

2017 Nudge Rewards Insights Article

Crossing the Last Mile

Engaging Frontline Workers to Improve In-Store Experience

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Crossing the Last Mile: Engaging Frontline Workers to Improve In-Store Execution


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Introduction

Why is it that countless promotions, initiatives, and product launches that look great on paper, fall flat on the sales floor? Finding the key to unlocking the potential of frontline teams is no easy task – and ensuring flawless in-store execution is even harder. Global brands continue to face challenges when it comes to communicating with their frontline teams, relying on legacy mechanisms such as an intranet, email updates, bi-weekly bulletins, or print-outs in the break room.

The ability to reach, engage and activate frontline teams is increasingly becoming the 'last mile' challenge for retail and foodservice organizations as they strive to improve in-store experience and performance.

Jordan Ekers

Chief Customer Officer at Nudge Rewards

What is the 'Last Mile'?

The 'last mile' was originally coined in telecommunications services to describe the challenges with the final leg of providing in-home service. When you imagine thousands of miles of wires getting strung and buried across the globe, it's hard to believe that the bottleneck could occur within the last mile or less, when connecting a home to their desired telecommunication service - **but it often does.**

The last mile is often the most difficult, yet most important leg of the journey. As Dilip Soman describes in his book, ***The Last Mile: Creating Social and Economic Value from Behavioral Insights:***

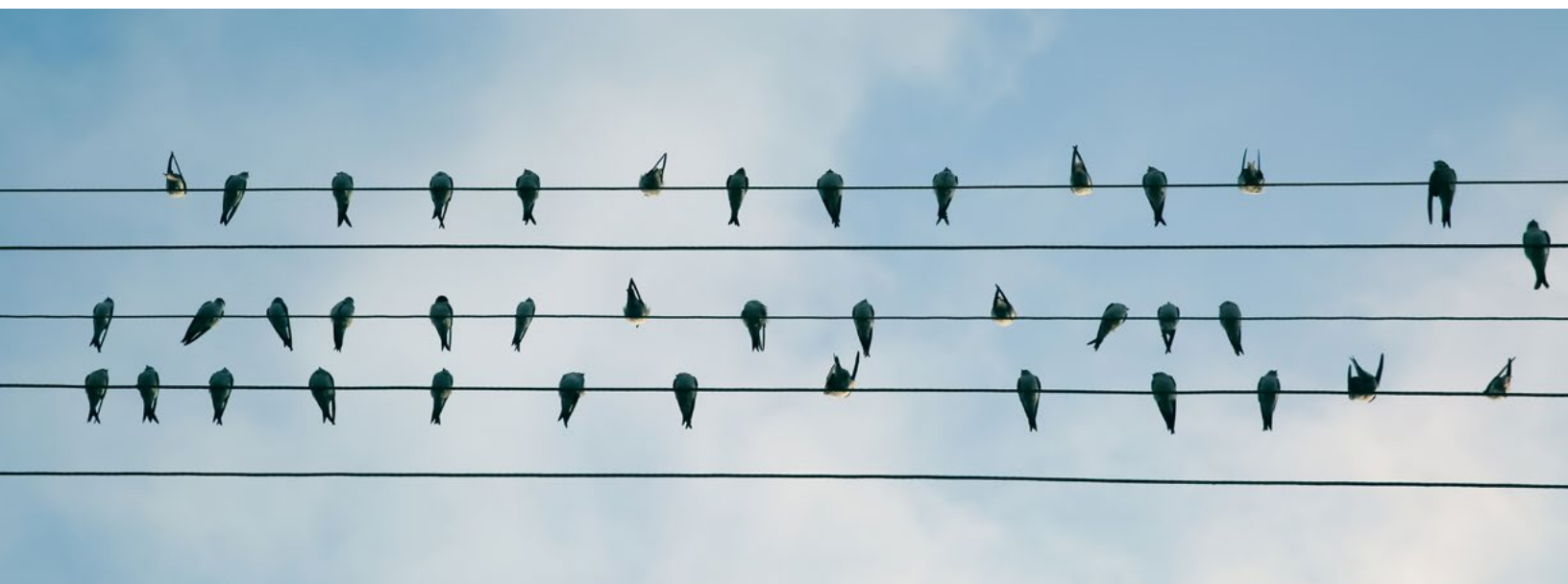
"The last mile or so of a journey home is perhaps the most inefficient as compared to the highway experience. Unlike the expressway, it's also the part where the behavior of individual agents- drivers, construction workers, and pedestrians - plays a significant role in your progress."¹

