

enVista services

## Retail Store Productivity Programs



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Battling mounting competition, a sluggish economy and ongoing cost pressure, managing brick-and-mortar stores is tougher than ever. Add to that the challenges from online shopping and the rising cost of labor, smart retail decision-makers are looking for new, cost-effective strategies to improve the entire customer experience while eliminating inefficiency and waste. Their goal, like enVista's Retail Optimization Team, is to drive growth, customer loyalty and profitability through process improvement.

Today, enVista can deliver targeted, cost-effective process improvement at the store level, the very heart of retail, where customers come face-to-face with sales personnel and merchandise.

Like our proven strategies for distribution centers, enVista experts develop cost-saving, time-saving, satisfaction-enhancing solutions for store operations, thanks to the combination of our data-driven supply chain tools and our experienced talent in front-line retail operations. Coupled with enVista's proven Consult, Implement, Operate (CIO) approach, plus our wealth of labor and systems knowledge, our services are tailor-made to improve operational processes and overcome the toughest retail challenges with optimum results.

Using proven, Lean Six Sigma tools along with education and training, we work alongside your employees and subject matter experts. We use this collaborative, problem-solving approach to identify real opportunities and develop workable solutions. Then we test those solutions, scale them and implement.

### Benefits of Retail Store Productivity Programs

1. Reduced operating costs
  - Elimination of all non-value added activities (waste, variability, constraints)
2. Increase in sales
3. Improved margins
4. Identify and quantify opportunities to reallocate hours to selling activities or reduce payroll.
5. Improved scheduling to customer demand
6. Improved customer service
  - Elimination of barriers that prohibit the pursuit of total customer satisfaction with internal and external customers.
7. Improved management practices of store operations
8. Improved productivity based Upon:
  - Best Practices
  - Preferred Methods
  - Standards
9. Improved employee engagement
10. Establishment of clear job performance expectations

Because your employees are involved at every step, the solutions are tailor-made to effectively free up once-wasted time, money or space. That converts once-wasted resources to cash, time or space, so you can reallocate them in the best way to maximize customer service, profitability and growth.

### Our Solutions

Here are a few examples of the solutions our consultants and your employees can create:

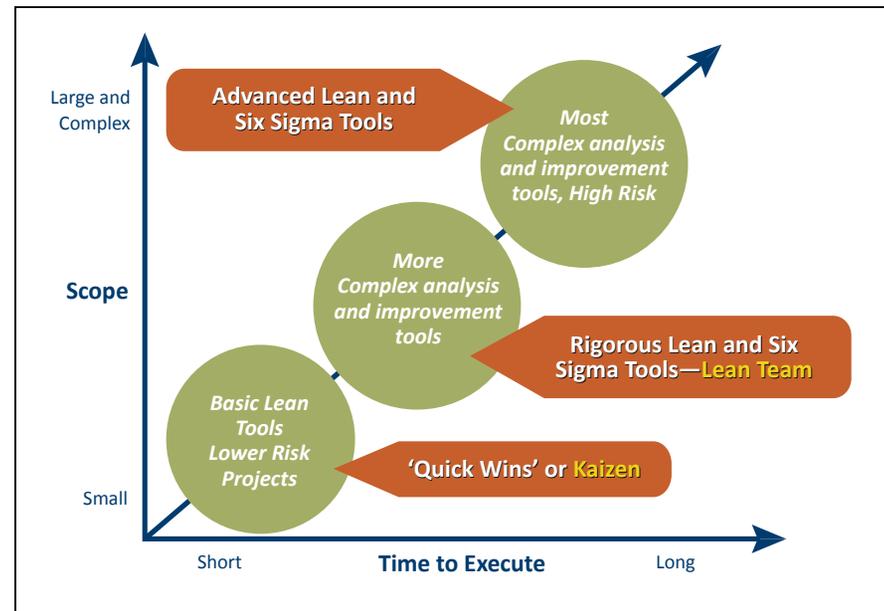
• **Targeted efficiencies:**

Process improvements at different points in store processes can convert once-wasted resources into working capital for managers to reinvest in the customer experience or flow to the bottom line. At one big-box chain, a single wasted second at the register amounts to \$1 million in annual labor cost, so process improvements at check-out are crucial.

