

Customer service lessons:
Sharing best practice

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Irisys has worked with multiple grocery retailers in the United States, the United Kingdom and other countries. Following are some of the customer service lessons and best practices learned from these retailers.

Lesson 1: Ensure that there is a person assigned to manage the Front End and that this Front End Manager is properly positioned

Most retailers have an associate responsible for managing the Front End – performing such tasks as scheduling labor, balancing the check-out lines, overriding cashier errors and flags, and relieving cashiers for breaks and lunch. In the best-of-class retailers, this person’s primary responsibility is to be on the floor, at the very least, during peak customer traffic periods. These retailers know that the Front End Manager has to be on their toes, constantly moving across the front end making sure that customers are being served as quickly as possible with minimal waiting, while also attending to the needs of cashiers and performing office-type tasks.

We have observed retailers making 2 major ‘positioning’ mistakes with this job function:

Mistake 1: They physically locate the Front End Manager in a place that while convenient to stash paperwork and equipment, doesn’t provide the manager a view of the entire front end. In addition, because a podium or work station provides a sense of security, most people will linger at that podium or work station.

These retailers claim that they keep the Front End Manager on the exit side of the registers so that it is easier for him or her to help the cashier or jump on a register; if they were on the entrance side, they would have to walk around customers to get to the register. Our experience has been that the benefits of working from the entrance side far outweigh this inconvenience. There are several benefits to either eliminating the podium or work station all together (the preferred method), or locating it on the customer entrance side of the registers:

- The Front End Manager has the same view of the checkout situation as the customer
- The Front End Manager can direct a customer from one register to another to balance the lines
- The Front End Manager can assess the self check-out register condition and move customers from express to self check-out if conditions are good
- The Front End Manager isn’t tempted to ‘hang out’ or ‘hide’ behind the podium.

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Mistake 2: They don't give the Front End Manager the positional authority needed to call for relief cashiers from other departments. The Front End Manager calls for relief and is either ignored or the response is delayed.

This is a common problem even in the best-of-class retailers. Frequently, peak times at the Front End coincide with peak times at the service departments from where relief cashiers are pulled. Also, while at times the person managing the Front End is the Front End Manager, frequently, this task is assigned to a lower level supervisor or lead cashier. An associate at this level has no automatic authority to direct a relief cashier from another department to the front end, so their requests are frequently either delayed or dismissed altogether. The only way that this situation can be overcome is for the Store Manager to completely support the efforts of the Front End when they call for relief cashiers. In order to consistently deliver on a service promise, whether that be "we promise to open another register if there are more than 2 in line", or "you'll never wait more than 3 minutes before being served", requires the participation of the entire store. In order for the Front End to do it alone, would require that they be over staffed much of day in order to be prepared for the unexpected peaks.

Recommendations

- Clearly communicate your company's service promise to all store associates and the importance of delivering on the promise
- Document a relief cashier process that includes the departments and positions that will be utilized, under what circumstances the process will be used and how long the relief cashier can be expected to be on the Front End register. If labor is to be transferred between departments, ensure those procedures and paperwork are documented
- Create a specific daily or weekly relief cashier list. This will be a list of the cashiers by name that will be called if needed.

Lesson 2: Have a documented plan for handling unexpected customer traffic peaks and valleys

A good Front End labor schedule is one that balances labor efficiency and good customer service. If the focus is solely on labor efficiency, customer service can suffer. If the focus is solely on customer service, you will exceed your labor budget. A good Front End labor schedule will cover anticipated customer traffic, but it is those unexpected peaks and valleys in business or unplanned associates absences – a busload of customers drive up, threat of poor weather, an extremely large order, last minute sick calls – that a good labor schedule won't cover. If not handled properly, these unexpected events can have a negative impact on customer service or can cause you to exceed your labor budget. Having a plan in place to handle the peaks and valleys is essential to providing your customers with a positive experience and making the most effective use of your staff.

We've studied the practices of several retailers. What we've found is that those retailers that don't handle these peaks and valleys well - don't have a plan. When business is slow, their cashiers tend to mill about their registers, wiping down their belts, straightening magazines and chatting with other cashiers. When business is heavier than expected, long lines form and customers become dissatisfied, while the Front End

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Manager is frantically looking for help – often times putting herself/himself on the register, which then makes them unavailable for the cashiers that may need assistance.

Those retailers that handle these peaks and valleys the best, are the ones that have a well-documented cashier 'flex-up/flex-down' or 'acceleration/deceleration' plan. No matter how they are named, these 'cashier relief' plans provide clear direction to the Front End Manager as to how to handle unanticipated customer arrivals (whether they be higher or lower) on the front end. In addition, these plans empower the Front End Manager to:

- Meet the company's queue length or wait time goals
- Improve customer satisfaction
- Meet the store's labor budget, and
- Ensure that critical fixed tasks are performed.

These plans are fully supported by the Company and Store Manager. Following are the specific components of a solid cashier relief plan:

1. Create an approved, prioritized list of associates from throughout the store that are available to be called to the front to run a register when business is up.

