No state saw a drop in customer satisfaction post implementation, customers noticed the difference but saw it as a good change.
IN CONCLUSION THEN...

- Retailers need to find ways of operating more effectively to **unlock efficiencies** in their store.
- You don’t need capital to unlock efficiencies **now**!
- Implementing change is **not easy** that’s why we need a great people and process plan.
- Change needs to focused around the **people** impacted by the change rather than the changed **process** itself.
- Give people a **reason** to change and they will.
- The future of retail is exciting if you as the retailer are willing to challenge the norm and give customers what they **really want**.
Thank You!

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