7 ways to transform your retail organization with mobile

Create efficiencies throughout stores, HQ, and supply chains
Mobile technology is the link that delivers real-time, user-friendly and unified information across every retail organization. With the right mobile solutions in place, retailers can provide the personalized experience today’s shoppers desire while improving organizational efficiencies. The results? Higher revenue and lower costs across the organization.

All types of companies can realize savings from the use of mobile apps — the savings might be more than you'd think. For example, a large home improvement retailer recently reported $4.5 million in annual savings.

Smart retailers already realize the potential of updated mobile strategies. As many as 68% of the most successful retailers describe “deeper customer engagement to drive sales through personalized offers” as just one of the opportunities offered by a mobile strategy.*

**Mobile apps can deliver significant ROI for retail brands:**

- $4.5M annual savings due to store manager productivity gains
- 17% time savings for store managers
- 38% boost in product sales
- 56% increase in transaction size
- 60% increase in productivity of store auditors

- Source: MicroStrategy

This white paper outlines seven ways mobile can be featured as the centerpiece of a unified commerce strategy and deliver the following benefits:

- Significantly higher sales revenue
- Improved business user experiences across the enterprise
- Real-time data that can be used to create actionable strategies
- Increased efficiencies across stores, HQ and the entire supply chain
- Enhanced customer shopping experience

### 1. Optimize store operations

*Help for: store managers, store associates*

*Retail applications: Store Operations, Clienteling, Sales Productivity*

The store is still the centerpiece of retail activity, but it must be transformed to perform in the long term. Mobile applications can help all store stakeholders deliver the experience today’s digitally savvy shoppers demand. The following are three examples of mobile apps in action.

**Keep store managers on the sales floor**

When store managers can get out from behind the computer in the back office and onto the store floor equipped with a mobile app, they can maximize the effectiveness of in-store promotions, monitor out-of-stocks, manage store associate productivity and scheduling, and access real-time product and sales information. By providing them with seamless in-app access to all of their information and systems needs, store managers are empowered to focus on driving sales, coaching associates and serving customers.

*Mobile In Retail: The New Normal, Retail Systems Research, March 31, 2016*
Case study: Lowe’s

**Problem:** Lowe’s store managers were spending an inordinate amount of time off the sales floor, in the back room, handwriting sales figures — every single day. As a result, productivity, sales and revenue were suffering.

**Solution:** By implementing the “mobileDart” app from MicroStrategy, 20,000 managers, assistant managers and other corporate employees were able to access store-based sales data via mobile devices in real time. Teams in different locations can now work together to analyze sales statistics. They’re out of the back room and untethered from static workstations.

**Results:** The new mobile BI initiative has been a win-win for Lowe’s, resulting in:

- $4.5 million savings across 1,700 stores due to store manager productivity gains
- better visibility into best-selling items, out-of-stocks, and slow sellers that need to be discounted
- workforce flexibility, allowing managers to spend more time interacting with associates and shoppers and to better allocate talent

Case study: The Container Store

**Problem:** The Container Store wanted to improve its store reporting capabilities, shifting from email and Excel-based reporting to a nimbler, mobile system. The retailer had identified “gaps in store reporting” as the greatest opportunity for improvement and innovation.

**Solution:** The Container Store brought all key stakeholders together to conceptualize a new mobile app and create a development roadmap. With the overall concepts in place, the retailer implemented “The Score” app, the naming convention originating from its motto, “There is no way your team can win the game unless everyone on their team knows the score.” This user-friendly app contains 14 dashboards and provides store leadership teams with information related to sales and payroll.

**Benefits:** With the new mobile app in place, The Container Store is able to share payroll information across business units and optimize employee schedules based on current trends and predictive analysis. With the ability to compare sales per payroll hour to customer-facing payroll per hour, managers can formulate more efficient staffing plans. Store leadership teams
are now more productive, make better decisions and spend more time on the sales floor.

