

Before we can talk about execution, we need to talk about engagement



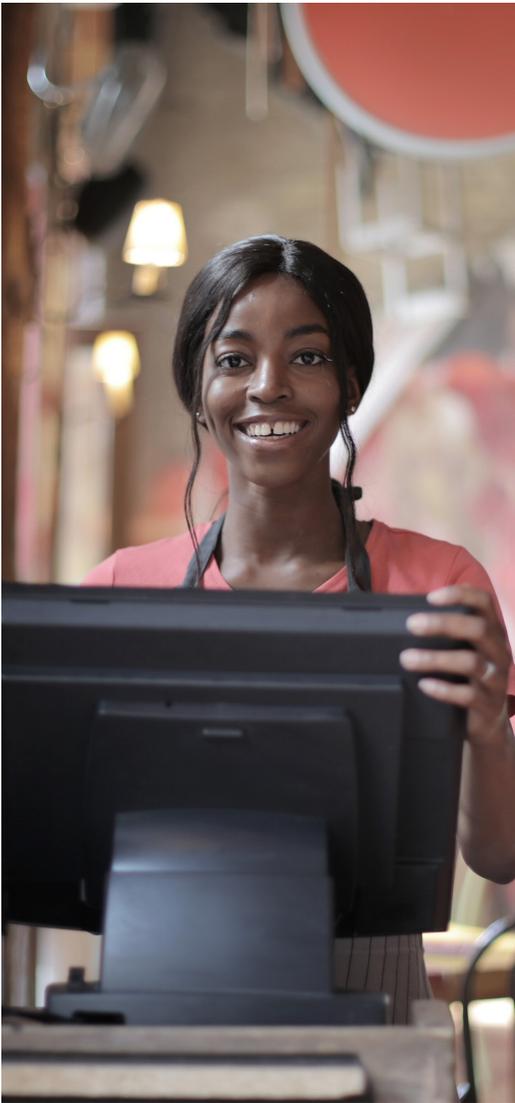
Recently, we announced the findings of a research study that we conducted in conjunction with Coyle Hospitality Group. As the pandemic raged in the US and Canada, we wanted to know what 'Holiday,' typically the busiest shopping season, was going to look like for retailers and how it would feel for consumers. In light of health and safety regulations, our hypothesis was that holiday shopping was going to feel much different than in previous years. The study validated that assumption, with only 24% of retailers creating an environment that felt "festive" this year.

But, we also found an unexpected gem in our analysis that I can't stop thinking about. We found a direct correlation between Glassdoor ratings and store execution. Specifically, retail companies with ratings above 3.5 on Glassdoor performed 15% better overall in the study than those retailers with Glassdoor ratings below 3.5.



This difference was particularly pronounced on measures of personal interaction, such as proactively approaching the shopper regarding sales/specials (+115%) or greeting the shopper warmly (+44%). We have all had great, and not so great, shopping experiences and it impacts how we feel about the brand, whether we visit again, and which retailers will win our share of wallet. Given our findings, the correlation should make all companies think deeper about what it means to engage their employees, especially their front-line workers.

We all know, from experience, that when you're bought into your company's vision and mission, when you're challenged by your work and know how it impacts the company's goals, you bring your best self to work. I know I felt that way when working for a large specialty retailer with a deep sense of corporate responsibility. And, I know others do as well. I see it every day with employees that go beyond their day-to-day tasks to really make an impact on the business.



During a session at NRF in January, I watched Dave Kimbell, ULTA Beauty’s president talk about social responsibility. He said something to the effect of, “When employees feel connected to the brand and feel that their personal values align with corporate values, they show up better for customers and each other.” During the same session, Home Depot’s chief sustainability officer, Ron Jarvis echoed those sentiments. He shared an anecdote about how all the buyers at Home Depot understand the company’s sustainability vision and objectives so they can make the best decisions for the company every time. As a result, he doesn’t have to worry about their choices because everyone is aligned.