The last mile concept also impacts multi-unit environments, such as retail and foodservice organizations, in terms of their

ability to engage, train and activate their frontline teams. Retail and foodservice brands spend significant cycles developing new product offerings, promotions, and campaigns to reach customers.

However, the last mile to reaching those customers is usually through the frontline team, and it is becoming increasingly important to develop strong channels to communicate to those workers. Yet, organizations continue to use antiquated methods to communicate with and train their frontline teams - creating a barrier to productivity and meaningful engagement.

Ultimately, store associates and restaurant staff act as the face of the brand and are the starting point for customer experience. Ensuring they're engaged, educated, and motivated to act on behalf of the brand is a critical step in providing a great experience and building brand loyalty. For organizations with locations spread out across the country, with a remote, deskless workforce, **the last mile of execution is certainly not the least mile**, and crossing it is a necessary step towards success.



Why the Last Mile is Impacting Your Bottom Line

Strategy without execution is worthless. Yet, such a critical step in the buyer's journey, the in-store or in-restaurant experience, is being neglected. In a world that is so focused on providing digital, seamless experiences for consumers throughout their buying journey, it seems the frontline employee has somehow been left behind.

Today, brands are heavily relying on local managers to relay need-to-know information to the frontline. As such, the local manager becomes either the catalyst or the bottleneck in informing their staff, which introduces the risk of performance variability across locations. Too often, team performance metrics such as customer satisfaction, profitability, productivity, and employee turnover fluctuate widely from store to store, or even from employee to employee.

When you have information that is highly variable and constantly being updated (think: seasonal sale or special of the week), it is critical to rapidly cascade information to the frontline, so employees are always more knowledgeable than the consumers walking in the door. In a retail study conducted by PwC, 46% of consumers stated they prefer to research products online before purchasing. For more technical products, such as consumer electronics and computers, a further 60% prefer to research online beforehand.

Despite this, over 50% of consumers still prefer to make their actual purchases in-store.² Frontline teams are an extremely valuable piece of the puzzle, with associates



and front-of-house staff being expected to bring more value to the customer, by offering assistance in shopping, locating stock, and providing product expertise.

90% of senior executives' state that customer experience is a top priority for their organization³, yet only 27% of consumers feel name-brand retailers (department stores, big box retailers, specialty stores, etc.) are trying to provide exceptional service.⁴ There is a clear disconnect between strategy and priority at head office, and what is actually being executed and delivered on by the frontline.

Ensuring frontline employees are knowledgeable on in-market promotions, empowered to sell, and motivated will help brands develop an engaged workforce that provides a consistent customer experience. A key element in achieving such results is ensuring modern technologies and communication tactics are put into place - current systems of e-mailing weekly updates

Crossing the Last Mile:

A 5-Step Plan of Action

With the right communication tools and strategy in place, frontline employees can move from being last-to-know, to in-the-know and first to take action. The majority of frontline teams are now made up of 'digital natives' who value transparency, being part of the team, and prefer to be communicated to using current technology. Recognizing the changing behaviors of the next generation of workers is the first step to crossing the last mile.

Brands have recognized changing preferences for consumer-facing communications by building apps for loyalty programs, delivering mobile-first ads and videos, running personalized incentive

programs, and contests to build relationships - the list goes on. While innovation in consumer engagement has advanced, it can be argued that the opposite has occurred in relation to internal employee engagement.

