I am in FRONT

"But are you leaving me BEHIND?"

SIRS
SINGAPORE
INSTITUTE OF RETAIL STUDIES

I am in Front.
But are you leaving me Behind?

A Whole New World

Having borne a big brunt of the Covid-19 pandemic impact, Retailers have seen their fates pendulum at the whims of forces far greater than anything the world has experienced in years.

Today, as the world opens up moving towards an endemic state, adapting our lives to what many term the "new world", what is in store for the Retail industry – and what has changed with Retail Frontline workers, who have shouldered the burden of keeping our essentials supplied in the face of unrelenting disruptions and risks?

The COVID-19 crisis has led to dramatic shifts in consumer behavior. Retailers will have to work hard to meet ever-evolving customer experience requirements...[1] Mckinsey 24 Dec 2021

It is in fact actually a fascinating time for the Retail industry. Despite the massive damage that the pandemic has wreaked on businesses and individuals, it has also forced the world into a level of consciousness in many aspects and at various levels.

Among these was the hugely accelerated digitalisation of businesses on many fronts that would have taken several intensive years to accomplish - and perhaps even much longer for smaller brick-and-mortar retail businesses to acknowledge and buy in to the imperative of digitalisation to transform and risking becoming just another statistic.

However, almost by default, the Covid-19 pandemic has also been attributed with many of the ills facing the Retail industry today: but is the pandemic really the root cause, or has it in reality given the resounding wake-up call that the Retail industry has probably long needed?

...digitalisation was never a first priority for many traditional retailers. Covid-19 threw a harsh spotlight on the importance of integrating digital sales avenues into retail operations, and creating multiple points of sale...[2] Business Times, 21 April 2021

And does answering this call to digitalise spell the end of brick-and-mortar Retail – and for Retail frontline workers – as we know it?

According to the study and report by Business Times: *"…as Singapore opened up in phases from June 2020…Shopper spending at brick-and-mortar stores resulted in the proportion of online sales* falling *from above 25 per cent of total retail sales at the peak of the circuit breaker to 12.6 per cent in July"[2].*

Statistics Singapore February 2022: Key Indicators of Retail Trade[3]

	Sales Value	Online Sales Proportion
TOTAL RETAIL SALES	$3.2 Billion	13.6%
Excluding Motor Vehicles	$2.8 Billion	15.5%

ONLINE SALES PROPORTION (out of the total sales of the respective industry)	Supermarkets & Hypermarkets	Computer & Telecommunications Equipment	Furniture & Household Equipment
	15.1%	53.2%	31.9%

While taking the business online is, without a doubt, a necessary and critical growth channel for Retailers in the digital age, the numbers clearly show that physical stores are still very well entrenched in the shopping habits of Singapore consumers - physical store sales are still capturing well over 80% of Total Sales as at February 2022, cutting across the broad spectrum of Retail categories

New Retail: The Future

Even as the Retail industry is now hurtling into the digital age, ready or not, many challenges seem to remain ahead of it. How well they are surmounted remains as an outcome of how well Retailers are able and willing to identify, leverage and drive their businesses through the key value pillars of the "New Retail"[4], a term coined by Jack Ma, Alibaba in 2016 who envisioned "*combining online, offline, logistics and data across a single value chain to give consumers more personalised shopping experiences*".

> **Clearly, physical stores still have a crucial role to play in omnichannel networks. However, the optimal configuration will be unique to each player and environment.**[5] Mckinsey, 24 Dec 2021

But the simple fact is also this: most people enjoy shopping – the type of shopping that comes with physical interactions, and human engagements.