— *A review of non-value added time elements during register transactions showed this retailer how to save time and reduce receipt paper cost. The retailer chose to turn the time savings into better customer service at check-out while saving hundreds of thousands of dollars in paper cost.*

• **End-to-end source to consumption:**

By analyzing store-level merchandise handling, we can tailor the entire supply chain to maximize efficiency, minimize cost and optimize stock levels. Using grassroots analysis and cross-functional teams, we find upstream or downstream process changes that can break through “silos” and streamline procedures right down to their essence: the way merchandise is slotted at distribution centers, packed into totes, unpacked at stores and displayed with planograms.



Process Improvement Techniques

— *For one retailer, aligning totes with store layouts turned \$1.2 million of wasted behind-the-scenes store labor cost into greater face-to-face customer contact. During the weekly ad set, this retailer combined ad set and price audit functions with preferred methods and reduced overall time by 20 percent. Another retailer moved tasking functions to non-open hours, improving productivity by 33 percent and saving more than \$2 million, even after utilities.*

• **Customer journey insights:**

We take a deep dive into the analysis of the customer experience in a store. Unlike the “snapshots” of data from typical observations or camera tracking, our in-depth “customer journey” analysis shows how customers move through stores and how they interact with employees, merchandise and signage. We show how customers actively engage with

employees or displays. We quantify how long they wait for help, how they use information and how department adjacencies affect their shopping path and decision-making. This gives our data context and sequence that a POS system’s “snapshot” simply cannot. That understanding helps savvy merchandisers capitalize on winning concepts, eliminate customer barriers and strengthen the entire customer experience.

— *This revealing analysis shows retailers how well their employees meet service levels and reveals hidden problems in department or category layout. Solutions enhance the customer experience and increase average basket size.*

**In today's competitive market, it is imperative that companies continually evaluate their supply chain efficiency and opportunities for cost containment, avoidance and reduction.**

**Contact us today to learn more.**



## Our Approach

To develop solutions like these, enVista's Retail Optimization Team members roll up their sleeves and get involved. Unlike other consultants, we work inside your retail culture. We get to know employees and learn how processes play out in your culture. We foster teamwork, participation and buy-in. We develop robust, user-friendly and action-oriented solutions. We empower teams of employees to continue to improve processes that affect customer satisfaction and profitability. We help your employees destroy the barriers that prohibit total customer satisfaction. And then we teach them how to keep the momentum going.

enVista's approach uses real Lean tools, such as ongoing Lean Process Improvement Teams, as well analytics from traditional spaghetti diagrams or quick-hit Kaizen events. These tools help everyone quantify and map the value stream. They help create data-driven solutions that build on consensus, understanding and true value-added factors. We provide education, training and tools so you can continue to eliminate waste wisely, while strengthening your best practices, unique cultures and positive customer experience.

Because we speak the languages of both retail and distribution, we help cross-functional teams overcome barriers and build ongoing relationships. We help diverse groups of employees find their common ground and build optimum, efficient solutions for everyone. When needed, we can tap enVista's vast expertise in labor standards, management, systems and logistics to open more doors to competitiveness and profitability.

At enVista, we understand efficiency, safety, consistency and quality. We know material flow, systems and preferred methods. We know Lean. We know people. We know distribution. And we know retail, from the detail of today's planogram to tomorrow's strategic growth. We live where you live: in the center of dozens of retail stores where each customer's total experience drives satisfaction today and loyalty tomorrow.

Learn more about how enVista's Retail Optimization Team can turn inefficiency into new resources that drive customer satisfaction and build performance.

***Please call your enVista representative today or our retail specialists at 877-684-7700.***