The rules for effective employee communication have fundamentally changed, and brands are now having to play catch up. Effectively crossing the last mile through engaging with employees in a way that sparks action, will result in improved performance, enhanced customer experience, and ultimately, stronger brand loyalty.

1. Take Inventory of Your Communication Tools

What tools are currently being used to communicate with frontline managers and associates? Is it a combination of digital, print, and word-of-mouth? Are there tools that were corporate-led (think: intranet), versus tools that vary from store to store and have been implemented organically (think: public chat apps or social networks)?

You will likely discover there is a wide variety of frontline communication channels being used throughout your organization, for a range of purposes. Finding the mix that works for your organization is key. In order to reach frontline managers and employees, this may mean using a combination of tools,

such as a social intranet, team huddles, and a mobile app for performance management and collaboration.

Build out a list, noting the different communication mechanisms used in your organization. Take note of why each tool is used and how active employees are in engaging with it. You will likely discover there are more tools being used than you originally thought - and some are becoming both ineffective and expensive to continue using. To take inventory of your organization's tools, [access our Communication Tool Checklist here.](#)

2. Audit Your Communications' Effectiveness

Once you have a clear list of the tools your organization is using internally, it is important to conduct an audit of the effectiveness of communications to your frontline managers and associates.

Are you currently able to communicate directly with all frontline employees, or are you only reaching managers? How often do you share new information with your teams? Are your communication methods measurable (e.g. open rates, engagement, feedback)? Asking these questions are an important step in measuring the effectiveness of your strategy, and will help you in identifying opportunities for improvement.

"We have a difficult time reaching the frontline. It's a huge challenge because our success depends on the capabilities of our team." - Sue Easby, Director of Learning and Enablement at Rogers Communications

Brands who are able to cross the last mile place priority on improving their communications, optimizing their channels, sending timely information, and leveraging data to improve effectiveness. Take some time to reflect on your current frontline communications and see if you can identify trends in engagement and adoption. [Take our Communications Benchmark Survey to find out how effective your frontline communications really are.](#)

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3. Review Your Content Strategy

Now that you've looked across your organization's communication tools and measured your effectiveness, it's time to review your content strategy. Explore what information you're communicating to the frontline. Is it mostly tactical information or are you engaging employees in

cultural initiatives and informing them on organizational goals and strategies? While it is critical to keep your frontline teams informed on current promotions and product launches, your content strategy should include more than just short-term updates.

Consider implementing a three-tiered content strategy, designed to drive engagement, motivation, and behavioral change. Think about whether there is information your teams are missing. Could you be communicating in a way that focuses on inspiring action and promoting productive behavior, rather than just providing information?

Tier 1 - Ideological: Inspiring your employees to buy-in to the brand they work for is an essential first step to providing a great customer experience. Building a workforce of engaged employees who love to come to work is invaluable.

In this tier of content strategy, communicate with employees about your brand promise, cultural values, and ideology. Try asking your frontline teams key questions like 'what does our logo mean?' or 'what does our brand mean to you?'

Tier 2 - Strategic: Annual and quarterly goals should be shared with all employees, no matter if they're working at headquarters or in-store. By including frontline employees in the bigger picture, you're providing context to the tactical goals and short-term campaigns they're tasked with.

Develop content reminding employees of how their day-to-day is contributing to the business as a whole. For example, questions like, 'what is our CEO trying to achieve this year?' or 'what sales target are we trying to reach this quarter?' can help employees feel engaged with the overall strategy of the company. The majority of employees feel they do not get enough information from their company's leadership team - sharing this type of information will narrow this gap and help your teams feel valued.



Tier 3 - Tactical: Your frontline teams need to be knowledgeable about short-term goals, such as driving an increase in sales for a product or ensuring a successful campaign rollout. In addition to delivering information on in-market promotions, there should also be a mechanism in place that enables you to measure knowledge and gather feedback.