The act of shopping itself has never been a wholly transactional affair but has a deeply ingrained social aspect to it, driven by the fundamental need of humans to experience with their five senses – experiences that no screen shopping can replicate. Unarguably, brick-and-mortar stores will always have a place in the Retail landscape – the pandemic has put paid to the idea of a society that is able to thrive largely via digital interfaces, no matter that they are called "social".
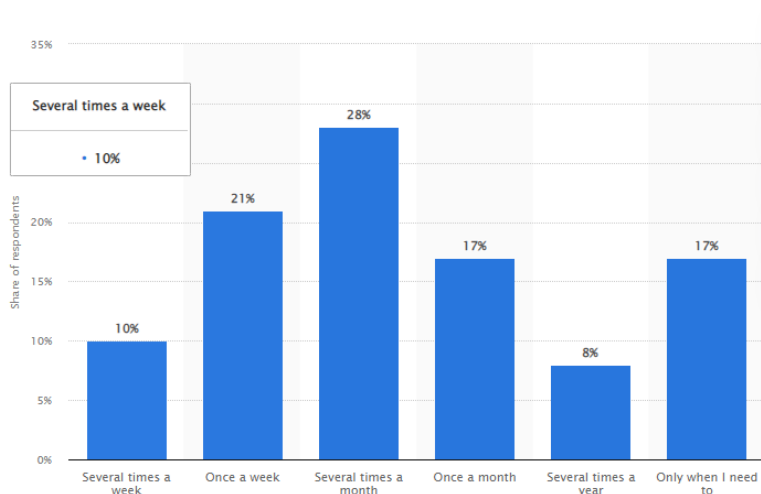
As at June 2021, statista[6] reports that a majority at 59% of Singaporeans shop in physical stores for non-grocery items at least several times a month to several times a week.

Notably, this further supports the idea that brick-and-mortar Retail is still alive, well, and kicking.

Retail Frontliners: A Turning Point for Sea Change

Amidst this positive outlook, however, just when the pandemic appears to be releasing its stranglehold on the world, the various challenges of the Retail industry to keep up with the "New Retail" Omnichannel Brick-and-Click expectations of shoppers are being compounded with a different problem of "*intensified manpower crunch amid post-pandemic recovery*"[7] according to a Straits Times report on 09 April 2022.

> **...local workers continue to shun its front-line jobs due to the long hours and shift work, even as other sectors compete for the same pool of workers...**[7] Straits Times, 09 April 2022

And this situation is not unique to Singapore alone.

Globally, the Retail industry is facing a similar crunch as post-pandemically, Retail frontline workers are lodged at an inflection point that is driving them to demand a sea change to redefine how their roles are recognized and valued within the organization structure.

In the US, it is reported that "*Many companies, large and small, are struggling to find enough workers amid the economy's rapid recovery from the pandemic-spawned recession.*"[8]

The values of Retail frontliners around the "Work Experience" have changed as they seek to gain a firm foothold into the "Future of Work" (FoW) – that requires Retail employers to reimagine the role that Retail frontliners play, and accord them with the support, inclusion and advancement that address their unique challenges, and recognize their unique contributions.

Retail Frontliners: Why They Leave*

Across many reports from around the world including in Singapore – and which all Retailers can learn from – the story remains consistently the same on why Retail frontliners are leaving their jobs, or at the very least weighed down by heavy pessimism about their roles and their futures:

- Don't feel adequately supported[9]

- For better pay and benefits, work-life balance, career growth and flexibility[9, 10]

- Often don't feel that communication from management is reaching them as they handle the needs of customers, navigate COVID-19 protocols, and even deal with supply chain issues[10]

- Often operate in a silo and are disconnected from team members[11]

- 38% indicate lack of formal training[9]

- 70% rank training as important to their job satisfaction[13]

- 51% of non-management workers don't feel valued as an employee[12, 13]

- 46% feel pressure to adapt to new tech or fear losing their jobs[12]

- 55% had to learn new tech on the fly, with no formal training or practice[12]

- 60% are unsatisfied with the technology they've been provided with to do their work[12]

One of the key leadership lessons from these frontline stories is recognizing that people at all levels are integral parts in the success of an organization.[16] beekeeper.io

Don't let Your Customers' 1st Impressions of Your Business become the Last Experience they have with you.

Retail frontline workers are often the first – and sometimes the only, and of many – interactions businesses have with a customer or prospect, even in this digital age.

A failure to recognize this critical impact that frontliners have on the business is a failure to connect the dots vital to the expectations of today's customers, and making a sure headway to irrelevance and eventual elimination in the aggressively competitive Retail environment.