Help store associates improve the customer experience with clienteling

With mobile solutions in hand, store associates can improve the one-on-one customer relationship by sharing the latest product information, offering upsell and cross-sell opportunities, and personalizing the shopping experience with unique promotions and offers.

**Only 29% of consumers report that sales associates are knowledgeable and helpful.**

- *Real-Time Data Drives the Future of Retail, Forrester, January 2016*

Case study: GUESS?

**Problem:** With 1,600 stores in 95 countries, and four different brand concepts, GUESS? is constantly striving to impart the best customer insights to its large and diverse workforce. Until recently, the retailer had only four people accessing loyalty data on 10 million customers. Then the company’s executives asked themselves, “What if we unlock [the data] and give it to thousands of store associates?”

**Solution:** With a new Clienteling app in place, GUESS? employees have a 360-degree view of the customer at their fingertips. Now, when interacting with shoppers, store associates can share information on loyalty points, new products, promotions and more. They can even use the app to message shoppers about specific products that might interest them.

**Benefits:** By viewing customer data in real time, store associates can better target customers with relevant recommendations and information, resulting in a higher conversion rate. Associates also have endless aisle access, enabling them to share cross-channel product information to convert shoppers from single-channel customers to omnichannel brand advocates.

**Boost sales productivity**

Apps provide store managers and associates with instant access to training materials, product information and sales performance data. They can view sales tips and merchandising best practices, and monitor sales effectiveness at the store and employee levels. Gamification strategies provide incentives and boost sales performance levels as well.

Case study: Sonic Automotive

**Problem:** With 105 stores and franchises in 26 U.S. markets, Sonic Automotive was challenged with consolidating financial and customer data in a user-friendly way to help employees improve productivity and efficiency. Specifically, the automotive retailer was struggling with handling large amounts of data and displaying that data to make it usable for all employees.
Solution: Sonic partnered with MicroStrategy to develop a mobile app that delivers an overarching view of business performance touching on internal sales, services, finance and insurance as well as external market data. Sonic corporate executives and regional leadership rely on this mobile app daily to evaluate sales performance at its 100+ dealerships, conduct monthly financial reviews and compare performance of the other dealerships across regions. This app also provides a scorecard for each dealership with insight into sales effectiveness across automotive brands, product categories and geographic regions. It incorporates gamification for sales associates to gauge where they stack up compared to their peers. Dealership managers also are able to evaluate their compliance with corporate playbooks using this app.

Benefits: Sonic has replaced large binders of spreadsheets and saved significant time by eliminating the need to perform manual analysis. Car product sales have increased by 38%, and Sonic has gone from selling between $800 and $900 in products per car to nearly $1,100.

2. Streamline store inspections

Help for: Store auditors, store managers
Retail applications: Store Inspector

Using mobile apps, store auditors can collect and submit up-to-date data in real time from inside the store. Auditors can share inspection results with store managers on site and attach photos to the app report to highlight best practices or identify issues.

Highlights of the Store Inspector app include the ability to:
• log results on mobile app in real time
• use geo-location to identify stores for inspection
• submit ratings for categories including associate friendliness, store cleanliness, product presentation, and more
• input notes related to inspections
• access past inspection history and compare store performances against others

Key benefits of adding the Store Inspection app include the following:
• eliminate pre-inspection spreadsheet prep
• increase audit efficiency
• share results quickly with all stakeholders
• improve follow-up capabilities

Productivity of the store auditors increased 60% with the MicroStrategy Store Inspector mobile app at a large, fast casual restaurant chain.

3. Give headquarters the power to make data-driven decisions

Help for: C-level and line-of-business executives
Retail applications: Customer Insight Analysis, Financial Analysis

Executives need to be able to access vital business information wherever they are to make critical, data-driven business decisions at a moment’s notice. Shoppers will not wait for you to collect different data sets, analyze spreadsheets, email information to business leaders and then eventually meet to discuss a go-forward plan. They will quickly move on to a competitive brand. These decisions must be made quickly using actionable data to avoid losing customers.