Tactical content should be developed with the goal of enticing an action or specific outcome. To do so effectively, try creating short, digestible communications including only key pieces of information. Follow-up on those communications with knowledge-testing questions or by asking for feedback to help get employees fully invested in the short-term task at hand.

4. Reimagine Content Creation

Now it's time to apply your learnings. Today, young adults read approximately 60 words before losing attention⁵ and the average frontline employee only spends two minutes per day on corporate communications.⁶ It is clear that your content should be kept short. Customer-facing employees have a busy workday. If you're sending them critical information, it needs to be bite-sized, interactive, and actionable.

Your marketing team is communicating with consumers through chat apps, social media, videos, and more – so why not do the same with employees? The days of one-way communication and full-day training sessions are over. In the same way marketing teams test different promotions and their delivery, try experimenting with a variety of content types for employee communications. Testing video (ie. product overview or message from the CEO), picture-based (ie. promotional material or planograms) and knowledge-testing questions (ie. 'what's the current offer?' or 'what ideas do you have to make this better?') can give you the data to

determine the best content types for each communication. See what resonates best with your workforce and ask for feedback on the type of content they like best.

Think about current opportunities for content creation in your organization. Is there marketing content that could easily be re-purposed or training information from an LMS or e-learning program that could be re-sized or broken down? Is work being done in developing newsletters or manuals that could be put towards developing more engaging and interactive content? Creating messages employees can easily digest and get excited about, whether it's concerning a seasonal sale or your brand's core values, will yield a measurable lift in engagement and motivation across your teams.

"A lot of our employees are Millennials - the days of training and e-learning are over. We focus a lot on content creation and communicating in a way that actually interests them." - Kris Maslanyk, Vice President Store Operations at FGL Sports Ltd.

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5. Implement a Team Performance Program

Now that you have developed your strategy and are testing content types, your attention can turn to implementing a team performance program. This is the final, and most difficult step in crossing the last mile. Focus on three key areas to ensure your program is successful in boosting performance and accelerating results on the frontline: recognition, rewards, and gamification.

The end goal of a team performance program is to drive engagement and increase motivation. Providing meaningful recognition and rewards play a big role in achieving this goal. When your frontline teams are engaged in company culture, knowledgeable on in-market promotions, and share valuable ideas, they should be recognized.

Rewards and recognition do not always have to be monetary, but when they are, they can be a great motivator for short-term

challenges and campaigns. To motivate a specific action, such as boosting sales during a product launch or upselling a certain item, try giving out individual or team-based rewards to top performers. Whether it's a gift card, paid day off, or a team pizza party, you'll be sure to spark excitement across the team. To really boost results and drive performance, try gamifying day-to-day work activities to incentivize your employees. Creating challenges, rewarding points, and using leaderboards in connection to communications are all great motivators.

It's important for employees to understand the value of the program. They should know why the content you're sharing is important, as well and how they can directly impact business performance. If your communication tools become a valuable part of your team members' day-to-day work, great adoption and engagement will follow.



Conclusion

We recognize that customer experience is paramount to an organization's success. Having a frontline workforce that's engaged, educated, and motivated is a critical component in getting you there. Are you ready to cross the last mile? You've already taken the first step - now, it's up to you to put a strategy into action.

To learn more about how Nudge Rewards can help you cross the last mile of team performance, visit nudgerewards.com

Endnotes.

¹ Soman, Dilip (2015). *The Last Mile: Creating Social and Economic Value from Behavioural Insights*. Toronto, ON. University of Toronto Press.

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⁵ Microsoft Consumer Insights (2015). *Attention Spans*. Retrieved from: <http://time.com/3858309/attention-spans-goldfish/>

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Team Performance for the Next Generation.

Nudge Rewards delivers a mobile solution designed to engage, educate and reward frontline managers and employees to improve in-store team performance and increase sales.

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