ONE Unhappy Worker
=
MANY Unhappy Customers

Retail Frontliners: Don't Leave Them Behind

In the face of the challenges to hire and retain frontliners, Retail businesses have an urgent imperative first and foremost to acknowledge, and to address the plethora of challenges that frontliners face – and not leave them behind from the broader organization's human resourcing and talent management initiatives.

> ....retail staff selling or cashiering, or both, can be trained in other retail functions like visual merchandising^, e-commerce^ fulfilling and delivery, as well as marketing^ and promotions.[7]

There are various employee recruitment and retention strategies that businesses employ, but referencing the challenges unique to Retail frontliners* the world over, including in Singapore, leads to some key areas that require particular attention, and which can potentially help to drive and sustain the motivation of Retail frontline workers and the value they bring – and ultimately benefiting the Retail businesses:

Training   **Career Development**   **Digital Enablement**   **Connection & Communication**
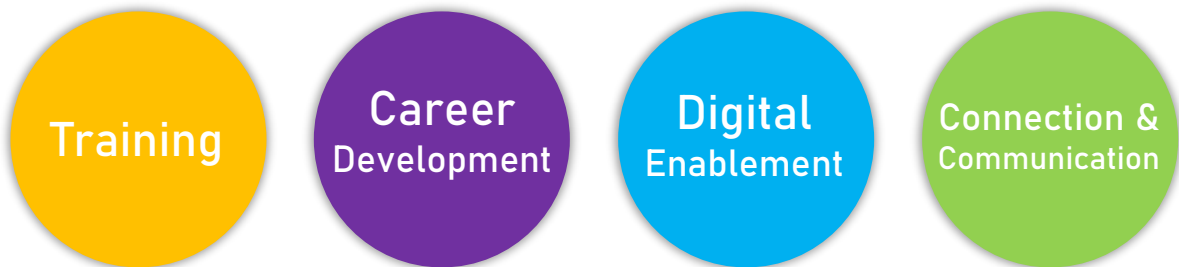
Retailers: Is Your Workforce Future-Ready?

In the rapidly evolving digital age of fast-emerging technologies that leaves no industry un-impacted, and customer expectations palpably changing and rising, Retailers must be armoured with future-readiness.

What does this entail? In an industry that is highly labour-intensive (80% of workers are in Rank and File jobs and 79% in Front of-House operations[14]), building a deep-skilled pool of talents that is enabled to support business sustainability and accelerating growth opportunities is vital to the continual success of Retail businesses.
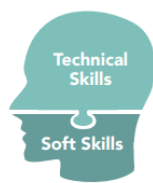
Inspiring, motivating and developing Retail frontliners – who play a key role in the "New Retail" Omnichannel Brick-and-Click customer experience – requires both internal and external interventions.

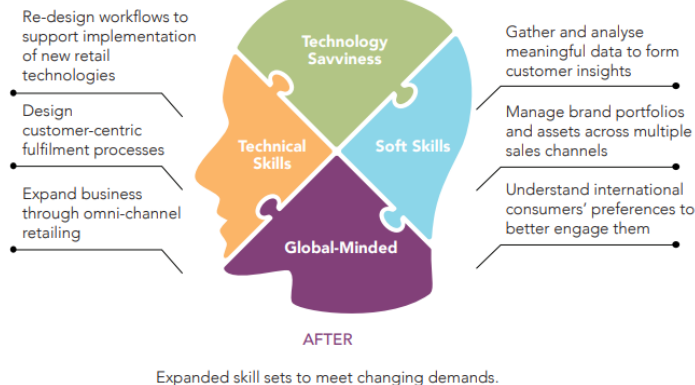## Retail Frontliners: Critical in the Retail Omnichannel Brick-and-Click Strategy

Externally, formal training plays a critical role in not only providing Retail frontliners with a chance to refresh and upgrade their skills for both their current roles and career development opportunities within the organization but can also accord them with a strongly positive sense of being valued by their employers. The outcome can only be beneficial to businesses who understand the importance of taking care of their most important assets – people.

Training Programmes^ such as Service Excellence and Service Leadership are but some of the most useful and relevant courses that let Retail frontliners take stock of and reflect on their service attitudes and dispositions, while upgrading themselves to the ever-evolving Retail landscape and escalating customer expectations, ultimately value-adding to the business growth.