With a unified platform that connects business users via mobile apps, vital BI data and analytical information is accessible to all decision-makers when and where they need it. Now they can combine all the resources and capabilities they need: customer analytics, transactions, multimedia, collaboration and security — delivered together via a unified mobile platform.

Two primary apps can help C-level and line-of-business executives derive business value from actionable, real-time data:
Customer insight analysis

Customer insight analysis can streamline total strategy decisions around customer segmentation, targeted promotions, and overall business planning and operations. Executives can access current promotional campaign performance to change the direction of a strategy quickly. This capability gives retailers the ability to maximize overall campaign effectiveness and overall profitability.

Financial analysis

Financial analysis applications streamline reporting processes and analyze performance data to improve the profitability of merchandise, customers and operations. Now high-level stakeholders can easily identify opportunities and challenges to make timely, effective business decisions. For additional context, the mobile app can offer easy access to relevant financial documents and company news, as well as competitive and market information.

Case study: Coach

Solution: Coach worked with MicroStrategy to develop reusable reporting templates and deployed a mobile app to its executives in place of large binders of paper. Used within a unified BI platform, the app is helping the retailer obtain a more holistic view of the business.

Benefits: By moving manual processes to mobile apps, the leather and accessories brand is now able to test and launch new strategies to become more relevant to a core and expanding consumer base. Executives are able to immediately find answers to their questions, and business meetings are more productive.

4. Arm merchandising with real-time data

Help for: Planners, buyers, replenishers, allocators
Retail applications: Merchandising Optimization, Promotional Analysis and Planning

Collaboration is key when it comes to building better business practices across the organization. Buyers, planners and other key decision-makers need access to vital, real-time data while in meetings, when traveling to stores, and working off-site with vendors and other partners. Mobile provides that vital link.

Merchandising analytics

Merchandising analytics help all users make better, faster decisions related to product assortments, inventory management, promotions and planogram optimization. Exception-based app reporting supplies buyers with early visibility to issues so they can immediately modify future product orders, adjust pricing plans and negotiate vendor returns. Comprehensive, visually appealing dashboards make it easy for buyers to understand how various promotions, brands and business categories are performing. Buyers can quickly make the necessary strategy adjustments from their apps, leading to better category management, increased customer satisfaction and improved profitability.

Problem: Stuck in an outdated, manual system of collecting and analyzing data, Coach was unable to identify loyal customers, analyze shopping behavior and adjust promotional capabilities in an effective manner.
$1.1 trillion is the global overstock and out-of-stock cost for retailers.

- We Lost Australia! Retail’s $1.1 Trillion Inventory Distortion Problem, IHL Group, 2015

Case study: GUESS?

Problem: GUESS? needed a way to bring a diverse set of decision-makers together to analyze sales performance and better manage merchandising categories. As a team, as well as in their individual roles, their design-oriented employees were looking for a user-friendly, visual way to stay connected to the business and assess strategies.

Solution: A new iPad app aligned executives, regional directors, visual merchandisers, designers, buyers and planners to collaborate on trends and pain points. With 13 dashboards at their disposal in one app, the team can compare region-by-region performance and agree on improvements to build sales growth across the brand.

Benefits: Depending on their roles and responsibilities, executives can view app data in different ways, from high-level overviews to detailed descriptions. Graphs and charts provide user-friendly visual cues on a weekly, monthly and yearly basis — covering the overall business down to the individual stores. Merchants can take a virtual tour of individual stores before a visit, prepping for discussions on the right product mix, sales strategies and promotional plans. They also can pull up historical data on sales trends to compare the performance of a current style to one sold in the past.