But connecting employees to a mission or vision can be elusive for companies - and especially those with distributed brick and mortar locations: It requires a perfect blend of secret sauce that includes organizational alignment, agility, and employee engagement. Just walk into any lululemon store for a great example of front-line associates feeling connected to the brand.

More than salespeople, these associates are passionate about lululemon and how its products inspire a happy and healthy lifestyle. When not working on the floor, many of these employees can be found teaching yoga and Pilates and taking part in a sweat with friends. They embody the mission “to elevate the world from mediocrity to greatness.” As the owner of far too many pairs of lulu leggings, I can assure you that their ambassadors’ love of the brand translates into revenue.

So let’s look at each element of the secret sauce to see how retailers can help connect employees to the brand in a way that inspires them to bring their best selves to work and bleed brand blood (in a nonviolent way ;).



Organizational alignment

Achieving organizational alignment, especially for distributed retailers, is no easy task. It's also often compounded by the fact that the communication channels retailers use to talk to their customers aren't the same ones they use to talk to their employees. With separation like that, it's easy for separate departments like marketing and store operations to function in silos, each barely aware of what the other is doing or saying.

To break down these bureaucratic barriers, brands need to provide everyone with access to the same information. When the store operations team sends talking points down to field teams, the marketing team - which is responsible for posting those same talking points for customers on social media - now has instant visibility. Giving HQ departments insight into the full spectrum of messages sent to stores also helps HQ expose inaccuracies or conflicting direction quickly and encourage teams to align on messaging from the get-go.



Agility

It takes a very strong captain and crew to change course quickly. Agility is a massive competitive advantage that every retailer wants today. In fact, the retailers that can't adapt to changes required of them, whether D & I initiatives, safety procedures, or customer trends, will likely be gone tomorrow.

Research shows that today, only 29% of direction sent to stores is being executed correctly by store teams. This means that marketers, merchandisers and comms teams are wasting thousands of hours each year planning for campaigns and programs that will never be effective. It also means that retail brands can't be agile and turn on a dime.

The most agile retailers empower their store teams with effective communication that is organized, received, and understood in an actionable way. They educate teams about why something is being asked of them and provide context to the work so it's just not a single action, but rather one step that's part of a larger brand vision or initiative.



This is important because in many cases, retail managers are young and lack extensive business experience or education so providing context helps guide prioritization and enables the store teams to be better guardians of their business. These managers are running multi-million dollar businesses and they're making day to day decisions that impact brand perception and comparable-store sales. HQ has the power, through communication, to make them better leaders and stewards of the business.

Employee Engagement

What a time to be an employee, right? Finally, after centuries of taking employees for granted, companies are waking up to the idea that the most profitable businesses are those that take care of their employees and foster their growth.



Brick-and-mortar retailers are often challenged at the thought of engaging all employees because associates are often part-time employees who are trained once and then left to learn on the job. But not engaging these workers leaves a huge opportunity on the table because these employees are closer to your customers and trends than you will ever be.

Great employee engagement starts with onboarding.

Are you providing the support new hires need to succeed in their roles? Do they understand your brands and products? Are you communicating how their contributions will add value? A great onboarding experience boosts engagement among new employees because they will feel more comfortable in their roles and have a better understanding of the company.

Engagement also requires valuing your employees' opinions. Provide ample opportunities for team members to share feedback on products, processes, and promotions. More importantly, you need to commit to listening and acting, so they know their voice matters.

As retailers begin the arduous work of recovering from the pandemic, they should focus on perfecting their own secret sauce to align the business and drive meaningful change. As the data proves, when your employees feel engaged your execution improves. And when store execution improves, you'll see it reflected in your revenue.

About Retail Zipline

Retail Zipline is the operations platform that powers retail's most complex work. Zipline is the only solution on the market that combines store communications and task management to drive flawless store execution. Built by retail for retail, Zipline understands the unique pressures stores are facing today and ensures that everyone in the field has the information, context and tools needed to be successful in their roles. By aligning the fleet, Zipline enables digital transformation at Rite Aid, agility at Sephora and cost savings at GAP. What could you accomplish if your HQ and stores operated in lock-step?