A typical prioritization begins with Front End associates that are on the floor, then Front End office associates, then Front End management, then associates from other departments. This list must be approved by the Store Manager so that when associates from other departments are called, they respond. While this is a generic list to start – only reflecting job codes or classes, ideally, it should be associate specific (by name) for each shift. The Front End Manager or shift supervisor should have this list readily available.

2. Create a list of approved tasks that cashiers can perform when business is down and they are not needed to run a register.

This list should include tasks that take a varying amount of time to perform – some that can be performed close to the register and some that may take a considerable amount of time away from the register. Examples include - refilling register supplies, deep cleaning tills, fronting grocery shelves, performing price verifications, emptying trash. Don't limit this task list to the Front End. While there are likely fixed tasks included in the cashier's labor standard that need to be completed first, there will be times when support can be provided to other departments.

3. Provide a specific list of fixed tasks that the shift supervisor is expected to complete during his or her shift. Oftentimes, fixed task work gets put off until the end of the day.

By completing as many of the fixed tasks as possible throughout the day, you may be able to free up enough time to allow cashiers to end their shifts early – saving valuable labor hours and dollars.

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In addition to documenting these three basic components, strongly encourage and empower your Front End Manager to evaluate the front end situation throughout the day to find opportunities to save labor and/or improve customer satisfaction. They should ask these questions:

- Do I need the associate that just came on shift to cash, or can I use them for other tasks or offer them the opportunity to go home?
- Is this unanticipated business pattern temporary or will it last throughout the shift – if not temporary, should I call someone in or cancel a scheduled shift?
- Can I handle this change in business alone, or do I need to make the Manager in Charge aware of the situation so that they can be prepared to help.

Lesson 3: Make sure that your policies and practices don't allow or encourage sick-call abuse, and are designed to minimize the impact of unplanned absences to customer service

We all know that unplanned absences – sick calls, family emergencies – impact the business. When a scheduled associate doesn't show up for work, the business suffers. Either another associate has to cover the work or the work doesn't get done. When this work is customer-facing, either customers don't get service or they have to wait longer to receive service. If this happens frequently enough, it can result in customer dissatisfaction and a loss of future business.

There is no way to eliminate unplanned absences; people get sick and they have personal issues that come up unexpectedly. As an employer in a customer-focused business, it is important to understand just how impactful these unplanned absences are and to make sure that your business practices don't allow or encourage abuse and are designed to minimize the impact of unplanned absences. We worked with three grocery retailers whose front end customer service was being negatively impacted by frequent call-ins. While their specific situations were slightly different, the issues were the same, so we'll use one grocer as the example.

Just how much do associate unplanned absences hurt your business? Our example grocer had a goal of having no more than 3 people in line at each register – one being served and two waiting. They were able to achieve this goal for 75-80% of their customers fairly consistently Monday through Saturday. On Sundays however, only 54% of their customers saw this level of service; 54% was an average over the 16 weeks of our project. Some Sundays as few as 29% of their customers received the retailer's promised level of service. Several factors contributed to this issue:


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1. Small pool of associates available to work on Sunday – many of their Front End associates worked under an old union contract that made working on Sundays optional, requiring the Front End Manager to schedule the same associates (those under a different contract) every Sunday. These associates felt that they were doing the Company a favor by working on Sunday, so frequently called in sick. As a result, there were 2-3 sick calls every Sunday.
 2. Lack of enforcement of the sick call policy – associates that abused the policy weren't reprimanded. Management seemed to accept the Sunday sick-call issue as just one of the aggravations of doing business.
 3. Lack of relief cashier's to fill in during peak times. The store had very few associates outside of the Front End Department that were cross trained to run a register. They were also hesitant to call on those few, for fear of complaints.
 4. Lack of Store Manager involvement with the Front End Department. Although the Store Manager and Front End Manager had a good relationship, the Store Manager had minimal involvement; he didn't understand his role in supporting the Front End requests for cashier relief and cross training other associates, or the significant impact sick calls were having on the store's business.

The queue management system allowed us to measure the impact of unplanned absences to the store's customer service level. Sunday's average register traffic was 2,224. Had Sunday's customers been given the same level of service as those on Monday-Saturday, 75% or 1,668 Sunday customers would have received service according to the Company's promise. However, on Sundays the Company only met the promise for 54% or 1,201 of their customers. This means that on average, 467 shopper's experienced a 'less-than-promised' level of service every Sunday (compared to a 75% typical Monday-Saturday performance). And on those Sundays when the service level dropped to 29%, as many as 1,023 shoppers experienced a 'less-than-promised' level of service.

We can only guess at customers' perception of this store, but it's probably along the lines of "Retailer X has great service, except on Sunday, so don't shop there on Sunday unless you have plenty of time to wait in line". Being that Sunday is the second largest shopping day for this retailer (17% of their customers shop on Sunday), this retailer stands to lose a significant amount of their business, or at the very least cause these customers to feel disappointed. If they are the only shop in town that might work for them, but if there is a decent replacement, with comparable prices, look out.

