



RETAIL INDUSTRY LEADERS ASSOCIATION

RTech Council Conference Call | August 18, 2020

Attendees |

[See Link](#)

RILA Updates |

- Tech Policy – Hearing of CEOs of Amazon, Apple, Google, Facebook
 - RILA launches [Buy Safe America coalition](#)
- Retail Innovation Center Opportunity: [The Lead Classroom](#) September 30th and October 6th (for 1.5 hours each day).
 - The Lead Classroom: Innovation is being led by Dan Cherian (VP, Global Innovation, VF Corp). Facilitators include Jason Berns (SVP, Product & Manufacturing Innovation, Ralph Lauren), Parinda Muley, (VP, Strategy & New Growth Ventures, Macy's), Shana Randhava (VP, New Business Development, Estee Lauder) and Nicholas Ahrens (VP, Innovation, RILA).
 - Contact katie.nicholos@rila.org with any questions about how to nominate a director or to be connected with The Lead directly.

Peer Discussion | Learning from Successes

- Groundwork Pays
 - Following our first partnered program with Techstars, I wanted to create a new accelerator program that focused on consumer brands. This idea was not supported by Leadership, saying it was repetitive of what the buyer's team already functions as. I felt strongly that this program would be different and decided to focus on the pain points the buyers were experiencing (supporting unproven brands; building a new pipeline of brands for the buyers assortment) and ensuring our program would complement their work. The value was in right-sizing startup engagement, we now have a very strong conversion rate for brands that enter the program and end up on the shelves. We pulled off our first program, focused on beauty, with no budget as a side project to ultimately make a proof-case. We have now done a household essentials cohort and plans for a baby category and a pet category as we continue. The lesson here was that even if senior leaders have a strong POV, they may not always be right, and you may need to run a very lean project to build a case for your project to grow.
- Never Waste a Crisis
 - Throughout our COVID pandemic response we have really leaned in and provided support for team members and customers, accelerating curbside chainwide and delivery for customers faster. We will now be expanding our Teatro pilot chainwide creating a better customer experience by leveraging technologies for a more connected workforce. It worked out well by improving loyalty sign-up connections, triggering notifications for customer pick-up, and minimizing



RETAIL INDUSTRY LEADERS ASSOCIATION

associate footsteps - making more productive use of team-members time while working (not looking for each other, etc.). We also reaped the bonus of chain-wide Wi-Fi upgrades to ensure all our new technology runs smoothly. Additionally, since rural broadband is such a challenge – access to public WIFI has improved and we are looking at additional partnerships to help expand access for our local communities to have more reliable internet.

- We dedicated some team members to COVID crisis specifically and make sure we are not creating a bigger racial divide in education, around internet access. For example, we have developed a breathalyzer that can detect COVID within 24 hours. To deploy, we are working with firefighters to use a process called LAMP to help identify COVID and can train others to follow the methodology.
 - *You can connect with Intel about their COVID or LTE and internet access projects by reaching out to mariya.zorotovich@intel.com or stacey.shulman@intel.com.*
- Allocating Budget
 - We have identified about 200 core services that we have built most of and should be the building blocks of everything that we do – and have expanded our team of architects to help other teams learn to use them and build apps. We call it sprint 0, which is our best investment opportunity to start transforming our business to make more uniformity among applications of services. We have gotten more traction in the last 6 months than in the last 4 years of trying to get this project moving. Sprint 0 is now becoming recognizable vernacular in the company to make people think about some of the starting points of their projects. My learning was sometimes you need to really draw a line in the sand to make people understand how a project needs to be done better, especially now when lines of communications are better and the levels of investment are strong. 2020 was unique in budgets and the planning cycle was delayed for our physical year which restarts September, partly due to COVID, but partly due to new initiatives picking up. To convince people, we now have a few successes under our belt that we can point back to and walk them through the process & half our staff is legacy so they have been difficult to move them to new process.
 - We've faced a similar issue of bringing in new talent but balancing our legacy talent to protect knowledge throughout transitions.
 - We all have business continuity plans, but we never expected to in one-week switch to 100% remote work. Years ago we had tried to make the case for better at-home connections which didn't gain traction at the time, but has now worked well and the IT group has recently been able to have their budget increased to accomplish more projects, to support remote work, that were farther off before. As of now, we do not have plans to return to the office at 100% capacity, so the lesson here was that we could have been better prepared for this transition had we made the investments earlier.
- Org Structure



RETAIL INDUSTRY LEADERS ASSOCIATION

- We just got sign-off on a new multi-year investment that we will be using to make new applications and services available. It is a real bet on the future for us, and something we have not done before. Even when our fate was in question, we did not back off on how our customers were going to engage with tactile products/projects at home. We restructured our teams to have three separate labs that focus on different future timelines to manage our innovation program, while ensure we stay in close contact and aligned to the core business needs.
 - Q: Often in innovation we have something that leadership liked or has been proven but can be challenging to bringing it into the operational fold. How have you addressed this?
 - A: We have a business development/functional innovation lab who builds the roadmaps and run the projects, which allows the other labs to still focus on their rolls. We only move projects forward if it has VP signoff and a project leader. Which means sometimes promising projects get shutdown early.