5. Improve vendor relations and performance

Help for: Supplier partners and merchandising departments
Retail applications: Vendor Portal

When vendors can benchmark their performance against that of their peers, they are more motivated to improve service, contain costs and boost supply chain efficiencies. The vendor portal offers timely performance data that can improve retailer-vendor collaboration and overall business performance. This includes product delivery, merchandising and promotions.

Retailer-supplier relationships can be tenuous. In the past, many retailers have been reluctant to share vital sales and inventory data with vendors, but today more are realizing the value in collaborating to improve overall business outcomes. With a mobile-optimized vendor portal app, the process can be seamless, and both parties can be assured that they’re accessing the same up-to-date data.

44% of retailers believe that better collaboration with suppliers is a top-three issue in the areas of supply chain planning and execution.

- State of the Retail Supply Chain 2016, Martec International
6. Build an agile supply chain that can react in real time

Help for: Supply chain managers and executives, distribution center supervisors
Retail applications: Supply Chain Management, Distribution Center Operations

In today’s complex retail supply chains, businesses are struggling to optimize shipping options for consumers who want order anywhere/pick up-deliver anywhere — often within 24 hours of finalizing the purchase. When shoppers are in the store and an item is out of stock, or they would like to purchase an item from the e-Commerce site, having an efficient, agile supply chain solution available via a mobile app can make the difference between happy and unhappy customers.

With up-to-date access to the status of the entire supply chain, executives and distribution center managers can monitor product deliveries, minimize shipment delays, reduce overall costs and maximize profit margins.

Supply chain executives can stay constantly connected to their business via apps so they can take immediate action to rectify issues. These apps can incorporate threshold-based alerts to provide executives with instant visibility to shifting priorities or bottlenecks in the supply chain process. For example, they could be notified of items held in Customs for extended periods of time or of out-of-stock merchandise that needs to be expedited to stores.

Mobile apps allow distribution center supervisors to be on the warehouse floor instead of in a back office. These solutions arm them with all the operations information they need to efficiently run their distribution centers. Apps can provide the ability to scan bar codes for item details, initiate backstock pulls, and nimbly adjust shipping and receiving process workflows. Additionally, apps allow distribution center supervisors to instantly capture images of safety violations and upload them to the appropriate system. Furthermore, mobile solutions enable them to log conversations with their workers regarding attendance, training, safety and/or quality of work. Discussion comments can be input directly into the app, and employees can acknowledge that the conversations took place via the signature capture, thereby increasing accountability.

Retailers that update their supply chain capabilities can expect to increase DC throughput by 40%, reduce lead time to customers by one or two days, and cut costs by up to 20%.

- The Future of Retail Supply Chains, McKinsey & Company

7. Boost loss prevention capabilities

Help for: Security/LP managers, CFOs
Retail applications: Loss Prevention

Before loss issues become a major problem, LP managers can use a mobile app to identify potential external and internal fraud culprits. Theft case data can be submitted directly from mobile apps and quickly shared with nearby stores and headquarters stakeholders. Exception-based reporting and visual mapping allow LP managers to easily spot data inconsistencies and abnormalities.

Tapping exception-based reporting and predictive analytics, retailers can cut down significantly on shrinkage loss each year, which has cost the retail industry more than $40 billion annually, according to the National Retail Federation.

Security and LP personnel can learn from one region or store, and apply the findings to others quickly with real-time data available from mobile apps.
Inventory shrink amounted to $44 billion in losses for retailers in 2014.

- National Retail Security Survey 2015, National Retail Federation

**Embracing mobile retail transformation**

To be successful in today’s digitally engaged world, retailers must embrace modern mobile capabilities. This white paper has outlined seven ways retailers can take mobile apps to the next level to increase revenue and overall efficiencies while decreasing costs and losses.

As highlighted in six real-world case studies — featuring brands like Lowe’s, GUESS? and The Container Store — forward-thinking retailers are using mobile strategies and mobile apps to break down barriers between business silos and bring productive collaboration to the entire organization. Get started transforming your retail organization today!

For more information contact info@microstrategy.com.