Recommendations

- Ensure all associates have a clear understanding of the absence policy and how it is enforced
- Understand and communicate to your management team the impact of unplanned absences
- Ensure that the sick call policy takes into consideration impact to the business
- Ensure there are repercussions for sick call abuse
- Ensure that management consistently applies the repercussions
- Carefully review union agreements to ensure they don't limit the store's ability to take care of business, or in this case, they don't negatively impact the business
- Make sure there is a plan in place for relief cashiers to step in when unplanned absences occur.



Lesson 4: Providing good customer service on the Front End is the responsibility of the entire store

Every department in the store can influence your customers' perception of service. Examples include how fast the line moves at the Deli meat and cheese counter, the friendliness of the Grocery clerk in helping a shopper locate that hard-to-find item and how willing the Produce clerk is to split a package of grapes. However, no matter how happy a customer is when he or she heads to the checkout line, a bad experience at the Front End will counteract that happiness and the customer will leave the store with a poor customer service perception. Because the majority of shoppers have to go through the Front End, the customer service received in this department influences the shopper's decision to come back to the store and therefore influences all departments.

The best of class retailers establish a culture that doesn't just encourage but mandates that the entire store team work together to provide excellent customer service. This means that Deli helps out Bakery and Produce helps out Floral, and Grocery helps out Front End. There isn't bickering and nitpicking about how "my clerk worked for half an hour in your department and I'm having to pay for the labor". When the Front End manager calls for assistance, the requested department responds immediately. This doesn't mean that each department shouldn't be as prepared as possible by having good labor schedules and an internal plan for handling unexpected business patterns. It means that the attitude should be that this is one store and we all do whatever it takes to make the customer happy, without keeping score.

Even if each department has their own Profit & Loss Statement and are strictly held to their goals, processes can be put into place to ensure that labor is accounted for fairly. Clearly, if excessive labor is being pulled on a regular basis to the Front End, there is a scheduling problem which can be addressed by the Store Manager.

The only person in the store that can create this culture is the Store Manager. It is his or her responsibility to ensure that all departments are team players and when they aren't, he or she steps in to take corrective action. This attitude isn't just a 'we're all in it together' feel good, kind of thing - it makes good business sense. If the Front End is allowed to utilize 'relief' cashiers from other departments during unexpected peaks in business, that means that they don't have to have additional cashiers on the clock waiting in the wings to go on a register. It also means that they don't risk disappointing customers because they are unable to fulfill the Company's service promise. The Front End can operate more efficiently, saving the Company valuable labor hours and dollars.

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Lesson 5: Design your self check-out (SCO) practices to improve customer satisfaction on the regular check-out lanes

The customer-claimed benefits of self check-out have been well documented – lines are shorter, there is no one looking at your purchases, you have control of how your groceries are packed, you don't have to interact with a cashier. While there are customers that refuse to use self check-out, there is a percentage of customers that always use self check-out (if it is available), a percentage that will use it for certain size purchases and a percentage that will use it if the lines are long at the staffed registers.

Unfortunately, not all retailers with self check-out units take full advantage of them. They often assign their worst cashier to self check-out. Instead of encouraging customers to use self check-out, the retailer is afraid of offending them, so unnecessarily open staffed lanes. They position their express lanes at the opposite end of the store, reducing the option for the customer to easily move from the express lane to self check-out.

Following are the practices of those retailers that fully utilize self check-out and have high customer utilization – frequently 40% or better:

- The Self Check-Out Attendant should be the 'superstar' cashier. The person should be outgoing, willing and able to engage with customers. (Many retailers assign their lowest performing or 'modified' cashier to this role. This is a mistake.
- Ensure that the SCO Attendant job description clearly outlines their responsibility to monitor the staffed lanes and recruit customers to the SCO
- If your existing system has remote access to the SCO tills via a workstation on a podium, provide a hand-held device for the SCO Attendant. This will enable them to move around the SCO area and free them up to recruit customers from the staffed lanes without neglecting their SCO duties
- Provide training for the SCO Attendant that outlines how they are to approach customers when recruiting them to the SCO area. There should be annual follow-up training with the SCO Attendant, and the Front End Manager should be regularly coaching these attendants
- Require the Front End Manager to monitor the SCO area as well as the staffed lanes
- Locate express lanes close to the SCO area so that customers can easily select SCO, or be recruited into SCO by the attendant.



Irisys Retail Consulting Services

Overview

Irisys has a wealth of knowledge and experience gained from years of working with some of the world's best in class grocery retailers. The experience gained in these environments allows us to focus on the key areas of importance to the retailer. In particular we can provide insight into the front end and service areas of the store operation. Our consultants have worked with tier 1 and 2 retailers to deliver projects into the operations and service areas of the stores.

Irisys Consulting is uniquely placed to provide a focused and specialised service based on the retailers immediate needs.

The Service

Irisys can offer the following services to support your needs as a business in terms of:

- Store operations consulting
- Customer service review
- Customer service benchmarking
- Strategic reviews
- Project and program management
- Store front-end planning

These are just some of the areas where Irisys can add value to your business. With our hands-on expertise in people and queue management solutions we have a unique understanding of customer service and front end operations.

Contact Us

Contact us to find out more about what Irisys can do for you and to discuss your requirements in more detail.





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