

Supermarket Leverages Digitalization to Increase Revenue and Employee Satisfaction

With new online competition, success in the retail grocery market is increasingly challenging. When tasked with implementation of technology to reduce the cost and increase efficiency of customer checkout, the leaders on one local store of a large chain took a creative approach.

They started with the standard pilot of self-serve checkout stations; however, this had limited adoption. When asking customers as they were queueing for the 'traditional checkout' about their resistance to the self-serve option, they learned it was lack of knowledge of how to use the scan and pay system combined with concern that adoption would cause the cashiers they had known for years to lose their job.

This is where the creativity took affect - as the management team decided to train some of the cashiers to help and talk with customers as they used the kiosks. When the purchase was complete and items bagged, the customer was informed about upcoming specials and invited back to the store.

The combination of self-serve kiosks and employee support led to faster checkout, more return visits and happier employees as they were freed from the mundane scanning of items. Over the next months when customers checked out, they were asked what brought them back to the store (instead of shopping elsewhere or online). The answer was consistently the friendly, informed advice of the store employees.

Based on this, the management team extended the training program for previous cashiers to include specific product and food production courses. The employees were then assigned as experts in each department - (meat, produce, household items). Their new job was to answer customer questions, provide advice and guide shoppers to new or promotional items.

The result was higher store revenues, increased customer loyalty and differentiation as 'the store where I like to shop'. However, the real benefit was to the employees - who were freed from repetitively scanning items, accepting payments and offering receipts to delivering real value to customers and their company.

Through creativity, understanding of customer interests and investment in employee development, the supermarket was able to clearly position and utilize its unique value (advisement and personalized attention) compared to online or other retail shopping experiences to drive increased revenue, customer loyalty and employee engagement.

This case example is provided by Next Step through our global consulting work in digital business transformation. For more information on our services and impact, visit us on www.nextstepgrowth.com.