> Mrs Josephine Teo, Manpower Minister: ...Equipping the staff with technological skills has helped to change the face of retail jobs... It is no longer just about standing in the store and "just selling things".[15] CNA, Dec 2019

BEFORE

Technical Skills
Soft Skills

AFTER
Expanded skill sets to meet changing demands.

Re-design workflows to support implementation of new retail technologies

Design customer-centric fulfilment processes

Expand business through omni-channel retailing

Technology Savviness

Technical Skills

Soft Skills

Global-Minded

Gather and analyse meaningful data to form customer insights

Manage brand portfolios and assets across multiple sales channels

Understand international consumers' preferences to better engage them

@Skillsfuture Retail Sectoral Manpower Plan[14]

As Retailers evaluate their workforce development strategies, simply upskilling on the current role should not be the sole consideration.

Providing frontliners with training on innovation and related areas, exposing them to a broader outlook - especially the Retail Omnichannel Brick-and-Click framework – can only yield win-win outcomes for both Retail frontliners and their employers.

A 360° view and understanding of the customer experience across the Brick-and-Click channels means a comprehensive insight to a customer's relationship with the business, and which can in turn result in a greater level of service relevance and excellence, especially as businesses strive to keep up with the evolving landscape.

Experiential Omnichannel Retail: The Path to Value

As the "next normal" continues to take shape for businesses, customer expectations will continue to shift in response.

But it is clear that the imperative is to create a seamless Omnichannel^ strategy that focuses on the Customer Experience^, and shaping the way forward with agility and innovation.

> …physical stores remain a very important platform for major brands, allowing shoppers to experience the brands in a multi–dimensional platform and building brand equity and loyalty along the way. .[17] Business Times, 31 March 2022

To that end, Retailers need to reimagine the Retail experience, and to reimagine the role of physical stores and their Retail frontliners if they are to navigate the future of Retail successfully. They need to move past the traditional view that physical stores are primarily for in-store customer engagement, but instead reformulate and integrate the physical and online Customer Experience and:

- create immersive, multi-sensory experiences to drive foot traffic, and which complement, enhance and interface with online channels

- leverage new technology solutions to create tech-enabled stores

- use data insights to create dynamic engagements that optimise the total shopper experience

Retail frontliners are critical to these immersive in-store experiences but would play more of an advocate role as the Customer Experience champion.

In the era of another wave in the digital revolution - in the shape of the Metaverse - Retailers need to continually reassess their strategies, adopting an agile and future-ready mindset, operating model and workforce.

^About the Singapore Institute of Retail Studies (SIRS)

The Singapore Institute of Retail Studies was established as the first Continuing Education & Training (CET) Institute in Singapore in 2006. Fondly known as SIRS by many of our learners and corporate clients who have fast-forwarded their professional and organisational growth with us, we have had well over 200,000 professionals and organisations training with us over the years.

Our goal is to empower people and organisations to find their greatest, and hidden, potential that will enable them to thrive and succeed in today's world of accelerated and continual change.

As the appointed anchor training provider by SkillsFuture Singapore for the Retail industry, and programme manager of various National Programmes including the Career Conversion Programme (CCP), Work-Study Programme, Redeployment CCP and the SGUnited Skills (SGUS) Programme, SIRS' training solutions encompass the critical key areas that are highly demanded, and needed, in both the Retail and broader industries:

- Business Leadership & Transformation
- Business Operations & Management
- Communication & team Building
- Customer Experience
- Digital Marketing
- eCommerce
- Personal Development

In the "New Retail" environment - which is a direct reflection of how consumers today discover, research, decide and make their purchases, the Omnichannel Brick-and-Click strategy - with Retail Frontliners being an integral part of it – is an imperative for businesses to implement. Retailers will need to innovate and integrate the customer experience seamlessly across both brick and click shopper touchpoints, delivering most importantly value realisation for both retailer and shopper.

Get insights to how your business and employees can thrive in this ever-evolving retail landscape – reach out to [Singapore Retail Institute of Studies](#) for information:

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